

Ecommerce

Electronic commerce description with CRM

INITIATED BY IBM MARKETING AND INTERNET TEAM IN 1996

Normally, we share our documents through email or public cloud over the internet; if we share business information over the internet we name it as E-Commerce.

As per American National Standards Institute (ANSI) , E-Commerce is a Electronic data interchange (EDI) using computer – to – computer communication with a standard data format .

The main objective of the EDI is the elimination of paper work and enhances efficiency and response time.

E-Commerce or Electronic Commerce is the procedure of buying or selling through the e-commerce web site or for example through a virtual shop. The buying or selling normally done without using paper documents.

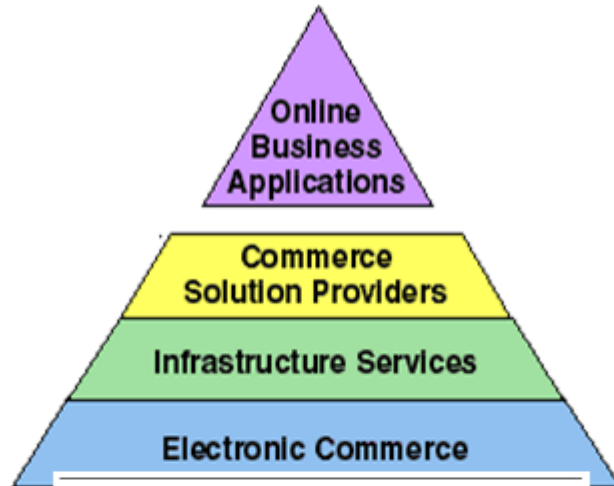
It is the sharing of business information using electronic formats that includes e-mails, online e-news and e-FT (Electronic Funds Transfer). E-Commerce is basically a paradigm shift of legacy paper-based work flow with a comprehensive, sophisticated, faster and reliable communications in-between interconnected intranet , Internet or [cloud systems](#) . Ecommerce infrastructure can work either through [Wired](#) internet systems or through [wireless network systems](#) .

Many resellers use an e-commerce website to take advantage of more and more inter-connection to consumers making a good products supply line for them.

E-commerce is an ever-growing way to buy sell or advertise of products because advertising over the internet is also a very useful tool, websites charge business to advertise on their websites for commission.

E-Commerce applications built on the existing technology infrastructure

As mentioned in diagrams below, it shows a pyramid of multi-tiered e-commerce infrastructure and a three-dimensional e-commerce infrastructure.



E-commerce can be subdivided into four categories: business to business or B2B (Intel processors, Cisco, AMD), business to consumer or B2C (eBay, Ali baba), and consumer to consumer or C2C (OLX, quikr). , C2B (free lancing)..

We can refer Consumer as Citizen as well .

B2B(Business-to-Business) In B2B, decision is based on credit, or in other words B2B concepts we used for reoccurring purchases. Companies like Cisco doing their business with local vendors, i.e. manufacturers selling to distributors and wholesalers selling to retailers to make long lasting relationships. Pricing is often negotiable and based on based on quantity of order.

Five Key Components of Successful B2B Commerce

- Meeting buyer expectations for better online experience
- Making multiple pricing options and product combinations for quoting and ordering
- Making separate and dissimilar product offerings and pricing, quotation and contracts
- Supporting complex buying cycles and selling execution across multiple channels and markets
- Implementing a single, global platform that can adapt to local market execution

B2C (Business-to-Consumer) A B2C business, for example Alibaba , is one that sells products or services directly to the consumer. B2C uses normally a secure and comprehensive e-commerce website for selling to the consumer or citizen typically through e-catalogs and shopping cart software.

C2C (Consumer-to-Consumer) OLX is a good example to understand where person-to-person transactions take place every day, there are many sites offers free advertisements, auctions, and forums where consumer or citizen can buy and sell their new or used products online.

C2B (Consumer-to-Business) Like in E lance or Free Lancer, a consumer submits his/her project within a set budget online and within set hours/days. Usually companies evaluate the consumer's requirements and then bid on the project.

