

The causes and effects of the internet on business

[Technology](#), [Internet](#)



In the beginning, the internet was considered by most to be a novelty. It represented little significance in the workplace. Most companies wrote off the net as a fad while the brave few embraced the new technology and brought their operations online. Email slowly began to replace snail mail and many companies began using the power of the Internet to push their products. The availability of expanding technology, lower cost, and ease of use allowed encouraged businesses large and small to get in on the Internet revolution.

The ability to communicate on a global level has been possible since the early 1900s, but the opportunity for instant communication came closer to the turn of the century. America Online was one of the first companies to debut "easy to use" Internet software. They integrated everything you could ever need, as far as they were concerned, into one simplified piece of software. They charged around \$20.00 a month and gave you unlimited connectivity. It was a big turning point where millions of average people began to use the internet.

Savvy businesses had websites within months while it took others years to catch on. Those who failed to adopt might have felt the internet would fall to the fate of Betamax and those who caught on quickly had the competitive edge. Retail storefronts in the physical world are expensive to start and maintain. On the contrary in the virtual world they can be inexpensive to start and cost next to nothing to maintain. One company that figured this out early on is Amazon.com.

What's interesting about Amazon is the fact that they simply took Wal-Mart's business model and adapted it to the World Wide Web. The premise for the model is to make money on volume rather than in margin. This works for Wal-Mart because they have such an incredible amount of stores and therefore a huge amount of buying power in the marketplace. Amazon did not need to open thousands of stores around the world because it already had millions of potential customers at its doorstep.

As a result of email it became easier for businesses to stay in touch with other businesses, partners and their customers. In many cases better communication meant better business. For instance, if a software company was on the verge of releasing a new piece of software or better yet an upgrade to an existing piece of software they could alert the customer via email and offer them the ability to purchase the upgrade right then and there.

Business has become quicker and more robust with the advent of e-commerce, online communication, and information. Companies can order their customers products or parts with the click of a button and receive them as soon as the next day. Email allows for better communication with everyone from the CEO down to the sales at your fingertips. Almost anything you can think of can be found online using a search engine. This has eased the strain traditionally associated with research in the business world.