Introduction house publishing international-business, (2008). international busin...

Introduction

E-commerce also known as e-business is the act of acquiring and putting up for sale, products and services on the Internet (International-Business, 2008).

In light of increasing Internet usage, many companies and retailers are embracing the use of Internet in their business. E-commerce not only improves the usefulness and competence of a business but also creates an avenue for interacting with customers and partners resulting in good business relations (International-Business, 2008). One may think that E-commerce exclusively means setting up a storefront on the Internet; however, this is not true since it involves complex processes.

Resources needed by an international Internet retailer

If the retail business entails selling products, then it is important for the retail enterprise to acquire a warehouse or store (Coyle, 2002).

This will ensure that the products are secured and kept in good condition. In addition, it will facilitate maintenance of records that eventually reduces irregularities and inconsistencies. Managing computers requires programmers, operating a warehouse needs employees, shipping products require shipping clerks. This implies that, Internet retail business needs to employ personnel for the efficient and effective management. Programmers will maintain computers by ensuring that they are in fine working condition consequently coming up with the best way to advertise products via Internet (Stair, Reynold & George, 2009). A warehouse requires a manager for the overall management of the warehouse activities.

The manager works with other employees who perform activities such as transportation, cleaning and repairing. Activities involved in running a global retail business require fiscal support. This means that inadequate or absence of financial resource leads to stagnation of the business. Shipment of goods, maintenance and acquisition of a warehouse are some of the important actions that cannot be attained without fiscal resources.

Internet vs. traditional retail resources

In my view, the same warehouse capacity, administration buildings and some other physical resources are requisites of both retails. The difference is evident when technology is incorporated on the retail business costing a fortune i. e.

acquisition of computers and creating products sites (Perseus, 2002). In addition, a room for facilitating the use of the computer must be purchased or rented. This implies that more physical resources are required in forming Internet retail as compared to traditional retail. In terms of fiscal requirements, there will be extra expenditure on Internet retailer's purchase of computer and imbursement of Internet services. In addition, acquiring programmers and rooms for computer usage/storage will be expensive (Gottlieb, 2008). On the other hand, traditional companies will incur extra cost in marketing products internationally upon comparison to Internet retail. In the long run, it will all depend on the business strategy.

It is notable that Internet retailing will be relatively cheaper when targeting international market. Traditional retailing will be less expensive on a local market. In reference to human resource, Internet retailers need

programmers thus more personnel in comparison to traditional retail; however, in the case of Warehouse employees, shipping employees, administrators, there may be the same number of employees especially when factors are left constant. The process of forming a business whether it is Internet based or not should focus on resources. One of the most important resources relates to finances since it controls other assets. Resource requirements may vary from one retailer to another; furthermore, allocation is dependent on the strategies of the retail type.

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