

E commerce and business start up

Business



E commerce and Business Start up Throughout the evaluation process of a potential new idea and in the development of new marketing strategy E-Commerce needs to be continually assessed. E-Commerce offers the entrepreneur the opportunity to be very creative and innovative; its importance is indicated in the continually increasing amount of both business to business and business to customer e-commerce sales. It increase on the annual basis, according to com Score Networks, total Internet business reached to \$214. 4 billion in 2008, an increase of 7% in internet business as compared to 2007. The \$214. Billion was composed of \$130. 1 billion Non travel spending and 84. 3 billion Dollars travel spending. Video games, consoles and accessories together was the fastest growing categories constituted of 29%, sport and fitness items 29%, event tickets, 13%, consumer electronics 9%, apparel and accessories 4% and travel spending increase by 7% as compared to 2007 over 2008. Factors that facilitated the growth of e-commerce are wide spread use of PC's, the adoption of intranet in companies, the acceptance of internet as the business communications platform and faster and more secure systems.

Numerous benefits such as Access to broader customer base, lower info dissemination cost which expand the volume of E commerce. Using E-commerce Creatively: E-commerce is mostly use by most corporations to increase their marketing and sale channels. The internet is especially for small and medium size companies as it enables them to minimize the marketing costs while reaching broader markets. An entrepreneur starting an E commerce venture needs to address the same strategic and tactical

questions as any other entrepreneur, but some new specific issues are faced because introduction of new technology used in E-commerce.

An entrepreneur should decide whether should do in house or out sourcing for an inter business. In case of in house operations there are computer servers; hardware, software as well as support services are included. And in case of outsourcing entrepreneur can hire web developers to design the company's web pages and upload them on the internet through ISP. In this case the entrepreneur main task is to regularly update the information on the web pages; another option is that to purchase the software from the local market. The correct decision b/w in-house or outsourcing depends on the size of the business.

The 2 major components of internet business are Front end or Back end operations. Front end operations are the websites functions, search options, secure payments, shopping cart. The biggest mistake usually make by the companies is that they believe that the attractive website secure their business, which leads them to underestimating the back end operations. The integration of back end and front end operations represents the greatest challenge for doing internet business and at the same time provides an opportunity for developing a sustained competitive advantage.

Websites: Entrepreneurial firms mostly use websites, about 90% of small businesses today have operating websites, but majority of them are not capable of operating new websites. A good website should be easy to use. In developing a website one should keep in mind that; who is the audience? What are the objectives of the site? What do you want to costumers when they visit the site? In addressing these questions one should effectively

organize the website. This requires that the material should be fresh and updated on regular basis.

Another most important feature of the website is the search capability; it should be easy to find information about the products and services, which can be accomplished by advance search tools and subject browsing. Other functions that should be available are shopping cart, secure server connection, credit card payments and customer feedback. Speed is the characteristic of a successful website. Tracking customer information: The motivation for tracking customer information is to capture customer attention; care must be taken in doing so to follow the laws protecting the privacy of individuals.

Doing E-commerce as an Entrepreneurial Company: For online business one should take care of several factors; first the product should be delivered economically and conveniently. Fresh fruits and vegetables for individual consumers are not appropriate for long distance deliveries and online sales. Second the product should be interesting for larger no of people. Thirdly online operations should reduce the cost. And the 4th one that company can easily draw customer to its website.