



# **BACHELOR OF COMPUTER APPLICATIONS SEMESTER 5**

**DCA3143  
E-COMMERCE**

# Unit 2

## E tailing

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## 1. INTRODUCTION

Electronic retailing is also termed as e-tailing and e-retailing. Electronic retailing or "E-tailing" is selling goods and services online utilizing electronic media. By setting up several channels of distribution, the business must be able to take advantage of online sales in the e-tailing process.

Due to the fact that hundreds of e-commerce sites are extensions of existing companies, it is the direct selling of information, products, and services via virtual stores on websites.

### 1.1 Learning Objectives:

*You should be able to after this lesson to:*

- ❖ *Discuss different types of E-Commerce.*
- ❖ *Elaborate role of E-Commerce.*
- ❖ *Discuss the need of E-Commerce*
- ❖ *Explain the value chain in E-Business*

#### SELF-ASSESSMENT QUESTIONS – 1

1. \_\_\_\_\_ is selling goods and services online utilizing electronic media.
2. By setting up several channels of distribution, the business must be able to take advantage of online sales in the \_\_\_\_\_.
3. Electronic retailing is also termed as \_\_\_\_\_.

## 2. DIFFERENT TYPES OF E-COMMERCE

These are typical e-commerce business models.

1. Business - to - Business (B2B)
2. Business - to - Consumer (B2C)
3. Consumer - to - Consumer (C2C)
4. Business - to - Employee (B2E)
5. Government - to - Citizen (G2C)

### 1. Business - to - Business (B2B)

Business-to-business (B2B) websites sell to intermediaries, who then sell to consumers. A wholesaler may buy a consignment from a company's website and sell the final product to a consumer in one of its retail stores.

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

B2C websites sell directly to consumers. Website visitors can browse merchandise. A product can be chosen by the consumer, who can then order it. The company organisation will then receive an email notification from the website and ship the product or products to the buyer as a result.

### 3. Consumer - to - Consumer (C2C)

Clients can sell or rent homes, vehicles, motorcycles, and other assets by posting their details on a C2C business model website. Website users may pay. After seeing the post or ad online, another purchaser may buy from the first.

### 4. Business-to-employee (B2E)

Business-to-employee (B2E) efforts target employees rather than customers. B2E tactics may involve self-service solutions, tailored access to key tools and software, recruiting, training, onboarding, and retaining employees. Businesses must provide the tools and resources needed to recruit and retain the best talent.

### 5. Government - to - Citizen (G2C)

Governments communicate with the public via G2C websites. These sites auction autos and machines. This website registers birth, marriage, and death certificates. G2C websites aim to decrease government service request response times.

**SELF-ASSESSMENT QUESTIONS – 2**

4. \_\_\_\_\_ websites sell to intermediaries, who then sell to consumers.
5. \_\_\_\_\_ efforts target employees rather than customers.
6. Governments communicate with the public via \_\_\_\_\_ websites.

**3. ROLE OF E-COMMERCE**

The roles of ecommerce are as follows:

1. Point of sale or point of purchase marketing
2. Lead generation
3. Data gathering
4. Content marketing

**1. Point of sale or point of purchase marketing**

Point of sale (POS) or point of purchase (POP) marketing entails artfully positioning inexpensive goods close to their point of sale in the hopes that customers will buy more things. This is comparable to real retailers positioning gum, gift cards, and other cheap goods next to the register. Suggestion selling is used in this marketing plan. Yet POS marketing involves more than just placing items in useful places. It now includes a task-automated POS system and a sales-tracking inventory system. The POS system can email repeat customers special offers and discounts.

**2. Lead generation**

Networking, asking current clients for referrals, and employing billboards, TV, and radio are common offline lead generating strategies. In order to reach and maybe engage with their target prospects, businesses attend trade exhibitions and sponsor events. A pool of potential customers who are interested in what you have to offer is what you want to build. Lead generation strategies change along with the demands and preferences of the consumers. Email surveys currently have a higher response rate than telemarketing. Compared to TV commercials, YouTube ads would elicit a stronger response. Attending a webinar and talking to the presenters is preferable to sitting at a fair. Ecommerce adjusts.