Similarly , as we say there is no limitations after the reveal of secrets of internet , some other business types in E-commerce also are now injected into our world , a few of these are :

- **Government to government (G2G)** is data accessing or sharing process in between government departments. The main objective of G2G is to improve communications which support e-government initiatives.
- **Government to Employee (G2E)** is the process to minimize the delay in any task or process to improve efficiency and make it effective. The main objective of G2E is to satisfy the employee. Government agencies adopt commercial best practices in specific operational areas through G2E model, such as supply chain management, financial management and knowledge management.
- **Business to Government (B2G)** is basically a variation in B2B, the main objective of B2G is that businesses and government agencies can use central Web sites to exchange information for business activities with each other more efficiently and effectively.
- **Government to Consumer (G2C)** is used to build the relationship between public administration and citizens. The objective of G2C is to pass on any demand of information coming from the citizen in any life situation or transfer of any official document to the citizen.
- **Consumer to Government (C2G)** is used to citizens interaction with government. The main Objective of C2G is to pay taxes electronically, i.e. e-filing.

Using QR codes for e-commerce

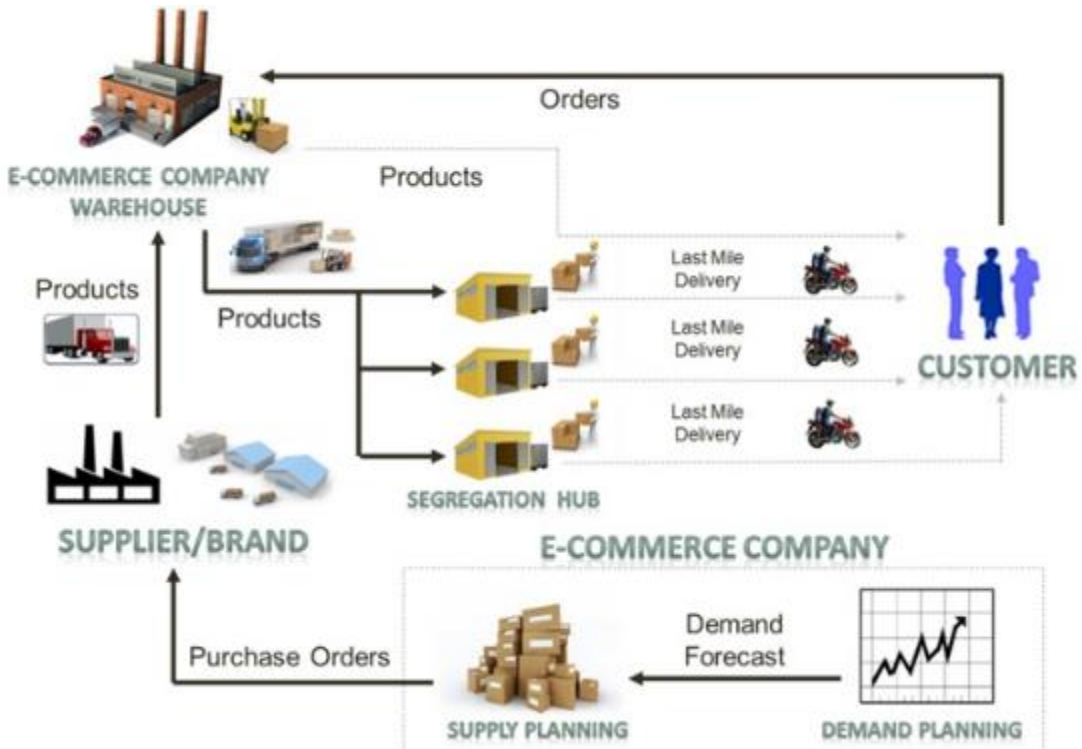


Defining *QR codes*, it is a procedure to direct a mobile device to a particular website from physical items such as product tags, printed promotional materials and packaging through an application (QR Scanner).

