

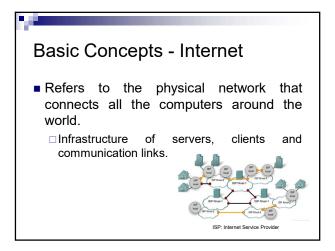
Contents

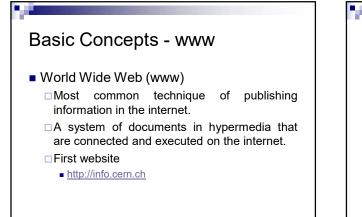
- Basic Concepts
 Definitions and features
- Structure and work fields
- Benefits and Limitations
- Contributions from e-commerce to the companies

Learning Outcomes

- Define the meaning and scope of ebusiness and e-commerce and their different elements.
- Summarize the main reasons for adoption of e-commerce and e-business and barriers that may restrict adoption.

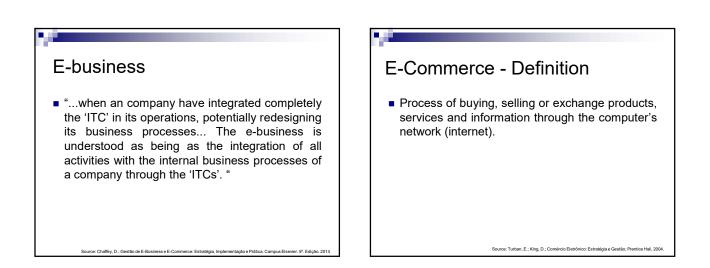


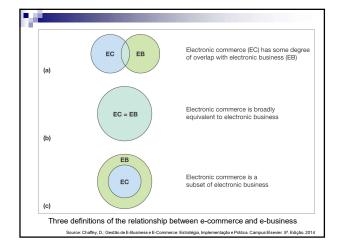


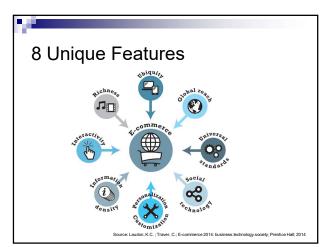


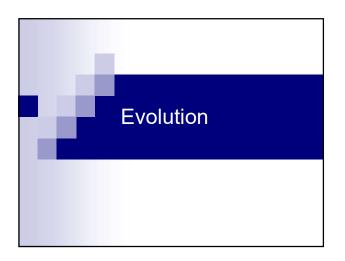
Some important marks

- 1994 Amazon
- 1998 Google
- 1999 MySpace
- 2001 Wikipedia
- 2004 Facebook
 2005 YouTube
- ???

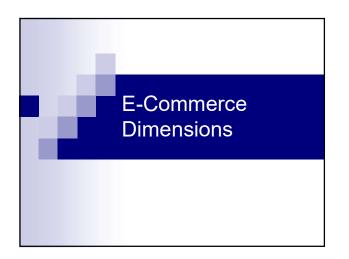






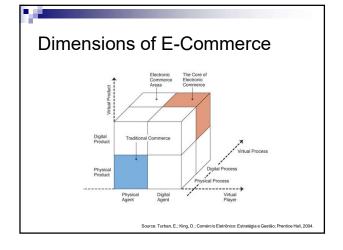


Evolution Stages						
Stages	1. Early		2. Integrating		3. Advanced	
States	Access	Publish	Transact	Integrate Internally	Integrate Externally	Adapt Dynamically
Profiles	Computerized establishment May use the Web for e-mail and may support a simple homepage	Maintains a multi-page Web-site Use the Web for e-mail, one-day communication or publishing of business information	Uses the Web to enable clients to execute one- way or two-way transactions against core business systems	Uses the Web to improve and/or integrate core business processes within the enterprise	Uses the Web to integrate business pro- cesses across enterprises	Uses the Web as the foundation for existing in a digital community



Dimensions

 Based on the degree of digitalization of product, process and player (agent).



