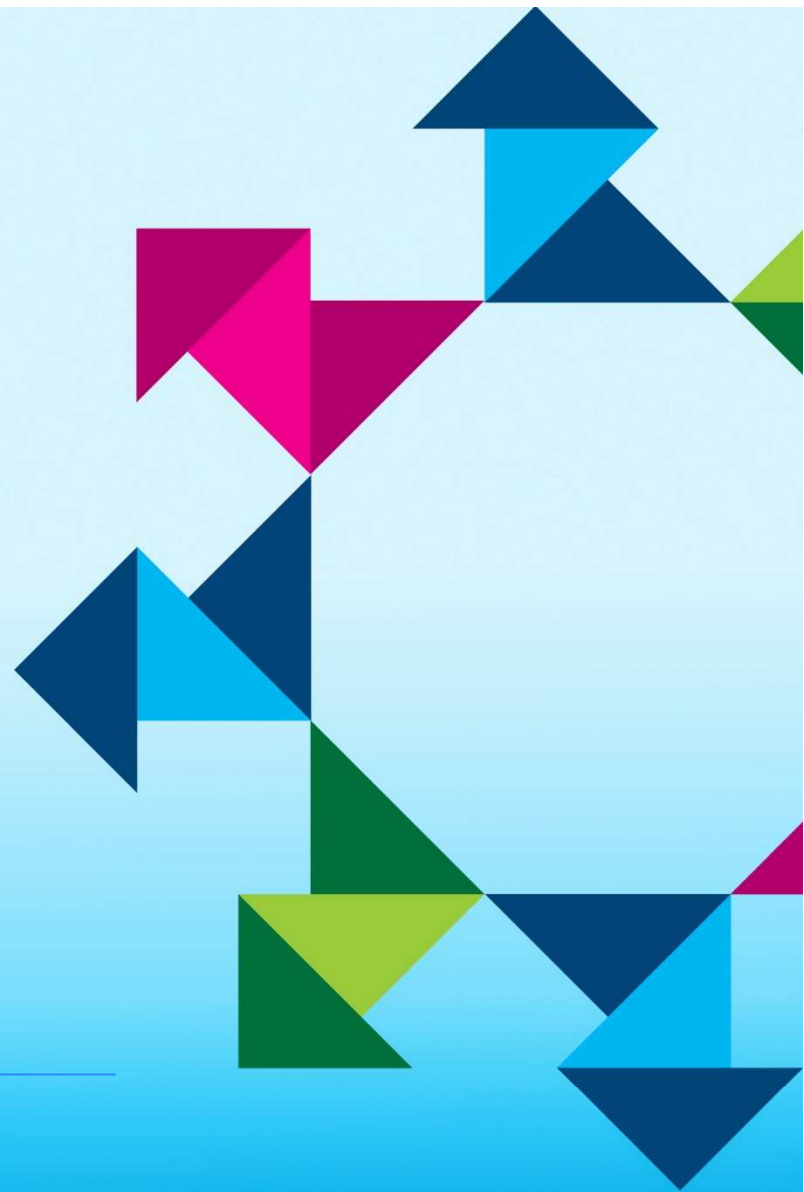


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e-Commerce

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August 2010



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# Definition of e-commerce

- *‘Formulating commercial transactions at a site remote from the trading partner and then using electronic communications to execute that transaction.’*
- The definition includes business to business and business to consumer transactions.

