Eight unique features of e-commerce technology

1. Ubiquity:
- It is available just about everywhere and at all times.

- In traditional commerce, a marketplace is physical place you visit in order to transact.

- For example, television and radio typically motivate the consumer to go some place to make a purchase.

E-commerce, in contrast, is characterized by its ubiquity.

- It liberates the market from being restricted to a physical space and makes it possible to shop from your Desktop Computer at home, at work, or even from your car using mobile commerce, the result is called a marketspace.

- A marketplace extended beyond traditional boundaries and removed from a temporal and geographic location is challenged

- From a consumer point of view, ubiquity reduces

- Transactions costs- the costs of participating in a market to transact, it is no longer necessary that you spend time and money traveling to a market.

- At a broader level, the ubiquity of e-commerce lowers the cognitive energy required to transact in a marketspace.

- Cognitive energy refers to the mental effort required to complete a task. Humans generally seek to reduce cognitive energy. When given a choice, humans will choose the path requiring the least effort- the most convenient path.

Examples:
- Accessing a bank account from your computer/laptop/mobile, transfer of money from one account to another.

- Purchasing a Laptop from Hafeez Centre required more time and cognitive energy as compared to purchase from dell.com

- Easypaisa - Paying Utility Bills from your Bank Account

- Forex.com online money trading Buying and Selling in various types Dollar, Euro etc.

2. Global Reach
Reach: the number of user or customers an e-commerce business can obtain
- E-commerce technology permits commercial transactions to cross cultural and national boundaries far more conveniently and cost effectively than is true in traditional commerce. As a result, the potential market size for e-commerce merchants is roughly equal to the size of the world's online populations over 1.6 billion in2009 and growing rapidly.

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- The total number of users or customers an ecommerce business c can obtain is a measure of its reach.

- In contrast, most traditional commerce is local or regional – itinvolves local merchants or national merchants with local outlets."

- Television and radio stations, and newspapers, for instance, are primarily local and regional institutions with limited but powerful national networks that can attract a national audience. In contrast to e-commerce technology, these older commercetechnologies do not easily cross national boundaries to a globalaudience.

Examples:

- ➢ Facebook users are more than 35 million in just less than 10 years.

- ➢ Alibaba.com, a China based web platform now have millions o customers/suppliers around the Globe.

3. Universal Standards: Standards that are shared by all nations around the world
- The technical standards of the Internet, and therefore of conducting e-commerce, are shared by all of the nations around the world.

- Unique Feature of e-commerce technologies is that the techno standards of the internet, and therefore the technical standards

- Conducting e-commerce are universal standards they are shared by all the nations around the world.

- In contrast, most traditional commerce technologies differ from one nation to the next.

- For instance, television and radio standards differ around the world, as doe's cell telephone technology.

The benefits of universal standards are:
- o Reduced search costs for consumers- the effort requiredto find suitable products.
- o Becomes simpler, faster, with more accurate price **discovery**
- o Lower market entry costs for merchants- the cost merchants must pay just to bring their goods to market.

- With e-commerce technologies, it is possible for the first time in history to easily find many of the suppliers, prices, and delivery terms of a specific product anywhere in the world.

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4. Richness: the complexity and content of a message

- Information that is complex and contents are rich can be delivered without sacrificing reach.

- Traditional markets, national sales forces, and small retail stores have great richness: they are able to provide personal, face-to-face service using aural and visual cues when making a sale.

- The richness of traditional markets makes them a powerful selling or commercial environment. Prior to the development of the Web, there was a trade-off between richness and reach: the larger the audience reached the less rich the message.

- The internet has the potential for offering considerably more information richness than traditional media such as printing presses, radio, and television because it is interactive and canadjust the message to individual users.

- Chatting with an online sales person, for instance, comes very close to the customer experience in a small retail shop.

- The richness of the web allows retail and service merchants market and sell 'complex' goods and services that heretofore really did require a face to face presentation by a sales force. Complex goods have multiple attributes, are typically expensive, and cannot be compared easily, such as used cars and even diamond rings.

