

## E-Commerce

### Overview of development in Information Technology :

The Landscape of Information technology has seen development over the last few decades.

### Development in Information Technology :

- Internet and world wide web
- Mobile Technology
- Cloud Computing
- Big Data and Analytics
- Payment technologies
- Artificial Intelligence and Machine Learning
- Social Media and Influencer Marketing
- Cybersecurity Measures

# Let us discuss these points in detail:

#### 1. Internet and World Wide Web :

The proliferation of the Internet and the advent of the world wide web in the early 1990s revolutionized. This laid the foundational infrastructure for online transactions.

#### 2. Mobile Technology :

The advent of

Smartphones and mobile internet has expanded beyond traditional desktop environments, making possible to shop and manage businesses from anywhere.

### 3. Cloud Computing:

Offers scalable resources for hosting, storing and managing data online also handle high volumes of traffic and transactions without physical infrastructure.

### 4. Big data and Analytics:

The ability to collect, process and analyze large datasets has allowed businesses to gain insights into customer behavior.

### 5. Payment Technologies:

Digital wallets and blockchain, have made online transactions more secure and convenient.

### 6. Artificial Intelligence and Machine Learning:

These technologies have been used for personalizing the shopping experience, and improving customer service.

7. Social Media and Influencer Marketing:  
The rise and social media platforms has created new channels for marketing and selling products.

8. Cybersecurity Measures:  
Development in Cybersecurity are crucial to protect sensitive data and maintain consumer trust.

## Defining e-Commerce:

E-commerce or electric commerce, is the buying and selling of goods and service online.

### Features of E-Commerce:

- Payment
- Services
- Marketing and Advertising
- Sale
- Fulfillment
- Secure Communication
- Support
- Website

- How to run Business
- Ability to provide information on demands.

## Elements of E-commerce:

- Product
- A place to sell the product.
- A way to get people to come to your website.
- A way to accept orders.
- A way to accept money.
- A fulfilment facility to ship products to customers.
- A way to accept returns.
- A way to handle warranty claims if necessary.
- A way to provide customer service.

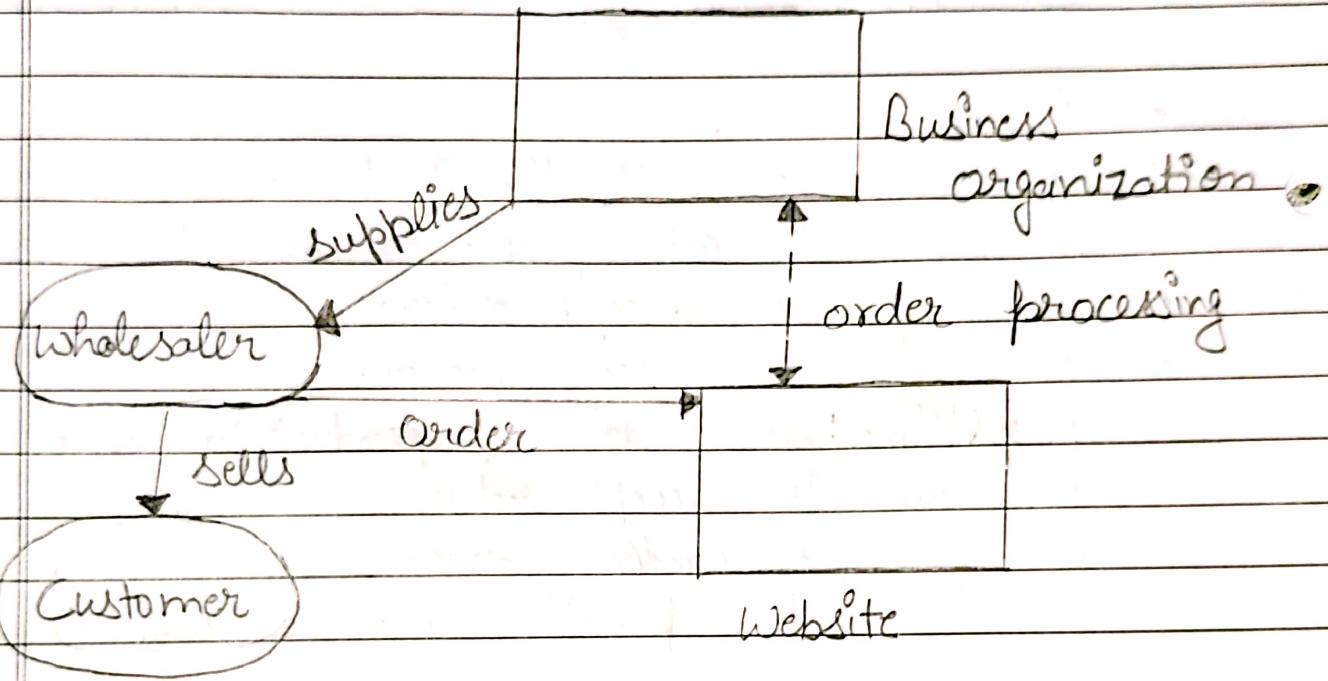
## Types of E-commerce:

