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13. E-Commerce Business and Projects

Launching a Successful Online Business and EC Projects

- Code: 166140-01+02
- Course: Electronic Commerce
- Period: Autumn 2011
- Professor: Sangwon Lee, Ph.D.

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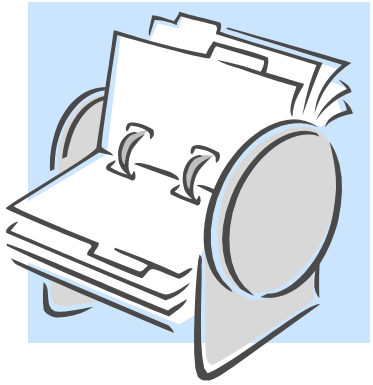

Lecture

13. E-Commerce Business and Projects

Launching a Successful Online Business and EC Projects

- **Code: 166140-01+02**
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Learning Objectives

- 01. Understand the fundamental requirements for initiating an online business.
- 02. Describe the process of initiating and funding a start-up e-business or large e-project.
- 03. Understand the process of adding EC initiatives to an existing business.
- 04. Describe the issues and methods of transforming an organization into an e-business.
- 05. Describe the process of acquiring Web sites and evaluating building versus hosting options.
- 06. Understand the importance of providing and managing content and describe how to accomplish this.
- 07. Evaluate Web sites on design criteria, such as appearance, navigation, consistency, and performance.
- 08. Understand how search engine optimization can help a Web site obtain high placement in search engines.
- 09. Understand how to provide some major support e-services.
- 10. Understand the process of building an online storefront.
- 11. Be able to build an online storefront with templates.

01. Getting into E-Commerce

- Getting into E-Commerce
  - Almost any e-commerce initiative will require support activities and services, as well as plans for attracting visitors to a Web site
    - Developing a Web site
    - Hosting the Web site and selecting and registering a domain name
    - Developing, updating, and managing the content of a Web site
    - Designing a Web site for maximum usability
    - Providing support services

http://www.szcpost.com

02. Starting a New Online Business

- An E-Start-Up is a Start-Up
  - Creating a new company or adding an online project
    - 1) Identify a consumer or business need in the marketplace
    - 2) Investigate the opportunity
    - 3) Determine the business owner's ability to meet the need

02. Starting a New Online Business

- Online Business Planning
  - Business plan
    - A written document that identifies a company's goals and outlines how the company intends to achieve the goals and at what cost.
  - Business case
    - A document that justifies the investment of internal, organizational resources in a specific application or project.

http://www.malaysiaclassifieds.webs.com

02. Starting a New Online Business

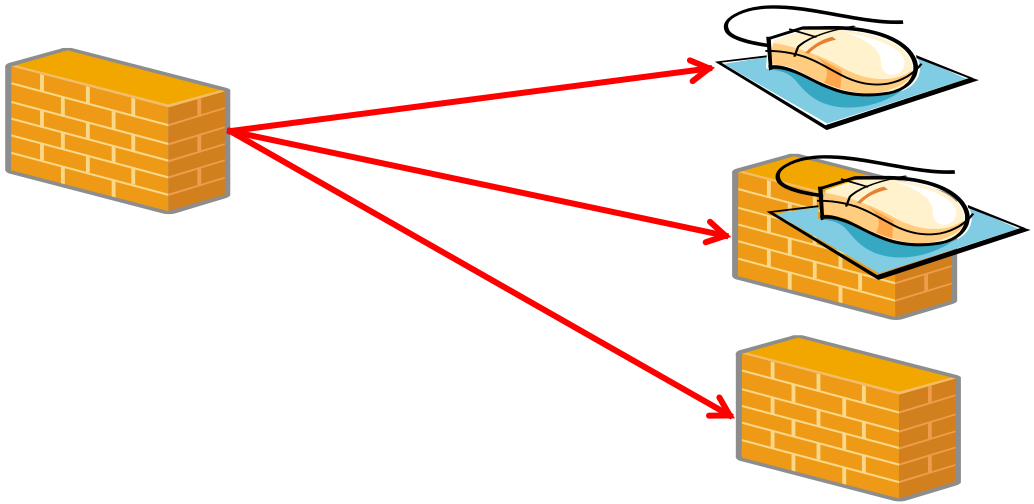
- Funding a New Online Business
  - First round of initial funding
    - Angel investor
      - A wealthy individual who contributes personal funds and possibly expertise at the earliest stage of business development.
  - Second round of financing
    - Venture capital (VC)
      - Money invested in a business by an individual, a group of individuals (venture capitalists), or a funding company in exchange for equity in the business.
  - Additional funding
    - A large partner
  - Initial public offering (IPO)

