A STUDY ON E-BUSINESS

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ABSTRACT

Electronic Business, also known as "e-Business". e-Business", is the utilisation of information and communication technologies (ICT) in support of all the activities of business. Commerce constitutes the exchange of products and services between businesses, groups and individuals and hence can be seen as one of the essential activities of any business. Hence, electronic commerce or e-Commerce focuses on the use of ICT to enable the external activities and relationships of the business with individuals, groups and other businesses. Electronic business methods enable companies to link their internal and external data processing systems more efficiently and flexibly, to work more closely with suppliers and partners, and to better satisfy the needs and expectations of their customers.

KEYWORDS: e-Business, e-Commerce, e-Auctioning, e-Banking, ATM

INTRODUCTION

Electronic Business or e-business is a term which can be used for any kind of business or commercial transaction that includes sharing information across the internet. Commerce constitutes the exchange of products and services between businesses, groups and individuals and can be seen as one of the essential activities of any business. Electronic commerce focuses on the use of ICT to enable the external activities and relationships of the business with individuals, groups and other businesses or e business refers to business with help of internet i.e. doing business with the help of internet network. The term "e-business" was coined by IBM's marketing and Internet team in 1996. Since that time, the terms, "e-

business" and "e-commerce" have been loosely interchangeable and have become a part of the common vernacular.

OBJECTIVES

The following are the Objectives of the Study;

1. To Study the History of e-Business

2. To Study the Scope of e-Business

3. To Study the Types of e-Business Models

4. To Study the Advantages of e-Business

5. To Study the Disadvantages of e-Business

6. To Study the Challenges of e-Business

7. To Offer Conclusion

History of e-Business

In 1994, IBM, with its agency Ogilvy & Mather, began to use its foundation in IT solutions and expertise to market itself as a leader of conducting business on the Internet through the term "e-business." Then CEO Louis V. Gerstner, Jr. was prepared to invest $1 billion to market this new brand. After conducting worldwide market research in October 1997, IBM began with an eight-page piece in the Wall Street Journal that would introduce the concept of "e-business" and advertise IBM's expertise in the new field. IBM decided not to trademark the term "e-business" in the hopes that other companies would use the term and create an entire new industry. However, this proved to be too successful and by 2000, to differentiate itself, IBM launched a $300 million campaign about its "e-business infrastructure" capabilities.

Scope of e-Business

The Scope of e-Business is discussed in terms of the following elements. They are;

● **E-commerce**

E-commerce (short for "electronic commerce") is trading in products or services using computer networks, such as the Internet. Electronic commerce draws on technologies such as

mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection. Modern electronic commerce typically uses the World Wide Web for at least one part of the transaction's life cycle, although it may also use other technologies such as e-mail.

● **E-Auctioning:** The internet enables people in the auction without sacrificing their personal time. In e-Auctioning the people, who want to participate in the auction, visit the website with a click and go through the details of goods offered or kept in auction in concerned web pages and participate in auction.

● **E-banking:** Electronic Banking is one of the most successful online business. E-Banking allows customers to access their accounts and execute orders through use of website. Online banking allows the customers to get their money from an Automated Teller Machine, instead of walking up to the cash desk in the bank, can view their accounts, Tran funds and can pay bills.

● **E-marketing:** Electronic marketing provides a worldwide platform for buying and selling of goods without having any geographical barriers. The internet allows companies to react to individual customer demands immediately without any loss of time.

● **E-trading:** E-Trading is also known as online training or E-Banking. It is used for buying and selling stock in stock exchanges.

Types of E-Business Models:

● **B2C**

The business-to-consumer, or B2C, model of e-business sells products directly to retail consumers online. Amazon.com is an example of a B2C model. The e-business has only an online identity through which it offers a range of products to customers. Other B2C enterprises include bestbookbuys.com and gartner.com. Most B2C models generate revenue from direct sales and processing fees. B2C also is known as electronic retail or e-tail.

● **B2B**

The business-to-business, or B2B, model involves companies using the Internet to conduct transactions with one other. B2B e-business accounts for more than 90 percent of all electronic commerce, according to the U.S. Census Bureau. The main reason for this is the

complexity of B2B transactions. Unlike B2C transactions that involve sellers offering products and services and buyers purchasing them, B2B transactions are multifaceted and often involve multiple transactions at each step of the supply chain. B2B businesses generate revenue from direct sales.

● **C2B**

Consumer-to-business, or C2B, is a unique e-business model in which consumers create value and demand for products. Reverse auctions are a common characteristic of C2B models, in which consumers drive transactions and offer their own prices for products. The airline ticket website Priceline.com is an example of a C2B e-business model. The website allows customers to bid for tickets and offer their own prices. Shopping sites such as cheap.com, gilt.com and ruelala.com also are C2B.

● **C2C**

Consumer-to-consumer, or C2C, e-business models enable consumers to behave as buyers and sellers in third-party-facilitated online marketplaces. Craigslist is an example of a third-party marketplace. The company brings together disparate buyers and sellers to conduct business. Other examples of C2C websites include eBay and PayPal. A C2C model generates revenues in several ways, including personal ad fees, membership or subscription fees, sales commissions and transaction fees.