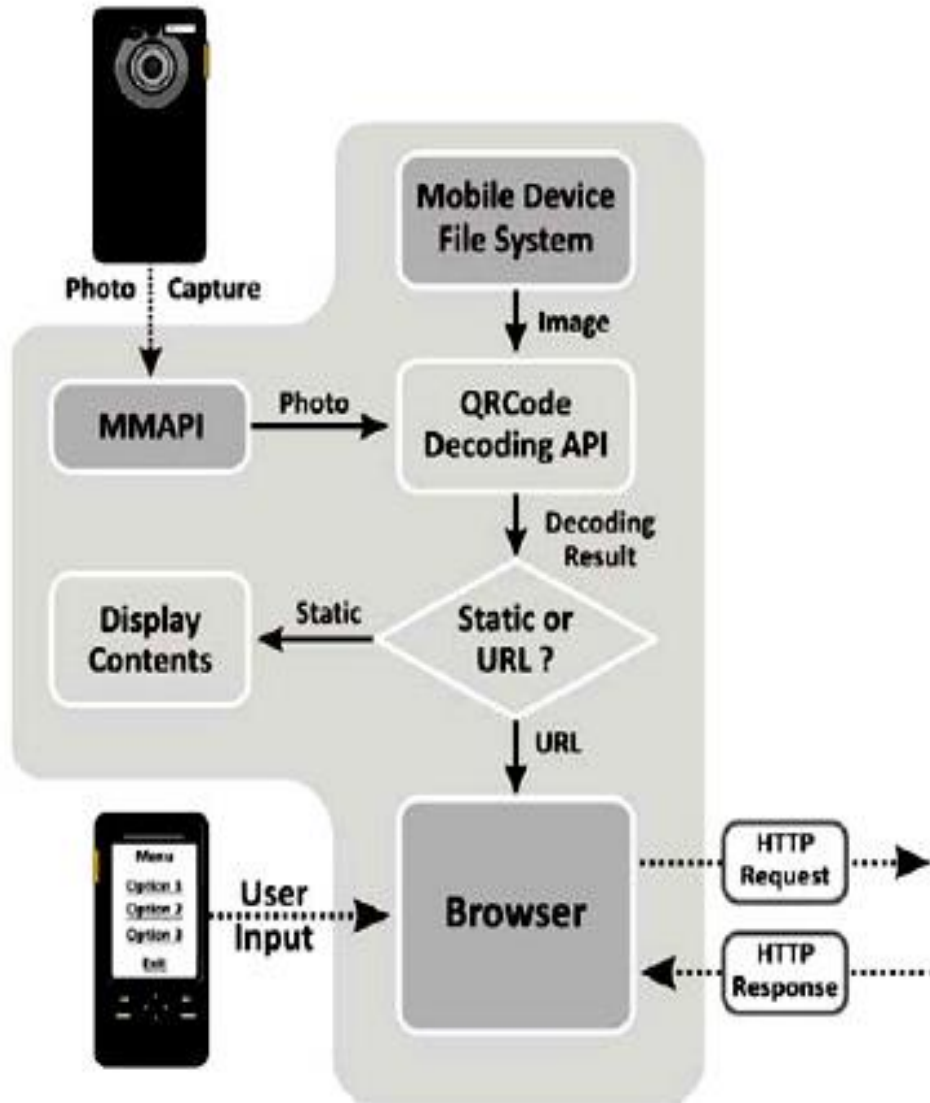
It was first invented for the use in inventory tracking by Japanese company Denso Wave, now it has been spread worldwide. The small printed boxes, technically called matrix barcodes, are somehow similar to the standard bar code seen on consumer goods.

Functionality

The code contains the information that may include any number of details. For example, a correctly formatted QR code can divert a mobile device to a particular website for scanning, which can help ecommerce store owners to drive traffic. The scanning process uses a software available for android or iphones to send a customer directly to a product page or PayPal "Buy Now" payment page, to use them in conjunction with promotional inserts about a specific product.



How are they created?



ADVANTAGES AND DIS-ADVANTAGES OF E-COMMERCE

ADVANTAGES:

- Fast buying/selling procedure, easy to find products.
- 24/7.
- No issue where the product belongs to , i.e. no geographic limitations ..
- No requirement of physical set-up , similarly no travelling for consumers.
- Simple to start and manage a business with an e-commerce website.

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DIS-ADVANTAGES:

- Any person either his/her profile is good or bad, can start a business. A bad business guy can take consumers money without delivering product. .
- In case, there is no guarantee of product quality.
- Bad communication setup can cause e-shopping process fail..
- As number of hackers seating to take opportunity on any loophole. An ecommerce site, service, payment gateways, all are always on risk of attack.

