

Ecommerce federal express



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1) Check the internet about the company you chose (federal express). Check the websites as well. How is e-commerce applied in the organization (federal express)?

FedEx has utilized the internet as one of the major mediums where it conducts its operations. With the scope of its global operations, it is beneficial for FedEx to use internet for conducting business in order to serve more customers, as well as cut costs in its operations.

The company utilizes e-commerce extensively as apparent in the four easy steps when availing of their service: first, choose a service, plus options; second, package your shipment; third, process your shipment; last, giving shipment to FedEx for delivery. FedEx offers complete solutions to its customers through the use of its functional website that lets one create an account, then do the steps to avail of a service of FedEx.

Choosing a service, plus an option is the first step to placing an order with FedEx after a customer has opened an account, where services to choose from include U. S. packages and envelopes, international packages and envelopes, freight services, C. O. D. and other options. The second step, packaging the shipment, as stated in its website provides customers with packaging options, help tips for preparing the package for shipment, and packaging services. Processing the shipment, the third step, enables customers to use a FedEx electronic shipping tool such as the FedEx shipping manager which “ helps a customer quickly and easily complete all of his/her shipping documents — from airbills and air waybills to bar-code labels, and more — online; apart from the FedEx shipping manager, there are “ other FedEx® electronic shipping tools simplify your shipping process and paperwork by: providing online airbills and air waybills, Commercial Invoices, <https://assignbuster.com/ecommerce-federal-express/>

and other customs documentation; preventing delays caused by inaccurate or incomplete documentation; saving you time so you can focus on more important matters” as stated in its website.

2) How can e-commerce provide competitive advantage for that organization?(federal express)

E-commerce provides competitive advantage in both the outside-in and inside-out perspective of building an organizational capability. From an outside-in perspective, e-commerce allows FedEx to build relationship with its FedEx brand and its customers through its website which is part of its direct marketing efforts, allowing customers to interact with the company as it provides faster access for them to avail of the services, while it also works to reinforce the brand by allowing customers to check if the delivery of the availed service has been met according to what FedEx has promised them. The database also allows FedEx to keep track of its customers, know their preferences and profiles, that in turn provides information for the company to craft strategies to satisfy them and keep them by constantly adapting to their changing needs.

From an inside-out perspective, e-commerce allows FedEx to capitalize on the lower costs of doing business on the internet; mass customize customer needs by still maintaining operating efficiency and keep its overhead costs down that could have been included in usual heavy brick-and-mortar-reliant operations.

3) Relate to the former IBM chairman Louis Gerstner’s comment " all about cycle time, speed, globalization, enhanced productivity, reaching new customers, and sharing knowledge across institutions for competitive advantage." Can you relate what you have learned in this module to the

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function of e-commerce in the organization?

The internet has provided a vast number of possibilities that could provide competitive advantage to an organization. Some of it are: reaching new customers from different areas that could have otherwise been more costly to reach if not with the help of the internet; availability of information that provides a more functional market for finding suppliers in terms of procurement; and the ability to obtain the information about the market and competition in minimum resources—money and time, with the use of online databases and the web.

Because of the internet, the customer base of organizations conducting business through the internet continues to grow larger in number because of the lower cost of acquisition. With the help of more efficient online markets and more accessible information about suppliers and costs of procurement, a company is able to lower down the cost of doing business. This is the situation of FedEx, which has used the internet to create, develop and sustain its competitive advantage in the shipping industry. The improved overall productivity, including efficiency in terms of lowering the costs of operations makes it possible to satisfy the customer by customizing the services according to their specific needs which in turn leads to loyalty to the FedEx brand, which in turn generates profits.

But in order to sustain the competitive advantage, an organization operating on a global scale should be able to integrate its systems and make the information that would both help satisfy the customers and lower down the costs of operations accessible to the right people who would do the decisions. This is made possible by the internet where parts of the company can maintain communication in a less costly manner; the existence of

information technology has enabled companies to store customer data in its databases from the internet, as well as intranets. It is all about speed, indeed—the speed to deliver the service and achieving satisfaction by reducing cycle time, according to customers' wants and needs made possible by excellent logistic systems; and speed to adapt to changing customer needs, which is made possible by the information about customers stored in the database. All these contribute to creating competitive advantage for a company that utilizes e-commerce as an important way to conduct its business.

Works Cited

FedEx Service Info. 21 Apr. 2008. 22 May. 2008 .