



Vinayakar Matric Hr.Sec.School

**E-
COMMERCE**

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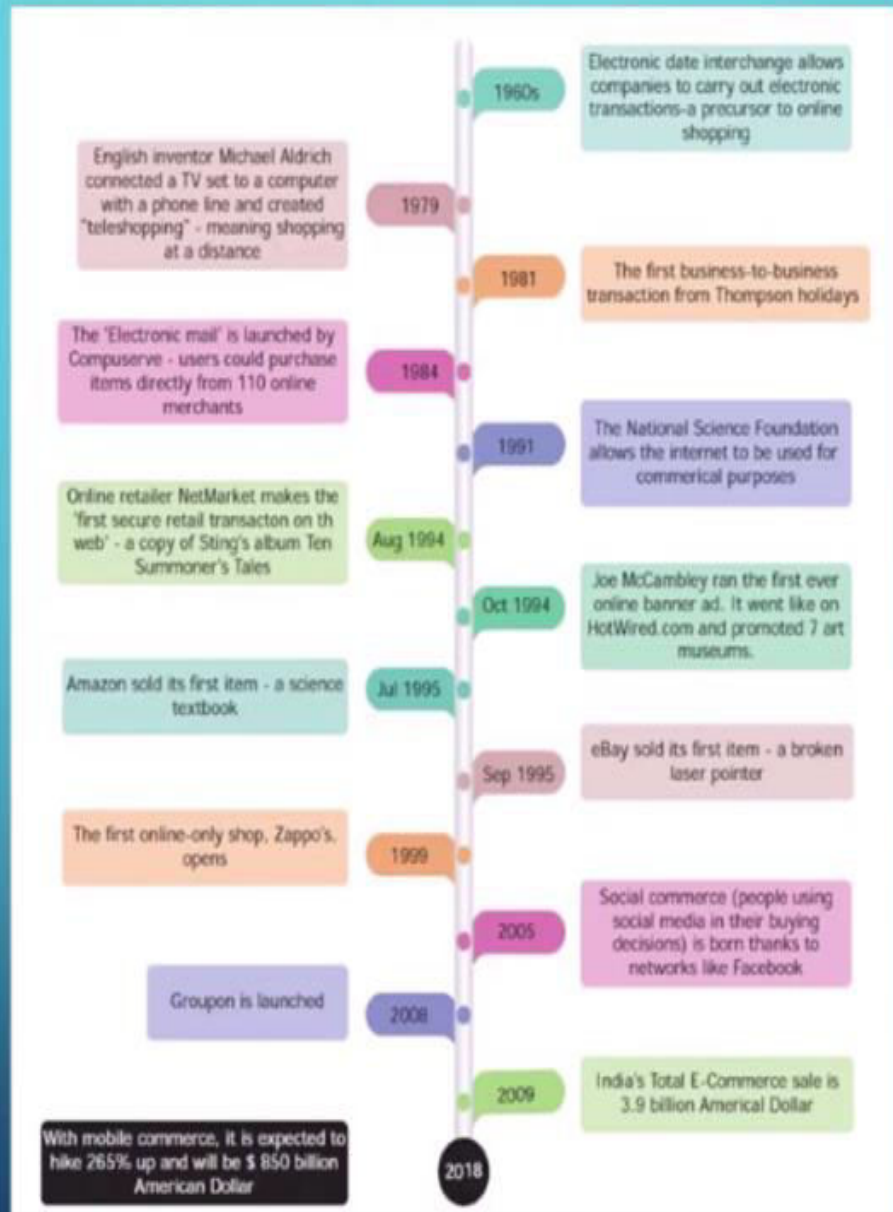
DISCUSSION POINTS

- Concept of E-commerce
- Brief history of E-commerce
- Different types of E-commerce business models and revenue models
- Differentiate E-commerce and traditional commerce
- Advantages and Disadvantages of E-commerce

INTRODUCTION

- Anyone who is quick to identify and adopt innovation will be successful.
- As growth in technology and vast usage of internet, our style of living has changed.
- A company is set to have a E-Business if and only if:
 - It has the ability to conduct business electronically over Internet.
 - It manages payment transaction through Internet.
 - It has a platform for selling products via Internet.
- E-Commerce is currently one of the most important aspects of the Internet era.
- E-Commerce has expanded rapidly over the past few years and is predicted to accelerate.
- Goods – Mobile phones.
- Information – Journals.
- Services – Placement services.

