

Semester-II

E-Commerce

Introduction to E-Commerce

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WHAT IS COMMERCE

- According to Dictionary.com
- Commerce is a division of trade or production which deals with the exchange of goods and services from producer to final consumer
- It comprises the trading of something of economic value such as goods, services, information, or money between two or more entities.

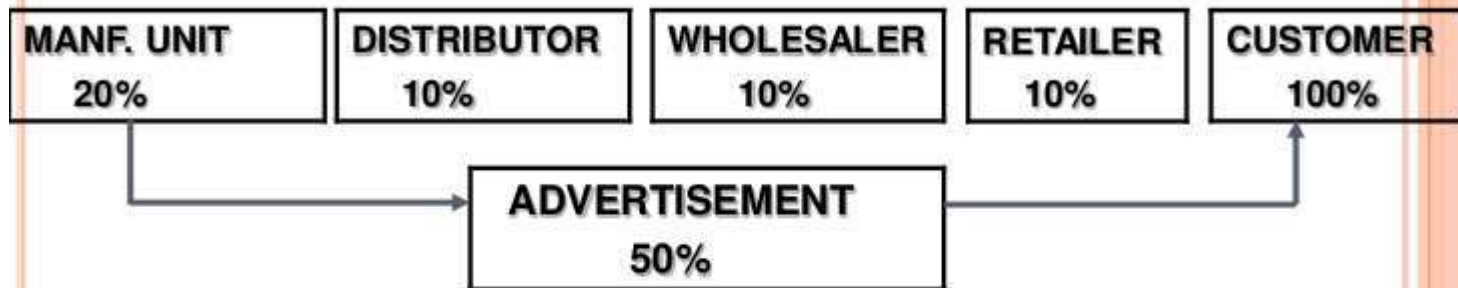




E-COMMERCE



- It is commonly known as electronic marketing.
- It consist of buying and selling goods and services over an electronic system such as the internet.
- E-commerce is the purchasing , selling & exchanging goods and services over computer network or internet through which transactions or terms of sale are performed electronically.

TRADITIONAL BUSINESS



DIRECT SELLING





Brief History of E-Commerce

■ 1970s

- E-commerce meant the facilitation of commercial transactions electronically, using technology such as Electronic Data Interchange (EDI) and Electronic Funds Transfer (EFT), allowing businesses to send commercial documents like purchase orders or invoices electronically.

Brief History of E-Commerce (cont)..

■ 1980s

- ☐ The growth and acceptance of credit cards
- ☐ Automated teller machines (ATM)
- ☐ Telephone banking
- ☐ Airline reservation system





Brief History of E-Commerce (cont)..

■ 1990s

- The Internet commercialized and users flocked to participate in the form of *dot-coms*, or *Internet start-ups*
- Innovative applications ranging from online direct sales to e-learning experiences



Brief History of E-Commerce (cont)..

■ 2000s

- ☐ Many European and American business companies offered their services through the World Wide Web.
- ☐ Since then, People began to associate a word “e-commerce”



Different types of e-commerce

- Business-to-business (B2B)
- Business-to-Consumer (B2C)
- Business-to-government (B2G)
- Consumer-to-consumer (C2C)
- Government to consumer (G2C)
- Government-to-business (G2B)



E-commerce vs. E-business

- We use the term e-business to refer primarily to the digital enablement of transactions and processes within a firm, involving information systems under the control of the firm.
- E-commerce include commercial transactions involving an exchange of value across organizational boundaries



