

Electronic Business (E-Business)

Electronic business (e-business) refers to the use of the Web, Internet, intranets, extranets or some combination thereof to conduct business. E-business is similar to e-commerce, but it goes beyond the simple buying and selling of products and services online. E-business includes a much wider range of businesses processes, such as supply chain management, electronic order processing and customer relationship management. E-business processes, therefore, can help companies to operate more effectively and efficiently.

Introduction to e-Business

E-business or Online business mean business transactions that take place online with the help of the internet. The term e-business came into existence in the year 1996. E-business is an abbreviation for electronic business. So the buyer and the seller don't meet personally.

In today's world, we are exposed to various forms of e-Business. Since its emergence, it has grown by leaps and bounds. Some predict that it may very soon overtake brick and mortar stores completely. While that remains to be seen, we cannot ignore the immense role it plays in the current global economy.

E-business (electronic business) is the conduct of business processes on the internet. These e-business processes include buying and selling goods and services, servicing customers, processing payments, managing production control, collaborating with business partners, sharing information, running automated employee services, recruiting and more.

E-business can comprise a range of functions and services. They range from the development of intranets and extranets to the provision of e-services over the internet by application service providers.

Today, as corporations continuously rethink their businesses in terms of the internet specifically, the internet's availability, reach and ever-changing capabilities -- they are conducting e-business to buy parts and supplies from other companies, collaborate on sales promotions, and conduct joint research.

The growth of e-business in recent decades has given rise to new business requirements. On the customer front, consumers expect organizations to offer self-service options for conducting transactions; they expect personalized experiences; and they want speedy, secure interactions. On the regulatory front, new laws and best practices for keeping electronic data secure have been instated. As e-commerce accelerated, companies have adopted rigid security protocols and tools, including encryption and digital certificates, to protect against hackers, fraud and theft.

With the security built into browsers and with digital certificates now available for individuals and companies from various vendors providing cyber security tools and technologies, cyber security has become ingrained in e-business. However, the security of business transactions on the web remains a pressing issue for consumers and enterprises alike, even as that concern has not slowed the growth of e-business.

Components of electronic business

The core components of e-business are **information, communication, and transaction**. Business partners use digital networks (i.e. public or private communication networks) to conduct business processes using innovative technologies to improve efficiency. Three key areas are particularly important for e-business:

E-procurement: the electronic sourcing of products and services by companies, focused on reducing costs and effort.

Online stores: the electronic sale of products and services via appropriate platforms, such as online stores.

Online marketplaces: electronic commerce via digital networks, connecting the buyers and suppliers of products and services.

There are also two further areas of e-business:

Online communities: electronic communication network between individuals and organizations, which supports data and knowledge sharing as well as the preparation of transaction decisions.

Online companies: electronic business cooperation for connecting individual company services, resulting in a virtual business with a common transaction offer.

Features of Online Business

Some of the features of Online Business are as follows:

- It is easy to set up
- There are no geographical boundaries
- Much cheaper than traditional business
- There are flexible business hours
- Marketing strategies cost less

- Online business receive subsidies from the government
- There are a few security and integrity issues
- There is no personal touch
- Buyer and seller don't meet
- Delivery of products takes time
- There is a transaction risk
- Anyone can buy anything from anywhere at anytime
- The transaction risk is higher than traditional business

Advantages of e-business

Innovations in technology and communications have allowed businesses to operate globally like never before. In the past, communications could take days if not weeks; now all business transactions can take place in only minutes. E-business, also known as e-commerce, refers to conducting business via the internet. The advantages of such a business are numerous and growing every day. To open an e-business is to pursue a dream of balancing professional goals with personal freedoms at a pace you can live with.

- 1. E-Business Saves Money:** Forgoing the traditional model of a brick-and-mortar location means small-business owners save a tremendous amount of money at startup. You save money when you don't have to pay for a storefront, utilities, building maintenance, and you also save time by not having to manage those things. If you sell products, they no longer have to go from manufacturer to warehouse to store to the customer's cart, they can go from the manufacturer to the customer's virtual cart, which saves on shipping costs and makes products cheaper overall.
- 2. Better Communication and Faster Decision-Making:** E-business allows for conversations to happen quickly. Faster decision-making saves time, and time is money in business. E-business allows people to communicate in several ways that facilitate understanding.

If someone is not comfortable on the phone or through a video chat, there is always messaging and emailing. People who don't speak the same language can communicate through translation software programs.

3. **The Office can be Anywhere:** Any device that connects to the internet can be used as an invaluable e-business tool. Your tablet, phone and computer all make 21st-century work tasks available at the click of a few buttons. Social media, email and teleconferencing mean that anywhere can be an office as long as the internet is there. The software that supports e-commerce professional endeavors is vital in all of this and opens up others avenues for creating and sustaining various e-business products and services.

As an e-business owner, you can work anywhere in the world. Without being tied down to a physical location, you can create a healthy work-life balance. E-business means you can be there for your family or go to school or pursue your passions while crafting a business that works for you.

4. **Cheaper Marketing, More Control:** Traditionally, companies had to rely on advertising agencies to promote their brand and educate people about it. Now there are lots of ways to pour money back into your business. When you control how your product is represented, you control your company. E-business allows owners to embrace their power in ways they haven't been able to before.
5. **Less Restrictive Hours:** No longer do people have to wait for stores to open. They can shop whenever they want and arrange for delivery or pickup. If people want to start planning for an event, they don't have to wait for venues and caterers to open, because they can go to the suppliers' websites. Information can be accessed at all hours and at everyone's leisure, which makes for a more pleasant experience overall for both the e-business and the customer.
6. **More Avenues for Making Money:** Most products and services that were traditionally available can be managed and sold on the internet. The advantages of technology make them readily available. Selling goods or services, virtual retail stores, education, legal services, medical services – there is no end to businesses that can flourish in the modern e-commerce market. Existing businesses can expand into e-businesses, or entrepreneurs can start new e-businesses quickly and less expensively than in the past.
7. **The In-Person Experience Still Has a Place:** There will always be a place in this world for traditional commerce – stores you can go into and buy things immediately or service shops where you can drop by and speak with an expert directly. The advantages of e-business don't take away from the in-person experience.
8. **E-Business Means Freedom:** Many small businesses thrive due to the options technology has granted. Opening an e-business means freedom – freedom of location, freedom to dictate the hours you work, and the freedom to push your company where you want it to go in ways that best suit your lifestyle, goals and needs.