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Types of Online Presence

Unit 8: Doing Business Online

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Task 1 (P1) Describe three different business organisations and activities operating online. (B2B, B2C)

Amazon= Amazon is a brick and click business this means that it can only be connected through the internet and it has got a wide range of consumers who are mainly over 18 (you will not be able to purchase goods from the internet)

Name of Online Business: Amazon

Target market: Amazon target customers of any age who have an interest in just about anything from books to furniture to toys to clothes. They used to be an online bookstore and so that's where their sales were based on.

Who are their competitors?

Although they are online their competitors are companies such as Argos, Whsmiths, and Waterstones.

What is the online business's offer?

They sell products such as books, computer games, and electronics and home furnishings.

Do I think that the website is effective and why?

I think that Amazon's website is effective because it is easy to use, the look and feel of it warms to me as I believe it feels like it is ideal for me to browse on. The structure of the website is well supported because it shows me in straight points what each product has to offer and how much they are

Name of Online Business: Misco

Target Market:

Their marketplace is aimed at people who have an interest in electrical goods and wish to purchase goods such as office supplies, computers, cables, CD's and security products.

Who are their competitors?

An example of two competitors for Misco is PC World and "Maplin"

What is the online business's offer? : Misco is a leading online provider of IT services and products to the public and private sector. They offer great deals for home, business and public sector establishments.

Do I think that the website is effective and why?

I think that Misco's website is effective because it is easy to use, the look and feel of it warms to me it feels like it is ideal for me to browse on. The structure of the website is well supported because it shows me in straight points what each product has to offer.

Name of Online Business: HMV generates sales revenue through the sale of good in store like CDs, books and DVDs. This is the main front runner in sales, creating large profits in the millions especially when new CDs and DVDs are released.

Target market: Their target market is aimed at people who want to purchase DVD's, posters

Who are their competitors?

WhSmiths, supermarkets such as Tesco and Sainsbury's, Amazon, Play.com and other mass merchant retailers.

What is the online business's offer? : They offer products such as CD's, DVD's, and books.

Task 2 (P2 & M1) Describe the planning and implementation issues a business would need to consider to go online

The planning and implementation issues that a business needs to consider when going online are things such as:

Human resources

Human resources is when an organisation describes the application of skills, knowledge and experience. The most skilful person who has the experience needs to be hired and the employer needs to think about whether this employee is right to leave the website creating tasks to as it could be a mistake to use a wrong person who may not be experienced.

Delivery to warehouses

Delivery is when something is delivered to someone and they pay for the item either online or in person. You need to plan where you are going to have the warehouse and whether it is a suitable and well reliable place to store stock. The reason being is because when someone orders something online you will need to let the courier know where the warehouse is and you should have the address on the website so that you can keep the customers informed of where their items are going to be distributed from.

Customers

Customers are people who buy your product and help fund your wages or help the business run successfully. You will need to start attracting your customers before you can start to show your business online because there will be no point in having the business if the potential customers know nothing about the newly formed business. There needs to be a lot of advertisements distributed so that the customers can find out what the business is all about and if there is a website something to look at for extra information.

Security

Security is protection against danger, loss and criminal acts. Security is important for both parties- the user and the person who is buying items off the website. The reason being is because the customer needs to be careful about distributing their personal details about themselves online because anyone could steal the details and someone could steal their identity and pretend to be the owner of the card. Also the website may be insecure. Everyone knows about the credit crunch and the recession and they may not want to purchase things online using a credit or debit card.

Legal Issues

There are some laws that the owner of the website will need to abide by. They are the "Trade Description Act", "Sales of Goods Act" and the "Consumer Protection Act". If the website owner is having images or worded information distributed on the website they have to be complied with the copyright act. The reason being is because whatever they have put on their website they have to make sure that it isn't a part of someone else's work, otherwise the actual owner could press charges and want to sue the owner for copyright infringement and may have to come up with a hell of a lot of money for payment.

The benefits of doing business online are:

- You can communicate with customers and suppliers via email
- You can advertise the services and products online on a search engine for a small fee
- Your business can operate for all hours
- You can provide your customers with up to date information about your business
- The customers can be informed of any difficulties or changes to your business via email.
- Reducing gas consumption, paper use and not employing staff
- Easy because there is a greater choice of products and there is a choice of different prices for the products, but also you have a good choice of suppliers

Task 3 (D1): Summarise your findings from tasks 1 & 2 and add recommendations for a business considering “doing business online”

Executive Summary

The recommendations for a business organisation considering going online:

For someone's business to work online, I would advise them to make sure that there are a lot of issues to be aware of and addressed immediately. For the first issue they have to make sure that there are security issues in place so that they can be sure that the business doesn't lose any valuable information such as a customer's credit/debit card details and their personal details about their name, address, telephone number etc. You must have security in place for this i.e. have a secret question that relates personally to the customer and would know the correct answer to. This applies obviously to the customers who are regular visitors to the website.

The other issue that is important is hacking and viruses. The website owner should make sure that the company has top quality anti-virus software in place. This is because it can stop viruses from getting to the website and making it stop at random times and cause the website to freeze for quite some time. There are other planning issues such as the design of the website itself. I would recommend that the website is bright and vibrant. This gives the website a homely feel but I would recommend the website to be limited with bright colours because it may cause the loading of the website to take some time and therefore become very slow in most cases. It also makes the customer grow increasingly frustrated with the site being loaded up and they may want to move onto another site. The business that is online will therefore lose a large amount of customers because of this.

The website should have a catchy advertisement that will attract potential customers to the business. The website owner can achieve this by having advertisements on search engines such as “Google”, “Ask”, “Dogpile” etc. When the customer types in the name of the business they can then have a good chance of getting onto the website. The website owner could perhaps have the website made top of the list on a search engine but this is based on how many people view the website on a daily/weekly basis. This is also a fantastic way of advertising your business.

I would also recommend that the website owner should spend time researching and planning which courier company to be associated with to have your products delivered. They should make sure that it is a well known company and has a reputation for being a decent considerate company which doesn't just dump a product on someone's doorstep with no notice ahead of delivery. They should make sure that it is a company that makes sure that a delivery driver will be on hand to recover the product if it is deemed to be faulty or not delivered properly and then taken back to the courier, then a note is left with the customer explaining that their product will be located at the couriers office or a local post office nearby.

The next recommendation that I would make is that the website owner should have a customer services department on the website that deals with any complaints that come in. I believe that this is a main priority as if the customer has a feeling that there is nobody to talk to in person or via email, they may feel cheated out of the money that they parted with and spent on whatever the product was that they intended to purchase for whatever reason it happens to be.

The next recommendation that I think is up for mentioning is the money and buying system that is on the website that is being implemented. This should include a credit and debit card payment service that should be done by a service called "PayPal" or any other similar way of payment that is available.

The last issue that I am going to talk about is the ICT on the website. The ICT qualified technicians should make sure that there are always constant checks made on the website. They should make sure that there is nothing wrong with the website and I recommend that there should be a full maintenance check that happens often.