

Ebusiness strategy essay example

[Business](#), [Company](#)



Business to business (B2B) exchange is a business scenario that involves different organizations exchanging important industry information, goods produced or services rendered with each other as a way of market and general business development. These transactions involve different parties and vary in terms of the details provided in the exchange as well as the agreements reached by the involved businesses. In this changing world of business and as a result of globalization, the internet is playing an important role in almost all operations in the business field. It affects the production of goods, sales methods as well as communication between various stakeholders in the business field. The three main types of business to business exchanges namely; Consortia led exchange, Proprietary exchange and Third-party exchange are affected by the use of internet in different ways. This paper is a description of these three types of business to business exchanges and shows how each one of them is affected by the internet. Consortia led exchange is a type of business to business exchange that is formed by the main industry leaders in terms of market share and distribution strength for instance Global Food Exchange. This is where the main companies in a given industry come together to form a type of exchange where there is mutual benefit in terms of exchanging important business and market information among the companies involved. In this form of exchange, each party gets to benefit in terms of improved supply chain as result of boosting the selling and buying of the products (Coupey, 2005). In this case, the internet comes in handy as a way of boosting the content base. All the information about the products is readily available on the internet. The internet also plays a major role in boosting the

communication between the different stakeholders involved in the business exchange.

The proprietary exchange is said to be privately owned and includes one major business partnering with different vendors or suppliers to move the goods and services on offer. This is mainly done on a contract basis and helps the company to move its products to a huge market share without incurring additional expansion cost (Warkentin, 2003). In this form of exchange the internet provides a platform for purchasing and selling goods and services by providing the required products to the available market. It also ensures that customer satisfaction is achieved by providing an easy and friendly way of selling products. Like in the other business to business exchanges, the internet provides information about the product as well as the purchasing price. It also ensures that the information is regularly updated easily.

The other type of business to business exchange is the third party which is also termed as the public exchange. It involves having a third party to run the commerce part of a business. This type of exchange is open to any business or company which share interests in the same industry. They should however meet the level of standards in terms of service delivery and reputation set by the parties involved in the exchange. In this form of exchange the internet helps in giving crucial information about the parties involved as well as the details about the products (Kenjale and Phatak, 2003). Third parties are also able to effectively communicate with the core supplying companies and the consumers through the internet. This way, the communication process is made easy hence maintaining frequent contact between the involved B2B parties.

References

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