

“To study the scope of E-Business and its applications in the era of E-Commerce”

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Abstract:-Electronic business and Electronic Commerce is more than just another way to sustain or enhance existing business practices. As e-business in India has evolved, it is a “disruptive” innovation that is radically changing the traditional way of doing business. As the social and economic influences of e-business expand and deepen, a new commercial civilization rooted in an information-based economy is emerging. Building an institutional system that can adapt to the development of e-business is of key importance for shaping the future. This paper helps to study the variation between traditional business and E-Business, E-commerce and E-Business applications, growth status of E-Business in India.

Keywords: E-Business, Applications, E-Commerce.

1. Introduction

1.2 E-Commerce

Definition: “Electronic commerce is sharing business information, maintaining business relationships and conducting business transactions by means of telecommunications networks”.

E-commerce covers outward-facing processes that touch customers, suppliers and external partners, including sales, marketing, order taking, delivery, customer service, purchasing of raw materials and supplies for production and procurement of indirect operating-expense items, such as office supplies. It involves new business models and the potential to gain new revenue or lose some existing revenue to new competitors.

For developing countries like India, e-commerce offers considerable opportunity. In India it is still in nascent stage, but even the most-pessimistic projections indicate a boom. There has been a rise in the number of companies' taking up e-commerce in the recent past. Major Indian portal sites have also shifted towards e-commerce instead of depending on advertising revenue.

1.2.1 Major elements of E-commerce or business

Electronic mail (e-mail): E-mail is the exchange of computer-created and computer-stored messages via a telecommunications network.

Electronic data interchange (EDI): EDI is computer-to-computer exchange of business documents without human intervention.

Internet and electronic commerce: The open standards of the Internet ensure that large organizations can easily extend their trading communities, by increasing the efficiency of their business operations.

1.2.2 Types of E-commerce for transaction of various Business

Business-to-business: B2B describes commerce transactions between businesses.

Business-to-consumer: B2C describes activities of businesses serving end consumers with products and/or services.

Business-to-employee: Electronic commerce uses an intra-business network which allows companies to provide products and/or services to their employees.

Business-to-government: B2G is a derivative of B2B marketing and often referred to as a market definition of "public sector marketing" which encompasses marketing products and services to various government levels.

Business-to-Manager: B2M is a new mode of E-business. It refers to transaction between enterprises (product sellers or any other workers) and professional managers.

Consumer-to-business: C2B is an electronic commerce business model in which consumers (individuals) offer products and services to companies and the companies pay them.

Consumer-to-consumer: C2C (or citizen-to-citizen) electronic commerce involves the electronically facilitated transactions between consumers through some third party.

Government-to-Business: Government-to-Business (abbreviated G2B) is the online non-commercial interaction between local and central government and the commercial business sector, rather than private individuals (G2C).

Government-to-Citizen: G2C is the communication link between a government and private individuals or residents.

Government-to-employees: G2E is the online interactions through instantaneous communication tools between government units and their employees.

Government-to-Government: G2G is the online non-commercial interaction between Government organizations.

Peer-to-peer: P2P computing or networking is a distributed application architecture that partitions tasks or workloads between peers.

1.2.3 Difference Between Traditional Commerce and E-Commerce

Sr. No.	Traditional Commerce	E-Commerce
1	Heavy dependency on information exchange from	Information sharing is made easy via electronic communication

	person to person.	channels making little dependency on person to person information exchange.
2	Communication/ transaction are done in synchronous way. Manual intervention is required for each communication or transaction.	Communication or transaction can be done in asynchronous way. Electronics system automatically handles when to pass communication to required person or do the transactions.
3	It is difficult to establish and maintain standard practices in traditional commerce.	A uniform strategy can be easily established and maintain in ecommerce.
4	Communications of business depends upon individual skills.	In e-Commerce or Electronic Market, there is no human intervention.
5	Unavailability of a uniform platform as traditional commerce depends heavily on personal communication.	E-Commerce website provides user a platform where all information is available at one place.
6	No uniform platform for information sharing as it depends heavily on personal communication.	E-Commerce provides a universal platform to support commercial/business activities across the globe.

