



E-Commerce and Digital Marketing

HME 863

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Overview of the Subject

- This course helps us to understand these questions:
 - What is electronic commerce?
 - How does it affect the way of doing business?
 - What sort of technical and business skills are needed to be successful.



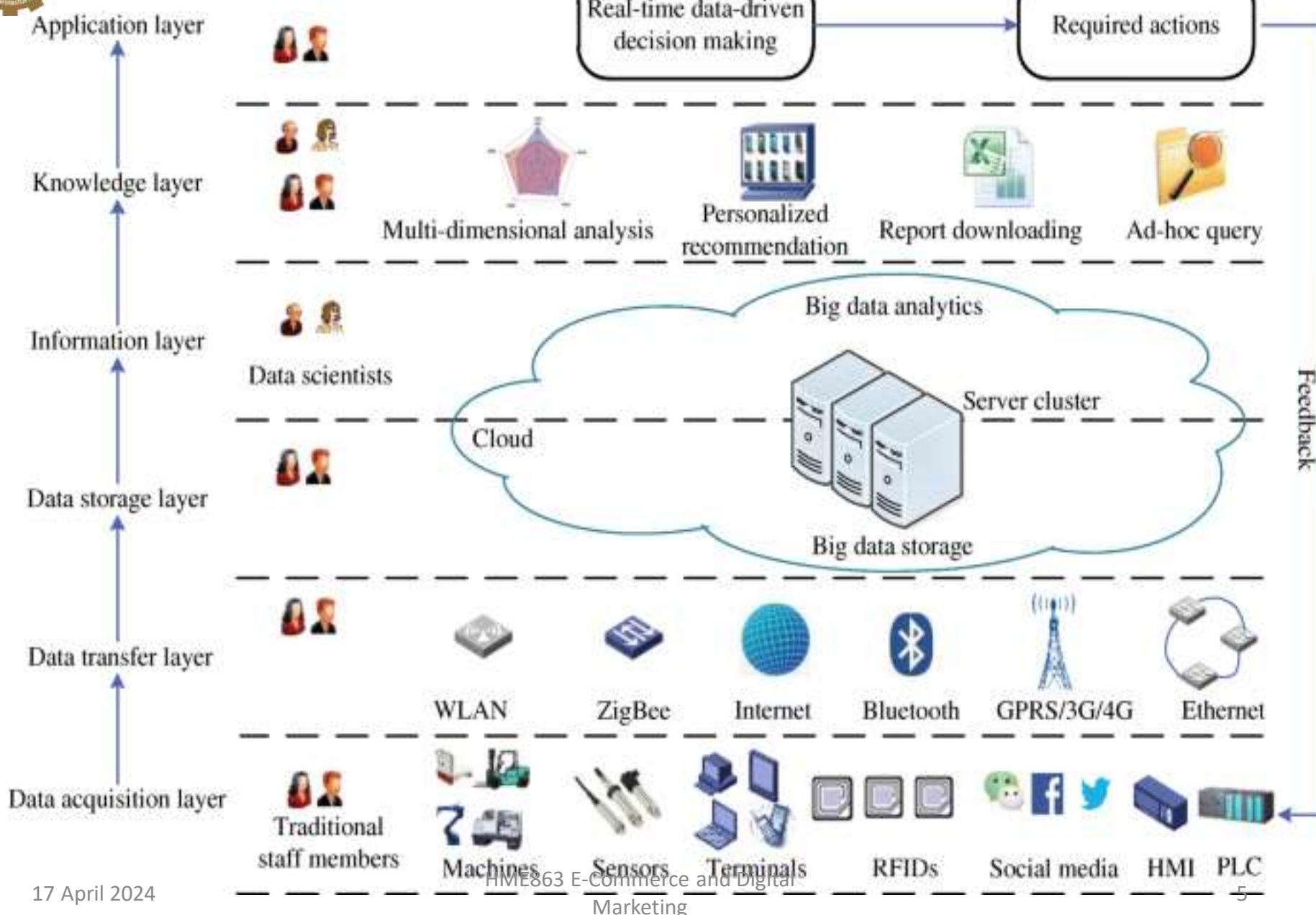
E-COMMERCE INFOGRAPHIC





Overview of Subject

- Digital technology has **transformed** the way we live and work and has **impacted** every industry from retail to health care.
- Organizations and their employees face the **challenge of developing** and **maintaining** their business operations and customer engagement in a constantly evolving digital space.
- The increasing **digital skills gap** and consequent need for training is obvious.





Business challenges related to E-Commerce and Digital Marketing

- Capitalization of Data.
- Customers' Exploding Expectations.
- Agility Challenge.
- Personalization Approach.
- Being Consistent.



Business challenges related to E-commerce and Digital Marketing

Contd...

- Facing Competition.
- Data Security.
- Technology Partnerships.
- Customer Retention
- Relevant Leads



Creating Your E-Commerce Marketing Strategy





Course Outcomes

COURSE OUTCOMES(CO)	Bloom's Taxonomy Knowledge Level
After completing this course the student will be able to:	
1. Explain various E-commerce applications related to organization and the consumer usability.	K2
2. Explain various electronic payment systems and inter organizational commerce for various commercial applications.	K2
3. Explain intra-organizational commerce for workflow through automation customization and supply chain management.	K2
4. Create and evaluate various digital marketing solutions for various commercial applications.	K6
5. Develop solutions for promotional and e-commercial activities through search engine optimization keeping in view of ethical practices.	K6



Course Details

COURSE ASSESSMENT METHODS	
Examination	Marks
CT-I	20 Marks
CT-II	20 Marks
Other Assessments	20 Marks
1 Test	(8 Marks)
2 Viva-Voce	(8 Marks)
3 Assignment	(4 Marks)
End Semester Examination	40 Marks
Total	100
COURSE ATTENDANCE POLICY	
AS PER INSTITUTE POLICY	



Course Code	HME733
Course Title	E-Commerce and Digital Marketing
Number of Credits	3-0-0-3
Type of Course	GIR

Course Objectives

- To identify several factors and web store requirements needed to succeed in e-commerce.
- To understand the main technologies behind e-commerce systems and how these technologies interact.
- To define various electronic payment types and associated security risks and the ways to protect against them.

Course Content

Unit-I Electronic Commerce: Frame work, anatomy of E-Commerce applications, E-Commerce Consumer applications, E-Commerce organization applications. Consumer Oriented Electronic commerce, Mercantile Process models.

Unit-II Electronic payment systems: Digital Token-Based, Smart Cards, Credit Cards, Risks in Electronic Payment systems. Inter Organizational Commerce – EDI, EDI Implementation, Value added networks.

Unit-III Intra Organizational Commerce: work Flow, Automation Customization and internal Commerce, Supply chain Management.

Unit-IV Digital Marketing: Introduction, email marketing, social media marketing- Facebook, Twitter, LinkedIn, mobile marketing, web analytics.

Unit-V Search Engine Optimization: Introduction, SEO- white hat, black hat, tools for SEO, Pay per click.



Books

Text Books

1. Schneider, G. P., “*Electronic Commerce*”, Cengage learning publishers, 10th edition, 2012.
2. Chan, H., Lee, R., Dillon, T., and Chang, E., “*E-Commerce Fundamentals and Applications*”, Wiley, 1st edition, 2007.
3. Dodson, Ian, “*The Art of Digital Marketing: The Definitive Guide to Creating Strategic, Targeted, and Measurable Online Campaigns*”, Wiley, 1st edition, 2016.

Reference Book

1. Kalakata, “*Frontiers of electronic commerce*”, Pearson, 1st edition, 2002.



Thank You!



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Commerce

- Commerce means the **whole system of an economy** that constitutes an environment for business.
- The system includes **legal, economic, political, social, cultural, and technological systems** that are in operation in any country.
- Commerce is a **system or an environment** that **affects** the business prospects of an **economy or a nation-state**.
- We can also define it as a second component of business which includes **all activities, functions and institutions** involved in transferring goods from producers to consumers.

Overview of e-Commerce

- **Commerce**
 - Conducting business in which buyers and sellers come together in a market place to exchange information, products, services and payments.
 - Conducted in buildings, personal interactions also involved.
- **Electronic Commerce**
 - The market place is electronic.
 - Business transactions occur across a telecommunications network (Electronic marketplace – Market space) where buyers, sellers and others involved in the business transaction.
 - People rarely see/know each other, physically located anywhere in the world.



E-Commerce

- A modern business methodology that addresses the needs of organizations, merchants and consumers to cut costs while improving the quality of goods and services and increasing the speed of service delivery.
- It also applies to the use of computer networks to search and retrieve information in support of human and corporate decision making.
- E-commerce is associated with the buying and selling of information, products and services via computer networks.



E-Commerce Goals

- Reduce cost,
 - Lower product cycle time,
 - Faster customer response, and
 - Improved service quality,
 - Reducing paper work
 - Increasing automation
- Example: (Electronic data interchange) EDI used for e-transactions by comp-to-comp combined with JIT manufacturing methods helps suppliers to quickly deliver supplies to firm and save storing and maintain costs.

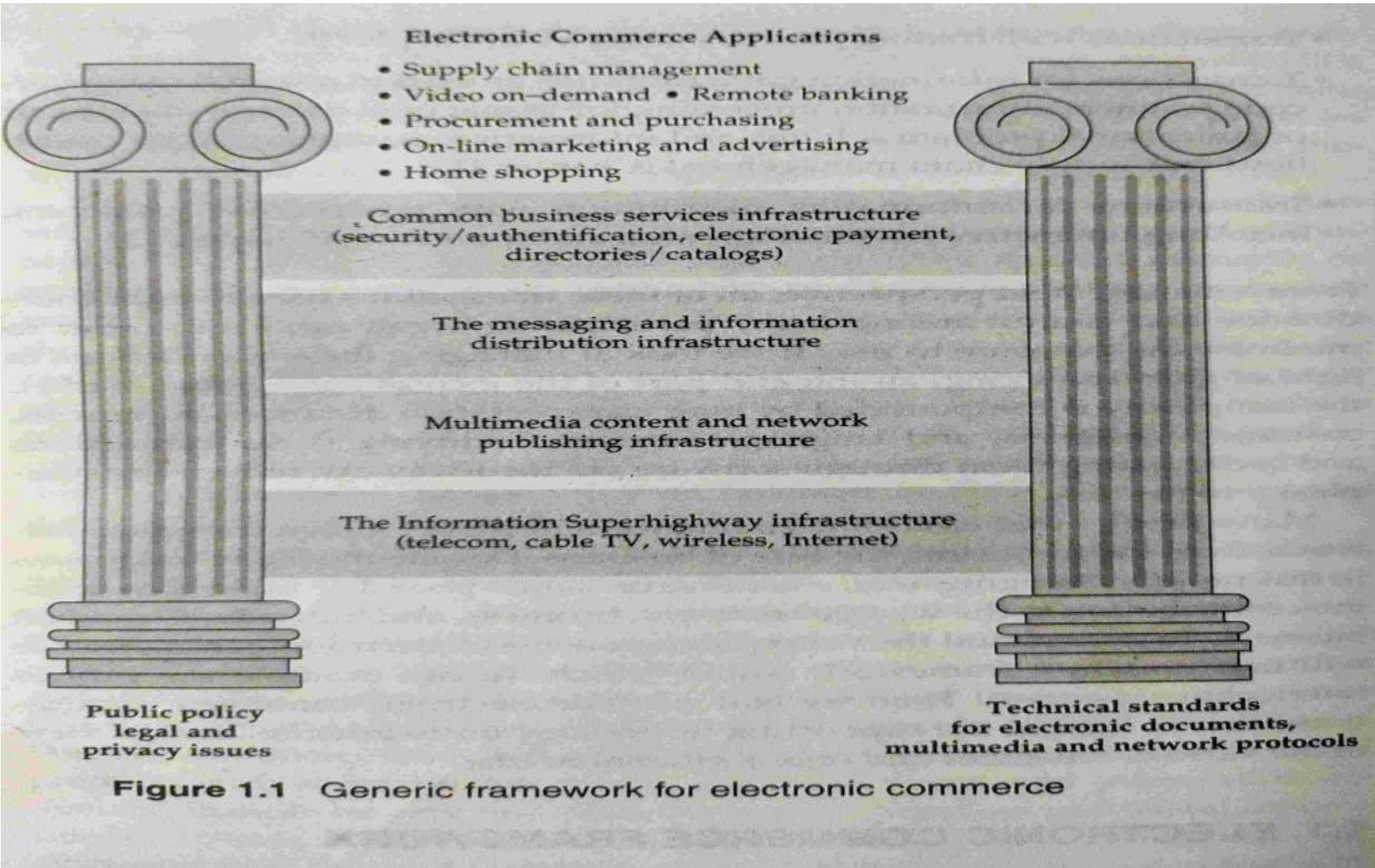


Figure 1.1 Generic framework for electronic commerce



Electronic Commerce Framework

- Building blocks in the infrastructure:
 1. Common business services for facilitating the buying and selling process
 2. Messaging & information distribution as a means of sending and retrieving information.
 3. Multimedia content & network publishing, for creating a product & a means to communicate about it.
 4. The information superhighway- the very foundation for providing the highway system along which all e-commerce must travel.



Electronic Commerce Framework Contd..

- Information superhighway (**I-way**) will be a mesh of interconnected data highways of many forms
 - Telephone, wires, cable TV wire
 - Radio-based wireless-cellular & satellite
- Building the highway is not enough.
- Transport vehicles are needed, routing issues must be addressed, and the transportation cost must be paid.
- On the I-way , the nature of vehicular traffic is extremely important
- The information and multimedia content determines what type of vehicle is needed.
 - Movies=video + audio.
 - Digital games=music + video + software.
 - Electronic books=text + data + graphics + music + photographs + video.



Electronic Commerce Framework Contd..

- Two pillars supporting all e-commerce applications & infrastructure
 - 1. Public policy, to govern such issues as universal access, privacy and information pricing.
- Public policy issues deal with
 - the cost of accessing information,
 - regulation to protect consumers from fraud.
 - to protect their right to privacy.
 - policing of global information traffic to detect information pirating or pornography.

Electronic Commerce Framework Contd..

2. Technical standards, to dictate the nature of information publishing, user interfaces, and transport in the interest of compatibility across the entire network.

- technical standards are crucial to
 - ensure seamless and harmonious integration across the transportation network.
 - access of information on any type of device the consumer chooses
 - laser disc, PCs, portable hand-held devices or television + set-top boxes and on all types of operating systems.



Electronic Commerce Framework Contd..

- In the electronic ‘highway system’ **multimedia content is stored** in the form of **electronic documents**.
 - These are often **digitized, compressed, and stored** in computerized **libraries or multimedia storage warehouses** called **servers** that are linked by transport networks to each other and to the **software/ hardware clients** that allow customers **to access** them.
- On the I-way **messaging software** fulfills the role of **moving the vehicles** from one distribution warehouse to another.
 - Its done in any no. of forms: , **e-mail, EDI, or point-to-point file transfers.**



Electronic Commerce Framework Contd..

- Encryption & authentication methods have been developed to ensure security of the contents while travelling the I-way and at their destination.
- Electronic payment schemes developed to handle complex transactions



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Anatomy of E-Commerce Applications

- Elements of E-Commerce applications are:
 1. Multimedia Content for E-Commerce Applications
 2. Multimedia Storage Servers & E-Commerce Applications
 - Client-Server Architecture in Electronic Commerce
 - Internal Processes of Multimedia Servers
 - Video Servers & E-Commerce
 3. Information Delivery/Transport & E-Commerce Applications
 4. Consumer Access Devices

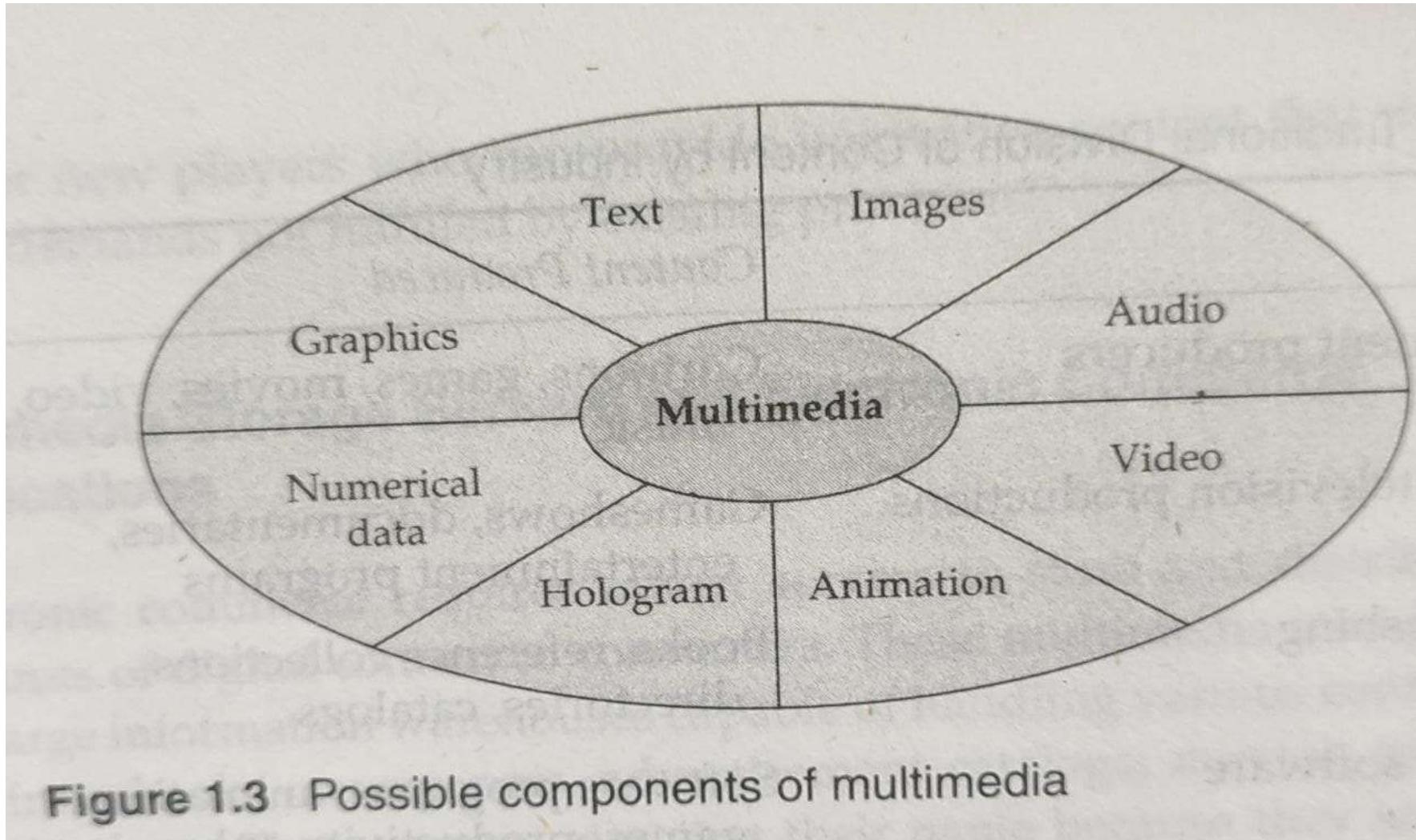


Anatomy of E-Commerce Applications

1. Multimedia Content for E-Commerce Applications

- Multimedia content can be considered both **fuel** and **traffic** for electronic commerce applications.
- technical definition of multimedia:
 - ❑ Use of **digital data** in **more than one** format, such as the combination of **text, audio, video, images, graphics, numerical data, holograms, and animations** in a computer file/document.

Anatomy of E-Commerce Applications



Anatomy of E-Commerce Applications

- 1. Multimedia Content for E-Commerce Applications
- The goal of multimedia is to increase the utility of all information through the processing and distribution of new forms such as images, audio and video.
- Accessing of multimedia content depends on the hardware capabilities of the customer.
- The success of e-commerce applications also depend on the variety and innovativeness of multimedia content and packaging.



Anatomy of E-Commerce Applications

1. Multimedia Content for E-Commerce Applications

Industry	Content Produced
Entertainment producers	Cartoons, games. Movies, video, music
Broadcast television productions	Game shows, documentaries, entertainment programs
Print publishing	Books, reference collections, directories, catalogs
Computer software	Software programs: animation, games, productivity – enhancing tools



Anatomy of E-Commerce Applications

2. Multimedia Storage Servers & E-Commerce Applications:

- E-Commerce requires robust servers to store and distribute large amounts of digital content to consumers.
- These Multimedia storage servers are large information warehouses capable of handling various contents, ranging from books, newspapers, advertisement catalogs, movies, games, & X-ray images.
- These servers, deriving their name because
 - ✓ they serve information upon request,
 - ✓ must handle large-scale distribution,
 - ✓ guarantee security & complete reliability



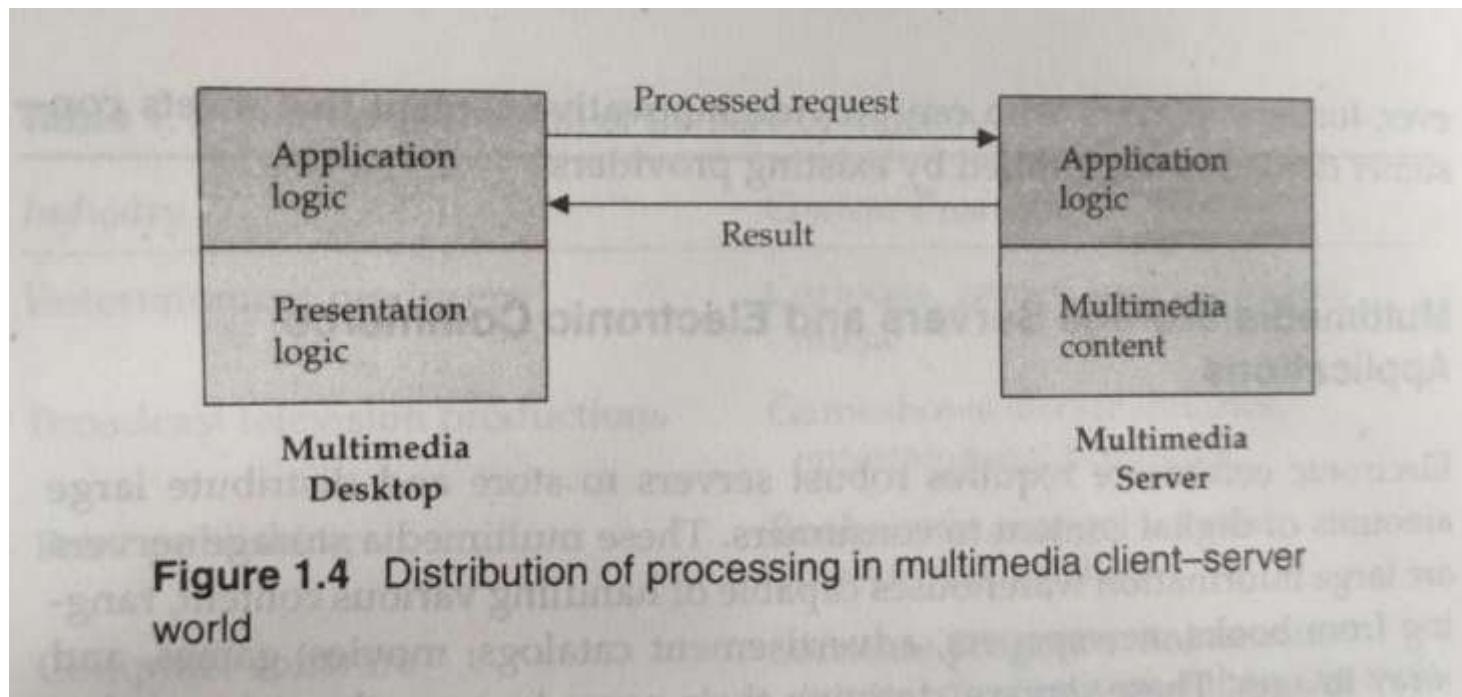
Anatomy of E-Commerce Applications

a) *Client-Server Architecture in Electronic Commerce*

- All e-commerce applications follow the client-server model
- Clients are devices plus software that request information from servers
- client server architecture
- ✓ links PCs to storage server, where most of the computing is done on the client
- ✓ allows client to interact with the server through a request-reply sequence known as message passing

Anatomy of E-Commerce Applications

- The server manages application tasks, storage & security & provides scalability-ability to add more clients and client devices



b) Internal Processes of Multimedia Servers

- A multimedia server is a **hardware & software** combination that **converts raw data into usable information** & then serves this information where and when users need it.
- It captures, processes, manages, & delivers text, images, audio & video.
- Most multimedia servers provide a core set of **functions**
 1. to **display, create and manipulate** multimedia documents,
 2. to **transmit and receive** multimedia documents over computer networks
 3. to **store and retrieve** multimedia documents
- to make **interactive multimedia** a reality, a server must do the following
 1. Handle thousands of simultaneous users.
 2. Manage the transactions of these users (e.g. Purchases, specific information requests, customer billing)
 3. Deliver information streams to consumers at affordable costs.

- **Technical challenges:**
- data differ radically – no longer dealing with only table-formatted alphanumeric data.
- computing platforms pose bottlenecks when trying to deliver large pieces of complex data.



ANATOMY OF E-COMMERCE APPLICATIONS

c) Video Servers & E-Commerce

- A computer-based device that is dedicated to delivering video.
- Have specific functions and capabilities that address the need of the particular application.
- **For example** video servers used in **security**, **surveillance**, and **investigation** are designed to capture videos from cameras and deliver by computer network.
- The electronic commerce applications related to digital video will include
 - Telecommunicating and video conferencing
 - Geographical information systems that require storage & navigation over maps
 - Corporate multimedia servers
 - Postproduction studios
 - Shopping kiosks.
 - Video-on-demand.

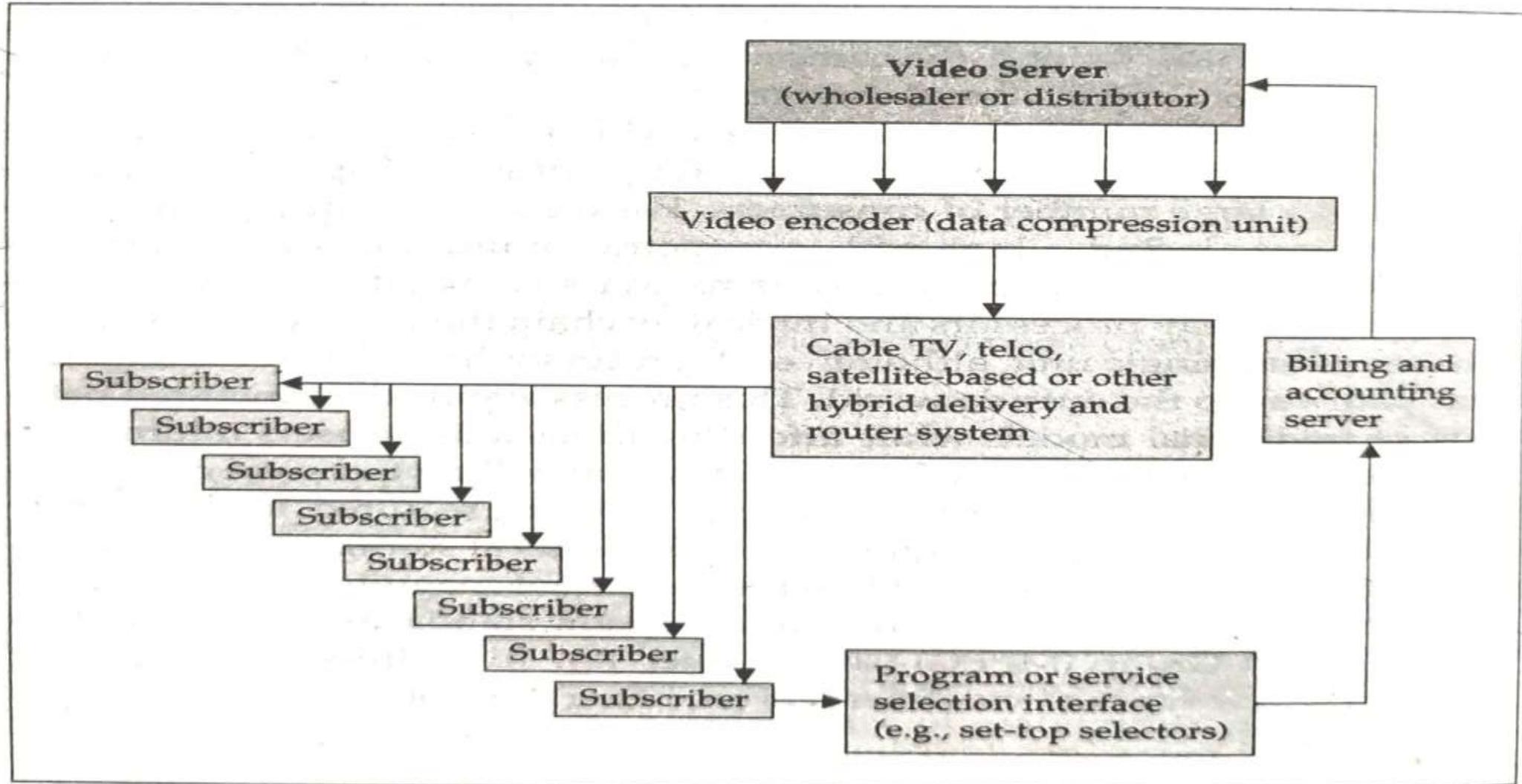


Figure 1.5 Block diagram of a generic video on-demand system



ANATOMY OF E-COMMERCE APPLICATIONS

- ❑ It is an **important link** between the **content providers** (entertainment / media) & **transport providers** (wireless / cable operators)
- Designed to **deliver information** to **hundreds of consumers** simultaneously via public telecommunications and cable networks.



ANATOMY OF E-COMMERCE APPLICATIONS

3. Information Delivery/Transport & E-Commerce Applications

Telecom-based

- Include long-distance and local telephone service providers.
- Using ADSL (Asymmetric Digital Subscriber line) its possible to squeeze a video signal through a telephone wire.
- Problems
 - ✓ cannot handle live transmissions
 - ✓ Picture it produces is not as clear as that provided by a well-tuned cable hook-up.



ANATOMY OF E-COMMERCE APPLICATIONS

- Cable-based
 - ✓ depend on coaxial cable and fibre optic as transport roads
- computer network-based
 - ✓ Internet; commercial on-line service providers
 - ✓ dial-up linkages of lower bandwidth when compared to telecom and cable highways
- Wireless
 - ✓ radio based - Cellular ,
 - ✓ satellite light based – infra-red



ANATOMY OF E-COMMERCE APPLICATIONS

- 4. Consumer Access Devices

Information Consumers	Access Devices
Computers with audio & video, Mobile computing	Personal/desktop computing capabilities
Telephonic devices	Videophone
Consumer electronics	Television + set-top box Game systems
Personal digital assistants (PDAs)	Pen-based computing, voice-driven computing



E-Commerce Consumer Applications

People needs

- ✓ entertainment on demand including video, games,
- ✓ news on-demand,
- ✓ electronic retailing via catalogs,
- ✓ home shopping networks,
- ✓ interactive distance education,
- ✓ collaboration through desktop videoconference,
- ✓ Medical consultations etc.



E-Commerce Consumer Applications

Now the application of choice is the video on-demand because

- ✓ Almost every home has television
- ✓ People spend nearly half their free time watching television or smart phones
- ✓ Every evening, more than one-third of the population is in front of a television
- ✓ Sight, sound, and motion combine to make television a powerful means of marketing



E-Commerce Consumer Applications

Consumer Applications and Social Interaction:

- Lessons from history indicate that the most successful technologies are those that make their mark socially
 - In 1945, in U.S no one had TV. By 1960 about 86percent of households did
 - Now contrast with Telephone.
 - Penetration was slower for Telephone than for TV because of the effort needed to set up the wiring infrastructure
- the most successful marketplaces are expected to be those that cater to consumer's loneliness, boredom, education and career



E-Commerce Consumer Applications

What do Consumers really want?

