

Electronic-Business

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ABSTRACT

Electronic commerce is process of doing business through computer networks. A person sitting on his chair in front of a computer can access all the facilities of the internet to buy or sell the products. Unlike traditional commerce that is carried out physically with effort of a person to go & get products, e-commerce has made it easier for human to reduce physical work and to save time. E-commerce which was started in early 1990's has taken a great leap in the world of computers, but the fact that has hindered the growth of e-commerce today & there is still a lot of advancement made in the field of security. The main advantages of e-commerce over traditional commerce is the user can browse online shops, compare prices and order merchandise sitting at home on their PC. For increasing the use of e-commerce in developing countries the B2B e-commerce is implemented for improving access to global markets for firms in developing countries. For a developing country advancement in the field of e-commerce is essential. E-commerce shows the important of the e-commerce in developing countries for business applications.

Keywords: business, commerce, development, electronic, internet, management, service.

I. INTRODUCTION

- ❖ Online 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 business, groups and individuals and can be essential activities of any business.
- ❖ Electronic commerce focuses on the use of ICT to enable the external activities and relationship of the business with help of internet. The term "e-business" was coined by IBM's marketing and internet team in 1996.
- ❖ E-business commonly known as electronic marketing. It consists of buying and selling of goods & service over an electronic systems such as the internet and other computer networks.
- ❖ E-Commerce is also known as "Electronic Commerce". It is a transaction of buying or selling in online. E-Commerce sales climbed 16 percent during 2011, and analysts are forecasting continued strong growth in e-Commerce sales over the next five years.

II. HISTORY OF E-COMMERCE

- **1970:** electronic funds transfer (EFT)
 - Used by the banking industry to exchange account information over secured networks.
- Late **1970s** and early **1980s:** electronic data interchange (EDI) for e-commerce within companies
 - Used by businesses to transmit data from one business to another.
- **1990s:** the World Wide Web on the internet provides easy-to-use technology for information publishing and dissemination.
 - Cheaper to do business (economies of scale)
 - Enable diverse business activities (economies of scope)

III. WHY USE E-COMMERCE?

- Low entry cost.
- Reduces transaction costs.
- Access to the global market.
- Secure market share.

IV. TYPES OF E-COMMERCE

Business to Business (B2B)

It consists of largest form of e-commerce. This model defines that buyer and seller are two different entities. It is similar to manufacturer issuing goods to the retailer or wholesaler.

Business to Consumer (B2C)

It is the model taking business and consumers interaction. The basic concept of this model is to sell the product online to the consumers. So, that anybody can purchase any products directly from supplier's website.

Consumer to Consumer (C2C)

There are many sites offering free classifieds, auctions, and forums where individuals can buy and sell thanks to online payment systems like –PayPal where people can send and receive money online with ease. EBay's auction service is a great example of where person-to-person transactions take place every day since 1995.

Business to Employee (B2E)

Electronic commerce used an intra-business network which allows companies to provide products products and service to their employees. Typically, companies use B2E networks to automate employee- related corporate processes.

“Keys to Successful International e-Commerce”:

- ✓ Fraud Detection and Handling.
- ✓ Legal and Regulatory Issues.
- ✓ Currency Concerns.
- ✓ Global Acquiring.

V. EXPLORE FOUR PAYMENT-RELATED STRATEIGES

1. Expand Into International Markets.
2. Offer Consumers More Ways to Pay.
3. Protect Your e-Commerce Bottom Line.
4. Leverage Your Business Intelligence.

Strategy 1: Expand Into International Markets.

What specifically can retailers do to enhance the shopping experience they offer to international customers? The Internet Retailer survey provides some insights. Respondents were asked to select the major challenges of selling online overseas.

Strategy 2: Offer More Consumers More Ways to Pay.

It is important to note that each new payment option a merchant decides to offer comes with its

- ❖ Own fees Settlement
- ❖ Funding time frames
- ❖ Chargeback handing processes

Strategy #3: Protect Your e-Commerce Bottom Line.

Online fraud collectively costs merchants billions of dollars each year. In addition, the back-office and personnel costs associated with managing online fraud continue to grow. What can you do to cut fraud losses? How can you employ fraud prevention measures strong enough to protect you yet flexible enough to minimize costs, provide a smooth shopping experience and avoid rejecting legitimate transactions?

1. FRAUD DETECTION TO CHECKOUT
2. LOWERING THE COST OF SECURITY COMPLIANCE

Strategy 4: Leverage Your Business Intelligence.

One important advantage that online businesses must have the ability to collect detailed information about what customers do when they visit the Web site.

VI. PROCESS OF E-BUSINESS

- ❖ A consumer uses web browser to connect to the home page of a merchant's web site on the internet.

- ❖ The consumer browser the catalog of products featured on the site selects items to purchase, the selected items are placed in the electronic equivalent of a shopping cart.
- ❖ When the consumers is ready to complete the purchase of selected items, she provides a bill-to and ship-to address for purchase and delivery.
- ❖ When the merchant's web server receives this information, it computes the total cost of the order including tax, shipping, and handling charges and then displays the total to the customer.
- ❖ The customer can now provide payment information, such as a credit card number, and then submit the order.
- ❖ When the credit card number is validated and the order is completed the commerce server site, the merchant's site display a receipt confirming the customer's purchase.
- ❖ The commerce server site then forwards the order to a processing network for payment processing and fulfillment.

VII. ADVANTAGES OF E-BUSINESS

- Faster buying/selling procedure.
- Buying/selling throughout the year 24/7.
- Low operational cost and better quality services.
- Easy to start and manage the business.
- Customers can easily select the products.
- Selection a products through reviews.

VIII. DISADVANTAGES OF E-BUSINESS

- Any one, good or bad, can easily start a business. And there may be many bad sites which eat up customer's money.
- There is no guarantee for the product.
- As there is minimum chance of direct customer to company interactions.
- Customer service and relationship problem.

IX. FUTURE OF E-BUSINESS

- ❖ According to business world estimate near about 60,000 new jobs will be created for the internet world alone in the next 2 years.
- ❖ EBay said that consumer were trading goods worth almost three Crore rupees every day, across the globe.

CONCLUSION

As the e-Commerce channel continues to grow across geographies and vertical markets, it will comprise a greater and greater share of total retail sales. It is no longer a novelty, and merchants are finding innovative new ways to make their online business an important driver of future growth.

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