Short Answers

1. Define E-Commerce.

E-Commerce can be described as the process of buying or selling products, services or information via Internet.

E-Commerce is currently one of the most important aspects of the Internet era.

Just like the words e-mail, e-book with the prefix 'e' ('e' stands for electronic) Commerce and Internet makes E-Commerce.

2. Distinguish between E-Business and E-Commerce

E-Business	E-Commerce
Online Business or **e**-**business** is any kind of business or commercial **transaction**. E-Business entirely depends on the Internet for its every **intra-company** and **inter-company** activities such as procurement of raw materials, marketing, finance, manufacturing, selling and negotiation.	E-Commerce can be described as the **process** of buying or selling products, services or information via computer networks. It also allows the consumers to exchange goods and services with no barriers of time or distance.

3. Differentiate tangible goods and electronic goods with example of your own.

Tangible goods	Intangible goods(electronic goods)
Tangible form – e.g. a digital camera purchased by a consumer from an online shopping website which might be delivered at the requested address.	Electronic form – e.g. a music album or a software downloaded from a site which might be delivered in electronic form.
Goods - e.g. mobile phones, digital cameras, clothes, accessories.	Goods - e.g. antivirus.
Information - e.g. subscription to some newspapers, scientific journals	Information - e.g. subscription to some newspapers, scientific journals, television channels.
Services - e.g. placement services	Services - e.g. matrimonial services

4. What is dotcom bubble and dotcom burst?

dotcom bubble	dotcom burst
The Dotcom bubble had attracted huge investments to first wave companies.	The second wave is the rebirth of E-Commerce after the dotcom burst.
The dotcom bubble was a rapid rise in U.S. equity market of Internet-based companies during 1990s.	The Nasdaq-Composite stock market index, fell from 5046.86 to 1114.11. This is infamously, known as the Dotcom Crash or Dotcom Burst.
Web 1.0 (Web of Content)	Web 2.0 (Web of Communication)

5. Write a short note on out-sourcing.

Out-sourcing and Off-shoring are generally associated with B2B E-Commerce.

- If a company's work is hired to another company, it would be termed as out-sourcing.
- Outsourcing is the process of contracting a business function or any specific business activity to specialized agencies.

Part - III

Explain in Brief Answer

1. Describe how E-Commerce is related to socio-technological changes.

- Growth of E-Commerce is also related to the socio-technological changes.
- The more, the medium becomes deeprooted, the more, are the users drawn towards it. Increase of users, increases the markets.
- As the markets expand, more business organizations are attracted.
- The more businesses accumulate it create competition.
- The competition leads to innovation; innovation in turn drives the development of technology; technology facilitates E-Commerce's growth.

2. Write a short note on the third wave of E-Commerce.

- The third wave is brought on by the mobile technologies.
- It connects users via mobile devices for real-time and on-demand transactions.
- Not only the information is filtered by time, but also the geographic coordinates are used to screen the specific location-tailored information properly.
- The term Web 3.0, summarize the various characteristics of the future Internet which include Artificial Intelligence, Semantic Web, Generic Database etc.

3. Explain B2B module in E-Commerce.

- In B2B E-Commerce, commercial transactions take place between different business organizations, through the Internet.
- When compared to other models, the value per transaction in B2B transaction is high, because of bulk purchases.
- The company also might get the advantage of discounts on bulk purchases.

Out-sourcing and **Off-shoring** are generally associated with B2B E-Commerce.
- If a company's work is hired to another company, it would be termed as out-sourcing.
- If the work is outsourced to a company, which is outside of its own country, is termed as off-shoring.

4. Write a note on name-your-price websites.
- Name-your-price sites are just like normal retail sites.
- In contrast, the buyer negotiates with the retailer for a particular product or service.
- The "Name-Your-Own-Price" (**NYOP**) is a system under which buyers make a suggestion for a product's price (unlike the traditional way where sellers quote a certain price) and the transaction occurs only if a seller accepts this quoted price.

