

# Social media in e-commerce assignment



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Social Media Tools in E-Commerce Last week the team created a presentation to describe how new communication technology could help the team-oriented projects of an e-commerce company succeed in a more effective and efficient manner. Now that the presentation is complete and was a success, the executives would like us to launch an e-commerce unit. The team will discuss how the new social media tools may be used to distribute messages to consumers and clients and explain which tools are the best to use in specific situations.

Some of these tools that will be discussed include video conferencing, Skype, online schedules, online calendars, Smartphone, and internal shared hard drives. Several ethical issues are involved when using social media. The team will also analyze these ethical issues, including security concerns, maintaining credibility, privacy, and maintaining a reputation. Included in this paper will be an outline of formal documents needed to launch this e-commerce unit.

These documents will consist of the executive summary, the business description, the operations plan, the financial plan, the marketing plan, and the competitor analysis. Distribution of Messages Social media tools give companies the ability to expand communication in multiple ways. A corporate intranet is an inexpensive way to distribute messages across the company. The intranet can run off the existing internet to improve information and communication throughout the company. The intranet can maintain executive run blog sites continuously to keep virtual employees up to date on developments and ideas.

The developments can be tested on the corporate intranet, thus creating feedback from within the company employees prior to revealing the ideas and development to the public (Roos, 2009). The implementation of Smartphone devices such as Blackberries and I phones for employee use will ease the burden of distribution and retrieval of messages among virtual employees. The Smartphones assist in the communication by allowing the user to access email, instant messages, calendars, social networking and organizers at any location.

The Smartphones are an asset to the virtual workforce due to the pocket sized convenience and capabilities that the phones hold. Instant messenger (IM) is a simple, user friendly application that allows the virtual workforce to communicate instantly. IM allows immediate receipt of acknowledgment or reply. IM can be used with a desktop computer, laptop or Smartphone, making IM an important feature in the communication of employees. Video conferencing virtual employees allow employees to see and communicate with each other.

Videoconferencing is an important part of team communications, by allowing the employees to put a face with the name of their coworkers (Robuck, 2006). Unlike phone conferences, video conferencing allowing participates to read body language that would otherwise be missed. The software application, Skype, allows employees to make free voice calls over the internet, send IM, and videoconference. Skype can be used with the Smartphones, desktop computer or laptop. The implementation of a web camera, a speaker and speakers allows face-to-face communication for virtual employees working on a project together.

Skype can also be used to make calls to landlines with a minimal charge (Skype Limited, 2009). Calendars and schedules are an essential form of team communication. Employees' schedules and distribution of tasks can be placed on a calendar and accessed by an email account. The calendar can be viewed and updated from remote location with the use of the Smartphone. Communication through calendars and schedules allow for employees to continuously be aware of the current status of other employees. Ethical Issues Analysis A variety of ethical issues are involved in social media use.

An organization must know how to address each. Issues such as security concerns, credibility, privacy, and maintaining a good reputation need to be identified and dealt within a secure and efficient manner. Security Concerns Turban et al (2008) refers to security concerns listed by the Tennant Risk Services (2004). These security concerns include fraudulent acts committed by employees or third parties against the computer systems, computer virus attacks, alteration or destruction to electronic information, trade secrets copied or recorded, and extortion (Tennant Risk Services, 2004).

Any time software or programs are downloaded to a computer or other device the operator runs the risk of a virus being attached. Having a secure, anti-virus software installed on each computer or device involved in downloads, is imperative to prevent damage caused by virus attacks. Security systems that monitor computer activity can also be installed on computers within the organization or company to deter employees from committing fraudulent or malicious acts against the computer system. Computer Securities Products, Inc. offers a variety of items to secure computer hardware and software such as cable kits, coverlocks (blocks  
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viruses from being downloaded or information from being copied by locking across the disk drives, CD drives, and USB ports), and steel enclosures for CPU cases (Computer Securities Products, Inc. , 2009). The Computer Fraud and Abuse Act (CFAA) was passed in 1984 and updated in 1986, 1994, 1996, and 2001. It prohibits unauthorized access to computers belonging to a financial institution, government agency, or protected computers involving interstate or foreign communication (Computer Fraud and Abuse Act, 2001).

