1.

Many potential customers use the internet for “window shopping” to compare products and reviews before making the final purchase of an item, often at a physical store. This poses a problem for online merchants competing in a very fierce market. One of the best ways that online merchants can effectively move from being the “window” for products at a physical store is to make buying the product through the online option quicker and easier than going to the store for the goods. Amazon is great at this by offering “one click shopping;” meaning as soon as the customer finds what they are searching for they are able to buy right away, appeasing the instant gratification that comes with consumer shopping. The ease of online purchases, paired with speedy shipping, gives online merchants a competitive edge over brick and mortar stores due to the simplicity of the sale. The ability to buy on your mobile phone instead of driving to a physical storefront has helped online markets compete quite smartly against the aging idea of needing to seek out a product instead of the product coming to you.

Another great way that online markets can break past just being a way for customers to compare products is to offer lower prices than brick and mortar competitors, which is often the case. Many online businesses do not have a physical storefront which cuts down on expenses letting them offer lower prices than what the consumer may find in their city, even with the possible addition of a shipping fee (which many times is free, if the customer buys enough goods, another incentive to shop at whatever store they are currently browsing.) If the online store focuses on a “one stop shop” approach they have an even stronger chance of keeping the customers from shopping locally once again due to the ease of the purchase. Ultimately the simplicity of shopping online and the plethora of options vs the possibly limited options in a physical location will help online markets compete with brick and mortar business.

2.

The main difference between price discrimination and versioning is the product itself. With price discrimination the product is the same but the price is altered based on what data has shown Group A is willing to pay for said product without knowing the price offered to Group B. An example of this can be seen throughout many retailers; for example the cost of a dress found online for $50, which anyone who searches for it would be able to see, is often times different than the cost of the same dress at a “high-end boutique” that caters towards a differing clientele that is willing to spend $100 just as easily as spending $50. If the data shows the customer will pay, the business will alter prices to match the data.

Versioning however creates multiple versions of what is essentially the same product with different features for different prices. An example of this can be found throughout the auto industry. General Motors is the umbrella family of many different car lines that target certain price ranges; Cadillac, Buick, Pontiac, and Chevy are all GM vehicles and all complete the same primary task of transportation but have many many different options. The versioning can be subcategorized even further than the car brand itself by offering more options, or “packages,” on the base mode vehicle. Customer A is looking to spend under $30,000 on a vehicle and may choose a Chevy for $25,000 while Customer B is looking at the same vehicle but is willing to spend $30,000 on it and get a slightly different version that offers more luxuries.

So overall the main difference between price discrimination and versioning is the product itself, whether the price fluctuates based on the client or if the product has more customizable options that makes the price change.

3.

Many businesses consider offline advertising to still be not only relevant but important because while customers do spend multiple hours online they are yet to be fully consumed by online activity. From a saturation view point a customer that is online for five hours and thus seeing advertisements that period of time will probably spend an additional 12 hours awake and offline. Even if the offline ad is just a spot in a newspaper or a commercial on the radio telling the customer to check out an online store that helps to better the chances that the customer will dedicate more of the 5 hours of online time towards your business. Due to this the potential for gathering more business offline advertising is still important because that is more than double the time and exposure that they are currently getting by just advertising online.

4.

The main objectives of social marketing is to build a fanbase for your company and in turn have that fanbase share your product with their friends and family, effectively spreading your brand further than simple advertising would be able to. As more and more people share your product and interact with your social platforms your “brand” becomes stronger making it easier to increase your business.

Branding has become super important in today’s competitive marketplace, where it is a constantly shifting race to be the name “brand” in whatever field your business focuses on. Social marketing is a great tool for growing your company’s brand via word of mouth and user interaction.

5.

Mobile marketing differs from desktop marketing in numerous ways, the largest of which is in how the customer interacts with the interface of the company. With desktop marketing a user has full access to a site, able to use their mouse and keyboard to click on products and choose categories. With mobile marketing however the user is limited to what they can scroll through and click on with their fingers, and what can be seen on their phone’s screen.