- They want **quality** and **low cost of service**.
- If a **new system requires** more steps to do essentially the same things, consumers may resist it.
- Some people want to be converted from passive to **interactive television** watchers but most of the public prefer to lay back and just watch television and let someone else do the work of figuring out the sequence of television programming.



E-Commerce Consumer Applications

What are consumer willing to spend?

- consider video on-demand,
- consumers get the **cable bill** at basic charge which they will buy
- If it is doubled they will not buy and the service provider economics will be increased, then network operators might look for advertisers to fill the gap (ads in programs).

Delivering products to Consumers

- Packing and distribution must be considered.



E-Commerce Consumer Applications

Consumer Research and Electronic Commerce:

- Vital for the knowledge of consumers taste and preferences change with the change of time.
- Research made it possible for service providers to deliver the multimedia content with updated and more attractive form.
- Helped in finding new market and fill the gap in the services.
- Authentic research leads to success of service offering.



Thank You!



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ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

Changing business Environment

- The traditional **business environment** is changing rapidly as customers and businesses seek the flexibility to change trading partners, platforms, carriers and networks.
- Organizations establish private electronic connections to customers, suppliers, distributors, industry groups, and competitors.
 - ✓ to increase the **efficiency** of business communications.
 - ✓ to help **expand market share**.
 - ✓ to **Maintain long-term viability** in today's business environment.
- Electronic connections will indeed become a **powerful business tool** that no organization can do without.



ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

E-Commerce and the **Retail Industry**

- Conditions are changing in the “new economy” concerning the retail industry.
- Consumers demand **lower prices, better quality, and a large selection** of in-season goods.
- Retailers are **filling their order by**
 - ✓ slashing back-office costs,
 - ✓ reducing profit margins,
 - ✓ Reducing cycle times.
 - ✓ buying more wisely.
 - ✓ making huge investments in technology.
- Retailers are in the immediate line of fire and were first to bear the brunt of cost-cutting.



ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

Marketing and E-Commerce

- E-Commerce is forcing companies to rethink the existing ways.
 - **target marketing**- isolating and **focusing on a segment** of the population.
 - **Relationship marketing**- **building** and **sustaining** a long term **relationship** with existing & potential customer.
 - **Event marketing**- setting up a **virtual booth** where **interested people come and visit**.
- **Interactive marketing** is accomplished in electronic markets via **interactive multimedia catalogs** that give the same look & feel as a shopping channel.
- Users find **moving images** more **appealing** than still images and **listening** more appealing than reading **text** on screen.



ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

Inventory Management and Organizational Applications

- companies are facing stiff global competition.
- Adaptation would include moving to computerized, “paperless” operations to reduce costs and facilitate the adoption of new business processes.
- One often targeted business process is inventory management, solutions for these processes go by different names
 - manufacturing industry -- known as just-in-time inventory systems,
 - retail industry as quick response programs,
 - transportation industry as consignment tracking systems.



ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

a) Just-in-Time (JIT) Manufacturing

- JIT is based on 2 principles
 1. elimination of waste (time, materials, labour & equipment) in the production cycle.
 2. empowering workers.
- In a production plant the needed materials are to be supplied just in time, no earlier or later than is demanded for processing.
- Production cost will decrease as the required level of stock is reduced.
- Materials from the supplier will be ordered only if the production plant can sell its product
- Market risks are passed through the supplier chain.
- All stages of production are closely monitored.
- <https://www.youtube.com/watch?v=1KXoCgAsVTg>



ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

Quick Response Retailing (QR)

- It is a version of JIT purchasing tailored for retailing.
- To **reduce the risk of being out of stock**, retailers are implementing QR systems.
- It provides for a **flexible response to product ordering** and lowers costly inventory levels.
- QR retailing focuses on market responsiveness while maintaining low levels of stocks.
- It creates a **closed loop consisting of retailer, vendor, & consumer chain**,
- As **consumers make purchases** the **vendor orders new deliveries** from the retailer through its computer network.



ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

Supply Chain Management

- Supply Chain Management (SCM) is also called “extending”, which means integrating the internal and external partners on the supply and process chains to get raw materials to the manufacturer and finished products to the consumer
- It includes following functions
- **Supplier management**- to reduce the number of suppliers.
- **Inventory management** - to shorten the order-ship-bill cycle.
- **Distribution management**: - to move documents related to shipping (bills of loading, purchase orders, advanced ship notices and manifest claims).

SUPPLY CHAIN MANAGEMENT



Raw Materials



Inbound Logistics



Goods in Storage



PROCUREMENT



Consumer



Outbound Logistics



Outbound Warehouse



Manufacturing



OPERATIONS MANAGEMENT



ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

- Supply Chain Management contd....
- **Channel management:** - to quickly disseminate information about changing operational conditions (technical, product, and pricing information) to trading partners.
- **Payment management:** - to link company and the suppliers and distributors so that payments can be sent and received electronically.
- **Financial management:** - to enable global companies to manage their money in various foreign exchange accounts.
- **Sales force productivity:** to improve the communication flow of information among the sales, customer & production functions.



ELECTRONIC COMMERCE ORGANIZATION APPLICATIONS

Work Group Collaboration Applications:

An internet

- Enables easy and inexpensive connection of various organizational segments
- It is to improve communications and information sharing and to gather and analyze Competitive data in real-time.
- Facilitates sales force automation by enabling sales-people to carry product and reference information in one portable device.
- Video conferencing, document sharing and multimedia, reduce travel and encourage telecommuting.
- Improves the distribution channel for documents and records to suppliers, collaborators and distributors.
<https://www.youtube.com/watch?v=9hRU1Gc3Fag>



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Consumer Oriented Electronic Commerce

- The wide range of applications envisioned for the consumer marketplace can be broadly classified into:
 - (i) Entertainment
 - (ii) Financial Services and Information
 - (iii) Essential Services
 - (iv) Education and Training



Consumer Oriented Electronic Commerce

Consumer Life-Style Needs	Complementary Multimedia Services
Entertainment	Movies on demand, video cataloging, interactive Ads, Multi-user games, on-line discussions.
Financial Services and Financial news	Home Banking, Financial services, Information,
Essential Services remote diagnostics.	Home Shopping, Electronic Catalogs, telemedicine,
Education and Training, conferencing, on-line databases.	Interactive education, multiuser games, video



Consumer Oriented Electronic Commerce

1. Personal Finance and Home Banking Management

- (i) Basic Services
- (ii) Intermediate Services
- (iii) Advanced services

2. Home Shopping

- (i) Television-Based Shopping
- (ii) Catalog-Based Shopping



Consumer Oriented Electronic Commerce

3. Home Entertainment

- (i) Size of the Home Entertainment Market
- (ii) Impact of the Home Entertainment on Traditional Industries

4. Micro transactions of Information



Consumer Oriented Electronic Commerce

1. Personal Finance and Home Banking Management

- The newest technologies are direct deposit of payroll, on-line bill payment and telephone transfers.
- The technology for paying bills, whether by computer or telephone, is infinitely more sophisticated than anything on the market a few years ago.
- Home banking has been grown because of comfort and familiarity to the electronic, time saving, customer information to manage the complexity in household finances.
- For home banking, greater demands on consumers and expanding need for information, it's services are often categorized as basic, intermediate and advanced



Consumer Oriented Electronic Commerce

(i) Basic services

- These are related to personal finance like checking and saving account statement reporting, round the clock banking with automated teller machine(ATM), funds transfer, bills payments etc..
- The evolution of ATM machines from live tellers and now to home banking.
- The ATM network has with banks and their associations being the routers and the ATM machines being the heterogeneous computers on the network.
- This inter operable network of ATMs has created an interface between customer and bank that changed the competitive dynamics of the industry.
- Increased ATM usage and decrease in teller transactions.



Consumer Oriented Electronic Commerce

(II) Intermediate Services

- The problem with home banking in 1980 is, it is **expensive service that requires a PC, a modem and special software.**
- As the equipment becomes less expensive and as bank offers broader services, home banking develop into a comprehensive package that could even include as **direct payroll deposit and cash concentration.**
- Also allow customers to **pay bills (electronically and by check), reconcile checking account, credit card account, move money within investment accounts, and so on.**
- It **never forgets to record** a payment and keeps track of user account number, name, amount and the date and we used to instruct with payment instructions.



Consumer Oriented Electronic Commerce

iii) Advanced Services

- The goal of advanced series is to offer their **on-line customers** a **complete portfolio of life**, home, and auto insurance along with mutual funds, pension plans, home financing, and other financial products. All solutions in one platform.
- The services range from **on-line shopping** to **real-time financial information** from anywhere in the world .
- In short, home banking allows consumers to **avoid long lines** and gives **flexibility**.

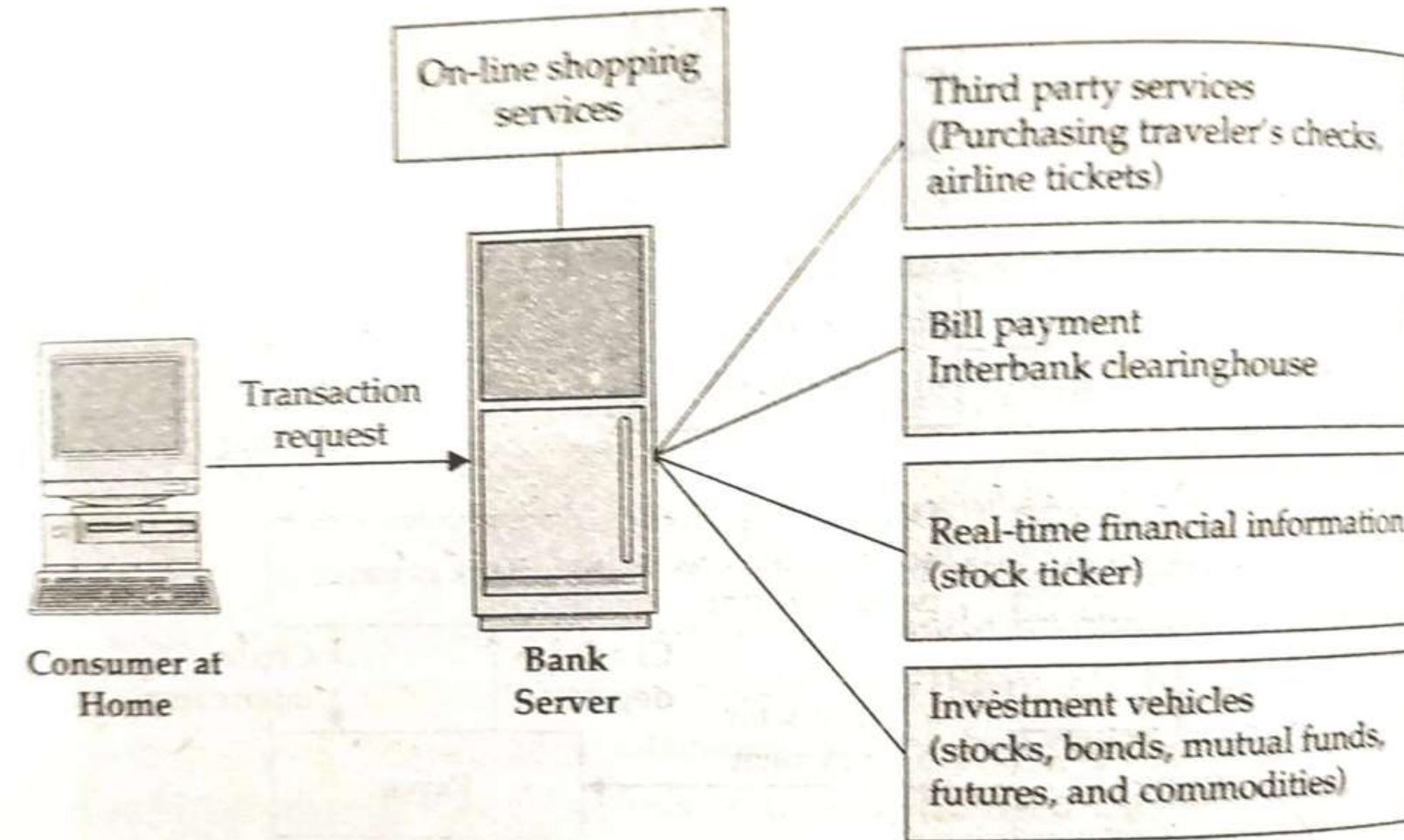


Figure 7.3 Advanced services and home banking



Consumer Oriented Electronic Commerce

2. Home Shopping:

- It is already in wide use.
- This enable a customer to do online shopping



Consumer Oriented Electronic Commerce

(i) Television-Based Shopping:

- It is launched in 1977 by the **Home Shopping Network (HSN)**.
- It provides a variety of goods ranging from collectibles, clothing, small electronics, house wares, jewelry, and computers.
- When HSN started in Florida in 1977, it mainly sold factory overruns and discontinued items.
- It works as, the customer uses her remote control at shop different channels with touch of button.
- At this time, cable shopping channels are not truly interactive.



Consumer Oriented Electronic Commerce

(ii) Catalog-Based Shopping

- In this the customer identifies the various catalogs that fit certain parameters such as safety, price, and quality.
- The on-line catalog business consists of brochures , CD-ROM catalogs, and on-line interactive catalogs.
- Currently, we are using the electronic brochures.



Consumer Oriented Electronic Commerce

3. Home Entertainment:

- It is another application for e-commerce
- Customers can watch movie, play games, on-screen catalogs, such as TV guide.
- In Home entertainment area, customer is interesting in good quality programming.
- Not faithful to one network only.
- The customer has full control what, where, when to watch etc.
- In addition to game technology we also witness the emerging services of entertainment support function such as on screen catalogues, TV guide that inform users what is on TV.



Consumer Oriented Electronic Commerce

- Advanced Services
- *Size of the home Entertainment Market:*
- Wide content variety such as movies, music videos, documentaries, web series, concerts, sports events etc.
- Entertainment services are play a major role in e-commerce.
- This prediction is underscored by the changing trends in consumer behavior.
- *Impact of Home entertainment on traditional industries:*
- This will have devastating effects on theater business.
- Economic issues might allow theaters to maintain an important role in the movie industry.
- Today average cable bill is approximately 350-450 Rs per month.
- Customized channels subscription.



Consumer Oriented Electronic Commerce

4. Micro transactions of information:

- One change in traditional business forced by the on-line information business is the creation of a new transaction category called **small-fee transactions** for micro services.
- The customer by giving some information away for free and provide **information bundles** that cover the transaction overhead.
- The growth of small-money transfers could **foster a boom** in other complementary information services.
- The **complexity** is also increased in micro services when an activity named, **reverification** is entered.
- It means **checking on the validity** of the transaction after it has been approved.



Consumer Oriented Electronic Commerce

- Desirable Characteristics of an Electronic marketplace
- **Critical mass of Buyers and sellers:** To get critical mass, use electronic mechanisms to find the product and services for customers.
- **Opportunity for independent evaluations and for customer dialogue and discussion:** Users not only buy and sell products, they compare notes on who has the best products and whose prices are outrageous
- **Negotiation and bargaining:** Buyers and sellers need to able to haggle over conditions of mutual satisfaction, money, terms & conditions, delivery dates & evaluation criteria
- **New products and services:** Electronic marketplace is only support full information about new services
- **Seamless interface:** The trading is having pieces work together so that information can flow seamlessly like network services and software.
- **Resource for dissatisfied buyers:** It provide for resolving mechanism by returning the product.



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Mercantile Process models

- Mercantile processes define interaction models between consumers and merchants for online commerce.
 1. Mercantile Models from the Consumer's Perspective
 2. Mercantile Models from the Merchant's Perspective



Mercantile Process models

- Mercantile Models from the Consumer's Perspective
 - (i) **Pre-purchase preparation:** The pre-purchase preparation phase include search and discovery for a set of products to meet customer requirements
 - (a) The consumer information search process.
 - (b) The Organizational search process.
 - (c) Consumer search experiences.
 - (d) Information brokers & brokerages.



Mercantile Models from the Consumer's Perspective

(ii) **Purchase consummation:** The purchase consummation phase include mercantile protocols.

- (a) Mercantile process using digital cash.
- (b) Mercantile transaction using credit cards.
- (c) Costs of electronic purchasing.

(iii) **Post-purchase interaction:** The post-purchase interaction phase includes customer service & Support.

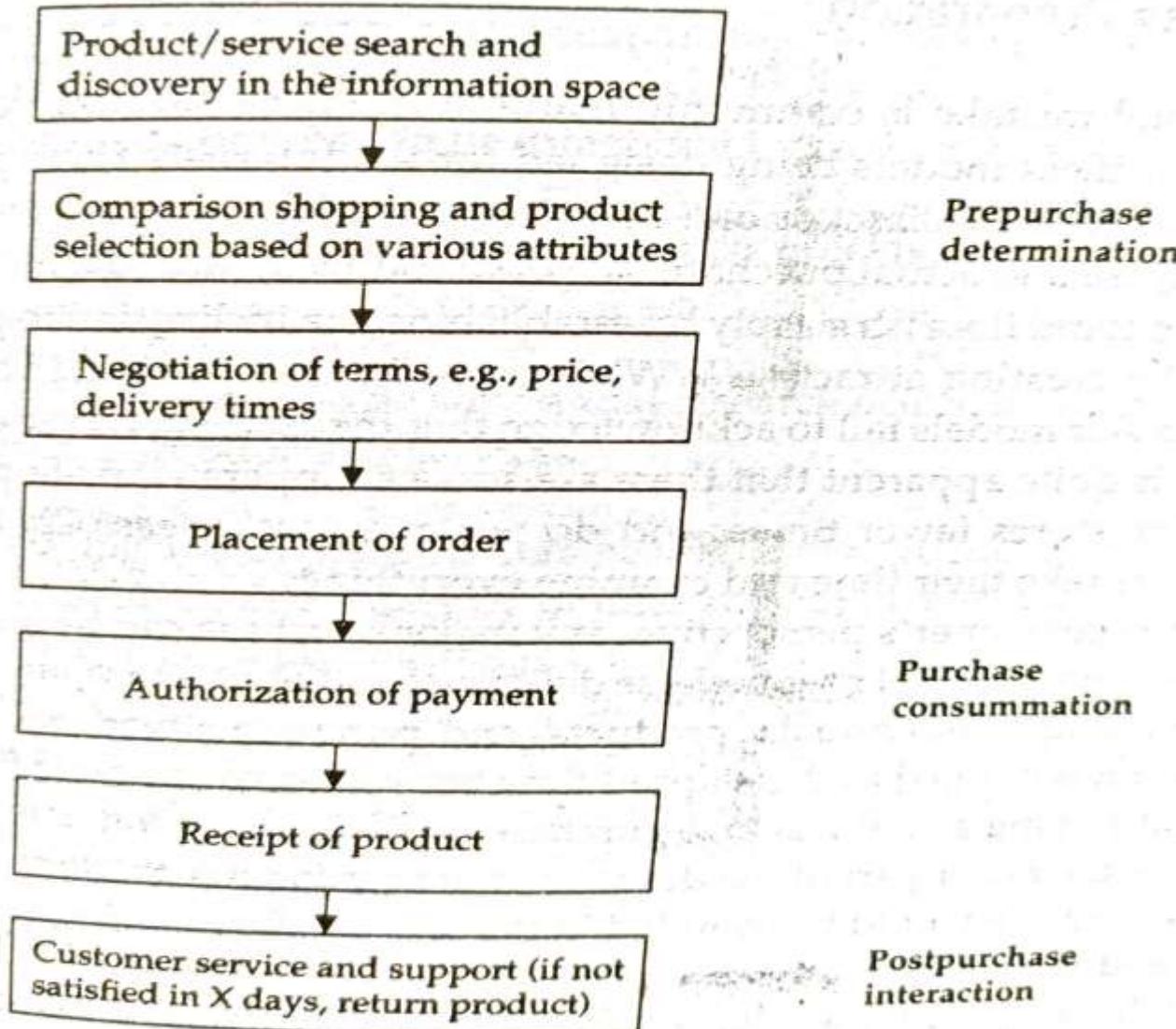


Figure 7.4 Steps taken by customers in product/service purchasing



Mercantile Models from the Consumer's Perspective

- (i) Pre purchase Preparation/determination: The purchase is done by the buyers, so consumers can be categorized into 3 types
- Impulsive buyers, who purchase products quickly
 - Patient buyers, purchase products after making some comparisons
 - Analytical buyers, who do substantial research before making decision to purchase products.,



Mercantile Models from the Consumer's Perspective

- Marketing researches have several types of purchasing:
- Specifically planned purchases
- Generally planned purchases
- Reminder purchase
- Entirely unplanned purchases
- The consumer information search process
- Information search is defined as the degree of care, perception,& effort directed toward obtaining data or information related to the decision problem.



Mercantile Models from the Consumer's Perspective

- The Organizational search process
- Organizational search can be viewed as a **process through** which an organization adapts to such **changes** in its **external environment** as new suppliers, products, & services.
- **Consumer Search Experiences**
- The distinction between carrying out a **shopping activity “to achieve a goal” (utilitarian)** as opposed to doing it because “ u love it” (hedonic).
- Marketing experts confirms of using both of the values by the customers for shopping.



Mercantile Models from the Consumer's Perspective

- **Information Brokers and Brokerages**
- To facilitate better consumer and organizational search, intermediaries called information brokers or brokerages
- Information brokerages are needed for 3 reasons: Comparison shopping, reduced search costs, and integration.



Mercantile Models from the Consumer's Perspective

(ii) Purchase Consumption

- Buyer contacts vendor to purchase.
- Vendor states price.
- Buyer and Vendor may or may not engage in negotiation.
- If satisfied, buyer ask the payment to the vendor.
- Vendor contacts billing service.
- Billing service decrypts authorization and check buyers account balance.

Mercantile Models from the Consumer's Perspective

(ii) Purchase Consumption contd....

- Billing service gives to the vendor to deliver product.
- Vendor delivers the goods to buyer.
- On receiving the goods, the buyer signs and delivers receipt.
- At the end of the billing cycle, buyer receives a list of transactions.

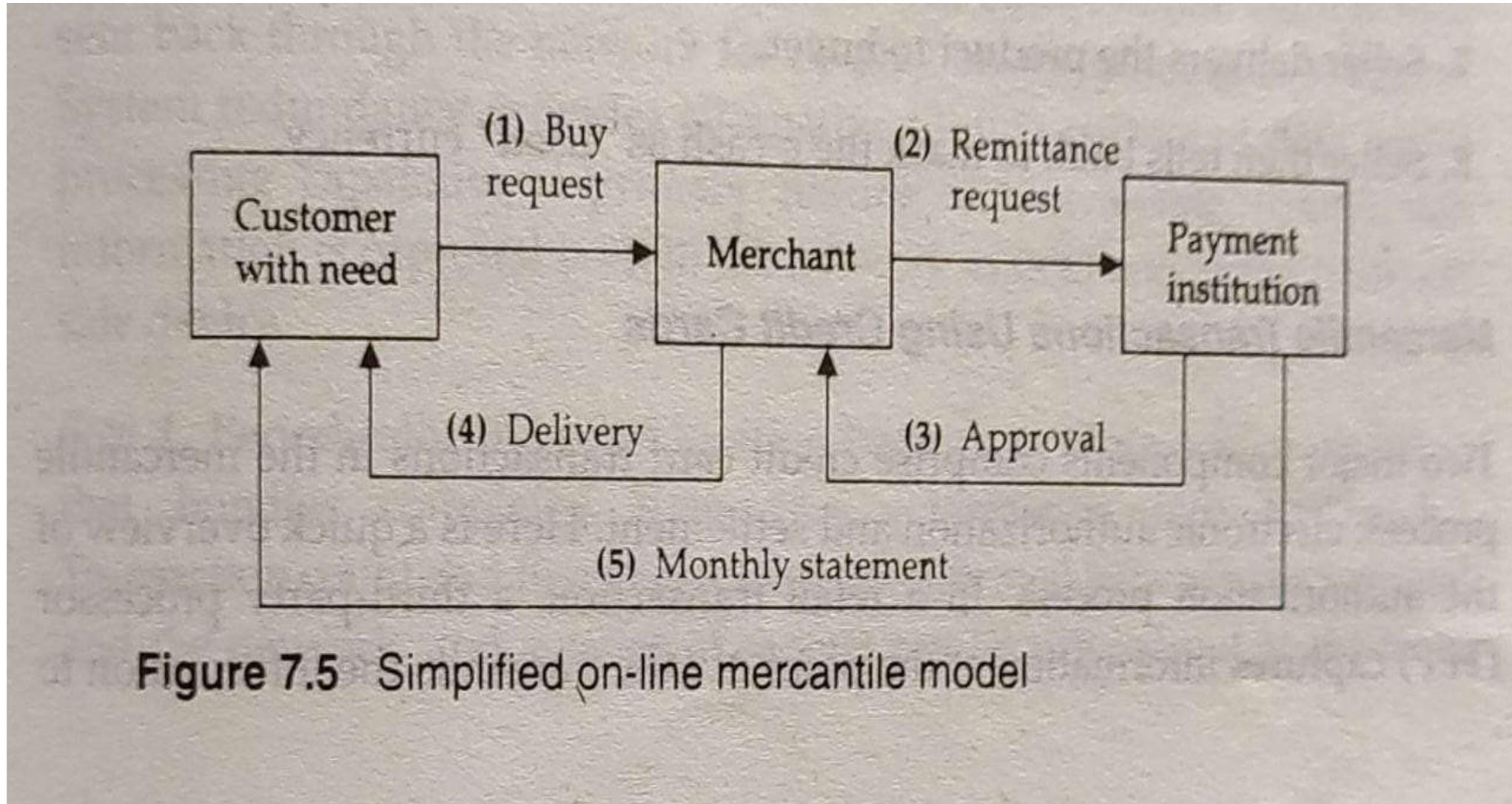


Figure 7.5 Simplified on-line mercantile model



Mercantile Models from the Consumer's Perspective

- Mercantile process using Digital Cash
- Buyer obtains e-cash from issuing bank
- Buyer contacts seller to purchase product
- Seller states price
- Buyer sends e-cash to seller
- Seller contacts his bank or billing service to verify the validity of the cash
- Bank gives okay signal
- Seller delivers the product to buyer



Mercantile Models from the Consumer's Perspective

- Mercantile Transactions Using Credit Cards
- Two major components compromise credit card transactions in this process:
 - electronic authorization and
 - settlement
- In retail transaction, a third-party processor (TPP) captures information at the point of sale, transmits the information to the credit card issuer for **authorization**, communicates a response to the merchant and electronically stores the information for **settlement** and reporting.
- The **benefits** of electronic processing include the reduction in credit losses, lower merchant transaction costs, & faster consumer checkout & merchant-to-bank settlement



Mercantile Models from the Consumer's Perspective

- A step-by-step account of retail transaction follows:
- Step1: A customer presents a credit card for payment at a retail location
- Step2: The point-of-sale software directs the transaction information to the local network
- Step3: System verifies the source of the transaction and routes it.
- Step4: In this, transaction count and financial totals are confirmed between the terminal and the network.
- Step5: In this, the system gathers all completed batches and processes the data in preparation for settlement.



Mercantile Models from the Consumer's Perspective

- A merchant client takes one of two forms:
- Merchants are charged a flat fee per transaction for authorization and data capture services.
- The other form of billing allows merchants to pay a "bundled" price for authorization, data capture, & settlement.
- Cost of Electronic Purchasing:
- Cash seems to be preferable to electronic payments, such as, on-line debit, credit, and electronic check authorization.
- Consumers appear to spend more when using cards than when spending cash.



Mercantile Models from the Consumer's Perspective

(iii) Post purchase Interaction

- Returns and claims are an important part of the purchasing process
- Other complex customer service challenges arise in customized retailing are:
- **Inventory issues:** To serve the customer properly, a company should inform a customer right away and if the item is in stock, a company must be able to assign that piece to customer Database access and
- **compatibility issues:** Customers should get kind of services easily through I-way on real time basis with compatible softwares like calling on customer care numbers.
- **Customer service issues:** To clear the doubts of customer about product.



Mercantile Models from the Merchant's Perspective

- Mercantile Models from the Merchant's Perspective
- To better understanding, it is necessary to examine the order management cycle (OMC).
- The OMC includes eight distinct activities.
- The actual details of OMC vary from industry to industry and also for individual products and services



Mercantile Models from the Merchant's Perspective

- OMC has generic steps
 - (i) Order planning & Order generation.
 - (ii) Cost estimation & pricing.
 - (iii) Order receipt & entry.
 - (iv) Order selection & prioritization.
 - (v) Order Scheduling
 - (vi) Order fulfillment & delivery.
 - (vii) Order billing & account/payment management.
 - (viii) Post sales service.

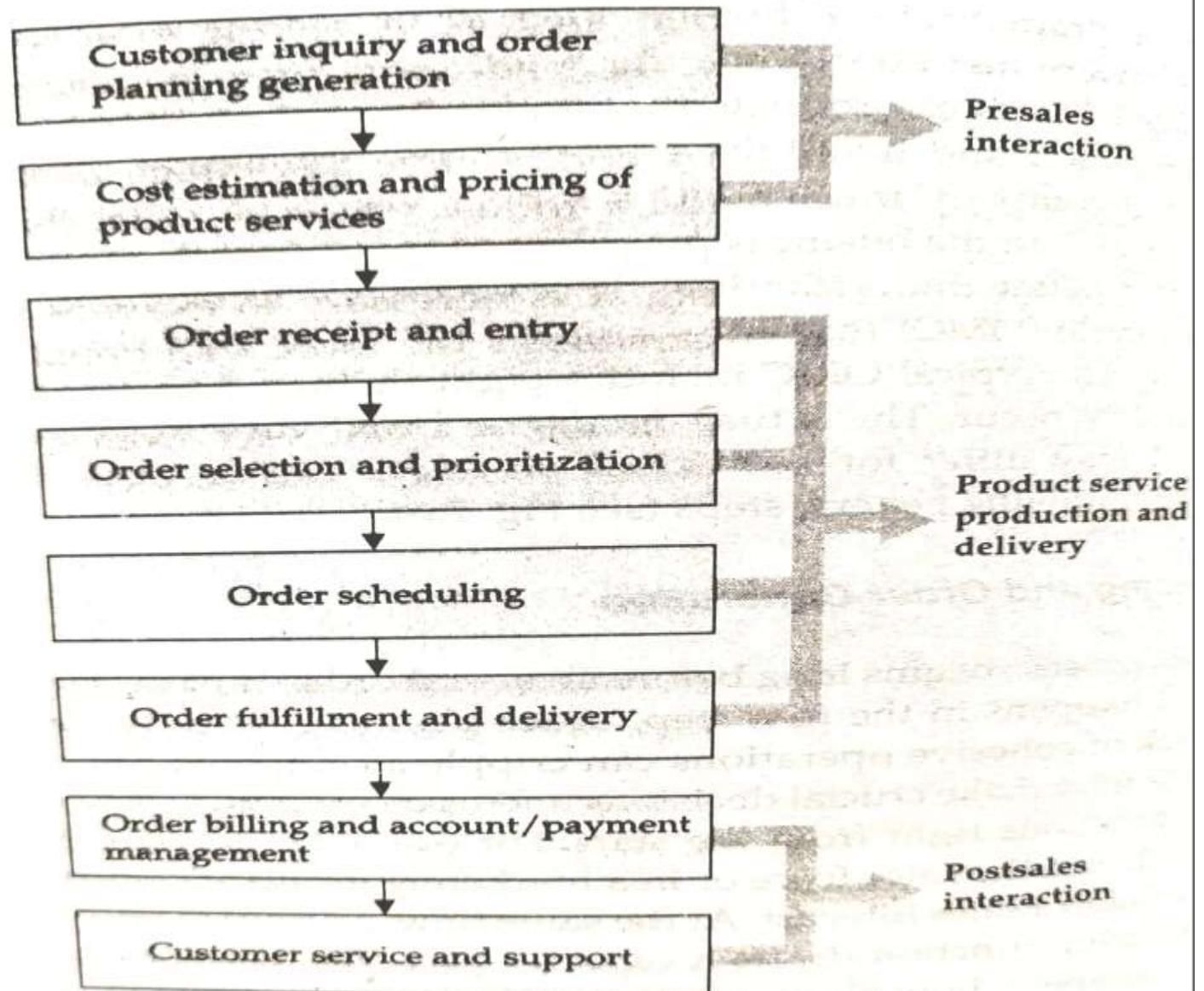


Figure 7.6 Order management cycle in e-commerce



Mercantile Models from the Merchant's Perspective

- Order planning & order Generation
- Order planning leads to order generation.
- Orders are generated in a no. of ways in the e-commerce environment like broadcasts ads (direct marketing), sends personalized e-mail to customers (cold calls), or creates a WWW page.