Example:

- ➢ As on certain event(Diwali, Holi, Eid) a shopkeeper do not brief much about product feature due to excess customers lead to less Richness but in E-commerce always remain rich.

5. Interactivity: E-commerce technologies allow two-way communication between the merchant and the consumer.

- Unlike any of the commercial technologies of the 20th century, with the possible exception of the telephone, ecommerce technologies allow for interactivity, meaning they enable two-way communication between merchant and consumer.

- Traditional television, for instance, cannot ask viewers any questions or enter into conversations with them, and it cannot request that customer information be entered into a form.

- In contrast, all of these activities are possible on an ecommerce web site. Interactivity allows an online merchants to engage consumer in ways similar to a face-to-face experience, but on a much more massive, global scale.

Examples:

- ➢ Online chat between merchant and consumer

- ➢ Feedback Emails, Newsletter

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6. Information Density:
- 'The total amount and quality of information available to all market participants' consumers, and merchants alike. The internet and the web vastly increase information density.

- Ecommerce technologies reduce information collection, storage processing, and communication costs.

- At the same time, these technologies increase greatly the accuracy and timeliness of information- making information more useful and important than ever.

- As a result, information becomes more plentiful, less expensive and of higher quality.

- Growth in information density could result in:
  - Greater price transparency: Consumers can easily find out the variety of prices in a market.

  - Greater cost transparency: Consumers can discover the actual costs merchants pay for products.

  - Greater opportunities for marketers to practice price discrimination: since marketers are able to gather much more information about their customers, they can segment the market into groups based on willingness to pay different prices for the same or nearly the same goods.

  - Merchants also have enhanced abilities to differentiate their products in terms of cost, brand and quality.

Examples:
- Go to Amazon store you can find verity of products and prices.

- **Segmentation**: Gold member, Silver member, Brown member on serversea.com, Office suite with some extra feature for premium customers

7. Personalization/Customization:

- **Personalization**: The targeting of marketing messages to specific individuals by adjusting the message to a person's name, interest, and past purchases.

- **Customization**: changing the delivered product or service based on a user's preferences or prior behaviour

- E-commerce technologies enable merchants to target their marketing messages to a person's name, interests, and past purchases. (Personalization)

- This allows a merchant to change the product or service to suit the purchasing behaviour and preferences of a consumer.

- Given the interactive nature of ecommerce technology, much information about the consumer can be gathered in the marketplace at the moment of purchase. With the

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increase in information density, great deal of information about the consumer's past purchases and behaviour can be stored and used by online merchants.

- But in tradition with existing commerce technologies for instance, you may be able to shape what you see on television by selecting channel,

- But you cannot change the contents of the channel you have chosen.

- In contrast, the online version of the wall street journal allows you to select the type of news stories you want to see first, and gives you the opportunity to be alerted when certain events happen.

- Personalization and customization allow firms to precisely identify market segments and adjust their messages accordingly.

Examples:

➢ Gmail Welcome Message (Personalization) Welcome: **Name**

➢ Change your Gmail , background, color , fonts(Customization)

➢ Customize a laptop on Dell.com (Customization)

8. Social Technology:

- User content generation and social networking technologies In a way quite different from all previous technologies,

- The internet and ecommerce technologies have evolved to be much more social by allowing users to create and share content in the form of text, videos, music or photos with a worldwide community.

- Using these forms of communication, users are able to create new social networks and strengthen existing ones.

- All previous mass media in modern history, including the printing press, use a broadcast model 1 to M.

- The telephone would appear to be an exception but it is not a mass communication technology. Instead the telephone is a one to one technology.

- The new internet and commerce technologies have the potential to invert this standard media model by giving users the power to create and distribute content on a large scale.

- The internet provides a many to many model of mass communication that is unique.

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Examples:

- ➤ Facebook, YouTube, MySpace, buzz (a new social network by Google) etc.

- ➤ Blogs- Wordpress is most popular blogging tool to create a blog in minutes. http://www.wordpress.com

Examples: