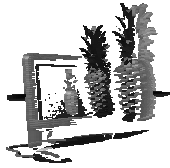


WHY E-COMMERCE



Lecture 2 – Module 2

E-COMMERCE DRIVERS

- Digital Convergence
- Anytime, Anywhere, Anyone
- Changes in Organization's Make-up
- Widespread Access to IT
- Increasing Pressure on Costs & Profit Margins
- Demand for Customized Products & Services
- Speed or Time Reduction

DIMENSIONS OF E-COMMERCE

- Business-to-consumer (B2C) – refers to businesses selling goods or services directly to the consumer.
- Business-to-business (B2B) – refers to those transactions in which all of the participants are businesses or other organizations (e.g., non-profit).

OTHER DIMENSIONS

- Consumer-to-consumer (C2C) – refers to those transactions in which consumers sell directly to other consumers.
- Peer-to-Peer (P2P) – refers to activities in which users share files and resources with each other directly without going through a central web server

STILL MORE DIMENSIONS

- Government-to-citizens (G2C) – refers to those transactions in which a government organization buys or sells goods, services, or information to businesses and citizens
- Mobile Commerce (M-Commerce) – occurs when electronic commerce is conducted via wireless communications (i.e., cellular phones and personal digital assistants)

ADVANTAGES OF E-COMMERCE

- Lower Cost
- Economical
- Higher Margins
- Better & Quicker Customer Service
- Comparison Shopping
- Productivity Gains

**ADVANTAGES OF E-COMMERCE
(Cont'd)**

- Helps People Work Together
- Creates Knowledge Markets
- Promotes Information Sharing, Convenience & New Customer Control
- Swapping Goods & Services
- Allows High Product Customization

LIMITATIONS OF E-COMMERCE

- Security
- System & Data Integrity
- System Scalability
- Not Free-For-All
- Consumer Search

**LIMITATIONS OF E-COMMERCE
(Cont'd)**

- Fulfillment
- Customer Relations
- Types of Products
- Corporate Vulnerability
- Blueprint Development
- Risk