02. Starting a New Online Business

- Adding EC Initiatives to an Existing Business
  - A storefront
  - A portal
  - E-procurement
  - Auctions and reverse auctions
  - Other initiatives

02. Starting a New Online Business

- Transforming to an E-Business
  - Brick-and-mortar (old economy) organizations
    - ➔ Pure-clicks (or virtual or pure-play) organizations
    - ➔ Clicks-and-mortar (or clicks-and-brick) organizations
    - ➔ Business process reengineering (BPR)

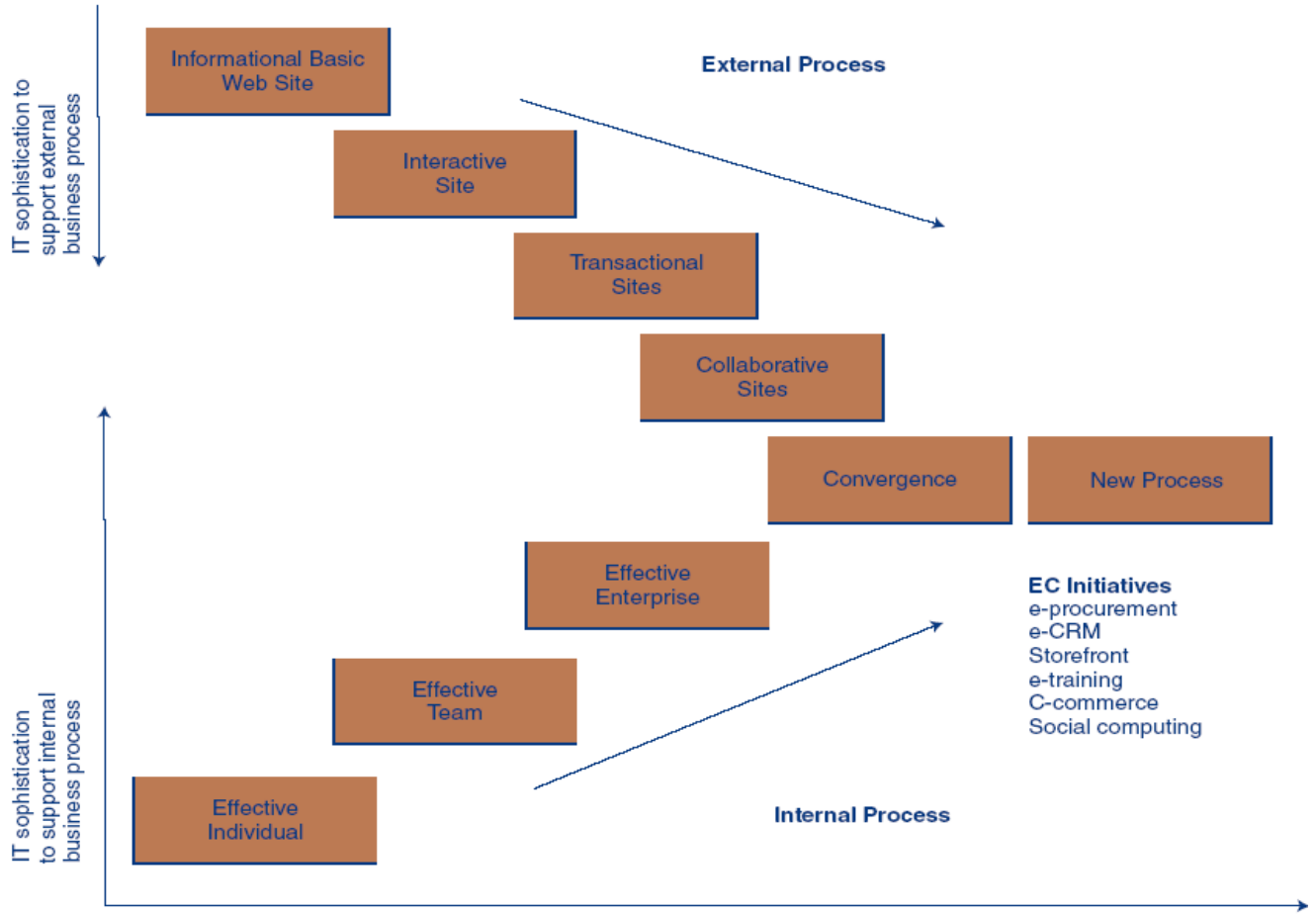


02. Starting a New Online Business

- Transforming to an E-Business
  - Business process management (BPM)
    - Method for business restructuring that combines workflow systems and redesign methods; covers three process categories—people-to-people, systems-to-systems, and systems-to-people interactions.
  - Software tools for facilitating transformation into e-business
  - Change management (CM)

02. Starting a New Online Business

- Roadmap to Becoming an E-Business



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03. Building or Acquiring a Web Site

- Classification of Web Sites
  - Informational Web site
    - A Web site that does little more than provide information about the business and its products and services.

03. Building or Acquiring a Web Site

- Classification of Web Sites
  - Interactive Web site
    - A Web site that provides opportunities for the customers and the business to communicate and share information.

03. Building or Acquiring a Web Site

- Classification of Web Sites
  - Attractors
    - Web site features that attract and interact with visitors in the target stakeholder group.

03. Building or Acquiring a Web Site

- Classification of Web Sites
  - Transactional Web site
    - A Web site that sells products and services.

03. Building or Acquiring a Web Site

- Classification of Web Sites
  - Collaborative Web site
