

Apple and electronic commerce

[Business](#), [E-Commerce](#)



Interchange (EDI), Inventory management systems. And automated data collection systems. According to the editor-in-chief of International Journal of Electronic Commerce, Vladimir Swags, 'Electronic commerce is sharing business information, maintaining business relationships and conducting business transactions by means of telecommunications networks'. He maintains that in its purest form, electronic commerce has existed for over 40 years, originating from the electronic transmission of messages during the Berlin airlift in 1948. From this, electronic data Interchange (DEED') was the next stage of e-commerce development.

In the sass a cooperative effort between industry groups produced a first attempt at common electronic data formats. The formats, however, were only for purchasing, transportation and finance data, and were used primarily for intra-industry transactions. It was not until the late sass that work began for national Electronic Data Interchange (EDI) standards, which developed well into the early 1 sass. EDI is the electronic transfer off standardized business transaction between a sender and receiver computer, over some kind of private network or value added network (VAN).

Both sides would have to have the same application software and the data would be exchanged in an extremely rigorous format. In sectors such as retail, automotive, defense and heavy manufacturing, EDI was developed to integrate information across larger parts of an organization's value chain from design to maintenance so that manufacturers could share information with designers, maintenance and other partners and stakeholders. Before the widespread uptake and commercial use of the Internet, the EDI system

was very expensive to run mainly because of the high cost of the private networks.

Thus, uptake was limited largely to cash-rich multinational corporations using their financial strength to pressure and persuade (with subsidies) smaller suppliers to implement EDI systems, often at a very high cost. By 1996 no more than 50,000 companies in Europe and 44,000 in the USA were using DEED', representing less than 1 per cent of the total number of companies in each of the respective continents. According to Swags, electronic commerce has been re-defined by the dynamics of the Internet and traditional e-commerce is rapidly moving to the Internet.

With the advent of the Internet, the term e-commerce began to include: Electronic trading of physical goods and of intangibles such as information. All the steps involved in trade, such as on-line marketing, ordering payment and support for delivery. Electronic support for collaboration between companies such as collaborative on-line turning to the Internet and businesses everywhere are eager to get online. However, many traditional store owners remain wary of taking such a step into the digital world. Most choose to stick with what they know, which often means doing everything on their own.

But companies around the world find out quickly that if they want to grow, to expand, to be successful, they need to be found online. Apple Inc. Alongside Amazon. Com Inc. , Staples Inc. , and Wall-Mart Stores Inc. Are the major pacesetters in the e-commerce world. (Sourer: internet: http://www.Seepage.Com/ump-data/9598_019964Ch1.PDF) Apple Inc. Formerly Apple

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computer, Inc. Is an American multinational corporation headquartered in Cupertino, California that designs, develops, and sells consumer electronics, computer software and personal computers.

Its best-known hardware products are the Mac line of computers, the iPod music player, the iPhone smartphone and iPad tablet computer. Its consumer software includes the iOS and OS X operating systems, the iTunes media browser, the Safari web browser, and the iLife and iWork creativity and productivity suites. (Source: [http://en. Wikiped. Org/wiki/Apple_Len.](http://en.wikipedia.org/wiki/Apple_Inc.)) Apple operates a click and mortar type of business model that includes both online (clicks) and offline (bricks) operations, which typically include a website and a physical store.

A click-and-mortar company can offer customers the benefits of fast online transactions or traditional face-to-face service. Additionally, many will also offer telephone ordering as well, or at least provide telephone sales support. On November, 10, 1997, Apple introduced the Apple Online Store, tied to a new build-to-order manufacturing strategy. The Apple store is the online store of Apple Inc. It is owned and operated by Apple from Cupertino, California and their subsidiaries. Besides the online store-front, items from the store can also be ordered by phone.

As of July 2013, Apple's online store is available in 38 countries, with physical Apple Stores numbering 411 in ten countries. II) Categorization & Types of model methods used Commerce can be broken into four main categories: B2B, B2C, C2C, and ICC. B2B (Business-to-Business) Companies do business with each other such as manufacturers selling to distributors and wholesalers

selling to retailers. Pricing is based on quantity of order and is often negotiable. BBC (Business-to-consumer) Businesses selling to the general public typically through catalogs utilizing shopping cart software.