- Business to Business (B to B)
- Business to Consumer (B to C)
- Consumer to Consumer (C to C)
- Consumer to Business (C to B)
- Business to Government (B to G)
- Government to Business (G to B)
- Government to Citizens (G to C)

⇒ Let's we discuss these points in brief:

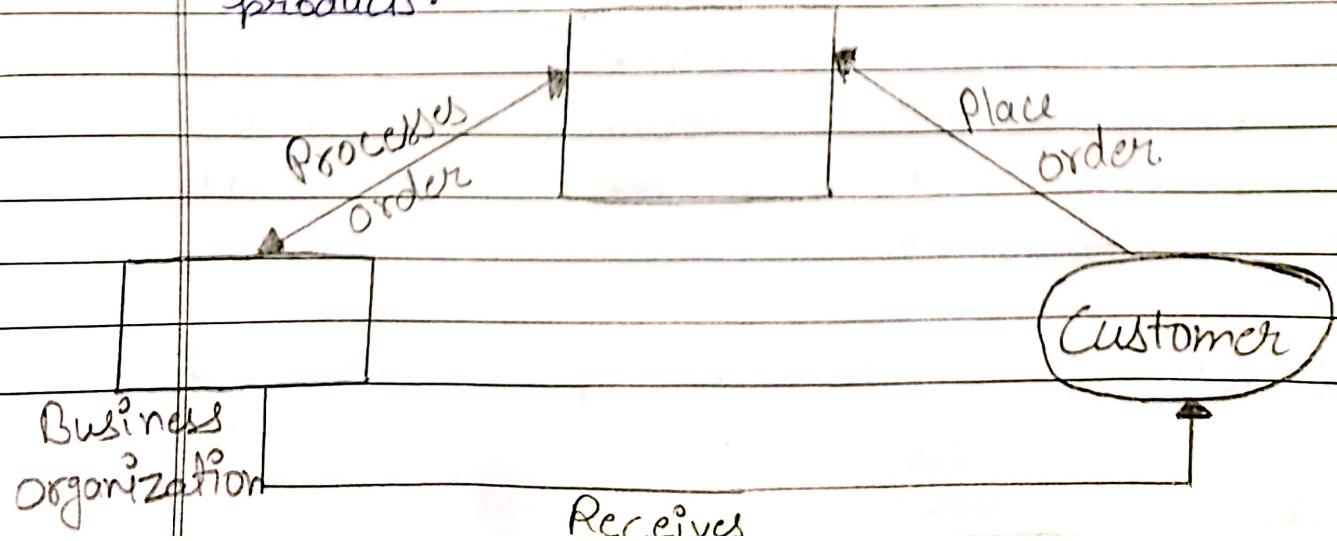
## 1. Business - to - Business (B to B) :

A form of transaction between business such as a manufacturer and wholesaler or a wholesaler and a retailer.