    - A site that allows business partners to collaborate.

03. Building or Acquiring a Web Site

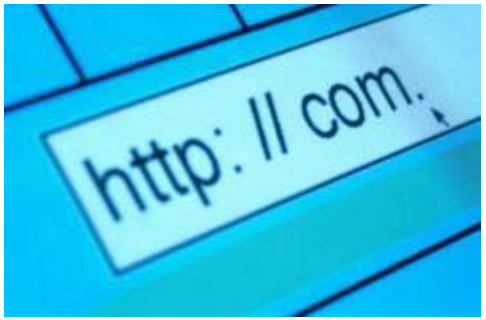
- Building a Web Site
  - Step 1: Select a Web host
  - Step 2: Register a domain name
  - Step 3: Create and manage content
  - Step 4: Design the Web site
  - Step 5: Construct the Web site and test
  - Step 6: Market and promote the Web site

04. Web Site Hosting and Domain Name

- Web Hosting Options
  - Storebuilder service
    - A hosting service that provides disk space and services to help small and microbusinesses build a Web site quickly and cheaply.

04. Web Site Hosting and Domain Name

- Web Hosting Options
  - Web hosting service
    - A dedicated Web site hosting company that offers a wide range of hosting services and functionality to businesses of all sizes.



04. Web Site Hosting and Domain Name

- Web Hosting Options
  - Mirror site
    - An exact duplicate of an original Web site that is physically located on a Web server on another continent or in another country.

04. Web Site Hosting and Domain Name

- Web Hosting Options
  - Co-location
    - A Web server owned and maintained by the business is given to a Web hosting service that manages the server's connection to the Internet.

04. Web Site Hosting and Domain Name

- Web Hosting Options
  - ISP hosting service
    - A hosting service that provides an independent, stand-alone Web site for small and medium-sized businesses.

http://tech-wonders.blogspot.com

04. Web Site Hosting and Domain Name

- Web Hosting Options
  - Self-hosting
    - When a business acquires the hardware, software, staff, and dedicated telecommunications services necessary to set up and manage its own Web site.

04. Web Site Hosting and Domain Name

- Registering a Domain Name
  - Domain name
    - A Web address that identifies a user (organization) via its Internet-connection server. It creates the Uniform Resources Locator (URL).

