

PNS SCHOOL OF ENGINEERING & TECHNOLOGY

Internal Assessment:2023

Subject: E-Commerce (Th-4) 6th Sem

Branch: Computer Science & Engineering

Time:1 Hour

F.M.20

1. Answer all the following questions.
 - a) Write down 2 features of E-Commerce.
 - b) Write down 2 advantages that E-Commerce give to the organization.
 - c) Write 2 technical disadvantages of E-Commerce.
 - d) How does E-Commerce work?
 - e) What is Global Trading Environment in E-Commerce?

2. Answer all the following questions.
 - a) Explain difference between E-Commerce and Traditional Commerce with example.
 - b) What are the different e-commerce business models and it's explanations?

Answers

1. (a) Write down 2 features of E-Commerce.

Global Reach:

E-commerce technologies enable a business to easily reach across geographic boundaries around the earth far more conveniently and effectively as compared to traditional commerce. Globally, companies are acquiring greater profits and business results by expanding their business with e-commerce solutions.

Universal Standards:

Universal Standards are standards shared by all the nations around world. These are technical standards of Internet for conducting e-commerce. It gives all the ability to connect at the same "level" and it provides network externalities that will benefit everyone.

(b) Write down 2 advantages that E-Commerce give to the organization.

1. Reach & attract new customers

E business provides you an opportunity to reach more and new customers. In a traditional market, retailers run a majority of their business with personal relations, branding & references. While because of SEO, it is quite common for any e-commerce portal to get unique visitors landing on their page just because they were searching for some specific product or service online not because they were especially browsing that website.

2. Sell across the globe

Online stores are not restricted to geographical boundaries like a physical store and so it gives you a platform to sell your product & services across the globe and target your customers without any location limit & restriction.

(c) Write 2 technical disadvantages of E-Commerce.

- There can be lack of system security, reliability or standards owing to poor implementation of e-commerce.
- The software development industry is still evolving and keeps changing rapidly.
- In many countries, network bandwidth might cause an issue.

(d) How does E-Commerce work?

Ecommerce works by connecting buyers and sellers using various electronic channels. For example, you need a channel, such as a website or social media, so customers can find products and services to purchase. Then a payment processor enables the exchange of the goods or services.

(e) What is Global Trading Environment in E-Commerce?

The Global Trading Environment consists of trade negotiations between nations to form agreements by giving away some of their sovereign rights for a common mutual beneficial goal. The concept of global trading environment is based on the principle of economic co-operation between nations.

Global trade, also known as international trade, is simply the import and export of goods and services across international boundaries. Goods and services that enter into a country for sale are called imports.

2.(a) Explain difference between E-Commerce and Traditional Commerce with example.

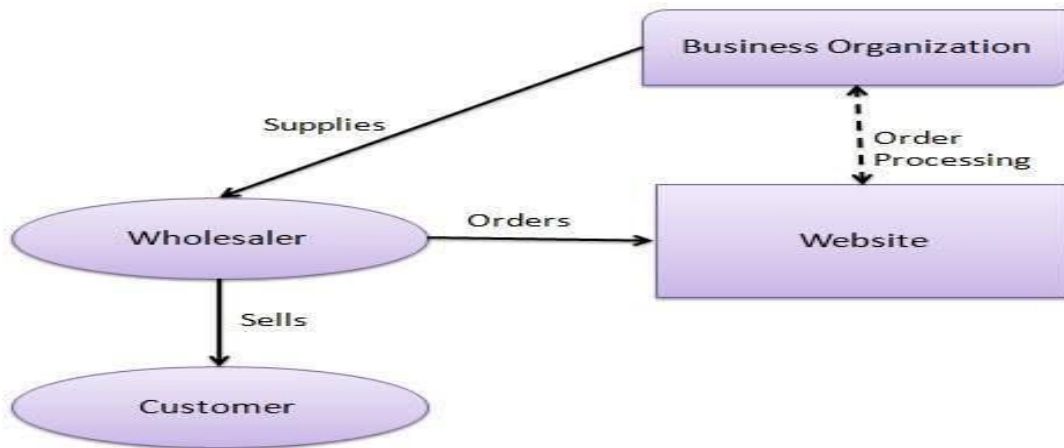
Traditional Commerce	E-Commerce
Traditional commerce is buying or selling of products and services physically.	E-Commerce carries out commercial transactions electronically on the Internet.
Customer can face to face identify, authenticate and talk to the merchant.	Neither customer nor merchant see the other.
Physical stores are not feasible to be open at all times.	It is always available on all time and all days of the year.
Products can be inspected physically before purchase.	Products can't be inspected physically before purchase.
Scope of business is limited to particular area.	Scope of business is global. Vendors can expand their business Worldwide.
Resource focus Supply side.	Resource focus Demand side.
Business Relationship is Linear.	Business Relationship is End-to-end.
Marketing is one way marketing.	One-to-one marketing.
Payment is made by cash, cheque, cards etc.	Payment system is mostly through credit card, debit card or fund transfer.
Most goods are delivered instantly.	It takes time to transport goods.

(b) What are the different e-commerce business models and it's explanations?