Todd Feinman, CEO of Identity Finder wrote a blog on Electronic Retailer Blog, detailing a variety of ways to remain secure online that include downloading trusted software updates, creating complex passwords, using wireless network security features, checking one's credit, locking up passwords, verifying secure connections, enter web addresses manually, and communicate personal information securely, not through e-mail or instant messaging that is not secure (Feinman, 2008). Credibility Social media tools can be used to boost the credibility of an online business.

Theron Nolen, founder of a business-networking site, Schmoozii, gives several tips on building credibility. These tips include picking the correct site, providing free information and showing expertise through knowledge of product or service, maintaining a complete and up to date profile, joining groups that allow for networking, and can be engaging and have fun (Nolen, 2009). Having a business code of ethics and implementing fair business practices will also build credibility and trust with customers and clients. Privacy Privacy laws are set up to protect the privacy rights of the individual.

The right to privacy is recognized by all U. S. local, state, and federal governments. Companies have to abide by privacy laws when it comes to sharing personal information of clients or customers (Turban et al, 2008). With the use of social media tools, privacy can sometimes be compromised. Cookies, web bugs, and spyware used by merchants can monitor a user's movements and save his or her personal information. If a company has minimal security, personal information from clients or customers could be accessed by unauthorized users.

Two types of information practices businesses can implement to protect personal data are opt-out and opt-in. Opt-out gives the consumer the right to refuse to have his or her information shared. Opt-in allows personal data to be shared only upon the agreement of the individual whose information will be shared (Turban et al, 2008). Maintaining Reputation Maintaining a good, quality reputation is important if an online business is going to be successful and experience growth. Social media tools such as networking sites and blog sites can be used to give reviews of products or services offered by the e-commerce.

When online readers and shoppers read positive reviews of a company's product or service, they are more likely to shop or purchase from that company. Having the backing of a trusted third party can help build and maintain a good reputation. TRUSTe, the Better Business Bureau, and the Online Privacy Alliance are third party organizations that exude trust and integrity (Turban et al, 2008). A company can gain a strong, positive reputation from being a member of at least one of them. Formal

Documentation Outline

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Now that the advantages and ethical concerns involved using social media tools have been discussed and the proper tools for the company have been determined, the next step is to develop a formal business plan effectively to launch the new technology. “ The business plan will define the business, identifies goals, and serves as the organization’s resume. The business plan will help allocate resources, handle unforeseen complications, and make appropriate business decisions” (Roebuck, 2006, p. 211). An effective business plan will also help the company secure capital funding from a lender to implement the technology changes.

Several key components are necessary for writing a proper business plan. These components include: the executive summary, business description, operations plan, financial plan, marketing plan and competitor analysis and are discussed in detail in the text below. Executive Summary The purpose of an executive summary is to introduce the business strategy which also highlights the key points of the business plan (Roebuck, 2006. p. 211). One of the most important concepts to keep in mind when formulating a business plan and executive summary is to understand the audience.

In order to leave an impression the executive summary must grab the readers’ attention and must discuss the main points of the business description, operations plan, financial plan and marketing plan in the executive summary. This aids the investor or business partner in what to expect of the rest of the business plan. According to E-Business Plan, investors and venture capitalists are faced with large piles of funding requests and have been known to separate business plans into “ worth

considering” and “discard” piles based on executive summaries alone” (2009). Business Description

The business description section is where the company will lay out what its goals are for the technology improvements, in respect to the betterment of the company. The best way to lay out this portion is to start with the company’s vision and mission statement, clearly outlining corporate intentions. The mission statement should be followed by a brief company history. This will develop where the company is going, and where they have been. Another importance is to introduce the executive management team, what his backgrounds are and what their roles will be during the implementation phase.

