

E-Commerce Chapter 1

1, Distinguish between e-commerce and e-business

E-commerce is the transfer of data across electronic networks; this transfer could be within a company, between companies, between businesses and consumers and can be across private or public sectors. This is irrespective if the transfer was paid for or not.

E-business however is seen as the integration of activities such as communication technology ICT into its internal process thus improving the system vastly.

2 Explain what is meant by buy side and sell side

Buy side- refers to transactions to gain resources needed by an organisation from its suppliers, whereas sell-side refers to transactions involving selling products to the organisations consumers.

3 describe the different services that can be offered to customers via a web presence.

- The customers are able to view the product before hand and learn descriptions about the item they wish to purchase.
- They may ask question directly to the company and get detailed answers back from the company.
- Home delivery is also an option, so customer will not have to leave their chairs and the goods will be delivered to their door step, and for large orders it is sometimes free.
- They can ask other consumers who have bought a product they wish to purchase and find out if the product is worth buying and also leave back reviews of the product.
- Online Banking is now also available, offering customer ease

4 Summarise the consumer and business adoption levels in your country, what seem to be the main barriers?

The adoption level on the consumer side in this country I would have to say would be pretty low and the business adoption levels would seem to be pretty low as well. The reason the consumer and business adoption level would be low are described as 'Barriers'. These 'Barriers' include lack of interest, consumers rather go out and shop and thus have no need for it, some people feel that they don't have the knowledge or skills this also ties in with age and some consumers haven't got internet access or cant afford to use it.

5 Outline the reason why a business may wish to adopt e-commerce

The main reason why a business may adopt e-commerce is the fact that it is able to deal with financial transaction between a customer and supplier in a safe but also effective manner reducing time and man power that would otherwise be needed, so that a lot of money can be saved. Also it offers an increased revenue since it is able to reach a larger customer base and encouraging existing customers to continue

shopping with them, and also since the whole set up is done electronically and most information has to be typed in by the customer costs are reduced as they would need less staff, transport and materials.

6 what are the main differences between B2B and B2C e-commerce?

The business-to-business (B2B) group includes all applications intended to enable or improve relationships within firms and between two or more companies. In the past this has largely been based on the use of private networks and Electronic Data Interchange (EDI). Examples from the business-business category are the use of the Internet for searching product catalogues, ordering from suppliers, receiving invoices and making electronic payments. This category also includes collaborative design and engineering, and managing the logistics of supply and delivery.

The business-to-consumer (B2C) group is a much newer area and largely equates to electronic retailing over the Internet. This category has expanded greatly in the late 1990s with the growth of public access to the Internet. The business-to-consumer category includes electronic shopping, information searching (e.g. railway timetables) but also interactive games delivered over the Internet. Popular items purchased via electronic retailing are airline tickets, books, computers, videotapes, and music CDs.

7, Summaries the impact of the introduction of e-business on different aspects of an organization

The impact that has occurred on organization has been very prominent such changes have been

- Reduce on office materials such as pen and paper as everything is electronically carried out
- Reduce costs as less staff are required to work as most of the paper can now be filled in by the customer online
- Better relationships with customers through better communication methods such as email and online help schemes.
- More effective business as aspects such as the value chain is streamlined.

8, what is the relevance of intermediary sites such as Mondus to the B2B Company?

Sites such as Mondus are a great help to B2B companies they provide a secure service for transactions to be made for buying and selling companies to be able to contact each other and exchange goods and information. Plus it saves companies time and money because they do not have to do it themselves.

Chapter 2

1. Outline the main options of trading between business and customers

Technological changes and the emergence of solely web based companies trading on the internet have allowed business to sell more easily to customers. Other changes such as political and social needs are all the main options for trading between businesses and consumers.

2. Explain the concept of disintermediation and reintermediation with reference to a particular industry; what are the implications for a company operating in this industry?

Disintermediation is when the intermediary or middle man of a certain chain is being taken out of the chain. A good example of this would be the way travel agents are being taken out of business because airlines are taken their sales directly to the customers themselves.