Ecommerce is essential to running a business in an age of privacy concerns. Businesses and marketers must quit cold calling since data protection laws are being passed worldwide. Someone who has expressed interest in your brand or product is referred to as a lead in e-commerce. You never know who viewed your website, shared your information on Facebook, or liked a post there.

As with traditional marketing, an ecommerce lead's name and contact information are not necessarily required. To turn an online lead into a paying customer, all you need to do is present the appropriate material and adverts before the lead. The following are a few crucial techniques for generating e-commerce leads:

- Create unique and valuable content
- Improve your content and products page
- Run email marketing campaigns

### **3. Data gathering and analysis**

Companies without ecommerce infrastructures must spend a lot of time manually collecting sales data and analysing it in order to plan their upcoming marketing efforts. Even if it could be tedious, this work is necessary to comprehend:

- Your clients' tastes
- consumer incentives and issues
- Customer expectations

Future decisions for your organisation should be guided by this vital information. Data, data, data, as Sir Arthur Conan Doyle memorably exclaimed. Making bricks is impossible without clay. All you have to do to begin gathering information that will help you better understand your customers is integrate an analytics platform into your e-commerce website. You can select from a variety of analytics solutions, including Microsoft Clarity and Google Analytics.

Ecommerce analytics do more than just give you a list of the consumers' names and contact information. You'll learn important details like:

- Changes, developments, and opportunities
- Viewership data (active users, lifetime value, and user behavior)
- Advertising effectiveness
- Queries, impressions, bounce rate, and transactions

- Social media interactions
- Conversion rates

You can monitor consumer behaviour or even demographic information about visits to your e-commerce website with the use of these tools. You may then optimise customer journeys, marketing plans, and a variety of other parts of your organisation using this information.

#### **4. Ecommerce and content marketing**

Consumers have higher expectations of brands and companies, as was already mentioned. In addition to the helpful details on your products page, they require more information. Instead of remaining a silent observer, they want to participate in the multifaceted interaction and engage in it.

To turn them from leads into paying customers, you must entice, engage, amuse, and inform them. All of these can be accomplished through content marketing, which is a deliberate strategy centred on the production and sharing of distinctive and worthwhile material. These goals can be attained with the help of this strategy:

- Increase brand recognition and visibility
- SEO ranking improvement
- Increase website traffic.
- Enhance your professional reputation.
- Increase new and repeat customer conversion rates..
- Give customers and industry value.

According to current data on digital marketing, around 40% of marketers believe that content marketing is crucial to their overall marketing plan. In actuality, 77% of companies claim to use content marketing.

#### **SELF-ASSESSMENT QUESTIONS – 3**

7. \_\_\_\_\_ strategies change along with the demands and preferences of the consumers.
8. \_\_\_\_\_ marketing entails artfully positioning inexpensive goods close to their point of sale in the hopes that customers will buy more things.
9. Someone who has expressed interest in your brand or product is referred to as a lead in \_\_\_\_\_.

## 4. NEEDS OF E-COMMERCE

The rise of e-commerce as a pioneer in the current global market environment has improved the approach of customers, investors, and businesses. With the globalisation and technological advancement, e-commerce has given rise to a number of new markets. E-commerce needs are crucial in today's economy.

### 1. Retailer's Sanctum

E-commerce offers the perfect environment for all kinds of enterprises to sell their goods online. Companies can attract the interest of their target market through e-commerce while outshining the fierce competition. One of the most intriguing concepts, e-commerce has both restricted the customer market and expanded the audiences for merchants and sellers.