Mercantile Models from the Merchant's Perspective

- Cost Estimation & pricing
- Pricing is the **bridge** between customer needs & company capabilities.
- Pricing at the individual order level depends on
 - understanding the **value to the customer** that is generated by each order,
 - evaluating the **cost** of filling each order; &
 - **instituting a system** that enables the company to price each order based on its value & cost



Mercantile Models from the Merchant's Perspective

- Order Receipt & Entry
- After an acceptable price Quote, the customer enters the order receipt & entry phase of OMC.
- This was under the preview of departments variously titled customer service, order entry, the inside sales desk, or customer liaison.
- Order Selection & Prioritization
- Customer service representatives are also often responsible for choosing which orders to accept and which to decline.
- Not, all customers' orders are created equal; some are better for the business.



Mercantile Models from the Merchant's Perspective

- Order Scheduling
- In this phase the prioritized orders get slotted into an actual production or operational sequence.
- This task is difficult because the different functional departments- sales, marketing, customer service, operations, or production- may have conflicting goals, compensation systems, & organizational imperatives:
- Production people seek to minimize equipment change overs, while marketing & customer service reps argue for special service for special customers.



Mercantile Models from the Merchant's Perspective

- Order Fulfillment & Delivery
 - In this actual provision of the product or service is made.
 - It involves multiple functions and locations.
- Order Billing & Account/Payment Management
 - After the order has been fulfilled & delivered, billing is given by finance staff.
 - The billing function is designed to serve the needs and interests of the company, not the customer.



Mercantile Models from the Merchant's Perspective

- Post sales Service
- This phase plays an increasingly important role in all elements of a company's profit equation: customer, price, & cost.
- It can include such elements as physical installation of a product, repair & maintenance, customer training, equipment upgrading & disposal.



Thank You!



E-Commerce and Digital Marketing

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Benefits of e-Commerce

- **Basic Benefits of e-Commerce**

- Increase sales - this is the first thing that people consider when dealing with e-commerce
- Decreasing costs
- Increase profits
- Expands the size of the market from regional to national or national to international
- Contract the market
- Reach a narrow market
- Target market segmentation allows you to focus on a more select group of customers and therefore have a competitive advantage in satisfying them.



Benefits of e-Commerce

- Decreasing costs
 - Costs of creating the product
 - Marketing
 - Of promotional material
 - Costs of distribution
 - e.g. Netscape allowing you to download instead of waiting to get the CD by mail
- Costs of processing (orders from the customers)
 - repeat activities and information processing
 - of handling customer phone calls
 - of handling sales inquiries
 - determine product availability (inventory management)
- Costs of storing information
- Lowers telecommunication costs



Benefits of e-Commerce

- Provide **price quotes**
 - With a website, one can have the prices listed, and **change them**
 - In a printed catalogue one is stuck with the expense of printing a new version if one needs to change many of the prices
- **Other Benefits**
 - Enables **customization** of products
 - Allows for **innovative** business models
 - Allows for a high degree of **specialization**
 - **Reduces the time** exposure
 - Supports Business Process Reengineering (**BPR**)
 - Increases **productivity**.
 - Improves **customer service**



Benefits of e-Commerce

- A large component of business these days is dealing with other businesses (B2B) that supply parts and components.
- Companies supplying services often have that service broken down into sub-contracting services eg. - a building maintenance contract can be subdivided into the following services
 - **Security service**
 - access control
 - alarm response
 - **Landscaping service**
 - Summer - grass cutting
 - Winter - snow removal
 - Heating, ventilation and air conditioning service
 - Electrician service
 - Plumbing service
 - Window washing service



Benefits of e-Commerce

- Benefits to organizations that use e-Commerce with their business partners - manufacturers and service companies
 - Minimizes Supply Chain inefficiencies
 - reduces inventories
 - reduces delivery delays
 - enables efficient e-procurement
 - Build more collaborative and stronger relationships with suppliers. This includes streamlining and automating the underlying business processes, enabling areas such as
 - direct marketing
 - selling,
 - customer services (call centers)
 - procurement
 - replenishment and
 - information management.



Benefits of e-Commerce

- Benefits to consumers that use e-Commerce (e-Business)
 - can buy when you want, from more locations (internet connected terminals) more choices.
 - when you have more choices you can decide on a product with better features at a more competitive price
 - sometimes products are less expensive online
 - can receive more information about the product, make a more informed decision
 - greater information leads to more confidence to make a purchase decision
 - more info also leads to enhanced customer satisfaction because the customers has a better idea how to use the product.
- Quicker delivery (for online products)
- Quick delivery is important for people who want to use the product immediately, as opposed to waiting longer - if they have to wait long, they may pick a competitor's product.



Benefits of e-Commerce

- Benefits to **society**
(when consumers and business use e-Commerce)
 - **Cocooning** - more individuals can work offsite.
 - This **decreases HR costs** for companies because they can have smaller office buildings, less parking spaces, fewer IT services, etc.
 - Less affluent people can buy more and **increase standard of living**.
 - Facilitates delivery of public services
 - Sending out bill payment info is a significant cost for companies



Limitations of e-Commerce

- Not everyone is convinced the internet will be a major way to conduct business
- **Technical Limitations**
 - costs of a technological solution.
 - some protocols are **not standardized** around the world.
 - **reliability** for certain processes.
 - insufficient telecommunications **bandwidth**.
 - **software** tools are not fixed but **constantly evolving** (ie. Netscape 3,4,4.7,4.75 etc.)
 - **integrating** digital and non-digital **sales and production information**.
 - **access limitations** of dial-up, cable, ISDN, wireless.
 - Some vendors require **certain software** to show features on their pages, which is **not common** in the standard browser used by the majority.
 - Difficulty in integrating e-Commerce infrastructure with current organizational IT systems.



Limitations of e-Commerce

- Non-Technical Limitations
- customer fear of personal information being used wrongly
 - customer expectations unmet
 - rules and regulations
 - security and privacy
 - vulnerability to fraud and other crimes
 - lack of trust and user resistance
 - fear of payment information being unsecured.
 - legal issues outstanding such as jurisdiction.
 - The legal environment has many new and conflicting laws
 - cultural obstacles
 - linguistic challenges



Limitations of e-Commerce

- Non-Technical Limitations
 - accessibility outside of urban/suburban and areas effects universality
 - people's resistance to change
 - people not used to faceless / paperless / non-physical transactions



Impact of e-Commerce

- On the Efficiency of the economy
 - Falling costs of Information and Communication Technologies.
 - Impact on production costs
 - Changing the firm's cost structure
 - Cost of executing a sale
 - » physical establishment, order placement /execution, customer support and after-sales service, staffing
 - Purchase orders/procurement
 - » Inventories, distribution



Impact of e-Commerce

- On the Efficiency of the economy
 - Changing cost structure of the value added chain
 - **Disintermediation**
 - Reduction of distributors, retailers
 - Displacement of intermediary products –Air Travel, Stock trading
 - **Re-intermediation**
 - Advertising /branding , Secure on-line payments and delivery / logistics
 - » Directories, Search Services, Malls, Publishers, Virtual resellers, Web site evaluators, Financial Intermediaries,
 - Impact on Prices
 - Different pricing schemes



Impact of e-Commerce

- On the Firms Business Model, Sectoral Organization and Market Structure
 - E-commerce is transforming the market place by changing firm's business models, by shaping the relations among market actors and by contributing to **changes in the market structure**
 - Cyber Traders play a catalytic role in **forcing e-commerce solutions** in sectoral and national contexts.
 - Changes **firm's competitive advantages**, **nature of the firm's competition**, as well as the **market** on which firms compete.
 - Likely to **increase market size** and change market structure in terms of the number and size of players.
 - **Flexibility and adaptability** of the work force will be crucial for firm to reorganize
 - Combination of **streamlined business processes**, **flat organizational hierarchies**, **continuous training** and skills acquisition, inter-firm collaboration and networking.



Impact of e-Commerce

- Societal Impacts
 - Access to digital economy.
 - Education and Training – Change in skill mix.
 - Pressure to perform quickly on individuals.
 - Change in work environments.
 - Creation of “Information haves and have nots”



E-commerce in India

- India is currently in the midst of an e-commerce revolution.
- The arrival of the Internet followed by the escalating growth of Web-based businesses is leading to e-commerce both on the B2B and the B2C sides.
- The e-commerce trends in India are in perfect accordance with the sweeping changes taking place in the global markets.
- Even the IT friendly Government has taken significant strides in the past few months to ensure that the economic climate is ripe for e-business.
- India has the potential to earn revenues from e-business solutions. (Both the domestic and export markets put together).



E-commerce in India

- Supply Chain Management optimization and Customer Relation Management are going to be one of the strongest drivers of the global e-commerce solutions market.
- And more than 72 percent of Indian software houses were found to possess strong expertise in Supply Chain Management and CRM.
- Some of the areas of e-commerce services available are:
 - Legacy application integration
 - Internet application integration
 - EDI
 - Migration to Web-based models
 - New IT frameworks
 - Integration with business strategies
 - E-commerce training services



E-commerce in India

- National Association of Software and Services Company (NASSCOM) has recommended a five-year moratorium on e-commerce transactions and also suggested a comprehensive study on the various issues involved, before a decision is taken to tax e-commerce.
- Due to the global nature of e-commerce, it is suggested that India should support a permanent ban on taxes on Internet access, a permanent ban on custom duties on electronic transmissions, international tax rules that are neutral, simple and certain; and simplification of state and local sales taxes.



E-commerce in India

- Issues
 - Still to take full advantage of e-commerce
 - Lack of computing power – less number of computers
 - Access to internet
 - Less usage of credit cards
 - Lack of adequate Communication Infrastructure



Prospects

- **Business-To-Consumer**
 - A number of **markets are sprouting** in the business-to-consumer category. Such markets include shopping malls, single-vendor retail stores and electronic software delivery.
 - It has been estimated that the world-wide **e-Commerce market will exceed** \$46 billion in consumer transactions and 15% of all WWW users have used it to purchase a product or service online
 - It is estimated that **75% of WWW sites are sponsored by advertising**, while only 25% are supported by customers. With more than 50 million users world-wide, the Internet has become a attractive market for advertisers.
- **Business-To-Business**
 - According to recent projections by industry analysts, **Business-to-Business E-Commerce may exceed** \$176 billion in business transactions



Thank You!



E-Commerce and Digital Marketing

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Electronic Payment Systems

- Electronic payment systems and e-commerce are complicatedly linked given that on-line consumers must pay for products and services.
- An important aspect of e-commerce is prompt and secure payment, clearing, and settlement of credit or debit claims.
- Online sellers face the problem of paying for goods and services. What currency will serve as the medium of exchange in this new marketplace.
- Payment and settlement is a potential bottleneck in the fast-moving electronic commerce environment if one depends on conventional payment methods such as cash, checks, bank drafts, or bills of exchange.
- New methods of payment are needed to meet the emerging demands of e-commerce.
- These neo-payment instruments must be secure, have a low processing cost, and be accepted widely as global currency tender.



Electronic Payment Systems

- Electronic payment systems are proliferating in banking, retail, health care, on-line markets, and even government—in fact, anywhere money needs to change hands.
- Organizations are motivated by the need to deliver products and services more cost effectively and to provide a higher quality of service to customers.
- The emerging electronic payment technology labeled electronic funds transfer (EFT).
- EFT is defined as “any transfer of funds initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account”
- EFT utilizes computer and telecommunication components both to supply and to transfer money or financial assets.



Categories electronic funds transfer (EFT)

EFT can be segmented into **three broad categories**:

- **Banking and financial payments**
 - Large-scale or wholesale payments (e.g., bank-to-bank transfer)
 - Small-scale or retail payments (e.g., automated teller machines to cash dispensers)
 - Home banking (e.g., bill payment)
- **Retailing payments**
 - Credit Cards (e.g., VISA or MasterCard)
 - Private label credit/debit cards (e.g., ShoppersStop, Big Bazar, westside)
 - Charge Cards (e.g., American Express)



Categories electronic funds transfer (EFT)

Credit Cards vs Charge Cards

Feature	Credit Card	Charge Card
Has a 'pre-set' credit limit	Yes	No
Is part payment allowed	Yes	No
Charges Interest	Yes	No
Annual fee	Yes	Yes
Influences your Credit Score	Yes	Yes
Charges Late Payment Fees	Yes	Yes



Categories electronic funds transfer (EFT)

- On-line electronic commerce payments
 - 1. Token-based payment systems
 - Electronic cash (e.g., DigiCash)
 - Electronic checks (e.g., NetCheque)
 - Smart cards or debit cards:
 - A **smart card**, **chip card**, or **integrated circuit card (ICC or IC card)** is a physical electronic authorization device, used to control access to a resource. It is typically a **plastic credit card-sized card** with an embedded **integrated circuit (IC)** chip.
 - Smart cards can provide **personal identification**, authentication, data storage, and application processing.
 - **Applications** include identification, financial, mobile phones (SIM), public transit, computer security, schools, and healthcare.
 - Smart cards may provide strong security authentication for single sign-on (SSO) within organizations (e.g., Mondex Electronic Currency Card) to manage multiple applications under one user credentials.



Categories electronic funds transfer (EFT)

- 2. Credit card-based payments systems
 - Encrypted Credit Cards (e.g., World Wide Web form-based encryption)
 - Third-party authorization numbers (e.g., paytm, phonepe)



Digital Token-Based Electronic Payment Systems

Therefore, Electronic tokens are three types:

1. Cash or Real-time

- Transactions are settled with exchange of electronic currency.
- Ex: on-line currency exchange is electronic cash (e-cash).

2. Debit or Prepaid

- Users pay in advance for the privilege of getting information.
- Ex: prepaid payment mechanisms are stored in smart cards and electronic purses that store electronic money.

3. Credit or Postpaid

- The server authenticates the customers and verifies with the bank that funds are adequate before purchase.
- Ex: postpaid mechanisms are credit/debit cards and electronic checks.



Digital Token-Based Electronic Payment Systems

- Electronic Cash:
 - Electronic Cash combines **computerized convenience** with **security** and privacy that improve on paper cash.
 - E-cash focuses on **replacing cash** as the **principal payment** vehicle in consumer-oriented electronic payments.
- Properties of Electronic Cash:
- There are many ways that exist for implementing an e-cash system, all must incorporate a few **common features**.
- Specifically, e-cash must have the following four properties:
 1. Monetary value
 2. Interoperability or exchangeable
 3. Retrievability
 4. Security (preventing double spending if used simultaneously in different areas).



Digital Token-Based Electronic Payment Systems

Electronic Cash in Action

- The term eCash was originally used by a company called DigiCash, founded by David Chaum.
- DigiCash went bankrupt in 1998 but the idea of e-Cash lived on.
- It was the idea that started online transactions, as well as **cryptocurrency**.
- It worked for all types of transactions.
- Electronic Cash is based on **cryptographic systems** called —digital signatures.
- This method involves a pair of numeric keys: one for locking (encoding) and the other for unlocking (decoding). (Through public key and private key).



Digital Token-Based Electronic Payment Systems

Purchasing E-cash from Currency Servers:

- The purchase of e-cash from an on-line currency server (or bank) involves two steps:
 1. Establishment of an account and
 2. Maintaining enough money in the account to bank the purchase.
- Some customers might prefer to purchase e-cash with paper currency, either to maintain anonymity or because they don't have a bank account.



Digital Token-Based Electronic Payment Systems

Using the Digital Currency

- Once the tokens are purchased, the e-cash software on the customer's PC stores digital money undersigned by a bank.
- The users can spend the digital money at any shop accepting e-cash, without having to open an account there or having to transmit credit card numbers.
- As soon as the customer wants to make a payment, the software collects the necessary amount from the stored tokens.



Digital Token-Based Electronic Payment Systems

Electronic Checks/Netchecks

- It is another form of electronic tokens.
- For payments through electronic checks buyers must register with **third-party account** server before they are able to write electronic checks.
- The account server acts as a **billing service**.



Digital Token-Based Electronic Payment Systems

- The advantages are:
 1. They work in the same way as traditional checks.
 2. These are suited for clearing **micropayments**.
 3. They create float & availability of float is important for commerce.
 4. Financial risk is assumed by the accounting server so reliability and scalability are provided by multiple account servers.



Digital Token-Based Electronic Payment Systems

Smart Cards & Electronic Payment Systems

- Smart cards have been in existence since the early 1980s and hold promise for **secure transactions** using existing infrastructure.
- Smart cards are credit and debit cards and other card products enhanced with **microprocessors** capable of holding more information than the traditional magnetic stripe.
- The smart card technology is **widely used** in countries such as France, Germany, Japan, and Singapore to pay for **public phone calls**, **transportation**, **shoppers loyalty programs**.



Digital Token-Based Electronic Payment Systems

- Smart cards are basically two types:
 - Relationship-Based Smart Credit Cards
 - Electronic Purses, which replace money, are also known as debit cards and electronic money.



Digital Token-Based Electronic Payment Systems

Relationship-Based Smart Credit Cards

- It is an enhancement of existing cards services &/ or the **addition of new services** that a financial institution delivers to its customers via a **chip-based card or other device**.
- These services include access to multiple financial accounts, value added marketing programs, or other information card holders may want to store on their card.
- It includes access to multiple accounts. such as debit. credit, cash access, bill payment & multiple access options at multiple locations.
- It stores information like **name, DOB, personal purchase preferences, and actual purchase records** of the card holders.
- It helps the merchants to identify the **consumer behavior** and **develop promotional programs** for shopper loyalty.



Digital Token-Based Electronic Payment Systems

Electronic Purses

To replace cash and place a financial instrument are racing to introduce —electronic purses, wallet-sized smart cards embedded with programmable microchips that store sums of money for people to use instead of cash for everything.



Digital Token-Based Electronic Payment Systems

The electronic purse works in the following manner:

1. After purse is loaded with money at an ATM, it can be used to pay for candy in a vending machine with a card reader.
2. It verifies card is authentic & it has enough money, the value is deducted from balance on the card & added to an e-cash & remaining balance is displayed by the vending machine.



Digital Token-Based Electronic Payment Systems

Credit Card-Based Electronic Payment Systems

Payment cards are all types of plastic cards that consumers use to make purchases:

- Credit cards
 - Such as a Visa or a MasterCard, has a preset spending limit based on the user's credit limit.
- Debit cards
 - Removes the amount of the charge from the cardholder's account and transfers it to the seller's bank.
- Charge cards
 - Such as one from American Express, carries no preset spending limit.



Digital Token-Based Electronic Payment Systems

Advantages:

- Payment cards provide protection from fraud. They have worldwide acceptance.
- They are good for online transactions.

Disadvantages:

- Payment card service companies charge merchants per transaction fees and monthly processing fee.



Digital Token-Based Electronic Payment Systems

Electronic Cash Storage

- Two methods
 - On-line
 - Individual does not have possession personally of electronic cash. Trusted third party, e.g. e-banking, bank holds customers' cash accounts.
 - Off-line
 - Customer holds cash on smart card or electronic wallet.
 - Fraud and double spending require tamper-proof encryption.



Risks in Electronic Payment system

- **Customer's risks**
 - Stolen credentials or password.
 - Dishonest merchant making anonymous transactions.
 - Privacy issues for purchase details.
 - Inappropriate use of transaction details.



Risks in Electronic Payment system

- **Merchant's risk**

- Forged or copied instruments.
- Disputed charges.
- Insufficient funds in customer's account.
- Unauthorized redistribution of purchased items.



Thank You!



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Electronic Data Interchange (EDI)

- Electronic Data Interchange (EDI) - intervenes **communication of business information in standardized electronic form**.
- As per International Data Exchange Association “electronic data interchange is the electronic data transfer from one computer to another of computer processable data using an agreed standard to structure the data”.
- Prior to EDI, business depended on postal and phone systems that restricted communication to those few hours of the workday that overlap between time zones.



Electronic Data Interchange

Why EDI ?

- Reduction in transaction costs.
- Foster closer relationships between trading partners EDI & Electronic Commerce.
- Electronic commerce includes EDI & much more,
- EDI forces boundary less relationships by improving interchange of information between trading partners, suppliers, & customers.



EDI layered architecture

EDI architecture specifies four layers:

1. Semantic (or application) layer
2. Standards translation layer
3. Packing (or transport) layer
4. Physical network infrastructure layer



EDI layered architecture

1. EDI semantic layer:

- Describes the **business applications**
- For example for a **Procurement application**
 - Requests for quotes
 - Price quotes
 - Purchase orders
 - Acknowledgments
 - Invoices



EDI layered architecture

1. EDI semantic layer contd.....

- Specific to company & **software** used Standards translations.
- Specifies **business form structure** so that information can be exchanged.
- Two competing standards
 - American National Standards Institute(ANSI)X12
 - EDIFACT developed by UN/ECE, Working Party for the Facilitation of International Trade Procedures



EDI layered architecture

2. EDI Standard Layer:

- EDI standards specify business **form structure** and **influence content** at a particular application.
- Example: A purchase order **name field** in an (ANSI)X12 standard might be specified to hold a maximum of **50 characters**.



EDI layered architecture

3. EDI transport layer

- How the business form is sent, e.g. post, fax
- Increasingly, e-mail is the carrier
- Differentiating EDI from e-mail

Table 9.1 EDI Versus e-mail

<i>Electronic Data Interchange (EDI)</i>	<i>Electronic Mail</i>
<p>There is typically no human involvement in the processing of the information, as the interface has software-to-software orientation. The data are structured in a software-understandable way.</p> <p>The interchange is composed by one software for interpretation by another software. If a reply is involved, it is composed by a software to be interpreted by another software.</p>	<p>The data are not necessarily structured to be software-understandable. A human-to-software interface is involved at a minimum of one end of the interchange.</p> <p>The message is composed by a human and/or interpreted by a human and/or a reply is composed by a human and/or interpreted by a human.</p>



EDI layered architecture

4. Physical network infrastructure layer

- Dial-up lines, Internet, value-added network, etc.

EDI semantic layer	Application level services	
EDI standard layer	EDIFACT business form standards	
	ANSI X12 business form standards	
EDI transport layer	Electronic mail	X.435, MIME
	Point to point	FTP, TELNET
	World Wide Web	HTTP
Physical layer	Dial-up lines, Internet, I-way	

1.1 Layered architecture of EDI



EDI in Action

Information flow without EDI

- The information flow when paper documents are shuffled between organizations via the mailroom.
- When the buyer sends a purchase order, then relevant data extracted & recorded on a hard copy.
- This hard copy is forwarded to several steps, at last manually entered into system by the data entry operators
- This process is somewhat overhead in labor costs & time delays.



EDI in Action

Chapter 7 555

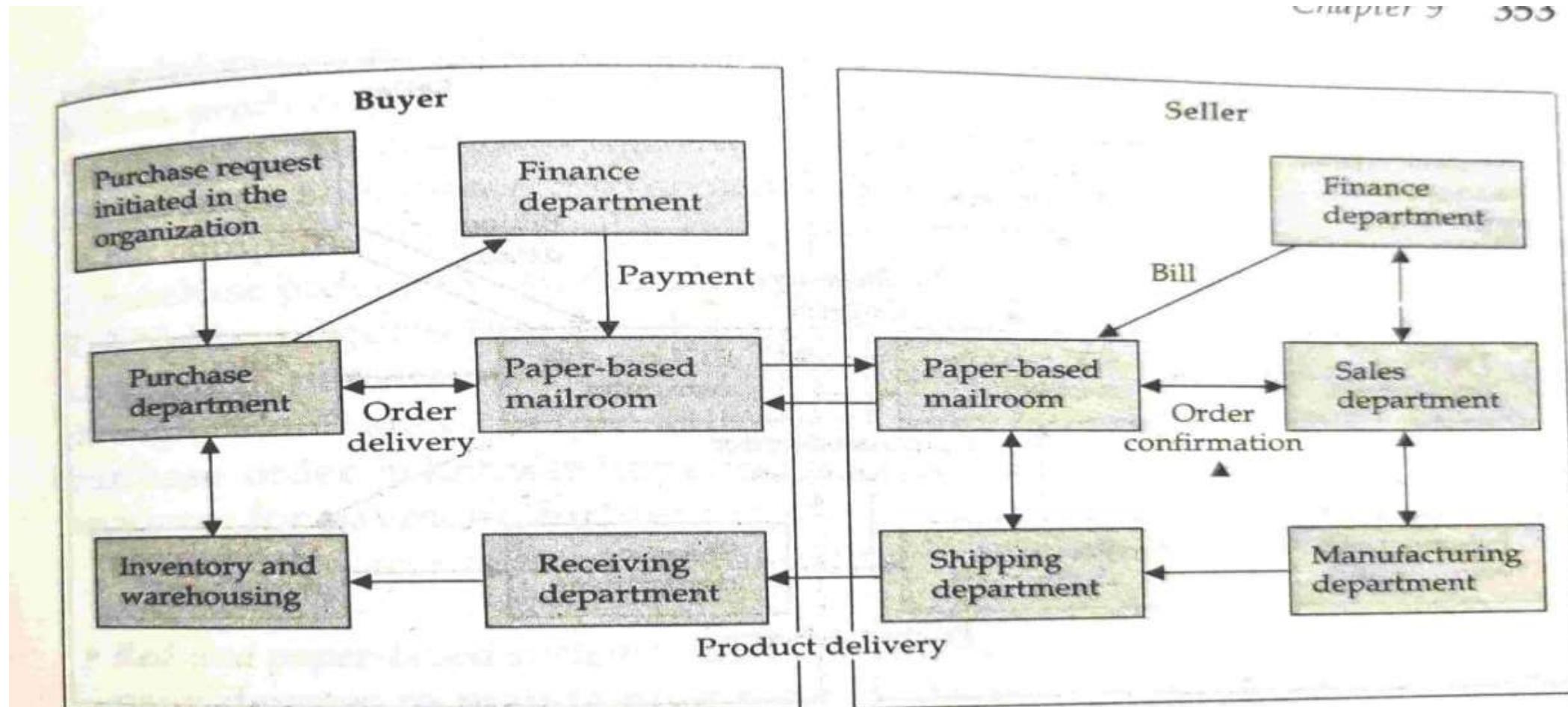


Figure 9.2 Information flow without EDI



EDI in Action

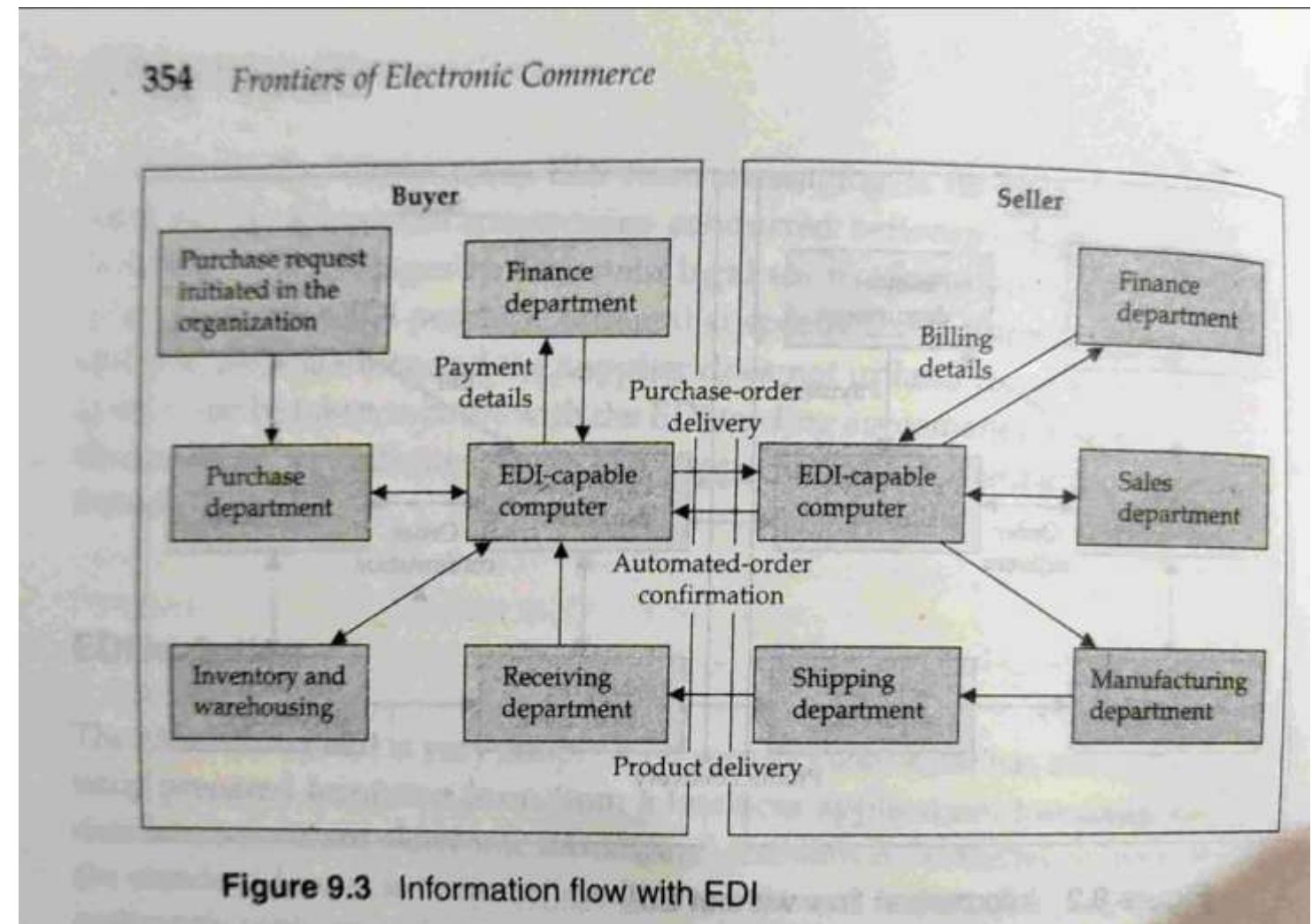
Information flow with EDI are as follows:

1. Buyer sends **purchase order** to seller computer
2. Seller sends **purchase order confirmation** to buyer
3. Seller sends **booking request** to transport company
4. Transport company sends **booking confirmation** to seller
5. Seller sends **advance ship notice** to buyer
6. Transport company sends **status** to seller



EDI in Action

- 7. Buyer sends Receipt advice to seller.
- 8. Seller sends invoice to buyer.
- 9. Buyer sends payment to seller EDI as a fast, inexpensive & safe method.





Benefits of EDI

- Cost & time savings, Speed, Accuracy, Security, System Integration, Just-In-Time Support.
- Reduced paper-based systems, i.e. record maintenance, space, paper, postage costs
- Improved problem resolution & customer service
- Expanded customer/supplier base or suppliers with no EDI program lose business EDI Applications in Business



Thank You!