04. Web Site Hosting and Domain Name

- Registering a Domain Name
  - Domain name registrar
    - A business that assists prospective Web site owners with finding and registering the domain name of their choice.

http://www.life123.com

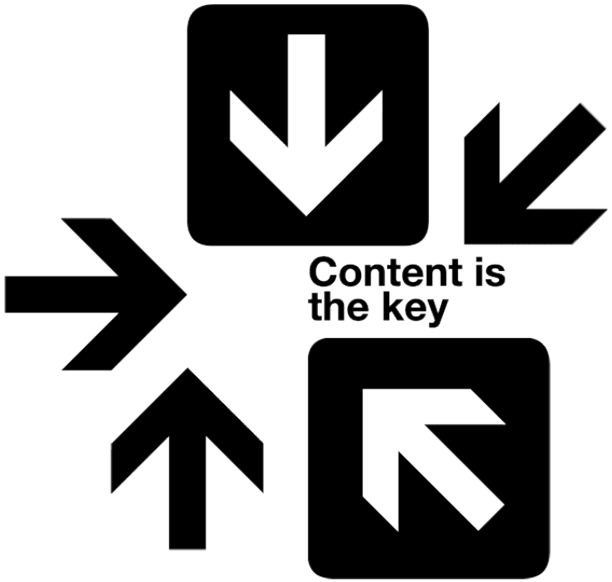
05. Content Management

- Categories and Types of Content
  - Dynamic Web content
    - Content that must be kept up-to-date.

http://www.nearlyanerd.com

05. Content Management

- Categories and Types of Content
  - Commodity content
    - Information that is widely available and generally free to access on the Web.



http://www.thoughtmechanics.com

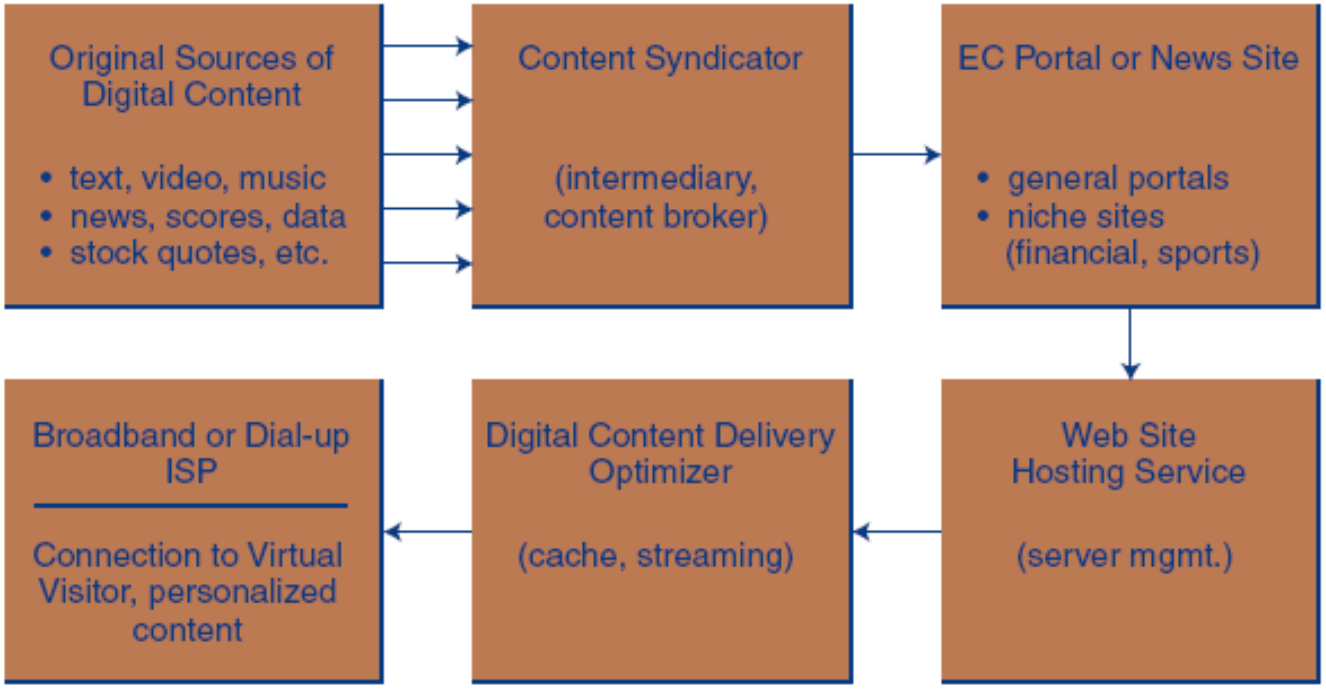
05. Content Management

- Categories and Types of Content
  - Primary and secondary content
    - Cross-selling
      - Offering similar or complementary products and services to increase sales.
    - Up-selling
      - Offering an upgraded version of the product in order to boost sales and profit.

