

Fdh now the  
consumer has access  
to several



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fdh every day, so too does electronic commerce. Electronic commerce, simply put, is the exchange of money for goods and services via electronic means. In other words, electronic commerce is usually when you purchase something off of the internet. Electronic commerce is often referred to as e-commerce, or e-business. In this paper I will be discussing the technical side of e-commerce, security, different points of view regarding e-business, and of course my personal opinion and experiences. Background Information: First I would like to discuss the types of e-business. E-business can be anything from purchasing a toaster from a department store online to checking your bank statement online. All are examples of the many aspects of e-business.

There are several aspects of e-business unique to it. When comparing traditional business to e-business, one can see several differences between the two. The most obvious difference when buying standard goods (such as a toaster, a book, or a new computer) is the store. When dealing with e-business there is no "real" store or merchandise to look at. It is all presented through the merchant's webpage, or by other electronic means. You will not be able to touch, or inspect potential purchases.

All you will have to go on is perhaps a picture and a brief description of the item in question. This is obviously a big change from traditional store-based business practices. Why would any self-respecting consumer buy something via e-business if they were unable to touch, or inspect a potential purchase, and there is a real store just down the street? There are several reasons why e-business is appealing to a growing amount of people. For example, e-business is based on the internet. If you are using the internet, you are not

bound by geography. You can access any site, anywhere in the world from the comfort of your computer chair. What does this mean to the consumer? Now the consumer has access to several things they didn't before.

The consumer now has diversity. With the entire internet at your fingers, in a matter of minutes you can browse several stores in several parts of the world without even leaving your home. This allows you to compare prices and products.

With e-business you are not restricted to the prices and products of you local stores. You can easily choose the best price on the best product. Purchasing goods electronically is becoming easier by the day. The majority of e-businesses have software set up on their webpage to take and record your order as well as your credit card and personal information.

The software is set up such that you can order anything you want without having to interact with anyone what so ever. You just have to enter your credit card number, address, and other personal information. Some people are not comfortable with the concept of sending their credit card number or other personal to a potential merchant over the internet, but are more comfortable using the telephone. Most businesses know this and have set up a special number or other means to talk to a representative from the company to settle any questions, and to accept credit card numbers or other means of payment. There are of course several security issues involved in both forms of commerce. I will discuss security in greater detail later in the paper. The popularity of e-business is growing almost as fast as the

technology itself. More and more people are using their computers to buy what ever they want, whenever they want.

Every day there is an increasing number of companies that join the electronic world of business. Companies spend millions of dollars a year to setup and maintain a website designed for e-business. Why are they willing to spend so much? Most business people have a good knowledge of how and why business works. It is not hard to see that there is a huge market in e-business. With the price of computers going down each day, more and more people have the opportunity to get in on their piece of cyberspace. A Typical E-business Transaction & Security Information: A few methods in which e-business is conducted are shopping, and online banking. Let's examine the shopping aspect of e-business first. When you go to a site to buy something, a site such as www.

amazon. com, there are a few things you should notice. They have something called a shopping cart. When you finally decide that you want to buy something, you enter the quantity you wish to purchase, and then " add to shopping cart". The shopping cart it a CGI script used to keep track of the things you want, and how many. This is a way to keep track of everything while you can continue shopping.

When you are finished adding everything to the shopping cart, then you choose the option to " check out". This starts another CGI script that takes all of your personal data such as your name, address, and phone number, as well as your credit card number. When you examine the online banking portion of e-business, you have a few more things to consider.

In order to use online banking, you will have to have an account with the bank in question. Once you have your account, you can go to the bank's webpage and set it up by giving them account and personal information. Then you will be able to use their software to access your account. There is definitely an issue with privacy in both cases. It is obvious that customers do not want their personal information released. A more important issue, perhaps more important than your personal information is your credit card number.

This can be used by anyone who has it. There is no real way to stop someone from using your number at another site to buy things without your permission. This is a major concern of the e-business industry.

Should the consumer be concerned? Well, yes and no. The first thing you should be concerned with is the validity of the e-business itself. Unless the company can offer you some kind of assurance that you can agree with, you should stick to the companies you know and trust. Many businesses you have been using for years are now making the push to provide an electronic method to shop. Once you have established that you are in fact dealing with a respectable firm, you in most cases have nothing more to worry about.

Most respectable companies use data encryption to secure online transfers. These sites use your browser to encrypt data so that no one without the decryption key can gain access to your information. Microsoft Internet Explorer and Netscape come standard with 40-bit encryption. With your data encrypted, even with a 40-bit encryption, it is safer to transmit that data around the world than to call in your number over the telephone. When you

are talking about online banking, you most likely will have to upgrade your browser to support 128-bit encryption.