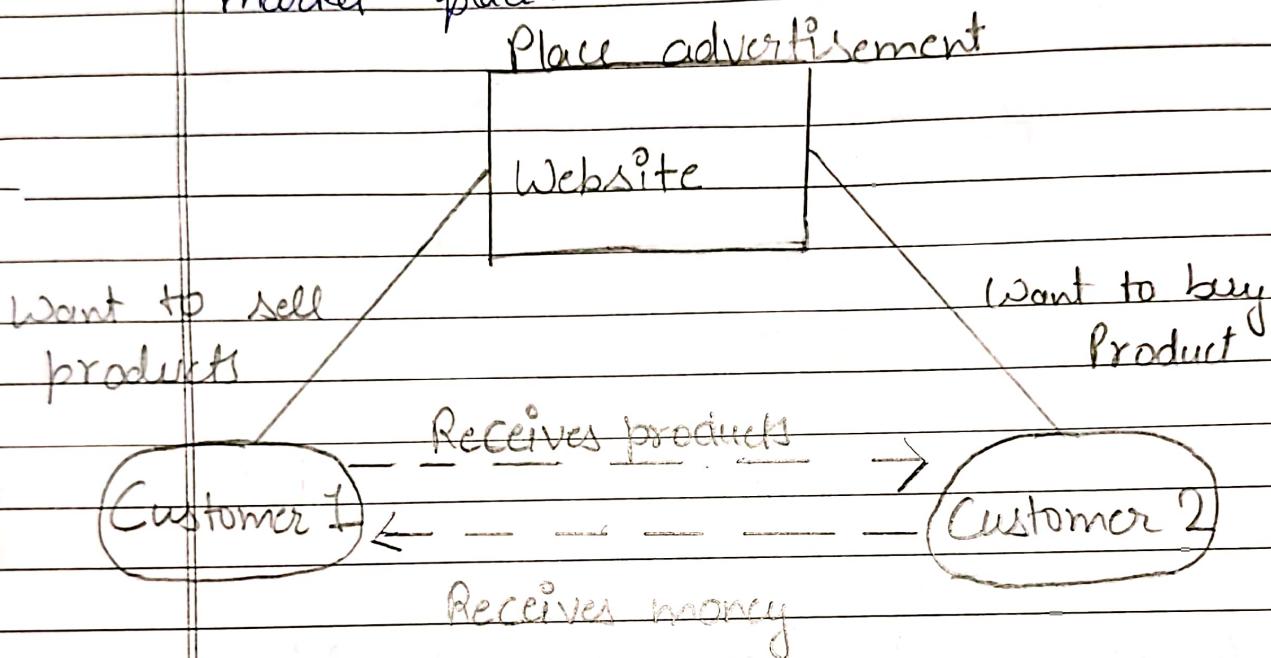


## 2. Business - to - Consumer (B2C) :

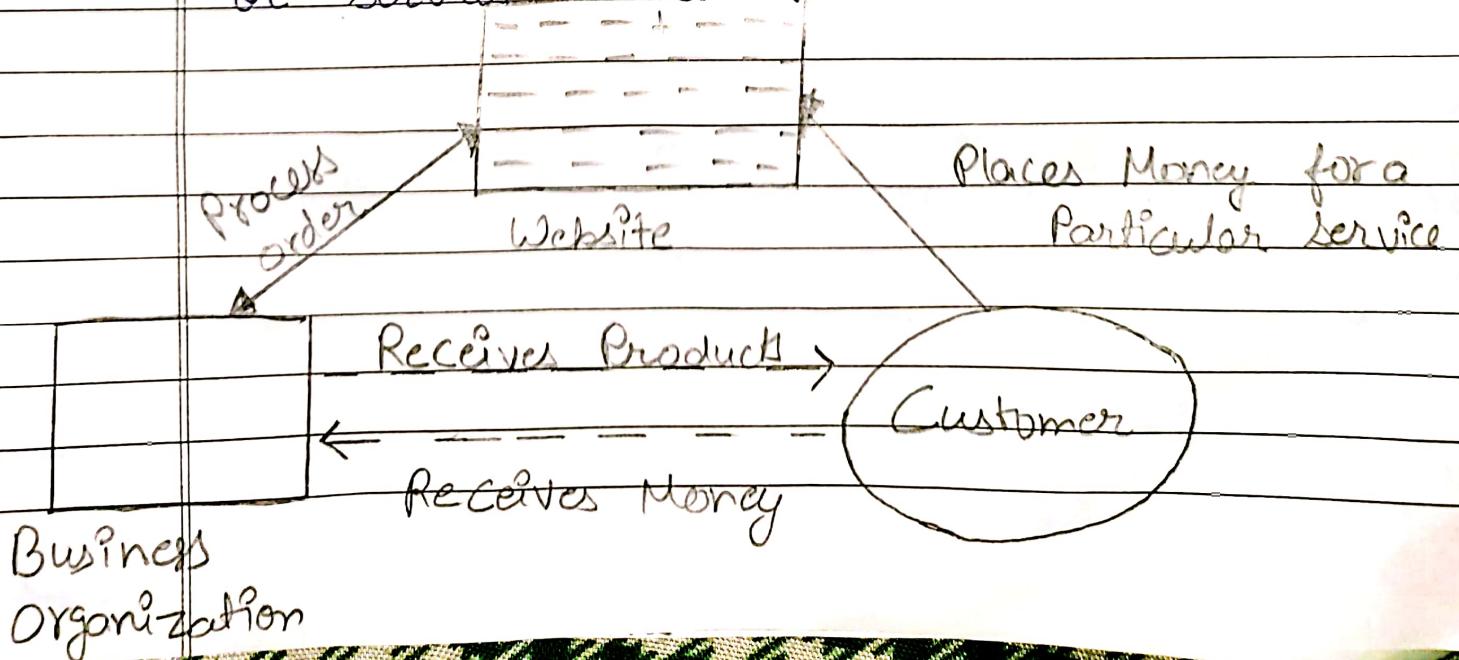
The process of selling products and services directly between a business and consumer who are the end-users products.