http://ebusinessfacets.endeca.com

05. Content Management

- Digital Content Delivery Life Cycle



05. Content Management

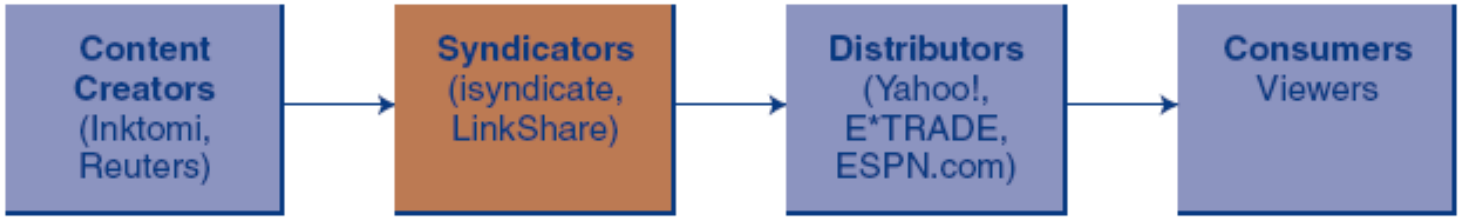
- Creation or Acquisition?
  - Buying content
  - Buying from a syndicator
    - Syndication
      - The sale of the same good (e.g., digital content) to many customers, who then integrate it with other offerings and resell it or give it away free.
    - Web syndication
      - A form of syndication in which a section of a Web site is made available for other sites to use.

05. Content Management

- Creation or Acquisition?
  - Representative content-related vendors
  - Content delivery networks
  - Personalized content
    - Web content that matches the needs and expectations of the individual visitor.
  - E-newsletter
    - A collection of short, informative articles sent at regular intervals by e-mail to individuals who have an interest in the newsletter's topic.
  - Writing effective content

05. Content Management

- The Syndication Supply Chain



05. Content Management

- Content Management
  - The process of adding, revising, and removing content from a Web site to keep content fresh, accurate, compelling, and credible.

http://www.volacci.com

05. Content Management

- Types of Content Management
  - Content testing and updating
  - Measuring content quality
  - Pitfalls of content management
  - Content removal
  - Content management software
  - Catalog content and its management
  - Content maximization and streaming services

http://www.volacci.com

06. Web Site Design

- Web Site Design Criteria
  - Navigation
  - Consistency
  - Response time
  - Appearance
  - Quality assurance
  - Availability
  - Interactivity
  - Content
  - Usability
  - Security
  - Scalability

