

Describe how
amazon.com uses e-
business and e-
commerce for b2b
and b2c



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Describe how Amazon. com uses e-business and e-commerce for B2B and B2c. Amazon. com would be considered an “ e-tailer”, a retail company that conducts business on the internet.

In fact, all of their business is done on the web, no brick and mortar stores here. Amazon. com sells all sorts of products, clothing and jewelry to food, to electronics. The idea of conducting all of their business on the internet is called e-business or e-commerce. E-commerce consists of the process of buying, selling, transferring or exchanging products, services, or information through computer networks, like the internet.

Since Amazon. com is a retailer, they deal mainly with the consumer; they use business-to-consumer (B2C) to do business. In B2C, the sellers are organizations, and the buyers are individuals. It involves a large number of buyers making millions of diverse transaction per day with a relatively small number of sellers. Amazon. com must manage thousands of transactions daily, as if each customer is the most important one.

That makes B2C e-commerce quite complex and difficult, as each of the purchased products must be processed efficiently as well as shipped in a timely manner. Amazon. com also uses a business-to-business (B2B) type of e-commerce. In B2B transaction, both the sellers and the buyers are business organizations. It enables companies to structure their supply chains with applications to help form relationships with its distributors, resellers, suppliers, and other partners.

Amazon. com uses B2B e-commerce in different ways, including in a “ sell-side” and “ buy side” models. In a “ sell-side” model, the seller, amazon.

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com, uses e-commerce to increase sales, reduce selling and advertising expenditures, etc. In a “ buy side” model, organizations attempt to buy needed products or services from other organizations electronically.

Amazon. com does just that when purchasing their products to resell or simply selling to other businesses. Also, other sellers can use amazon. com as a platform or a place to sell their products through Amazon’s web-site. In this case, amazon.

com is used as a third-party seller as they bring sellers to the consumers, as well as selling their own products.