

Today's E-Commerce

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What is E-Commerce ?

Electronic Commerce, commonly known as e-commerce, is the buying and selling of product or service over electronics systems such as the Internet and other computer networks. Electronics commerce draws on such technologies as electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection systems. Modern electronic commerce typically uses the World Wide Web atleast at one point in the transaction's life-cycle, although it may encompass a wider range of technologies such as e-mail, mobile devices and telephones as well. Electronics commerce is generally considered to be the sales aspect of e-business. It also consists of the exchange of data to facilitate the financing and payment aspects of business transactions.

E-commerce refers to any financial business that is done online. There are auction websites and there are manufacture websites that sell various items and consumers can purchase these items through the website. One of the most popular activities on the Web is shopping. Literally anyone can have their pages built to display their specific goods and services.

E-commerce is term used to describe the Internet market, including the buying, trading and selling of goods through the internet. E-commerce refers to the general business dealings through the web. When did E-Commerce begin ?

History of E-Commerce:

History of e-commerce dates back to the invention of the very old notion of "Sell and Buy", electricity cables, computer's modems and the Internet. E-commerce became possible in 1991 when the Internet was opened to commercial use. Since the date thousands of businesses have taken up residence at websites.

At first, the term e-commerce meant the process of execution of commercial transactions electronically with the help of the leading technologies such as Electronic Data Interchange (EDI) and Electronic Funds Transfer (EFT) which gave an opportunity for users to exchange business information and do electronic transactions. The ability to use these technologies appeared in the late 1970s and allowed business companies and organizations to send commercial documentation electronically.

Amazon is one of the first e-commerce business to establish an affiliated marketing program and now a days the company gets about 40% of its sales from affiliates and third party sellers who list and sell goods on the website, in 2008 Amazon penetrated into the cinema and is currently sponsoring the firm " The Stolen Child " with 20th Century Fox.

The history of E-commerce seems rather short but its journey started over 40 years ago in hushed science labs. E-commerce has revolutionized the way we live our lives today, most of us have used it to purchase products of some description online infact, over 66% of us have. This statistics is set to rise to 85% over the next 5 years. If you are one of the few who havn't statistics show you have used it to research any number of products before purchasing elsewhere.

Types of E-Commerce:

1] Business to Business E-commerce [B2B E-Commerce]:

In this type of e-commerce, both participants are businesses. As a result, the volume and value of B2B e-commerce can be huge. An example of business to business e-commerce could be a manufacturer of gadgets sourcing components online.

2] Business to Consumer E-commerce [B2C E-Commerce]:

When we hear the term e-commerce, most people think of B2C e-commerce. That is why a name like Amazon.com pops up in most discussions about e-commerce. Elimination of the need for physical stores is the biggest rationale for business to consumer e-commerce. But the complexity and cost of logistics can be a barrier to B2C e-commerce growth.

3] Consumer to Business E-Commerce [C2B E-Commerce]:

On the face of it, C2B e-commerce seems lop-sided. But online commerce has empowered consumers to originate requirements that businesses fulfill. An example of this could be a job board where a consumer places her requirements and multiple companies bid for winning the project. Another example would be a consumer posting his requirements of a holiday package and various tour operators making offers.

4] Consumer to consumer E-Commerce [C2C E-Commerce]:

The moments you think of C2C E-Commerce eBay.com comes to mind. That is because it is the most popular platform that enables consumers to sell to other consumers. Since e-Bay.com is a business, this form of e-commerce could also be called C2B2C e-commerce [consumer to business to consumer e-commerce].

That is not all. Employees can be regarded as a special type of consumer. That would give rise to a new type of e-commerce : B2E [Business to Employee e-commerce].

Likewise if we consider Government to be separate entity, as also citizens, we can come up with many more types of e-commerce : B2G [Business to Government], G2B [Government to Employee], G2G [Government to Government], G2C [Government to Citizen], C2G [Citizen to Government].

The Advantages of E-Commerce:

1. With such a huge customer business, you have the potential to reach vast amounts of people. This is one of the greatest e-commerce advantages.
2. This gives you the opportunity to develop a niche market, a lot of people struggle when thinking about what type of e-commerce business models they could develop.
3. It is best to build a site around something you enjoy and are passionate about. If you collect 19th Century porcelain doles or war memorabilia. If you were to open a business where you live based around your hobby or passion the market would be very small.
4. Worldwide, there are millions of people who share your passion ! This is the true advantage of E-Commerce. The sheer amount of people online is staggering !

The Disadvantages of E-Commerce:

1. The disadvantages of E-Commerce are far and few between, plus most can be overcome !
2. The technology can be alien to someone new to E-Commerce therefore all the normal fears and self-doubt of engaging in something new and unknown apply.
3. The single biggest disadvantage of e-commerce is the loss of the personal touch.

The Future of E-Commerce:

Today the economy is still in pretty rough shape, but it's better than it was a year or two ago and that's great news! A large part of the success of this most profitable holiday season is due to the impressive amount of money being spent online. Over the past ten years, the E-Commerce revolution has transformed the way we shop to the point where you don't even have to get dressed and make contact with another human

to find a great deal. Although the amount of time and money we spend online grows every year, the E-Commerce experience has changed very little since its inception.

In the beginning, E-Commerce was touted as a “Jetsons-esque” online phenomenon that would transform the way we shop. In many ways it has lived up to that expectation, but still lacks many of the basic virtues embodied by the in-store shopping experience. For instance, if you shop regularly at your favourite boutique, chocolate or fitness equipments store, it is likely that the employees or owner will get to know you. They will remember what you have purchased, become familiar with your particular taste or workout preference and suggest items that may be of interest to you.

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