The majority of online banking companies will not let you use the basic 40-bit encryption because it is not quite as safe as the 128-bit version. It is assumed that you need more protection for your bank accounts than you do for a basic online purchase. In all cases you should be using some form of encryption to transfer data. Some companies will give you a security guarantee.

Issues Regarding E-business: There are two points of view to consider. There is the consumer and the business person. Within these two groups, there are those in favor of e-business and those who are not. First I would like to talk about the consumer and their points of view. There are many reasons why a potential customer will either like e-business or will not. I believe the main reason most people like e-business is the ease in which they can get what ever they want, when ever they want it. Anyone with a valid credit card can go to a site such as [www. amazon.com](http://www.amazon.com).

com, and order anything they want at any time of the day. Within a few days (depending on the method of shipping chosen) their order will arrive at their front door. The problem with shopping online is, because you are not bound by geography, the company you bought from could be on the other side of the world.

They have to send you the product. This obviously creates delays in receiving your merchandise and you will also have to pay a modest shipping charge in addition to any other charges. If you are buying something heavy

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like a computer monitor, you may not wish to spend the extra fifty or so dollars to have it shipped. In this case going to your local circuit city may be a more effective way of shopping. Basically, when shopping online you have the power to get anything any time, but you may have to pay for your convenience. From the perspective of the e-business itself, there are other things to consider. Mostly you need to consider the cost versus the sales.

Is it worth the cost to setup and maintain a website? What exactly is involved in setting up an e-business? In order to set an e-business you will need a domain name, webspace to put pictures and things like that, and bandwidth. In addition to this, you might need to hire technical support, and purchase software needed to run your business. Compared to the cost of traditional commerce, I believe e-business is much cheaper to run and maintain.

When running an e-business you wont have as high of an overhead to pay. A domain name, webspace, and bandwidth are all fairly cheap. A growing number of businesses think e-commerce is a good investment, and a legitimate way to expand their company. Large companies such as K-Mart are leaning towards the e-business market.

Personal Experience: In my quest for the best product at the best price, I too have turned to e-commerce from time to time to get what I needed. My first experience comes from purchasing a telephone online. I started by visiting several sites and inspecting what they had to offer. I began to notice right away that some stores are more expensive than others, even for the exact product. I proceeded to find the best deal on the phone I wanted and, as I described before I added it to my shopping cart at www.

amazon. com. Next I went to check out. The scrip loaded and I entered all of my personal data and my credit card number. After I did all of that, I was taken to a billing screen where I could choose my form of shipping based on cost and time. At the bottom of the billing section it added the price of the phone and all of the additional charges (such as shipping), and produced an actual total. Before proceeding to confirm my order I considered my position. Was it worth the price after shipping to buy here instead of at a local shop? Do I need the phone right away? It turned out that even after shipping and all additional costs, I got the phone for less than my local stores could offer.

Because I did not need the phone right away, I decided to purchase it. Within three or four days I received my phone and was satisfied with my first online purchase. It is also worth noting that I bought my phone at about 2am.

Another personal experience of mine regards online banking. I have a checking and a savings account with Wellsfargo. I noticed that they offered online banking free of charge, so I figured I would try it out. I went to their website and began to setup my online account.

I was asked for my basic personal and my account information. I gave them all of that and proceeded to try to log into my account. I was surprised to find that I could not. I was using Internet Explorer with only 40-bit encryption. Wellsfargo requires that you use a browser with at least 128-bit encryption.

After I downloaded the addon for Internet Explorer, I successfully logged in. I was meet with a number of options. I could check my checking account balance, my savings account balance, and I could transfer money between the two. This made me very pleased. I have trouble keeping my checking



account up to date, but with this I could see exactly what I had with only a day's delay. I am overly pleased with all of my e-business encounters. I enjoy buying things from my home at any hour. It is also very convenient to see my account status in almost real time.

Summary: To summarize this paper, e-business is basically online transactions for goods and services. There are many things to consider when buying something online. Firstly you should be dealing with a company that you are totally comfortable with. After you have that established, online shopping is safer than any other form of commerce because of the use of encrypted data transfer. Online banking is another aspect that is worth looking into.

You can get information about your accounts anytime for little or no charge. Online banking, of course requires a stronger method of encryption, so you may need to download the newest security plugin for your browser. Finally, e-business is the new business of the future. You can buy anything, any time, and get information from your home.

Which makes being antisocial just that much easier. Webpages: <http://www.amazon.com> <http://www.zdnet.com/enterprise/e-business/>

<http://www.ibm.com/e-business/>  
<http://ecommerce.internet.com/>

<http://www.ftc.gov/bcp/online/pubs/online/sitesee/index.html>  
<http://www.shopping.iwmi.com/> <http://www.internetnews.com/ec-news/>

<http://www.ecommercetimes.com/> Books: Baase, Sara .  
<https://assignbuster.com/fdh-now-the-consumer-has-access-to-several/>

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