**Course:** E-Business  **Program:** BBA

**Semester: 5**th **Major Assignment**

**Total Marks:** 30 **Instructor:** Zakir Rahim

Due Date: 10th June,2020

**Instructions:**

* Students are required to solve the provided assignment and upload it on SIC before 11th June 2020.
* The solutions can be type-written or hand-written.
* In case of handwritten solutions, you are required to copy pictures of the solved assignment in Ms-Word and upload it.
* The solutions must be uploaded either in Ms-Word format or pdf format.
* Students are required to save the file with their name and student id. For example ahmad\_12345.

**Assignment submitted by:Kashif Ahmad**

**I’d: 16375**

**Q1. (a) How ecommerce has changed the retailing in current situation? Give a few relevant examples. (5)**

With lockdowns, brick-and-mortar retailers are facing a harsh reality, considering that the government has enforced quarantine and restricted outdoor trips. With e-commerce, on the other hand, shipping and supply challenges are persisting.

**The Rise of Online Grocery Stores:**

The world is facing a severe lockdown currently. With only a few people out on the roads, the number of those who have isolated themselves is increasing day-by-day, fortunately. As a result, housebound consumers across the globe are turning towards online groceries for their essential supply.

**A Ray of Innovation**

Not all seems stormed amid this epidemic. Although the disease is contagious, however, it is simultaneously compelling innovators to come up with revolutionary ideas. Now is the time when a lot of companies, including a handful of them in China, are experimenting with robots, drones, and automation for delivering products

**A Successful Surge in Virus Protection Products**

Since authorities, both medical and governmental, have been urging people to maintain adequate hygiene and not to touch their faces for obvious reasons, people are listening. And, that is one of the major reasons why people are running behind protective products, including gloves, sanitizers, masks, and much more.

**(b) Explain the challenges faced by organizations while participating in ecommerce? (5)**

Over the past 10-15 years, electronic trading platforms have emerged in the depths of large enterprises as a system of resource allocation between departments. Shoes, furniture, consumer electronics – there is almost nothing that cannot be ordered on the Internet. But the consumption in the net has also dark sides. Bogus orders, fake websites, illegal purchases, etc. are also more frequent. In such a case, the protection of user data has also become a major challenge in the online world. With the growing financial services, the type of payment your business accepts also effects the e-commerce today.

Some of the challenges faced by organization while participating in e-commerce are

* **Absence of online verification of customers**

The genuineness of the new customers is questionable in an online portal. When a visitor signs up, e-websites have nothing but the address and phone number entered by them. If those visitors are a scam, and if they order cash on delivery purchases to a fake address, it can be a huge loss for the company. It becomes impossible to contact them if the number is also fake. Therefore, to be at the safe side, e-websites or online portals should take all necessary steps required to decline these risks. It is necessary to recognize bogus orders, fake phone numbers, invalid zip code, etc. Alternatively, they can install services or software that automates a call on placing an order.

* **Maintain Customer Loyalty**

Customer loyalty is an important indicator of firm performance. The modern consumer is so sophisticated and busy that showing content or sending offers that are not relevant to him at all is a real failure. If the online store does not understand what the potential consumer wants or does not consider it necessary to understand, then it may cost the store a customer. Unlike normal street shopping, the buyer and seller do not see each other in online shopping. Therefore, it is difficult to build trust between them. Building trust, therefore, can take some time and transactions in online shops. You can also earn customers loyalty through excellent customer service. By displaying your address, answering calls, adding a live chat option on your website, etc. can also help you in building trust among customers.

* **Customer Service**

In a general store, the customer leaves the store with his product. However, this situation is not the same as e-commerce. In e-shopping, the user sends you money for a product he does not have yet. He waits impatiently for the arrival of his order. Problems can still arise if the delivery service provider has lost a package, or the product has been damaged during transport, or you have simply fallen behind before shipping. This can cause customer dissatisfaction, which will then need to be managed. The idea is to be transparent and responsive and to keep customers abreast of the situation as soon as possible. If you are in a discussion with the delivery provider to find a lost package, keep the user informed of your steps, do not wait for him to come to the news. Similarly, if you are late in your parcel preparations, inform him of the expected date of shipment. If the product has been damaged

during transport, quickly propose a solution according to your legal notice, whether a total or partial refund or a replacement. Internet users who have received good communication in the case of litigation generally keep good relations with the e-commerce site, 95% of the negative opinions turn into loyal customers if a solution has been made. The responsiveness of the after-sales service greatly affects the image of a company.