Because of this when a company decides to build a website they have to consider all the differing sizes and performance issues that will be encountered depending on how a customer accesses their website. Desktop monitors have a much larger screen and higher resolution than mobile screens, allowing for more information to be viewed at once. Since mobile screens are smaller the company has to decide which information is the most pertinent when the website scales down to fit the users device. Another issue between the two is access speeds; a desktop user will in most instances have a faster internet connection than a mobile user, which in turn makes the website load quicker. This is one of the main problems with the mobile interface because if the website is slow to load or unwieldy to navigate a user will simply move on to a website that is easier to use, with one study even stating that if a webpage doesn’t load on a mobile device in under five seconds the customers will move on and is less likely to visit in the future on any platform.

6.

Location-based marketing is the hottest trend of recent years and for good reason: if you know where the customer is it is easier to make assumptions about them and offer goods accordingly. It seems every website nowadays has a popup that asks for access to the users location, even on numerous websites where there isn’t any apparent need for location services. This is due in part to the fact that through decades of data collection businesses are able to tell a lot about a person just by where they are, and where they go. For example a business that sells pontoon boats is much more likely to make a sell to someone that lives near a body of water instead of a land-locked customer. Once the pontoon business has access to location information about the customer they are able to see if they do in fact live near water, and if they do they become a much more valuable customer, and if they don’t the business most likely doesn’t need to focus on that customer as much.

Location marketing isn’t just for one off sales however; if users allows location tracking a business is able to see not only where they are but where they have been. This is an incredibly powerful marketing tool because it allows businesses to build a more intuitive database of users, noting that User A goes to fishing areas and also sporting events, while User B enjoys live music and movies. Depending on the business one of these customers would be more likely to purchase their products. Over all location-based marketing allows businesses to build a better picture of the consumer and their spending habits.

7.

The basic principles of ethics are: responsibility, accountability, liability, and due process. “Ethics is the study of principles that individuals and organizations can use to determine right and wrong courses of action. It is assumed in ethics that individuals are free moral agents who are in a position to make choices. When faced with alternative courses of action, what is the correct moral choice?” Ethics can also be applied to business but the gray areas of what is right and wrong grows and fluctuates with the trends of the time and the business that the ethics are applied to.

Responsibility is the first of the moral laws and basically means that people, societies, or organizations are responsible for their actions. Accountability follows closely behind and builds upon this idea to make sure that those who are responsible are in fact held accountable for their actions. Without this important step if someone crosses the fine line of morals and does something immoral it would be possible for them to do wrong without consequence. Liability further builds upon these ideas by setting in place a court of law to further make sure due justice is attained and holding those responsible for wrong doing, liable. Finally, the last block of the moral foundation is due process, which is place to make sure that laws are applied and followed with the ability to appeal to a higher form of law. Following these four guidelines a society is able to establish a set of morals and beliefs and also apply them to their group.

8.

Universalism is a term applied to the idea that if your actions are not right for all situations then they aren’t right for any specific situation. This idea is applied within categorical imperative that is described as a binding moral obligation, which oftentimes is not the best approach to a problem. Simply stated “my way or the highway logic.”

The slippery slope fallacy states that if an action can’t be taken repeatedly it isn’t the right action to take at all. While something may appear to work in one attempt but may not work and may lead to a negative outcome if repeated. This is a common tactic in many arguments but the idea itself is usually just fear-mongering. An example would be, “if we start letting in refugees then they will soon be over-running our country and there won’t be any way to stop them.

A simple test to see if your decision is the correct one is to use the New York Times Test. If your idea were to be published on the front page of the New York Times what would the reaction of the public be, good or bad? This approach to problem solving can be applied to many moral quandaries and also quickly stifles the ideas that aren’t as honest. While a quick talker might be able to pass something by someone without a deep knowledge of the subject when the same thing is stated to a larger audience someone more knowledgeable will then be able to analyze it closer and find flaws, which they love to do.

