# e-Commerce: A Useful Concept

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### e-Commerce

Today, the human life is general and the financial word in particular has been very deep effected by the computer age, the words e-banking, e-marketing, e-shopping etc.

e-commerce means electronic commerce. We know that in commercial process different types of organizations are connected to each other, different types of transactions and commercial activities are made between them manually, but its take more time and through lengthy procedure, hence different problems are faced by organizations . Today e-commerce concept is introduced in this field it means simply we can explain that organizations doing their business electronically

e-Commerce is a new way of conducting, managing and executing business transactions using computer and tele communication networks. It is excepted to improve the productivity and competitiveness of participating business.

## Definition of e-commerce:-

1) e-Commerce means where information's, all type of data, massages are interchanged through electronic (digital ) data for commercial purpose its called e-commerce.
2) Where commercial as well as business information and all type of data, massages are sending and receiving between organizations quickly through electronic media its called e-commerce.
3) e-commerce is about doing business electronically based on the electronic processing and transaction of data including text, sound, and video.-**European commission.**

## Scope of  e-commerce:-

e-Commerce concept is very useful to all organizations today, e-Commerce is important and useful methodology which address the need of organizations, merchants, and consumers because low prices of product, to improve quality of goods and services, fast delivery and service, these aims of the organization can be fulfill if using e-Commerce facility.

Through e-Commerce.any organization can improve its productivity and competitiveness, If different organizations industries, small business, large corporators, independent interpreters and consumers join together through electronic network it means we can say that e-commerce plays an important role in the commerce successfully.

e-Commerce refers to buying and selling information, product and service via computer network so it is a modern methodology. The broad objectives of e-Commerce include reduced costs, lower product cycle time, faster customer response and improved service quality by reducing  paper work and automation. Through e-Commerce any organization can introduce the features of organization as well as product and interact customer, can make advertising, can take online orders for product, and give online customer service  and sell easily  his product electronically. Organization can collect an important information regarding market and also competitors, current rate of the other product, and can establish new strategy for the organization and can stand confidently in world market.

## Goals of e-Commerce

There are some important goals of e-Commerce

1) **Goodwill -** To make a self goodwill at overall world in a short time.
2) **Display Information -**Manufacturer can present attractive, technical and detailed information at proper time to time and can change within a short time.
3) **Saving communication expenses** – Using e-commerce technology & facilities , we can save expenses of communication and the time to contact overall the world.

**4) Increasing profit -** Manufacturer can save expenses and mediators' commission , with increasing sales and can get more profit.

**5) Service –** Manufacturer can give 24 hours and 365 days service to customer with faster orders, supply, distribution process.

## Advantages of e-Commerce:-

1) High volume per transaction
2) Secured payment system
3) Privacy of information in transaction.
4) Equality and reliability in information.
5) Work flow co-ordination.
6) New business models.
7) Improved consumer satisfaction and support.
8) Improved inventory management.
9) Saving time in transaction.
10) Improved order management.
11) Fast communication.

## Technologies used in e-Commerce

Important technologies which can fit very well within the definiations of e-commerce are

1. Electronic data interchange ( EDI)
2. Bar codes
3. E-mails
4. Word Wide Web (www)
5. Internet
6. Product data exchange

Electronic forms

## e-Business

The businessman has many competitors, hence may have a web site up and running and should perform business via the web. In order to be successful on the internet, it is essential to check out regularly your competitors on the web and to identify what those competitors are doing?. Learn what they are trying to achieve?, how do they contact with their customers?. Find out whether they are only extending their existing offers on the internet or they are creating new business.

Organizations become automate, organized, standardized and stabilized the services offered in order to create and maintain sustainable computer-mediated relationship throughout an e-business life cycle.

The concept of e-business had been invented before the internet become popular. In the 1970's e-business was already popular for financial works. But without internet e-business would not have been possible on such a large scale. Internet is the environment for the business and communication for the feature

## Definition

when businessman combine the resources of traditional information system with the vast reach of the web and connect critical business system directly to critical business constituencies – customers, employees and suppliers via internet extra nets and via the web. By connecting traditional IT systems to the web it becomes an e-business. Most companies deploy applications on the internet, making it easier to do the things you are doing.

## Importance

Organizations prefers e-business because of following importance of the e-business :-

1) **Global accessibility and sales reach-** through e-business, organization / businessman can expand their customer base, can introduce his product to various customers all over the world, and even expand his product line, and can increase the sales also.
2) **Closer relationship -** organization / businessman can develop the relationship with other organizations & customers , can approach with sellers. Businessman can grow closer relationship with them.
3) **Free sample –** Sample is important thing in the business. In e-business, product can be sampled via the web fastly, easily and free of charge .
4) **Cost –** If businessman sale his product through e-business, he can save the money by various ways and can reduce their costly production by adjusting price.
5) **Media breaks –** The internet reduces the number of media breaks that are necessary to transport information.
6) **Customer loyalty –** Through e-business organization / businessman can improve customer loyalty and service through easier access to the latest information.