http://blogs.afterabc.co.kr

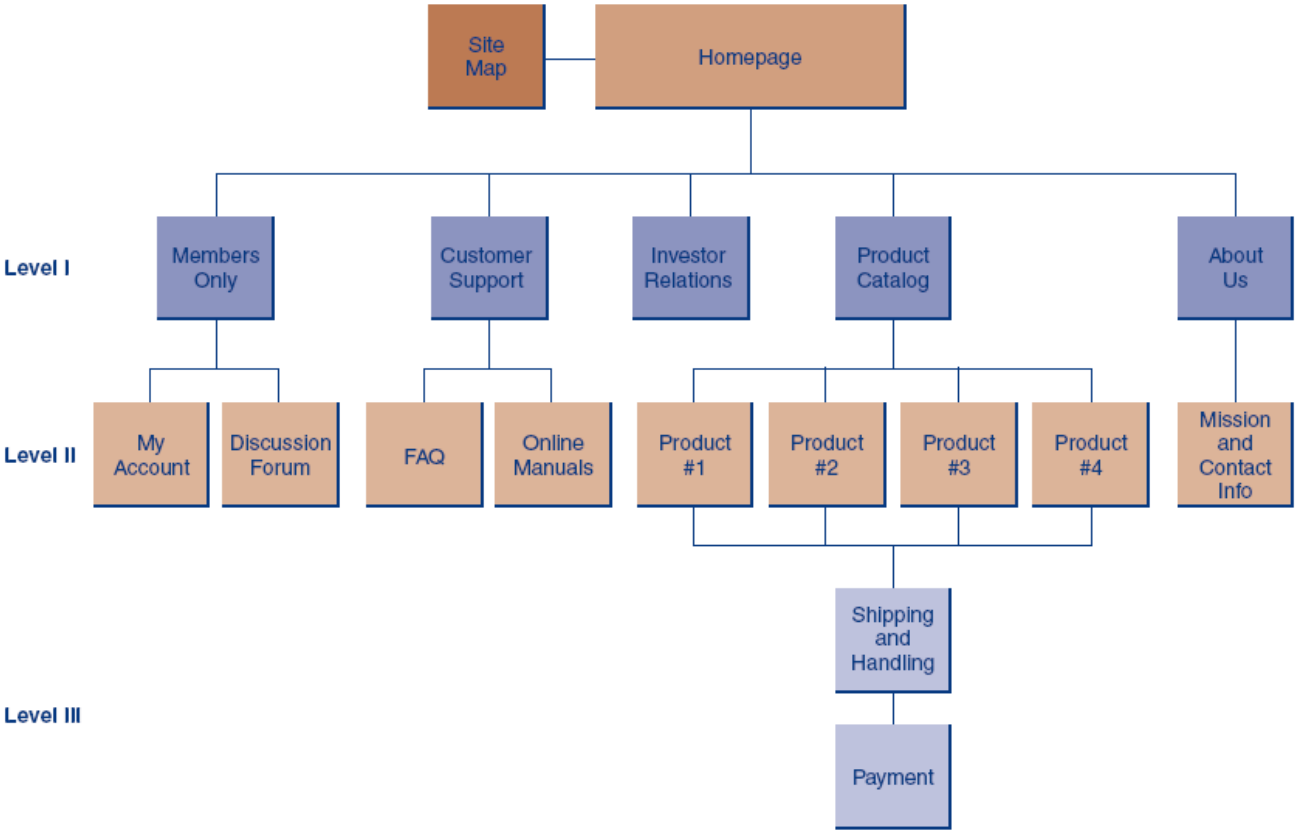
06. Web Site Design

- Information Architecture
  - How the site and its Web pages are organized, labeled, and navigated to support browsing and searching throughout the Web site.

http://blogs.afterabc.co.kr

06. Web Site Design

- Information Architecture
  - A simple hierarchical Web site structure



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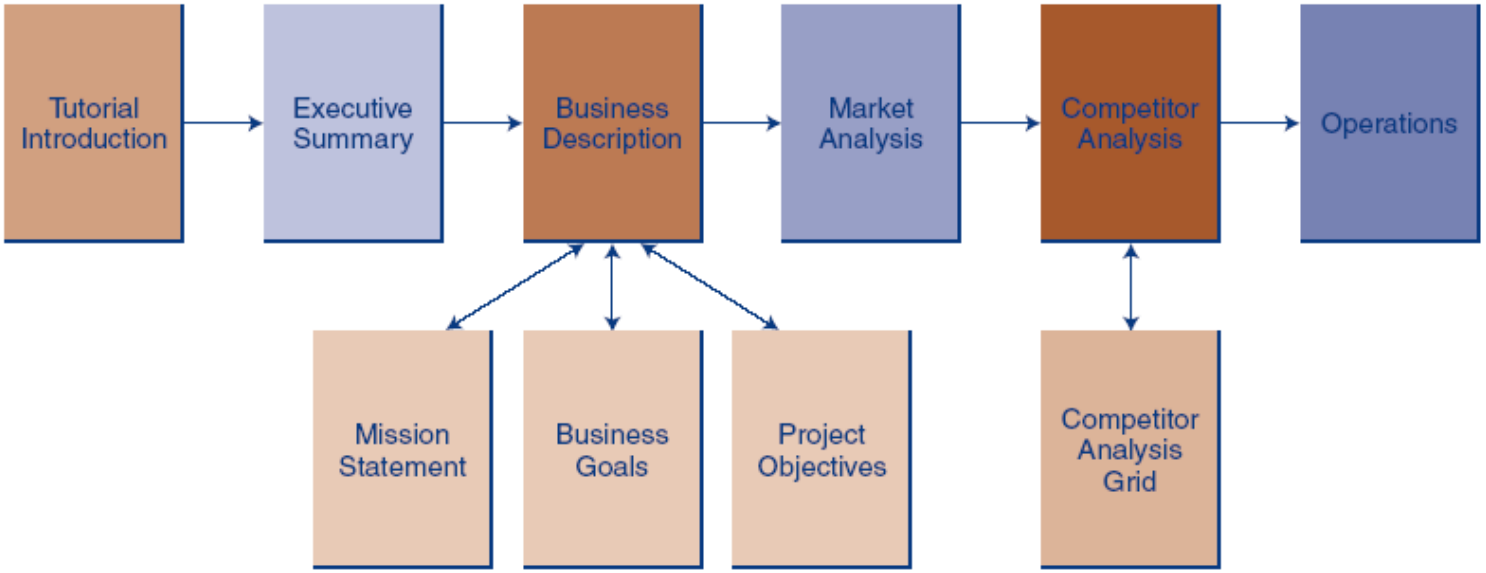
06. Web Site Design

