

Q.1. Define Digital Business.

ANS. Digital Business: It uses technology to create new value in business models, customer experiences and the internal capabilities that supports its core operations. The term includes both digital-only brands and traditional players are transforming their business with digital technologies.

e.g. Netflix is a good example of a company that switched from e-business to digital business from e-business to digital business. Originally Netflix used technology to manage inventory system and mail people DVDs, providing an experience that was more convenient, but ultimately fairly similar to movie rental stores.

Q.2. How to select E-Business strategy?

ANS. The selection of business strategy requires solid knowledge of how e-business can create economic value for the firm. Successful SMEs know how to identify the scope of their activities and determine which products, clients and geographic markets they should target. They also know how to set clear and measurable goals. The strategy selection is depending upon following questions-

1. How can a e-business create economic value? The ultimate goal of any strategic decision is to create value.
2. How can SME position itself in the industry? To create value, companies seek to improve their positioning of their competitors. The SMEs in this study were seeking primarily to improve their client offerings by making their products or services more attractive.

Q.3. What are the different drivers for Digital Business?

ANS. Different drivers for digital business-

1. **E-business concept:** The e-business concept describes the rationale of the business, its goal and vision and products or offering from which it will earn revenue. A successful concept is based on a market analysis that identifies customers likely to purchase the product and how much they are willing to pay for it.
2. **Value proposition:** It describes the value that the company will provide to its customer and sometimes to other as well. With a value proposition the company attempts to offer better value than the competitors so that the buyers will benefit most with this product.

3. **Sources of revenue:** Depending on the business model, several revenue resources may be available to an e-business. Many online businesses will have a three or four of these sources. A mix of revenue sources is often referred to as a revenue model but may be mistakenly called a revenue model.
4. **Activities, resources and capabilities:** The activities, resources and capabilities are sometimes known as its requirements. In order to perform the activities required to carry put the mission of the business, certain resources are needed.

Q.4. Write a note on application development in digital business.

ANS. Application development in Digital Business-

It become more responsive and agile to support the new pace of digital business. App development strategies shape the people, processes and the technologies that drive the creation of innovative app experiences for digital business transformation. This primer covers:

1. Application development team practices and culture to respond quickly to business needs.
2. Design methodologies to discover new business opportunities and drive the customer value.
3. Development technologies to digitally transform, process and address multi-experience needs.
4. Quality mindset to change the quality assurance (QA) practices and culture to achieve continuous quality.

Application leaders must think strategically of how IT and business stakeholders can work together to achieve long-term change that results in new behaviors and business models.

Q.5. Explain process of digital transformation.

ANS. Digital transformation: It is the process of using digital technologies to create new or modify existing business processes, culture and customer experiences to meet changing business and market requirements. The reimagining of business digital age is transformation. It transcends traditional roles like sales, marketing and customer service. Instead digital transformation begins and ends with how you think about and engage with customers. As we move form paper to spreadsheets to smart applications for managing our business, we have the chance to reimagine how we do business - how we engage our customers – with digital technology on our side. For small businesses just getting started, there's need to set up your business processes and transform them later. You can future proof your organization from the

word go. Building a 21st century business on stickies and handwritten ledgers just isn't sustainable. Thinking, planning and building digitally sets you up to be agile, flexible and ready to grow.

CASE STUDY:

ANS.

1. Initial challenges faced by Flipkart: Initially, when the Flipkart was launched, there were already many e-commerce companies like e-bay, snapdeal, etc. Since, it is an Indian-based company, it had an advantage of grasping Indian minds. The products on Flipkart, was of good quality but lately introduced in market. Flipkart, then took decision to launch product exclusively on Flipkart, which helped them to connect with a greater number of employees. Also, Flipkart has improved their quality of service, product price range, all possible location service, etc.

2. Flipkart being an Indian-based company, was very well known to capture Indian minds. They started to introduce Flipkart exclusive products. They started serving all possible location over pan India. They ensured that the quality has to be of utmost importance. They started giving 30-days money back guarantees. Also, they started to accept various payment methods such as debit card, net banking, credit card, upi and cash on delivery. Also, they started giving cash back and loyalty points to attract customers. They also ensured that any failed payment transaction has to be solved within 3 days so that customer should not lost his/her money. They started organizing sales by offering product at lower cost than the actual cost. They enhanced order processing system and tracking system so that the customer should not be worry about the product delivery. Also, they bind-up with multiple logistics to provide fast and efficient product delivery.

3. Social media plays an important role in our day to day life. We always surfing over social media to stay updated. This increased surge in the social media, made the e-commerce websites to advertise their products on the social media to attract a greater number of customers. Companies started giving off coupons, time-based price, offers, discounts to increase their sales. Also, companies started giving advertisement via celebrities, influencers, bloggers to promote their products to reach huge audience. All these indirectly benefitted companies to capture the market and increase the market share of the brand.