Example of case study on q3 internet technologies and supply chain management cus...

[Business](), [Customers]()

Q1. Recommendation to enhance cross-border business

Cross-border business is a fast growing trend in the business world. Like any other trend in the present times, need for upgrading and improving efficiency is much higher. There are numerous recommendations that are recommended to improve cross border business. They include subsidies, export financing, establishment of trade zones, use of common currencies, regulation harmonisations, trade agreements and favourable conditions between the different countries (Chuah, 2009).

Subsidies are perfect example of cross border promotion strategy. A subsidy is assistance from the government to specific parties. Governments can provide subsidies to people and organisations involved in cross border business. The government can for example reduce the prices of certain imported that it considers strategic for economic growth and development. It can also lower the price that importers have to pay for goods imported by helping them pay a portion of the price.

This involves the government or one of its agencies providing financial help to parties engaging cross border business. This may be loans to exporters and importers to enable them ship goods from a country to another (Chuah, 2009).

Trade zone establishment is also important in cross border business. A trade zone is an association of countries making agreements to create a geographic zone in which goods can be brought into, handled, manufactured or exported with favourable conditions such as less tax paid or total non-intervention of the customs authorities. In 1994 United States, Mexico and Canada entered the North American Free Trade Agreement (NAFTA).

Harmonisation of regulations involves countries making uniform laws regarding the quality, make and specifications of commodities. This makes goods be readily accepted in other countries since they conform to the standard or quality that they are required to.

Countries may also agree to be using a common currency. Use of a common currency reduces the procedure for cross border business and makes the purchase of goods from other countries relatively easy since there is no need for exchanging currencies. Use of common currencies also eliminates the risk of adverse movement of exchange rates, which hinders cross border trade.

Agreements are made by countries to export and import certain goods under certain conditions and they increase the level of trading between countries.

GATT has played a key role in dismantling international trade barriers among the member countries. Since its foundation 1947, GATT has successfully and gradually managed in reducing and eliminating tariffs, quotas, subsidies, and other barriers to trade until WTO replaced it.

Good relations between countries that deal with each other are more likely to engage in trade with each other. Therefore, good relations between countries are important for successful cross border business. Relations could be improved by dialogue by head of states of respective countries.

Q2. Use of the internet to expand global operations

The internet enables producers of variety of goods access customers from a wider geographical region as compared to businesses that do not use the internet. This is because consumers all over the world are able to search for the commodities that they require to fulfil their needs, and purchase them.

Through the internet a customer will be able to search for the goods that they need without making calls and/or travelling to look for them. The internet therefore promotes global business by making it easier and cheaper for customers to locate the goods that they want.

The internet also reduces the need for intermediaries like wholesalers and retailers who usually increase the prices of goods to get their profits. Customers are able to deal directly with the producers and manufacturers of the goods that they want to use. This makes the purchasing process cheaper and relatively easier (Cross, 2009).

Digital credit card payment systems make international trade easier by assuring payments for goods bought and making the payment process simpler and less risky. This promotes cross border business between countries. To transact through the system internet has to be available and therefore it promotes international trade.

Lastly, through the internet, companies can use a wide range of methods to advertise for their goods. Internet allows the use of video, audio and a wide range of complex content adverts by companies selling goods (Cross, 2009).

Supply chain management

Supply chain management refers to the coordination of activities and involved in making and moving a product. Supply chain is the businesses network and business processes that are involved in the product creation and selling, mainly from suppliers that procuring raw materials through retail customers and outlets.

In the era before Internet use and discovery, supply chain coordination was hindered by information flow difficulties. Information did not flow smoothly in internal supply chain systems (Jacobs, 2010).

Presently, due to use of extranets and intranets, communication between members of supply chain has been made easy. Members are able to pass updated information to adjust purchasing, logistics, schedules and manufacturing. The internet puts all the companies on a standard platform whereby they are able to conduct their businesses internationally without any hitches.

Customer relationships

Customers can be seen as an enterprise's most valuable asset, and customer relationship management enable large firms to understand and work with their customers. Through the internet, companies can easily get and respond to customer queries and complaints.

Service modules for customers help in providing tools and information to make help desks, call centres, and customer support staff more efficient.

Banking and finance, finance and global alliances

In the banking industry, credit cards are used to extend credit to consumers, permit consumers to purchase items deferring payment, and allow consumers to make payments to multiple vendors at one time. There are various credit card associations. They include Visa and MasterCard, and these two set standards for issuing banks that process such transactions. By depositing of funds, stored valued accounts are created (Jacobs, 2010). Eventually the funds are withdrawn or paid out. Such include gift certificates, debit cards, smart cards and prepaid cards.

There exists numerous forms of electronic payments systems; they include Digital cash, online stored value systems, digital accumulating balance payment systems, digital credit accounts, and digital checking. All these forms of payment require merchant banks and clearinghouses for their efficient operations (Jacobs, 2010). They thus affect global banking and finance.

References

Top of Form

Chuah, J. (2009). Law of international trade: Cross-border commercial transactions. London: Sweet & Maxwell/Thomson Reuters.

Hill, C. W. L. (2009). Global business today. Boston: McGraw-Hill Irwin.

Jacobs, F. R., Chase, R. B., & Jacobs, F. R. (2010). Operations and supply chain management. New York: McGraw-Hill Irwin.

Cross, F. B., Miller, R. L. R., & Cross, F. B. (2009). The legal environment of business: Text and cases : ethical, regulatory, global, and e-commerce issues. Mason, OH: South-Western Cengage Learning.

Bottom of Form