### 2. One E-Commerce Website and the Entire World

E-commerce and web retailers have made browsing and searching for related niches incredibly quick and simple. Formerly, it was really difficult to locate the goods of your choosing without visiting several different stores. Nowadays, you may find a lot of identical search results and their corresponding e-commerce sites just by entering in a single term on the internet!

### 3. Market Shares and Competition

The fact that enterprises with market domination can now compete in an entirely new market is one of the most intriguing effects of the e-commerce provision. Yet now, even tiny e-commerce companies are able to compete in their specific markets. In addition, in today's contemporary globe, any corporation can have the chance to take a new portion of the market.

### 4. Consumer Expectation

Consumers' main goal is to trade on smart gadgets, whether they are doing so to assist enterprises online or the other way around. Companies consider this trend and offer the services that are most popular with their clients.

Benefits of E-commerce to customers have grown significantly among recent trends. Many advantages, like economical shopping and convenient delivery, are available to consumers. Access to paying using several transaction methods, concise product listings



## 5. The Power of Data

With the advent of the digital age, data has been the most important resource to appear. Leading businesses like Facebook and Google are able to offer their fantastic services in exchange for the data that their users produce.

Businesses might get advantages like better decision-making with the data supplied by visitors to your site. They could improve their knowledge of their consumers' needs and adjust their business to produce greater revenues.

Businesses must keep up with the most recent developments as the e-commerce industry develops at a rapid rate. They'll succeed quickly if they do it this way. The key to a better future is to continuously take the pill of keeping up with the times.

### SELF-ASSESSMENT QUESTIONS – 4

10. \_\_\_\_\_ have made browsing and searching for related niches incredibly quick and simple.
11. With the advent of the digital age, \_\_\_\_\_ has been the most important resource to appear.
12. One of the most intriguing concepts, e-commerce has both restricted the customer market and expanded the audiences for \_\_\_\_\_.

## 5. ADVANTAGES AND DISADVANTAGES OF E-COMMERCE

### 5.1 Advantages of E-Commerce

Benefits of e-commerce can be divided into three groups:

#### 1. Advantages to Organizations

- Organizations can use e-commerce to grow to domestic and worldwide markets with little money. A firm may find new customers, the greatest suppliers, and capable business partners anywhere in the world.
- E-commerce digitizes paper-based information, lowering the cost of producing, processing, distributing, retrieving, and keeping it.
- E-commerce improves brand image.
- E-commerce improves customer service.
- E-commerce simplifies business processes.
- E-commerce cuts paperwork.
- E-commerce boosts productivity. It helps "pull" supply management. When a customer orders, just-in-time manufacturing and "pull" supply management begin.

#### 2. Advantages to Customers

- E-commerce provides assistance every day of the week, round-the-clock. Customers can make inquiries about a good or service and submit orders at any time and from any place.
- E-commerce tools provide customers more options and quicker product delivery.
- E-commerce tools offer customers greater opportunities for price comparison and best/cheapest choice selection.
- Consumers can post reviews about products they are considering buying, look at what other people are buying, or read reviews left by other consumers before making their choice.
- Virtual auctions are an option offered by e-commerce.
- It provides simple information. Consumers can view precise information quickly instead of waiting days or weeks.
- E-commerce boosts competition, resulting in deep discounts.

### 3. Advantages to Society

- Customers can shop without driving, reducing traffic and air pollution.
- E-commerce lowers prices so low-income people can buy.
- E-commerce gives rural populations access to goods and services.
- E-commerce helps the government provide healthcare, education, and social services more efficiently and cheaply.

## 5.2 Disadvantages of E-Commerce

Two main categories can be used to categorize the disadvantages of e-commerce:

### 1. Technical Disadvantages

- Security, dependability, and standards might be compromised by e-commerce deployment.
- Software development is evolving rapidly.
- Many nations have bandwidth issues.
- In contrast to network servers, the e-commerce environment may require specific web servers or other applications.
- E-commerce software or websites might be challenging to integrate with other applications or databases.
- E-commerce programs may not work with a certain operating system or other component, causing software-hardware compatibility issues.