Another way of testing an idea is to apply the Social Contract Rule which poses the question, “Would you like to live in a world where this idea is embraced by the entire society?” Using this idea quickly helps to establish whether or not someone has the best intentions of the group or just themselves.

9.

When a user signs up for a service they are often times prompted to grant various levels and types of permissions to the company that they are visiting. This is known as an “opt-in” and let’s the user set how much information they’d like to receive and how much information they would like to give to the company. Once this happens the company starts to collect, record, monitor, and even sell the information that it gathers from the user. Many companies will also have various other options for the user to opt-into on their initial set-up such as email or text messages for the purpose of receiving coupons and newsletters.

A user might feel they are receiving too many messages from a company and decide that they would like to “opt-out,” which the company does not want to happen. If a customer decides to shut down their account and opt-out of participation they usually go through a similar process of entering their information and altering a few options. Some companies make opting-out harder than others though in hopes that the user will see it as too much of a hassle, letting the company continue to collect their information. A user may forget to uncheck one of many boxes and never truly sever their connection to the company. Because of the sneaky ways in which companies try to not let a user opt-out completely the user has more control during the opt-in than they do during the opt-out.

10.

Virtual markets and Brick and Click markets may sell similar products are very different in their approach to selling the products. While both may have an online presence Virtual markets are completely online based while Bricks and Clicks not only have an online market but physical stores as well. Both of these methods have their merits but which is better depends on what the business needs in order to thrive. Virtual markets for example have the benefit of not having to pay for a physical storefront but do have to put more money into their online presence and maintenance, the opposite being true for a Bricks and Clicks.

Another problem facing Virtual markets that Bricks and Clicks have a better foothold on is their branding and profit margins. A virtual store has to make sure they are seen while a physical store has the benefit of being seen even by customers who normally wouldn't shop there simply because it is on a route that person takes. Because of this virtual stores have a much tighter profit margin that they operate in, one that physical stores are well adapted to.Another emerging type of virtual market is the online mall or flea market. Companies such as Ebay or Alibaba rent out their virtual space to companies which then sell various goods on their website, acting more as the building the business is in rather than the business itself.

11.

The main difference between supply-push and demand-pull sales models is the order in which the product is built and the payment for the products is received. In a supply-push system the product is built before it is sold and once it’s constructed the company goes about attempting to sell it. With demand-pull sales models this is flipped to where the company doesn’t begin constructing the product until a payment has been received. Many companies have a hard time switching to one of these models due to the fact that they are so different in the way they handle products. If you’ve built a business to revolve around the fact that you will have as many marbles as is needed to suddenly switch tactics it becomes very challenging to know how to keep your stock accounted for. If a demand-pull company has been set up to sell custom made marbles they can’t go about creating a bunch of pre-built marbles because it doesn’t fit what the business aims to sell. Having to switch production styles to “Make now and sell later” over “sell and then make” is a struggle for businesses that are already set in one production method.

12.

There are three different revenue models commonly used by companies on the internet. Two different pay models, one being subscription based and the other a “pay as you go” option. The next option uses money made from ads to offer the product to the customer in what is known as a freemium format. Data has been shown supporting that customers are willing to pay for quality and convenience and if the service is “free” they are also willing to put up with advertisements that they wouldn’t normally see when paying for a premium product. The major challenge for companies online is staying relevant and providing fresh content. For example there are now dozens of companies offering streaming video as both a paid and free service but many are unable to keep up with user demand for quality or content and are eventually passed by for a better service.

13.

Businesses in the last decade have had to drastically change their business model from Brick and mortar stores, to some Brick and Clicks, and some even moving completely to a virtual market. Newspapers are no different; there are three different business models that they stick to. Printed paper is just a copy of the printed paper for online reading, not supporting any other media type. If a newspaper needs to use a more interactive element such as video or comments they fall into the business model of Integrated Print/Web. The last business model is Digital First which flips the other way around; focusing first on online platform and then printing a physical edition based on the digital, making the updating of digital content a bigger priority over actual print. Using all of these different business models in different parts has helped the Newspaper industry stay clinging on in a world that is rapidly leaving printed news behind.

