E-Commerce and E-Governance

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- E-Commerce Trade cycle.
- Various Payment modes.
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- E-Governance-concept, advantages and types.
- Various security measures.

From:--

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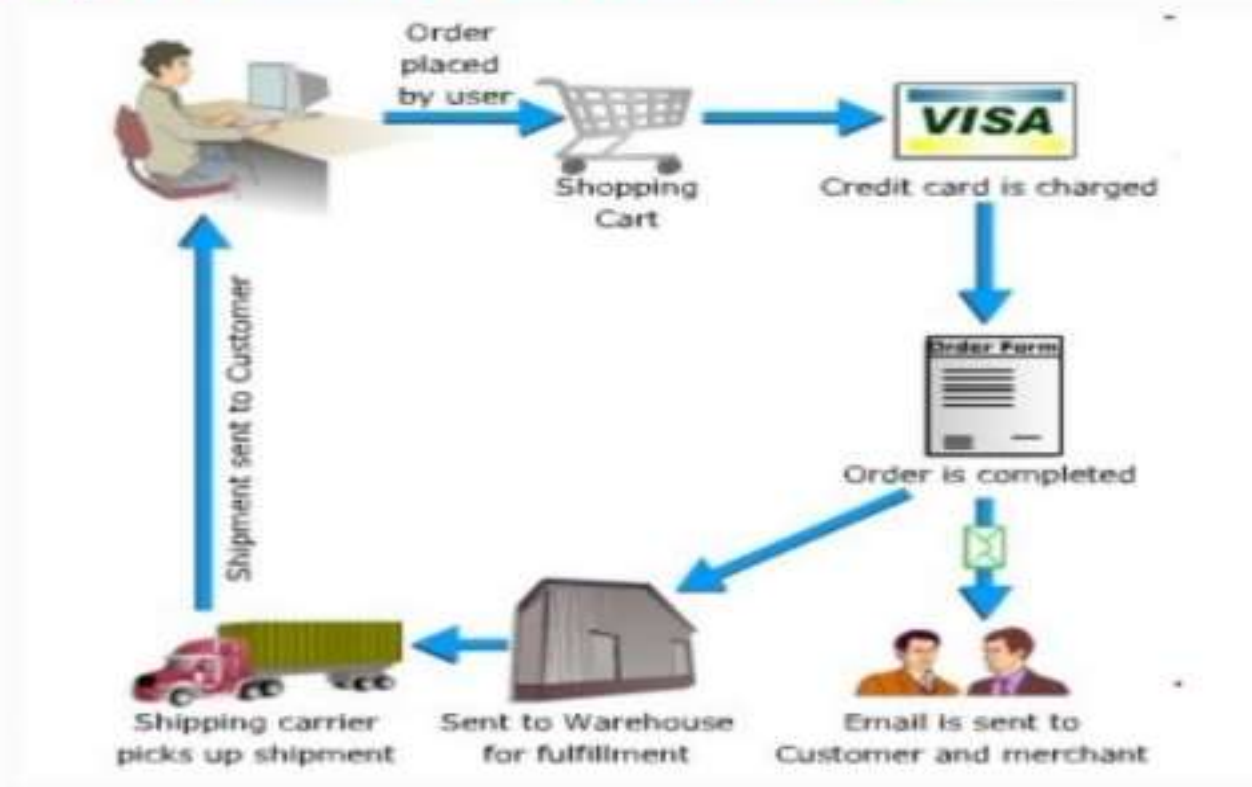
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6.1 WHAT IS ECOMMERCE?

- Commonly known as Electronic Marketing'.
- The process of buying and selling goods and services over an internet and other computer Networks.
- It is also referred as a paperless exchange of business information using EDI,E-mail, Electronic fund transfer etc.

