

Ebusiness plan online
furniture shops
marketing essay



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This report outlines an online business plan for our company known as the Online Furniture Shop. We tend to cater needs of several kinds of customers ranging from large organization, small offices, schools, restaurants, hospitals to homes. We offer a vast variety of products online on our website furniture-online.com. Consumers can not only browse through various categories of products, view their details and prices but they can also order furniture online. The rest of the report will determine several other elements required in the e-business plan for Online Furniture Shop.

A. The E-commerce Infrastructure

Electronic commerce can be defined as the type of business or monetary transaction which involves the transfer of goods or services in exchange of some money over the internet. This covers a wide range of several types of businesses. These types include auctions, consumer based retail sites, music sites and business exchanges of goods/services between organizations. This business plan also determines the strategic plan required for establishing an Online Furniture Shop. The infrastructure of the business involves based e-commerce website development which will sell to both businesses and individually through the internet. The infrastructure of this e-business also comprises of DBMS, Web Master, Web-developer, E-marketing, logistics and distribution channels and integration of secure transaction channels.

B. Markets in E-Commerce

There are three types of markets in the e-business sector Business-to-Business, Business-to-Consumer and Consumer-to-Consumer. All the three business types have different business strategies and marketing plans since <https://assignbuster.com/ebusiness-plan-online-furniture-shops-marketing-essay/>

they focus on different groups of consumers. Our Online Furniture Shop will focus

a. Business to Business

Even though early e-commerce based businesses focused on retailing on the interest however it is believed that revenue generated through B2B e-commerce will exceed that of business to consumer revenue. A research published in 2000 stated that ratio of monetary volume of B2B to that of B2C is 10 to 1 (Rouse, 2010). Our company tends to cater the needs of large to small business organizations. We sell as wholesalers when dealing with businesses and selling in bulks. Our clients belong to categories such as schools, law firms, large business organizations, restaurants and other business class categories. We offer them furniture like office chairs, table, revolving chairs, folding tables, executive chairs, kindergarten chairs, hospital waiting room furniture etc. Organizations can view our products online and contact us through mail since we do not take order in bulk online rather we contact with the firm personally to fulfill their large requirements.

b. Business to Consumer

Even though B2C e-commerce has gone through hard times especially after the dot. com bubble burst in 2000. However there has been an increase in the number of online shoppers since then. Even the future looks bright for B2C e-commerce as household shopping in U. S alone has raised from 39 to 48 percent in 2010 (Patton, 2007). Our other main clients are small scale consumers who want to furnish their homes. We provide high quality

furniture like sofas, beds, dining tables, sofa-cum-beds, computer table etc.
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to our valuable consumers. The consumers can come on our website browse through the products and once they have selected what to buy they can register in simple steps, buy online through our highly secure website and get the delivery at their door-step within 5 business working days. Now buying furniture for home is just a few clicks away.

C. Business Models

There are several e-commerce business models a company can integrate in their business plan for enhanced profitability. We will focus on merchant business model since we are the retailer and wholesalers of furniture further we also sell directly to our consumers through our website. Another model we might integrate is affiliation model in which the company might place banners on other websites to increase traffic on our website thus adapting pay-per-click traffic generation strategy.

II. Marketing Concepts

There are several innovative techniques through which our e-commerce business can market the offering and reach targeted markets. We will look individually analyze the strategies which will be used in our e-business.

A. Marketing Techniques

Since the target market is individual consumer along with business sector therefore we will look at some of the ways in which Online Furniture Shop can position and market its offerings.

Banners

Company can place banners on popular websites with heavy traffic having an integrated link back to the site of the organization just like putting up billboards in real world.

Crawlers

We also intend to integrate SEO in our websites for search engines which use Crawlers technique to search the internet database so that the websites are ranked higher on the result page whenever a potential customer searches for furniture shops.

Pop Up

Pop-up ads can also be used as a marketing technique even though they are found quite annoying by some internet users. These are ads which will open up in a new window whenever a user opens an associated website like home decoration or office set-up.

III. Communicating in e-commerce

A. Social networking

The use of social networking websites such as Facebook and Twitter for promotion of products and services will be quite beneficial for OFS since it's a great way to bring customers to your websites and generate sales. These sites are also a great tool for link building by posting URLs which have a link to your website this method tends to increase the traffic (Introcaso , 2011). Through creation of social media our firm can offer discounts, coupons and announce contests to people following us on such social networking

websites. Such sites are also a great tool to interact with the consumers directly and get feedback from them along with any suggestions.

B. Content Marketing

OFS also intends to use content marketing as a method of disseminating and creating important content to acquire, engage and attract a potential target market. Content marketing basically is the art of communication with potential prospects and customers. The core essence of this marketing strategy is that if businesses keep giving consistent and valuable information to the buyer the buyer ultimately gives their loyalty as a reward.

IV. Problems surrounding E-Commerce

Due to a massive out growth in the e-commerce business sector there has also been an emergence of associated security threats. Due to which it is essential for e-commerce based businesses to cater some vital requirements. These fundamental security requirements of e-commerce business are the basis of a secure online business since this sector faces the greatest threat as stated by a report that the attacks in this sector have risen from 2006 to 2007 by 15% (Symantec, 2007).

A. Privacy and security

Since we also plan on starting an e-commerce based business therefore it is vital for the organization to integrate protection against potential security threats in the business plan. We plan on carefully monitor and securing the monetary transaction channel before offering credit card purchase option like SSL and Address Verification Systems. Our website will also have a

satisfactory site security, encryption, privacy policy and also insurance against identity theft if possible.

V. Ethical Challenges in Online Business

Identity theft can be defined as the illegally acquired personal information like names, driver's license, address, Social Security Number, Bank or credit card number and exploiting this personal data for some unlawful activities (Sorbel, 2003). It is ranked as one of the fastest growing crimes in America. Some laws and regulation which might regulate the rising issue of identity theft and which are also applied to our firm are described below.

a. The Financial Services Modernization Act of 1999

According to the summary by The Federal Reserve Bank of Minneapolis (2000) this act has a clause which requires a disclosure of privacy policy by all financial institutions with regards to the sharing of personal information. This act has another requirement which states that a notice should be given to the consumer to opt out of sharing the personal information with some nonaffiliated third party.

b. The Fair Credit Reporting Act

This was proposed in order to secure the personal information of consumers which is exchanged during any business transaction. This act tends to promote the fairness, privacy and integrity of the information content of consumer reporting agencies as states by Federal Trade Commission (2011).

VI. Conclusion

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Thanks to easy and cheap access to internet more and more people are buying online. Our e-business model caters almost all the requirements for establishing an online merchant business. The target market we are focusing on is also quite large therefore we expect a successful growth in the market.