### 2. Non-Technical Disadvantages

- **Initial cost** - Internal e-commerce application development might be expensive. Errors and inexperience may delay an e-Commerce app launch.
- **User resistance** - Since the seller is anonymous, consumers may not trust the website. This mistrust makes it hard to convert traditional clients to online/virtual retailers.
- **Security/ Privacy** - Privacy and security of online transactions are difficult to guarantee.
- Online shopping has a drawback: no touch or feel.
- E-commerce apps are continually changing.
- Many potential clients, especially in rural areas, cannot afford internet connection.

**3. Disadvantages of E-Commerce to Organisation**

- Lack of Personal Touch
- Unsure About the Quality
- Late Delivery
- Security Issues
- E-Commerce Is Highly Competitive

**4. Disadvantages of Ecommerce to Consumers**

- Security
- Site crash
- No possibility of tried and tested product
- Late delivery
- Shipping problems

**SELF-ASSESSMENT QUESTIONS – 5**

13. \_\_\_\_\_ can use e-commerce to grow to domestic and worldwide markets with little money.
14. \_\_\_\_\_ lowers prices so low-income people can buy.
15. Internal e-commerce application development might be \_\_\_\_\_.

## 6. E-BUSINESS

Online business processes on the internet, extranet, or both are called e-business. Customer-, internal-, and management-focused company activities include buying and selling goods and services, processing payments, managing production and supply chains, working with partners, sharing information, automating employee services, and hiring staff.

E-business encompasses e-commerce. Services include intranets, extranets, and online e-services from application service providers. E-business is used to collaborate on research, market, and buy parts and supplies from other companies.

### SELF-ASSESSMENT QUESTIONS – 6

16. Online business processes on the internet, extranet, or both are called \_\_\_\_\_.
17. E-business encompasses \_\_\_\_\_.
18. \_\_\_\_\_ is used to collaborate on research, market, and buy parts and supplies from other companies.



## 7. E-COMMERCE

E-commerce, also known as internet commerce, comprises buying and selling goods and services or sending money or data online. The trader and customer never meet because they do business remotely. E-commerce includes retail, auction, music, and commercial exchanges. It's now a major Internet component. Nearly all significant merchants have online presences for electronic commerce.

E-commerce comprises digital content distribution, online trading, electronic funds transfers, share trading, electronic bills of lading, commercial auctions, collaborative design, engineering, and manufacturing, online sourcing, public procurement, direct consumer marketing, and after-sales support. Consumer items, specialist medical equipment, information services, traditional services, financial services, and innovative activities are all included (virtual malls). Multimedia technology automates and redesigns transactions and process to boost company competitiveness.

E-commerce is now the primary approach used in the commercial sector. E-cash, e-billing, e-checks, electronic invoices, purchase orders, and financial statements are some online business transactions. The change to e-commerce will need banks developing online payment systems and procedures to meet their consumers' evolving expectations.

### SELF-ASSESSMENT QUESTIONS - 7

19. \_\_\_\_\_ comprises buying and selling goods and services or sending money or data online.
20. Almost all big retailers have electronic commerce presence on the \_\_\_\_\_.
21. Nowadays, \_\_\_\_\_ has become the essential method in the business world.

## 8. VALUE CHAIN IN E-BUSINESS

A value chain describes a company's operations from raw material acquisition through customer delivery.

The value chain framework encompasses five major activities—inbound operations, operations, outward logistics, marketing and sales, and service—and four auxiliary activities—procurement and purchasing, human resource management, technical development, and business infrastructure.

A value chain analysis defines and evaluates a company's main, secondary, and tertiary activities. An examination of the value chain's connections, dependencies, and other patterns can be performed.