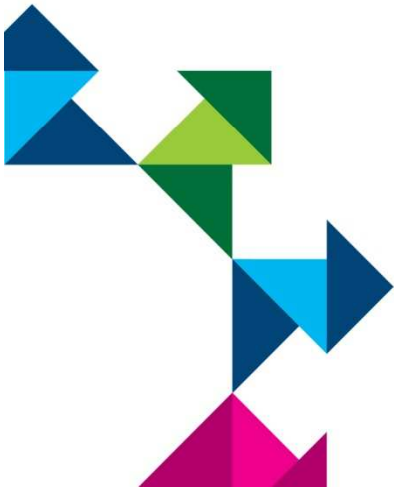
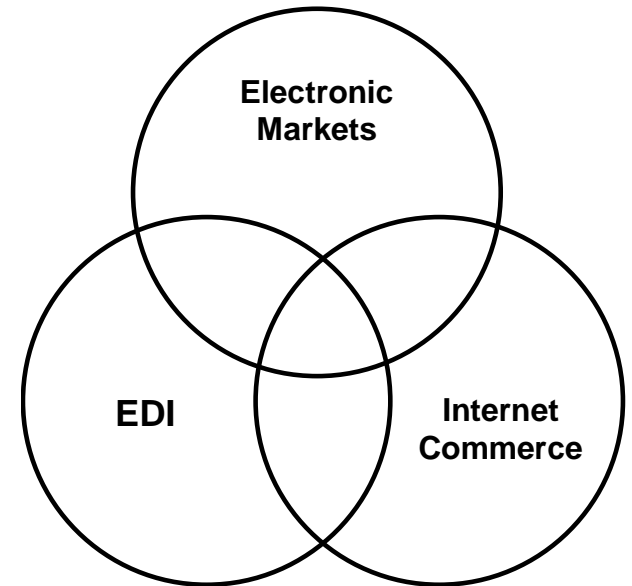




# e-commerce technologies

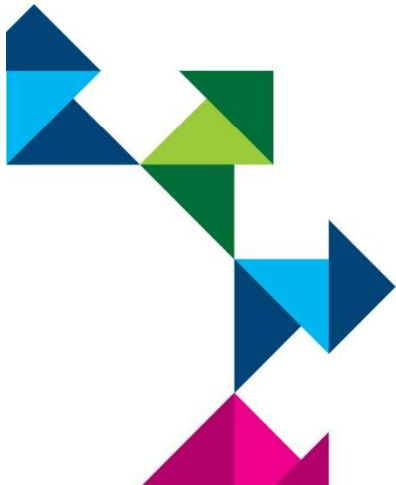
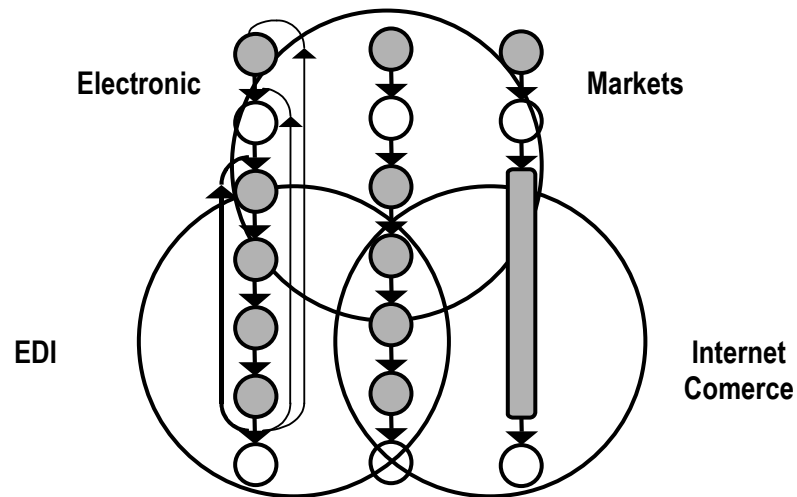
The three e-Commerce technologies are:

- Electronic Markets
- Electronic Data Interchange
- Internet Commerce



# e-commerce in perspective

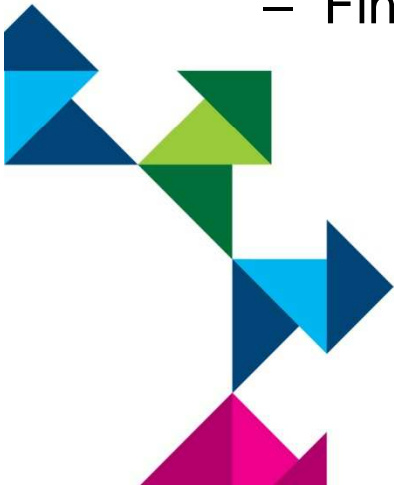
- e-Commerce is not appropriate to all business transactions and, within e-Commerce, there is no one technology that can or should be appropriate to all requirements.





