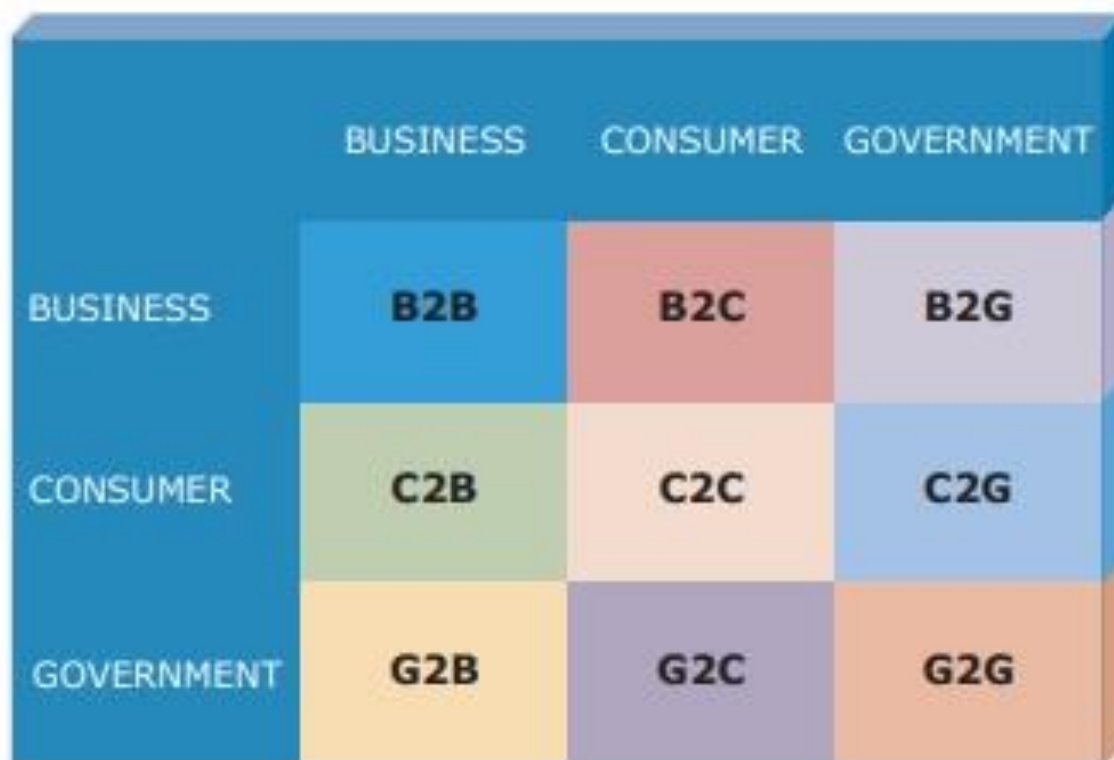


Types of E- Commerce Business models

Business organizations, Consumers and Government (also called as Administrations) are the major parties in the E-Commerce. Sometimes Employees (Informal workers) also indulge in this system. Based upon the entities involved in transaction, E-Commerce is classified into the following categories. The model in which the government plays as an entity is termed as e-Governance. See Figure 15.6



	BUSINESS	CONSUMER	GOVERNMENT
BUSINESS	B2B	B2C	B2G
CONSUMER	C2B	C2C	C2G
GOVERNMENT	G2B	G2C	G2G

Figure 15.6 E-Commerce business models

1. Business to Business (B2B)
2. Business to Consumer (B2C)
3. Business to Government (B2G)
4. Consumer to Business (C2B)
5. Consumer to Consumer (C2C)

6. Consumer to Government (C2G)
7. Government to Business (G2B)
8. Government to Consumer (G2C)
9. Government to Government (G2G)

Business to Business (B2B)

In B2B E-Commerce, commercial transactions take place between different business organizations, through the Internet. For example, a cycle company may buy tyres from another company for their cycles. When compared to other models, the value per transaction in B2B transaction is high, because of bulk purchase. The company also might get the advantage of discounts on bulk purchases. See Figure 15.7

Out-sourcing and Off-shoring are generally associated with B2B E-Commerce.