14.

The use of traditional media over the past decade has seen a sharp decline as the internet has continued to grow and become the main way the majority of people access every form of media. Due to the increase in streaming music apps such as iTunes and Spotify traditional media has fallen by the wayside and is very uncommon now; I personally don’t think I’ve bought a CD in 15 years. With such low numbers for physical copies the market has had to shift focus from creating CD cases, Vinyl album covers, even how songs are not sold as an album now but for sale as a single.

All of this is being done digitally so every aspect of the traditional way of doing things has had to change, even down to how media is delivered and sold; instead of a truck taking goods to a store where a customer then goes to buy a disc the user can instead pay freemium/premium cost and either stream the song or buy the single/album. Since business doesn’t have to focus so much all the things associated with physical products they have been able to put more into advertising, the brightest and consumer vetted product usually coming out on top. Aside from this heavy shift towards online marketing as the main benefit the industry as a whole has had to change how they get their product to the customer and what the customer now expects in a digital world.

15.

Much like the music industry the television industry has been heavily impacted by streaming media over the past decade. No longer do people have to patiently wait for 8pm on a Tuesday to watch a show they enjoy, now with streaming media a customer just has to search for the episode and decide where and when to watch it. For the most part streaming media has deeply undercut the cost of traditional television, offering thousands of options for a fraction of the cost, causing most users to slowly make the transition over to digital media. Having the option to stream anything anytime has also changed how users watch shows as well, with many websites such as Netflix offering entire seasons of shows at once instead of stretching the release out over the course of a literal season. Like with almost all online content the ease of use is the biggest selling point for consumers to switch from traditional television to streaming material.

16.

The four defining elements of a social network, whether on or offline, are shared social interaction, a group of people, common ties among members, and people who share an area for some period of time. An online social network is very similar to an offline one in all of these regards it just takes place in a digital environment instead of a physical one. An online social network can be considered a “virtual communities.”

17.

Online auctions are a great source for finding rare or unique goods that are difficult to find in other settings. Items such as limited editions or items that are no longer in production are common items to find at an auction. For the most part items that are either just released or reaching the end of their lifecycle are the goods that can be easily found at an auction, either on or offline. Items such as early releases of music or aged items such as rare collectables like Pokemon cards can be found on online auction sites such as Ebay.

18.

Online portals such as Yahoo or CNET function as gateways to more information hosted elsewhere. In order for these sites to make a profit many rely on different forms of advertisements such as General Advertising, which charges for initial impressions. There are also Tenancy Deals that focus on partnering with a sole provider at a fixed rate. A site can also get a commision on sales through their site for the different companies functioning through the portal site. News sites and web pages that offer premium content will commonly use subscription fees, charging users a fee to access the site or particular content there within. Another common practice is to spread advertisements through games and apps on the site that are sold to users, getting hits every time the app is used or the game is played. A common example of this was the Farmville craze that swept Facebook, while the game was free to play it was loaded with advertisements that millions of users were forced to see in order to play the game. Using these various methods allows Portals to keep a steady stream of revenue flowing in and makes linking to other websites, essentially sending users away, worth it.

19.

Business to business sales offer many strategic benefits for both buying and selling. Some of the advantages to B2B commerce lowers costs such as lower search costs for buyers, lower admin fees, lower transaction costs by lowering paperwork and automating some of the process, and finally it can be cheaper by reducing the need to keep excess inventory on stock. While B2B commerce offers lower costs it also has potential for increasing the quality and production flexibility of products while providing more room for collaborations between businesses.

20.

Supply chains connect businesses with each other and includes all levels of the sales process from suppliers, shipping, and other buyers. Supply Chain Management or SCM attempt to streamline and coordinate the process for everyone involved. Supply chain simplification works to reduce the size of a supply chain, or take out unnecessary links in the chain. The simplification hopes to reduce costs and administrative oversight in order to make the entire process run smoother. If a new supplier can provide the same products that two previous suppliers were providing it is a better fit for the chain and SCM will try to implement this in order to better the business model.