Dimensions of E-Commerce

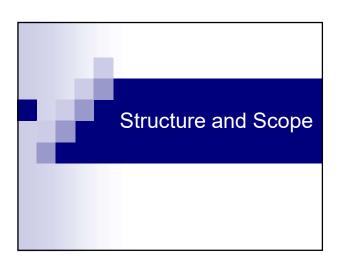
- Traditional commerce :
 - \Box All the dimensions are physical.
 - □ Brick and cement companies.
 - $\hfill\square$ Organizations of old economy (corporations).
 - $\Box\operatorname{\mathsf{Execute}}$ all business offline.
 - Sell physical products through physical agents.

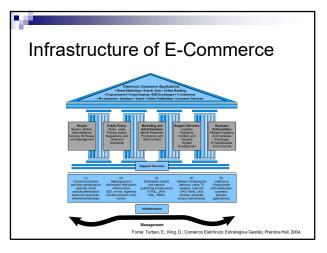
Dimensions of E-Commerce

- The core of e-commerce:
 - $\hfill\square$ The three dimensions are digital.
 - □ Online companies (virtual).
 - \Box New economy companies.
 - \Box Sell products and services only online.

Dimensions of E-Commerce

- Partial (e-commerce areas):
 - □ Includes digital and physical characteristics.
 - $\hfill\square$ 'clicks and cement' companies
 - $\hfill\square$ Performs some e-commerce activities.
 - □ The activities are focuses on the physical world.





Scope

- E-commerce applications are supported by 5 main areas:
 - □ People
 - Public politics
 - □ Protocols and technical standards
 - Business partnerships
 - □ Support services

- People
- Sellers
- Buyers
- Intermediates
- Workers
- Others

Public Politics

- Involves legal and political aspects
 Privacy issues
 Security
 - Consumer rights
 - □Etc.

Protocols and technical patterns

Patterns and protocols for:
 Payment effectuation
 Online banking movement
 Etc.

Business partners

- Joint ventures
- Exchanges
- Commercial partnership

Support Services

- Marketing and advertisement
- Electronic payment
- Logistics

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- Security/Privacy
- Decision support



Benefits of e-commerce

- For the companies
- For the customers/consumers/users
- To society

Benefits to the companies

- Expands the market scope.
- Reduces the cost of creating, processing, distributing, storing and retrieving information.
- Allows reduced inventories and overhead by facilitating "pull" type supply chain management (on demand).

Benefits to the companies

- The on demand process allows the customization of products and services.
 A really good advantage against your competitors.
- Reduces the time travel between capital disbursement and the products and services received.
- Supports business process reengineering.

Benefits to the customers

- Allows of buying or establishing others transactions 24 hours every day, every year in any location.
- Provides more choices possibilities.
- Provides less expensive products and services by allowing them search for several places and conduct comparisons quickly.

Benefits to Customers

- Allows a faster products and services delivery, especially the digital products.
- The customers can receive relevant and detailed information just in a few seconds, instead of days and weeks.
- Allows virtual auctions participations.
- Allows interaction with others customers in electronic communities to trade ideas and experiences.

Benefit to Society

- Allows more individuals to work at home, and to do less traveling for shopping, which reduces the traffic jams and air pollution.
- Allows some merchandise to be sold at lower prices, benefiting poorer people.
- Enables people in Third World countries and rural areas to enjoy products and services which otherwise are not available to them.
- Facilitates delivery of public services at a reduced cost, increases effectiveness, and/or improves quality.

Techical Limitations.

- Lack of universal standards for quality, security and reliability.
- Insufficient telecommunications bandwidth.
- The internet access is still expensive and not so simple.

Non-Technological Limitations

Security and privacy

- The lack of reliability in the e-commerce.
- Many unresolved legal issues
- It is difficult to evaluate the e-commerce benefits, like online advertisement efficiency. There is no established methodology.
- Some customers like to touch and feel the products.