2. E-Business

Definition: "E-business (electronic business) is the conduct of business processes on the Internet. These electronic business processes include buying and selling products, supplies and services; servicing customers; processing payments; managing production control; collaborating with business partners sharing information, running automated employee services, recruiting and more."

E-business includes e-commerce but also covers internal processes such as production, inventory management, product development, risk management, finance, knowledge management and human resources. E-business strategy is more complex, more focused on internal processes, and aimed at cost savings and improvements in efficiency, productivity and cost savings.

E-business can comprise a range of functions and services, ranging from the development of intranets and extranets to e-service, the provision of services and tasks over the Internet by application service providers. Today, as major corporations continuously rethink their businesses in terms of the Internet, specifically its availability, wide reach and ever-changing capabilities, they are conducting e-business to buy parts and supplies from other companies, collaborate on sales promotions, and conduct joint research. With the security built into today's browsers, and with digital certificates now available for individuals and companies from Verisign, a certificate issuer, much of the early concern

about the security of business transaction on the Web has abated, and e-business by whatever name is accelerating.

One of the keys that enable us to consistently develop successful e-Business applications is our robust e-Business Framework, which we have developed over many years and thousands of projects, that:

- Provides a secure framework for integrating multiple eBusiness solutions such as Account Management, Product Management, Sales & Marketing, Order Management, Guided Selling and Configuration, Intranet portal, Extranet portal, and much more
- These solutions are designed and built as individual components which can plug into the base framework, and interoperable with each other for a smooth workflow amongst the various business functions
- The framework can seamlessly integrate with any back end ERP/MRP, and other systems. The solutions designed by ISM are customized to your exact business requirements
- Provides Intranet and Extranet Administration tools to manage access rights and permissions at a granular level
- Provides audit and analysis tools that enable you to monitor the complete spectrum of user activity, at a highly granular level, on your Intranet and Extranet portals, providing the usage measurements such as an application's popularity with customers and internal staff.



Fig 1: e-Business Framework

- *IBM was one of the first companies to use the term eBusiness, in October 1997, it launched a thematic*
- *A report by the Internet and Mobile Association of India has revealed that India's E-commerce market is growing at an average rate of 70 percent annually and has grown over 500 percent since 2007.*
- *The current estimate of US\$ 6.79 billion for year 2010 is way ahead of the market size in the year 2007 at \$1.75 billion*

3. Applications of E-Business

- 3.1 Cross-Functional Enterprise Systems:** These applications are integrated crossfunctionalenterprise applications such as enterprise resource planning (ERP), customer relationship management (CRM), and supply chain management (SCM). These systems themselves are frequently being interconnected by enterprise application integration (EAI) systems so that the business users of these applications can more easily access the information resources they need to support the needs of customers, suppliers, and business partners. Enterprise collaboration systems (ECS) are cross-functional systems that support and enhance communication and collaboration among the teams and workgroups in an organization.
- 3.2 Enterprise Resource Planning: The Business Backbone:** Enterprise resource planning is a crossfunctional enterprise system that integrates and automates many of the internal business processes of a company, particularly those within the manufacturing, logistics, distribution, accounting, finance, and human resource functions of the business. Thus, ERP serves as the vital backbone information system of the enterprise, helping a company achieve the efficiency, agility, and responsiveness required to succeed in a dynamic business environment. ERP software typically consists of integrated modules that give a company a real-time crossfunctional view of its core business processes, such as production, order processing, and sales, and its resources, such as cash, raw materials, production capacity, and people. However, properly implementing ERP systems is a difficult and costly process that has caused serious business losses for some companies, who underestimated the planning, development, and training that were necessary to reengineer their business processes to accommodate their new ERP systems.
- 3.3 Customer Relationship Management: The Business Focus:** Customer relationship management is a crossfunctional enterprise system that integrates and automates many of the customer serving processes in sales, marketing, and customer services that interact with a company's customers. The major application components of CRM include contact and account management, sales, marketing and fulfillment, customer service and support, and retention and loyalty programs, all aimed at helping a company acquire, enhance, and retain profitable relationships with its customers as a

primary business goal. However, many companies have found CRM systems difficult to properly implement due to lack of adequate understanding and preparation by management and affected employees.

