

# System background and functionality case studies example

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



Information communication technology has become a very integral and essential part of businesses. This new way of doing business is called Electronic Commerce (E-Commerce). E-commerce means selling and buying of services and products over of internet called World Wide Web (WWW). E-commerce is unavoidable and strategic for organizations since it is the key in finding new revenue sources, reducing costs, expanding into new markets, and also creating business breakaway strategies. Electronic commerce includes trading of stocks, electronic trading, hotel booking, banking and many more. There are several types of electronic commerce but for this case, business to business (B2B) and business to customer (B2C) business transactions will apply.

Business to business e-commerce is a commerce transaction between and among businesses such as between the manufacturer and a wholesaler, between a retailer and a wholesaler, and interaction between two companies. In business to business e-commerce transaction, there are four basic roles namely; suppliers, market-makers, web service providers and buyers. Every business or company at least one of these, and many businesses or companies play multiple roles. Business to consumer e-commerce is the commerce transaction between consumer and companies, companies sell directly to consumer's information goods or physical goods. In business to business e-commerce, the web is used as a medium for ordering information goods or physical goods.

The customers can use the internet to shop for their services and products, all these processes replace the old system of doing things. The customer can search for a product of his or her choice, compare the prices, and also

evaluate other factors such as privacy and security safeguards, return policies and delivery options too. Purchasing involves several steps namely: choosing a product, providing payment information, providing real address so that the product can be delivered, and providing email address so that the company confirm immediately the order (Bakos, 2001).

## **Productivity**

E-commerce will be very productive to Print-R-Us Company; it will not only open new markets and enabling the company reach new customers but also make it faster and easier for the company to do business with its existing customer base. Moving company business practices such as customer support, invoicing, and ordering to the e-commerce system will reduce paperwork involved in the transaction. When most of the information is digital, the company can focus better in meeting its customer's needs. The following are some of the benefits that the company will gain from the new e-commerce system:

Convenience and easiness; e-commerce makes ordering by customers enjoyable due to its easiness and convenience. Customers are allowed to order their products anywhere anytime of the day. This is because it making the ordering process user friendly, convenient, and quick with the ability to transfer funds online. This will help customers save a lot of money as well as time by searching and making their order easily online.

Offers Product Datasheets; customers will be able to get details and descriptions on online product catalog. It is very important for company customers to get information about products anywhere anytime of the day. Through this information, prospects and customers will be able to make

decisions to purchase products sold by the company or not.

The company will be able to keep an eye its consumers' buying habit; the biggest of e-commerce system is that the company will be able to easily keep a constant eye of the buying habits and interests of the customer to tailor their offer to suit its customer requirements. By constantly satisfying the needs of the customer the company will be able to improve its ongoing relationship with the customers and build long lasting relationships.

Competence; e-commerce is a competent and efficient method for very effective business transactions. The company will save a lot of money since it will have to only employ few workers to perform operations such as managing inventory and billing customers.

E-commerce help in expanding the Market for Niche Products; since it is difficult for sellers and buyers to find each other in this physical world, but with e-commerce, it has become very easy for them to meet on a e-store. The customers are able to search the goods of their choice and can purchase them from any corner of United States. The customers are therefore able to order a product of their choice without any hassle.

## **Information Privacy**

Information privacy today is the most complex legal issues that are facing e-commerce ventures. Sites such as the one in this case study have less interest in discovering personal information about the customer or actively profiling them. However, e-commerce system will collect a lot of personally identifiable data that can result in liability risks. Some of this data is supplied actively by the customers. For instance, Print-R-Us site will collect customer's

names, email address and physical address, and credit card information through forms. Customers can also supply voluntarily personal information in their threaded discussion archived on the site. Some of this data on the other hand is passively collected. Routine information about each visit is recorded by the host server (Ackerman, et al. 2002).