Example: https://in.hotels.com/

5. Write a note on physical product dispute of E-Commerce.
- E-Commerce purchases are often made on trust.
- But in online shopping, we would see only the pictures the seller had chosen for us.
   (We can see pictures of the perfumes, but could not smell their fragrance)
- People are often much more comfortable in buying the generic goods rather than unique or complex things via the Internet.

Part - IV
Explain in detail
1. Write about the development and growth of Electronic Commerce.
1960s - Electronic date interchange allows companies to carry out electronic transactions-a precursor to online shopping
1979 - English inventor Michael Aldrich connected a TV set to a computer with a phone line and created "teleshopping" - meaning shopping at a distance
1981 - The first business-to-business transaction from Thompson holidays
1984 - The 'Electronic mail' is launched by Compuserve - users could purchase items directly from 110 online merchants
1991 - The National Science Foundation allows the internet to be used for commerical purposes
Aug 1994 - Online retailer NetMarket makes the 'first secure retail transacton on th web' - a copy of Sting's album Ten Summoner's Tales
Oct 1994 -Joe McCambley ran the first ever online banner ad. It went like on HotWired.com and promoted 7 art museums.
Jul 1995 - Amazon sold its first item - a science textbook
Sep 1995 - eBay sold its first item - a broken laser pointer
1999 - The first online-only shop, Zappo's, opens
2005 - Social commerce (people using social media in their buying decisions) is born thanks to networks like Facebook
2008 - Groupon is launched(NOV 2008 -The name Groupon is a blend of "group" and "coupon")
2009 - India's Total E-Commerce sale is 3.9 billion Americal Dollar
2018 - With mobile commerce, it is expected to hike 265% up and will be $ 850 billion American Dollar

2. List all the E-Commerce business models and explain any four briefly.
Explain any Five E-Commerce business models
1. Business to Business (B2B)
- In B2B E-Commerce, commercial transactions take place between different business organizations, through the Internet.
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2. Business to Consumer (B2C)
- In B2C E-Commerce, commercial transactions take place between business firms and their consumers.
- It is the direct trade between companies and end-consumers via the Internet.
- B2C companies sell goods, information or services to customers through online in a more personalized dynamic environment and is considered as real competitor for a traditional storekeeper.

3. Business to Government (B2G)

- B2G is a business model that refers to business organizations sells products, services or information to Governments or to its administrations. In other words, when a company get paid for its goods, services by the Government through Internet it is called as B2G model.
- B2G networks models provide a way for businesses to bid on Government projects or products those Governments might need for their organizations.
- E.g. A Government or its administration buys laptops for students from a business.

4. Consumer to Business (C2B)

- C2B can be described as a form of E-Commerce where, the transaction is originated by the consumers.
- The consumers will fix a set of requirements or specific price for a service or a commodity.
- C2B model, is also called as reverse auction model. Here, customer bid his price for a service or a product.
- Then E-Commerce business entity will match the requirements of the consumers to the best possible extent.

5. Consumer to Consumer (C2C)

- C2C in E-Commerce provides opportunity for trading of products or services among consumers who are connected through the Internet.
- In brief when something is bought and sold between two consumers using Internet it is called C2C E-Commerce.
- Here the websites act as a platform to facilitate the transaction.
- this type of E-Commerce works as Consumer to Business to Consumer (C2B2C).
- Most of the auction websites and matrimonial websites are working on this methodology.

6. Consumer to Government (C2G)

- Citizens as Consumers and Government engage in C2G E-Commerce.
- Here an individual consumer interacts with the Government.
- C2G models usually include income tax or house tax payments, fees for issuance of certificates or other documents.
- People paying for renewal of license online may also fall under this category.

7. Government to Business (G2B)

- G2B is closely related to B2G. G2B in E-Commerce refers to a business model where
- Government providing services or information to business organization.
- It may be a formal offer such as a takeover bid for a road project.
- The objective of G2B is to reduce burdens on business, provide one-stop access to information thereby boost the economy.

8. Government to Consumer (G2C)

- G2C in E-Commerce is very similar to C2G. Here the Government provides platform for its citizens to avail its services and information through the Internet.
- The services may be issuance of certificates through online.
- E.g. https://csc.gov.in/governmenttocitizen.

