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B.Com Honours | Semester II | Calicut University

E-Business Strategies

Course Code: COM2MN110 • Module 2 Notes

1. E-Commerce Business Models: Types and Strategies

An e-commerce business model is a structured plan for generating revenue and building competitive advantage in the digital marketplace. This module covers the core e-commerce models (B2C, B2B, C2C, P2P, M-Commerce), the conceptual framework of the sharing economy, and the key elements of an e-commerce business plan.

Core E-Commerce Business Models

B2C & B2B Models

- **Business-to-Consumer (B2C):** Businesses selling directly to individual buyers (e.g., Amazon, Nike.com). Includes e-tailers, portals, and content providers.
- **Business-to-Business (B2B):** Businesses selling to other businesses (e.g., Alibaba, IndiaMART). Commanding the largest transaction volumes online.

C2C, P2P, & M-Commerce

- **Consumer-to-Consumer (C2C):** Consumers selling directly to other consumers via third-party platforms (e.g., OLX, eBay).
- **Peer-to-Peer (P2P):** File-sharing or direct asset-sharing networks without a centralized intermediary.
- **M-Commerce:** E-commerce transactions executed using mobile devices (apps, mobile wallets).

Key Elements of an E-Commerce Business Plan

Founders must define several core elements to build a viable digital strategy:

Business Plan Element	Core Question to Answer	Strategic Components
Value Proposition	Why should the customer buy from you?	Convenience, personalization, price reduction, selection.
Revenue Model	How will the business earn profits?	Advertising, subscription, transaction fees, sales, affiliate commissions.
Market Opportunity	What is the target market space?	TAM (Total Addressable Market), niche demographics, customer size.
Competitive Advantage	What makes you superior to others?	Cost leadership, proprietary technology, exclusive supplier network.

The Sharing Economy

The **Sharing Economy** (or collaborative consumption) is an economic model defined by the sharing of underutilized physical assets (e.g., cars, spare rooms, tools) directly between peers, coordinated through digital platforms. Examples include Uber (sharing rides) and Airbnb (sharing lodging). The platform generates revenue by charging a transaction fee on each exchange.