# *Lab 8 – B2C & B2B E-Commerce*

Date assigned: Friday, April 29, 2016

Date due: **Friday, April 29, 2016, 10:00 a.m.**

**Learning Objectives**

Upon successful completion of this assignment, the student will be able to:

* Identify the different e-commerce transaction models
* Identify business models and revenue models of B2C e-commerce sites
* Identify online auction models
* Identify online payment methods
* Determine business models and revenue generation for e-commerce sites

To do:

Save this document as a Word document named **YourUserName\_E01\_L08\_ ECommerce.docx** in your 420-E01 folderin your home drive. The document will hold your answers for your lab.

1. Identify whether the following scenarios or websites are B2B, B2C, C2C or C2B, G2C, G2B, B2G and give reasons for your answer. **(16 marks)**
   1. Dell selling you a laptop

* Business to Customer
  1. You buying an iPad from Jim on eBay
* Customer to Customer
  1. Canada Pension Plan payment directly into a bank account
* Government to Customer
  1. You selling your old textbooks to the College bookstore
* Customer to Business
  1. Intel selling microprocessors to Dell
* Business to Business
  1. [www.salesforce.com](http://www.salesforce.com)
* Business to Business
  1. [www.amazon.ca](http://www.amazon.ca)
* Business to Business
  1. [www.intuit.ca](http://www.intuit.ca)
* Business to Business and Business to Customer

1. Why is the risk of introducing a new product online lower than it is for a business with a physical store? **(4 marks)**

* Because they don’t need to invest in a physical location and its far more convenient for customers.

1. Why do moderately priced products sell better online than very expensive or very inexpensive products? **(3 marks)**

* Because when you’re online, you can’t really trust the quality of products and you can’t see the product. If you’re finding someone who has something you want, but it’s too expensive, you’re just going to go looking on a different site for a cheaper version of the same product.

1. Read the case study handout titled “Social Media and Ashton Kutcher”, and answer the following questions: **(10 marks)**
   1. Explain the difference between disruptive and sustaining technology.

* A disruptive technology is one that places the need for other things, its something that uproots other products or services out of the market.
* A sustaining technology is just an improvement on a current product. Companies are always coming out with the next version, the iphone 5 vs iphone 6, windows 8 vs windows 10, coming out with things so their technology never gets outdated
  1. Do you consider Facebook, Twitter and LinkedIn forms of disruptive or sustaining technology? Explain.
* Yes, it is a disruptive technology. Not those social media sites specifically, but social media sites in general. They’ve completely replaced traditional forms of long distance communication like sending letters or talking on the phone. People can always know what’s going on with everybody by just clicking a few buttons. Before you’d have to go over and look at the pictures someone took on vacation, now you just upload it to facebook and everyone knows, everyone can see.
  1. Describe the e-business model for LinkedIn.
* Linkedin is a free to use site, however you can purchase different levels of premium memberships to gain access to other things such as Linkedin email and the ability to find stats in different areas.
  1. Describe the revenue model for LinkedIn.
* Linkedin does targeted marketing to try and get people from specific locations onto their site and increase accessibility from everybody. The majority of their revenue comes from the US, so they try to accommodate the preferences of other places better.
  1. Beyond the number of active users a social networking site has, how might you measure the success of a social networking site such as Tumblr or Ning?
* How much money is the site making, how much time do people spend on the site on average, how many high-profile users do they have?

1. Read the case study handout titled “eBay – The Ultimate E-Business”, and answer the following questions: **(15 marks)**
   1. What is eBay’s e-business model and why has it been so successful?
   2. How has eBay’s strategy changed over the years?

* eBay’s strategy is constantly changing seeing as they need to be constantly adapting the current state of the market and customer’s needs.

* 1. What are the two different types of online auctions and which one is eBay using?
* eBay uses normal auctions, reserve auctions, fixed price auctions and dutch auctions
  1. What are the different forms of online payment methods for consumers and businesses? (6 marks)
* PayPal and Bill me Later
  1. How might eBay’s customers benefit from the different payment methods?
* The amount of different payment methods is good because it caters to everybody. Anybody can set up a PayPal account and start using eBay, so it leaves doors open to a larger variety of potential customers.
  1. Which metrics (web usage statistics) would you use if you were hired to assess the efficiency and effectiveness of eBay’s Web site?
* The amount of auctions that get posted to eBay daily, the amount of auctions that get completed, the amount of returning buyers/sellers (how many people try it out, but never come back).

**To submit**

When you have completed the assignment, upload the **YourUserName\_E01\_L08\_ECommerce.docx** document to Moodle.