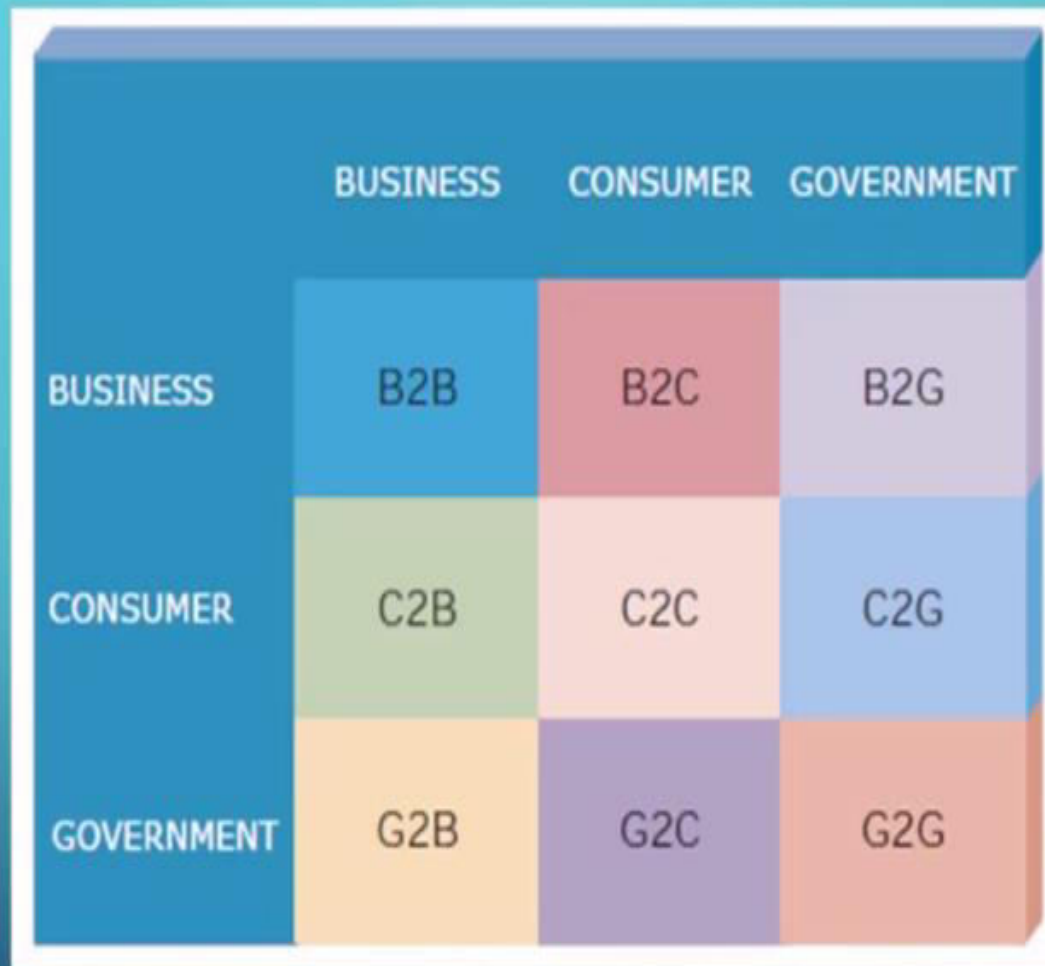
THE EVOLUTION OF E-COMMERCE



THE DEVELOPMENT AND GROWTH OF E-COMMERCE

- The First Wave of Electronic Commerce : 1995 – 2003
 - The Dotcom companies of first wave are mostly American companies.
 - The Dotcom bubble had attracted huge investments to first wave companies.
 - As the Internet was mere read-only web (web 1.0).
 - The first wave companies enjoyed the advantage that customers were left with no option.
- The Second Wave of Electronic Commerce: 2004 – 2009
 - It is the rebirth of E-Commerce after the dotcom burst.
 - The second wave companies used their own internal funds.
 - The increased web users nourished E-Commerce companies during the second wave.
- The Third Wave of Electronic Commerce: 2010 – Present
 - The Third wave is brought on by the mobile technologies.
 - The web 3.0, the future internet which include Artificial Intelligence.

