

18.07-18

E-Com

E-commerce or Electronic Commerce is a methodology of modern business which addresses the need of business organisations, vendors and customers to reduce cost and improve the quality of goods and services while increasing the speed of delivery. It refers to the paperless exchange of business information, using the following ways:

1. Electronic data exchange
2. Electronic mail
3. Electronic Bulletin Notes
4. Electronic fund transfer
5. Other Network based technology

Advantages of E-commerce

1. Low financial cost
2. 24x7 potential income
3. Sell internationally.
4. Easy to showcase best sellers
5. Personalized Online Experience
6. Affordable Employees
7. Easy to re-target or remarket to customers
8. Gain access to customer data easily.
9. Able to process high number of orders
10. Can scale business quickly.

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Software Engineering

Computer Graphics.

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E-Commerce

Drawback: (Disadvantages of E-Commerce)

1. Security: - By

While dealing with online transactions, certain websites do not have capabilities to conduct authentic transactions, fear of providing credit card information and risk of identity limit the growth of e-commerce.

2. Lack of privacy:

Some websites on internet, illegally collect statistics of consumers without their permission, due to low encryption techniques used by websites. So, lack of privacy discourages people to use internet for online transaction.

3. Fear:

Due to only online existence of companies people do not know with whom they are dealing for transactions, this aspect makes people to opt physical stores for purchases.

1. Faulty Product:

Sometimes when the products are delivered they do not match with the images shown on websites, so people avoid on line shopping

5. Legal issues:

The cyber laws that govern the e-commerce transactions are not very clear and vary from country to country. These legal issues prevent people from entering into electronic contracts.

6. Technical limitations (Browser incompatibility)

Some technologies that is being used by the vendor to show the electronic images may not be common one. So some browsers may not support that and will not display specific images. This may cause people to avoid online transaction.

7. Huge technological cost:

In era changing technology, it is necessary to allocate more funds for technological advancement to remain competitive in the electronic world.

8. Delay in receiving goods:

Although delivery of products is often quicker than expected but there may be some chances that the product may be lost or delivered to the wrong address.

9. Need access to internet:

Internet access is not free, and if you are using wi-fi there is a chance of information theft over an unsecure sight -

10. Lack of personal interaction :

By ~~order~~ while online shopping there is no one to talk and discuss about the product. You will not be able to get answers for your concern questions.

11. Extra Expense and Expertise for E-commerce infrastructure

To work online website owner should have dedicated staff to deal with the handling of transaction and product display.

Difference Between E-Commerce and Traditional E-commerce

1. Cost : In traditional e-commerce, the cost of infrastructure is high. In online e-commerce, the cost of infrastructure is low. In traditional e-commerce, the cost of infrastructure is high. In online e-commerce, the cost of infrastructure is low.

Difference b/w Traditional Commerce and E-CommerceTraditional Commerce

It involves the exchange of goods and services between two people face to face.

E-commerce exchange goods and services via an electronic network i.e internet.

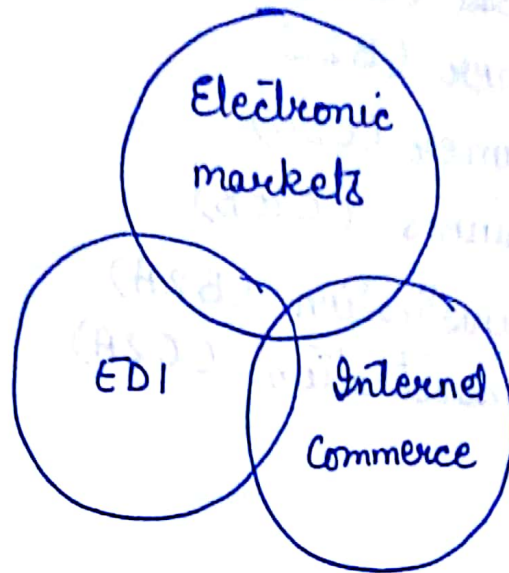
Basis	Traditional-Com	E-commerce.
Cost Effective (1)	The cost incurred on traditional commerce as compared to E-commerce	Due to declining of cost incurred on place and employees.
Time (2)	It takes a lot of time to complete a transaction in traditional commerce	E-commerce saves a lot of valuable time for consumer and business
Business Expansion (3)	It is ^{not} easy to expand business in big geographical area.	It is easy to expand business from regional market to international market.
Product (4)	Customers is having limited area for selection of goods.	Customers are having variety of products covering many companies with diff. options.
New Product Launch (5)	It is easy to launch takes a lot of time to convince the customers to purchase a new product and survey is also very time consuming.	It is easy to launch a new product and analyze the response of customer online
Profit (6)	Profits are low as compared to E-commerce	Profits are high

Accessibility (7)	for limited time	24x7 Access
Scope (8)	Scope is limited	Scope of E-commerce is wide from searching to selection of a new or existing product.
Staff. (9)	Staff with any qualification can be recruited.	In E-commerce there is a need of qualified staff
Processing (10)	Manual processing So higher chances of human mistake	Automated processing So, less clerical errors
Fraud (11)	^{Fraud} It is comparatively lesser in Traditional commerce than E-commerce	Cyber frauds can take place in E-commerce.
Delivery Time (12)	Customers get their product on same time	Delivery time may be ^{more} higher than day or month
Internet (13)	Internet is not required	Internet is required.

Scope of E-commerce

E-commerce is a term popularized by the advent of commercial services on the internet. The scope of E-commerce is continuously increasing, year after year, be it a field of online shopping, bank transaction or deals between the businessmen, almost every field is utilizing E-commerce for their ease.

The scope of E-commerce consist of three areas:



These three areas are -

1. Electronic Markets:

An electronic market is the user information and communication technology to present a range of offerings available in a market segments, so that the purchaser can compare prices ^{and make decision} - Ex - airline booking system

2. EDI : (Electronic Data Interchange) :

EDI provides a standardized system for coding trade transactions, so that ~~so~~ they can be communicated directly from one computer system to another without the need of printed orders and invoices. It is used by the organization, that make a large number of regular transactions. For Ex - transaction done in large super market chain.

3. Internet Commerce :

Internet Commerce is typified by the commercial use of the internet. For Ex - purchasing can be done online, whereas the goods are delivered by post.