In this system, transaction made between two countries, means business deal between two government or import export business between two government. Both government can interchange the business documents online, may deal, contract and also sign the contract online.

## e-Payment

Generally 3 types are available in e-payment system

1. Pre paid – through this way smart card, cyber coins, e-cash system is used
2. Instant paid – internet cheque, net-cheque , electronic cheque are used
3. Post paid – credit cards are used
   .

## e-Credit accounts and e-Money/Cash

e-Cash is a computer generated system which allows items to be purchased by credit card, cheque or by money order, providing secure on-line transactions and processing.

## Digital signature

section 5 of IT act is related to legal recognition of digital signature Where any law provides that information or any other matter shall be authenticated by affixing the signature or any document shall be signed or bear the signature of any person then notwithstanding anything contained in such law such requirement shall be deemed to have been satisfied, if such information or matter is authenticated by means of digital signature affixed in such manner as may be prescribed by the Central Government.

## .e-Business communication

The internet started as a communication medium and any type of business, which we can see today, requires at least a minimum of communication between the involved parties. Even through this communication may be automated and between computers only, without it the business can not be executed.

The basic communication features of the internet; mail, news and chat ate still the most used applications and will remain to be the number one in the feature, as well.

**Effectiveness of the business communication**

1) Talking to customer – Fast and effective communication with customers is very important in commerce. Typical communication between a company and customer is done either via normal mail, a phone call or through e-mail. Although this is very effective in theory, it is possible to offer customers even better service by offering direct communication through

online chats. The advantages of online chats are that customers are able to help each other without contacting the company. It is possible to deal with more customers, requests at the same time. Online chat offers written communication, which is done in real-time.

2) Interacting with partners - interaction with partners can be done over the same channels as the contact with the customers, but due to security reasons and traffic more complex methods of communication are involved. As information shared between partners, needs to be treated confidentially, the communication channels need to be secured by encryption. In addition to this documents are being shared among the partners, making light-weight online text services.

3) Moderating online meetings – the internet and its technology offer a great set of solutions for creating effective meetings. The solution on the internet includes newsgroups where people can take part in a meeting on a certain topic. This technology is proved to be very effective on the internet; they do not truly represent a meeting, where decisions have to be made within a certain period of time. On line chats are getting closer to a virtual meeting, where all participants meet in a chat room to discuss a certain topic  in real-time.

## e-Banking:-

1) e-banking means electronic banking, whenever bank serving their customer through electronically and when receipts and payments and another banking transactions can make through computer network its called e-banking

**2)** Whenever bank customer withdrawal or deposit cash and all related  banking transactions performed without paper and physical visit in bank its called e-banking.

## Use of e-banking:-

e-commerce effect banking in several ways, we know that any transaction in e-commerce can not fulfill without cash or through bank. Therefor to complete the transactions of commerce , every organization, business, merchants and consumers are customer of the banks, hence, to provide banking services to bank customer easily e-banking concept is developed and  banks can offer new channel for serving their customers through e-banking.

We know that in e-commerce businesses, suppliers, distributors and customers are deal directly through electronic forms instead of routine work like bills, invoices, challons through banks but now banks provide their services through In e-banking means electronically. The customer can use credit card, ATM, can use bank account number and payment is deducted directly from the customer account by charging nominal fees, for this purpose banks provide electronic cash and secure payment system.

## Advantages of e-banking:-

1) The customer of bank can perform banking transactions for 24 hours.
2) No need of personal visit to bank.
3)  Customer can access and operate one's account form any where in the global.
4) Customer can save his valuable time.
5) The requirement of staff at bank gets optimized.
6) E-Banking efficiency and speed is very high.
7) All transactions can secure in e-banking.
8) All transactions can keep privacy in e-banking.
   No need to carry hard cash any where..

## Electronic CRMC

Rapidly changing technology and increasing reliance on the web, lasting customer relationship are critical to thrive in marketplace. Reorganizing a company has become competitive

has become competitive mandate, not a option. e-CRM is just a right way to go about it. The need for e-CRM is directed primarily by the new global electronic economy,

Analysts predict that CRM will be the hottest selling business application of the early 21st century. This prediction is based on the growing need for company's influence of the internet as vehicle purchasing goods and service is only likely to accelerate that need transiting from normal CRM to e-CRM.in a scenario of shifting brand loyalties, with more and more products becoming commodities, it has become very important for companies to be customer centric in order to remain competitive in the market place.