Advantages of E-business: The following are the Advantages of E-business;

E-business can end up being a monolithic term encompassing the different company processes that aim to integrate the actual vendors or perhaps traders with the consumers along with suppliers utilizing the actual Internet. the entire process of establishing a website, helping the prospects navigate via the website, showing these your accessible products, providing discounts as well as vouchers and also doing every small thing achievable in order to woo your prospective clients as well as converting them directly into customers, will come below your purview regarding e-business. E-commerce, in the other hand, can be a subset associated with e-business and describes on the actual internet transactions which could be accounted for within monetary terms. for instance, accepting bank card payment with regard to items offered in order to consumers or even creating payments regarding shopping online tend to be examples involving e-commerce. in other words, e-commerce refers for the last

stage of e-business, which involves collecting payments for the items sold from the enterprise firm.

● Worldwide Presence:

This may always be the greatest good thing about working online. A New firm engaging inside e-business may have a nationwide or a worldwide presence. IBM has been certainly one of the really first companies to utilize the particular term e-business for you to reference servicing consumers along with collaborating with business partners from most over your world. Dell Inc., too, were built with a flourishing enterprise promoting PCs throughout the actual U.S., just by means of phone and the Internet till the year 2007. Amazon.com is another good results story that helps folks acquire internationally from third parties. Hence, worldwide existence is actually ensured, if companies rethink their enterprise together with regard to the Internet.

● Cost-effective Advertising along with Promotions:

Using the web to market items assures worldwide reach in a nominal price. advertising techniques, like pay-per-click advertising, make certain that your advertiser just pays for your advertisements that will are within reality viewed. Affiliate advertising -- exactly where customers tend to be directed into a company portal simply because in the efforts of the affiliate, which consequently obtain the compensation for their efforts meeting along with success -- provides emerged due to e-business. Affiliate marketing along with advertising offers assisted both the business and the affiliates. Firms possess were in any position to use cost-effective internet marketing ways to their advantage.

● Creating the Competitive Strategy:

Firms have to possess a competitive strategy to always be able to ensure a competitive advantage. without an effective strategy, they will think it is impossible in order to take care of the benefit and also make profits. Your strategy that the firms can pursue, can easily be considered a cost strategy or a differentiation strategy. Regarding instance, till the season 2007, Dell Inc. was selling computers only through the actual World wide web as well as the phone. This adopted a differentiation strategy by simply selling its computers online and customizing its laptops to suit the actual needs with the clients. Thus, e-business resulted in Dell Inc. managing to capture the chunky segment involving industry utilizing your differentiation strategy.

● **Far Better customer Service:**

E-business features resulted throughout improved consumer service. Several a new time, on visiting a new website, the client is greeted by way of a pop-up chat window. readily accessible customer service might assist in encouraging the particular client for you to know a lot more concerning the item or service. Moreover, payments can be created online, and also items can be shipped towards the customer without the particular client having to go away your house.

● **Curtailing regarding Transaction Cost:**

The nature of web business can be such that, the expenses incurred for each and also every transaction for you to go through smooth and magento developers also sound, there is zero acting middleman. Sites are sufficiently loaded with directions to facilitate stress-free transactions. Easy and succinct instructional tabs, generally, save the particular prospective buyer from predicaments involving just about any sort. Your mode associated with payment is predetermined, promising security towards the customer. Thus, on the internet payments really are a no-ho-hum affair. all which you are left with, since the proprietor associated with your web business, would always be to download the requirement order and also ship it. This kind of demands effort, too; however, your toil is much much less than the particular usual tangible enterprise profile.

● **Overhead Expenses Are Usually Reduced:**

An E-business, essentially, can be independent regarding expenses that are incurred credited in order to business using a physical entity. Utility bills and other expenses are generally manageable. You also cut back on expenses incurred with regard to hiring personnel along with retaining them competitive incentives topped with abundant facilities. Operating an e-business is actually highly convenient as the proprietor will not call for to rent yet another website to become able to execute the business.

Disadvantages: The following are the Disadvantages of E-business:

● **Sectoral Limitations:**

The principal downside of e-business may become the lack of rise in a few sectors on account of item or sector limitations. The Actual meals sector offers not really benefited within relation to growth of revenue and also consequent revenue generation because of the

variety of practical reasons, just like food goods being perishable items. Shoppers do not really look for meals products on the Internet, given in which they favor going towards the supermarket to purchase the required products as when the requirement arises.

● **Pricey E-business solutions pertaining to Optimization:**

Substantial sources are essential with regard to redefining product lines to end up being able for you to offer online. Upgrading personal computer systems, coaching personnel, as well as updating websites needs significant resources. Moreover, Electronic Information Management (EDM) and also Enterprise Useful Resource Planning (ERP), necessary for guaranteeing optimal internal company processes, may end up being looked upon, through a range of firms, as one of its disadvantages.