The process of E-commerce

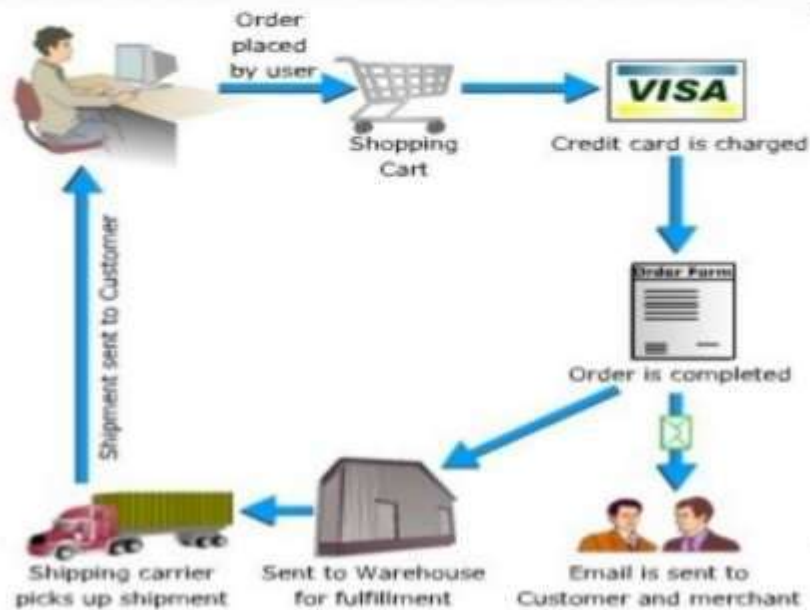
- A consumer uses Web browser to connect to the home page of a merchant's Web site on the Internet.
- The consumer browses the catalog of products featured on the site and selects items to purchase. The selected items are placed in the electronic equivalent of a shopping cart.
- When the consumer is ready to complete the purchase of selected items, she provides a bill-to and ship-to address for purchase and delivery



The process of E-commerce

- When the credit card number is validated and the order is completed at the Commerce Server site, the merchant's site displays a receipt confirming the customer's purchase.
- The Commerce Server site then forwards the order to a Processing Network for payment processing and fulfilment.

The process of E-commerce

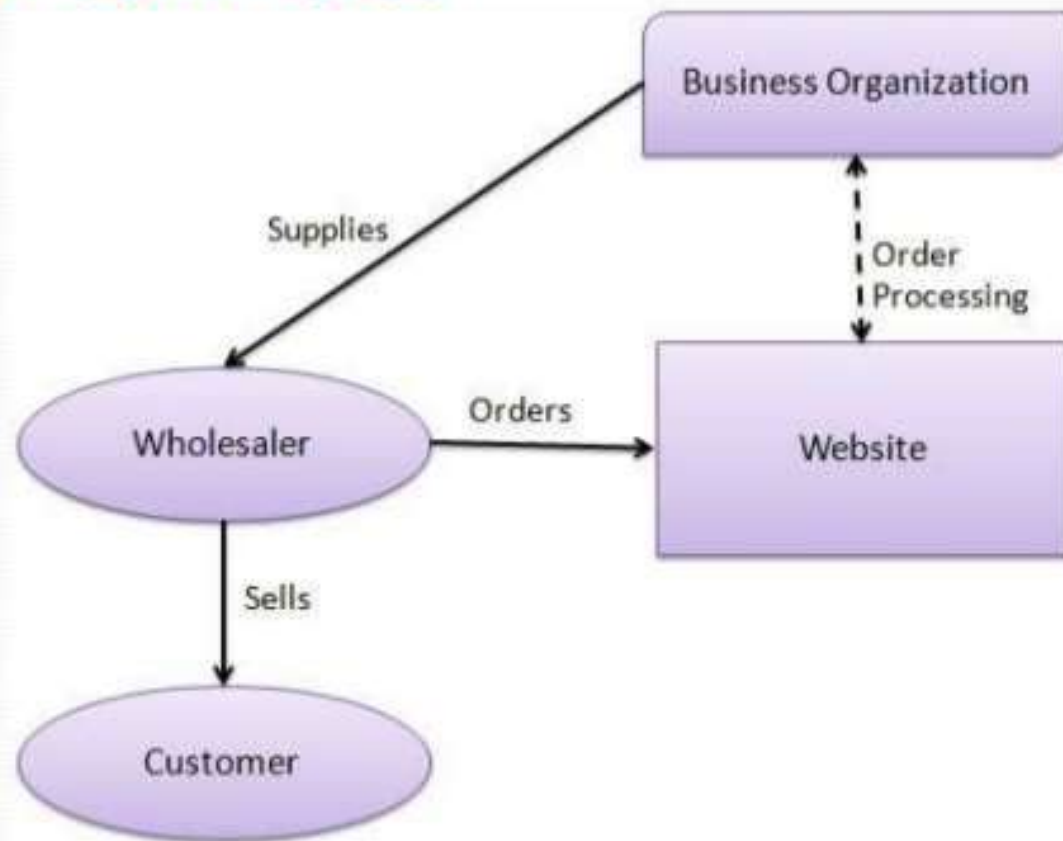




What is B2B e-commerce?

