

# IM100 : E-commerce

The commercial area I have chosen is Computer Software & Hardware sales. The two internet companies I have chosen to describe are PC World and Euro PC.



PC World as a company does not solely sell their products on the internet they also have over 800 stores nationwide but their E-commerce sales count for a lot of their annual turnover. PC World is a well-established company in the UK and is currently the biggest computer sales company in the country.

## **How they advertise**

PC World believe strongly in advertising choosing to advertise their products on the Television, Radio, Internet and in magazines/Tabloid papers. Due to the vast amount of money spent on advertising you would find it very hard to find anyone who deals with computers that hasn't heard of PC World. Their advertisements usually just concentrate on showing the special deals they currently have on the various computer products they sell. They also put the point across in their adverts that the company regards customer care very highly. The PC World home web page advertises in the same way by showing a small range of their popular and special offer products.

## **Choosing the right product**

They help you to choose the right product by making it easy for you to get to the right area on the web site, this is done by listing the departments on the right hand side of their home page. There is also a search facility on the home page where all you need to do is to write in a keyword for the whole site to search on your behalf, They also have an A-Z product list. This makes it very easy and quick to look up the product or products you need.

## **Payment**

Payment can be made by MasterCard, Visa, Switch, American Express, Diners Card, and Delta on a secure web site page.

## **Delivery**

Delivery for furniture is within 7 days and anything else they aim to deliver within 4 days. They deliver 4 pm – 9pm, Mon – Fri. Your order can also be tracked. Delivery charges are from £2.99 to £9.99.



Euro pc is one of the largest suppliers of discounted, surplus and factory refurbished computer equipment in the UK. They have over 15,000 trade, corporate, educational and government accounts. They buy in bulk and sell direct and are solely an internet based company. Most of their sales are to trade companies rather than the general public.

### How they advertise

Euro pc advertise mainly just in corporate, and computing magazines. They don't seem to advertise anywhere else as they have a lot of accounts from large companies, so they don't need to concentrate on advertising much more as they already have a large amount of loyal customers. They advertise their products on the home web page by displaying their best deals and most popular products.

### Choosing the right product

Euro PC help you choose the right product by having a list of their departments on the left hand side of their home page, this makes it easier for you to get to the particular product you want. There is also a quick search and advanced search facility on the home page, where all that is needed is a keyword for the whole site to search on your behalf.

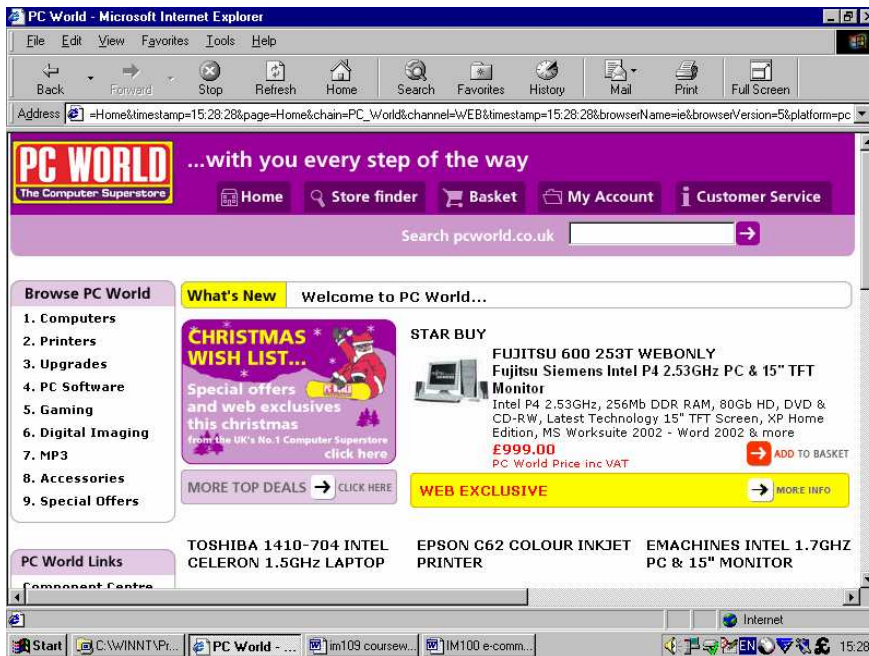
### Payment

Euro pc accepts Visa, Switch, Mastercard and Delta. Customers can also pay for Cheque On Delivery (COD) with a personal or business cheque that has been cleared by the TRANSAX Cheque Guarantee System.

