

# Environmental analysis of the proposed ecommerce presence marketing essay



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The rapid enhancement in the field of technology has necessitated businesses to consider the implication of technology in performing their business activities. The technological development along with the need for pursuing higher growth by way of internationalizing the business activities in international markets is highly in demand for the businesses to stay in the market. The higher level of competition has fostered businesses to make use of digital technology in their operational activities in effectively meeting their customer's need. Most of the businesses are indulging in e-commerce practices in effectively performing their operations across boundaries. E-commerce is an important medium of presenting the business offerings to customers, as it involves the usage of technology that aids businesses in reaching wider markets easily. E-business is considered as new mantra for businesses in the modern world as it not only facilitates the development of business activities worldwide but also allows them to advertise their products and services in a more effective and efficient manner (Plant 2000).

This report is aimed at performing a preliminary analysis of the proposed e-commerce strategy for INTELLICON organization which has been to expand its reach to international markets and serve a wide range of customers globally. The organization presently deals in electronic products that cater to the needs of electronic items for a large number of customers. INTELLICON organization is in immense need of expanding its operation in the international markets particularly because of increasing competition from the local competitors in Australia. As a result, the e-commerce strategy in the form of achieving growth in the international market would allow INTELLICON to cope up with the intense level of competition and achieve

sustainable growth. The strategy of INTELLICON is to develop a website through which it can be possible to offer its products and services in the international markets. In performing the preliminary analysis of the e-commerce strategy, this report makes an evaluation of the environmental analysis through the application of important marketing tools such as porter's competitive forces analysis. Apart from this, the report will also include an assessment of the potential of e-commerce strategy in meeting its strategic goals and objectives. The role of website in satisfying its key stakeholders along with the major risks that INTELLICON has to face in expanding its business in the international market will also be critically assessed in this report

## **Environmental Analysis of the Proposed E-Commerce Presence**

This company is now planning to expand their business and they decided to jump on the international market. Their target market as decided by the company for growth is Indian market. They choose Indian market because now a day's Indian electronic market are going rapidly up, which can offer large opportunities for higher growth of the organization. Thus, the proposed e-commerce presence of the company can be identified as the Indian market through the integration of technology in its existing operations. A complete environmental analysis of the proposed e-commerce presence of the company has been performed below:

Value proposition of the e-commerce strategy: The proposed e-commerce strategy of expanding their business in Indian market by INTELLICON through website and would likely to provider higher value to its target customers. The <https://assignbuster.com/environmental-analysis-of-the-proposed-ecommerce-presence-marketing-essay/>

main advantage to customers are this company is moving from the international market to Indian market so they have wide range of electronic items and they offered may be in cheaper price or may they gives you some discount to the customer. The company specializes in providing higher quality electronics product at reasonable rates and as a result, it becomes a better opportunity for the customers to get the extra benefits offered by the company. In a business only the e-commerce strategy will not effective, You have to do better growth and after all increase growth can be reach a goal, whatever you set for your company from such strategy. Market analysis implies the analysis of all the major factors present in the proposed market so that necessary strategies can be developed and the potential for success in such market can also be identified. The trends and statistics shows that the internet users are rapidly increase in Indian market that's why the proposed e-commerce strategy is considered to be effective.

In India, despite having the payment challenges, the market for e-commerce is spread out at a fast tread. For example, the facts show that the number of people using online transaction in India will likely to increase to 39 million by 2015. With respect to e-commerce market in India, the estimated online transaction will improve and there is expected a growth to \$24 billion by 2015 from the current state of \$6. 3 billion (Indian e-commerce Market Estimated to Grow to \$24 billion by 2015 from the Current \$6. 3 billion 2011). This signifies that the e-commerce activities will be performed at a Fast tread in such markets which will provide opportunities to the e-commerce dealers in achieving higher growth (Charmin-Anderson 2011).

This Fig. shows that an increasing trend for e-commerce related practices in

that particular country which would be highly beneficial for the proposed e-commerce strategy of INTELLICON organization.

Overall, the market analysis and trends for e-commerce for Indian markets highlights a positive trend which would likely benefit the traders who performs their business activities over internet.

E-commerce strategy evaluation through Porter's five forces model: The porter's five forces model is highly useful in performing an analysis of the overall industry. The five forces model includes the assessment of the industry from five different points that would be highly beneficial in the given case of making an assessment of the proposed e-commerce strategy of expanding to Indian markets for electronics products by INTELLICON organization (Turban, 2010). An evaluation using the important five forces model for electronics industry in India is performed as follows:

**Bargaining power of buyers:** Buyers means who purchases products and services offered by the company through online or purchasing from shop. If company has few buyers then buyer power is considered to be large. In case of e-commerce for electronics products, the buyers are considered to be the final consumers as there are no such major buyers that account for larger sales of electronics products in India. This implies a lower buyer power for electronics products in India which will benefit the proposed e-commerce strategy of INTELLICON organization.

**Bargaining power of suppliers:** Supplier power is considered to be moderate in the sense that there are various online suppliers of electronics products in

India such as LG electronics, Samsung, Nokia, E-bay and many more. As <https://assignbuster.com/environmental-analysis-of-the-proposed-ecommerce-presence-marketing-essay/>

there is no one major players accounting for most of the supplies for electronics product, the supplier power is considered to be moderate.

Threat of rivalry among existing firms: As far as the threats of rivalry among existing firms, it is considered to be higher because of the presence of large number of suppliers of online electronics product in India. Apart from major e-commerce dealers for electronics products such as e-bay, Amazon etc and various global companies such as Samsung, Sony, Microsoft etc, the Indian market consist of large number of local retailers that provides cheap electronic items at reasonable rates and thereby intensifies the level of competition.