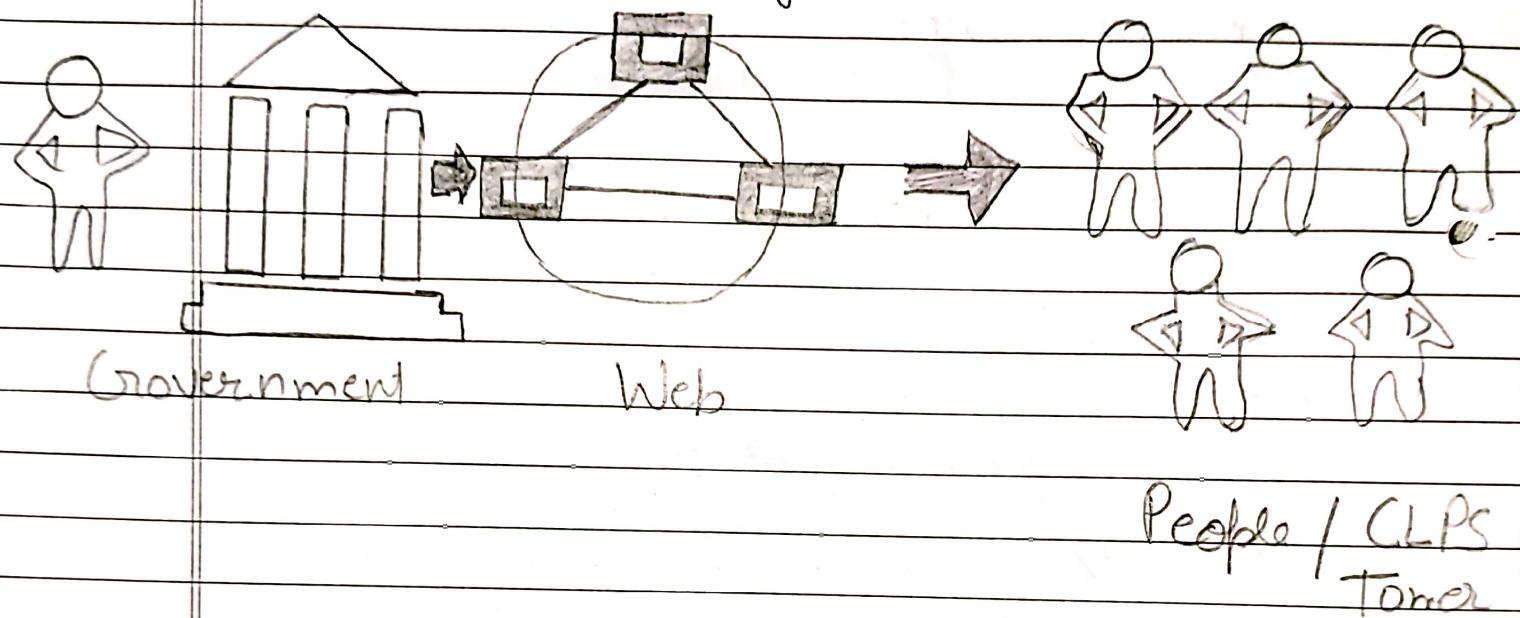
3. Consumer - to - Consumer (CtoC) : A business model in which consumers sell products or services to other consumers through an online market place.