The process of E-commerce

Order placed by user

Shopping Cart

VISA

Credit card is charged

Shipment sent to Customer

Order Form

Order is completed

Shipping carrier picks up shipment

Sent to Warehouse for fulfillment

Email is sent to Customer and merchant

Difference between Traditional Commerce and E-Commerce

Traditional Commerce	E-commerce
Traditional commerce focuses on the exchange of products and services through personal interactions so it is manual.	E-commerce trading activities are online via the internet and can be considered automatic.
Traditional commerce is limited to business hours, mostly during the day.	E-commerce is 24X7, it can be done anytime day and night.
As far as consumer interactions are concerned, traditional commerce provides face to face interaction.	E-commerce can be termed as screen to face interaction.
Traditional commerce is limited to a particular geographical location.	E-commerce is global and has no physical limitation.
Modes of payment in traditional commerce include cash, cheques and credit cards.	In E-commerce modes of payments are bank transfer, credit card, e-wallet, mobile payment and many more.
Goods and delivery of services is instant with traditional commerce.	In E-commerce delivery of goods or services takes some time.
Traditional Commerce's scope is local.	E-commerce's scope is global.

ADVANTAGES OF E-COMMERCE

- **Global scope**: the sellers with a global reach

- **Electronic transaction** :E-commerce reduces the paper work and significantly lower the transaction cost.

- **Cost Saving** :It helps in reducing the cost of searching a product.

- **Anytime shopping** : A customer can shop 24×7.

- **No intermediaries** : the customer and the business to be in touch directly

- **Public services:** helps the government to deliver public services such as healthcare, education

DISADVANTAGES OF E-COMMERCE

- Setup Cost : The setup of the hardware and the software etc.

- Physical presence : This lack of a personal touch

- Security : Credit card theft, identity theft etc.

- Goods Delivery : There may arrive some problem with fulfillment of order.

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TYPES OF ECOMMERCE

- Business - to - Business (B2B)
- Business - to - Consumer (B2C)
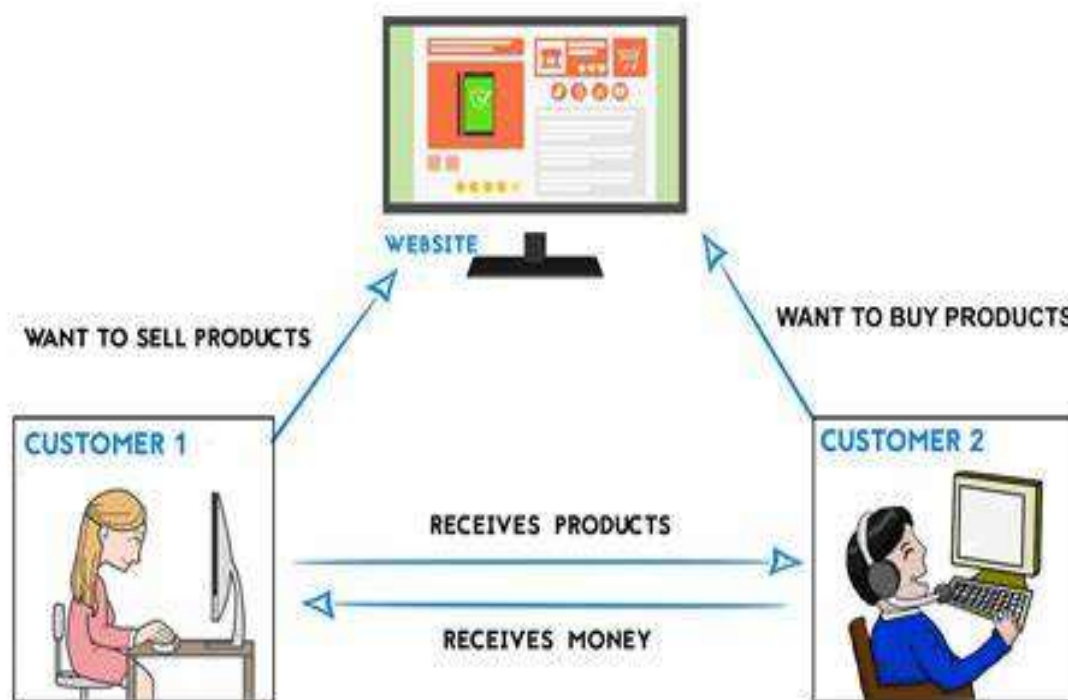- Consumer - to - Consumer (C2C)
- Consumer - to - Business (C2B)

BUSINESS - TO - BUSINESS (B2B)

o Is the selling, buying, and trading of goods and services through an online sales portal between businesses, then business sells the product to the final customer. As an example, a wholesaler places ,Tata-communications (network provider).