- 3.4 Supply Chain Management: The Business Network:** Supply chain management is a cross-functional interenterprise system that integrates and automates the network of business processes and relationships between a company and its suppliers, customers, distributors, and other business partners. The goal of SCM is to help a company achieve agility and responsiveness in meeting the demands of their customers and needs of their suppliers, by enabling it to design, build, and sell its products using a fast, efficient, and low-cost network of business partners, processes, and relationships, or supply chain. SCM is frequently subdivided into supply chain planning applications, such as demand and supply forecasting, and supply chain execution applications, such as inventory management, logistics management, and warehouse management. Developing effective supply chain systems and achieving the business goals of SCM have proven to be complex and difficult challenges for many firms.
- 3.5 Transaction Processing Systems:** Online transaction processing systems play a vital role in business. Transaction processing involves the basic activities of (1) data entry, (2) transaction processing, (3) database maintenance, (4) document and report generation, and (5) inquiry processing. Many firms are using the Internet, intranets, extranets, and other networks for online transaction processing to provide superior service to their customers and suppliers.
- 3.6 Functional Business Systems:** Functional business information systems support the business functions of marketing, production/operations, accounting, finance, and human resource management through a variety of e-business operational and management information systems
- 3.7 Marketing:** Marketing information systems support traditional and e-commerce processes and management of the marketing function. Major types of marketing information systems include interactive marketing at e-commerce websites, sales force automation, customer relationship management, sales management, product management, targeted marketing, advertising and promotion, and market research. Thus, marketing information systems assist marketing managers in electronic commerce product development and customer relationship decisions, as well as in planning advertising and sales promotion strategies and developing the e-commerce potential of new and present products, and new channels of distribution.
- 3.8 Manufacturing:** Computer-based manufacturing information systems help a company achieve computerintegrated manufacturing (CIM), and thus simplify, automate, and integrate many of the activities needed to quickly produce high-quality products to

meet changing customer demands. For example, computer-aided design using collaborative manufacturing networks helps engineers collaborate on the design of new products and processes. Then manufacturing resource planning systems help plan the types of resources needed in the production process. Finally, manufacturing execution systems monitor and control the manufacture of products on the factory floor through shop floor scheduling and control systems, controlling a physical process (process control), a machine tool (numerical control), or machines with some humanlike work capabilities (robotics).

3.9 Human Resource Management: Human resource information systems support human resource management in organizations. They include information systems for staffing the organization, training and development, and compensation administration. HRM websites on the Internet or corporate intranets have become important tools for providing HR services to present and prospective employees.

3.10 Accounting and Finance: Accounting information systems record, report, and analyze business transactions and events for the management of the business enterprise. Examples of common accounting information systems include order processing, inventory control, accounts receivable, accounts payable, payroll, and general ledger systems. Information systems in finance support financial managers in decisions regarding the financing of a business and the allocation of financial resources within a business. Financial information systems include cash management, online investment management, capital budgeting, and financial forecasting and planning.

4. Conclusion

After careful observation, it has come to my conclusion that e-business and e-commerce has undeniably become an important part of our society. E-business is a large, fast growing industry, and organizations are looking for fast, effective ways to implement e-business systems. While placing orders over the web has been the most visible area

of e-business, a complete e-business application requires a number of other features that rely on the use of business intelligence technology.

These “e-business intelligence” applications, that give customers, suppliers, and partners controlled access to existing internal information systems, allow organizations to move quickly into the e-business arena, gain competitive advantage, and in the process exploit their existing data warehousing investments.

The benefits of e-business intelligence systems include:

- Lower customer support costs, replacing existing manual, paper-based systems.
- Increased customer satisfaction, through timely, self-service access to information.
- Increased differentiation compared to competitor’s product offers, leading directly to increases in top-line revenue.
- Increased strategic visibility of the IT organization.

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