## Need for electronic CRM

The need for e-CRM is directed primarily by the new global, electronic economy. In the old offline business mode, the company reached out to it's customer. In the new Net economy, the customer is reaching into the company, just as a business world have to find a way to service a rush on its brick and mortar storefront, today's business has to find away to service the rush on it's click and mortar storefront. In other way to say it has find a way to outward face and automatic marketing sales and service functions so that the customer is easily able to serve. And even sell himself with a high degree of satisfaction.

In e-CRM added many new opportunities and challenges. The 'e' create an 'anytime, anywhere, through any medium of communication 'that is on of the challenge. The next challenge is the increasing realization that e-CRM is a process of high velocity and real-time. Thus e-CRM is an enterprise's comprehensive relationship management strategy.

e-CRM means placing the customer at the center of everything that organization seek to provide and accomplish.

## e-Security

Security is the protection of any computer device, communication device or network from unauthorized access to data, viruses etc. security system is the most important aspect of e-commerce solutions. Without security you do not have a system, you have a liability. Security is typically defined for computers, networks, users, applications and even down to specific transaction.

Security has several different aspects, access, data, protocol, information and transaction. All security systems address two or more of these categories. Today we take a lot of security for granted, credit card transactions in the store, at super shops, ATM's etc.

## e-Markets

1) When any manufacturer or producer sale his product /service through electronic media its called electronic marketing.
2) Whenever Manufacturer introduces his product /service on network for selling purpose and whenever, all selling procedure has completed through electronically its called e-marketing.
3) When all marketing functions are fulfilled through electronic media is known as e-marketing

## Use of e-marketing:-

We know that any manufacturer or producer invest large amount for manufacturing purpose and introduce the product in the market and also spend amount on marketing because, to sale product quickly in the market , to earn more profit , to create a goodwill and monopoly position in the market. But while obtaining these goals, manufacturer face many problems like-heavy and unhealthy competition between manufacturers, distance between manufacturing place and market, critical distribution channel, transport problem, costly advertising, changing consumer choice, Govt. policies, labor problems  etc. And avoid these difficulties manufacturer expect to contact directly with the consumer without any chain of distributor and it is possible through e-marketing concept.

## Advantages of e-marketing:-

1. Direct contact between manufacturer and consumer through e-marketing.
2. Consumer can gets the detail information regarding the product or service on network
3. Due to verity of products the customer has the choice to select the product up to his satisfaction because of e-marketing.
4. Large market area i.e. w.w.w. area is covered by manufacturer through e-marketing.
5. No chances of misappropriation with the customer because legal support provided by the Govt. like I.T.Act 2000.
6. Consumer can place an order of product and pay amount through electronic media so that both parties save their time.
7. New inventions are made in the product continuously by the producer and it is displayed on network and consumer get advanced and up to date product.
8. If the customer arises any doubt or difficulties can be solved through on line.
9. The bad dates are rarely happens in e-marketing concept.

## Online shopping

Online shopping seems to be breaking down into two categories: commodities and special items. Customer can purchase through online shopping facility. Through shopping directories, Customer can get a list of shops on net. Indian as well as foreign web sides are available on the net. For Indian shops www.ijaal.com/shopping/indian s.htm web site displays a list of shops. Books, furniture, musical instruments, jewelry, cloths, electronic instruments, T.V vegetables, provision items, flower bookie and even foods can be purchased by customer. This shopping web site gives discount to the visitors. Customer can place an order online and get service at home. Online shopping is beneficial to the manufacturer, trader as well as customer.

## Online purchasing

Customer can use online purchasing facility. When customer wants to purchase a particular item in the limited time, it means customer can purchase the things without any help. Because customer can get all type of services on line, detail information about product, picture view of the product, technical information, utility, maintenance, price, weight, colors, payment system, loan facility, delivery of the product. He can compare all these things with the other products. Purchaser can pay amount through the credit card or by D.D.

## Electronics market

Manufacturer use the marketing techniques to sale his product online. To attract customer, the manufacturer try to solve the following questions

- Product specification
- Price
- Delivery information
- Product options
- How to use Product
- Testimonials from satisfied customers

## Conclusions

1) E-Commerce is a global concept, it allows storing the data, process the data, exchanging the data and resulting oriented concept to everybody, anywhere and anytime.
2) The customer as well as businessman can receive valuable information about the market in short time with low cost.
3) E-Commerce playing an important role in every aspect and creates a world market for Business, Manufacturer, Distributers, Suppliers, Marketers and Customers.
4) E-Commerce concept introduced various time saving techniques and provides excellent service in different ways, which saves time and money.

5) Using e-commerce technology & facilities, we can save expenses of communication and the time to contact the world.

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