- B2B e-commerce is simply defined as ecommerce between companies. About 80% of e-commerce is of this type.
- **Examples:**
 - Intel selling microprocessor to Dell
 - Heinz selling ketchup to Mc Donalds

B2B E-commerce

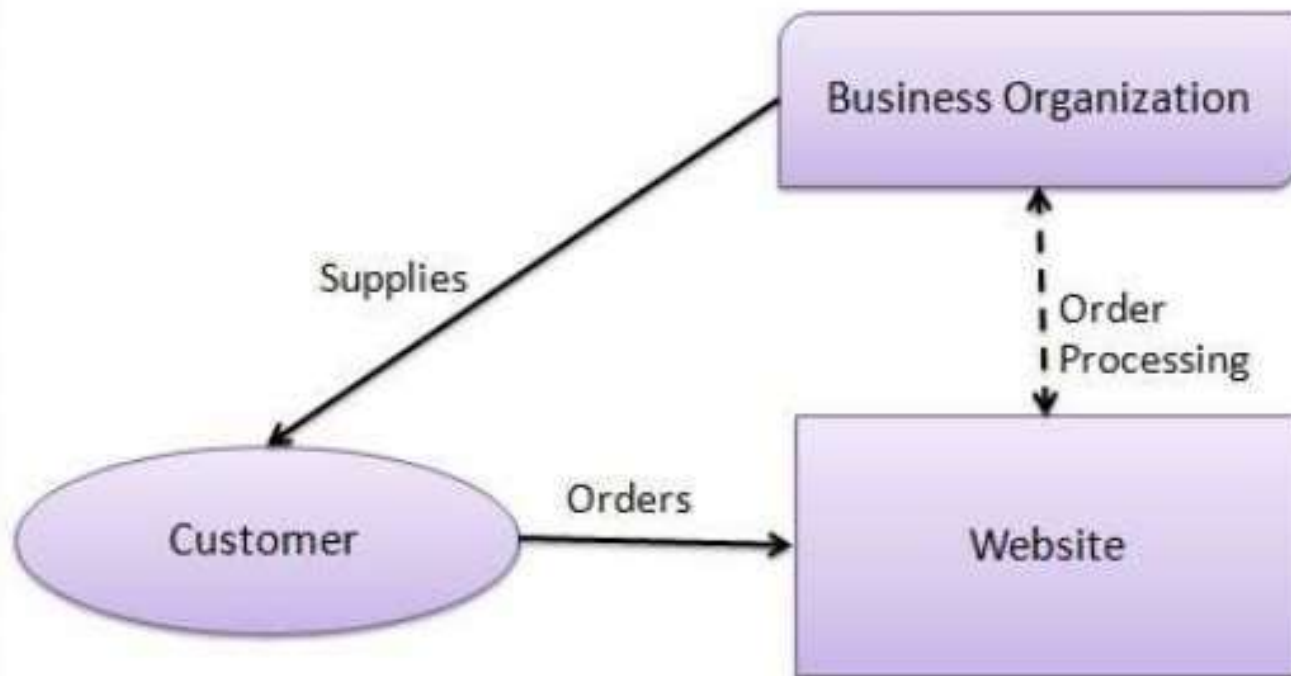




What is B2C ecommerce?

- Business-to-consumer e-commerce, or commerce between companies and consumers, involves customers gathering information; purchasing physical goods or receiving products over an electronic network.
- **Example:**
 - Dell selling me a laptop

B2C E-commerce

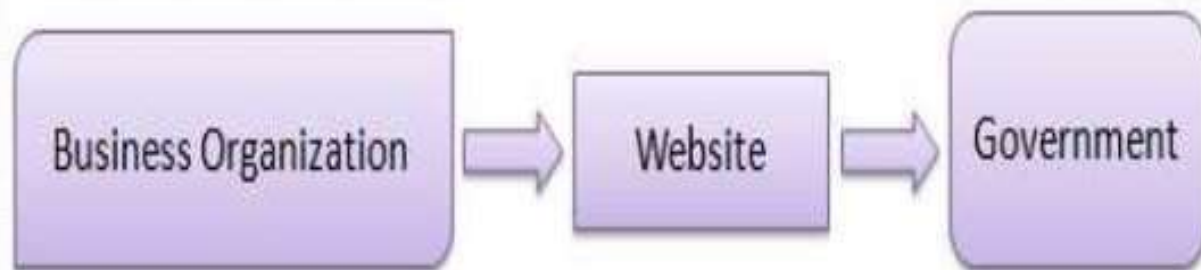




What is B2G ecommerce?