Trading in online shop accessed via internet between consumer-to-consumer (C2C), business-to-consumer (B2C) and business-to-business (B2B) is the major purpose of e-commerce. The parties involved in this trading exchange information like private information such as credit card number, addresses and others information to complete a transaction. In C2C transaction customers provide private information when completing the transaction, it is therefore the responsibility of the e-commerce provider to put in place necessary security policies that will protect private information exchanged between customers and the exchange should take place under agreed policies. In business to customer systems, customers usually provide personal information but they know little about how their information will be protected and used. Understanding privacy concerns of the customers is very important in learning what and how personal information is collected, identifying confidential information and also offering solutions for securing customer's confidential information.

Therefore, effective privacy policies is very important in environments like the one for Print-R-U's where accumulation of vast digital information can result in digital dossiers on many individuals. The users of e-commerce system should have knowledge on how their personal information will be used by the company. This knowledge should include how the information

will be used for any internal purposes, how it will be stored and protected, and how the information is shared among nonaffiliated and affiliated third parties. Since most of the customers are not aware of the consequences of submitting their information electronically, they are not likely to sense any potential withhold and misuse. Fixing these issues will allow such policies to perform an important purpose in e-commerce privacy (Ackerman, et al. 2002).

## **Information Security**

Information security has three basic concepts namely; availability, integrity, and confidentiality. Availability ensures that information is available whenever it is needed. Integrity ensures that stored data on any device in the company or during the process of communication are not tempered with by potential malicious user. Confidentiality ensures that authorized individuals only have access to information. In e-commerce, security plays a very crucial role. Online transactions are also accompanied by several attacks and threats against e-commerce security. A threat is the potential to exploit any weakness that can result unauthorized access, information disclosure or information consumption, or use, destruction or theft of a resource, modification or distribution.

The assets in the company that must be protected to ensure secure e-commerce network include client-side or client computers, transaction through the communication channel, the merchant's server and website in the server including the hardware attached to the server-side or the server. The major asset that should be protected is the communication channel but

it is not the only e-commerce security concern. Client-side security is the major security from the user point of view. On the other hand, server-side security is the major concern from the point of view of a service provider. For instance, if the communication channel is made secure but no security measure for either server-side or client-side, then there will exist no secure information transmission (Bakos, 2001).

The company should therefore adopt security programs to help prevent such issues. A security program for e-commerce consists of protection programs that make use of available software and hardware technologies, strategic planning, and also management programs that are designed and implemented to protect the company's e-commerce operations and resources.

## **Other Ethical Issues**

Ethics are the principles of wrong and right that individuals use to make choices that guide their behaviors. Ethical issues in information systems have attracted a lot of concern due to the rise of e-commerce and the internet. Digital firm technologies and internet makes it easy to assemble, integrate, and also distribute information causing new concerns about proper use of customer information, and protection of personal privacy. Insiders with special skills can fool e-commerce system by submitting phony records and also diverting cash. Other ethical issues raised by e-commerce system include establishing accountability for the information systems consequences, setting standards for safeguarding systems' quality that protects the safety of the customer and the company.

## Summary

In conclusion, e-commerce system will bring a lot of benefits to the company and the customer as well, it includes: scalability, expanding the market for Niche products, keeping an eye on buying habits of the consumers, reducing the cost of inventory management, offering convenience and easiness and many more. E-commerce also faces a very challenging future in terms of security risks it must prevent. With the widespread availability and increasing technical knowledge on the internet, the criminals are becoming more sophisticated in deception and attacks they can perform. With the shift from offline system to online system, it is mandatory to protect all information. Information privacy and information security are based on the balance of availability, integrity, and confidentiality. There are many security strategies that can be used by the company to reduce the risk of compromise and attack significantly. Risk awareness and implementation of open and detailed privacy policies, multi layered security protocols and strong encryption and authentication measures will help in ensuring customer's safety and keeping minimal the risk of compromise.

## References

- Ackerman, Mark S. et al, (2005). Privacy in E-Commerce: Examining User Scenarios and Privacy Preferences. Proceedings of the ACM Conference in Electronic Commerce.
- Bakos, Y. (2001). The Emerging Landscape for Retail E-Commerce. Journal of Economic Perspectives, 15(1), pp. 60-100