## The Main Elements of e-commerce

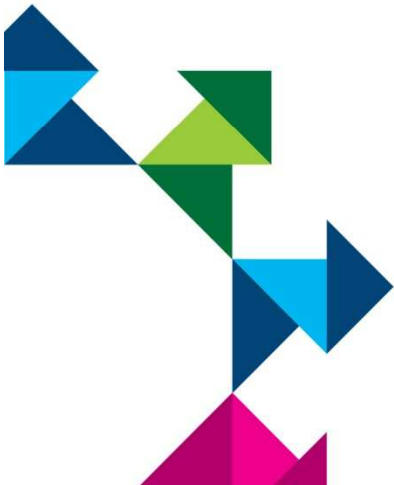
- Consumer shopping on the Web, called B2C (business to consumer)
- Transactions conducted between businesses on the Web, call B2B (business to business)
- Transactions and business processes that support selling and purchasing activities on the Web
  - Supplier, inventory, distribution, payment management
  - Financial management, purchasing products and information





# Traditional ecommerce

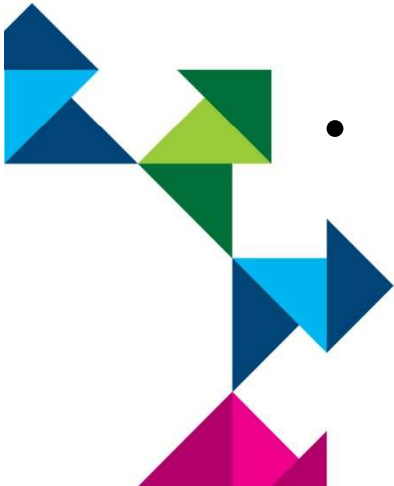
- The use of information and communications technology to present a range of offerings available in a market segment and hence enable:
  - the purchaser to compare the prices (and other attributes);
  - make a purchase decision.
  - The usual example of an electronic market is an airline booking system. There is the potential for new electronic markets to be created using Internet technologies.





# Internet Commerce

- Information and communications technologies can also be used to advertise and make once-off sales of a wide range of goods and services.
- This type of e-Commerce is typified by the commercial use of the Internet. The Internet can, for example, be used for the purchase of books that are then delivered by post or the booking of tickets that can be picked up by the clients when they arrive at the event.
- It is to be noted that the Internet is not the only technology used for this type of service and this is not the only use of the Internet in e-Commerce.





# Generic Trade Cycles

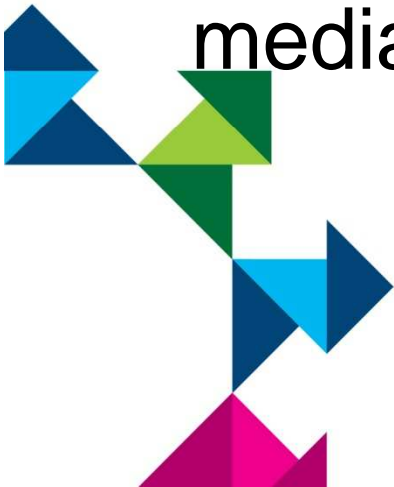
- The trade cycle varies depending on:
  - The nature of the parties to the transaction
  - The frequency of trade exchanges
  - The nature of the goods or services being exchanged.
- Three generic trade cycles can be identified:
  - Regular, repeat transactions between commercial trading partners (Repeat)
  - Irregular transactions between commercial trading partners (Credit)
  - Irregular transactions in once-off trading relationships (commercial or retail) (Cash)





# The path of ecommerce has changed

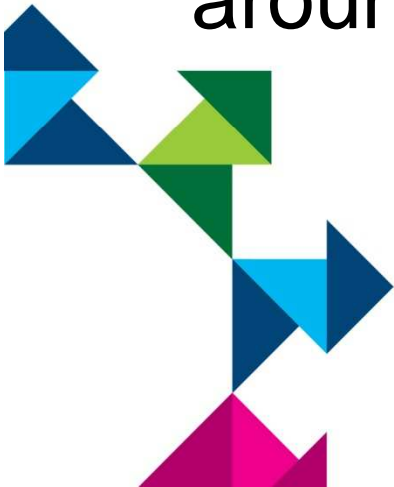
- Mobile phone
- Email
- Brochure websites
- Basic transaction websites
- Integration between all technology and media





# Trends Now

- Social media is radically changing the way people find out about products/services
- Information can be found in real time on the spot, iphones, ipad etc
- Social media is nothing new, it's been around from many years ago, village life



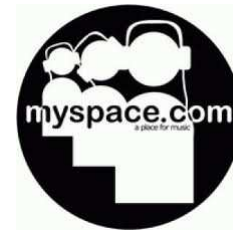


# These websites are the new village club!

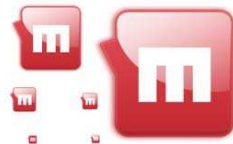
- Del.ici.ous. 