By dollar volume, EBB takes the prize, however BBC is really what the average Joe has in mind with regards to commerce as a whole. Having a hard time finding a book? Need to purchase a custom, high-end computer system? How about a first class, all-inclusive trip to a tropical island? With the advent commerce, all three things can be purchased literally in minutes without human interaction. Oh how far we've come! CAB (Consumer-to-Business) A consumer posts his project with a set budget online and within hours companies review the consumer's requirements and bid on the project.

The consumer reviews consumers around the world by providing the meeting ground and platform for such transactions. ICC (Consumer-to-consumer) There are many sites offering free classifieds, auctions, and forums where individuals can buy and sell thanks to online payment systems like Papal where people can send and receive money online with ease. EBay's auction service is a great example of where person-to-person transactions take place every day since 1995. Companies using internal networks to offer their employees products and services online--not necessarily online on the Web--are engaging in BEE (Business-to-Employee) commerce.

GAG (Government-to-Government), GEE (Government-to-Employee), EBB (Government- o-Business), BAG (Business-to-Government), GAG (Government-to-citizen), COG (Citizen-to-Government) are other forms of

commerce that involve transactions with the government--from procurement to filing taxes to business registrations to renewing licenses. There are other categories of commerce out there, but they tend to be superfluous. (Source: internet: [http://www. Digitizing. Com/commerce- definition. HTML](http://www.Digitizing.Com/commerce-definition.HTML)) With the business to consumer category, Apple via the Apple online store displays its various products, ranging from Mac, pad, phone, pods and variety of accessories for the consumer to choose from. Computer hardware purchased from the Apple Store online or over the phone can also be configured-to-order with options that often include faster or larger hard drives and faster processors. Build to Order gives customer choice, simplified inventory, and instant availability. Users On June 15, 2010, Apple released an Apple Store app for ISO. It allows users to buy products, find stores, and make appointment.

To transact e-business on Apple Store, consumers could visit Apple Store ([www. Apple. Com](http://www.Apple.Com)) as a guest or register for an Apple ID and password. Basic information such as name, surname, password, date of birth, entry, postal address, and email address is submitted with a verification e-mail sent to the consumer. With the email submitted, Apple sends newsletters to its customers on new products, features, software upgrades and so on. When logged in, consumers can add customized products of their choice to a virtual cart and could checkout after they are done.

Shipping address and payment options are then filled out to complete transaction. Apple also gives consumers the platform to conduct e- business via the tunes Store, originally the tunes Music Store, is a software-based

online digital media store operated by Apple Inc. It has been the biggest music vendor in the United States since April 2008, and the biggest music vendor in the world since February 2010. As of June 2013, the iTunes Store possesses 575 million active user accounts, and serves over 31.5 million mobile devices, including iPods, iPhones and iPads.

It offers over 26 million songs, videos, e-books, television episodes and apps for sale online. Feature length movies and television episodes are also available for purchase and free download. This is done online via the iTunes app which could be downloaded and installed on a computer. Users could upload their files onto iTunes Store for other users to buy. Like the Apple Store consumers choose from. The iTunes Store's revenues in the first quarter of 2011 totaled nearly US\$1.4 billion; by February 6, 2013, the store had sold 25 billion songs worldwide. (Source: http://en.wikipedia.org/wiki/iTunes_Store)

In the business to business category, through our Apple Consultants Network, businesses have access to a host of independent professionals and consultants delivering a range of on-site services from system setup to training, help desk support, and more. New on the Apple website, the company has posted a new section advertising a rise of seminars for the iPad in Business series, which offers discussion and direct interaction with Apple Business Experts. These live seminars are designed to give viewers a Q&A format in direct contact with Apple Business Experts.

The purpose of these seminars is to learn more about how the iPad can be a valuable tool for any business, either in the office or on the go. According to Apple, " iPad is changing the way companies across the globe use mobile

devices for work. See how many of these companies are developing and deploying mission-critical APS to help improve productivity and give employees secure and immediate access to information anywhere. There will also be a Q&A segment where viewer questions will be answered by Apple Business Experts. Apple's team of technical advisors help create a tailored setup to integrate Mac, pad, and phone into another company's infrastructure. This involves discussions in everything from large scale storage solutions to media asset management, phone support for Microsoft Exchange Activities, and more Business entities could also get advice on developing customized APS for their team and distributing them throughout their business. Plus businesses can take advantage of extensive knowledge of existing APS for pad and phone that could transform the way they work.