CONSUMER - TO - CONSUMER (C2C)

- one consumer selling goods or services to another consumer online. Example OLX, Quikr.

BUSINESS - TO - CONSUMER (B2C)

- In B2C model, business sells it's products directly to a customer. Example : Amazon, Flip kart etc.

CONSUMER - TO - BUSINESS (C2B)

- Consumers can offer products and services to companies, and the companies pay the consumers. Eg. A blog can be written by an author for a business to improve sale of products, ebay, content marketing.

C2B CONTENT MARKETING
ECOMMERCE

E-COMMERCE TRADE CYCLE

 A trade cycle is the series of exchanges, between a customer and supplier that take place when a commercial exchange is executed.
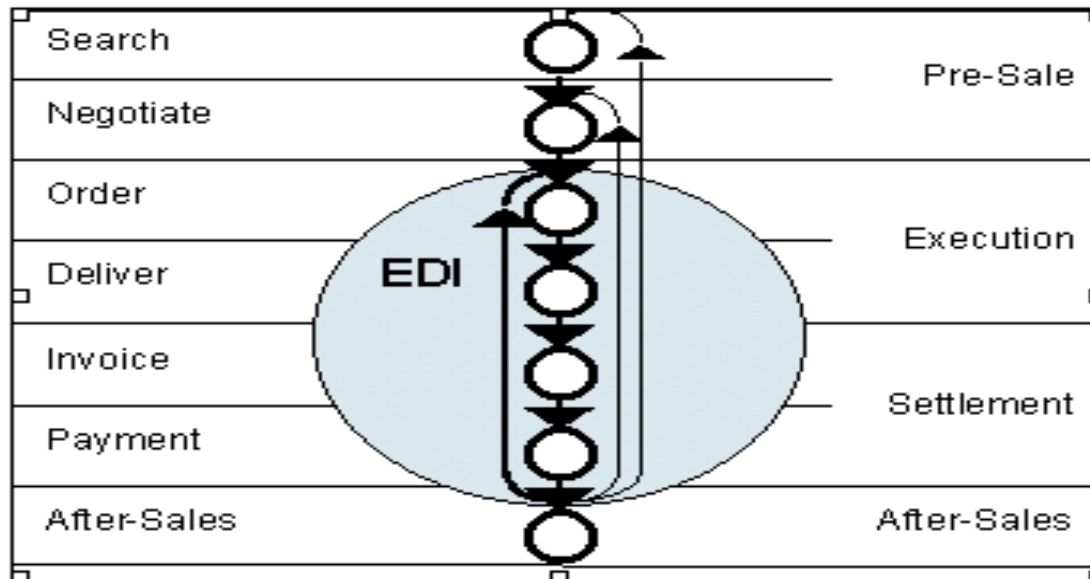

Figure 1: EDI Trade Cycle.

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Phases of Ecommerce trade cycle:-

Pre-Sales : Finding a supplier and agreeing the terms

Customer search for required website for product to be purchased. In Negotiate step customer find a supplier who offers good quality product at cheaper price and then customer agrees the terms followed by supplier.

Execution : Selecting goods and taking delivery.

Customer sends an order for the selected product and after processing the order, customer receives delivery of the product.

Settlement : This phase consist of Invoice (if any) and Payment.

Invoice means customer will receive a bill for purchased product and after confirmation of received product, customer will pay for the same.

After-Sales : This phase consists of warranty and After Sale Services.

In warranty period, customer will get all maintenance services for free or at minimum cost. After sale services means customer will do complaints (if any) about the performance of product and get maintenance service from the supplier.

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MODES OF PAYMENT

- **Credit Cards** : it is type of bank card using that you can borrow money upto some limit, which must be repaid along with interest.