- If a company's work is hired to another company, it would be termed as out-sourcing.
- If the work is outsourced to a company, which is outside its own country, it is called as off-shoring.



Figure 15.7 Business to Business

Business to Consumer (B2C)

In B2C E-Commerce, commercial transactions take place between business firms and their consumers. It is the direct trade between companies and end-consumers via the Internet. B2C companies sell goods, information or services to customers

through online in a more personalized dynamic environment and is considered as real competitor for a traditional storekeeper. An example of B2C transaction is a book company selling books to customers. This mode is intended to benefit the consumer and can say B2C E-Commerce works as 'retail store' over Internet. See Figure 15.8



Figure 15.8 Business to Consumer

Business to Government (B2G)

B2G is a business model that refers to business organizations sells products, services or information to Governments or to its administrations. In other words, when a company get paid for its goods, services by the Government through Internet it is called as B2G model. e.g. The Government or its administration buys laptops for students. See Figure 15.9



Figure 15.9 Business to Government

Consumer to Business (C2B)

C2B can be described as a form of E-Commerce where, the transaction is originated by the consumers. The consumers will fix a requirement or specific price for a service or a commodity. C2B model, is also called as reverse auction model. Here, customer bid his price for a service or a product. Then E-Commerce

business entity will match the requirement of the consumer to the best possible extent.

For instance, in a travel website (eg.yatra.com) a consumer may specify his dates of travel, his source and destination, number of tickets required and range of hotel etc. The website then finds out the various options for him which best meets his requirements. These websites generate revenue through affiliate links, sponsored advertisement or even a small commission in every booking. e.g. Name-your-price websites. See Figure 15.10



Figure 15.10 Consumer to Business

Consumer to Consumer (C2C)

C2C in E-Commerce provides opportunity for trading of products or services among consumers who are connected through the Internet. In brief when something is bought and sold between two consumers using Internet it is called C2C E-Commerce. Here the websites act as a platform to facilitate the transaction. The electronic tools and Internet infrastructure are employed to support transactions between individuals. Typically, this type of E- Commerce works as Consumer to Business to Consumer (C2B2C). It means that a consumer would contact a business in search of a suitable customer. Most of the auction websites and matrimonial websites are working on this methodology.

For example, a consumer who wants to sell his property can post an advertisement on the website (eg:timesclassifieds.com). Another person who is interested in buying a property can browse the property, advertisement posted on this site. Thus, the two consumers can get in touch with each other for sale/purchase of property through another business' website. See Figure 15.11



Figure 15.11 Consumer to Consumer

Consumer to Government (C2G)

Citizens as Consumers and Government engage in C2G E -Commerce. Here an individual consumer interacts with the Government. C2G models usually include income tax or house tax payments, fees for issue of certificates or other documents. People paying for renewal of license online may also fall under this category. See Figure 15.12



Figure 15.12 Consumer to Government

Government to Business (G2B)

G2B is closely related to B2G. G2B in E-Commerce refers to a business model where Government providing services or information to business organization. It may be a formal offer such as a takeover bid for a road project. See Figure 15.13



Figure 15.13 Government to Business

G2B is a part of e- governance. The Government provides information about business rules, requirement and permission needed for starting a new business, and other specifications in its portal. The objective of G2B is to reduce burdens on business, provide one-stop access to information thereby boost the economy. e.g. ebiz.gov.in See Figure 15.14



Figure 15.14 ebiz.gov.in

Government to Consumer (G2C)

G2C in E-Commerce is very similar to C2G. Here the Government provides platform for its citizens to avail its services and information through the Internet. The services may be issue of certificates through online.e.g. <https://csc.gov.in/governmenttocitizen>. See Figure 15.15



Figure 15.15 Government to Consumer

Government to Government (G2G)

G2G is the online (usually non-commercial) interaction between Government organizations or departments. G2G's principle objective is to implement e-

governance rather than commerce. G2G model in e-governance involves distributing data or information between its agencies/departments. G2G systems can be classified into two types

- Internal facing or local level - joining up a single Government's bureaucracy. e.g. <https://www.nic.in/>
- External facing or international level - joining up multiple Governments' bureaucracy.

See Figure 15.16



Figure 15.16 Government to Government