● **Question regarding Safety:**

With the entire world beguiled by the Internet, it is a excess fat opportunity that you're not merely one on this list of aficionados. the Internet will be second to always be able to none, not to oxygen even, for you to the least. Well, one breathes Internet. Buyers act reside wires if this will come to become able to on the internet pick and pay. However, using far and many pacing about, you will find a few, who twitch in the mention of online payment. Instances regarding dupery haven't any intentions associated with nailing up at any time soon, along with pseudo sites merrily mushroom. Most the actual client can do, will be remain inside a state regarding doubt.

● **Information Security:**

To carry out on the actual internet transactions, the particular web sites request to your email address get in touch with information along with other make contact with details. Clients brake in the mention involving providing personal details, lest defiling associated with some naturel occurs. Besides, specific websites possess a complicated operational structure. Thanks for you to them, hackers use a job! They Will fiddle using accounts, meddle along with essential files, and also corrupt data. This, certainly, cannot be termed ethical hacking! Viruses metastasize each as well as every second detrimental the particular database, sometimes awarding disastrous repercussions, too.

● Site Integrity:

"We respect privacy. the details provided by the consumer will possibly be protected. We refute dissemination methods the maximum amount of while you do." does this statement not tintinnabulate inside the ears. Well, we have come across these paraplegic oaths several times. Are Generally they will accurate for their word? may be ... might become not. A Amount Of websites are known to trade their particular customers' details pertaining to monetary benefits. the query remains: Can Easily we trust them?

● System Upgradation:

Once a product is developed, the responsibility involving ad hoc upgradation at intervals follows suit. In case this does not happen, the actual website turnover could be poor. to boost web site performance and tow in the great talk about associated with online customers, maintaining up using the advancements is actually pivotal. Though, several websites might find carrying this out an unnecessary feature.

● Momentary Intangibility:

No matter what e-business could try, their own chances of selling items -- just like furniture as well as appliances -- successfully, are bleak. Unless a new buyer gets the liberty in order to splurge your kitty, the actual 'E' sector fights any battle, it absolutely isn't a part of. for instance, in the wedding you are usually planning to buy a sofa set, you would need to lay on it, have the feel in the upholstery used, the finish, as well as what have got you! An on your internet furniture bay, by zero means, can easily look with a proposition such as this one. This is a lot better to just accept that, there, indeed, tend to be certain things not necessarily meant to become bought on-line credited to the spatial creep; for the rest there's e-transaction!

E-business can possess its set of benefits as well as cons. However, eventually, each as well as every business -- whether it is partially or entirely -- offers to adjust its modus operandi, along with adopt e-business procedures so as for you to ensure survival and also success.

Challenges of e-Business

Changes in attitudes of consumers result in behavioral challenges to businesses. These challenges include lack of trust of customers and their fear of intrusion of privacy which

makes them reluctant to involve in e-transactions. In addition, the rampant frauds taking place over the Internet and lack of awareness of customers about the availability of services poses a challenge to businesses. Miscellaneous challenges such as channel conflict, the problem of attracting and retaining a critical mass of customers, and the need to improve the order fulfillment process, are the other aspects that have become a cause of worry to businesses.

Technological Challenges

Legal and Regulatory Challenges

Behavioral and Educational Challenges

Other Challenges

1] Basics of E-Business

2] E-Business Frameworks

3] E-Business Strategy: Planning to Action

4] E-Business Design

5] E-Marketplaces

6] E-Procurement

7] Supply Chain Management and E-Business

8] Enterprise Resource Planning

9] Knowledge Management and E-Business

10] Selling Chain Management

11] E-Marketing

12] CRM and E-Business

13] E-Business Infrastructure

14] E-Business Technologies

15] E-Banking

16] E-Governance

17] Mobile Business

18] E-Human Resources

19] E-Finance

20] E-Business Opportunities

21] IT Governance

22] E-Business Applications

23] E-Security

24] Other Issues in E-Business

25] Challenges in E-Business

26] Future of E-Business

CONCLUSION

In practice, e-business is more than just e-commerce. While e-business refers to more strategic focus with an emphasis on the functions that occur using electronic capabilities, e-commerce is a subset of an overall e-business strategy. E-commerce seeks to add revenue streams using the world wide web or the internet to build and enhance relationships with clients and partners and to improve efficiency using the empty vessel strategy. Often, e-commerce involves the application of knowledge management systems. E-business involves business processes spanning the entire value chain: electronic purchasing and supply chain management, processing orders electronically, handling customer service, and cooperating with business partners. Special technical standards for e-business facilitate the exchange of data between companies. E-business software solutions allow the integration of intra and inter firm business processes. E-business can be conducted using the web, the internet, intranets, extranets, or some combination of these.

The e-business awareness in India has increased with fast adoption of internet v and internet based services in today's post economic liberalization scenario. The 21st century business is opening up many opportunities for entrepreneurs as well posed for many critical challenges also. The future business is defined by the ability to see opportunity in ideas,

knowledge and intellectual resources, as most of the economies are opening up their doors for free trade and exposing to the new fields of operations. Business enterprises in India have been facing many challenges in changing business environment. Understanding and preparing for these challenges is the key to success for business enterprises in India.

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