Industry specific web resources

M-Commerce

Like E-commerce, M-Commerce is the procedure of buying and selling of goods as well as services through mobile networks. In simple words, a form of e-commerce that takes place over wireless mobile devices is m-commerce. M-commerce can be established through [WAP \(Wireless Application Protocol\)](#). Either it may be GSM or WLAN.

E-Advertising

Online advertising is the procedure of informing more and more consumers. Google AdWords is the awesome answer of online advertising to:

- Attract more customers
- Reach the most people in minimum elapse of time
- Advertise either locally or globally

E-Cash

E-cash services means the provision of a private and secure method of transferring funds from a mobile account or credit card to online vendors or individuals

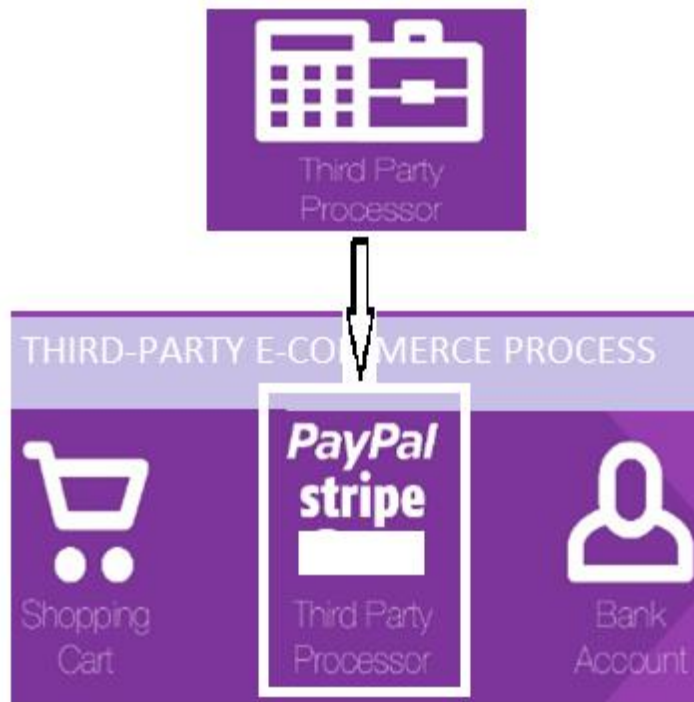
E-Banking

Now-a-days, e-banking is the most successful way for online businesses. It allows consumers to access their accounts, anytime from anywhere, to execute orders through a simple net banking website.

E-Marketing

E- marketing is one of the best way to get desired results fast which legacy forms of marketing cannot do. In traditional marketing, we have to conduct surveys. On the survey basis, we have to process that survey reports to prepare reports. Based on reports we have to take decision implement them or not, which takes a lot of time. E-marketing is a real-time need approach based on customers' demands, companies can make decision even with the changed demands of consumers within the company to react in real-time.

Standard E-Commerce Business Process Vs. Third-Party



COMBINATION OF PAYMENT GATEWAY AND MERCHANT ACCOUNT FORMS E-COMMERCE
THIRD-PARTY PROCESS

Advantages and Disadvantages of Standard and Third-Party E-Commerce business Process.

In Standard we can have:

1. Low Transaction Fees
2. It is more professional as compared to third party
3. Recurring billing is also simple
4. Disadvantage is that it requires SSL on site and we have experience complicated website setup process.

In Third-party we can have:

1. Higher Transaction fees
2. It looks immature way of start your business
3. Complicated Billing process (in case of Shopify , it charges 14\$/Mo)
4. The only advantage is that there is no SSL requirement and it is easy to implement.

HOW TO MAKE E-COMMERCE WEBSITE

Step #1 - Choosing Product & It's Industry

Choosing product and its Industry is sometimes one of hardest steps to start e-commerce website. Selecting the right product to sell online can have a big impact on successful ecommerce website. Today, millions of different products available, among these we have to select which ones to sell?

Here are a few ideas to consider when choosing an industry and product.

