Introduction to eBusiness

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References:
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3. Budd, Leslie; Clear, Fintan. 2003. e-Business Fundamental: The Business Environment for eCommerce. Taylor and Francis e-Library.
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Learning Objectives

Students will have an understanding of

- The meaning of eCommerce and eBusiness

- Technology trends that have enabled IT-based innovation in business

- The obstacles and real-world limitation have slowed the pace of implementation for IT-based innovations

- The reason why eBusiness demand new skills and thinking

Background

- The hype of dotcom bubble

- Internet improves the way we operate our business

eBusiness vs eCommerce

eCommerce

eBusiness
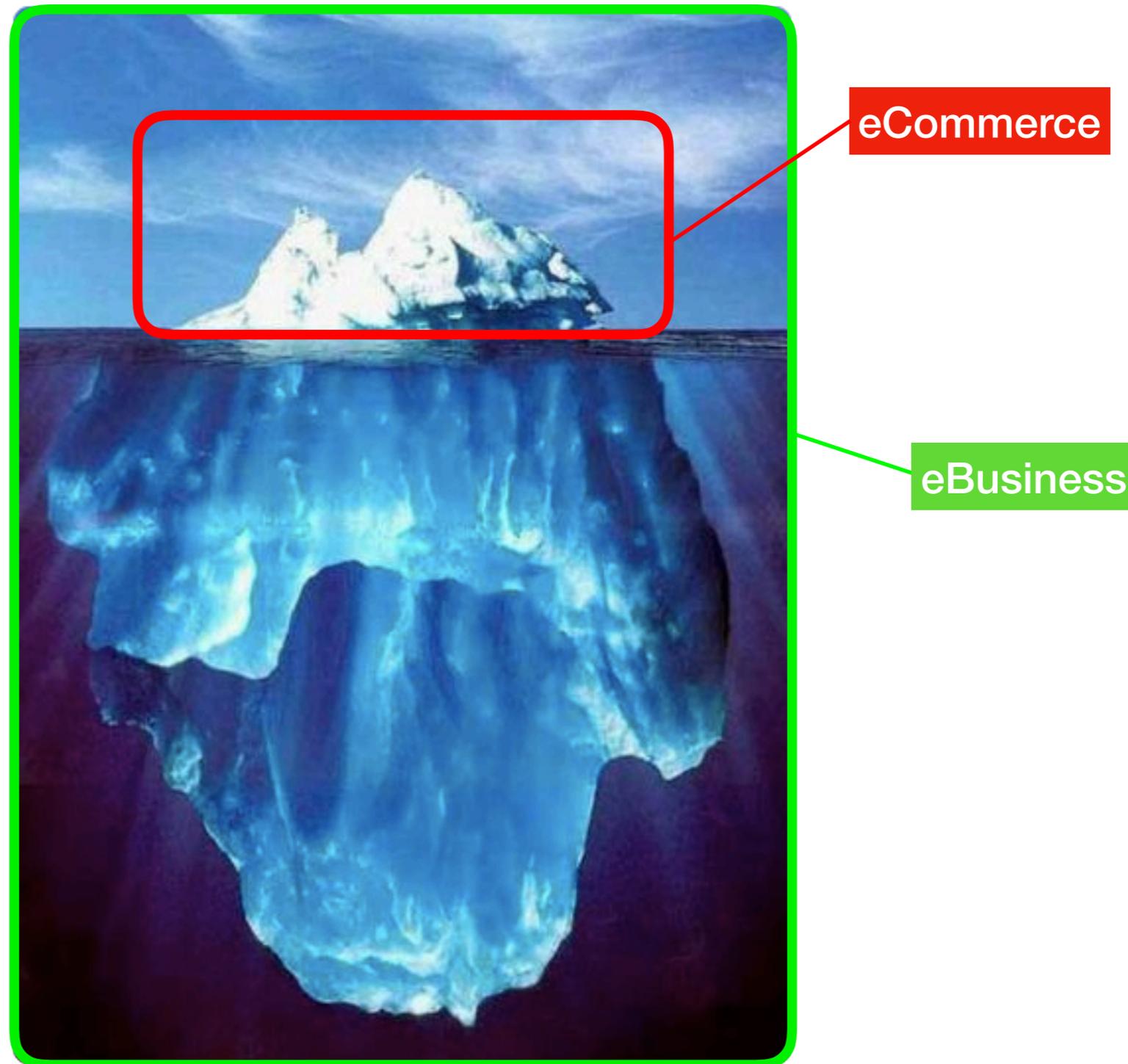
Examples of eCommerce Tasks

- Informing a Customer of a product's existence

- Providing in-depth information about the product

- Establishing the costumer's requirements

- Performing the purchase transaction

- Delivering the product electronically if the product happens to be software or information