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EDI Applications in Business

Four different scenarios in industries that use EDI extensively:

1. International or cross-border trade.
2. Electronic funds transfer (EFT).
3. Health care EDI for insurance claims processing.
4. Manufacturing & retail procurement.



EDI Applications in Business Contd..

I. International or cross-border trade

- EDI has always been very closely linked with international trade.
- Trade efficiency, which allows faster, simpler, broader & less costly transactions.

Role of EDI in international trade

1. Reduced transaction expenditures.
2. Quicker movement of imported & exported goods.
3. Improved customer service through —track & trace programs.
4. Faster customs clearance & reduced opportunities for corruption, a massive problem in trade.



EDI Applications in Business Contd..

II. Interbank Electronic Funds Transfer (EFT)

- Comprises the electronic transmission of payments and remittance information between a payer, payee and their respective banks.
- Types of Financial EDI
 - Bank Cheques
 - EFTS is credit transfers between banks where funds flow directly from the payer's bank to the payee's bank.
 - The biggest funds transfer services in India are provided by SBI.



EDI Applications in Business Contd..

Automated Clearinghouse (ACH) Transfers

- Automated Clearing House (ACH) system is better recognized as Electronic Clearing Service (ECS) in India.
- Automated Clearing House (ACH) payments system was designed to allow corporations and consumers to reduce or eliminate the use of paper checks to make routine payments.
- ACH transfers are used to process high volumes of relatively small-dollar payments for settlement in one or two business days.
- It provides services: pre-authorized debits, such as repetitive bill payments; & consumer- initiated payments.

EDI Applications in Business Contd..

- Automated Clearinghouse (ACH) Transfers
- ECS is currently available in around 89 centers in the country. It is operated by the Reserve Bank of India (RBI) at 15 centers and by commercial banks at the remaining centers.
- With the introduction of NACH or National Electronic Clearing Service (NECS) by Reserve Bank of India, the reach of the system has been further deepened and all identified core banking branches of banks are to be included as part of the upgraded system.

EDI Applications in Business Contd..

- Automated Clearinghouse (ACH) Transfers Facilitates
 - Fast transmission of information about their financial balances throughout the world
 - The movement of money internationally at rapid speed for settlement of debit/credit balances
 - Examples
 - » BankWire a network owned by banks in over 200 American cities
 - » FedWire funds transfer system in US
 - » CHIPS (Clearing House Interbank Payments System) processes 90 percent of all international dollar transfers made
 - » SWIFT (Society for Worldwide Interbank Financial Telecommunications) which is a leader in providing standard EDI formats for funds –transfer instructions and administrative messages



EDI Applications in Business Contd..

III. Health care EDI for insurance EDI

- Providing good & affordable health care is a universal problem.
- EDI is becoming a permanent fixture in both insurance & health care industries as medical provider, patients, & payers.
- Electronic claim processing is quick & reduces the administrative costs of health care.
- Using EDI software, service providers prepare the forms & submit claims via communication lines to the value-added network service provider.



EDI Applications in Business Contd..

- The company then edits, sorts, & distributes forms to the payer.
- If necessary, the insurance company can electronically route transactions to a third-party for price evaluation.
- Claims submission also receives reports regarding claim status & request for additional information.



EDI Applications in Business Contd..

IV. Manufacturing & retail procurement using EDI

- These are heavy users of EDI
- In manufacturing, EDI is used to support just-in-time.
- In retailing, EDI is used to support quick response.



EDI Applications in Business Contd..

- Just-In-Time & EDI
 - Companies using JIT & EDI calculates how many parts are needed each day based on the production schedule & electronically transmit orders.
 - Delivery has to be responsive, or it will cost too much in money & time.
 - Getting data to suppliers quickly.
 - A major benefit of JIT & EDI is a **streamlined cash flow.**



EDI Applications in Business Contd..

- Quick Response & EDI
 - For the customer, QR means better service & availability of a wider range of products.
 - For the retailer & supplier, QR may mean survival in a competitive marketplace.
 - Much focus of QR is in reduction of lead times using event-driven EDI.
 - In QR, EDI documents include purchase orders, shipping notices, invoices, inventory position, catalogs, & order status.



EDI & Electronic Commerce

- New types of EDI are
 - traditional EDI &
 - open EDI

Traditional EDI

- It replaces the paper forms with almost strict one-to-one mappings between parts of a paper form to fields of electronic forms called transaction sets.
- It covers two basic business areas:
 1. Trade data Interchange (TDI) encompasses transactions such as purchase orders, invoice & acknowledgements.
 2. Electronic Funds Transfer (EFT) is the automatic transfer of funds among banks & other organizations



EDI & Electronic Commerce Contd...

- It is divided into 2 camps:
- Old EDI & New EDI.
- Old EDI is a term created by those working on the next generation of EDI standards in order to differentiate between the present & the future.



EDI & Electronic Commerce Contd...

- **Old EDI**
 - Automating the exchange of information pertinent to business activity
 - It is referred as the current **EDI-standardization process** where it allows every company to choose its own, unique, proprietary version.
- **New EDI**
 - It is **refocusing** of the standardization process.
 - In this, the structure of the interchanges is determined by the programmer who writes a program.
 - It **removes long standardization process.**



EDI & Electronic Commerce Contd...

- **Open EDI**
- It is a business procedure that **enables e-commerce to occur** between organizations where the interaction is of short duration.
- It is process of doing EDI without the upfront trading partner agreement that is currently signed by the trading partners.
- The goal is to sustain ad-hoc business or short-term trading relationships using simpler legal codes.
- It is a law of contract within the context of e-commerce where transactions are not repeated over long period of time.



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EDI Software Implementation

- Basic kit necessary for EDI implementation includes
 - Common EDI standards specify transaction sets – complete **sets of business documents** (invoice, purchase order, remittance advice etc).
 - **Translation Software** sends messages between trading partners, integrates data into and from existing computer applications, and translates among EDI standards.
 - Trading partners are a firm's customers and suppliers with whom business is conducted.
 - Banks facilitate payment and remittance.
 - EDI value-added network services (VAN) manage data communications networks for businesses that exchange electronic data with other businesses.
 - Proprietary hardware and networking – very large companies very active in EDI, that facilitate their business partners' use of EDI.

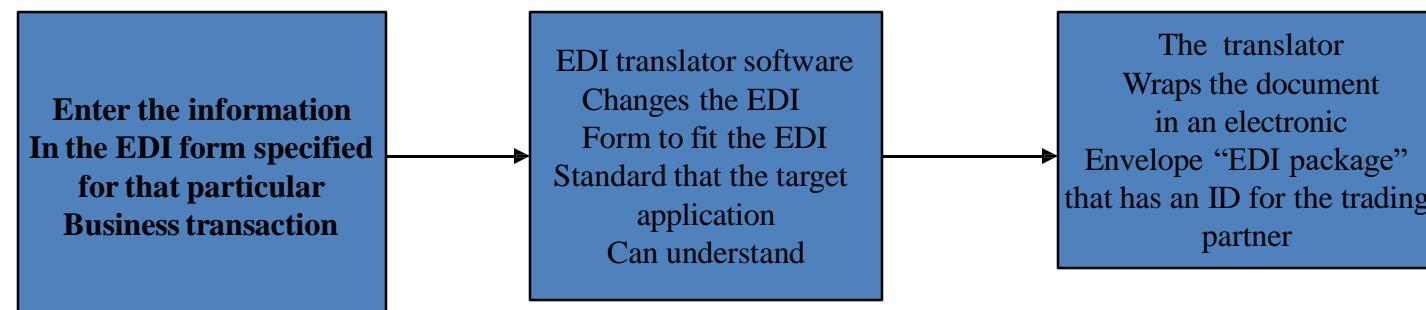
EDI Software Implementation

- EDI software has 4 layers:
 1. Business application
 2. Internal format conversion
 3. EDI Translator
 4. EDI envelope for document messaging.
- These 4 layers package the information & send it over the value-added network to the target business, which then **reverses** the process to obtain the original information

EDI Software Implementation

– EDI Business Application Layer

- The first step in the EDI process creates a document in a software application.
- The software application then sends the document to an EDI translator, which automatically reformats the document into the agreed-on EDI standard.
- The translator creates and wraps the document in an electronic envelope “EDI package, “ with a mailbox ID for the company’s trading partner.
- The EDI wrapper software can be a module to the translator, a programming tool to write to different communications protocols, or a separate application.



EDI Software Implementation

- EDI Translator Layer
 - Translators describe the relationship between the data elements in the business application and the EDI standards.
 - The translator ensures that the data are converted into a format that the trading partner can use.
- EDI Communication Layer
 - The communication part dials the phone number for the value-added network service provider or other access method used.
 - On the receiving end, the trading partner's modem calls the network and retrieves the information
- Implementation Cost
 - Expected volume of electronic documents
 - Economics of the EDI translation software
 - Implementation time

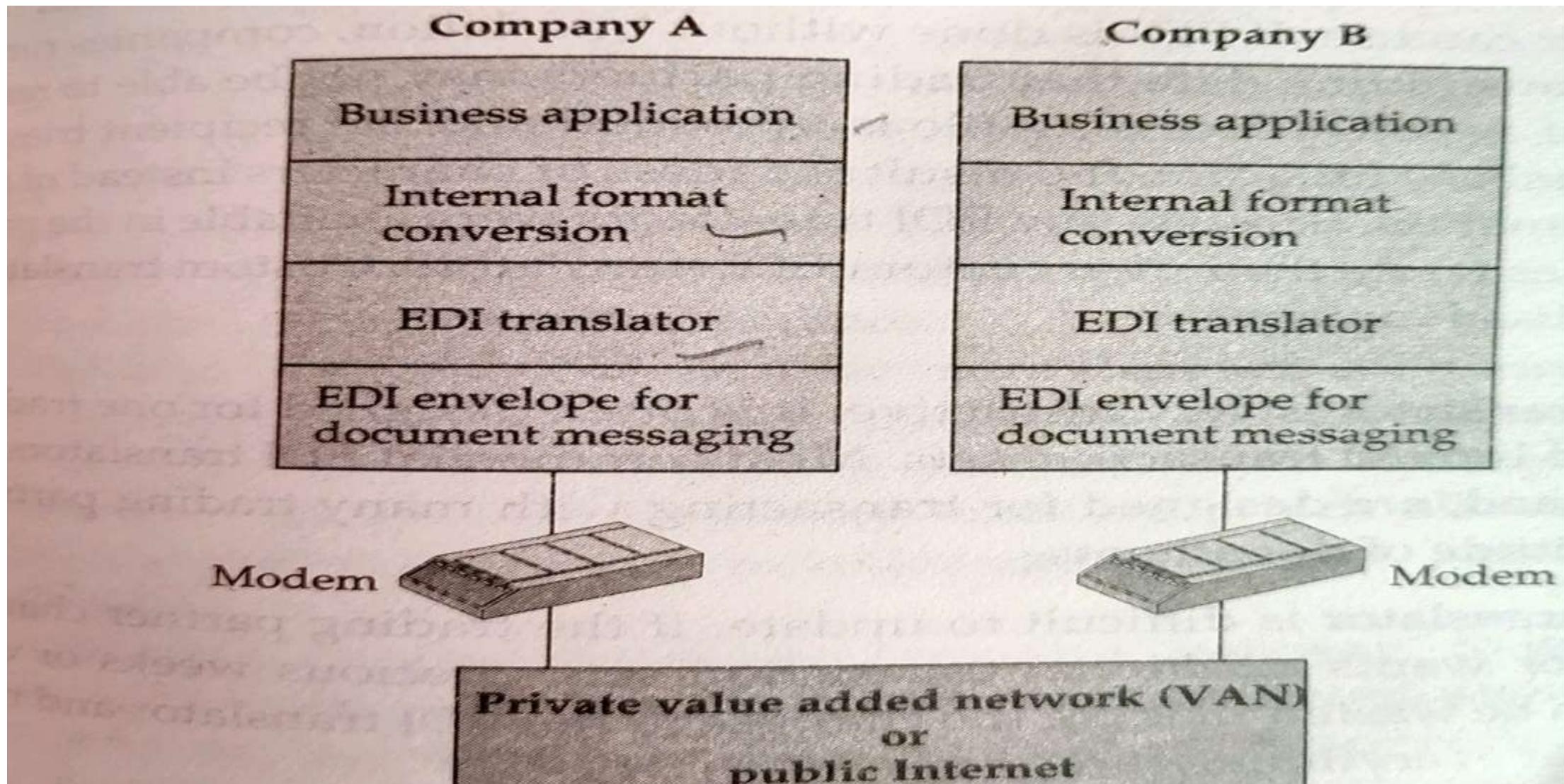


Figure 10.1 How EDI works



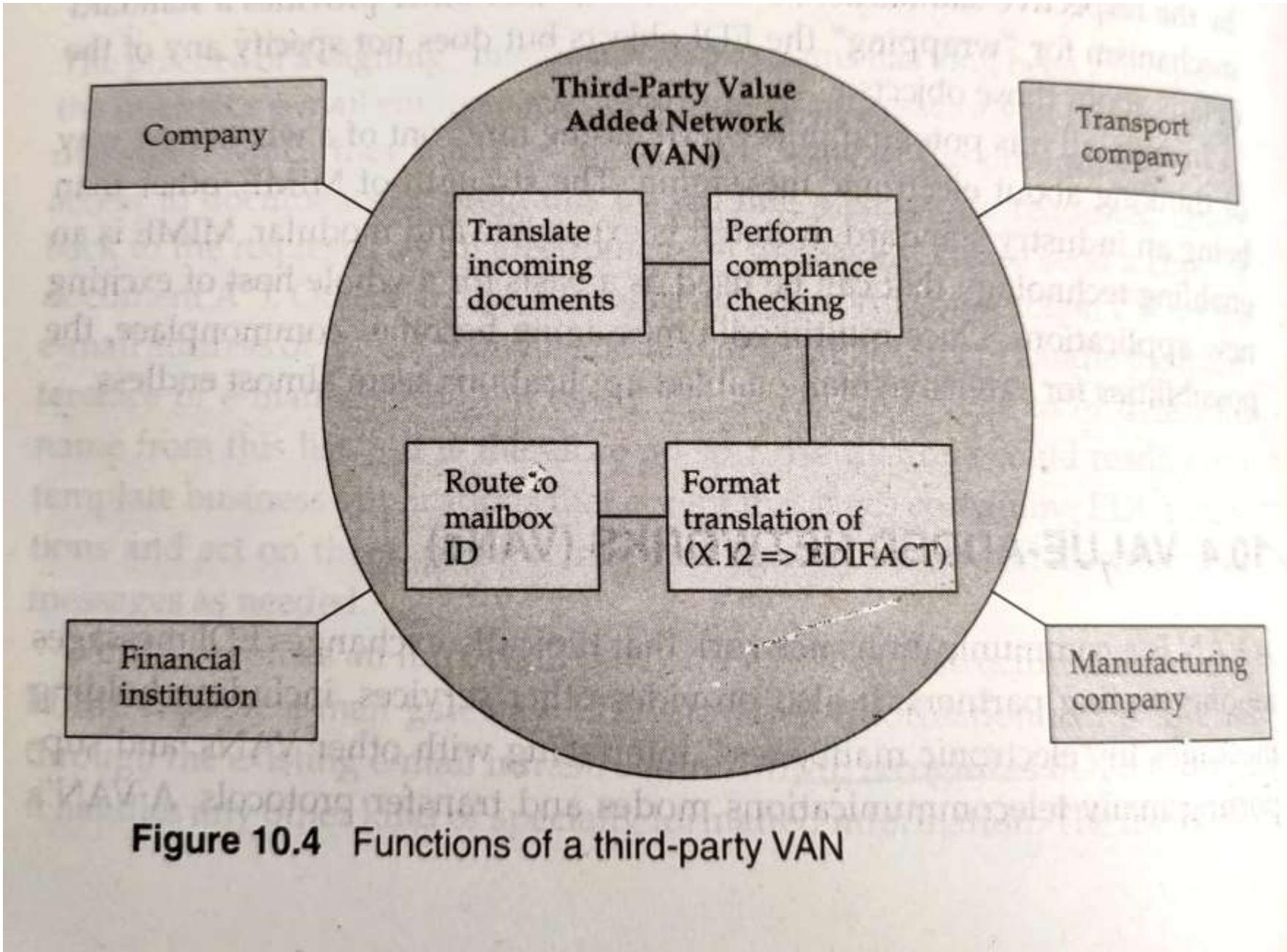
EDI Software Implementation

- It includes data encryption; integrity; notification of message delivery & non delivery; & non repudiation of delivery.
- It is a secure, reliable way to send EDI & accompanying files within the same message.
- Purchase orders, invoices, drawings, e-mail- all could be sent with end-to-end acknowledgment of message receipt.



Value-Added Networks (VANs)

- A VAN is a communication network that typically exchanges EDI messages among trading partners.
- It provides services, including holding messages in —electronic mailboxes, interfacing with other VANs and supporting many telecommunications modes and transfer protocols.
- When a company sends an EDI transaction, it arrives at a message storehouse on a VAN to await pickup by the destination company.
- Disadvantage is EDI-enabling VANs is that they are slow & high-priced, charging by the no. of characters transmitted.



Value-Added Networks (VANs)

- Value-Added Networks (VANs)
 - Company A puts an EDI message for trading partner manufacturing company B in the VAN mailbox at a date and time of its choosing.
 - The VAN picks up the message from the mailbox and delivers it to trading partner B's mailbox, where it will remain until trading partner B logs on and picks it up.
 - Trading partner B responds to trading partner A in the same fashion.
 - The cycle repeats itself on a weekly, daily, or perhaps even hourly basis as needed. This service is generally referred to as mail-enabled EDI.
 - Disadvantage of EDI-enabling VANs is that they are slow and high-priced, charging by the number of characters transmitted
 - VAN Pricing Structure
 - VAN services entail three types of costs:
 - Account Start-up costs
 - VAN Usage costs
 - VAN interconnect costs

Advantages of EDI

- Improvement in overall quality – By better record keeping, fewer errors in data, reduction in processing time, less reliance on human interpretation of data, minimized unproductive time
- Inventory reduction – it permits faster and more accurate filling of orders, helps reduce inventory, assists in JIT inventory management
- Provides better information for management decision making.
- It provides accurate information and audit trails for transactions, enabling business to identify areas offering the greatest potential for efficiency improvement or cost reduction
- Saves time and manpower by avoiding the need to re-key data
- Eliminates the errors introduced by re-entry.
- Data arrives much faster than it could be by mail, and there is an automatic acknowledgment
- Imposes a fairly strict discipline on its users.

Limitations of EDI

- High Costs – Applications cost high to develop and operate. New entrants find this more difficult to have EDI.
- Limited accessibility – It does not allow consumers to communicate or transact with vendors in an easy way.
- A subscriber must subscribe to an online service called VAN.
- Rigid requirements – Needs highly structured protocols, previously established.
- EDI applications automate only certain portion of the transactions.
- Applications are narrow in scope.

- <https://www.studocu.com/in/document/indira-gandhi-national-open-university/export-import-procedures-and-documentation/block-1-ibo-4-unit-4-edielectronic-data-interchange-systemkey-components-of-edi-systemvalue-added/23871549> (notes on EDI)



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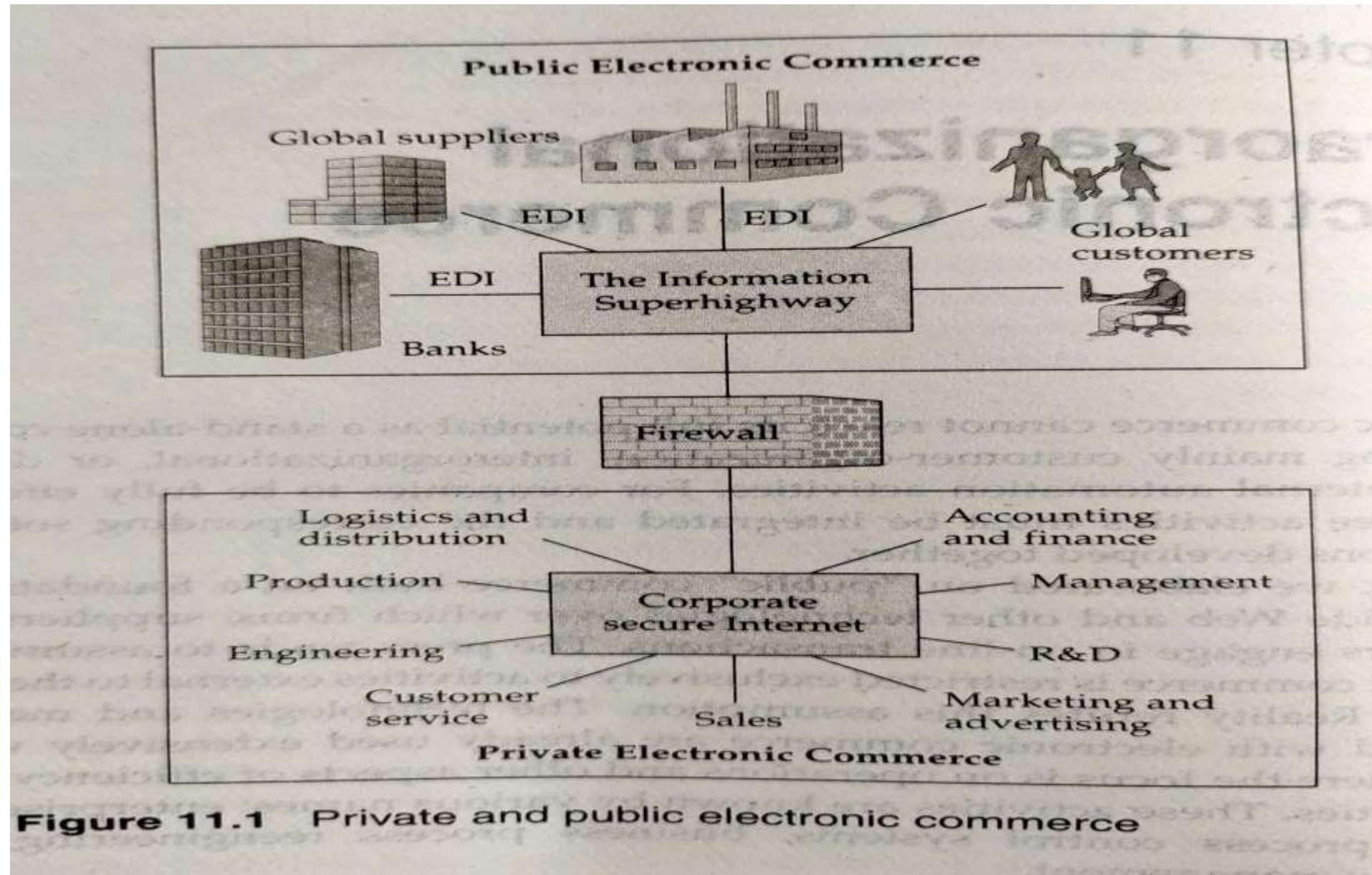
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INTRA ORGANIZATIONAL ELECTRONIC COMMERCE

- Internal commerce is the application of electronic commerce to internal **processes or operations** in an organization.
- Specifically, we define **internal commerce** as using **methods and pertinent technologies** for supporting **internal business processes** between individuals, departments, and collaborating organizations.
- It is of two types
 1. Private commerce
 2. Public commerce





INTRA ORGANIZATIONAL ELECTRONIC COMMERCE

- Electronic commerce will be fully utilized if it addresses customer-organization, inter-organizational, or disconnected internal automation activities.
- The technologies and methods associated with electronic commerce are used extensively within firms, like enterprise integration, process control system, business process reengineering, and work-flow management.
- For companies to be fully effective, these three activities must be integrated and the corresponding software applications developed together.
 1. Public commerce built on foundation of World Wide Web and other technologies over which firms, suppliers, and consumers engage in on-line transactions.



INTRA ORGANIZATIONAL ELECTRONIC COMMERCE

2. Private commerce is related to market orientation toward creating superior value for customers.
- Business has to consistently deliver superior value to its customers through better coordination and work-flow management, product and service customization and supply chain management.
 - Work-flow management concerns with methods to optimize work flows by trimming unneeded operational steps and moving much of their internal paper handling onto computer networks.



INTRA ORGANIZATIONAL ELECTRONIC COMMERCE

- Product or service **customization** focuses on two issues:
 - time-to-market and
 - flexible operations.
- **Time-to-market** depends largely on gathering the specific consumer preferences and using these preferences to **custom design** products or services.
- **Flexible operations** depend largely on **implementation details** or **working practices** that make time-to-market a reality.
- A **supply chain** is the network of suppliers and customers within which any business operates.
- Supply chain management is important as it is impossible for companies to compete at the business or industrial level as isolated entities.



Internal Information System (IS)

- The economic and competitive market forces are commanding a rethinking of the importance of the networks-computers and communications and their role in the better utilization of corporate information in operational and analytical decision making.
- In a general sense, the term Information System (IS) refers to a system of people, data records and activities that process the data and information in an organization, and it includes the organization's manual and automated processes.
- In a narrow sense, the term information system (or computer-based information system) refers to the specific application software that is used to store data records in a computer system and automates some of the information-processing activities of the organization.



Internal Information System

- Information architecture (IA) is the art of expressing a model or concept of information used in activities that require explicit details of complex systems.
- Among these activities are
 - library systems, content Management Systems, web development, user interactions, data base development, programming, technical writing, enterprise architecture, and critical system software design.



What Is Cross-functional Management?

- Cross-functional management (CFM) manages business processes across the traditional boundaries of the functional areas.
- CFM relates to coordinating the activities of different units for realizing the super ordinate cross-functional goals and policy deployment.
- It is concerned with building a better system for achieving such cross-functional goals as innovation, quality, cost, and delivery.

WORK FLOW AUTOMATION AND COORDINATION

- A vision of **speeding up** or **automating routine** business tasks has come to be known as —work-flow automation.
- Today, a trend is emerging in the **automation of knowledge-based business processes** called work-flow automation.
- The goal of work-flow automation is to offer more **timely, cost-effective, and integrated ways to make decisions**.
- Typically, work-flows are decomposed **into steps or tasks**, which are task oriented.
- Work-flows can be simple or complex.

WORK FLOW AUTOMATION AND COORDINATION

- Simple work-flows typically involve one or two steps or tasks.
- Another way of looking at work-flow is to determine the amount of cross-functional activity.
- In other words, companies must adopt an integrated process view of all the business elements.
- Organizational integration is extremely complex and typically involves Improving existing processes by utilizing technology where appropriate.

WORK FLOW AUTOMATION AND COORDINATION

- Integrate across the business function offer identifying the information needs for each process.
- Integrating business functions, application program interface, and database across departments and groups.
- Complex work-flows involve several other work-flows, some of which Execute simultaneously.

Work-Flow Coordination

- The key element of market-driven business is the coordination of tasks and other resources throughout the company to create value for customer.
- To this end, effective companies have developed horizontal structures around small multifunctional teams that can move more quickly and easily than businesses that use the traditional function-by-function, sequential approach.
- Some of the simplest work-flow coordination tools are electronic forms routing applications e.g. generating invoices, approving vacation request, managing trouble tickets etc.
- As the number of parties in the work flow increases, good coordination becomes crucial.

Work-flow automation and coordination

- A workflow provides the **movement** of a **business process** and its associated **tasks** among workers and the **operations required** to process relevant **information** as it moves from initiation to completion.
- Work-flows are **decomposed** into **steps** or tasks, which are then ordered to determine which should be done first, second, and so on.

Work-flow automation and coordination

- Organizational integration is complex and typically involve:-
 - Improving existing processes by utilizing technology where appropriate.
 - Integrating across the business functions after identifying the information needs for each process.
 - Integrating business functions, application program interfaces, and databases across departments and groups.

Work-flow automation and coordination

- Work-flow coordination
 - Companies have developed horizontal structures around small multifunctional teams that can move more quickly and easily than businesses that use the traditional function-by-function, sequential approach
- Work-flow-related technology
 - Work-flow software electronically supports the real-world collaborative activity.
 - Work can be routed in ways that correspond to interoffice communications, in sequential routes, alternative routes, routes with feedback loops, circular routes, and more.
 - Work-flow package lets users specify acceptance criteria for moving work from one stage to the next.
 - Work-flow brings the information to the people who can act on it.
 - It can coordinate existing software and track processes to make sure the work gets done by the right people.

Work-flow related technologies

- Technology must be the —engine for driving the initiatives to streamline and transform business interactions.
- Pressures for more comprehensive work-flow systems are building rapidly.
- Work-flow system are limited to factory like work process.

Work-flow related technologies

- Organizational memory is becoming practical: The new tools for memory becoming advancing towards what can be called the —corporate digital library.
- Following are the areas where corporate digital library mainly focused to provide their services and facilities.
- Business Intelligence System (BIS)
- Data/Information Warehouse (DIW)
- Decision Support System (DSS)
- Executive Information System (ExIS)
- Management Support System (MSS)
- Multidimensional database (M-DDB)
- On-line Analytical Processing (OL-AP)
- Structured Document and Imaging Database (SDID)
- Visual Information Access and Analysis (VIAA)



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E-Business Models

An e-business model is simply a company's approach to become a profitable business on the Internet.

There are many **buzzwords** that define aspects of electronic business, and there are subgroups as well, such as **content providers**, **auction sites** and pure-play **Internet retailers** in the business-to-consumer space.

E-Commerce or Electronics Commerce business models can generally be categorized into the following types.

- Business-to-Business (B2B)
- Business - to - Consumer (B2C)
- Consumer - to - Consumer (C2C)
- Consumer - to - Business (C2B)
- Business-to-Government (B2G)
- Government-to-Business (G2B)
- Government - to - Citizen (G2C)

E-Business Models

Business-to-Business (B2B)

- A type of commerce transaction that exists between businesses, such as those involving a manufacturer and wholesaler, or a wholesaler and a retailer is known as Business-to-Business (B2B).
- It refers to a business that is conducted between companies, rather than between a company and individual consumers.
- This is in contrast to business to consumer (B2C) and business to government (B2G).
- Website following B2B business model sells its product to an intermediate buyer who then sells the product to the final customer.
- For example, a wholesaler places an order from a company's website and after receiving the consignment, sells the end product to final customer who comes to buy the product at wholesaler's retail outlet.
- B2B implies that seller as well as buyer is business entity.
- B2B covers large number of applications that enables the business to form relationships with their distributors, resellers, suppliers etc.