1. Price
2. Shipping Size
3. availability
4. margin

Step# 2 - Finding Manufactures with Great Products

Google shopping is common idea to get advertised products. Whereas online directories of suppliers are also available, two of these are:

- [Worldwide Brands](#) –millions of products available (with a \$299 membership fee)
- [Wholesale Central](#) – around 1,500 supplies having 700,000 products (membership is Free)

Step#3 – Setting up the Website

The last step is setting up a website. We can start it by choosing an ecommerce Platform (ecommerce Cart),it can be [Shopify](#) or [opencart](#) .

2nd method of making a website is with a customized way. As every website needs a domain name for their brand and server for hosting, it also needs what we called SSL (secure sockets layer). SSL is a certificate to encrypt sensitive data such as credit card numbers and personal information.

The process of getting a domain name, hosting account, and SSL Certificate is easy. Recommended companies for all those is [BlueHost](#) or [GoDaddy](#).

Logos and Web Design makes a huge impact on promoting the product. Further, we can start

using free WordPress themes to make customized website or we can also purchase a Website Template, available at online marketplaces such as [ThemeForest](#) , which offers thousands of different templates for websites.

One most important thing we have to keep in our mind is that with Shopify we HAVE TO PAY GODADDY alongwith SHOPIFY (STARTING FROM \$14 /mo)



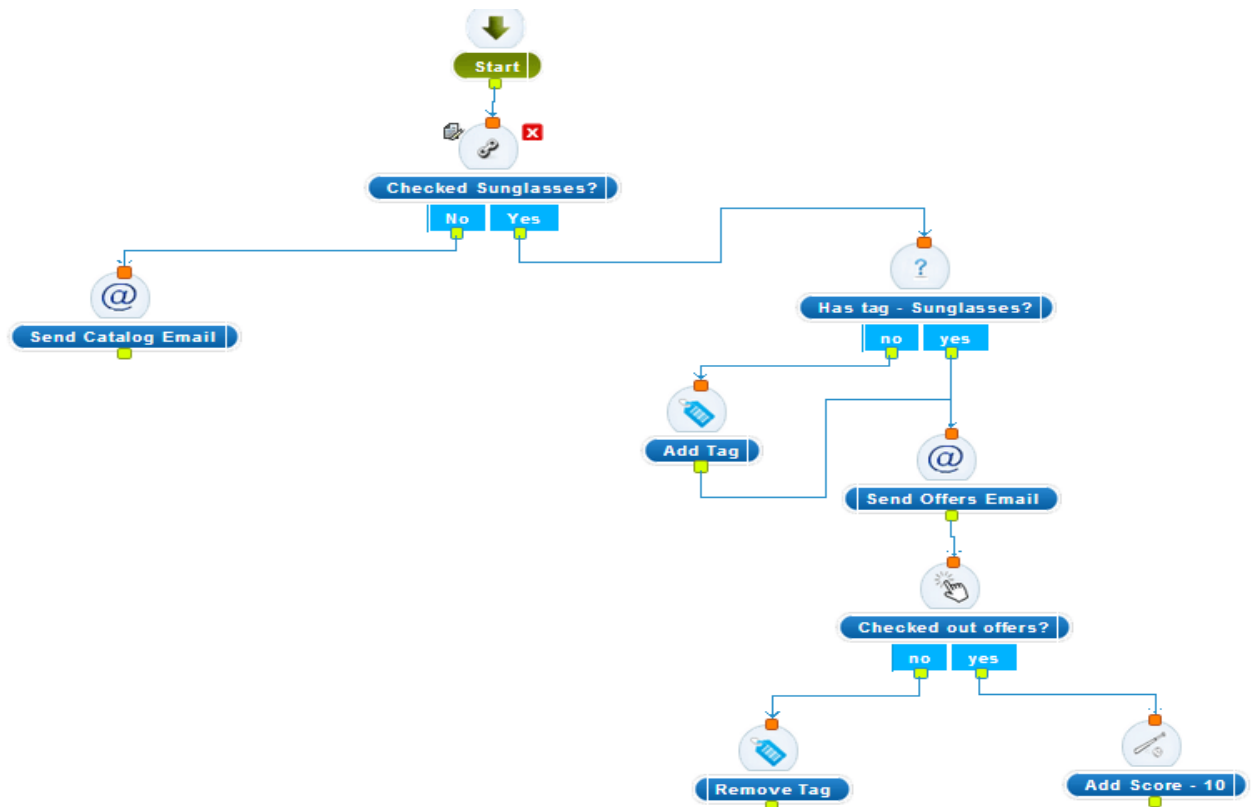
Customer Relationship Management (CRM)

Why CRM for Ecommerce?