### Delivery

There are two options either normal UK delivery which takes 10-14 days or UK fast track delivery, which is delivered within 4 days. Prices are from £5 to £45.





## Comparing the two Web sites

### Advertising of their products

The two companies advertise their products on their web sites almost identically by showing the current special offers/deals and most popular items. PC World seem to spend a lot more time and money on advertising, than Euro PC because of this PC World is a far better known company as their advertising campaigns use a wide range of media resources. Euro PC don't seem to concentrate as much on advertising as they are happy with their customer base so don't feel the need to advertise as extensively. On the whole I prefer PC worlds advertising campaign as they have managed to get their message across successfully to the general public. Whereas Euro PC, I think would become a more prosperous company if they advertised more, as they only seem to advertise in corporate & computing magazines

### Choosing the right products

I prefer PC World for shopping, as their site is slightly easier to find the product or products you want as they have an A-Z of their products whereas Euro PC doesn't have this facility. PC World also has a wider range of products as well, but I still think Euro PC is a very good web site company as it is an easy web site to look on.

### Paying

Both companies make it very easy for payment as you can pay by using all major credit cards. I prefer euro PC as you can also pay by COD Cheque On Delivery, which might be a good benefit for customers.

## **Delivery**

PC World is by far the better site in regards to delivery as you get your products a lot quicker than you would from Euro PC and the charges for Euro PC in my eyes are very expensive in comparison to PC Worlds modest deliver charges.

## **Efficiency and usefulness of e-commerce for Euro PC & PC World**

Electronic Commerce or E-commerce as it is better known is the conducting of business communication and transactions over networks and through computers. Basically electronic commerce is the buying and selling of goods and services, and the transfer of funds, through digital communications.

Both of the businesses I chose have used e-commerce efficiently as they have made a great success in the in the way they sell their products over the internet. E-Commerce as a result has become a big part of PC Worlds ever growing company, it is more important to Euro PC obviously as it is a internet based company only, and with out the internet it would probably not exist.

There are lots of success stories for e-commerce but there seems to be a lot more companies that fail in e-commerce, as it can be a hard area to break into. Below are some failures and successes in e-commerce.

### **Banks struggling on Internet**

Some of the world's leading banks are investing heavily in electronic banking services, even though they have no clear business justification for their moves, according to a survey published by management consultants Ernst & Young. Over a hundred of the world's largest banks in 26 countries took part in this survey:

- Banks are spending proportionately the same amount of money on Internet technology as they currently spend on their high street branches.
- Over 96 percent of the banks admitted they were not expecting to increase the sales of products on the Internet.
- 54 percent conceded that the processing of Internet enquiries usually starts more than 24 hours from the time they were originated.
- Only 34 percent of European banks surveyed felt that the Internet will help them to retain customers.

From these findings I can conclude that e-commerce has not been a great

success for a lot of big banks as it seems they have invested good money and achieved very little as a result of this.

Dell who sell custom-configured PC's, can be seen as one of the most successful E-commerce companies. According to Dell's financial report, almost 50% of the company's revenue came from online sales alone. Originally founded as a mail-order company, the Internet has allowed Dell to reduce their publishing costs by virtually eliminating the cost of production, printing, and distribution of catalogs. Dell was one

of the pioneers of E-commerce, which has allowed them to gain trust and loyalty over competitors. It is a good possibility that Dell could not be half the company it is today without the Internet.

## **Bioliography/List of web sites visited**

- 12/05/2002     [www.pcworld](http://www.pcworld.co.uk) .co.uk = Visited site to find information on how they trade on the internet. Lots of valid information found.
- 12/04/02     [www.europc.co.uk](http://www.europc.co.uk) = Visited site to find information on how the company trade on the internet, also researched on PC worlds web site for more information. Lots of valid information found.
- 12/02/02     [www.europc.co.uk](http://www.europc.co.uk)/[www.pcworld.co.uk](http://www.pcworld.co.uk) = Visited to find information to compare web sites. Found some useful information.
- 12/02/02`     [www.searchy.co.uk](http://www.searchy.co.uk)/[www.altavista](http://www.altavista.com)/[www.yahoo.co.uk](http://www.yahoo.co.uk) = Used these search engines to find web sites with information on e-commerce.  
oak.cats.ohiou.edu/inf2.pira.co.uk/www.chrisfoxinc.com = Researched web sites for information such as, success and failure in e-commerce & e-commerce in general. Information found was very useful on all three of these sites.