Threat of substitutes: In case of electronics industry in India, the threat of substitutes is considered to be lower because the substitute product for electronics is not available. Customers have to purchase the electronics products as they needed, they are not satisfied with other alternative products.

Threat of new entrants: Although the threat of new entrant is higher because in this country they have high number of electronic dealer and also higher infrastructure cost, but by the way of considering electronic medium of doing business, the threat of new entrants can be waste. For example, the proposed e-commerce strategy of INTELLICON organization will not likely to face the problem of new entrants.

Overall, the porters five forces analysis for electronics products in India shows the availability of large number of suppliers which make more forceful

the competition and as a result, INTELLICON organization need to consider the development of effective strategies for its growth to such markets.

## **Strategic Goals and Objectives of INTELLICON**

The proposed growth to Indian markets through the development of website will be helpful in addressing a wide range of strategic objectives and goals of the organization. For example, the major strategic goal is to pursue growth to international markets so that higher growth can be achieved. Further, such international growth also allows the opportunity for sustenance of the organization as INTELLICON is facing the problem of intense competition in its local market in Australia from a large number of local players. Thus, the main strategic goal of INTELLICON can be considered as achieving international growth that can effectively be possible through its website, as the website will be designed in a manner that would be highly suited to Indian customers. In pursuing the strategic goals of international growth, the major objectives of INTELLICON will be:

They offer you wider range of electronics products to its customers in Indian markets so as to allow them a choice to make a selection.

To offer quality products at reasonable prices so that customer can be attracted initially and a strong brand reputation can finally be developed.

To present the information about its offerings in its website in a manner that attracts its customer at the first example.

The attainment of all these objectives will help in the successful accomplishment of the strategic goals of achieving higher growth in the e-commerce electronics industry in India.

Key Stakeholders need from website Different stakeholders have different needs from the e-commerce website. For example, the key stakeholder i. e. customer want the availability of large number of electronics products at cheaper rates and this could easily be fulfilled through the website of the company, as it allows the company to display entire information of all its offerings and as expanding in the form of e-commerce is not highly costly for the company, In addition to customer, the investors want higher return on their invested fund which can be achieved through success in the business growth of organization through its website. The satisfaction of its key stakeholder i. e. the customer would lead to the attainment of key goals of the website of the company which has been to provide wider access to customers for electronics in India. By the way of performing a rigorous marketing of website, a better reach with the customer can be established through website and thereby, a better fit between the goals of the website and the organization can ultimately be possible.

## **E-commerce business model**

There are large numbers of e-commerce models that are available to businesses in performing the growth of their business activities in international markets. In case of INTELLICON organization, the business models that will be used for its e-commerce website is Business to Consumer model (B2C). As per the B2C model, the target of businesses is to sell its offerings to individual customers through its website. The B2C model is an <https://assignbuster.com/environmental-analysis-of-the-proposed-ecommerce-presence-marketing-essay/>



important model of e-commerce that is being implemented using the web.

As in case of INTELLICON organization, the strategic goals of the organization has been to perform international growth and to focus on the consumers for electronics in Indian markets, it can be effectively facilitated through the B2C model of e-commerce. There are various such examples that have effectively used such B2C model in achieving success globally such as Amazon, Wal-Mart, and Best Buy. com etc. B2C is internet only stores that provides offerings to its customers through internet only and as identified, there lies an important opportunity for e-commerce in the Indian markets, and the strategic goal of achieving higher growth can be possible through the consideration of such B2C e-commerce model (Morley and Parker 2009).

Potential risks from e-commerce strategy from the proposed e-commerce strategy of the organization, there are various potential risks that company has to face and thereby required to make effective considerations for all of them. For example, the major risk is the risk of failure of such strategy because of existence of higher level of suppliers in the electronics industry in the Indian market. Secondly, the increasing threats from hackers also lead to security risks to the organization, and as a result, effective planning is essential in order to effectively deal the security issues from the e-commerce strategy. The third major risk from the e-commerce strategy to INTELLICON organization is the lack of experience of dealing with international customers. As the company has its operation in the Australian markets presently, the lack of international experience would cause severe problems in dealing with the customers internationally. The e-commerce strategy would also pose the risk of currency exchange, as dealing with customers in

India would require INTELLICON to make necessary arrangements for performing its operation in Indian currency. As a result, the fluctuations in the exchange rates would increase the risk of the organization and it might be possible that company has to bear losses. All these are the major threats to INTELLICON organization from its e-commerce business strategy of expanding to Indian markets through its website.

### Part 3

<http://cis8100s312038.cloudaccess.net/electronic-world-home.html>

First of all go to the cloud access. Net and log in to cloud access . net.

Choose your domain name.

Then after you have to clearing all the content like articles, categories, menus and menu items, contacts and categories and modules.

Then you have to develop Joomla websites, for that this is the order for developing the Joomla websites

First create the categories for that you have to go to the categories manager, click on new button those you can find out on left hand side corner. Right down different categories and save it.

Then after you have to create articles, for that go to the articles, select new articles and write down articles title, select categories and save it then after close it.

Select some articles from your computer and paste it. If you want put some images then click on image button on bottom side then select images from your computers where you save it, select align where you want, put it and upload it save your work.

Do the same thing with other articles.

After that select menus manager, for that go to the control panel and select menu manager.

In menu item type, select single articles and select one of the articles you can create it and save it.

Now go to the front end page and refresh it you can find out those article on front end pages.

Repeat those things again.

## **Joomla feature I can use in assignment 4**

Create section and categories: For the customer point of view we can create more section as well as we can create search engine so customer can easily use this websites.

Create menus: create more menus and also create some sub menus so customer can easily find products. And also linking menus to each other so customer can do some comparison with other product.

Working with modules: create some login modules so costumer login in to his account and ordering items those he wants.