- Providing customer service electronically

(Alter, 2002)

eBusiness

web-based sales transactions

web-based customer service information

web-based marketing information

product design system

inventory control system

recruitment system

financial system

planning system

order fulfillment system
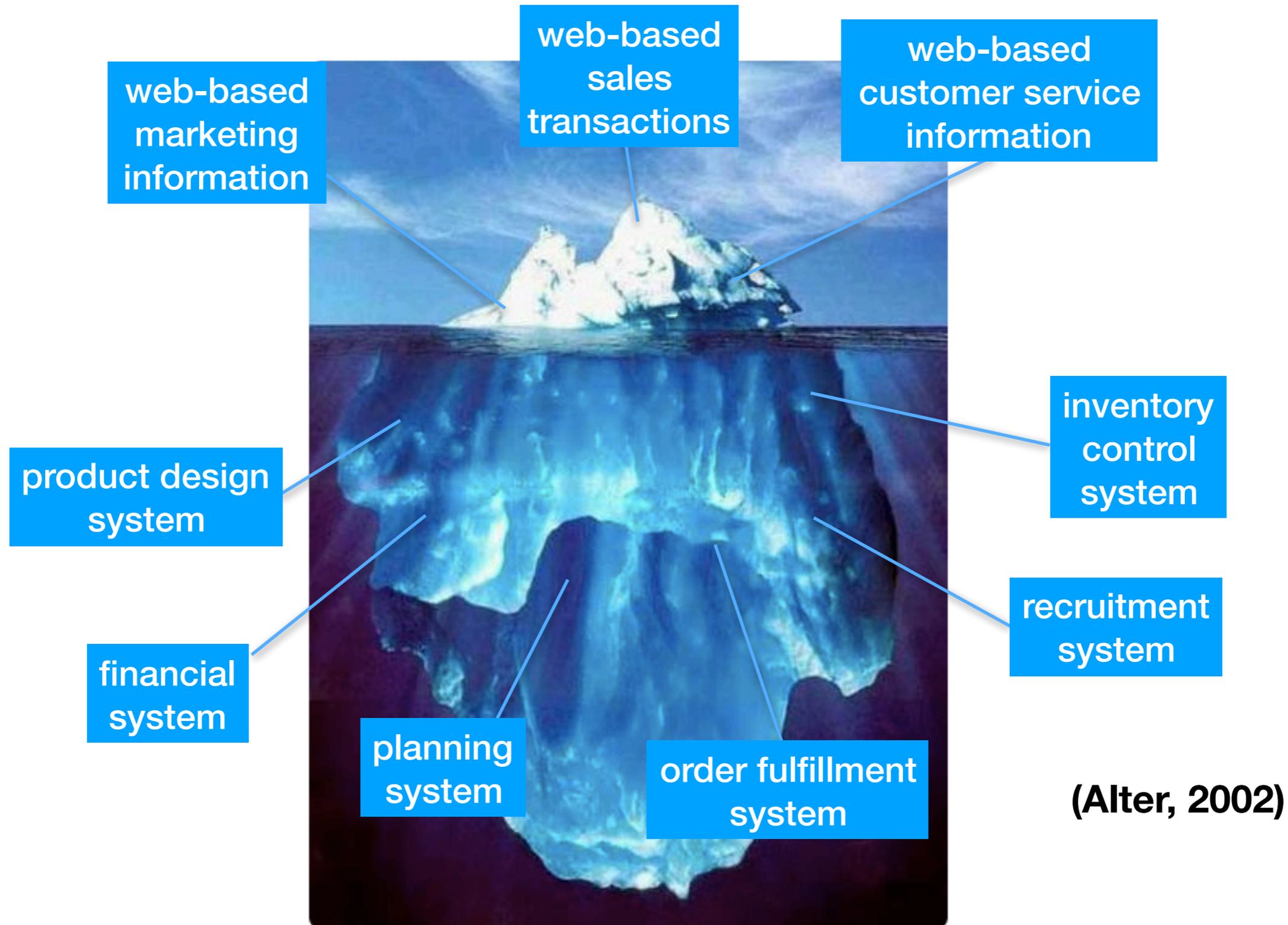
(Alter, 2002)

eBusiness definition

eBusiness:

The practice of performing and coordinating critical business processes such as designing products, obtaining supplies, manufacturing, selling, fulfilling orders, and providing services through the extensive use of computer and communication technologies and computerized data.

