Commonly known

Electronic commerce which Is commonly known as E-commerce or E-business Is a modern concept of doing business. In layman's language, It Is the buying and selling of products and services over electronic systems which mainly comprises of Internet. In this form of business the payment for goods and services is also done electronically I. E. By using credit cards. This concept has reached its maturity in developed countries like the united States of America and united Kingdom, but it is still new for emerging economies of developing countries like Pakistan, India, and

Egypt etc. E-commerce is mainly considered to be limited to the sales aspect of the business, but it also entails the exchange of data and payment aspect of the transaction. 1. 2 Types of E-commerce: E-commerce Is mainly divided into the following types: 1. 2. 1 Business-to-Business (BOB): The BOB transactions are taking place between business concerns I. E. Manufacturers, wholesalers, suppliers, distributors. Applications of e-commerce for BOB not only Involve efficient trading but also encompasses myriad of activities like forecasting of customer demand, flow of the needed information among concerned parties, etc.

Transactions with ultimate consumers by manufacturers, middlemen, etc. Are however excluded from the area of BOB. 1. 2. 2 Business-to-consumer (BBC): BBC advert to a business transaction taking place between a manufacturer, or retailer on the one hand, and an ultimate consumer for non-business use, on the other hand. Opening an online store is not a big investment today for a SEEM. In developed countries retailers are selling wide range of products and services over the net.

They consider web site as a major part of the promotional and advertising campaign along with the use of other tools such as advertising directories, newspaper advertising ND signage. A number of advantages accrue to both the retailers and consumers, Included among them are; Shopping can be faster and more convenient; retailers get access to larger customer base: retailers can make approach not only to national but also to international customers; and incur lesser running cost than physical stores. There are also some challenges that are faced in e-commerce in using its BBC model.

The two major hurdles that come across BBC e-commerce are, firstly, bringing and making large number of customers to buy online, and secondly, to make a customer loyal to your online store for a longer period of time. Small retailers mainly find it difficult to maintain their competitiveness due to the rapid changes taking place intechnology, changing customer preferences and maintaining lower prices. Generally online customers are more price-conscious and are easily tempted by slightly lesser price, which makes It more difficult for retailers to retain online customers. . 2. 3 Business-to-Employees (BEE): BEE e-commerce generally refers to ordering for supplies by employees which they use in their jobs, but this concept has now really grown and includes much more. For very easily by using BEE e-commerce. These orders are completely electronic in tauter and supervisors are asked to approve these orders Just to monitor that employee does not exceeds its order limit. BEE allow the employee to access their own records in order to update address information, and maintain their internal resume.

A major benefit that companies have got by adopting BEE technologies is that it has dramatically reduced the administrative cost and has also lowered

the burden of human resources department for maintaining employees' information and records. 1. 2. 4 Consumer-to-Business (CB): CB e-commerce refers to a setting in which consumers decide what they want to ay, and the vendors decide whether, or not to accept the consumer 's bid. The following is an example of CB. A person wants to fly from Appeaser to Karachi, but has only RSI. 8000 in the bank account to make the payment for this round- trip.

He advertises on an Internet CB site, looking for airlines that are offering this round trip for RSI. 8000, or less. The main feature of the Internet here is that it creates a segment of customers with specific need of services in which a number of airliners will be interested in offering those services. 1. 2. 5 Consumer-to-consumer (ICC): ICC e-commerce refers to a setting where consumers among themselves buy and sell goods. The most popular example of ICC e-commerce is " e-bay', it is a website which brings a large number of people from all over America and I-J, provide them a platform where they can auction their personal belongings.

This concept has also been adopted in Pakistan. Most popular example from Pakistan would be " Passels. Com" where cars are being auctioned by their owners, and are purchased by other consumers. ICC e-commerce has its own advantages, including the following are some: access to broader market, no intermediary is involved, convenient or buyers to search the product they are looking for with the required specifications. Other than five major types of e-commerce, the following are the names of some not so popular types of e? commerce which are not meant for commercial use.

Government-to-Government (EGG), Government-to-Employee (GEE), Government-to- Business (BOB), Business-to-Government (826), Government-to-citizen (EGG), Citizen- to-Government (COG), are amongst these modes of commerce. These modes are mainly used for administrative work such as registrations to licenses renewal, filing taxes to businesses, etc. This research is mainly related to Business to Consumer (BBC) e-commerce which is commonly known as E-tailing or virtual storefront.

So before proceeding forward in the report it would be better to first explain E-tailing briefly and review its history. 1. 3 E-Tailing: E-tailing (electronic retailing) is the selling of consumer products on the net, examples of goods commonly transacted includes books, garments, games, fashion accessories, etc. The idea of E-tailing was one of the talked about topic, whenever discussions related to internet took place among economists, analysts and entrepreneurs back in the year 1995. E-tailing is synonymous with business-to- consumer (BBC) transaction.

E-tailing began to work for some big companies and some Seems in America in the year 1997 when Dell Computer reported that multimillion dollar orders were taken at its Web site. In the same year Barnes and Nobles e-tail site was launched. This website was launched in haste after watching e-tail site was opened on the same footings as that of Amazon. In the year 1997 many companies biblically announced their achievements they had made in their e-tailing business, for example sale of the millionth car over the web by Auto-By-Tell, and Nielsen Media's recorded 10 million people purchasing goods on the Web in the same year.

Growing popularity of e-tailing resulted in the development of software programs that were used for creating online catalogs, and also had management tools that will help businesses that are operating on the internet. 1. 4 Key drivers of E-tailing: Different key drivers of E-tailing are identified by many researchers over the years because the understanding of these key factors, E-tailing trends in different countries can easily be analyzed. The following are some of the main key drivers that are generally discussed by many writers and researchers.