VI Semester BBA

6.2 E-Business

Study Material - 2017

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1. **Enables More Flexible Working Practices:** Which enhances the quality of life for a whole host of people in society, enabling them to work from home. Not only is this more convenient and provides happier and less stressful working environments. It also potentially reduces environmental pollution a fewer people have to travel to work regularly.

2. **Connects People:** Enables people in developing countries and rural areas to enjoy and access products, services, information and other people which otherwise would not be easily available to them.

3. **Facilitates Delivery of Public Services:** The health services available over the Internet on-line consultation with doctors or nurses, filing taxes over the Internet through the Inland Revenue website.

**DISADVANTAGES OF ELECTRONIC COMMERCE**

The following are the important drawback/disadvantages of electronic commerce:

1. **Ecommerce Lacks That Personal Touch:** Not that all physical retailers have a personal approach, but we do know of several retailers who value human relationship. As a result, shopping at those retail outlets is reassuring and refreshing. Clicking on “Buy Now”, and piling up products in virtual shopping carts.

2. **System and data integrity:** A computer virus is a program that clones itself when an injected piece of program code is executed. It is an evil program. data protection from the viruses that causes unnecessary delays and can clean up all stored information must. In order to create cost effective response to the varied technical and human threats to website security.

3. **E-Commerce Delays Goods:** Ecommerce websites deliver to take a lot longer to get the goods into consumer hands. Even with express shipping the earliest consumer get goods in next day. An exception to this rule is in the case of digital goods an e-book or a music file. In this case, ecommerce might actually be faster than purchasing goods from a physical store.

4. **System scalability:** It means regular up graduation of the website is required when the number of website users increase over period of time or during busy seasons. As a result of rush of enquiries on the companies site, it might cause slow down of the system performance and eventually loss of customers.

5. **Dependent on internet:** E-Commerce is dependent on internet. Mechanical failures in the system can cause unpredictable effects on the total processes. Furthermore, there are many hackers who look for opportunities, and thus an ecommerce site, service, payment gateways; all are always prone to attack. Things such as viruses could mean losing the site or affecting the customer’s computers while on purchasing from the website.

6. **Many Goods Cannot Be Purchased Online:** Despite its many conveniences, there are goods that consumer cannot buy online. Most of these would be in the categories of “perishable” or “odd-sized”. It could order both of them online, but consider the inconvenience. The Popsicle would have to be transported in refrigerated trucks. Unless the seller was willing to make a huge loss, the cost of shipping that Popsicle would far exceed the cost of the Popsicle.

7. **Products people won’t buy online:** There are various products which the customers
them to share the files and computer resources without a common server. The focus in P2P companies is on helping individuals make information available for anyone’s use connecting users on the web. Historically, P2P software technology has been used to allow the sharing of copyrighted music files in violation of digital copyright law. The challenge for P2P ventures is to develop viable, legal business models that will enable them to make money.

**Internet revenue model:**

For a publisher or other media site owner, eight types of revenue model are possible online.

1. **Revenue from subscription access to content:**

The subscription model applies to the companies that charge subscribers a fee, normally to view text or graphical information. A range of documents can be accessed for a period of a month or typically a year. Here, one of the main challenges the companies are facing is, marketing to a much smaller niche audience who are willing to pay the regular fees, as opposed to a much larger audience that might use the services at no charge.

For example, I subscribed to [FT.com](http://www.ft.com) for access to the digital technology section for around 80 GBP per year a few years ago. Smart Insights Expert members have an annual subscription in this form.

2. **Revenue from Pay Per View access to document:**

Here payment occurs for single access to a document, video or music clip which can be downloaded. It may or may not be protected with a password or Digital Rights Management.

For example, I’ve paid to access detailed best practice guides on Internet marketing from [Marketing Sherpa](http://www.marketingsherpa.com).

**Digital rights management (DRM)** The use of different technologies to protect the distribution of digital services or content such as software, music, movies, or other digital data.

3. **Revenue from CPM display advertising on site:**

(e.g. banners ads and skyscrapers).

This model relies on advertising to make money. CPM stands for "cost per thousand" where M denotes "Mille". The site owner such as FT.com charges all the advertisers a rate card price (for example 50 GBP CPM) according to the number of its ads shown to site visitors. Ads may be served by the site owners’ own ad server or more commonly through a third-party ad network service such as Google Ad Sense as is the case with my site.

4. **Revenue from CPC advertising on site (pay per click text ads):**

CPC stands for "Cost Per Click". Advertisers are charged not simply for the number of times their ads are displayed, but according to the number of times they are clicked. These are typically text ads similar to sponsored links within a search engine but delivered over a network of third-party sites by on a search engine such as the Google Ad sense Network.

Typical costs per click can be surprisingly high, (i.e.) they are in the range GBP 0.10 to 4, GBP 40, but sometimes up to GBP 40 for some categories such as "life insurance" that have a high value to the advertiser.

The revenue for search engines or publishers from these sources can also be a fair proportion of this.
• **Maximize your presence in your online community:** Keep in mind that you are not only building a relationship when you join an online community you are also marketing your business in a subtle way. So as a marketer be sure that your online profile is complete, which means that you need to include more information about yourself and of course your business.

• **Be wise in choosing your online community:** Verify who the members are in the online community you are planning to join. Be selective with the online community you will join to avoid mixing in with the wrong type of people/business. It would be to your advantage if you go with people/businesses that are highly relevant to your business. Also be sure that the other members of the online community you will join have enough in common with you and your business and really excited about interacting with you online.

• **Builds relationships:** The last and probably the most important benefit of online community is that it gives you a chance to build a relationship with people. We all know the importance of relationships when it comes to business. And one of the least expensive ways to build a relationship with customers/prospects is through the use of online communities. The major comfortable your customers/prospects with your business the bigger opportunities that you will get. Keep in mind that this relationship that you build is not for a one time sale only but you are building a relationship through online communities for the long term.

**WEB PORTAL**

**The definition of a portable:**
The definition of a portable is a gateway or entry to something else.

a. An example of a portable is a door into a room.

b. An example of a portable is a website that takes you to many other websites.

**WEB PORTAL:**

A web portal or Public portal refers to a Web site or a service, that offers a broad array of resources and services, such as E-Mail, forums, search engines and online shopping malls.

A **web portal** is specially-designed Web page at a website which brings information together from diverse sources in a uniform way.

The first web portals were online services, such as AOL, that provided access to the Web, but, by now, most of the traditional search engines have transformed themselves into web portals to attract and keep a larger audience.

A web portal is a single Web interface that provides personalized access to information, applications, business processes, and much more. By using portal technology, an organization can lower development and deployment costs and significantly increase productivity. Using a portal, information can be aggregated and integrated within a particular working environment application, or service, or a single interface can be used to target an individual user’s needs and interests. Portals help to harmonize content, commerce, and collaboration with business goals.