- **Mobile Payments :** customer can pay by scanning a barcode on an app on mobile. Ex. BHIM, UPI, Paytm, Google Pay, Paypal,..etc.

- **Bank Transfers :** money is sent from one bank account to another. Ex. NEFT , IMPS.

- **E-wallets :-**pre-paid account in which a user can store money for any future online transaction.. Ex. Bank Buddy, Paytm .

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6.5 Forms of E-Commerce

○ **M-commerce (Mobile commerce) :**

      Buying and selling of goods and services through wireless handheld devices smartphones and tablets.

Ex. mobile banking, ticket booking, E-bill payment, online auctions, stock.

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6.5 FORMS OF E-COMMERCE

○ **Social Commerce :**

Social commerce is a form of electronic commerce that involves social media, online media that supports social interaction. It utilizes user ratings, referrals, online communities and social advertising to facilitate online shopping . Ex. Facebook,Pinterest.
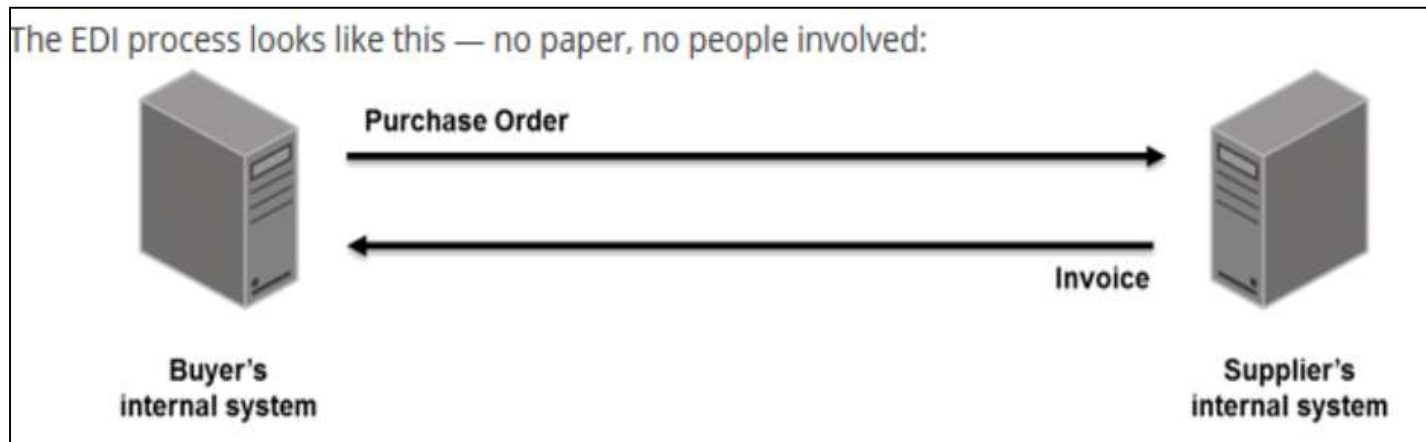
6.6 E-COMMERCE TECHNOLOGY

Various E-commerce Technologies are:

➢ mobile commerce

➢ Electronic funds transfer,

➢ Supply chain management

➢ Internet marketing

➢ online transaction processing

➢ electronic data interchange(EDI)

➢ Inventory management systems

➢ automated data collection systems.

ELECTRONIC DATA INTERCHANGE (EDI)

- EDI is the electronic interchange of business information using a standardized format; a process which allows one company to send information to another company electronically rather than on paper.

- Business entities conducting business electronically are called trading partners.

- purchase orders and invoices are two common documents are exchanged using EDI.

- It is computer-to-computer interchange of strictly formatted documents via Internet.

The EDI process looks like this — no paper, no people involved:

Purchase Order →

← Invoice

Buyer's internal system

Supplier's internal system

6.7 E-Governance

○ Information technology is implemented in government processes and functions so as to cause SMART government i. e

      S- Simple

      M-Moral,

      A-Accessible,

      R-Responsive,

      T-Transparent Government.

○ It simplify processes for all, i.e. government, citizens, businesses etc. at National, State and local levels.