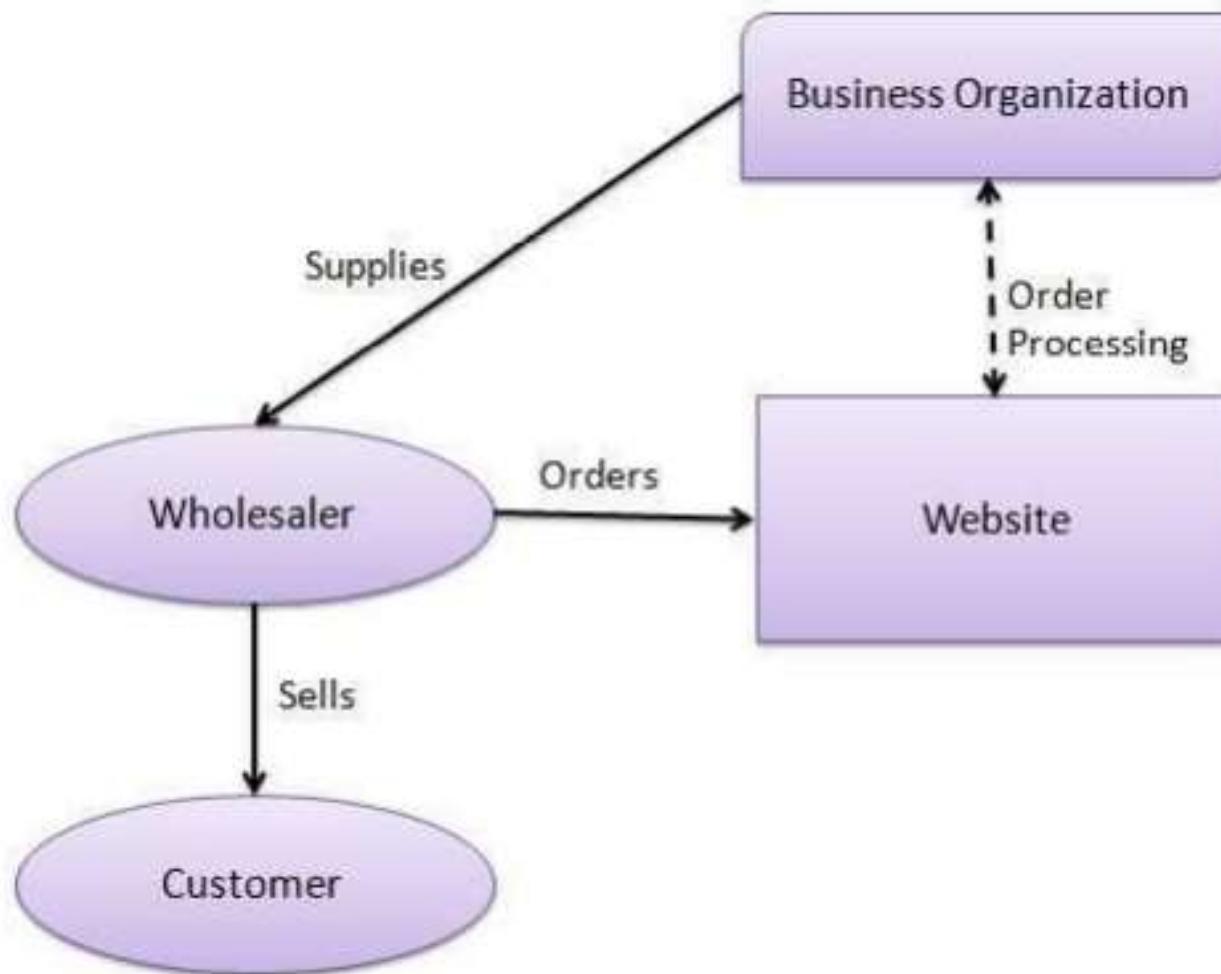
E-Business Models

- IBM, Hewlett Packard (HP), CISCO, and Dell are examples of B2B.
- Following are the leading items in B2B e-Commerce.
 - Electronics
 - Shipping and Warehousing
 - Motor Vehicles
 - Petrochemicals
 - Paper
 - Office products
 - Food
 - Agriculture

E-Business Models

- B2B applications can be witnessed in the following areas:
 - Supplier management
 - Inventory management
 - Distribution management
 - Channel management
 - Payment management

Diagrammatic Representation of B2B Model



E-Business Models

Models in B2B:

- The B2B model can be **supplier-centric, buyer-centric or intermediary-centric models.**

1. Supplier Centric Model

- In this model, a **supplier sets** up the **electronic commerce** marketplace.
- Various customers interact with the supplier at its electronic marketplace.
- The supplier is generally a dominant supplier. He may provide customized solutions and pricing to fit the needs of buyers.
- Intel and Cisco have been adopting the supplier-centric Model.

E-Business Models

2. Buyer-centric Model

- In this model, big business organizations with **high volume purchase capacity** create an electronic commerce marketplace.
- The online electronic commerce marketplace is used by the buyer for placing requests for **quotations** and carrying out the entire purchase process.
- The government organizations and the General Electric Trading Process Network are examples of the buyer-centric model.

E-Business Models

3. Intermediary–centric model

- In this model, a third party sets up the electronic commerce marketplace.
- The third-party attracts both buyer and seller to interact with each other at its marketplace.
- The buyer places their request interacts with each other and reaches a final decision in the purchase or sale of goods.

E-Business Models

Business-to-Consumer (B2C)

- As the name suggests, it is the model involving businesses and consumers over the internet.
- B2C means selling directly to the end consumer or selling to an individual rather than a company.
- Website following the B2C business model sells its product directly to a customer.
- A customer can view products shown on the website of business organization.
- The customer can choose a product and order the same.
- The website will send a notification to the business organization via email and organization will dispatch the product/goods to the customers.

E-Business Models

- B2C is also known as **internet retailing** or **E-trailing**.
- The B2C model includes **electronic shopping**, **information searching** (e.g. railway timetables) but also **interactive games** delivered over the Internet.
- Popular items sold using B2C model are **airline tickets**, **books**, **computers**, **videotapes**, **music CDs**, **toys**, **music**, **health and beauty products**, **jewellery** etc.

E-Business Models

- Following are the key features of a B2C Model
 - Heavy advertising is required to attract the large number of customers.
 - High investment in terms of hardware/software.
 - Support or good customer care service.

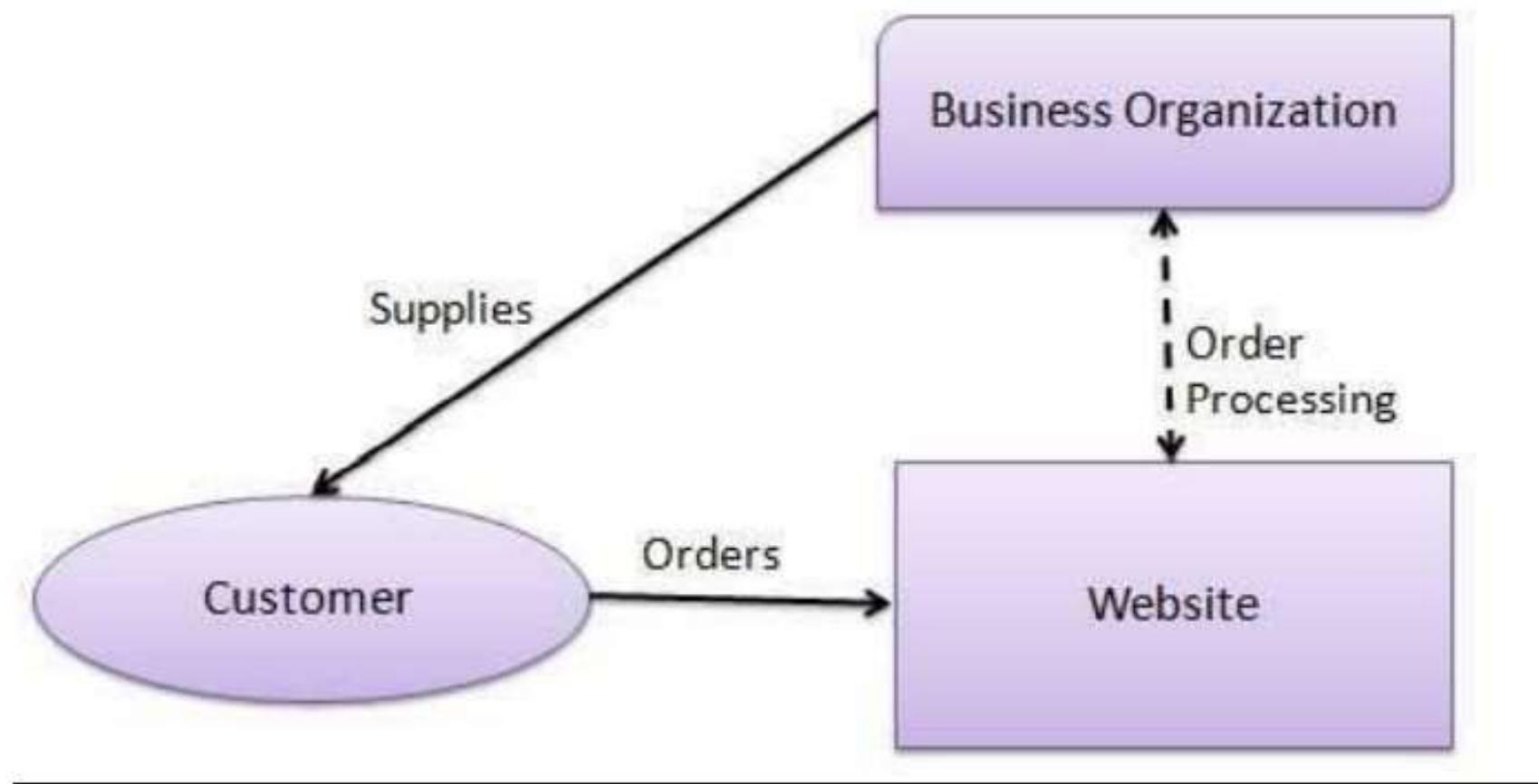
E-Business Models

Consumer Shopping Procedure

Following are the steps used in B2C e-commerce

- A consumer
 - Determines the requirement.
 - Searches available items on the website meeting the requirement.
 - Compares similar items for a price, delivery date or any other terms.
 - Gives the order.
 - Pays the bill.
 - Receives the delivered item and review/inspect them.
 - Consults the vendor to get after-service support or return the product if not satisfied with the delivered product.

Diagrammatic representation of B2C Model

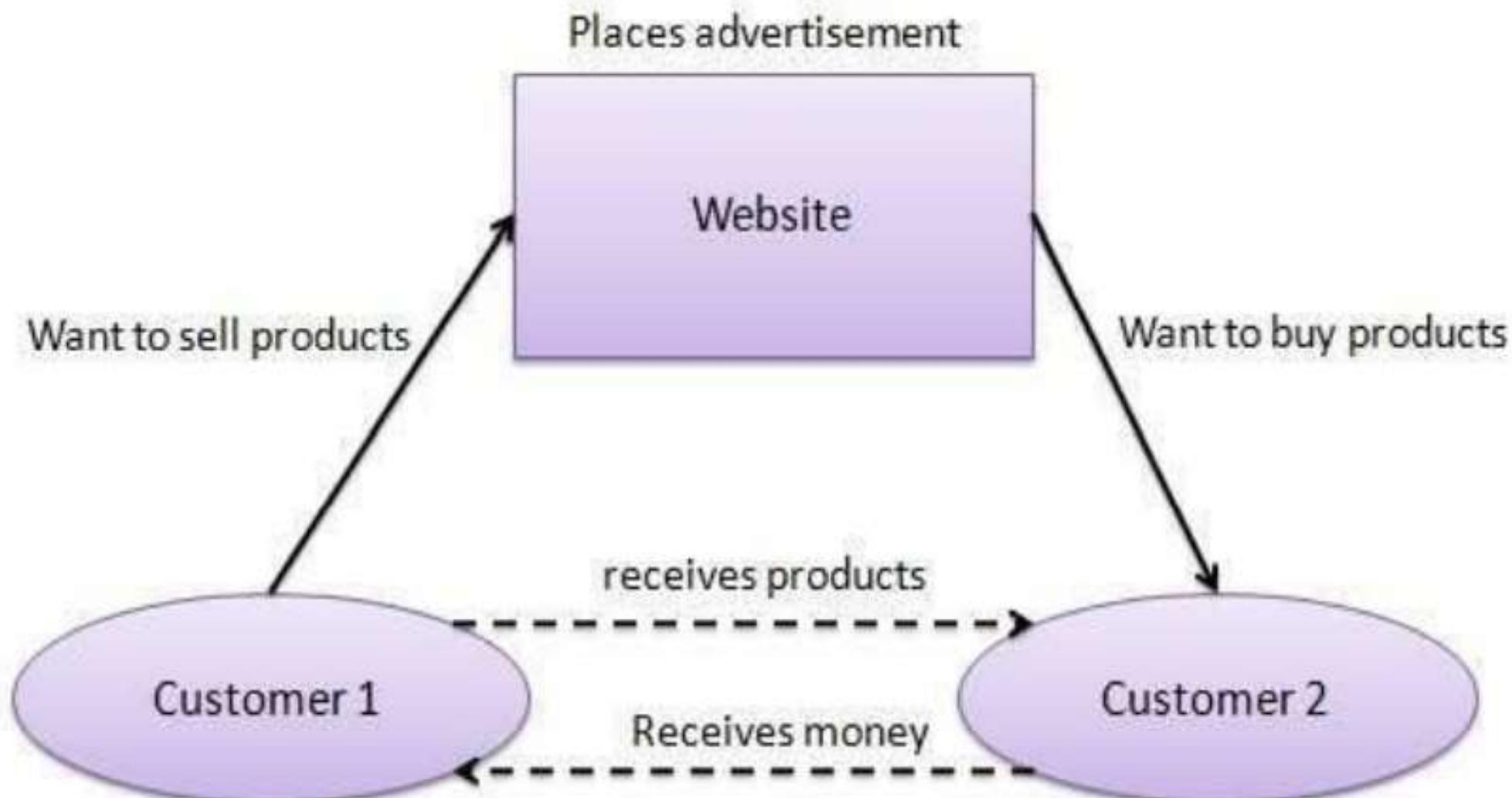


E-Business Models

- **Consumer-to-Consumer (C2C)**
- Customer-to-Customer (C2C), sometimes known as Consumer to Consumer, E-Commerce involves electronically-facilitated transactions between individuals, often through a third party.
- One common example is online auctions, such as eBay, where an individual can list an item for sale and other individuals can bid to purchase it.
- Auction sites normally charge commissions to the sellers using them.
- They act purely as intermediaries who match buyers with sellers and they have little control over the quality of the products being offered, although they do try to prevent the sale of illegal goods, such as pirate CDs or DVDs.

E-Business Models

- Website following C2C business model helps consumer to sell their assets like **residential property, cars, motorcycles** etc. or **rent a room** by publishing their information on the website.
- The website may or may not charge the consumer for its services. Another consumer may opt to buy the product of the first customer by viewing the post/advertisement on the website.
- Another popular area for customer-to-customer transactions is **online classified advertising sites**, such as **OLX**, Google my business, Craigslist and Gumtree.
- Major online retailers like Amazon also allow individuals to sell products via their sites.



E-Business Models

- C2C is expected to increase in the future because it minimizes the costs of using third parties.
- However, it does suffer from some problems, such as lack of quality control or payment guarantees and there can sometimes be difficulties in making credit-card payments.
- The same customer can act as both buyer as well as seller.
- The online market place will allow buyer to browse products by using different criteria such as; best seller, most popular product, from your city and many more.

E-Business Models

- Different sellers can bid on the products with item list listed by the buyer, and what they are looking for so that the buyer can get different best prices and offers from sellers.
- The social media linking functionalities include community or forum discussion and blog and other social media website link interface.
- The back-end interface includes features for administration to manage buyer and seller accounts, payment settings, gallery setting, etc.

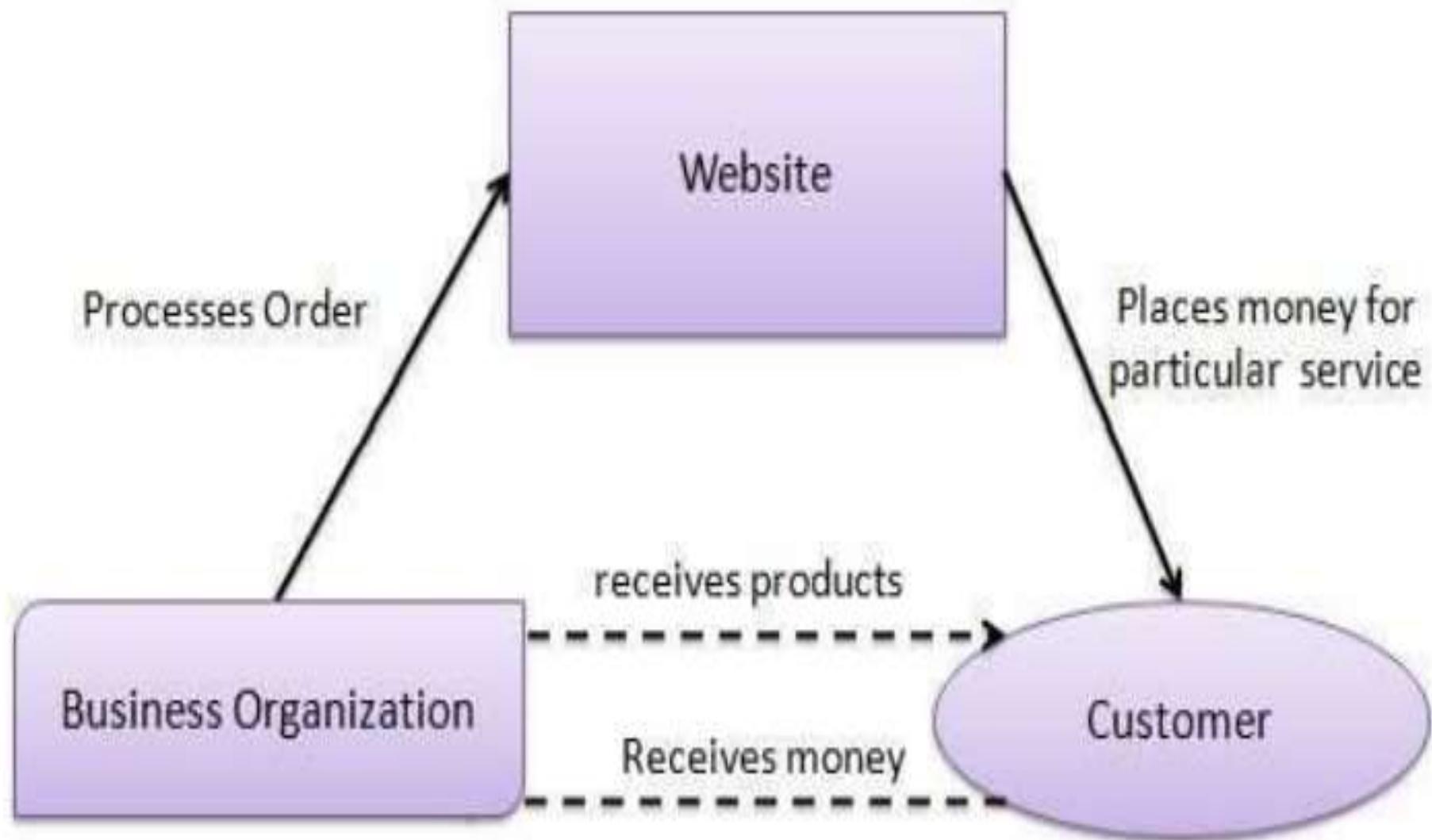
Consumer-to-Business (C2B)

- Customer-to-Business (C2B), sometimes known as Consumer to Business, is the most recent E-Commerce business model.
- In this model, individual customers offer to sell products and services to companies who are prepared to purchase them.
- This business model is the opposite of the traditional B2C model.
- C2B (Customer-to-Business) is a model where initiative comes from the customers (consumers) and enterprises are the target group.
- The customers actively contact the enterprises via the Internet and raise questions, **suggestions and ideas** that can be used, for example for product or service innovation.
- The enterprises can facilitate the C2B model by setting, for example, **discussions forums** on their websites or their pages on social networks.
- In these cases, the **Word Of Mouth** Marketing applies.

- In this model, a consumer approaches website showing multiple business organizations for a particular service.
- Consumer places an estimate of amount he/she wants to spend for a particular service.
- For example, **comparison of interest rates of personal loan/ car loan provided by various banks via website.**
- A business organization that fulfills the consumer's requirement within a specified budget approaches the customer and provides its services.
- **Elance** was one of the first websites to offer this type of transaction.
- It allows sellers to advertise their skills and prospective buyers to advertise projects.
- Similar sites such as **Peopleperhour.com** and **Guru.com** work on the same basis.

General features of C2B

- Direct action.
- Collaborative consumption.
- Detailed segmentation.
- Interaction.
- Reciprocity.
- Bi-directionality.



- **The start of the C2B scheme is due to major changes:**
- Connecting a large group of people to a bidirectional network has made this sort of commercial relationship possible.
- The large traditional media outlets are one direction relationship whereas the internet is a bidirectional one.
- **Decreased cost of technology:** Individuals now have access to technologies that were once only available to large companies (digital printing and acquisition technology, high-performance computer, powerful software).

- There are only a few kinds of companies whose trading models could be considered as C2B.
- Online Advertising sites like Google AdSense, affiliation platforms like Commission Junction and affiliation programs like Amazon are the best examples of C2B schemes.
- Individuals can **display advertising banners, contextual text ads or any other promotional items on their personal websites**.
- Individuals are **directly commissioned** to provide an advertising/selling service to companies.
- The new C2B business model is a revolution because it introduces a new collaborative trading scheme paving the way for new applications and new socio-economical behaviors



Thank You!



E-Commerce and Digital Marketing

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CUSTOMIZATION AND INTERNAL COMMERCE

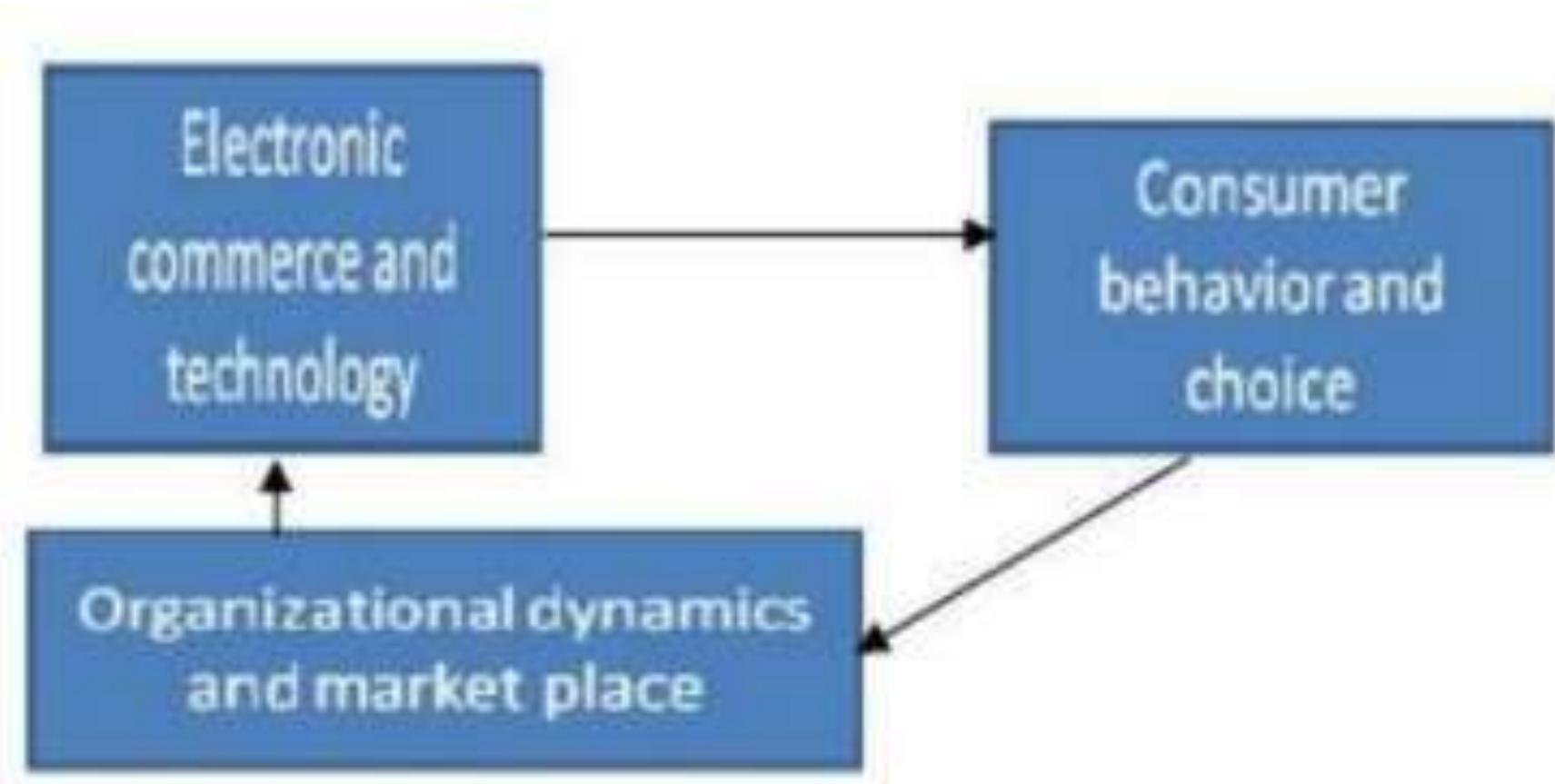
- Technology is **transforming** consumer choices, which in turn transform the dynamics of the marketplace and organizations themselves.
- Technology embodies **adaptability, programmability, flexibility, and other qualities** so essential for customization.

CUSTOMIZATION AND INTERNAL COMMERCE

Customization is explained as :

- Mass customization, in marketing, manufacturing, and management, is the use of flexible computer-aided manufacturing systems to produce custom output.
- Those systems combine the low unit costs of mass production processes with the flexibility of individual customization.
- "Mass Customization" is the new frontier in business competition for both manufacturing and service industries.

CUSTOMIZATION AND INTERNAL COMMERCE



CUSTOMIZATION AND INTERNAL COMMERCE

Implementation:

- Many implementations of mass customization are operational today, such as software-based product configurations which make it possible to add and/or change functionalities of a core product or to build fully custom enclosures from scratch.
- Companies that have succeeded with mass-customization business models tend to supply purely electronic products.

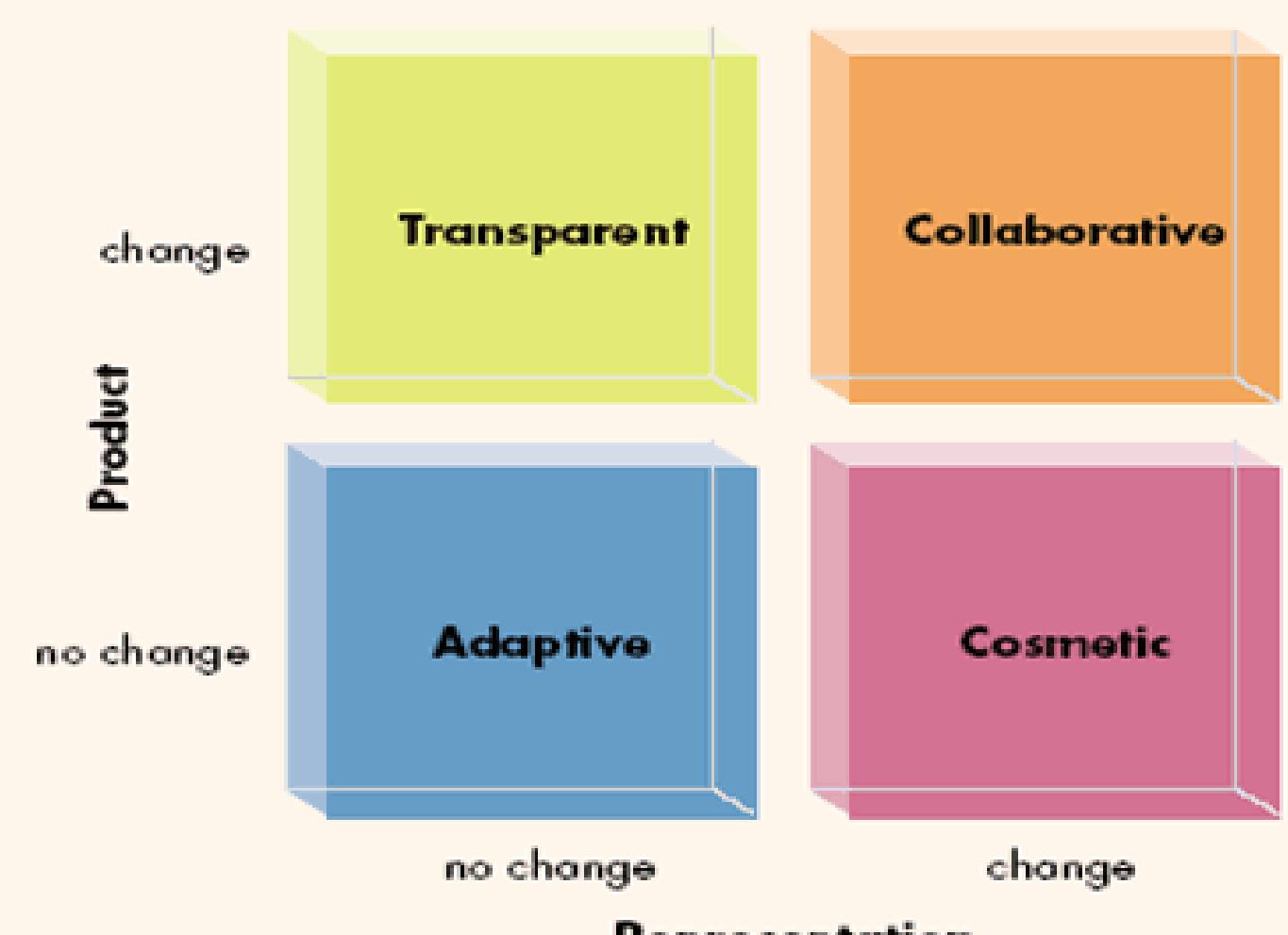
Four Types of Mass Customization

- **Collaborative customization** - Firms talk to individual customers to determine the precise product offering that best serves the customer's needs e.g. **glasses**, consumers have the option to choose their **frames** as well as their **prescription lenses**. Customizable **shoes** with different patterns and heels.
- **Adaptive customization** - Firms produce a standardized product, but this product is customizable in the hands of the end-user e.g **light bulbs** that change based on music or actions of the user are physically the same for all consumers. **Adjustable furniture, mattresses** etc.

Four types of mass customization

- **Transparent Customization** - Firms provide individual customers with unique products, without explicitly telling them that the products are customized e.g. self care products like shampoo, conditioner, cosmetics etc. Hotel ancillary services, OTT platforms suggestions based up on your previous watch.
- **Cosmetic Customization** - Firms produce a standardized physical product, but market it to different customers in unique ways like based up on price, quantity, and packaging that reflects their personality and style e.g. chocolates with mix of nuts, customized sipping containers, drug brands that come in the form of individualized capsules or pills.

The Four Approaches to Customization



What is Customization in E-Commerce?

- Ecommerce customization is the **practice of changing** an e-commerce storefront — either on the front- or back-end — to account for a **new look and feel**.
- **Every change** a brand makes on its storefront **is customization**; requiring either **development work**, **design work**, or another type of **creativity**.

Customization in E-Commerce

1. Content customization.

- Brands everywhere are taking a **content-first approach** to attracting customers.
- Simply having a product-market fit doesn't work anymore — instead, brands must craft an experience around their products.
- This starts with having **well-written**, **SEO-driven**, and **shareable content**.
- Customized content can live just about anywhere, depending on where shoppers interact with your brand the most:
- Product descriptions
- Ad copy
- Blog content
- Email marketing

Customization in E-Commerce

2. Cross-border localization and translation.

Barriers to **international expansion** are slowly being removed — now more than ever, U.S. based retailers are starting to sell to a **broader audience**, including Europe and Asia.

Customers in those regions won't respond well to a storefront that doesn't display their **local currency** or **language**.

At minimum, brands need to make **reasonable accommodations** for **international visitors** with **translation services** and **multi-currency capabilities**.

Furthermore, enterprise brands should consider a **multi-site approach** — where **each region** has its **own URL**.

Customization in E-Commerce

- **3. Customized retention & retargeting marketing.**
- After a visitor comes to your website and views a product, they're already in the consideration phase — meaning that it will be a lot less expensive to advertise towards them and drive conversion, compared to someone who has never interacted with your brand before.
- This forces brands to come up with unique retargeting and retention campaigns to keep customers interested in products after they abandon a web page, or after they leave their cart unpurchased.

Customization in E-Commerce

- **4. Product customization.**
- If you have solid inventory in place, paired with the technology needed to customize products, your apparel, print, or electronic company can quickly become a good resource for teams and companies that need swag.