Apple also helps other businesses in finding a financing solution that suits them. They discuss the best way to equip one's business - whether one needs to conserve cash-on-hand for essential investment or discover simple financing options that may offer tax advantages. (III) Internet and Security issues The major security threats Apple and the consumer might face in e-commerce system include; unauthorized access by fraudsters, sale of fake products, and impersonation among others. However, these can be prevented through usage of authenticated and encrypted internet connections.

Therefore any e-commerce system and for that matter must meet four integral requirements: has become a major concern for consumers with the rise of identity theft and impersonation, and any concern for consumers

must be treated as a major concern for e-commerce providers. Both EX. and US legislation at both the federal and state levels mandates certain organizations to inform customers about information uses and disclosures. Such disclosures are typically accomplished through privacy policies, both online and offline (Vail et al. 2008). B) Integrity - the exchanged information must not be altered or tampered with. In any e-commerce system the factors of data integrity, customer & client authentication and non-repudiation are critical to the success of any online business. Data integrity is the assurance that data transmitted is consistent and correct, that is, it has not been tampered or altered in any way during transmission. C) Authentication - both sender and recipient must prove their identities to each other.

Authentication is a means by which both parties in an online transaction can be confident that they are who they say they are and non-repudiation is the idea that no party can dispute that an actual event online took place. One of the key developments in e-commerce security and one which has led to the widespread growth of e-commerce is the introduction of digital signatures as a means of verification of data integrity and authentication d) Non-repudiation - proof is required that the exchanged information was indeed received.

Non-repudiation techniques prevent the sender of a message from subsequently denying that they sent the message. Digital Signatures using public-key cryptography and hash functions are the generally accepted means of providing non-repudiation of communications In addition to meeting the above requirements, Apple Online store has a good reputation

and a trusted return policy. For eligible products, consumers have up to 14 calendar days from the time they receive your item(s) to initiate a return by simply signing in to your Account or calling 1-800-MY-APPLE.

These basic maxims of e-commerce are fundamental to the conduct of secure business online. The e-commerce industry faces a challenging future in terms of the security risks it must avert. With increasing technical knowledge, and its widespread availability on the internet, criminals are becoming more and more sophisticated in the deceptions and attacks they can perform. Novel attack strategies and vulnerabilities only really become known once a perpetrator has uncovered and exploited them.

In saying this, there are multiple security strategies which any e-commerce provider can instigate to reduce the risk of attack and compromise significantly. Awareness of the risks and the implementation of multi-layered security protocols, detailed and open privacy policies and strong authentication and encryption measures will go a long way to sure the consumer and insure the risk of compromise is kept minimal. (Source: internet: [http://website. E/blob/2010/security-issues-in-e-commerce/](http://website.E/blob/2010/security-issues-in-e-commerce/)) Over the last 10-years, Apple has risen to retail dominance and, in the process, became the most valuable company on the Forbes 2000 with a market value exceeding \$500 billion. Instrumental to this financial rise has been Apple's cultivation of one of the most successful retail environments in history. As a recent in-depth New York Times series puts it, " the Apple Store is the undisputed king, a retail phenomenon renowned for impeccable design, deft service and spectacular revenues.

Apple has built this truly unique retail empire through the vertical integration of the product, retail, and customer experiences within the Apple Store. This retail model relies heavily on the brilliance of the Apple products - Apple's product innovations are driving the entire technology ecosystem forward at an astonishing pace and consistently leaves the consuming masses' in awe of the what they create. Apple truly generates a competitive advantage through the delivery of the product, retail and customer experiences via a 'dialed' channel controlled by Apple.

These stores enable Apple to fundamentally transform the purchasing invitation with consumers into a valuation of total product experience that is empowered by the unique retail atmosphere of the Apple Store. Congruently, the massive adoption of Apple phone and the assimilation of the Backbone social web have ushered in a wave of web sophistication that has been a boon to online retail. The hundreds of millions of people interacting with digital devices on a daily basis makes purchasing online a much lower hurdle than the Pre- phone & Pre-Backbone era.