(Alter, 2002)

eBusiness Features

- Makes greater use of electronic devices in the processing and communicating of data

- Allows increased integration of databases and hardware devices

- Enable users to engage interactively with systems and services - for instance, to purchase goods, check on orders, or collaborate in virtual teams or communities

(Jackson and Eckersley, 2003)

eBusiness Classification

	FROM: Business	FROM: Consumer
TO: Consumer	**B2C** *Organizational sites* (Dell, Amazon) *Consumer market places* (Kelkoo.com, Shopsmart.com)	**C2C** *Auctions* (QXL, Ebay) *Consumer reviews* (Bizarre.com)
TO: Business	**B2B** *Organizational sites* (Dell) *Business market places* (CommerceOne, VerticalNet)	**C2B** *Customer bids* (LetsBuyIt.com, PriceLine.com)

(Chaffey, 2002) in (Budd and Clear, 2003)

eBusiness
Extended Classification

		Service Consumer		
		Consumer	**Business**	**Administration**
Service Provider	**Consumer**	**Consumer-to-Consumer (C2C)** e.g., classified ad on a personal homepage	**Consumer-to-Business (C2B)** e.g., web page with personal ability profile	**Consumer/Citizen-to-Administration (C2A)** e.g., citizen evaluates public environment project
	Business	**Business-to-Consumer (B2C)** e.g., products and services in one eShop	**Business-to-Business (B2B)** e.g., order with suppliers (supply chain)	**Business-to-Administration (B2A)** e.g., electronic services for public administration
	Administration	**Administration-to-Consumer/Citizen (A2C)** e.g., possibility of electronic elections	**Administration-to-Business (A2B)** e.g., public advertisement of project plans	**Administration-to-Administration (A2A)** e.g., forms of cooperation in virtual communities

(Meier and Stormer, 2009)

Consumer (Private Persons), Business (Companies), and Administration (Public Institution) can be both service providers and service consumers

IT Usage on
Grocery Store's Customer Checkout System

- It **captures** data using the barcode

- It **transmits** data to a computer that look up the item's price and description

- It **stores** information about the item for calculating the bill

- It **retrieves** price and description information from the computer

- It **manipulates** the information when it adds up the bill

- It **displays** information when it shows each price it calculates and prints the receipt

(Alter, 2002)

Functions of IT:
Six Basic Data Operation

Function	Definition	Technologies used to perform this function
Capture	Obtain a representation of information in a form permitting it to be transmitted or stored	Keyboard, barcode scanner, document scanner, sound recorder, video camera, voice recognition software
Transmit	Move information from one place to another	Broadcast radio/television, cable TV, satellite broadcast, telephone networks, data transmission networks for moving business data, email, voice mail, internet
Store	Move information to a specific place for later retrieval	Paper, computer tape, floppy disk, hard disk, optical disk, CD-ROM, flash memory
Retrieve	Find the specific information that is currently needed	Computer software (search engine, browser, directory/file finder)
Manipulate	Create new information from existing information through summarizing, sorting, rearranging, reformatting, or other types of calculations	Computer software (pdf converter, dashboard system, image editor, language translator, file encryptor, text summarizer, …)
Display	Show information to a person	Laser print, computer screen

modified from (Alter, 2002)

IT as a Driving Force for Innovation

- Greater miniaturization, speed, and portability

- Greater connectivity and continuing convergence of computing and communications

- Greater use of digitized information and multimedia

- Better software techniques and interfaces with people

Why eBusiness Project Fail

Phase	Common Reasons for Project Failure
Initiation	• The ecommerce approach might have too little support among company employees and managers who traditionally did their work in a different way • The system seems too expensive to finance
Development	• It is difficult to define the requirements • The system is not technically feasible • The project is too difficult for the technical staff assigned
Implementation	• The implementation of modified internal work systems might involve too much change to absorb easily • Potential users dislike the system or resist using it • Too little effort is put into the implementation
Operation and Maintenance	• System controls are insufficient • Too little effort goes into supporting effective use • The system is not updated as business needs change

(Alter, 2002)

eBusiness Obstacles in The Real World

- Unrealistic Expectations and Techno-hype

- Difficulty Building and Modifying IT-Based Systems

- Difficulty Integrating IT-Based Systems

- Organisational Inertia and Problems of Change

- Genuine Difficulty Anticipating What Will Happen

(Alter, 2002)

Thank You