**MAKE IT
YOURS.**

The Skullcandy Custom program is a unique service for organizations of any size. Skullcandy Custom allows you to order small or big quantities of top-selling Skullcandy headphones and speakers customized with your company logo. With a variety of headphones and speakers at different price points, everyone can find something in the Skullcandy Custom program.



The **Skullcandy Custom program** allows any business to add their logo to products.

Customization in E-Commerce

- **Benefits of Site Customization**
- While customizing your site may take more development or design time, having a **unique brand** will help you get noticed and recognized by customers.

Reduced attrition.

- If a customer feels like they're getting a **unique, built-for-them** experience by shopping on your site, they're less motivated to leave your store and shop elsewhere.

Localized content.

- Since your site is **customized**, it will be easier to **add different content** for various **international shoppers**.

SUPPLY CHAIN MANAGEMENT (SCM)

- Supply Chain Management (SCM) is the **management of a network of interconnected businesses** involved in the ultimate provision of product and service packages required by end customers.
- Supply Chain Management spans **all movement and storage of raw materials, work-in-process inventory, and finished goods** from point-of-origin to point-of-consumption.
- Supply Chain Management can also refer to supply chain management **software** which is **tools or modules** used in **executing supply chain transactions**, managing **supplier relationships** and controlling associated business processes.

SUPPLY CHAIN MANAGEMENT (SCM)

In electronic commerce, SCM has following characteristics:

- Ability to source raw material or finished goods from anywhere in the world.
- A centralized, global business and management strategy with flawless local execution.
- Online, real-time distributed information not only within a company but across industries and enterprises.
- The seamless integration of all supply chain processes and measurement, including third-party suppliers, information system, cost accounting standards, and measurement system.
- The development and implementation of accounting models such as activity-based costing that link cost to performance are used as tools for cost reduction.

SUPPLY CHAIN MANAGEMENT (SCM)

- The primary components of SCM are:
 1. Logistics and distribution (integrated logistics):
 2. Integrated marketing and distribution:
 3. Agile manufacturing:

SUPPLY CHAIN MANAGEMENT (SCM)

1. Logistics and distribution (integrated logistics):

- Logistics deals with an area that deals with the integration of **material management** and **physical distribution**.

Performance Improvement and cost-cutting:

- Traditionally, **warehouse operations** of misplacing inventory, inaccurate picks and shipping products, and waste man-hours.
- Now, **creative methods** of adding value, cutting costs, and increasing speed throughout their entire supply and manufacturing/ operations distribution chain.
- Logistics and distribution have **30% to 40%** of the **total cost** for the business.
- Way to improve the market **forecast** is needed and simultaneously **redesign logistics processes** to minimize the impact of inaccurate forecasts.
- **Elimination of middle-man** through computer system by using EDI system on both sides of buyer and supplier.

SUPPLY CHAIN MANAGEMENT (SCM)

2. Integrated marketing and distribution:

- Order processing will be initiated by the marketing information system i.e. at the point-of-sale systems.
- Technology integrates the consumers directly and reacts to changes in the demands by modifying the supply chain.
- Technology is changing firm's marketing edge in several areas:
 - In manufacturing and logistics planning
 - In management planning of new markets
 - In identifying and targeting new customers
 - In promotion of allied areas of direct marketing and telemarketing
 - In post sales by keeping customers happy through online customers services.

SUPPLY CHAIN MANAGEMENT (SCM)

3. Agile manufacturing:

- The agile manufacturing enterprise emphasize more quality and speed
- They seeks to achieve following:
- *Greater product customization*, or manufacturing to order, would come at relatively low unit cost.
- *Rapid introduction of new or modified products*- through quick formation of temporary strategic partnerships.
- *Interactive customer relationships* helps in providing an evolving set of value-adding services.
- *Dynamic reconfiguration of production processes* would accommodate swift changes in product designs or entire new product line.

SUPPLY CHAIN MANAGEMENT (SCM)

- Consists of all parties involved, directly or indirectly in fulfilling a customer request.



The two primary models of SCM Push versus Pull.

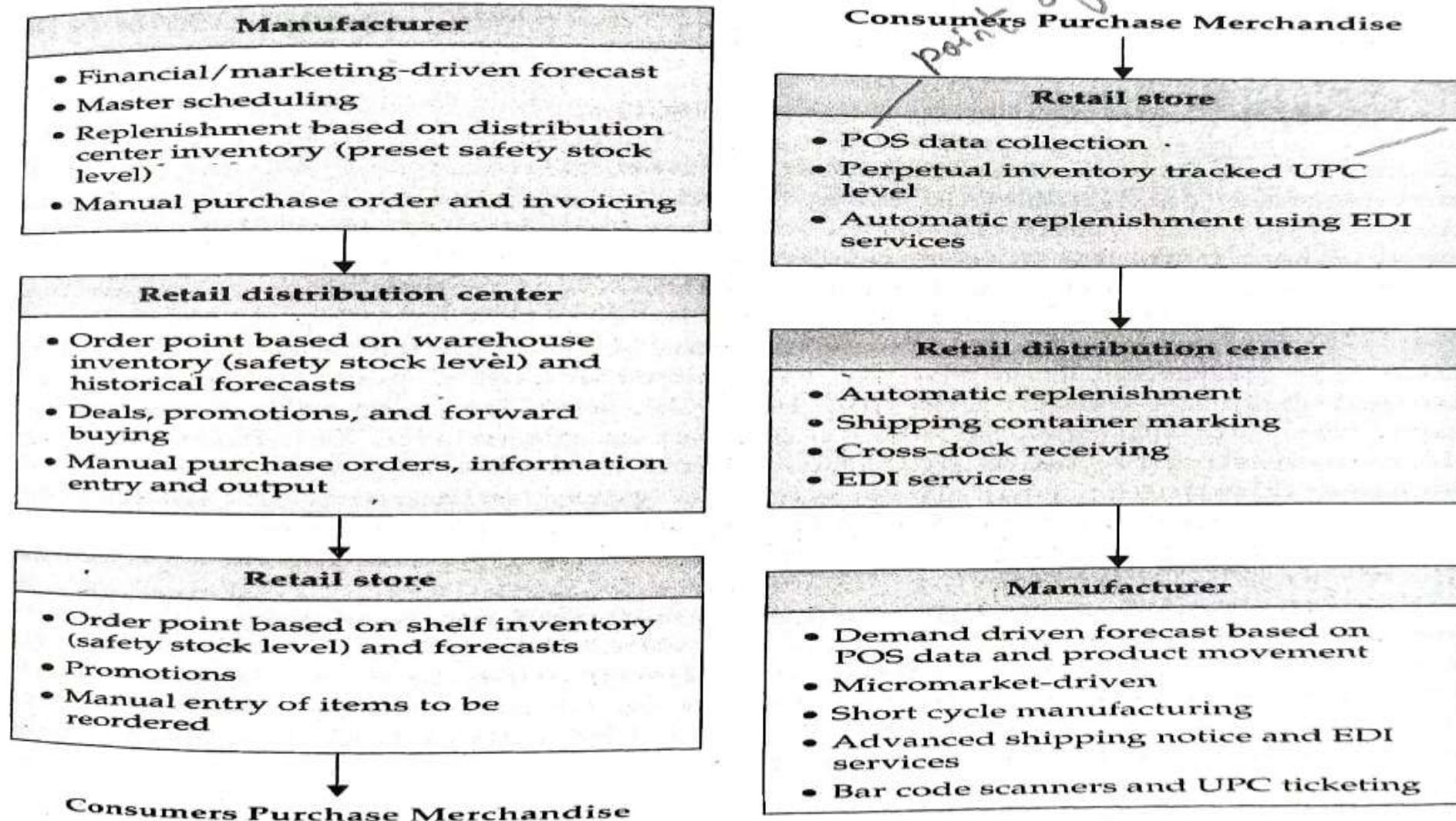


Figure 11.4 Push-based supply chain vs. pull-based supply chain

SUPPLY CHAIN MANAGEMENT (SCM)

The Management Components of SCM:

- The literature on **business process re-engineering**, **buyer-supplier relationships**, and SCM suggest various possible components that must receive managerial attention when managing supply relationships.
 - Planning and Control
 - Work structure
 - Organization Structure
 - Product flow facility structure
 - Information flow facility structure
 - Management methods



Thank You!



E-Commerce and Digital Marketing

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What is Digital Marketing?

- **Digital Marketing** is a branch of marketing that mainly involves technologies like internet, computers and mobile phones to promote the products and services online.
- It is a **well-targeted**, **conversion-oriented** and **interactive marketing** approach to reach the customers and transform them into clients.
- The purpose of digital marketing is to **promote** your business online to reach the right audience that can be your customers.

Introduction to Digital Marketing

- marketing always remained customer centric, the way of delivering services and product has changed but the strategies remained same.
- Technologies did bring revolution in all fields and marketing is no exception, from **print media to digital media**.
- The rapid growth of digital marketing is the direct consequence of penetration of internet and social media sites.
- Unlike traditional marketing method you don't have to go door to door to convince people how good your product is, instead the '**likes**' in **Facebook** and '**followers**' in **twitter** does this job.

Introduction to Digital Marketing

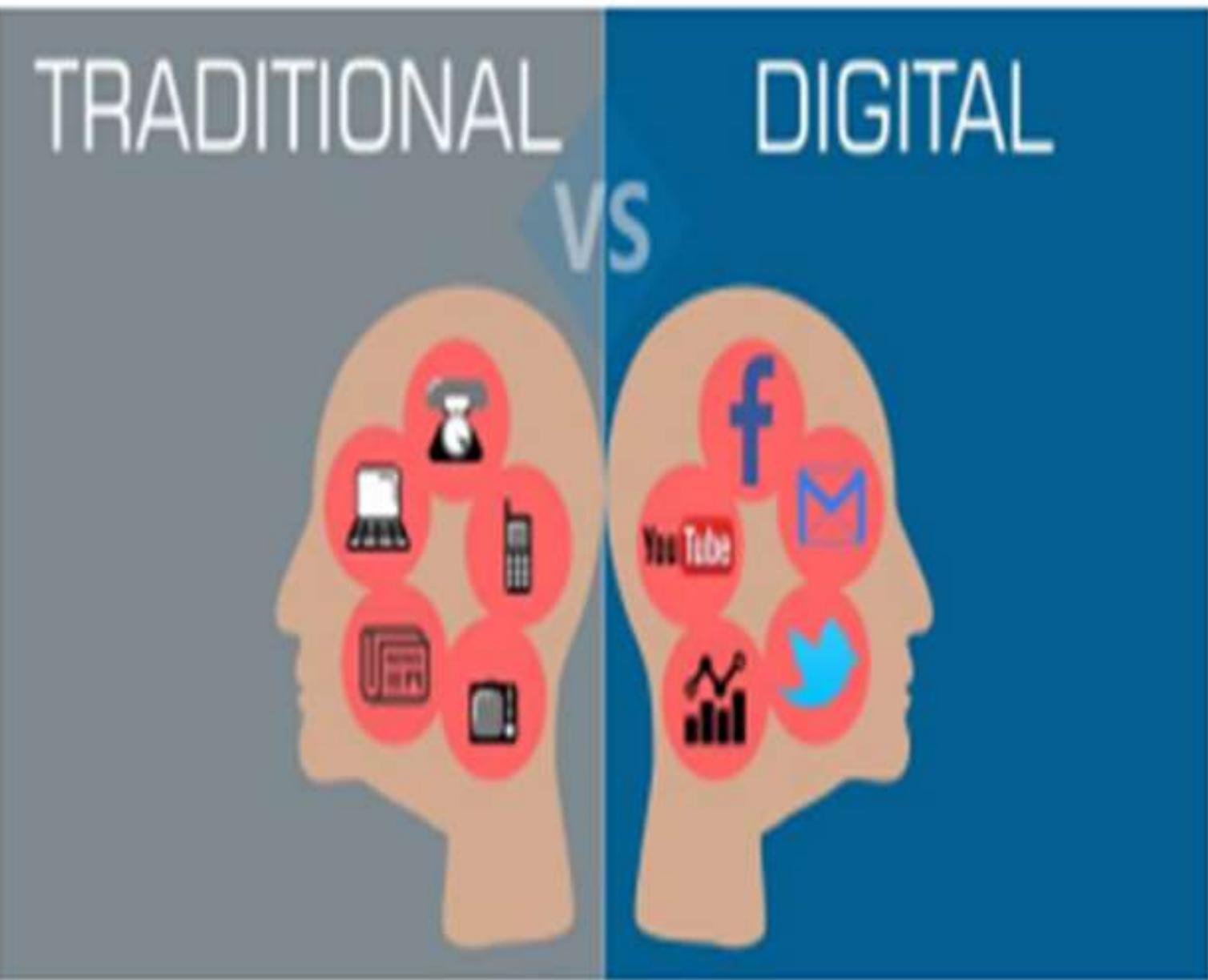
THEN



NOW

A screenshot of the Coca-Cola official Twitter account (@CocaCola). The profile picture is a Coca-Cola bottle. The bio reads: "Coca-Cola Atlanta, GA Official Twitter of Coke & The Coca-Cola Company. http://www.coca-cola.com". The stats are: 34,436 Tweets, 66,291 Following, 336,810 Followers, 11,537 Listed. The timeline shows four tweets from the account, all from the user @CocaCola. The first tweet is a reply to @JuliaL: "Juliana, lamentamos lo sucedido. Por favor envia mas detalles a traves de http://CokeUR.com/ultimo" (10 minutes ago). The second tweet is a reply to @raport5: "Hi Victor! Thank you for following Coca-Cola! :)" (20 minutes ago). The third tweet is a reply to @CookiesTheJew: "Thanks for sharing happiness! :)" (20 minutes ago). The fourth tweet is a reply to @seracuse: "Yay! Coca-Cola is the perfect way to refresh, Siempre POS" (20 minutes ago). The interface includes standard Twitter navigation links like Tweets, Favorites, Following, Followers, and Lists.

Ads - Print media to social media



Traditional Marketing

- The traditional way of marketing lets businesses market their products or administrations on print media, radio and TV commercials, bill boards, business cards, and in numerous other comparable ways where Internet or web-based social networking sites were not utilized for promoting.



Digital Marketing

- Digital Marketing can be understood as a well-targeted, conversion-oriented, **quantifiable**, and interactive marketing of products or services by utilizing digital innovation to achieve the customers, and transform them into clients in a sustainable fashion.
- The whole concept and functionalities of **Digital Marketing** are **more competent, effective, result-oriented and measurable**, which make it very different from traditional marketing



Traditional Marketing Vs Digital Marketing

Traditional Marketing	Digital Marketing
1. Communication is unidirectional in traditional marketing, which means, an organization communicates about its services with its audiences.	1. Communication is bidirectional in Digital Marketing as businesses can communicate with customers and customers can ask queries or make suggestions to businesses as well.
2. Medium of communication in traditional marketing is generally phone calls, emails, and letters.	2. Medium of communication is more powerful and involves social media websites, chats, apps and Email.
3. Campaign in Traditional marketing takes more time as designing, preparing, and launching are involved.	3. Digital marketing campaigns can be developed quite rapidly and with digital tools, channelizing Digital Marketing campaigns is easier.
4. It is best for reaching local audience.	4. It is very effective for reaching global audiences.
5. It is almost impossible to measure the effectiveness of a traditional marketing campaign.	5. Digital Marketing lets you measure the effectiveness of a digital marketing campaign through analytics.

Characteristics of Digital Marketing

1. Get a Quality Company Website:

- A business website is a pseudo B2B portal, allowing businesses and customers from around the world to connect with you.
- A business website is similar to your Company brochure, available 24x7, and projects you as a professional outfit.

2. Social Media Presence:

- The biggest achievement of this digital era has been the ease with which people have learnt to communicate- Social Media websites like Facebook, Twitter, Google+, Pinterest, YouTube etc. are the latest methods to communicate across wide demographics of age, taste and culture.
- By actively promoting your company on these social media, you are getting the world to talk about you.

Characteristics of Digital Marketing

3. Blogging and Forums:

- Here is a powerful axiom- 'Content is King'.
- Produce powerful, genuine and compelling content as part of your Company blog.
- Be a regular on relevant forums and discussion panels.
- Learn the art of connecting your business themes into the content that you produce.
- In time, your content will stand up to be the biggest promoter of your brand.

Characteristics of Digital Marketing

4. List your business on the three biggest listing services:

- Register your business **on 'Google Places'**- this allows your business to feature on **Google searches** and be listed on **Google Maps**.
- Other business databases that you must be part of include '**Yahoo! Local**' and **Microsoft's 'Bing'**.

5. Email Marketing:

- Personalized emails speak **directly to the target audience**, helps you get an immediate response and can aid in the opening of a line of communication with your prospective customer base.
- **It's free and fast promotion-** with an impactful feedback

Characteristics of Digital Marketing

6. A Dedicated Digital Marketing Expert:

- If you aren't sure about pulling off a good promotional job individually, maybe it's a good idea to hire an **innovative, enthusiastic Digital Marketing Consultant** to handle your Company's online promotional strategy.

Summary

- Digital Marketing revolves around four things



Summary

- **Social Media :**
 - Interact with your customer base using social sites like Facebook and twitter.
 - Use it as a support channel, Launchpad for new products , announce discount and exclusive coupons to drive sales
- **SEO:**
 - SEO or Search engine optimization is a technique that allows a site to get more traffic from search engines like Google, Microsoft Bing, Yahoo etc.
- **Content Marketing:**
 - The goal of Content marketing is to retain and attract customers by consistently creating valuable and relevant content with the intention to engage the targeted audience in order to drive profitable customer action.
 - Content marketing is valuable for companies as information people find online impacts their purchase decision.

Summary

- **Advertising:**
 - Online Advertising has multitude of benefits over traditional advertising and the chief difference is targeting.
 - Most of the online marketing platforms accept banner/text/rich media ad formats which are billed in three ways **CPM (Cost for Thousand)** , **CPL (Cost per lead)** and **CPC (Cost per Click)**.
 - In **CPM**, the advertiser pays for each **1000 ad views** that the ad gets, while
 - **CPC** is the amount of money that is paid by advertiser to search engines for a **single click** on its advertisement that brings one visitor to its website.
 - For every click the advertiser pays to **search engines** and **online publishers**.
 - Another form of advertising is **Cost Per Lead**, in which the **advertiser pays** for an **explicit sign-up** from an interested consumer who is interested in the advertiser's offer



Thank You!



E-Commerce and Digital Marketing

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Digital Marketing and Potential Customer

- Successful digital campaigns share a range of characteristics, but campaigns that fail all have one thing in common:
- They don't acknowledge the **empowered** and **informed consumer**.

People Power

- The shift from Yahoo! to Google 10 years ago was not a result of Google's marketing
- As users we made the leap because we gained **more control over how we searched for information.**
- The e-commerce site **eBay** allowed us to sell anything to anyone for any price at any time.
- **Facebook** allowed us to stay in touch with people all over the world whenever and however we like.
- All the great leaps forward in **digital technologies** have been characterized by one thing—they have given you and me **more control** over our lives.

People Power

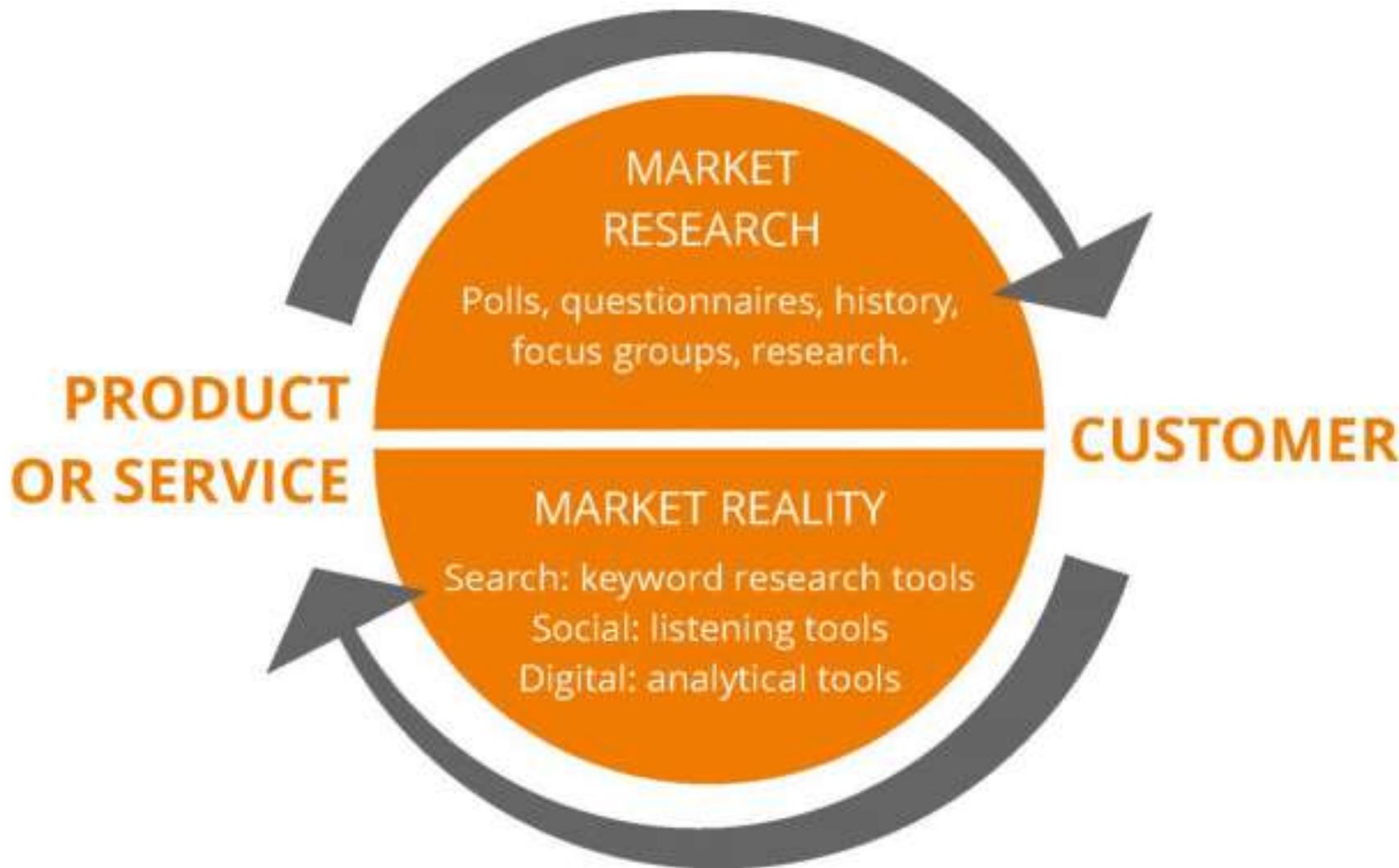
- The Internet is fundamentally different from all other communication channels because we can learn so much about our customers.
- We can identify their habits, their technologies, and their preferences.
- The freedom that the web offers has fundamentally altered the company/customer relationship, upending it and putting the empowered customer in the driver's seat.
- With these advances in communication and web technology, the walls have fallen not only between a company and its fellow customers, who can publicly share their experiences—the good, the bad, and the ugly!

Market Research versus Market Reality

- no matter how large or small, is quite simple—**how to get its product or service into the hands of the customer.**
- How the company will achieve this is informed by market research, **gut instinct, polls, surveys, and research** about existing habits and activities.
- However, when conducting market research, especially surveys, we need to take one key factor into account—**people lie!**

- The Internet enables us to learn from market reality by looking at what people actually do online.
- We can use social listening tools to research customers' activities and preferences based on their online habits and to complement our market research.
- By accessing this market reality, our product is better targeted and our chances of a successful go-to-market strategy are greater.

Market Research versus Market Reality



Market Research versus Market Reality

- Let's imagine that you run a **crèche**—a nursery school—in New York and you wish to create an online presence for your customers to locate you and engage with you—and with each other.
- You can create a website **Crecheworld.com**.
- However, a simple check using Google's Keyword Planner tool would show that in the past six months the number of unique searches for crèche in New York City was dwarfed by searches for **childcare** by a factor of 10!
- So you may think of your business as a crèche, but your customers call it childcare.

Market Research versus Market Reality

- Even this early in the **website planning process** we have gone to the customers, looked at what they are actually doing, and changed our product appropriately.
- Market reality provides a **sounder basis** than market research for making crucial business decisions such as **website naming**.
- So market research is redundant? Of course not.
- These two are differentiated in order to highlight the extent of the shift to consumer control.
- A smart approach is to combine the best of both of these activities into a single cohesive strategy, using one to validate and support the other.

What Are the 3i Principles?

- The 3i Principles—**Initiate**, **Iterate**, and **Integrate**—form the foundation for all DMI Methodologies and are key to any successful marketing strategy.

3i Principles

Principle 1: Initiate

- The greatest challenge for marketers is shutting up!
- Digital truly is for dummies, in the sense that every question you may have about budget, resources, strategy, and channels is answered by the consumer—if only we would listen!
- The initiate principle of digital marketing states that the customer is the starting and finishing point for all digital activities.
- The answer to all questions is “let the customer decide.”

3i Principles

- People start publishing nonspecific content about themselves, their companies, and their products by setting up blogs, websites, and social media profiles and get failed.
- They fail to realize that digital channels are not broadcast channels in the traditional sense of the term.
- In fact, they are interaction channels that facilitate a two-way conversation.
- By taking the time to find out what your customers are doing online, your digital activities will become radically more effective.

3i Principles

Principle 2: Iterate

- Within minutes of publishing an ad, we can see what the click-through rates, response rates, and conversion rates are.
- The content or design of the ad can be changed a limitless number of times in response to user actions.

3i Principles

Principle 2: Iterate

- This ability to publish, track response, and tweak accordingly is the greatest strength of the Internet and produces the second of our 3i principles—iterate.
- This principle emphasizes the importance of tweaking a digital marketing campaign in response to user interaction.
- more iterations of the campaign you apply, the more effective each becomes.

3i Principles

Principle 2: Iterate

- Remain open to what your customers are doing in their interactions with your campaign and be prepared to change it.
- Your campaign can, and will, improve over its lifetime.
- Next, the length of the iteration depends on the channel.

3i Principles

Principle 3: Integrate

- Integration as a principle is crucial to effective digital marketing.
- It works at three levels:
 1. **Integrate your efforts across digital channels.**
- Integration across digital channels is about using information collected through one channel to improve the effectiveness of another digital channel.
- When including New York parents in an email marketing campaign for a crèche, using keywords like childcare will help to improve your open rates.

3i Principles

Principle 3: Integrate

2. Integrate your digital and traditional marketing efforts.

- Integration of digital and traditional marketing involves using information gathered from your digital marketing efforts and integrating it into your traditional marketing strategy.
- For example, when writing the script for a radio ad you should use the same keywords that resonate with customers using search engines.
- Any opportunity to learn from your customers can be shared across all channels to improve the effectiveness of all of your communications and marketing campaigns.

3i Principles

Principle 3: Integrate

3. Integrate your reporting sources.

- An integrated view of your customers is a good place to start.
- Google Analytics for example, this tool can provide you with detailed information on the source of the traffic coming to your website.
 - What percentage of your site visitors come from email versus paid search advertising?
 - Which visitors convert more quickly?
 - Where should you be increasing your digital budget and where should you be reducing it?
- Making business decisions based on the true value of your digital marketing is a crucial step in implementing and justifying your digital marketing strategy.

Different ways to advertise your business

- 1) Make sure your website adds value
- 2) Make blogging a high priority
- 3) Distribute a press release once a month
- 4) Use email marketing software to help increase sales
- 5) Start using videos to market your business
- 6) List your business on popular local directories

Different ways to advertise your business

- 7) Be active on social media
- 8) Verify your listing on Google+ Local
- 9) Attend local networking events and build connections
- 10) Guest post on someone else's site

Other relevant directories that could increase exposure for your business include:

- **Bing Places for Business:** Only Google outpaces this free Microsoft product in visits, and you can add multiple business locations, photos, videos, and more during your fast, free, and easy registration.
- **Yahoo Local Listing:** Ranking third next to Google and Bing, Yahoo's service draws millions of searches daily.
- **Yelp** is one of the best online sources for candid consumer reviews. Bonus: It allows you to send public or private messages (including deals) to customers and review business trends using the Yelp reporting tool. The most reviewed categories on Yelp include shopping, restaurants, and home services respectively.
- **MerchantCircle** is a free network targeted toward small businesses seeking to connect with local customers and other small businesses in their areas.
- **Yellow Pages:** This well-organized online version of the antiquated classic generates millions of daily searches. It offers advertising, lead generation, and detailed ad performance data.
- **White Pages:** This lists some 30 million companies, offering sponsored ad opportunities and a premium text message service for clients.





Thank You!



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Search Engine Optimization (SEO)

- When we search in Google, for example, we are not actually searching the Internet; we are **searching Google's index** of the Internet, that is, the list of the sites that it has found online.
- So the **challenge** for effective search engine optimization (SEO) **involves understanding** how search engines work and how to play by their rules.
- **Definition of SEO:** The process of refining your website using both **on-page** and **off-page practices** so that it will be indexed and ranked successfully by search engines.



The Process

- Followings are the **four key stages** of the SEO process;
 1. **Goals.**
- From the outset, it's important **to be aware** of the benefits of SEO.
- They will serve as **key drivers** as you **navigate** the development of your SEO strategy.
- You must decide upon and set up **clear, realistic goals** and **targets** for your SEO campaign.
- The benefits of **spending time developing goals** far outweigh the risks of walking the plank blindfolded into the **competitive world of search marketing**.
- Just one error could result in a six month search engine penalization—with SEO, **ignorance certainly is not bliss!**

2. On-page optimization.

- This deals with the granular, **technical optimization** of the various elements on your website.
- It involves ensuring search engines can easily **read, understand, crawl through, and navigate the pages of your site** to index it correctly.

3. Off-page optimization.

- This refers to techniques used to influence website position in organic search results that cannot be managed by on-page optimization of your site.
- It's a long-term, iterative process focused on gaining website authority, as determined by what other websites say about you.
- To put it simply, it's about building a digital footprint and earning online credibility.

4. Analyze.

- This stage is very much a **cyclical process**.
- You're now looking at the data coming back, analyzing it, and deciding upon the adjustments needed going forward.
- This will help you **tweak your goals** accordingly as you implement additional goals and changes.

Search Engine Result Pages: Positioning

- A SERP is the web page that a search engine, such as Google or Yahoo!, returns that lists the results of a user's search.
- A SERP is divided into core sections.
- At the top you'll always find paid listings.
- These are marked with yellow flags that clearly highlight these entries as ads.

Search Engine Result Pages: Positioning

- But what about the listings that **lie beneath** the advertising?
- These are **organic search results**, or the listings that are featured on a SERP because of their relevance to the search terms that a user has entered into a search engine.
- It's often said that the best place to hide a dead body is on the second page of search engine results, which is why it is essential to ensure your listing is as high as possible on the first SERP.
- **Ninety-one percent of searchers** will not click past the first results page, so it's time to adopt a competitive mind-set and strive to **achieve a top-three organic listing**.
- Your **overall goal** is to reach the **number-one position!**

Organic versus Paid Listings

- Listings that are displayed on the first page of search engine results yield the highest search traffic—the higher the listing, the more clicks it will receive.
- Generally, paid listings will garner a 30 percent click-through rate (CTR), with organic listings making up the remaining 70 percent.
- While these statistics can vary depending on the market, generally this rule of thumb is widely applicable.
- It is important to note that as listing positions get lower, click-throughs drastically decrease.
- Approximately 67 percent of click throughs on page one of a SERP occur in the first five results.
- A low listing will ultimately affect your overall conversion rate, so once again, it's important to strive for the top three position.