Provide an organizational chart, in addition to, brief executive biographies. Lastly, a section should be dedicated to a full project SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis. Operations Plan The operations plan dives into the heart of the implementation plan. Determining the “how’s and where’s” of the program. When developing the operations plan, the following questions should be asked internally (Albo, 2008): ??? How will the new technology serve both the company and the customers? Can the process be described from start to finish? What regulations and organizations are in place to monitor the industry? How will the industry stay up to date? ??? Who are the suppliers? How are products/services received from these organizations? How long will it take? How much will it cost? Are there backups in place? ??? What quality-control measures will you implement, if any? Once these questions have been thoroughly investigated,



and suitable answers provided, then the operational business plan can be written. Day to day tasks need to be detailed out in this portion of the plan.

It should be assumed that the intended audience knows nothing of your business. The operations plan should start with general information, such as the hours of operations and include details of: engineering specifications; equipment and materials already available, needed to purchase; any special requirements; and all associated program implementation costs. “ Most business plans take several pages to flesh out this section of the operations plan” (Albo, 2008), but in some cases this portion may be dozens of pages, once flow charts and specifications are added.

#### Financial Plan

Carefully laying out a thorough financial plan is crucial when putting together a business plan. “ The financial section should summarize the forecasted sales and expenses for the first three years and determine the investment needed which will indicate whether the business is truly feasible” (Roebuck, 2006, p. 212). In order to provide correct financial information, it’s important to know what documents to provide. According to E-Business Plan, “ the financial plan portion of a business plan should address the following financial issues; cash flow, start-up capital, and of course profit” (2009).

By providing these documents in the financial section of the business plan, the investor or potential business partner can make a more sound decision based on the history of finance documents provided.

#### Marketing Plan

Even though the company is implementing this technology for internal usage, a marketing plan must still be developed to promote the services internally. In

this portion of the business plan, both the marketing budget and promotional plan must be outlined. Competitor Analysis

The business plan should end on a positive note, concluding with a “statement of your company’s sources of competitive advantage in the e-commerce marketplace” (E-Business Plan, 2009). The competitor analysis should identify who the competition is, encompassing all possibilities, including past, present (both direct and indirect) and future competition. In comparing companies, it may be helpful to develop a matrix for analysis. Information for the analysis may come from a variety of sources, including annual reports, U. S. government regulatory agencies, and the competitions websites.

The key components of an effective business plan have now been outlined and discussed in detail. The company may choose to create their own business plan or contract our consulting company to provide them with one. According to Roebuck, should the company choose to create their own, several helpful websites that can provide templates and detailed instructions on how to get started. Below is a listing of key websites that may be of interest to your company: Bplans. com: <http://www. bplans. com/> Business Plans Basics: <http://www. sbaonline. sba.>

[ov/starting\\_business/planning/basic. html](http://www. sbaonline. sba. gov/starting_business/planning/basic. html) CCH Business Owners Toolkit: [http://www. toolkit. cch. com/tools/buspln\\_m. asp](http://www. toolkit. cch. com/tools/buspln_m. asp) Conclusion Social media tools give companies the ability to expand communication in multiple ways.

The use of intranet, Skype, video conferencing, online calendars, and IM improves the communication process. This will reduce costs and improve production. Along with the benefits of having social media, this company has <https://assignbuster.com/social-media-in-e-commerce-assignment/>

to be aware of the ethical risks. Some of these risks include security concerns, credibility, privacy, and maintaining a good reputation.

Some of these issues can be handled by having up to date anti-virus and spyware protection, security software, and implementing fair business practices. The business plan is the next step to effectively launch the new technology. The business plan consists of the executive summary, the business description, the operations plan, the financial plan, the marketing plan, and the competitor analysis. References Albo, B. (2008, March, 3). Business Plan. Retrieved, September 8, 2009 from [http://entrepreneurs.suite101.com/article.cfm/business\\_plan](http://entrepreneurs.suite101.com/article.cfm/business_plan) Computer Fraud and Abuse Act (2001).

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