Reintermediation is when intermediaries are added put into a chain so that it is extended. A good example of this would be Tesco, this is because now that Tesco does online shopping service it has had to hire a courier service to send its goods out to customers.

3. Describe the three main alternative locations for trading within the electronic marketplace.

Alternative locations in the electronic market place would be:

- Seller Controlled sites- home pages of companies, e-commerce enabled to allow sales and other data exchange to occur
- Buyer Controlled sites- intermediary site, set up by buyer, also decide the selling of their sites
- Neutral sites- these sites allow product price comparison.

4. What are the main types of commercial transactions that can occur through the Internet or in traditional commerce?

- Pure markets
- Fixed price sales
- Auctions
- Barter
- Negotiated deals.

5. E – Business involves re – evaluating value chain activities. What types of changes can be introduced to the value chain through e- business?

Disaggregating can occur through deconstructing of the primary activities of the value chain as most steps can be approached in a new way i.e. e- retailers use e- commerce to improve their market research such as monitoring on an hourly basis how customers are responding to promotional offers and changing their sales accordingly.

Reagration of value chains is streamlining it to increase its efficiency between the value chain stages i.e. production time can be reduced as the data the marketing department need is more easily and quickly obtained as well as being more accurate, this is apparent in car manufacturing as production time has been reduced from 5 years to 18 months thanks to e- commerce.

6. List the different business models identified by Timmers.

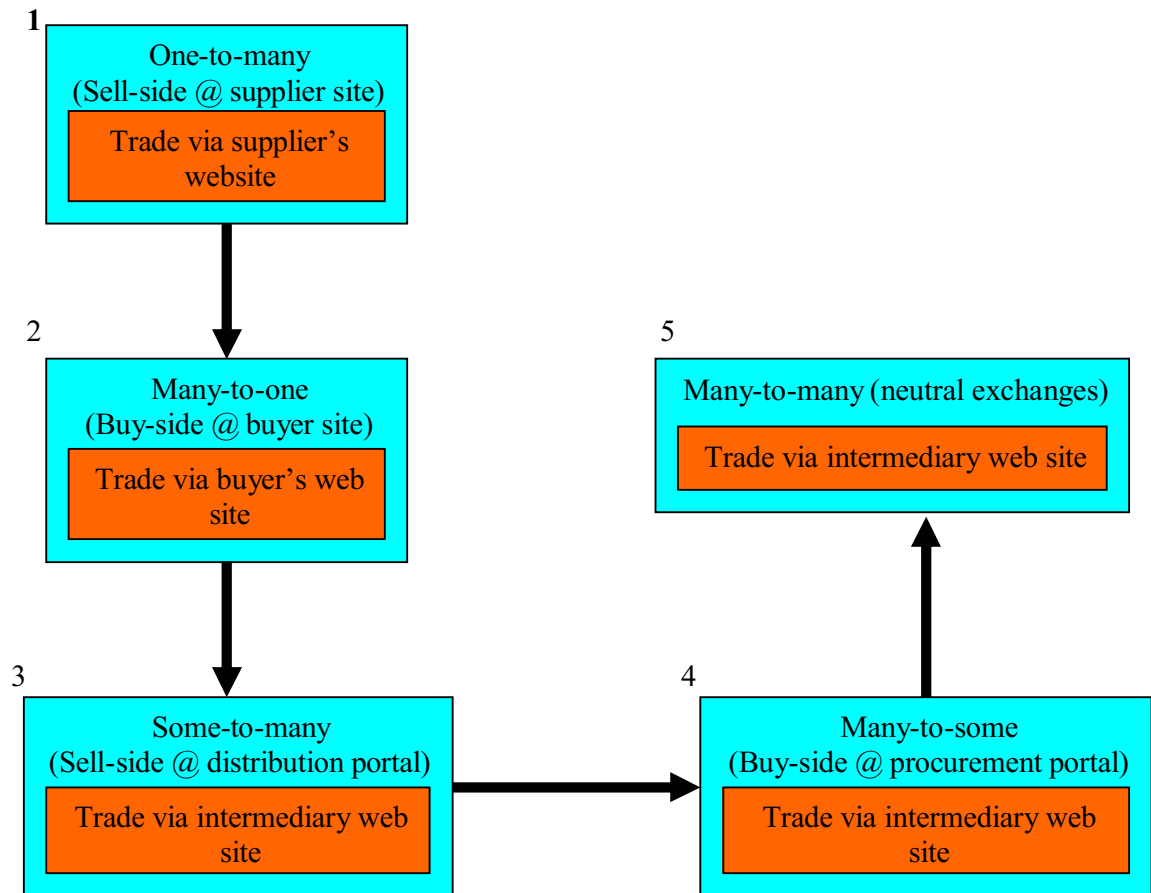
The different business models identified by Timmers are:

