Concept Paper

Electronic Commerce

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Electronic Commerce (E-Commerce)

Electronic commerce (e-commerce) increasingly has become a common mode of exchange among businesses and consumers alike. E-commerce technology may be defined as the use of computer and Internet-based applications that support the electronic exchange of goods and services at both the personal and business level (Jap & Mohr, 2002; Robeiro & Love, 2003).

Purpose/Rationale

E-commerce scholars have acknowledged the computer and the Internet as technological applications that have changed the business landscape dramatically over the past few decades (Pratt, 2002), allowing for more efficient and productive means of business operation. While it may be assumed that businesses of all types are using technology to their benefit, small firm involvement is varied and tends to lag behind that of larger firms (O'Cass & Fenech, 2002)**.**

Technology pushes and pulls businesses of all sizes to adopt new strategies and modes of doing business. Little is known about how small family firms adopt and integrate e-commerce strategies to complement traditional business practices and to sustain and enhance their performance (Dinlersoz & Hernandez-Murillo, 2004).

Program Goals

1. To provide valued online customers with quick delivery of high quality electronic products.

2. To employ the latest in internet e-business technology in transacting online business.

Delivery Methods

Electronic payment and POD.

As online shopping gains in popularity, supporting services such as electronic payment and delivery have become more mature. The main forms of payment include online payment and payment on delivery (POD). (HKTDC,2012).

Self-operated delivery.

Some of the large enterprises and large-scale B2C websites (e.g. Vancl, 360buy.com and Joyo.com) have established their own logistics and delivery systems. They operate warehouse centres and distribution points at locations where there is a large concentration of online shoppers. (HKTDC,2012).

Third-party logistics and delivery

Since it requires a large investment to establish one's own logistics and delivery system, certain shopping websites (such as Taobao.com, PaiPai.com and EachNet.com) and individual websites have chosen to use third-party logistics companies for product delivery. Taobao.com provides a one-stop logistics system backed

by a service alliance of international and domestic warehouse, courier and software enterprises. (HKTDC,2012)

Business registration.

Under the *Guiding Opinions on Online Trading (Interim Implementation)*, setting up an online shop is just like operating a physical store, which means the enterprise concerned has to register with SAIC. For an enterprise which has already registered for the operation of a physical store on the mainland, if the business scope of its online shop is the same as that of its physical store, no re-registration is required. ((HKTDC,2012)

References

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