In 2012, consumers are diverting a greater portion of annual spending to online retail from traditional brick and mortar channels. Apple is one the best retailers in the world at creating an engaging customer experience whose retail environment provides an excellent framework for growing retailers to emulate. By analyzing and applying the critical success factors of the Apple retail model in combination with new, innovative tools, growing retailers can readily create an Apple-queues retail experience in their stores.

The foundation of the Apple retail model is the inspiring aesthetic that transports the customer into the Apple World. The concept of well- designed retail stores is not the critical aspect of this factor - it's the ability of the store to transport the customer. The Apple Store sets the tone and atmosphere in a way that enables the customer to properly experience Apple products in the best possible light. Congruently, a well- designed online store is an integral part of every e-commerce store - but, like brick and mortar retail is decidedly insufficient to generate the experience comparable to that of the Apple Store.

The huge challenge for online retailers has been in how to transport the customer out of a transactional-focused environment and into a more experiential retailer. Apple Store also employs a unique combination of training, support, and community engagement to build an unparalleled retail model that directly drives the creation of an experience-based retail model. There are three programs that directly contribute different aspects of the customer experience: Apple's One to One is a program where new customers pay a fee to spend time setting up their new Apple product with an Apple One to One employee.

This program sets up products to work " for the individual" by teaching customers how to use the product that imparts a level of fluency & confidence to maximize the product experience (I. E. Customer's extracting more value from the product and increasing distractions). This program generates two interesting contributions to the Apple retail model that are directly applicable to online retailers: Reassure Concerns: One of the primary

barriers to adoption of the Apple platform is customer's being "scared of the unknown" and the One to One program works to reduce these fears.

Retailers want to have systems in place to alleviate fears and concerns that customers face when purchasing. Build Them Up: Customers will be happiest with their Apple purchase if they know and love how to use it. Apple is building up their customers under the erection of Apple experts where Apple receives the benefit of customers successfully enjoying their products (I. E. The implicit association of "I want to send a text message," the execution of the want, and the associations of "Apple taught me that - Apple is great!). Building up customers generates two valuable aspects - customers are happier with their product and Apple generates goodwill as the contributor of the product satisfaction. Workshops are free educational classes that offer in-depth, presentation-style walkouts on how to use the various applications that come with your Mac. This program focuses on educating customers with specialized product knowledge to extract more value from their Mac by empowering them to utilize more aspects of the system.

These workshops send the message of delivering the knowledge and tools to drive the romantic, creative aspirations, inherent in all humans, of expressing our individuality, communicate our ideas, and receive validation and support from our peers. There are two main factors that workshops contribute to the Apple retail model for online retailers: Generate Long Term Value: By educating customers, Apple gives customers to utilize more aspects of the product, increase satisfaction through confidence in abilities to complete tasks, and extract more value from the investment.

Creating a retail experience does not end when the customer purchases a product - to emulate Apple, retailers need to generate value by teaching customers how to extract more value from the products purchased. Create Sense of Belonging: Workshops are presentation-style classes where dozens sense that Apple users are a community that you can belong to simply by purchasing a product. Additionally, these classes establish a baseline for people to connect with en another based on a comparative skillset, interest level, and tech sophistication.

Like how Apple employs these classes, retailers must create content that links to other aspects of the retailer and create an opportunity for customers to connect with one another and formulate a bond as "being on the same team" (V) CONCLUSION All in all we can say "The internet has been the revolutionary technology of the new millennium, empowering consumers and businesses alike with blessings of connectivity' (Kettle & Armstrong 2004: 72). With the rapid increase and development of technology, information systems are no longer a novelty.

They have become an ordinary component of our everyday life, varying from private everyday use (such as emailing friends, chatting on MANS, and so on) to corporate use, by facilitating business processes and transactions. In the modern days, an office is practically inexistent without the use of some kind of information systems. The old office, where people used only pens, paper, calculators and envelopes is quickly ceasing to exist in that particular form. Today we are moving into an era of "intangible" business processes,

where business communication and transactions can be conducted anywhere, anytime, and with a simple mouse click.