E-COMMERCE

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HND COMPUTING IDM

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INTRODUCTION

In today's highly competitive world, an e-commerce facility involves investing time, money, and resources to ensure that it meets consumer expectations and organizational needs.

Having an online presence can ensure that a company has the most effective visibility and can extend distribution to different target audiences and global markets. An e-commerce organization can increase productivity and contribute to increased efficiency, profitability, and improved services.

WHAT IS E-COMMERCE

An extension of the term E-commerce is electronic commerce.

E-commerce refers to the buying and selling of goods or services over the Internet.

E-commerce is often used to refer to the sale of fire products online, but it can also describe any easy business transaction on the Internet.

The history of e-commerce begins with the first online sale: On August 11, 1994, a person sold a CD of the sting band to his friend through his website NetMarket, an American retail site, to his friend. This is the first example of a consumer buying an item from a company over the World Wide Web, or "e-commerce" as we know it today.

Since then, e-commerce has evolved to make it easier to find and buy products through online retailers and markets. Freelancers, small businesses, and large corporations all benefit from e-commerce, which allows them to sell their products and services in a way that is not possible with traditional offline retail. (Shopify, 2019)

Types of E-commerce

There are four main types of e-commerce models that can describe every transaction that takes place between consumers and businesses.

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

Business to Consumer (B2C)

When a company sells a good product or service to an individual consumer over the internet (for example, you buy a pair of shoes from an online store).

B2C Websites are:

- Skinny Ties
- folksy
- United pixel workers

Consumer to Consumer (C2C)

When a Consumer sells a good product or service to an individual consumer over the internet (for example, you buy a pair of shoes from an individual Consumer).

C2C Websites are:

- An Auctions
- Work
- The Freelancing

Business to Business (B2B)

When a Company sells a good product or service to another company over the internet (for example, Sells a software to other business company).

B2B Websites are:

- Magnetica
- JCurve Solutions
- Sysdoc

Consumer to Business (C2B)

When a Consumer sells a good product or service to a company over the internet (for example, a photographer licenses their photo for a business to use).

C2B Websites are:

- Google Absence
- Josbster
- Microsoft Shutterstock

E-commerce is in many types but those four types mostly used types. (Shopify, 2019)

Features of E-Commerce

There are many features in E-Commerce. (Tutorialspoint, 2021)

- **Cashless Payments**

E-commerce allows you to use credit cards, debit cards, smart cards, electronic financial transactions, and electronic payment methods through the bank's website.

- **24x7 service availability**

E-commerce automates the business of companies and the way they serve their customers. It is available anytime, anywhere.

- **Advertising/Marketing**

E-commerce enhances the advertising of business products and services. It helps in better marketing management of products/services.

- **Advanced Sales**

Using e-commerce, orders for products can be generated at any time, without any human intervention. This is a great incentive for existing sales volumes.

- **Support**

E-commerce offers a variety of ways to provide pre-and post-sales assistance to provide better services to customers.

- **Inventory Management**

E-commerce automates inventory management. Reports will be generated immediately when needed. Product inventory management will become more efficient and easier to maintain.

- **Communication Development**

  E-commerce provides ways for quick, efficient, and reliable communication with customers and partners.

Difference between Traditional commerce vs Electronic commerce

Table 1: Traditional commerce vs E-Commerce

Traditional Commerce	E-Commerce
Greater dependence on person-to-person exchange.	Sharing information via electronic communication channels is easy, depending slightly on person-to-person communication
Communication/transactions are done in a systematic manner. Manual intervention is required for each contact or transaction.	Communication or transaction can be done asynchronously. The electronic system handles when sending communications or making transactions to the required person.
It is difficult to establish and maintain consistent practices in traditional trade.	A balanced strategy in e-commerce can be easily installed and maintained.
A company's communications depend on individual capabilities.	In the e-commerce or electronics market, there is no human intervention.
The unavailability of a stable site such as a traditional business relies heavily on personal communications.	The e-commerce website provides a site where users can get information in one place.
There is no platform for exchanging information as it relies on personal communication.	E-commerce provides a global platform to support commercial/business activities around the world.

(Tutorialspoint, 2021)

BENEFITS OF E-COMMERCE

Here are the top 5 reasons for moving your business to e-commerce:

1. Broaden Your Brand
2. More Convenience
3. Increase Your Outreach
4. Better Marketing Opportunities
5. Scalable (CO-WELL ASIA CO.,LTD., 2019)

Broaden Your Brand

Ecommerce is a great way to innovate your brand from a traditional brick-and-mortar store to a well-liked brand. ECommerce allows you to give character and personality to your business by providing the best products 24 hours a day and providing tools such as online customer service, blogs, and social media. You can fully expand your product range without having to worry about moving locations or expanding your business.

More Convenience

An online store is available throughout the day, which means that every day your customers can visit your store at any time, regardless of their schedule. Nowadays, people do not always have time to shop physically, instead more and more people choose to shop online to find the items they want or need. If your business is able to respond to your customer's needs, you should appeal to a wide range of customers looking for a comfortable and flexible experience.

Increase Your Outreach

With access to the Internet, millions of people around the world can visit your website at any time, and you have many opportunities to expand your business and reach more visitors. Compare the number of people you can reach through a website with the amount you can achieve through a high street store or local ad, no doubt looking to take your business online if you want to improve your range.

Better Marketing Opportunities

Your online store is the best marketing tool you will ever have in your business. Most small businesses cannot afford the services of a traditional marketing company, however, thanks to the Internet, anyone can now market with online tools on social media. Numerous marketing techniques such as email marketing fee-click advertising and social media marketing can help you build the most effective links and contacts.

Scalable

If you want to grow your product range and your target audience, if you want to grow your business for customer needs and consumer demand, the e-commerce site is a great solution. It allows you to scale your business accordingly, and also add your taxes, add higher payment options and allow you to grow when you choose to ship, moving to a larger location as you like without having to

worry about changing your location or a motor shop. In fact, in order to attract high-end customers to your regular business, you may need to rent a store in a marketplace. However, in e-commerce, you can make your online store more accessible to your target audience by changing keywords and some web marketing.

ADVANTAGE AND DISADVANTAGE OF ECOMMERCE

Table 2: Advantage & Disadvantage E-Commerce

Advantage	Disadvantage
A big market	Lack of personal contact
Customer intelligence through monitoring and analysis	Lack of touch experience
Quick response to consumer trends and market demand	Comparison of prices and products
Low cost	Internet access required
Additional opportunities to "sell"	Credit card fraud
Customized message	Identity security issues
Sales increased with immediate satisfaction	Complex in tax, regulations, and compliance
Ability to quickly and unlimitedly measure "Shell space"	

(Wong, 2017)

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