**Q2. Explain the term “Digital Phenomenon” and how it has contributed to the growth of Ecommerce? (10)**

As e-commerce is about going “DIGITAL,” we call this the DIGITAL phenomenon. Here we attempt to examine the possible drivers behind e-commerce (or the DIGITAL phenomenon) by the following “DIGITAL” acronym.

* **Data networks**

With the advent of data networks such as the local area networks and the internet, dispersed computing systems can now be connected together. This not only allows seamless flow of information but also opens many new opportunities including ecommerce.

* **Intense Competition**

In nearly all business, competition is becoming increasingly intense. In order to survive, companies are constantly looking for more effective ways to provide better customer services. E-commerce is one of the effective ways

* **Globalization**

To maintain growth of profit, many companies are moving to the international market. However, one of the major obstacles is the graphical barrier. E-commerce provides an effective "vehicle" for companies to move to the international market because there is almost no geographical barrier in cyberspace. In other words, it is easier for a foreign company to compete with the local company under the cyber environment. Globalization is a complex issue.

* **Information age**

As we enter the information age, information becomes a valuable asset. Therefore companies are looking for more effective ways to collect, update, and manipulate various types of information particularly for marketing purposes. E-commerce facilitates this.

* **Technologies**

With the advent of technologies, many business ideas can now be realized. Technologies are the enabler for ecommerce.

* **Automation**

As the cost of labour increases, there is a strong need for companies to look for alternative ways to do routine work. This is particularly true in handling the myriad paper transactions once on order is taken. With electronic messages one can reduce this considerably. E-commerce thus provides an attractive solution.

* **Low cost high quality products/services**

"Low cost high quality products/services" has become one of the major business philosophies in the 21st century because of competitions and high customer expectations. Companies are looking for ways to satisfy these requirements.

**Q3. (a) Keeping in view the discussion of consumer oriented ecommerce, in your opinion what are the three most important key success factors that contribute towards the success of any e-retailer? (5)**

There are many factors which can play an important role in the success of e-retailer but most important in my opinion are

* **Visibility**

It is the very important in cyberspace that your website Is visible. This means that we should register it with such well known search engines like Yahoo, Google etc. so that it is easily found. And it is also important to link our website with other websites which have similar interests

* **Website Development**

The look and feel of the website should match with the company’s image as well as the market position that it seeks to address. Suppose if the brand is Armani then the website should be sophisticated looking and if it is other brands then it can be slightly jazzy. The front page is the most important of the website to grab the customer. In other words it plays the same role that the window plays on traditional store. Next inside the store layout should be according to customer interest.

* **Maintaining high quality products**

For a long time, people had the notion that products from ecommerce sites were inferior quality when compared to products from physical stores. While much of that myth no longer exists these days, there is still a lot that must be done to convince customers that your products are comparable in quality as those found in malls and other stores. Make sure you procure your products from well-known and trusted suppliers of high quality goods as well.

**(b) elaborate the benefits of ecommerce to consumers? (5)**

Everything is in one place! This is probably one of the great advantages of e-commerce. Why walk among store shelves and search for the product you need when all you need is a couple of clicks and you have bought it? Everybody falls in love with the advantages of online shopping!

## **A wide range of products and services**

E-commerce allows customers to choose a product or service of their choice from any supplier anywhere in the world. The customer has a wider choice than he would have had if he'd picked a brick-and-mortar store. And the freedom to view the offer without any stress or hurry is priceless!

Due to space constraints, the seller needs to store only minimum quantity of goods in the store. A virtual store allows you to store a lot of goods without taking inventory costs into consideration. That is why businesses offer consumers a wide variety of products.

## **Simplicity and comfort**

Customers can buy any product from any e-commerce in the world without having to step foot from their workplace or home. Due to bad weather, economic situation, or for any other reason, many people cannot go shopping. E-commerce is convenient when buying goods or services without creating physical limitations for consumers. In addition, just a few click from the comfort of your home and the merchandise is yours! No cash? No problem! Simply fill in your credit or debit card details and make an immediate payment.

## **E-commerce saves money**

Costs incurred by a provider of products or services in cooperation with an intermediary are paid by the customer. When there are no middle men, the customer may not have to spend so much money. Products offered over the Internet are generally cheaper than those in the shops. So you can save a few rupees!