

E-Business and E-Commerce

- Overview of E-Business and E-Commerce
- 2. Business-to-Consumer (B2C) Electronic Commerce
- 3. Business-to-Business (B2B) Electronic Commerce
- 4. Ethical and Legal Issues in E-Business



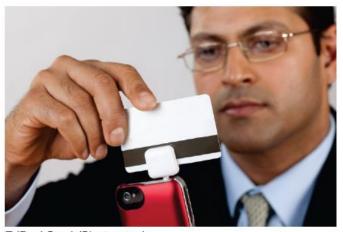
- 1. Describe the six common types of electronic commerce.
- 2. Describe the various online services of business-to-consumer (B2C) commerce, providing specific examples of each.
- 3. Describe the three business models for business-to-business electronic commerce.
- 4. Identify the ethical and legal issues related to electronic commerce, providing examples.

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Swipely

1. Describe the advantages that Swipely offers merchants that help it maintain a competitive advantage in the marketplace.



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2. Refer back to Chapter 2. Does Swipely function as a strategic information system for a merchant? Why or why not?

9.1 Overview of E-Business and E-Commerce

- Definitions and Concepts
- Types of E-Commerce
- Major E-Commerce Mechanisms
- Electronic Payment Mechanisms
- Benefits and Limitations of E-Commerce

Definitions and Concepts

- Electronic Commerce (EC or ecommerce)
- Electronic Business (e-business)
- Degree of Digitization
- Brick-and-Mortar Organizations
- Virtual (or pure-play) Organizations
- Clicks-and-Mortar (or Clicks-and-Bricks)

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FlightCar

- 1. What are possible disadvantages of FlightCar's business model for its customers? Provide specific examples to support your answer.
- 2. Can FlightCar survive in its marketplace? Why or why not? Support your answer.
- 3. Would you allow FlightCar to rent your car while you were traveling? Why or why not? Support your answer. Does your answer to this question have any bearing on your answer to Question 2?

Types of E-Commerce

- Business-to-Consumer (B2C)
- Business-to-Business (B2B)
- Consumer-to-Consumer (C2C)
- Business-to-Employee (B2E)
- E-government
- Government-to-Citizen (G2C)
- Government-to-Business (G2B)
- Mobile Commerce (m-commerce)

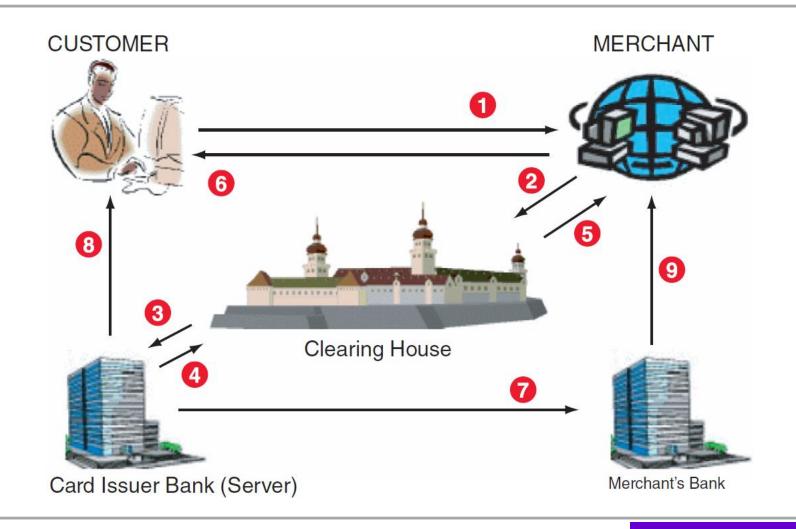
Major E-Commerce Mechanisms

- Electronic catalogs
- Electronic auctions
- E-storefronts
- E-malls
- E-marketplaces

Electronic Payment Mechanisms

- Electronic Checks
- Electronic Cards
- Virtual Credit Cards
- Purchasing Cards
- Stored-Value Money Cards
- Smart Cards
- Person-to-Person Payments