The answer is because we can achieve our selling/purchasing target on time, some of the methods for achieving targets through CRM are :

Online Engagement – by this method we can show related products online to ask for feedback or offer discount at right time with smart popups etc.

Smart Campaigns- often businesses launches campaigns for their product , usually for a short period of time , with ecommerce CRM we can Send newsletters and coupons in short time based on user's interests and can increase our sell .



Marketing Automation – through Automation technique , we can build super smart campaigns within minutes with campaign designer along with customization in automation based on online surveys .

Targeting isolated customers- using CRM , we can Convert our discouraged customers into paying customers .

A CRM system allows us to store and manage the **SPECIFIC** data obtained through relationship among customers, we use data to improve your business in specific ways.

CRM is the way of getting the right information to the right person at the right time

We utilize CRM (for Ecommerce website) as a business strategy to identify, acquire and retain profitable customers where the focus is to put the customers at the center of the business.

OR

It is about freeing employees from time consuming processes and empowering them with the information that they need to focus on selling effectively and delivering quality customer service

Deciding the need of specific CRM Module

The first and important thing we should keep in our mind is that Customer Relationship Management or CRM comes with different approaches with the different needs.

CRM is a procedure which business owner or executive must know before spending a time on selecting or implementing a CRM System.

Often, two apparently similar CRM systems that one would work much better for the company than the other and would provide a significantly more rapid ROI. So, choosing the right CRM system for the company will provide a strategic business advantage over our competitors. Choose the wrong CRM system and could end up wasting significant amounts of time and money.

CRM Success Factors

1. Know about a successful CRM project - that is more about business strategies and improving business processes using technology.

It is really a methodology for how to do business. The successful project allows us to focus on how to use technology to serve our customers better. We can analyze, refine and automate our business processes that can significantly narrow the gap.

2. Involving senior management

The chances of success could be increased dramatically when senior management fully understands and embraces company's CRM initiative as of key importance to the business from a strategic rather than merely tactical point of view.

- a. It is not enough for senior management to only have an interest in the beginning and to delegate it to someone else without them staying actively engaged during the life of the project.

3. Considering an internal CRM champion who can has access to senior management.

For a CRM project to be successful there must be an internal champion who has the domain knowledge of how it will be beneficial for the company, the passion to keep moving the project forward even when being confronted with obstacles and the trust and access to executive management along with all the necessary resources.

4. Implement the CRM modules in phases instead of do everything at once.

Even as it is not always the case, but it is important to start with an initial rollout to a small pilot group within the organization that solves a specific and quantifiable business issue.

CRM projects tend to be evolutionary in nature. With a proven success it is much more likely to gain acceptance and momentum throughout the organization for future releases that incorporate additional functionality along with rolling the CRM system out to users in other departments. .

5. Understanding that CRM is a business strategy that can change with time

The only constant with a CRM project is that change is predictable. Once the first phase is rolled out on small pilot group of users, people start requesting changes that could be an integral part of our CRM project. Items that are commonly requested are things like adding new fields, adding or changing screen layouts, adding or modifying reports, adding or modifying template emails and letters, changing security, adding new functionality, etc.

For changes , we need a formal procedure for recording change requests, prioritizing them and determining the timeframe for implementing.

6. Commit to on-going training

Training is often something that gets overlooked in many CRM projects or is often seen as something that is only done on a one time basis. The organizations that have most successful projects realize that the better trained the end users are the higher the likelihood of success is going to be so they conduct training on a regular basis.

7. Measure the results regularly for the best ROI

It is a good idea to establish the key business goals prior to initiating CRM project and then track the progress on a regular basis. To be able to do this we need to understand how well you are doing prior to starting the CRM project and then have specific goals.

For example - let's suppose that one of our goals is to increase the percentage of support calls that we are resolving during the first call. Right now only 20% of them are being resolved during the initial call but the goal is to increase that to 80% by the end of the first year. we , then have to set intermediary goals on quarterly or monthly basis to see how well we are reaching towards our goal.