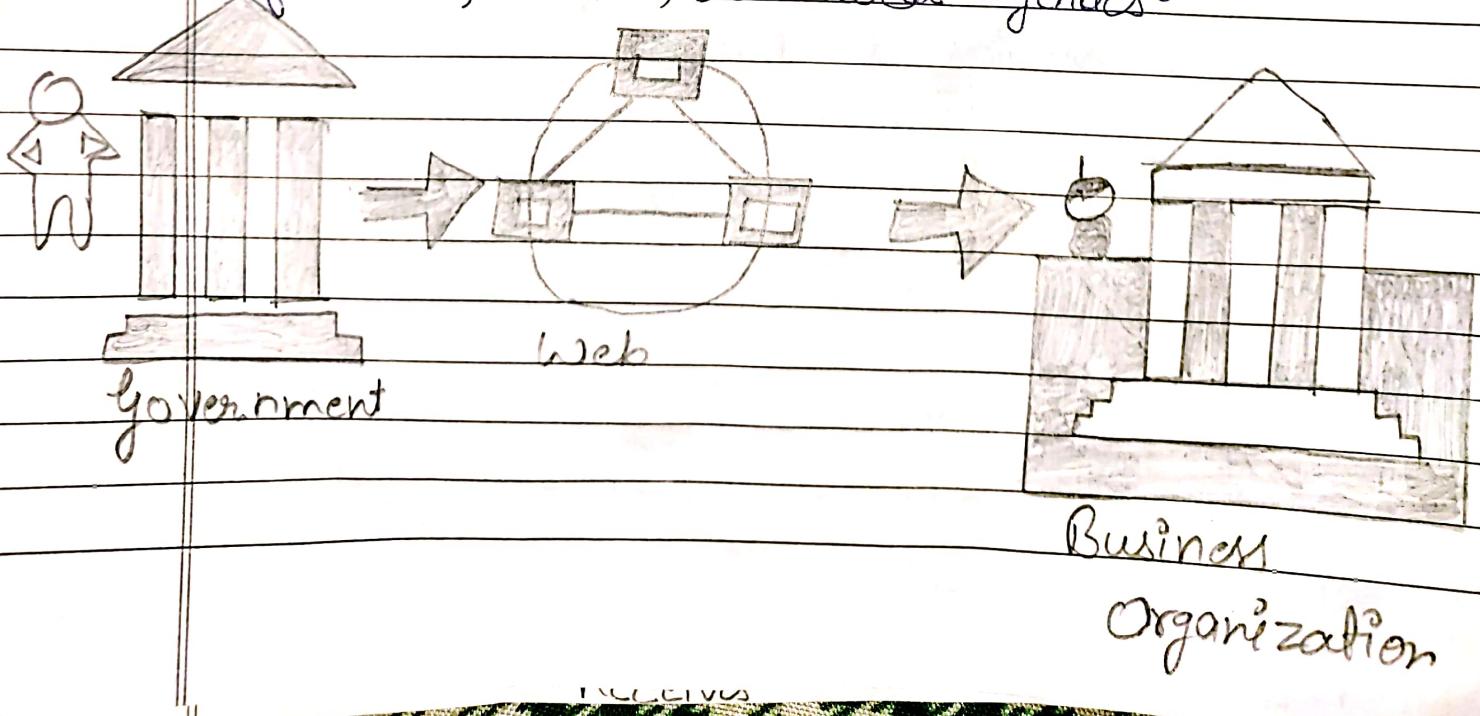
4. Consumer - to - Business (CtoB) :



5. Business - to - Government (B to G):  
 The Sale and Marketing of goods and services to federal, state, or local agencies.