CLASSIFICATION OF E-COMMERCE BUSINES MODELS



	BUSINESS	CONSUMER	GOVERNMENT
BUSINESS	B2B	B2C	B2G
CONSUMER	C2B	C2C	C2G
GOVERNMENT	G2B	G2C	G2G

BUSINESS TO BUSINESS (B2B)



BUSINESS TO CONSUMER (B2C)



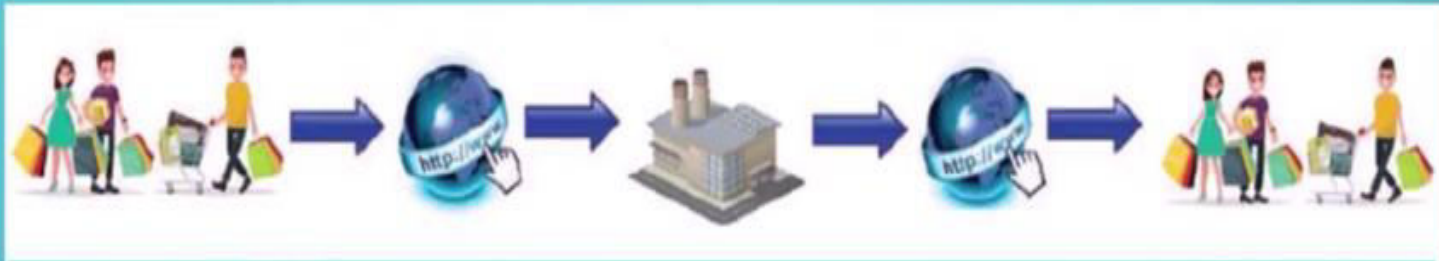
BUSINESS TO GOVERNMENT (B2G)



CONSUMER TO BUSINESS (C2B)



CONSUMER TO CONSUMER (C2C)



CONSUMER TO GOVERNMENT (C2G)



GOVERNMENT TO BUSINESS (G2B)



GOVERNMENT TO CONSUMER (G2C)



GOVERNMENT TO GOVERNMENT (G2G)



E-COMMERCE REVENUE MODELS

- Affiliate Site – 3rd Party marketing in which the site owner gets paid based on the performance.
- Auction Site – The auction items on the Internet and levies some commission from the sales.
- Banner Advertisement Site – Displays the advertisements of other companies in its websites and thereby earns revenue.
- Bulk buying Sites – Collect number of users together where everyone wants to buy similar items.
- Digital Publishing Sites – Host the e-books on the web.
- Licensing Sites – Allow the other websites to make use of their software.
- Name Your Price Site – Similar to normal retail sites.
- Online shopping mall Site – Multi E-Commerce traders to assemble together on a single website.

E-COMMERCE VS TRADITIONAL COMMERCE

Table 15.1 Traditional vs E-Commerce

Traditional Commerce	E-Commerce
Traditional commerce is buying or selling of products and services physically.	E-Commerce carries out commercial transactions electronically on the Internet.
Customer can face to face identify, authenticate and talk to the merchant.	Neither customer nor merchant see the other.
Physical stores are not feasible to be open at all times.	It is always available on all time and all days of the year.
Products can be inspected physically before purchase.	Products can't be inspected physically before purchase.
Scope of business is limited to particular area.	Scope of business is global. Vendors can expand their business Worldwide.
Resource focus Supply side.	Resource focus Demand side.
Business Relationship is Linear.	Business Relationship is End-to-end.
Marketing is one way marketing.	One-to-one marketing.
Payment is made by cash, cheque, cards etc.	Payment system is mostly through credit card, debit card or fund transfer.
Most goods are delivered instantly.	It takes time to transport goods.

ADVANTAGES OF E-COMMERCE

- E-commerce system is operated on all days and all the day 24 x 7.
- Speed is the major advantage of E-Commerce.
- It provides an opportunity to buy at cheaper costs.
- The user has wide choice of comparing and evaluating the products.
- Customers can shop from anywhere.

DISADVANTAGES OF E-COMMERCE

- E-commerce is often used to buy goods that are not often available locally.
- Doubts in returning of goods.
- Privacy issues are serious in E-commerce.
- Physical product disputes.
- Delivery ambiguity.

Thank You !!