Figure 9.1: How e-credit cards work



Benefits of E-Commerce

- Organization Benefits
- Customer Benefits
- Benefits to Society

Limitations of E-Commerce

- Technological Limitations
- Non-technological Limitations

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- Overcoming the Limitations of E-Commerce in the Developing World
 - 1. Describe how the Young Village Officials Farm and Jumia are trying to overcome the limitations of electronic commerce. Provide specific examples to support your answer.
 - 2. What are the advantages of electronic commerce to rural farmers in China (above and beyond increased income)?
 - 3. What are the advantages of electronic commerce to the people of Nigeria?

9.2 Business-to-Consumer (B2C) Electronic Commerce

- Electronic Storefronts and Malls
- Electronic Malls
- Online Service Industries
- Issues in E-Tailing

Electronic Storefronts and Malls

- Electronic Retailing (e-tailing)
- Electronic Storefront
- Electronic Mall
- Two Types of Electronic Malls

Online Service Industries

- Disintermediation
- Cyberbanking
- Online Securities Trading
- The Online Job Market
- Travel Services
- Online Advertising
- Advertising Methods

Online Advertising

Advantages of Online Advertising:

- Updated any time at minimal cost
- Reach very large numbers of potential buyers all over the world
- Generally cheaper than radio, television, and print ads
- Interactive and targeted to specific interest groups and/or individuals

Advertising Methods

- Banner Ads
- Pop-Up Ad
- Pop-Under Ad
- Spam
- Permission Marketing
- Viral Marketing

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Penske Used Trucks

 Describe how disintermediation works in this case. Provide an example to support your answer.



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- 2. Why is it so important for different functional areas in an organization to work together in designing an organizational Web site?
- 3. Referencing question 2, discuss the implications of this statement: "Regardless of your major, an understanding of information technology will be of value to you."

Issues in E-Tailing

- Channel Conflict
- Multi-channeling (Omni-channeling)
 - Showrooming
- Order Fulfillment

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Can Simple Disrupt Traditional Banking?

- 1. Would you be willing to bank with an Internet bank? Why or why not?
- 2. What are the disadvantages of Simple's banking model? Provide examples to support your answer.

9.3 Business-to-Business (B2B) Electronic Commerce

- Sell-Side Marketplaces
- Buy-Side Marketplaces
- Electronic Exchanges

Sell-Side Marketplaces

Key Mechanisms:

- Forward auctions
- Customized electronic for large buyers
- Third-Party Auction Sites

Buy-Side Marketplaces

- Procurement
 - Purchasing
- Reverse Auctions
- E-Procurement
- Group Purchasing

Electronic Exchanges

- Private Exchanges
- Public Exchanges
- Three Basic Types of Public Exchanges

Three Basic Types of Public Exchanges

- 1. Vertical Exchanges
- 2. Horizontal Exchanges
- 3. Functional Exchanges

9.4 Ethical and Legal Issues in E-Business

- Ethical Issues
- Legal and Ethical Issues Specific to E-Commerce

Ethical Issues

- Threats to Privacy
- Potential Job Loss

Legal and Ethical Issues Specific to E-Commerce

- Fraud on the Internet
- Domain Names
- Cybersquatting
- Taxes and Other Fees
- Copyright

Fraud on the Internet

- Stock promoters spread positive false rumors to boost stock prices
- Auctions by both sellers and buyers.
- Selling bogus investments
- Setting up phantom business opportunities

Domain Names

- Cybersquatting
- Domain Tasting

Taxes and Other Fees

- Federal, state, and local authorities are now scrambling to create some type of taxation policy for e-business within their jurisdictions.
- 2. Based on location, should electronic businesses pay business license taxes, franchise fees, gross receipts taxes, excise taxes, privilege taxes, and utility taxes?
- 3. How should tax collection be controlled?