- a. E-shop
- b. E-procurement
- c. E-malls
- d. E-auctions
- e. Virtual communities
- f. Collaboration platforms
- g. Third-party market place
- h. Value-chain integrators
- i. Value chain service providers
- j. Information brokerage
- k. Trust and other service

7. Describe some alternative revenue models for a website from a magazine publisher.

- Direct sales of products and other services that may be available through an e-shop
- Subscription of products that the customer may be able to take up from the website
- Advertising their products i.e. banner ads and promotional offers.

8. Draw a diagram summarizing the different types of online marketplace.



Chapter 3

1. What is the difference between the Internet and the World Wide Web?

The Internet is a worldwide network connecting millions of computers together to form a global network. Any computer can communicate with any other computer connected to the Internet. With such aspects such as e mails

The World Wide Web is a way of accessing information using the medium of the Internet. The World Wide Web uses HTTP protocol, which is just one of the languages spoken over the Internet.

2. Describe the two main functions of an Internet Service Provider (ISP). How they differ from Application Service Providers?

- A company that provides home or business users with a connection to access the internet
- And they also are responsible for the hosting of web sites

The difference between ISP and ASP is that an ASP provides a business application on a server remote from the user

3. Distinguish between the intranet, extranets and the Internet

- Intranet- is a web server that is for a organisation only, the only people that may be able to access this web is the staff that work for the company
- Extranet- is a web server that can be accessed by two different companies. The companies may wish to use this site to view orders/ transactions and delivery dates
- Internet- this web server can be accessed on a global position and can be used for the exchange of data between PCs such as sending emails.

4. Describe the standards involved when a web page is served from a web server to a user's web browser.

5. What are the management issues involved with enabling staff access to a web site?

- Will the staff use the system appropriately or will it be used in an incorrect method such as viewing of obscene material
- Wasting time- managers should be worried that their staff may waste time by going on the internet instead of doing the tasks at hand
- Security is a big issue as the system if not well protected could be weakened by viruses that may be downloaded on to it.

6. Explain the following terms:

HTML - (Hypertext Mark-up Language)

The coding language used to create Hypertext documents for use on the WWW. Basically it is a set of 'mark-up' symbols or codes inserted in a file that tells the Web browser how to display a Web page's words and images for the user.

HTTP - (Hypertext Transfer to Protocol)

The protocol for moving hypertext files across the Internet. Requires a HTTP client program on one end, and an HTTP server program on the other end, HTTP is the most important protocol used in the World Wide Web

XML - (extensible Mark-up Language)

A subset of SGML constituting a particular text mark-up language for interchange of structured data, The Unicode Standard is the reference character set for XML content. XML is a trademark of the World Wide Web Consortium.

FTP - (File Transfer Protocol)

A very common method of moving files between two Internet sites, FTP is a special way to login to another Internet site for the purposes of retrieving and/or sending files.

7. What is the difference between static web content written in HTML and dynamic content developed using a scripting language such as JavaScript?

The difference between the two is that the static web content is fixed so the information will have to remain the same but the dynamic web page is created in real time and is often related to a database query thus being updated all the time and can have a response to a users request.

8. What software and hardware is required to access the internet from home?

Hardware

Ethernet Card, Free Hard Drive Space

Software

Decent Operating System and the internet software