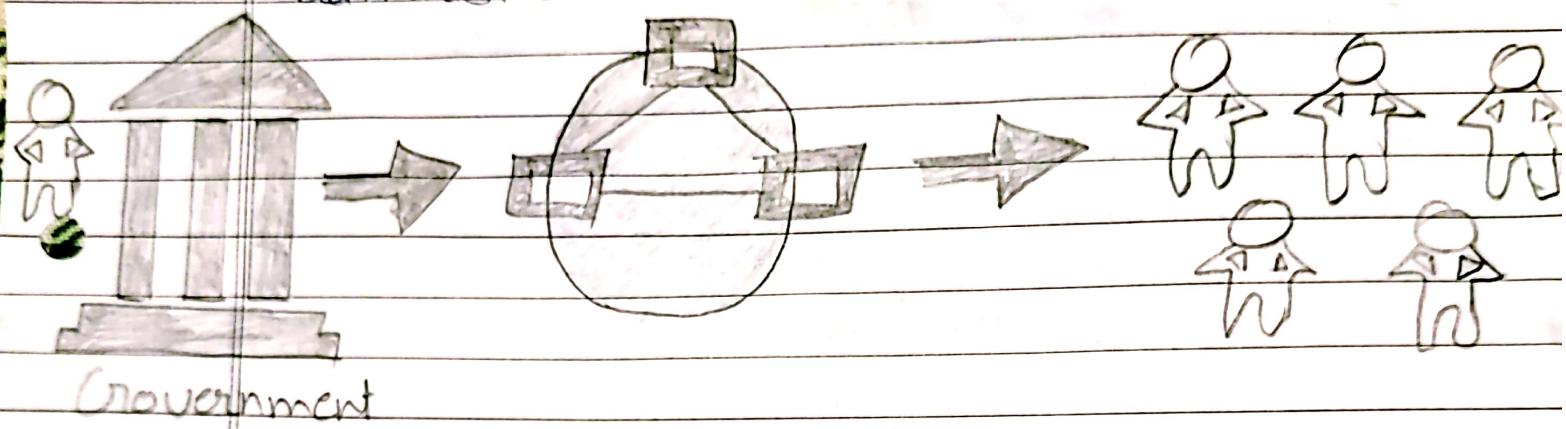


6. Government - to - Business (G to B):  
 The Sale and Marketing of goods and services to federal, state, or local agencies.



To Government - to - Citizens (G to C):

The relationship between the government administration and citizens.



# Scope of E-commerce Can be follow

- Exchange of digitized information
- Technology enabled
- Customers retention
- Accounting
- Supplier integration
- Support the Exchange

⇒ Discuss these points in brief :

1. Exchange of digitized information :

≡ ≡ ≡ ≡ The digitized information exchange can represent communications between two parties, coordination of the flow of goods and services

2. Technology Enabled :

≡ ≡ E-commerce is about technology enabled transactions in e-commerce such transactions can be managed using technology

3. Customers Retention :

≡ ≡ E-commerce enables organization to get classified and customized market information that helps in retaining

customers through fast orders.

#### 4. Accounting:

— = financial accounting treasury management and asset management ~~and cost~~ are best possible in E-commerce because of integrated database.

#### 5. Supplier Integration:

— = for lowering inventory carrying costs and broader availability of material and opportunities suppliers network can be integrated.

#### 6. Support to Exchange:

— = E-commerce includes intra and interorganizational activities the support the exchange.

## Electronic Market:

An electronic market (or e-market) is a virtual market place where buyers and sellers come together to exchange goods, services, and information over the internet. These markets leverage information technology infrastructure to facilitate

everything from product.

## Key Characteristics:

- Ubiquity
- Global Reach
- Reduced Transaction Cost
- Increased Information Availability
- Personalization and Customization

⇒ Let us discuss these key characteristics in detail:

- Ubiquity:  
E-markets can be accessed from anywhere at any time provided there is internet connectivity.
- Global Reach:  
They offer sellers access to a global customer base and provide buyers with a wider selection of products and services.
- Reduced Transaction Cost:  
By automating transaction processes and reducing the need for physical infrastructure.