- Business - to - Business (B2B)
- Business - to - Consumer (B2C)
- Consumer - to - Consumer (C2C)
- Consumer - to - Business (C2B)
- Business - to - Government (B2G)
- Government - to - Business (G2B)
- Government - to - Citizen (G2C)

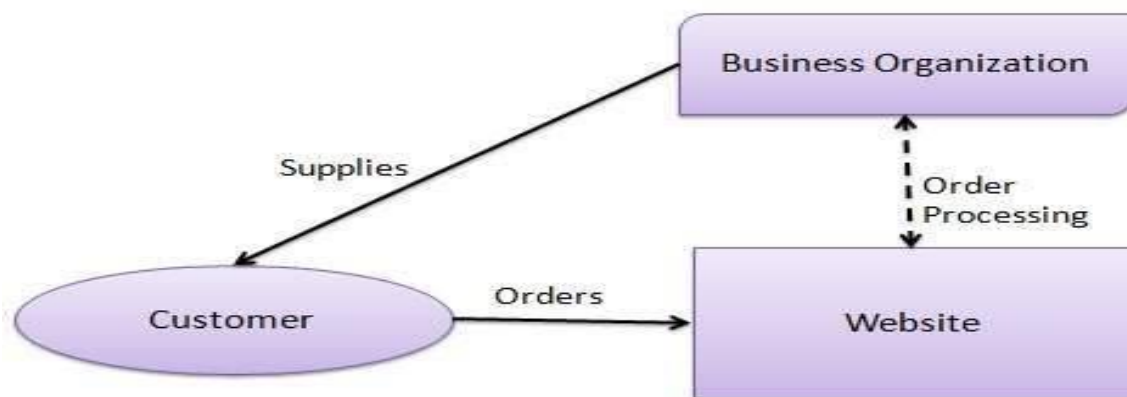
Business - to - Business

A website following the B2B business model sells its products to an intermediate buyer who then sells the product to the final customer. As an example, a wholesaler places an order from a company's website and after receiving the consignment, sells the end product to the final customer who comes to buy the product at one of its retail outlets.



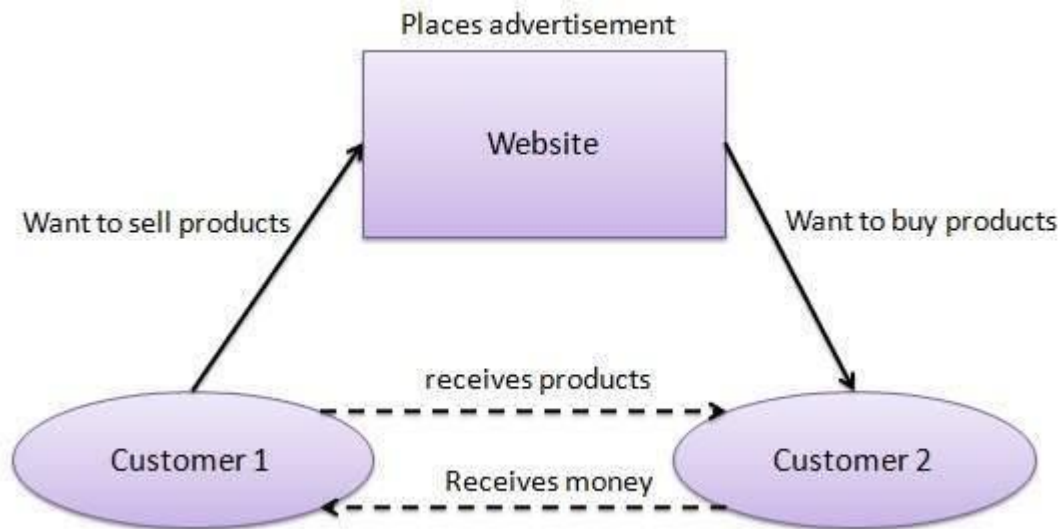
Business - to - Consumer

A website following the B2C business model sells its products directly to a customer. A customer can view the products shown on the website. The customer can choose a product and order the same. The website will then send a notification to the business organization via email and the organization will dispatch the product/goods to the customer.



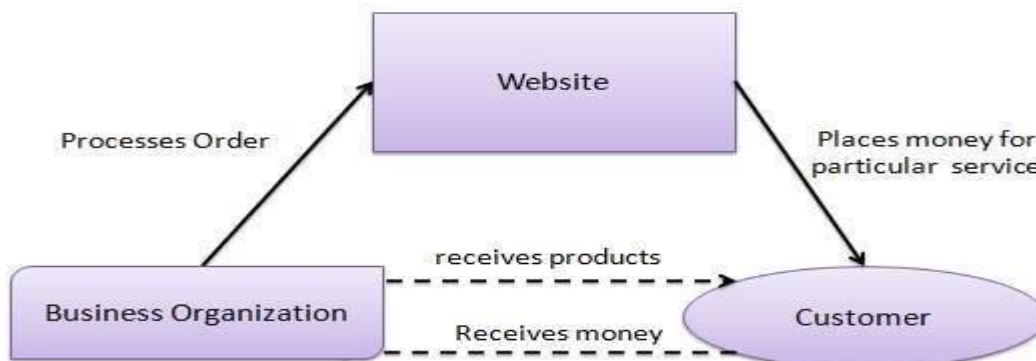
Consumer - to - Consumer

A website following the C2C business model helps consumers to sell their assets like residential property, cars, motorcycles, etc., or rent a room by publishing their information on the website. Website may or may not charge the consumer for its services. Another consumer may opt to buy the product of the first customer by viewing the post/advertisement on the website.



Consumer - to - Business

In this model, a consumer approaches a website showing multiple business organizations for a particular service. The consumer places an estimate of amount he/she wants to spend for a particular service. For example, the comparison of interest rates of personal loan/car loan provided by various banks via websites. A business organization who fulfils the consumer's requirement within the specified budget, approaches the customer and provides its services.



Business - to - Government

B2G model is a variant of B2B model. Such websites are used by governments to trade and exchange information with various business organizations. Such websites are accredited by the government and provide a medium to businesses to submit application forms to the government.

