

Introduction to
e-business

Tutorial questions

1. Explain the relationship between the concepts of e-commerce and e-business.
E-commerce is generally understood to be a subset of e-business. E-commerce refers to financial and non-financial transactions between organizations. These transactions are often considered in the context of a supplier organization distributing and selling its product to consumers. E-business includes transactions from a buy-side and sell-side e-commerce perspective and also the use of communications technology to improve internal process efficiencies.

(ISP) sell side
Customer

2. Distinguish between buy-side and sell-side e-commerce and give an example of the application of each.

Buy-side e-commerce refers to electronic transactions concerned with the purchase and inbound logistics of goods such as a supermarket coordinating purchases from its suppliers. Sell-side e-commerce concerns transactions related to the sale and distribution of goods such as a supermarket selling direct to its customers.

(ASP) buy side
Suppliers

低成本
增加效率
打入海外市场

3. Summarize three reasons why a company may wish to introduce e-business.

- Cost reduction in purchasing or selling through less human involvement and lower resource costs.
- Increased efficiency enabling faster cycle times for purchasing or sale of goods.
- Capability to sell to overseas markets or previously untargeted markets.

4. Describe three of the main barriers to adoption of ebusiness by consumers and suggest how a company could counter these.

- Security fears – fraudulent use of credit cards. (不安全 (被他人取去))
- Privacy fears – personal data held by companies or criminals. (私隱)
- Cost of access devices and online costs. (成本)
- Lack of perceived need. (缺乏理角爭的 need)

Education and reassurance via the web site and offline communications can counter these.

5. Outline the internal changes a company may need to make when introducing e-business.

- strategy – new strategic responses are required
- structure – new structures and responsibilities may be required
- systems – new information systems and new processes will be required
- style – less likely to change, but some organizational styles are more responsive to change
- staff – new responsibilities
- skills – new skills
- superordinate goals – higher level aims may be updated depending on the business.

高成本 (推)
低反陸 (高)
(e.g. 縮減人手)

6. Summarize the differences between adoption of Internet access for consumers and businesses and give reasons for these differences.

Business adoption is higher since there is a greater potential for cost savings through comparing suppliers and buying online and the risks may be perceived as lower.

7. Name three risks to a company that introduces buy-side e-business.

- Payback period may be long due to cost of implementation. (還款期 執行)
- Maverick purchasing. (未授權)
 - Some purchasing staff may need to be redeployed or made redundant. (裁員的可能)
 - Security risks of outside organizations accessing company data.

8. Name three risks to a company that introduces sell-side e-business.

- Payback period may be long due to cost of implementation
- High cost of sales due to fraudulent use of credit cards. (偽造卡)
- Security risks of outside organizations accessing company data.