### SELF-ASSESSMENT QUESTIONS – 8

22. \_\_\_\_\_ describes a company's operations from raw material acquisition through customer delivery.
23. \_\_\_\_\_ defines and evaluates a company's main, secondary, and tertiary activities.
24. \_\_\_\_\_ consists of four secondary activities and five primary activities.

## 9. SUMMARY

Let us now summarize the key points of this unit:

- By setting up several channels of distribution, the business must be able to take advantage of online sales in the e-tailing process.
- Companies without ecommerce infrastructures must spend a lot of time manually collecting sales data and analysing it in order to plan their upcoming marketing efforts.
- E-commerce encompasses a variety of business models, from consumer-focused retail websites to auction or music sites to commercial exchanges where firms trade commodities and services.
- Online business processes on the internet, extranet, or both are called e-business.
- A value chain analysis defines and evaluates a company's main, secondary, and tertiary activities.

## 10. GLOSSARY

**Intermediary:** middleman

**Intriguing:** very interesting

## 11. CASE STUDY

Flipkart was founded in 2007 by Sachin and Binny Bansal. India's leading e-commerce company, it's a household name. Flipkart sells gadgets, fashion, appliances, books, and more.

### Value Chain:

Flipkart's value chain is divided into four main stages:

1. **Procurement:** Flipkart sources products from various suppliers and manufacturers. It has a team of buyers who negotiate with suppliers to get the best prices and quality.
2. **Warehousing and Logistics:** Flipkart has a network of warehouses and distribution centers across India. It also has a fleet of delivery vehicles to ensure timely delivery of products.
3. **Marketing and Sales:** Flipkart advertises on social media, email, and search engines. It also has a team of sales representatives who help customers with their queries and orders.
4. **Customer Service:** Flipkart has a dedicated customer service team to handle customer queries and complaints. It also has a return and exchange policy to ensure customer satisfaction.

Flipkart's value chain is designed to ensure that customers get the best products at the best prices. It has invested heavily in technology and logistics to ensure that customers get their orders on time. The company also has a strong focus on customer service to ensure that customers have a positive experience.

### Questions:

Q1. What is the purpose of the case study?

Ans: The purpose of the case study is to analyze the impact of a new product launch on the company's sales and profitability.

Q2. What data was used to analyze the impact of the new product launch?

Ans: The data used to analyze the impact of the new product launch included sales figures, customer feedback, market research, and financial statements.

Q3. What were the results of the case study?

Ans: The results of the case study showed that the new product launch had a positive impact on the company's sales and profitability.

## 12. TERMINAL QUESTIONS

1. Define the term E-tailing?
2. Explain the types of e-commerce.
3. Explain the advantages and disadvantages of e-commerce.
4. What are the needs of e-commerce?
5. What is E-business and E-commerce?

## 13. ANSWERS

### Self-Assessment Questions

1. Electronic retailing or E- tailing
2. The e-tailing process
3. e-tailing and e-retailing
4. A business-to-business (B2B)
5. Business-to-employee (B2E)
6. G2C
7. Lead generation
8. Point of sale (POS) or point of purchase (POP)
9. e-commerce
10. E-commerce and web retailers
11. data
12. merchants and sellers
13. Organizations
14. E-commerce
15. expensive
16. E-business (electronic business)
17. e-commerce
18. e-business
19. E-commerce (electronic commerce)



- 20. World Wide Web
- 21. e-commerce
- 22. A value chain
- 23. A value chain analysis
- 24. The value chain framework

### Terminal Questions

1. Electronic retailing is also termed as e-tailing and e-retailing. For answer refer to 1.
2. These are typical e-commerce business models. For answer refer section 2.
3. E-commerce benefits fall into three categories: - Advantages to Organizations, Advantages to Consumers, and Advantages to Society. Refer section 5 for answer.
4. The rise of e-commerce as a pioneer in the current global market environment has improved the approach of customers, investors, and businesses. Refer section 4 for answer.
5. Online business processes on the internet, extranet, or both are called e-business. For answer refer section 6 and 7.

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