○ **Advantages of E-Governance:**
➢ Reduced corruption
➢ High transparency
➢ Increased convenience
➢ Direct participation of constituents
➢ Reduction in overall cost.
➢ Expanded reach of government

TYPES OF E-GOVERNANCE
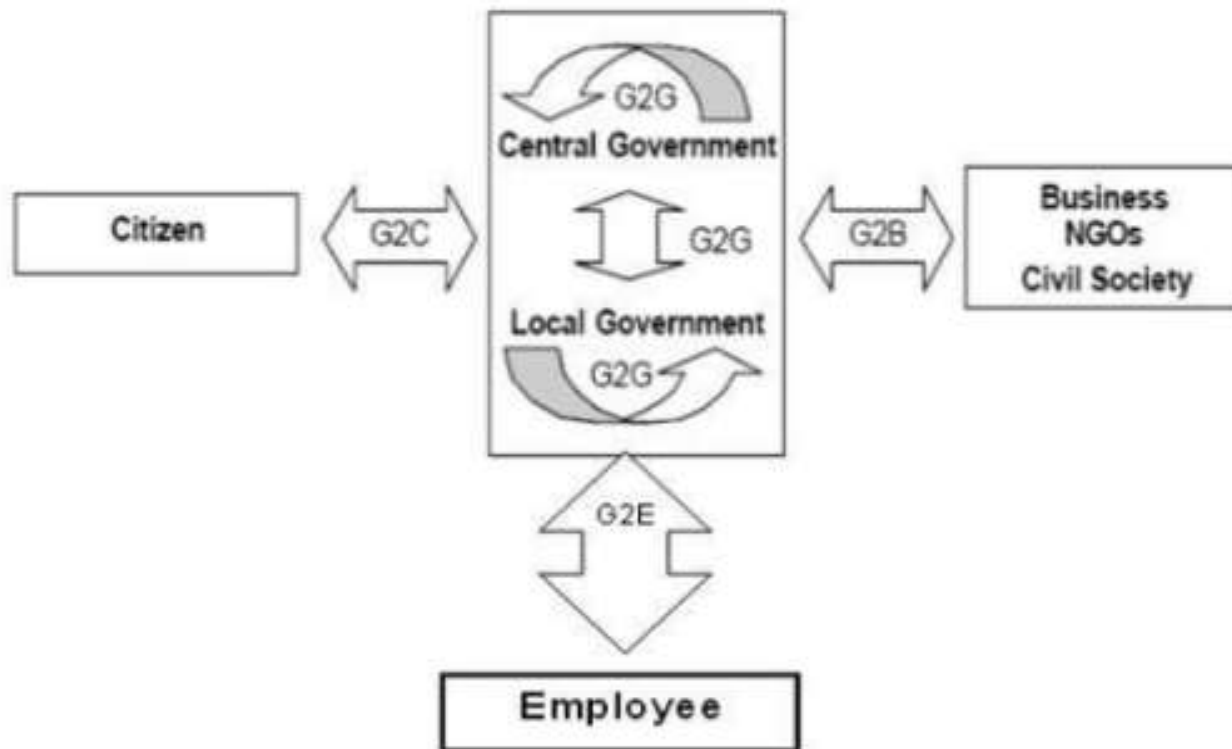
1.Government-to-Citizen (G2C)

- which enable citizens to get access to wide variety of public services.
- It helps the ordinary people to reduce the time and cost to conduct a transaction.
- A citizen can have access to the services anytime from anywhere.
- Ex. services like license renewals and paying tax.

2. Government-to-Business (G2B)

- Services exchanged between business sectors and government.
- It aims at eliminating paper work, saving time, cost and establish transparency in the business environment, while interacting with government.

3. Government-to-Government (G2G)

- Interaction   between different   government   departments, organizations and agencies.

- Government agencies share same documents using internet.

- Provides safe and secure   inter-relationship   between domestic or foreign government.

4. Government-to-Employee (G2E)

- It is internal part of G2G

- It aims to bring employee together & improve knowledge sharing

- facilities   to   the employees like applying for leave, reviewing salary payment record and checking the balance of holiday.