- Information Architecture
  - A simple linear Web site structure



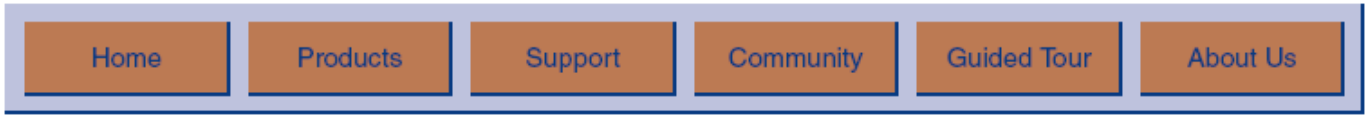
06. Web Site Design

- Site Navigation
  - Aids that help visitors find the information they need quickly and easily.

http://webdesignscotland.springnote.com

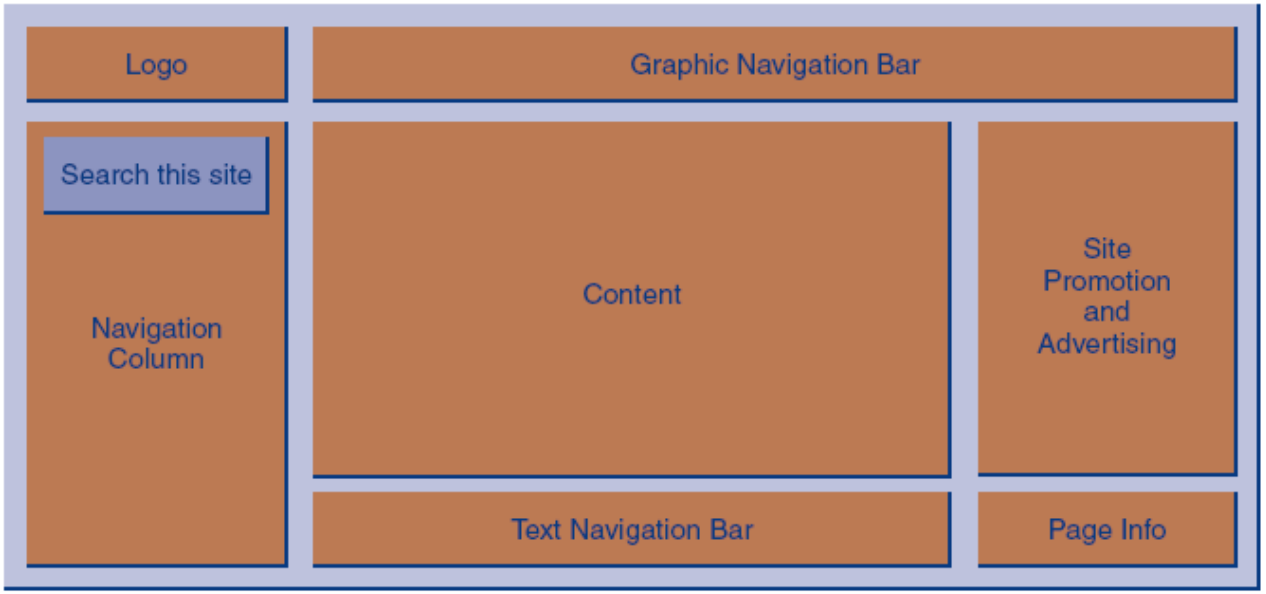
06. Web Site Design

- Site Navigation
  - A typical navigation bar



06. Web Site Design

- Site Navigation
  - A Web page layout grid



06. Web Site Design

- Miscellaneous
  - Performance
  - Colors and graphics
  - Usability (of Web site)
    - The quality of the user's experience when interacting with the Web site.

http://www.volacci.com

07. Providing EC Support Services

- Who Builds the Web Site?

http://webdesign111.springnote.com

07. Providing EC Support Services

- Payments: Accepting Credit Cards
  - Card-not-present (CNP) transaction
    - A credit card transaction in which the merchant does not verify the customer's signature.

http://edwindwianto.wordpress.com

07. Providing EC Support Services

- Web Site Promotion
  - Internal Web site promotion
