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B.Com Honours | Semester II | Calicut University

E-Business Strategies

Course Code: COM2MN110 • Module 1 Notes

1. Introduction to E-Business: Concepts and Economic Influence

The internet has transformed how commerce is conducted. E-Business (Electronic Business) is a broad term that refers not only to buying and selling online (E-Commerce) but also to serving customers, collaborating with business partners, and conducting electronic transactions within an organization. This module covers the origins and features of e-business, factors affecting its growth, types of digital enterprise services, and its overall economic influence.

E-Business vs. E-Commerce

- **E-Commerce:** The buying and selling of goods and services over the internet. It focuses primarily on outward-facing transactions with customers.
- **E-Business:** A broader definition that includes e-commerce but also encompasses internal operations such as enterprise resource planning (ERP), human resource management, inventory control, and supply chain collaboration.

Unique Features of Electronic Business

E-Business possesses several distinct characteristics that set it apart from traditional physical retail:

- **Ubiquity:** Available everywhere and at any time (24/7/365), removing the limitations of physical store hours and locations.
- **Global Reach:** Enables businesses to cross national boundaries and reach customers worldwide seamlessly.
- **Universal Standards:** Operates on shared technical standards (TCP/IP, HTML, HTTP), lowering entry costs for new companies.
- **Interactivity & Personalization:** Allows two-way communication between the merchant and consumer, enabling personalized product offerings.

Digital Enterprise Services & Economic Influence

Types of E-Services

- **Information Services:** Providing search directories, databases, news, and research to users (e.g., Google, Wikipedia).
- **Shopping Services:** Digital storefronts and marketplaces enabling transactions (e.g., Amazon, Flipkart).
- **Virtual Enterprises:** Businesses that operate entirely online, using partnerships and outsourcing instead of physical assets.

Economic Impact

E-Business serves as a major driver of economic development by reducing operational costs, increasing price transparency, creating digital jobs, and opening international markets for small and medium enterprises (SMEs).