- The G2E sector provides human resource training and development.

DIGITAL INDIA

- Is launched to make Government services available to all citizens electronically.

- Launched by Prime minister of India Narendra Modi on 1st July 2015.

- Objective:- Connecting rural areas with high speed internet & improve digital literacy.

- Facilities : Bharat Net, e-education, e-health, e-sign, e-shopping, national scholarship portal, PAN...etc

- UMANG(Unified Mobile Application for New-age Governance) :over 1200 government services .
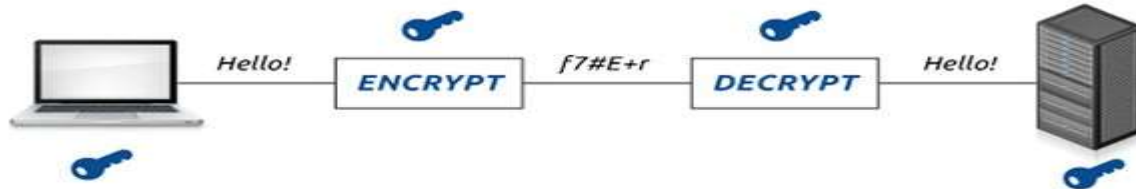
SECURITY MEASURES IN E-COMMERCE

- Used for safe and secure electronic transaction

A. Encryption:

It protect users information being sent between a browser & server

Encryption:- It coverts plaintext(readable data) into cipher text(coded form of data)

Decryption: convert cipher text to plain text


Types of Encryption:
1. Symmetric(Shared Secret Encryption)
2. Asymmetric (Public-Key Encryption)

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B. Digital Signature:

○ A digital signature also known as an electronic signature.

○ A digital signature guarantees the authenticity of an electronic document or message in digital communication and uses encryption techniques to provide proof of original and unmodified documentation.

○ Digital signatures are used in e- commerce, software distribution, financial transactions.