- Business-to-government e-commerce or B2G is generally defined as commerce between companies and the public sector. It refers to the use of the Internet for public procurement, licensing procedures, and other government-related operations
- **Example:**
 - Business pay taxes, file reports, or sell goods and services to Govt. agencies.

B2G E-commerce

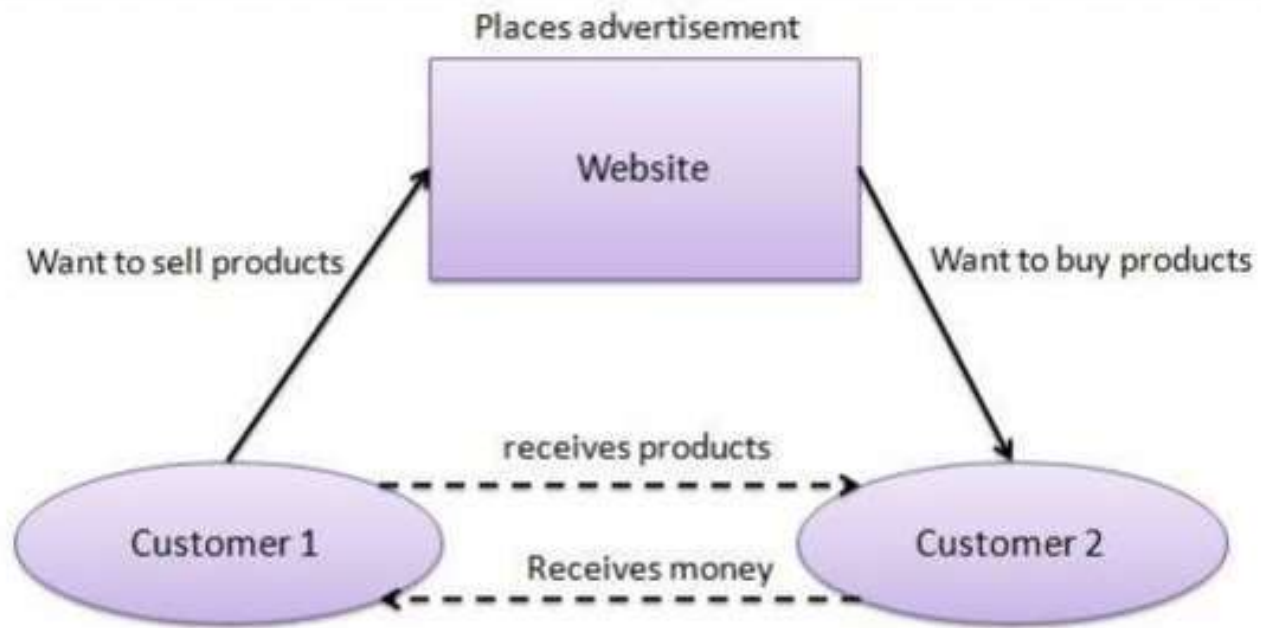




What is C2C ecommerce?

- Consumer-to-consumer e-commerce or C2C is simply commerce between private individuals or consumers.
- **Example:**
 - Mary buying an iPod from Tom on eBay
 - Me selling a car to my neighbour

C2C E-commerce





G2C E-commerce

- This Model is also a part of **e-governance**.
- The objective of this model is to provide **good and effective services** to each citizen.
- The Government provides the following facilities to the citizens through website.
- Information of all government departments,
- Different welfare schemes,
- Different application forms to be used by the citizens.

G2C E-commerce





G2B E-commerce

- Government-to-business (G2B) is a business model that refers to government providing services or information to business organisation.

Government uses B2G model website to approach business organizations. Such websites support auctions, tenders and application submission functionalities.

G2B e-commerce





ADVANTAGES OF E-COMMERCE

- Faster buying/selling procedure, as well as easy to find products.
- Buying/selling 24/7.
- More reach to customers, there is no theoretical geographic limitations.
- Low operational costs and better quality of services.
- No need of physical company set-ups.
- Easy to start and manage a business.
- Customers can easily select products from different providers without moving around physically.



DISADVANTAGES OF E-COMMERCE

- Unable to examine products personally
- Not everyone is connected to the Internet
- There is the possibility of credit card number theft
- Mechanical failures can cause unpredictable effects on the total processes.



THANK YOU