9. Government to Government (G2G)

- G2G is the online (usually non-commercial) interaction between Government organizations or departments.
- G2G's principle objective is to implement e-governance rather commerce.
- G2G model in e-governance involves distributing data or information between its agencies/departments.
- G2G systems can be classified into two types Internal facing or local level - joining up a single Government's bureaucracies. E.g. https://www.nic.in/
- External facing or international level - joining up multiple Government's bureaucracy.

3. Explain any five E-Commerce revenue models.

1. Affiliate site is a form of third party marketing in which the site owner get paid based on the performance.
The affiliate site may be a price comparison service or shopping directories or review sites or blogs that contain a link to a normal retailing site and are paid when a customer makes a purchase through it. The affiliate site usually attracts visitors by offering more information and tutorials on some specific product or a topic

2. Auction site is a kind of website, that auctions items on the Internet and levies some commission from the sales. e.g. https://www.ebay.com/

3. Banner advertisement site displays advertisements of other companies in its websites and thereby earns revenue.

4. Bulk-buying sites collect a number of users together all of who want to buy similar items; the site negotiates a discount with the supplier and takes a commission. e.g. https://www.alibaba.com/

5. Digital publishing sites effectively host the e-books or magazines on the web. They make profits in a number of ways such as advertising, selling etc., https://wordpress.org/

6. Licensing sites allow other websites to make use of their software. For example, the search engines which allow a visitor of the site to search within the website more easily.

7. Name-your-price sites are just like normal retail sites. In contrast, the buyer negotiates with the retailer for a particular product or service. https://in.hotels.com/

8. Online Shopping mall site allows multi E-Commerce traders to assemble together on a single website. Often these sellers would be related to each other, for example they may all sell luxury goods. This site would take a percentage of their profit.

4. How would you differentiate a traditional commerce and E-Commerce?

Traditional Commerce	E-Commerce
Traditional commerce is buying or selling of products and services physically	E-Commerce carries out commercial transactions electronically on the Internet
Customer can easily identify, authenticate and talk to the merchant	Neither customer nor merchant see the other
Physical stores are not feasible to be open all the time	It is always available on all time and all days of the year
Products can be inspected physically before purchase	Products can't be inspected physically before purchase
Scope of business is limited to particular area	Scope of business is global. Vendors can expand their business Worldwide
Resource focus Supply side.	Resource focus Demand side
Business Relationship is Linear	Business Relationship is End-to-end
Marketing is one way marketing	One-to-one marketing
Payment is made by cash, cheque, cards etc	Payment system is mostly credit card and through fund transfer
Most goods are delivered instantly	It takes time to transport goods

5. What are the advantages and disadvantages of E-Commerce to a consumer?

Advantages (ANY FOUR)

● E-Commerce system is operated on all days and all the day. It is able to conduct business 24 x 7.

● Speed is a major advantage in E-Commerce. Advanced Electronic communications systems allow messages to reach across the world instantaneously. There is no need to wait days for a catalogue to arrive by post. Communication delay is not a part of the Internet or E-Commerce world.

● The Internet is too easy to 'shop around' for products and services that may be more cheaper and effective than left to buy only in a Brick and Mortar shop.

● The whole world becomes a shop for today's customers. They can have wide choice by comparing and evaluating the same product at different websites before making a purchase decision.

● Customers can shop from home or anywhere at their convenience. They don't need a long wait to talk to a salesman.

Disadvantages (ANY FOUR)

● E-Commerce is often used to buy goods that are not available locally but from businesses all over the world.
Physical goods need to be transported, which takes time and costs money.

● Unlike returning goods to a traditional shop returning goods through online is believed to be an area of difficulty.

● Privacy issues are serious in E-Commerce.In E-Commerce generating consumer information is inevitable.

● Physical product disputes are a major disadvantage in E-Commerce. E-Commerce purchases are often made on trust.

● Delivery ambiguity. Since supplying businesses can be conducted across the world, it can be uncertain whether they are indeed genuine businesses or just going to take our money.

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