Location-Based Search

- Search engines take into account the location of the person searching to deliver the most applicable search results.
- For example, with Google's My Business you can submit your business for display on a location-based search, so when John Smith searches for Italian restaurants in Tokyo, your chances of appearing in his SERP are increased.
- Be sure to complete all elements of the form by providing a category, description, pictures, videos, and so on to catch user attention.
- Google operates a five-star rating scheme, so customers should be encouraged to review and rate your business.
- While listings with higher review scores and additional material, won't necessarily increase SERP positioning, they most certainly will yield a higher CTR than those without these characteristics.



Thank You!



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Search Behavior

- Every time users search, they reveal a certain amount of information about themselves.
- When this information is gathered, it can be classified into different search behavior categories to analyze customer needs.
- From this categorization, you can develop an effective SEO content strategy.



Search Behavior

- In search engine optimization there are three key players:

1. The searcher.

- The goal is to have people **searching** for your product or service.
- More specifically, you want searchers to look for the **keywords** you are using.
- You want to understand a person's every **search behavior** in order to **target a searcher** appropriately.

2. The website owner.

- Your goal as the website owner should be to **align the optimization** of your website with customer search behavior findings.
- The competitive intention here is to **outrank**, **outperform**, and **outbid** your competitors.



Search Behavior

3. The search engine.

- Ultimately, your goal is to ensure search engines have **indexed your website**, so they can understand what your site is about.
- This is **crucial**.
- If a search engine **can't understand** your site, it **won't display it**.



Search Behavior

- With every search, users leave **small crumbs** of personal information behind.
- So by using **5P Customer Search Insights Model**, you get a greater understanding of customers than you ever imagined!
- Let's take a look at the 5Ps:



5P Customer Search Insights Model

- Let's take a look at the 5Ps:
- 1. **Person.** Information about the searcher can include age, gender, religion, language, and socioeconomic group.
- 2. **Place.** You can discover the country or city a customer is in and whether the location is classified as urban or rural.
- 3. **Product.** You can learn which particular topic, interest, or subject area of a product searchers are researching and the need or the pain being addressed.



5P Customer Search Insights Model

4. Priority.

The search query provides an indication of customers' purchasing time frames; that is, how urgently they need the product or service and the window for engagement.

5. Purchase.

Most importantly, you can find out how and where users want to buy and what stage they are at in the consumer purchase model.



5P Customer Search Insights Model

- To expand upon this, let's understand the 5P model to the search query Alaska romantic wedding venue December 2023.





Stage 1: Goals

- As with all aspects of digital marketing, the importance of defining and setting **tangible, measurable** goals cannot be emphasized enough.
- Goals will help you **create plans**, direct your **day-to-day tasks**, and motivate to **rise above** your competitors.
- Analyzing the underlying **needs** of your business
- Converting these needs into **well-defined goals**
- Assigning **key performance indicators (KPIs)** to these goals—to assess if you're on the right track to achieving them



Following are some examples of some typical goals and KPIs.

Types of Goals	Types of KPIs
<ul style="list-style-type: none">• Engagement• Conversions• Visibility• Reputation• Credibility and status• Market leadership• Competitive advantage	<ul style="list-style-type: none">• Organic traffic• Visitor numbers• Click-through rates• Downloads• Online inquiries• Sales• Website engagement and the like



Thank You!



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Stage 1: Goals

- While addressing **consumer pain** is important, you can't forget to address your own.
- **Assessing the needs** of your business, it will create a beneficial ripple effect on the three key players of SEO: the searcher, the search engine, and you, the website owner.
- You need to identify the business pain, view this **pain as a goal, create a strategy** to achieve the goal, and assign KPIs to the strategy to monitor your progress in solving the pain.
- It's very much a **cyclical process**.



Stage 1: Goals

- Let's use the example of a sports footwear retailer:
 - Business pain: A decline in online orders
 - Goal: Conversions
 - Strategy: Increase website visitors through on-page optimization (keywords, blog, etc.)
 - KPIs: Sales, online inquiries



Stage 2: On-Page Optimization





2. On-page Optimization

Keyword Research

- Keyword research is often the first step in this process.
- Keywords have a very **strong impact** on the other elements of on-page optimization, so the level of research you conduct will determine if your site is a zero or a hero in terms of **search volume!**



2. On-page Optimization

- i. **Key Terms:** It's a significant word or phrase that relates to the content on your website.
- **For example**, if you're a freelance photographer, relevant keywords for your site could be **photographer** or **affordable wedding photographer**.
- This is where **long-tail keywords** come in.
- These are **three- or four-word keyword phrases** with low-volume search queries that are worth ranking highly.
- **Why?** Because searchers using long-tail keywords are usually closer to the point of purchase.



2. On-page Optimization

- Although long-tail keywords are quite specific, they have lower competition and bring much higher qualified traffic to your website. This is known as keyword research.
- It means finding the search terms your customers most frequently use.
- There are two types of keyword research— online and offline (through brainstorming, market trends, etc.)

The On-Page Optimization Process

Style and Structure:

- With on-page optimization, the **first thing** you must be conscious of is the **structure** of your site.
- You should make sure there is a **hierarchy among web pages** and that the structure flows throughout your website.
- Every website should have a **menu navigation bar**, with the menu bar links **acting as the parents**.
- The subpages flowing from these parent pages are their **children**, and if these subpages have further subpages, they are the children's **children**.

Level 1

HOME

PARENT

Level 2

WOMEN'S

MEN'S

CONTACT

CHILD

Level 3

Clothing

Shoes

Bags

Clothing

Shoes

Bags

Delivery

Returns

Other

PARENT

CHILD

On-Page Optimization

- If your content is **buried too deep** it can be **difficult for both users and search engines** to reach it,
- ideally websites should have **not more than three or four levels**.
- try to keep the three key players happy:
 - A user-friendly site will be appreciated by the **customer**,
 - which will please the **search engine** that will ultimately increase your ranking in **SERPs**.

On-Page Optimization

- If you have a page-one listing but it looks difficult to read, your customers will **bounce** faster.
- Bouncing is the term used to describe the activity of users who enter a website, don't interact with it, and exit back out to the SERP or close the window entirely.
- Google considers **bounce rates** in determining your **ranking**, which is why website structure is so important.
- High **bounce rates** can lead to search engines viewing a particular website as a **bad match** for the search term used, and they could potentially demote your website as a result.

Optimizing the Technical Mechanics of Your Page

Up-to-Date Content

- Search engines and users are very similar, in that both favor websites with unique, relevant, and up-to-date content.
- Maintaining up-to-date content isn't just about text on the page—**photos, videos, slides, and images** are all examples of different forms of media you can use to keep your content **fresh and attractive** to the reader.
- a high volume of activity associated with users watching videos, start thinking about embedding videos into your website to build an extra level of interaction.

Optimizing the Technical Mechanics of Your Page

URLs:

- eliminating the string of numbers and the &=%? symbols from the URLs and replacing them with **easily readable keywords**, to assist both your users and search engines.
- **Hyphens or dashes** are the only symbols that should be used as word separators.
- For years industry experts encouraged the use of underscores; however, Google has stated that this is not recommended, as underscores make it more difficult for algorithms to identify what the page is about.

Optimizing the Technical Mechanics of Your Page

Take these two URLs:

1. [http://www.abcdefhgj.ie/index.php?
option=com_content&view=article&id=13&Itemid=43](http://www.abcdefhgj.ie/index.php?option=com_content&view=article&id=13&Itemid=43)
2. <digitalmarketinginstitute.ie/courses/type/postgraduate-diploma-in-digitalmarketing/>

Optimizing the Technical Mechanics of Your Page

- Your URLs need to be **descriptive** in order to inform your users what they're linking to.
- If the first link was e-mailed or shared on social media, users would have no idea where they're being taken or what the page is about.
- In the second URL, the link destination is clearly described, the hierarchy is visible, and the keywords are prominent and separated by dashes.

Optimizing the Technical Mechanics of Your Page

Page Names

- Page names act as **labels** that help us **distinguish content** and create **meaning**.
- They usually have **one or two words**, and for that reason, it's not always possible to optimize them in terms of keywords.
- Naming these pages with relevance is the **solution** here.
- As users and search engines go deeper into the website, pages should get more specific to the keywords you're targeting.
- Again, it's about creating a user-friendly and informative browsing experience.

Optimizing the Technical Mechanics of Your Page

Meta Tags:

- A web page is made up of hypertext markup language (HTML). Within the **HTML** are **special tags**, known as **meta tags**.
- Meta tags don't affect the web page layout, but rather **provide important information** about the page's content, which is used by search engines to index your site.
- By right-clicking on a page and selecting Source Code, you can see the HTML and meta tags of that particular page.
- Nowadays, **higher rankings** are given for **relevance**, user **experience**, and **popularity** than for meta-tag optimization.

Optimizing the Technical Mechanics of Your Page

A screenshot of a search results page from a search engine. The search query is "population of india". The results show a snippet for a website about India's population in 2019. Handwritten annotations highlight specific parts of the snippet:

- Meta Title:** "India Population 2019 (Demographics, Maps, Graphs)" is circled in red.
- Revision Date:** "Sep 24, 2018" is circled in red.
- Meta Description:** "India's 2019 population is estimated at 1.37 billion based on the most recent UN data." is circled in red.
- Meta Keywords:** "India, located in South Asia, is bordered by the Bay of ..." is circled in red.

Optimizing the Technical Mechanics of Your Page

- Title tag.
- Although technically not a meta tag, this tag will display the first part of your search engine results listing.
- Title tags help ensure your listings on SERPs say the right things about your business, contribute to click-through rates, and help search engines determine what the page is about.
- Have you ever noticed the name of a web page in the tab of your browser?
- That's the title tag.



food for travellers



All

Images

News

Maps

More

Settings

Tools

About 134,000,000 results (0.81 seconds)

23 Delicious and Simple Recipes for Travellers – GoEuro Blog

www.goeuro.co.uk/blog/simple-recipes-for-travellers/ ▾

Aug 28, 2016 - It is not always easy to maintain a healthy lifestyle when travelling, especially when it comes to the kinds of food we may be tempted with along ...

WHO | Guide on safe food for travellers

www.who.int/foodsafety/publications/travellers/en/ ▾

The WHO Five Keys to Safer Food were specifically adapted to travellers and WHO is looking for partners to disseminate this message. Following the example of ...

Title tag

Optimizing the Technical Mechanics of Your Page

- **Description tag.**
- While it may not contribute to your website ranking, this tag does make up the second part of your listing.
- Generally, you should aim for between **150 and 160 characters**. Utilize your description tag **as a sales pitch**.
- Get your keywords in there and **include a call to action, benefit, and unique selling proposition**.
- That way you're telling people **why they should visit your website, purchase from you, or make a query** about your product or services.
- Snappy and informative description tags will engage your users and please the search engines.

australian shepherd puppy

Search

All Images Videos Shopping News More Settings Tools

About 1,130,000 results (0.72 seconds)

Meta description written as "ad copy"

[Australian Shepherd Puppies & Dogs for Adoption - Adopt-a-Pet.com](http://www.adoptapet.com/s/adopt-an-australian-shepherd)
www.adoptapet.com/s/adopt-an-australian-shepherd ▾

Find an Australian Shepherd rescue or search your local shelters and rescues for an Australian Shepherd puppy or dog for adoption.

Aussie Rescue & Placement ... · Aussie And Me Animal Rescue



Puppies! on Twitter: "This is utterly ridiculous. http://t.co/fHSK8WgdEU"

<https://twitter.com/puppies/status/568969640954757121> ▾

Feb 20, 2015 - Puppies! @puppies. woof. Joined August 2013. © 2017 Twitter; About · Help Center · Terms · Privacy policy · Cookies · Ads info. Dismiss.

Puppies! on Twitter: "I'm staying in bed all day #sorrynotsorry http://t.co ..."

<https://twitter.com/puppies/status/572124477087223810?lang=en> ▾

Mar 1, 2015 - Puppies! @puppies. woof. Joined August 2013. © 2017 Twitter; About · Help Center · Terms · Privacy policy · Cookies · Ads info. Dismiss.

Puppies! on Twitter: "Pups in Cups http://t.co/qb2UGrVHIR"

<https://twitter.com/puppies/status/511207790875275264?lang=en> ▾

Sep 14, 2014 - Puppies! @puppies. woof. Joined August 2013. © 2017 Twitter; About · Help Center · Terms · Privacy policy · Cookies · Ads info. Dismiss.

Different pages,
identical meta
descriptions.

Optimizing the Technical Mechanics of Your Page

Breadcrumb Navigation:

- This allows the user to return to previous sections on the website without having to use the main navigation bar to do so.
- As users go through each page, they leave a breadcrumb that is displayed on the top of each page allowing them find their way home!
- It's something you should definitely consider.
- The name of your page is what will appear on your breadcrumb navigation graphic, so again, ensure page names are descriptive.



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Figure 2.9 Example of Breadcrumb Navigation

On-Page Headings

- Your pages should be divided into **headings to facilitate structure** and guide both the users and search engines reading your content.
- Headings range from H1 to H6 and indicate the most important parts of your page's content and how the **content is interconnected**.
- Your primary heading should be an H1 heading; its subheading will be classified as H2; the subheading of H2 will be classified as H3, and so on and so forth.

Professional Diploma in Digital Marketing

All innovation in marketing is through digital channels nowadays. Kickstart an exciting, dynamic career with our Professional Diploma in Digital Marketing. Whether you are a business owner who wants to improve your online engagement or a complete beginner, this diploma is perfect for you.

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We endeavour to make sure we are delivering the best possible qualifications for would-be digital marketers. The diploma is the most widely taught, industry accredited available in digital marketing.

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Deadline for enrolment to our next course:
Wednesday, 27th of August, 2014

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COURSE CONTENT

MODULES

TRY FORUMS

FAQ

REVIEWS

TESTIMONIALS

ENROLMENT

Course Overview



H2

The Professional Diploma in Digital Marketing is ideal for anyone involved in the planning, implementation or measurement of Digital strategies – or anyone who would like to pursue a career in this area. The Professional Diploma in Digital Marketing programme is suitable for professionals of all levels and disciplines, and will prepare you to take up a more specialist role within the overall marketing domain.



H1

Price: €1,495.00 (inc VAT)

[BUY ONLINE](#)

FULL TIME 9 WEEKS

PART TIME UP TO 14 WEEKS

Objectives & Outcomes

At the end of this course, you will understand the various channels and activities required to plan, implement and manage a comprehensive digital marketing plan for your business.

Our Professional Diploma in Digital Marketing will help you to:

- Gain a clear understanding of the value of Digital Marketing

First Paragraph

- Under H1 lies your first paragraph, and ideally **your chosen keywords should be within the first line of text.**
- Users scan the first few words on every page, which determine whether or not they will bounce.
- **So be smart with your first line and incorporate those keywords in a natural manner.**

Body of Text

- The industry-accepted standard for word counts varies, but the recommendation for general web pages related to the product or service you provide is at least 300 words.
- Articles, white papers, and case studies should have 1,000 words minimum.
- Blogs, on the other hand, are a different story.
- With blogs, you should be aiming for between 1,500 and 2,500 words.

Anchor Text

- Anchor text is a hyperlink shown as clickable text within your content.
- It's very important that all pages are accessible via a link somewhere on your site, so ensure your links are built into the content that navigate.
- Nowadays anchor text is more descriptive and contains your targeted keywords or phrases.
- **For example**, an alternative to the traditional [click here](#) anchor text could be [*click here for more information on our professional diploma in digital marketing.*](#)
- By being descriptive, users know where they're going, and the search engine is taking those keywords into account when it indexes the page and follows the link throughs people through your site.

The Technical Aspects of SEO

- Now that you know how to fully optimize the on-page elements of your website, let's venture deeper into the technical aspects of SEO that need your consideration, so you can prevent unforeseen issues down the line.
- Understand the importance of **browser compatibility** and **responsive websites**.
- Be aware of **structured data markup** and **schema markup language**.
- Know how to fix and customize common **technical page errors**.
- Recognize the importance of **secure websites** to enhance user experience and site ranking.

Compatibility

- When assessing the technical elements of your site, start by checking your website's cross-browser compatibility with Chrome, Internet Explorer, Safari, and Firefox.
- You can **use Google Analytics** to see the volume of **traffic coming** in from particular browsers.
- Browser compatibility is an essential element of a good user experience, so don't let your customers bounce over something as simple as this!

Houston, We Have a Problem

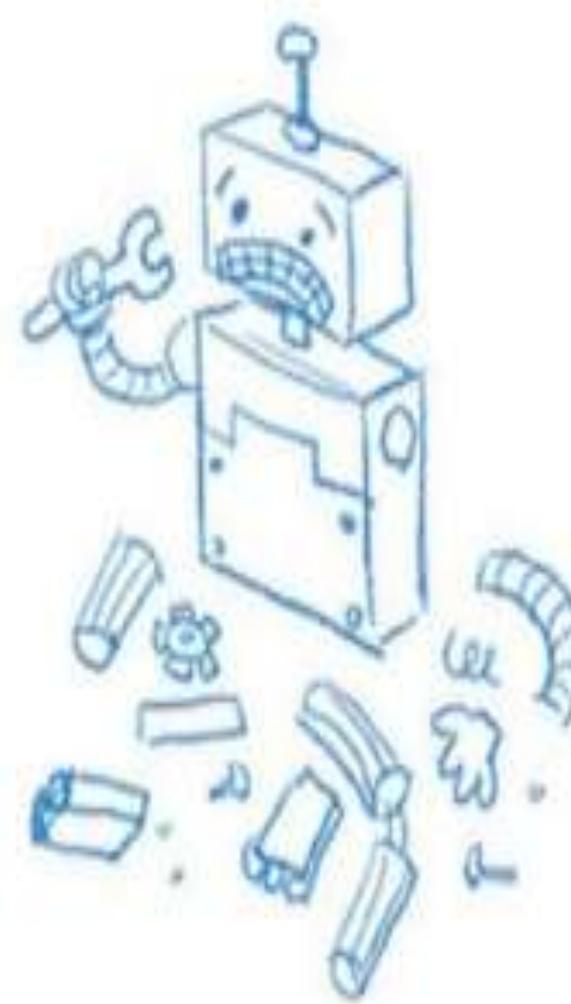
- When creating or redeveloping a website, changes can be made that inadvertently contribute to an interrupted user experience.
- Changing the URL of a page or removing it from your site entirely will leave users and search engines with something called a 404 error page.
- At all costs, try to avoid 404 errors on your site.
- Users and search engines severely resent 404s and the consequences of them vary from demoted rankings to lost conversions.

- Try to **reduce user annoyance** by making light of the situation, as the cartoon.
- Replace the standard 404 error text with something novel, such as **“Oops, we've got a problem.”** Choose something that ties in with your brand's tone of voice and personality.
- You should also **provide navigation link** options to other areas of the site so as not to alienate customers and make them more likely to bounce.



404. That's an error.

The requested URL was not found on this server. That's all we know.





Thank You!



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Stage 3: Off-Page Optimization



Off-Page Optimization

- The purpose of off-page SEO is to improve your website ranking, based on the amount and quality of links coming into your site.
- The **main off-page techniques** you can use to maximize your site's SERP ranking.
 - The various **forms of links** and be able to distinguish among them.
 - **Content marketing** and its influence on off-page optimization.
 - The potential factors within **link building** that can cause problems and penalization.

Link Formats

- There are four different link formats you need to know about.
- Choose them wisely—your off-page SEO could be helped or hindered depending on the format you use.

1. Uninformative link.

- A link that says something like [click here](#) is an uninformative link.
- they are a definitive call to action.
- be [more descriptive](#), so that both customers and search engines know where they're being linked to.

2. URL link.

- Don't just link to the homepage, find the most relevant page and link to that.

3. Topic link.

- A link such as hair care is a topic link; it's a good way of linking to sites that contain the same subject matter as the page the user is on.

4. Keyword link.

- A link with keywords, such as hair styling with Vidal Sassoon, is a keyword link.
- This is an excellent way of inserting keywords into your anchor text for an SEO boost.

Content Marketing

- The next phase of your link building strategy is content marketing.
- This involves creating and sharing valuable, informative, and entertaining content with the aim of attracting customers onto your site—in order to drive sales and conversions.
- Articles, case studies, infographics, and videos are among the popular media used—so start thinking about how you can inform, educate and solve problems for your customers.

- **Content Marketing**
- Having an article recognized and shared will help build credibility within your industry, increasing ranking and your domain authority.
- Aim to be an expert in your niche, so that people will immediately think of your site and link to it when that topic arises.
- For content marketing the same rules apply.
- Make sure to on-page optimize your content fully—with keywords, meta tags, headings, and so on.

Social Sharing

- The fourth element of off-page optimization involves getting people to share your content across their social media networks—in other words, social sharing.
- You probably will have already seen social-sharing buttons while surfing the web.
- They facilitate free advertising for your site, increase your digital footprint, and generate brand awareness at the hands of your customers.

- **Social Sharing**
- Conveniently placed Twitter, Facebook, and LinkedIn share buttons should be positioned throughout your site to allow customers to share your content quickly and easily across their networks.
- Algorithms are placing increasingly more emphasis on popularity as a ranking factor, to help them distinguish between quality content and poor content.
- As with inbound links, the more shares you get, the better!
- The ideal scenario is to have many individual sites linking to you, rather than having few websites generating lots of links.

- Aim to become that top-dog authoritative site that people will spend countless hours chasing for links.
- It does involve working from the ground up, but the benefits are worth the effort!

Different types of SEO

- **White hat SEO** – It is the most popular SEO technique that utilizes methods and techniques to improve search engine rankings of a site which do not run afoul of search engine guidelines.
- White hat SEO uses techniques like high-quality content, link acquisition, website HTML optimization, and restructuring.
- With White hat SEO, you can expect a long-lasting growth in your rankings.

Different types of SEO

- **Black hat SEO** – It exploits the various weaknesses in the search engines algorithms to get high rankings.
- The Black hat SEO is not in accordance with the SEO guidelines set by search engines.
- Some of the black hat SEO techniques are keyword stuffing, link spam, hidden text, hidden link.
- Using these techniques, you can expect unpredictable, quick but short-lasting growth in rankings.

Different types of SEO

- **Grey hat SEO** – Grey hat SEO is neither black nor white, it rather combines both.
- It is a transformation from black SEO techniques to white SEO techniques and from white SEO techniques to black SEO techniques.

Stage 4: Analyze

- At this stage you need to be aware of the volume of traffic coming into your site, where it's coming from, what the users are doing there, what keywords or content is bringing them in, and what pages are driving or expelling conversions.
- Luckily, there are tons of analytics tools to help answer all these questions—Moz and HubSpot are great, but Google Analytics is definitely the most highly regarded.
- It's free, has a huge variety of highly detailed data, and is easy to digest.

- Once you have compiled a detailed criteria report of your findings, you can then measure your SEO successes or failures, using these three KPIs:
- *1. Position.* Where are you ranking in SERPs? This KPI is significant because it shows the effectiveness of the SEO measures you've applied to get good search positioning, based on relevant search terms. Your position can be gauged by using SEO tools like Google Search Console and Moz.

2. Traffic. What traffic is coming in, where is it coming from, and what content is being visited? This Key Performance Indicator measures the search volumes achieved for relevant terms and is the basis for calculating conversions. Use Google Analytics to review traffic source reports, visitor numbers, and the volume of traffic achieved based on the keywords selected.

3. Conversion. Is your organic SEO creating conversions? This is another important KPI because it relates the volume and relevance of your search traffic with some predefined objectives. Using GA, you can find conversion information to measure goals achieved, sales, leads, and inbound calls.



Thank You!



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SOCIAL MEDIA MARKETING

- A form of Internet marketing utilizes social networking sites as marketing tools, thereby gaining traffic, brand exposure, and customer interaction through social media.



Figure 6.1 Four-Stage SMM Process

SMM Process

- Distinguish between *earned*, *owned*, and *paid* media.
- Recognize the **most common forms** of social media.
- Grasp **what makes** social media marketing **effective** and the implications for businesses.
- Identify different SMM goals and explain how to set your own.

Stage 1: Goals

- For a fairytale ending like this you will need to get some specific goals in place. These may include:
- *Business goals* like lead generation, sales, and cost reduction.
- *Customer service goals* like consumer satisfaction and the chance of referrals/repeat business.
- *Product goals*, such as research, design, and enhancement.
- *Communication goals* to build your brand personality and reputation (with an effective crisis management strategy in place).
- *Marketing goals*, such as branding, awareness, and engagement.

Stage 2: Channels

- Understand the differences between personal profiles and business Facebook pages.
- Effectively create and promote a well-maintained Facebook page.
- Generate engagement with compelling posts and use insights to see what works best.

Facebook

Most brands create a business page from a personal account.

- These pages:
- Can have **unlimited likes or connections**, and take just one click of the Like button for a Facebook user to connect.
- Are **optimized for search engines** (because the open settings place the page in the public realm).
- Include a **large amount of analytics**, such as the ages, genders, and locations of an audience and how often it interacts with certain posts.
- You can also **track your page's performance** and the posts on it—that is, how many people the page reaches and whether it is engaging users.

Facebook

Making Your Page Engaging

- You can optimize each post by asking whether the user will:
- Find it interesting or funny.
- Click on the post to find out more.
- Share it with their friends.



Public · Concert · Hosted by Kodaline

★ Interested

+ Going

Invite ...

Friday, December 11 at 1:00pm

GUESTS

203

interested

1k

going

34

invited

3Arena

North Wall Quay, Dublin, Ireland 1

Show Map

INVITE FRIENDS

Twitter

- A Bird's-Eye View
- Twitter's logo is a cute little blue bird, the platform is an information-sharing powerhouse and packs a powerful punch in terms of microblogging and connecting with other users.
- Like Facebook, Twitter is a mobile platform that is constantly connected.
- Your handle should be:
 - Relevant
 - Registered early
 - On-brand

Short	
Unique	Memorable

Ready, Set, Tweet!

Once you have registered an account that looks great and has a memorable handle, you can start tweeting. Tweets are short messages of 140 characters or fewer. Take a look at the famous example in [Figure 6.6](#).

The image shows a Twitter interface. At the top, there's a dark sidebar with the word "ellen" in white. The main area has a light gray background. A tweet from "Ellen DeGeneres" (@TheEllenShow) is displayed. The tweet reads: "If only Bradley's arm was longer. Best photo ever. #oscars". It includes a photo of a group of people, mostly women in formal attire, smiling closely together. Below the photo, the tweet shows 3,337,591 retweets and 2,076,345 favorites. There are icons for sharing and replying. A timestamp indicates it was posted at 7:06 PM - 2 Mar 2014. Below the tweet, a reply from "Camryn" (@camrynmocks) is shown, reading: "@TheEllenShow almost 3 million netweets. holy crap woman!!!". The reply has 17 retweets and 72 favorites. There's also a link to "View other replies".

Twitter

- Every character is precious in a tweet, so if a link of 20 characters can be included instead of one with 87 characters, you have more room for a catchy line of copy.
- Like Facebook posts, tweets are published from users' accounts and appear chronologically on a News Feed.
- Ads are also contained within this stream and are called promoted tweets.
- This is where marketers can shine as the tweets they sponsor appear directly into the user's stream.

Twitter

- Twitter cards are large, interactive pieces of media within the News Feed.
- The message must still be 140 characters or fewer but it can also include:
 - An image.
 - A headline.
 - A CTA button, which in this case is “read more.”

 Twitter 
@twitter



Happy 3rd anniversary #TBT! See how "Throwback Thursday" cemented its status as a weekly Twitter tradition: [blog.twitter.com/2015/history-o...](http://blog.twitter.com/2015/history-of-tbt)

6:26 PM - 30 Apr 2015

 Twitter

History of #TBT on Twitter | Twitter Blogs

We're celebrating the three year anniversary of #TBT by looking at some memorable Tweets.

[View on web](#)

  439  735



Figure 6.8 Twitter Card

Source: Twitter.

- Another great innovation from Twitter is adopting a carousel-style method for displaying ads within the feed

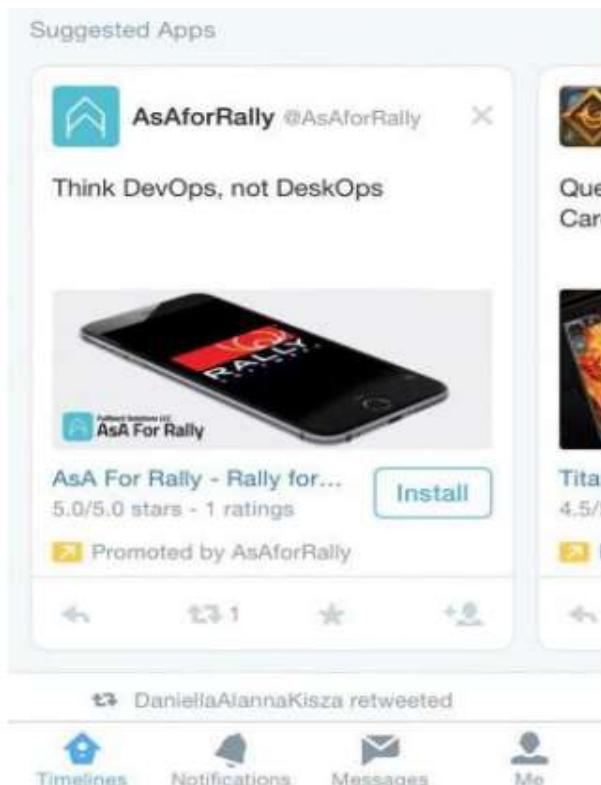


Figure 6.9 Twitter Carousel Ad

Twitter

When promoting your profile, seize every opportunity possible. You can publicize it:

- At events
- In newsletters
- On television and radio
- In social ads
- In your email signature
- On webinars/talks/slides
- On business cards and posters
- During any offline conversations

Twitter

- Twitter has a few great tools to help you stay ahead of the social media game:
- Twitter lists. This handy feature allows you to segment audiences and organize followers within a pool of Twitter accounts.
- Social plug-ins. Like Facebook, Twitter uses lots of these to tempt visitors into sharing content from different websites.
- The plug-ins include:
 - The Share a Link button.
 - The Follow button.
 - The Hashtag button.
 - The Mention button.

LinkedIn

- You can **boost your company's credibility** by encouraging all employees to set up a professional LinkedIn profile.
- It humanizes your brand, and by showing off the individual **skilled workers** involved in its **day-to-day running**, it helps people to get to know you better.
- When creating your own profile, you need to fill in sections about your work history, education, and relevant education to give people a taste of who you are.
- The next step is to write a **LinkedIn summary**, which will appear above all of the other sections and is what most people will see first.
- This is the area where users can really sell themselves, and to do that effectively, sentences should be **SMART**



Figure 6.10 SMART Criteria

LinkedIn

- Building Your Network
- LinkedIn can be a very lonely place if you are not engaging and connecting with others.
- Take the leap and approach as many people as possible, including:
 - Email
 - contacts
 - Alumni
 - Colleagues
 - Friends
 - Family

LinkedIn

Groups and Pages

- LinkedIn groups are probably the most social aspect of the platform, as they are where most discussions take place.
- By participating in these groups, you can maintain an active discussion with peers and colleagues,
- —you may even be seen as an industry thought leader

in Home Profile Network Career LinkedIn Premium Solutions

Search for people... Advanced

Digital Animation Professionals 21,272 members Join

Discussions Jobs Promotions Search

Imagine and Create

Start a discussion or share something with the group

Popular Recent

Question about animation transition effects.

Melinda Ashcroft, Digital Director at Flimcom Associates

Does anyone have a good process for rembleflexing background effects during rapid transition between scenes? I've tried doing this in Media Master 3.1, but it always comes out jerky and pixelated.

Like (1187) · Comment (1,054) · Share · Follow · 1 hour ago

Raymond Koller, Sylvia Morris, and 185 others like this.