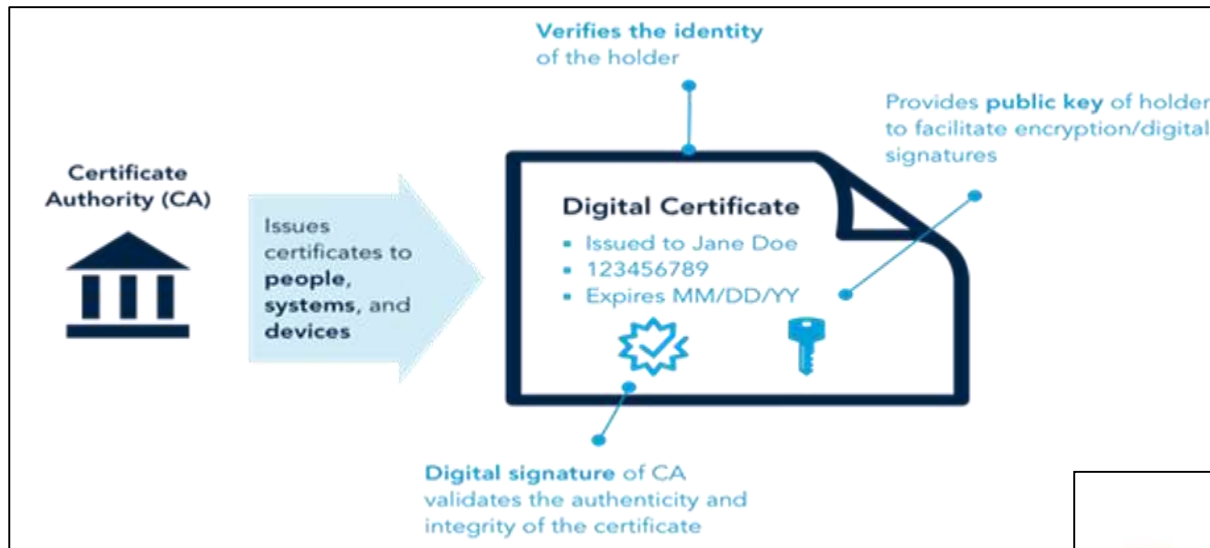○ This is the direct transfer of information between two partners.
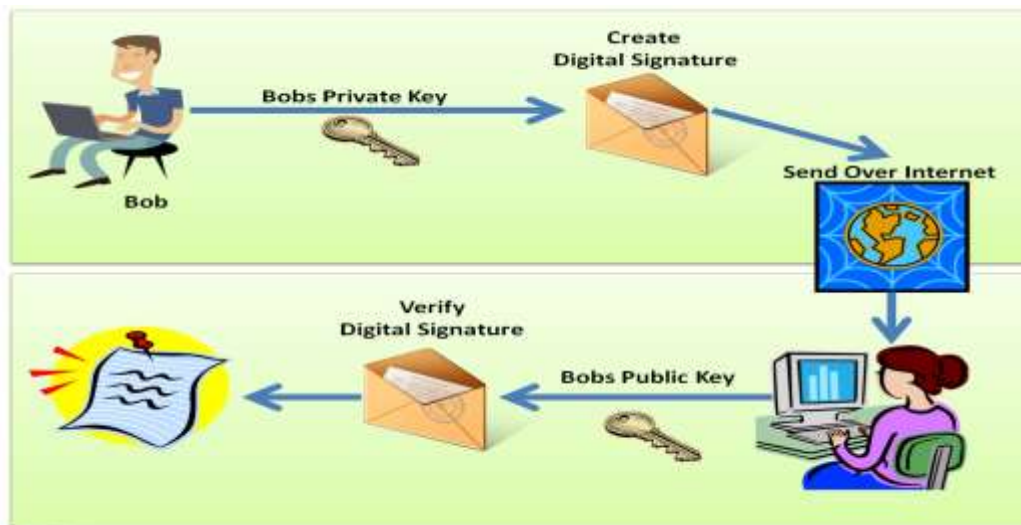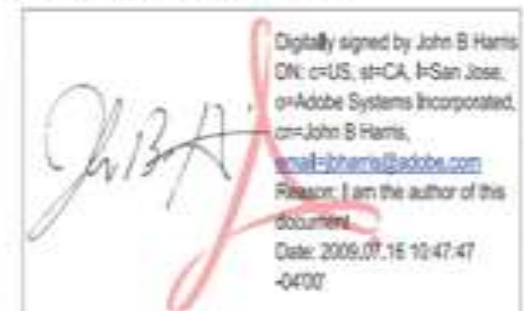
C. DIGITAL CERTIFICATE

- Electronic "password" that allows a person, organization to exchange data securely over the Internet using the public key infrastructure (PKI).

- It is file that ensures holders identity and provides security.

Verifies the identity of the holder

Provides **public key** of holder to facilitate encryption/digital signatures

Certificate Authority (CA)

Issues certificates to **people**, **systems**, and **devices**

Digital Certificate
- Issued to Jane Doe
- 123456789
- Expires MM/DD/YY

Digital signature of CA validates the authenticity and integrity of the certificate

Digital Certificate
Certs R Us

Jack The Lad   11026123   Expires: 1.1.2022

Public key

MDswOQYJKoZihvcNAQEBBQADKgAwJ
wIgYjDXVpLBJSE7cZB3O3QZYgjQVZSfTI
wvKqBezak1h5MCAwEAAQ==

Summary

- Buying and selling of goods or services on internet is called as E-Commerce.

- Common types of E-Commerce are B2C, B2B, C2C and C2B.

- When any business transaction takes place, it completes one trade cycle. Trade cycle consist of phases like presale, execution, settlement and after sale etc.

- In E-Commerce commonly used payment modes are credit card, mobile payment, bank transfer, e-wallet etc.

- Some common forms of E-Commerce are M-Commerce, social commerce.

- Electronic Data Interchange (EDI) is one of the most important technology for paperless exchange of information.

- E-Governance is the implementation of information technology in the government processes and functions.

- Types of E-Governance are G2C, G2B, G2G and G2E.

- In E-Commerce confidential information can be protected by using encryption, digital signature and digital certificate.

Thank you