    - Signature file
      - A simple text message an e-mail program automatically adds to outgoing messages.
  - Search engine optimization (SEO)
    - The application of strategies intended to position a Web site at the top of Web search engines.

http://www.demya.com

07. Providing EC Support Services

- Customer Relationship Management (CRM)
  - Using content to build customer relationships

http://telecorp-services.blogspot.com

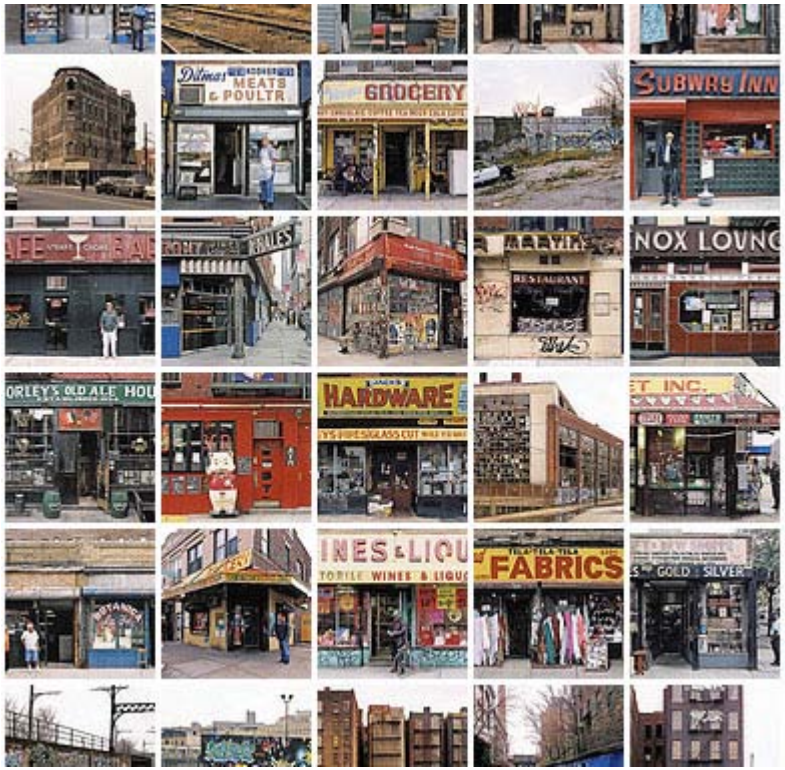
08. Opening a Web Storefront

- Options for Acquiring Storefronts
  - Build them from scratch
  - Build them from components
  - Build with templates (storebuilders)

http://www.shutterstock.com

08. Opening a Web Storefront

- Options for Acquiring Storefronts
  - Selecting a development option
    - Customers
    - Merchandising
    - Sales service
    - Promotion
    - Transaction processing
    - Marketing data and analysis
    - Branding



http://northbird.blogspot.com

08. Opening a Web Storefront

- Yahoo! Small Business
  - Take a tour
  - Using the templates

http://www.blippitt.com