See all 1,054 comments

Raymond Koller Yes, this is a known bug in Media Master. They don't have a good fix, but a work around is to export your file to your hard drive and then import it into Animation, which has much better support for this.

Like (31) · 25 minutes ago

Stephanie Reynolds I've had the same problem and would love to hear of a good solution.

Like · 15 minutes ago

Add a comment...

Top Influencers in this group

Cynthia Wang Production Director at Danberley Corp. Follow Cynthia See all group members

MS in Internet Marketing Get a Master's in Internet Marketing, classes are online. Learn more now!

PolyU Hong Kong University has 4,443 followers on LinkedIn

Rackspace Australia 9 Secure Global Data Centers offer World-Class Managed Hosting. Chat Now!

Rackspace Hosting has 527 recommendations

Latest Activity

Bob Crandall started a discussion. What are the best schools for learning Digital Animation? 3 minutes ago

Sally Munchkin commented on a discussion. Does anyone know how to turnbook a mobilebook transition in real time? 10 minutes ago

Stan T. Man started a discussion. Anyone interested in a meet up in the Austin Texas Area in January? 12 minutes ago

See all activity

The screenshot displays the LinkedIn interface for the 'Digital Animation Professionals' group. At the top, there's a navigation bar with links for Home, Profile, Network, Career, LinkedIn, Premium Solutions, and search fields. Below the header is the group's logo, a blue ribbon icon, and the group name 'Digital Animation Professionals' with a member count of 21,272 and a 'Join' button. A horizontal menu bar below the group name includes 'Discussions', 'Jobs', 'Promotions', and 'Search'. The main content area features a large banner with the text 'Imagine and Create' and a stylized blue and white graphic. Below the banner, a post from Melinda Ashcroft asks about a good process for rembleflexing background effects during rapid transitions. The post has 1,054 comments, with a reply from Raymond Koller explaining a bug in Media Master. Other comments are from users like Stephanie Reynolds and Bob Crandall. To the right of the main content, there's a sidebar titled 'Top Influencers in this group' showing profile pictures of Cynthia Wang, a production director at Danberley Corp., and three others. It also includes sections for 'Ads by LinkedIn Members' featuring 'MS in Internet Marketing' and 'Rackspace Australia', and a 'Latest Activity' section listing recent posts from various users.

Figure 6.11 LinkedIn Group Discussions Tab

LinkedIn

- Company pages are similar to Facebook business pages; while LinkedIn profile pages represent individuals, its company pages allow fans to connect with brands.
- So what does it take to start a company page?
- First of all, more than five people within your company must have a LinkedIn profile that states that they work for you.
- You can then use your company's email address to apply for a LinkedIn company page.

LinkedIn

- Next, it is time to populate your page with as much relevant detail as possible, such as:
- Your location
- Your URL
- How many employees you have
- The main industry your company is in
- The year it was founded
- Whether it is a privately held or public liability company

Finally, add your logo and branding to the page. It is a really visual way for people to see what your company is about. An example of a LinkedIn company page is shown in [Figure 6.12](#).

The screenshot shows the LinkedIn Company Page for Danberley Corp. The top navigation bar includes Home, Profile, Network, Jobs, Interests, Business Services, and Go to Recruiter. A search bar at the top right says "Search companies". The main header features the company's logo (a red and blue square icon), the name "Danberley Corp", and a "Follow" button with 724,036 followers. Below the header is a large image of five diverse professionals (three men and two women) working on laptops. To the left of the image is a "Recent Updates" section with a post from "Danberley Corp" about landing a job and meeting the President. To the right of the image is a "How You're Connected" section showing 204 first-degree connections, 5,052 second-degree connections, and 6,298 employees on LinkedIn. Further down are sections for "Careers" (with a link to learn more) and "Ads By LinkedIn Members" (listing "Art Master With Code" and "Google Glass: First Steps").

Figure 6.12 LinkedIn Company Page Home Tab

Why LinkedIn?

- Most likely, yes.
- LinkedIn lets you **showcase your strengths** while connecting with like-minded business owners and industry leaders outside of your everyday life.
- There is always **more we can learn**—and LinkedIn is a great place to do it.
- Both **personal and company pages** can be brilliant **marketing tools** for your business, as long as they are managed in an effective and engaging manner.



Thank You!



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Mobile Marketing

- Mobile marketing refers to all marketing endeavors done via a far-reaching network to which target customers are ever-connected via their mobile devices.
- *Mobile marketing is a way to promote products or services through mobile devices.*
- *With this strategy, target consumers access location and time-sensitive customized content that promotes certain products, services, or ideas.*

Why is mobile marketing important?

- Mobile devices dominate communication.
- The overall view and amount of content on mobile devices are simplified due to their smaller size.
- As mobile devices are smaller and lighter than computers, users can easily carry them everywhere and make purchases at any time they want.
- Mobile hastens the time to purchase by 20 percent.
- Ninety-one percent of smartphone users plan purchases or buy individual items after seeing relevant ads.
- 2/3 of customers who use smartphones are likely to purchase from businesses that have apps or mobile websites with content customized to their location.
- Forty percent of online transactions occur on mobile devices.

Benefits of Mobile Marketing

- Compared to other forms of marketing, mobile marketing has several significant benefits.
- **Text messaging is easy and comparatively cheap.**
 - SMS is obviously cheaper. Like ad formats such as PPC or email marketing campaigns, text messages are pretty easy to send and they require no technical skills.
- **SMS has a high CTR.**
 - Since people consider communicating via their mobile devices more private than emailing for example, they check their phones more often and never ignore messages. Users only share their phone number with their favorite companies, so they are already waiting for your promotions.
- **Especially useful for local businesses.**
 - Local companies can easily tell their loyal customers about hot deals, the latest arrivals, and special offers via SMS. Clients won't miss this chance to drop in to check out your offers.

Types of Mobile Marketing

- Mobile app marketing
- In-game advertisements
- Quick-response barcode
- Mobile banner ads
- Proximity or Bluetooth marketing
- Voice marketing
- SMS

Types of Mobile Marketing

- **Mobile app marketing.** Mobile apps allow businesses to include ads in specific mobile application designs. Facebook is an excellent example of ads in an app.
- **In-game advertisements.** This approach refers to all advertisements on mobile devices that pop up when certain games are opened or in progress. These ads can appear as full-image ads, banner pop-ups, or video ads that show up during loading screens.
- **Quick-response barcode (QR codes).** These barcodes are scanned using the camera of a phone, and then the customers are redirected to the linked site from where they can see more information regarding a particular brand.

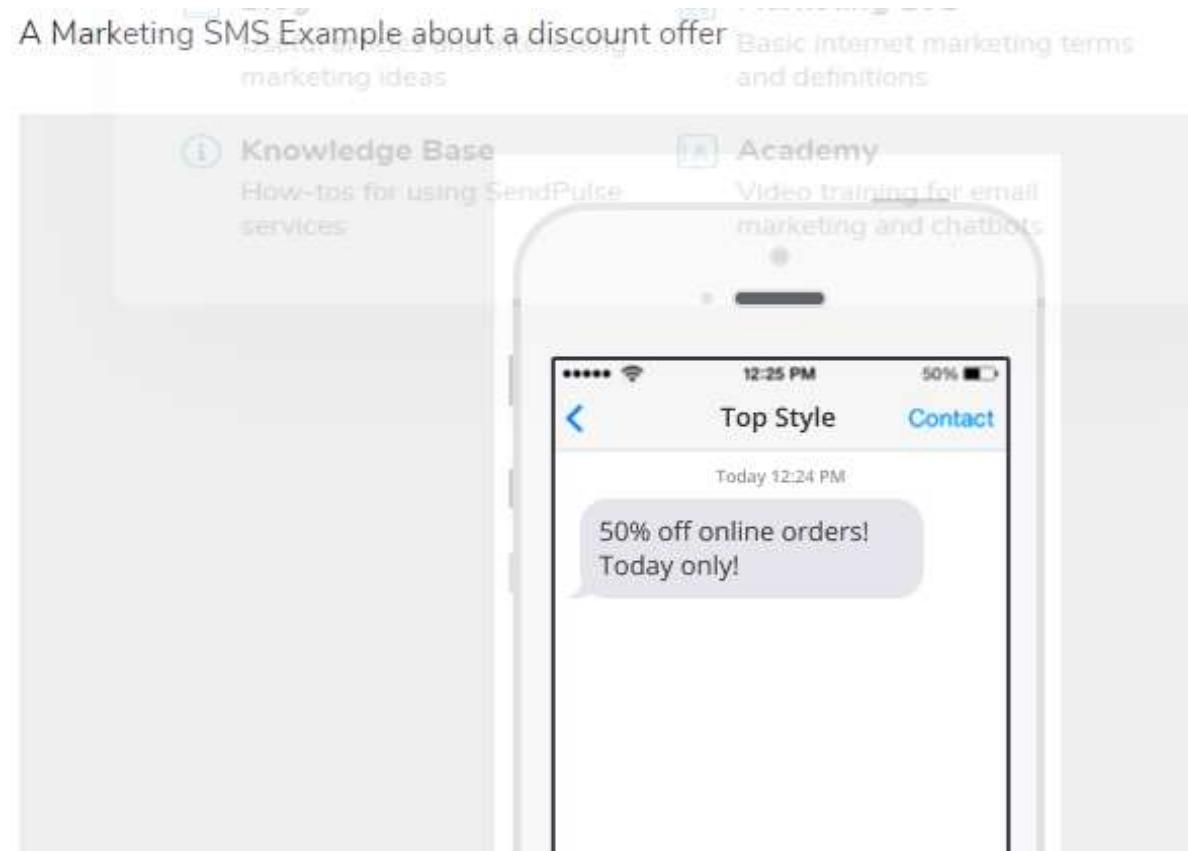
Types of Mobile Marketing

- **Mobile banner ads.** same as the ones on the desktop, only that they are adequately smaller to fit on the screens of mobile devices.
- **Proximity or Bluetooth marketing.** With this approach, consumers get location-specific ads enabled from the Bluetooth on their devices. (Proximity marketing is facilitated using technology such as Bluetooth beacons, WiFi, geofencing, near-field communications (NFC) and QR codes.)
- **Voice marketing.** This is when businesses use computer produced and automated calls to promote their goods or services. It is up to the customer to decide whether to hang up or listen to the phone call.
- **SMS marketing.** This method of mobile marketing is, by far, the most common. Marketers use this medium to reach out to customers with offers and other relevant information via their mobile gadgets.

Mobile Marketing Strategy

- **SMS:** a direct text message to a customer's mobile phone that notifies about the order or delivery status, top offers, sales.
- **Push notifications:** appear as a pop-up message on apps or websites even if a user was offline at the moment of sending. They are sent to inform about the recent articles on the blog, hot offers, and important updates
- **Email:** today, most people open emails on their smartphones, so the importance of optimizing emails for mobile is increasing.

Good Mobile Marketing Examples



Good Mobile Marketing Examples

A personalized Starbucks discount message offer





Thank You!



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Pay-per-click

- Pay-per-click, or PPC, is a form of advertising that allows you to pay a fee to have your website on the search engine result page (SERP) when someone types in specific keywords or phrases to the search engine.
- The SERP will display the ads you create to direct visitors to your site, and the fee you pay is based on whether people click your ad.
- When done right, PPC can earn you quality leads. It could mean a massive Return on Investment (ROI) for your PPC efforts.

All Images Shopping Maps News More

Settings

Tools

About 7,290,000,000 results (0.71 seconds)

Ad www.shutterfly.com/

Up to 40% Off Holiday Cards - Plus Free Economy Shipping

View Our Stunning 2020 Holiday Cards Collection. Plus Free Economy Shipping! Printed in the USA. New Designs and Styles. Fast and Secure Delivery. Huge Product Selection. Easy to Make. Styles: Contemporary, Classic, Whimsical.

PPC ADS

Christmas Cards

View our Stunning 2020 Collection
Customize Your Christmas Card Today

Premium Christmas Cards

Foil, Glitter, Gate Fold and More!
Cards That are Sure to Impress.

Ad www.moonpig.com/

Moonpig Personalized Cards - 50% Off First Card Order

Receive 50% Off Cards + Free Delivery For New Customers! Use Code: 50OFFNEW at Checkout.
Order Your Card By 2pm to Catch Today's Mail or Choose Your Preferred Delivery Day. Cards for All Occasions. Create & Order on the App. Online Greeting Cards.

Ad www.zazzle.com/

Cards - Create Customized Cards

Shop Cards.com Online. Create & Capture Your Own Message. 100,000+ Curated Designs.
Affordable Customization. Free Shipping With ZBlack. Satisfaction Guaranteed.

ORGANICwww.zazzle.com/cards

Zazzle Cards | Zazzle

Create your own unique greeting on a card from Zazzle. Choose from thousands of customizable templates or create your own from scratch!

See Tabletop Games & Exp...

"2" x 3.5" Business Cards - 500 qty"

\$8.98
GotPrint.com



MOO | Custom Business Cards (Double Sided L...
\$19.99
moocards.com
Special offer



1,000 pieces of 2" x 3.5" Square Business Cards

\$27.99
UPrinting.com



Birthday Card, Funny Getting Older Personalized...
\$4.49
Moonpig.com

PPC Terms and Definitions

Search Engine Marketing (SEM)

- Search Engine Marketing (SEM) refers to any digital marketing (paid or unpaid) done on a search engine, like Google, Yahoo, or Bing.
- SEM is an umbrella term that encompasses both paid advertising *and* search engine optimization, that is, ranking organically from keywords.
- It's important to note that not all PPC occurs on search engines — social media has PPC ads, too (think: Facebook Ads).

PPC Terms and Definitions

CPC

- Cost-per-click (CPC) is the amount that an advertiser pays for each click on your ad.
- CPC acts as your bid in an auction that determines where your ad will be placed.
- As you can imagine, a higher bid equates to better ad placement.
- You set your CPC at the maximum price you are willing to pay per click on your ad.
- What you *actually* pay is determined by the following formula:
- **(Competitor's Ad Rank / Your Quality Score) + 0.01 = Actual CPC**

Ad Rank

- This value determines the position of an ad on a search engine results page.
- It's equal to **Maximum Bid x Quality Score**.

Quality Score

- This is the score that search engines give to your ad based on your clickthrough rate ($CTR = \text{no. of clicks}/\text{no. of views}$) — measured against the average CTR of ads in that position — the relevance of your keywords, the quality of your landing page, and your past performance on the SERP.

- Maximum Bid
- This is the maximum you're willing to pay per click on your ad.



The AdWords Auction: Max Bid, Quality Score, and Ad Rank all affect CPC

- You can set your CPC to **manual**, where you determine the maximum bid for your ads, or **enhanced**, which allows the search engines to adjust your bid based on your goals.
- One of these enhanced options involves bid strategies that automatically adjust your bids based on either clicks or conversions.

CPM (Cost per Mille)

- CPM, also known as cost per thousand, is the cost per one thousand impressions. It's most commonly used for paid social and display ads.

Campaign

- The first step in setting up your PPC ads is determining your ad campaign.
- You can think of your campaign as the key message or theme you want to get across with your advertisements.

Ad Group

- One size doesn't fit all. That's why you'll create a series of ads within your campaign based on a set of highly related keywords.
- You can set a CPC for each ad group that you create.



Thank You!



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Best PPC Platforms

- When choosing a platform, some other things to consider are the availability of keyword terms, where your target audience spends their time, and your advertising budget.

Google Ads (formerly known as AdWords)

Google cleaning supplies X Microphone Search

All Shopping Images News Maps More Settings Tools

About 5,310,000,000 results (0.65 seconds)

Ad · www.uline.com/ (800) 295-5510
Cleaning Supplies - In Stock. Ships Today - ULINE.com
ULINE - Over 37,500 Products. Huge Catalog! Same Day Shipping.
★★★★★ Rating for [uline.com](#): 5.0 - Call wait time: About 1 minute
[Disinfecting Wipes](#) · [Cleaners & Chemicals](#) · [ULINE Glass Cleaners](#) · [Simple Green Products](#)

Ad · go.staplesadvantage.com/janitorial/supplies
Staples® Janitorial Supplies - Over 250 Trusted Brands
Cleaning, Sanitation Tools, Disinfectants & More With Dedicated Account Management.
Assistance with OSHA and SDS Compliance & Guidance on LEED Certification Options. No-Risk
Guarantee. Free Next-Day Delivery, Exclusive Pricing.
[Breakroom Solutions](#) · [Shipping Solutions](#) · [Furniture Solutions](#) · [Water Services](#)

Ad · www.grove.co/natural/cleaners
Natural Cleaning Products - Free Mrs. Meyer's Starter Set
Organic, Natural and Eco-Friendly Products. Mrs. Meyers, Method and More. Shop Today!

Ad · www.grainger.com/
Cleaning and Janitorial Products - Grainger Industrial Supply
Grainger.com Provides Bathroom Equipment, Scouring Pads, Window Cleaning Supplies & More.

See cleaning supplies Sponsored

 **Lysol Case of (12)
32 oz Spray Bottles
All-Purpose Clean...**
\$62.31 MSC Industrial S...

 **Disinfectant
Cleaning Wipes | 4
Rolls (4600...
\$209.00**
Trash Cans War...

 **Sanitizing**

 **Clorox Disinfecting
225 WIPES | 3 Cols Large
Pick up today**

Bing Ads

great coffee at home

0 0 0

ALL SHOPPING IMAGES VIDEOS MAPS NEWS

26,600,000 Results Any time ▾

See great coffee at home

Ads

Coffee Of The Month Club 3... \$80.85 Amazing Clubs Free shipping	Lavazza Premium... \$7.02 Serious Sips ...	Death Wish Coffee, World'... \$37.99 Death Wish C...	Death Wish Coffee, World'... \$79.99 Death Wish C...	Kirkland Signature... \$18.39 Snackathon	Intelligentsia Coffee House... \$13.69 Amazon.com
--	--	--	--	--	---

Dunkin'® Coffee - At Home Coffee - Ready to Brew at Home

<https://www.dunkinathome.com/dunkin'/coffee> ▾

Ad Start Your Day With the Taste Of Dunkin'® Coffee—At Home! Dunkin'® Coffee Comes in Ground, Whole Bean, or K-Cup® Pods: Try Dunkin'® at Home Today. From whole beans to K-Cup pods, Original Blend to specialty flavors, enjoy the great ... dunkinathome.com has been visited by 10K+ users in the past month

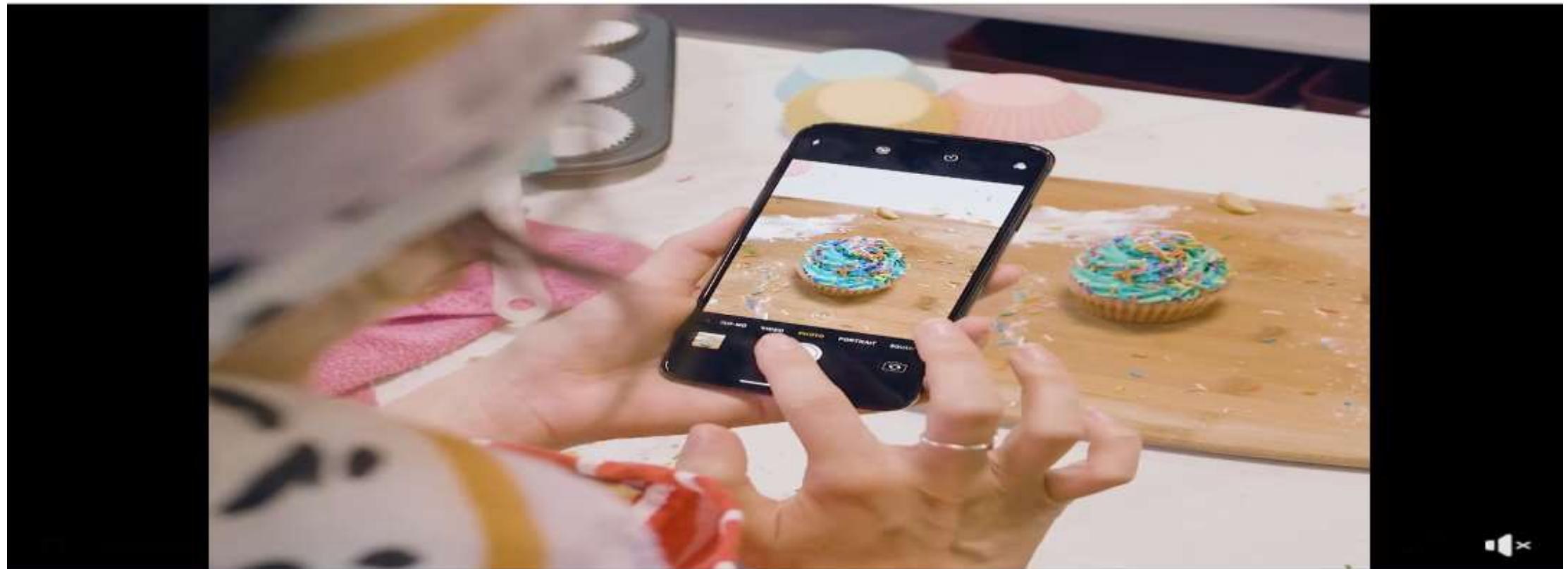
Try Now

Facebook Ads

 Canva 
Sponsored · 

Remove backgrounds from your images instantly with Canva. 
Our new Background Remover feature is a magic wand for messy photos. Use it now to
create content like a Pro.

...



www.canva.com/pro
Claim Your FREE Canva Pro Trial Now!
Design like a Pro

 Learn More

Facebook Ads

- Facebook Ads is a popular and effective platform for paid ads (more commonly used as CPM than CPC), mainly due to its specific targeting options.
- Facebook allows you to target users based on interests, demographics, location, and behaviors.
- Also, Facebook allows for native ads, which means ads are introduced and blend into the social feed.
- Not to mention, you can use Facebook Ads to advertise on Instagram as well.

Benefits of PPC

- PPC ads are **cost-effective**.
- PPC ads produce **fast results**.
- You can easily **control** and **test** PPC ads.
- PPC ads allow you to **target** your **ideal customers**.
- Algorithm changes have little effect on PPC ads.
- PPC ads help you rank even with low domain ratings.
- Data from PPC ads can improve your SEO strategy.

SEO vs. PPC

- SEO refers to optimizing your website to rank high and gain free traffic from search engines.
- On the other hand, you'll have to pay for clicks with PPC.
- Although different, businesses see the best results when they align SEO and PPC in their marketing.

PPC vs. CPC

- PPC and CPC are not technically the same thing. PPC refers to a style of marketing that includes paying for advertisements.
- CPC, or cost-per-click, refers to the amount of money you spend on a single click on your ad.



Thank You!



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Why Email Marketing ?

- It doesn't clog your company mail server.
- It's extremely cost-effective and sometimes even FREE
- Outbound emails can be scheduled and sent automatically
- Take advantage of email message templates for a professional look
- Manage your contacts, distribution lists, and subscription links
- Edit your content directly or insert content from external feeds
- Easy to read, up-to-the-minute reports

Benefits of E-mail Marketing

- **Global reach** - a website allows you to find new markets and trade globally for only a small investment.
- **Lower cost** - a properly planned and effectively targeted e-marketing campaign can reach the right customers at a much lower cost than traditional marketing methods.
- **Trackable, measurable results** - web analytics and other online metric tools make it easier to establish how effective your campaign has been. You can obtain detailed information about how customers use your website or respond to your advertising.
- **Personalisation** - if your customer database is linked to your website, then whenever someone visits the site, you can greet them with targeted offers. The more they buy from you, the more you can refine your customer profile and market effectively to them.

Benefits of E-mail Marketing

- **Openness** - by having a social media presence and managing it carefully, you can build customer loyalty and create a reputation for being easy to engage with.
- **Social currency** - e-marketing lets you create engaging campaigns using different types of rich media. On the internet these campaigns can gain social currency - being passed from user to user and becoming viral.
- **Improved conversion rates** - if you have a website, then your customers are only ever a few clicks away from completing a purchase. Unlike other media which require people to get up and make a phone call, or go to a shop, e-marketing can be seamless and immediate.

Types of campaign

There are two types of campaign:

- ***an acquisition campaign*** – creating awareness and desire amongst a target market unfamiliar with your offering
- ***a retention campaign*** – for keeping in touch with existing customers or qualified prospects.

Develop an e-marketing plan

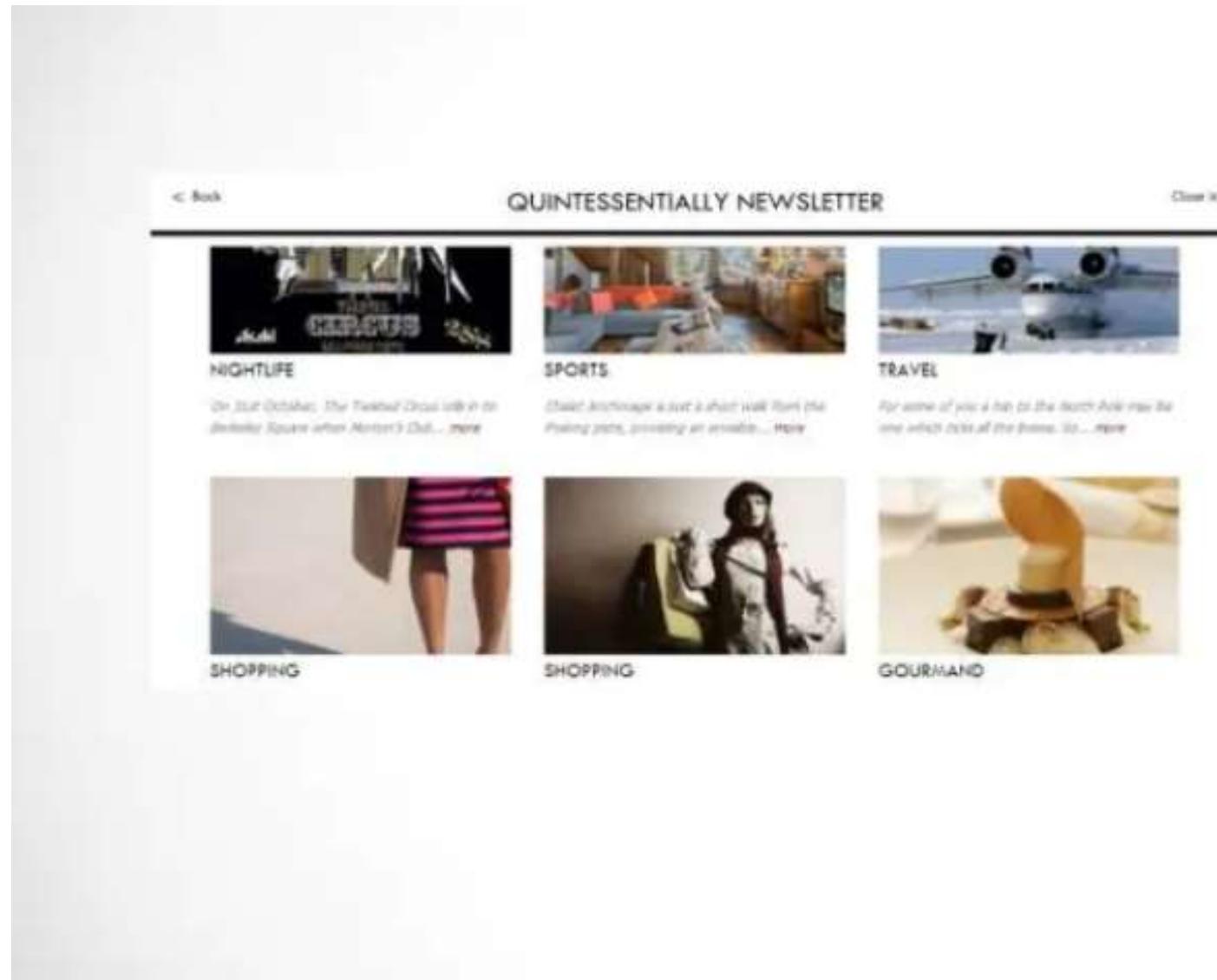
- Identify your target audience
- Understand your competitors
- Set your objectives
- Plan your tactics
- Agree a budget

Types of e-mail marketing

- **Employee Newsletters & Bulletins:** Internal communication is an important and often overlooked function. Email blasts to employees on new programs, initiatives, products, and services can be a very effective way to communicate what is going on in your organization.
- **Press & Media Releases:** Public Relations companies have really picked up on email campaign software to streamline the design and distribution of professional press releases. With a click of a button media contacts can be notified immediately.

Types of e-mail marketing

Customer Newsletters & Bulletins: Online e-newsletters and bulletins are a great way to connect with customers on new programs, products, and services, as well as communicate other important information about your organization.



The screenshot shows the homepage of the boyner.com.tr website. At the top, the 'boyner' logo is displayed with 'com.tr' below it. A navigation bar includes categories: KADIN, ERKEK, ÇOCUK, AYAKKABI & CANTA, KOSMETİK, AKTİF SPOR, EV, and FİRSATLAR. A large red promotional banner in the center features the text '30TL indirim kuponunuz sizi bekliyor!' (A 30TL discount coupon is waiting for you!) and a small note: '*30 TL indirim online alışverişinde geçerli indirim kuponunuza "Şenlik" kodundan "Kuponlu" tıklamadan kullanabilirsiniz.' Below the banner, a message says 'Sadece şifrenizi belirleyerek üye olmanız yeterli.' and a button labeled 'HEMEN ÜYE OL >'. The background of the page is white.

Types of e-mail marketing

Email Marketing Campaigns:

Email marketing campaigns are a great way to market new programs, products, services and communicate other important information to your customers.

Types of e-mail marketing

News Services and Announcements: Email event notifications and announcements are also important to communicate to your customers and prospects.

Measuring success

The delivery rate is the number of emails that get through to the recipient's inbox – in other words those that don't bounce.

There are two types of bounce.

- **A hard bounce** is where the email address is not valid – for example where there is a typing error in the address or the person has left – both of these are easily checked.
- **A soft bounce** is where the email cannot be accepted by the mail server – for example if someone is on holiday and their inbox is full or the firewall blocks it.

Measuring success

- After each campaign has been sent, it is important to download the list of the bounces and research and clean this data to ensure that the database is in prime condition for the next emailing.
- When an organization starts emailing having not done so before, bounce rates might be as high as 25%. Over time, with continuous management, it is possible to get that down to 2 or 3%.

Measuring success

- Delivery rate:
 - acquisition – 88%
 - retention – 97%
- Open or view:
 - acquisition – 23%
 - retention – 33%
- Unique click-through:
 - acquisition – 14%
 - retention – 25%

(Source: Berners Marketing – September 07 to August 08)

Selecting an email system

All organisations will be concerned about security of data, reliability of the system and will be keen to avoid any risk relating to viruses or server failure.

There are three main options to send bulk emails:

- sending directly from the server, usually via Microsoft Outlook
- investing in a specialist email service provider
- using the website or marketing agency to manage campaigns.

Evaluating costs

- There will be some sort of **licence fee** for access to the software, and this will usually depend on the number of users or sending identities.
- There may be a **cost per send** or this may be included in the licence fee up to a maximum number of contacts in the database.
- It is likely that the system will include some templates where you can add your own branding. But if you want a truly unique email template you need to budget for **design and programming**. The cost will depend on its complexity, for example at the top end you might want to commission an interactive game.
- Some suppliers charge an 'additional fee' for making the "**Sender**" **email address** appear to come from your organisation.

Developing a mailing list

- **Gather addresses**

First, develop a list of your current customers' e-mail addresses. Currently, many businesses are capturing e-mail addresses along with their customers' other contact info.

CUSTOMER INFORMATION FORM

Name _____
Company _____
Address _____

City _____
State _____ Zip _____
Phone _____
E-mail _____

Sectors

- Retail and E-Commerce
- Financial Services
- Insurance
- Travel and Hospitality
- Health
- Architecture
- Media and Consultancy



Thank You!