## • Increased Information Availability :

— = = Detailed product information, reviews, price, Comparisons are readily available, enabling buyers to make more informed purchasing decisions.

## • Personalization and Customization :

— = = E-Market Can offer personalized shopping experiences based on customer data, including browsing behaviour and purchase history.

# Electronic Data Interchange :

Electronic data interchange (EDI) is the electronic interchange of business information using a standardized format a process which allows one company to send information to another company, electronically rather than with paper.

# Internet Commerce :

## EDI VS Traditional Method :

Steps to transfer of documents in a traditional systems are:

1. A Software applications generates a paper document on a form.
2. Copies of the documents are made some are passed to internet department. Other copies are send to the trading partner.
3. The Trading Partner receives the documents and retype the information into their Computer.

## Advantages of EDI

- (1) Reduced Data entry errors.  
(Since data is not repeatedly keyed)
- (2) Reduced processing cycle time.
- (3) Availability of Data in electronic form
- (4) Reduced paper work.
- (5) Reduced Cost.
- (6) Reduced Inventories and Better Planning
- (7) Standard Means of Communications
- (8) Competitive Advantage
- (9) Improved Corporate trading Relationship.

## Applications of EDI :-

1. Handle a large volume of repetitive standard action
2. Operates on a very tight margin.
3. Faces strong competition to require improvements.
4. Operates under time constraints.

# Benefits of E-Commerce.

Benefits of e-Commerce are divided into three categories:

- (a) Benefits to organizations
- (b) Benefits to consumers
- (c) Benefits to society

Let us discuss these benefits of e-Commerce in brief:

## (a) Benefits to Organizations:

- 1. E-Commerce expands the market place to national and international markets.
- 2. E-Commerce decreases the cost of creating, processing, storing and retrieving paper-based information.
- 3. Ability for creating highly specialized businesses.
- 4. Improved Image
- 5. Improved customer service
- 6. New found business partners
- 7. Simplified processes
- 8. Compressed Cycle and delivery time
- 9. Increased Productivity
- 10. Eliminating Paper
- 11. Expediting Access to information

12 Reduced transportation Costs

13 Increased Flexibility.

(b) Benefits to Consumers:

= = = The benefits of E-commerce to consumers are as follows:

1. Customers can do transactions 24 hours a day, all year round almost any location.
2. E-commerce provides customers with more choices.
3. E-commerce allows quick delivery.
4. E-commerce provides customers with less expensive product services by allowing them to shop in many places and conduct comparisons.
5. Customers can interact with other customers in electronic communication and exchange ideas as well as compare experiences.
6. Customers can participate in virtual auctions.
7. Customers can receive relevant and detailed information in seconds, rather than days or weeks.

8. E-Commerce facilitates competition, which result in substantial discounts.

(c) Benefits to Society:

                                                The benefits of E-Commerce to society are as follows:

1. Work at home and to do less travelling for shopping, resulting in less traffic on the roads and lower air pollution.

2. E-commerce enables people in rural areas to enjoy products and services that otherwise are not available to them.

3. E-commerce facilitates delivery of public services, such as health care, education and distribution of government social services at a reduced cost and / or improved quality.

4. Companies can have smaller office buildings, less parking space, fewer IT services etc.

5. Distance learning and education.

6. Online Health Care Services.

# Limitations of E-Commerce:

The limitations of e-commerce can be divided into two categories:

- (a) Technical Limitations
- (b) Non-technical limitations

Let us discuss these limitations in brief:

## (a) Technical Limitations of E-Commerce:



1. There is a lack of system security, reliability, standards.
2. The software development tools are still evolving and changing rapidly.
3. There is insufficient telecommunication bandwidth in many countries.
4. Vendors may need special web servers and other infrastructures, in addition to the network servers.

## (b) Non-Technical Limitations:



The non-technical limitations are as follows:

1. Cost and Justifications
2. Lack of trust and user resistance
3. Takes time for delivery of Physical products
4. Lack of touch and feel online.
5. Still evolving and changing rapidly.
6. Many legal issues are as yet unresolved.
7. There are not yet enough sellers and buyers.
8. There are not enough support services.
9. Accessibility to the internet is still expensive
10. E-Commerce could result in a breakdown of human relationships.