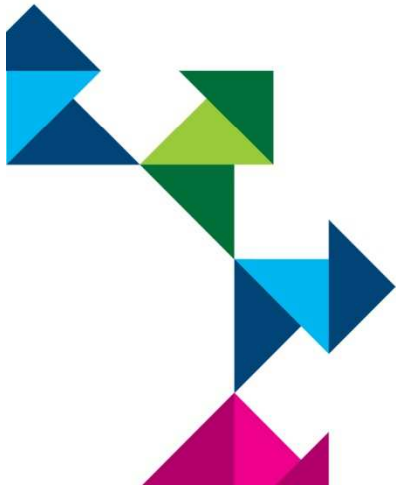
facebook



twitter



Ning™



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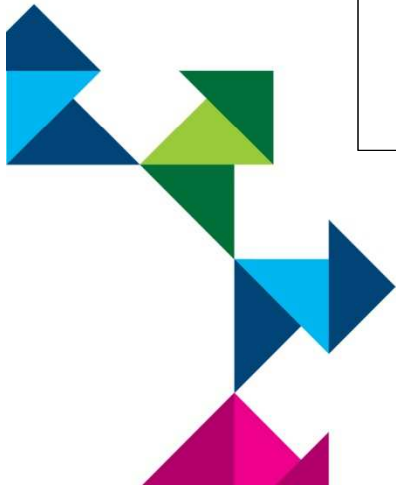
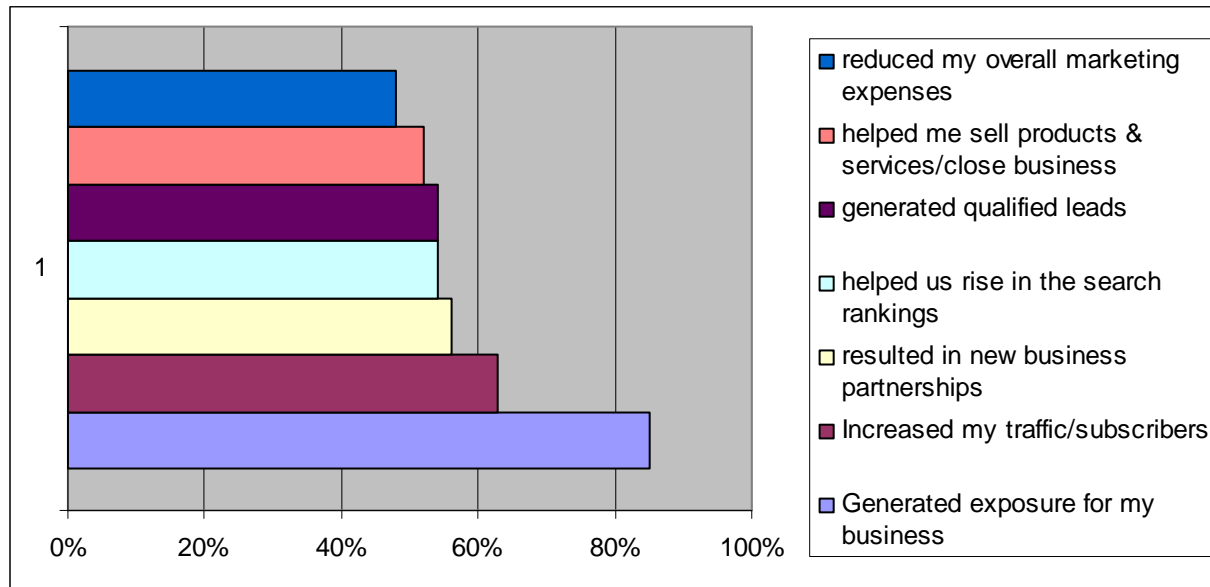


# Benefits

- The number one benefit of social media marketing is gaining the all-important interest of customers.
- 85% of all marketers indicated that their social media efforts have generated exposure for their business. Improving traffic was the second major benefit, followed by building new partnerships

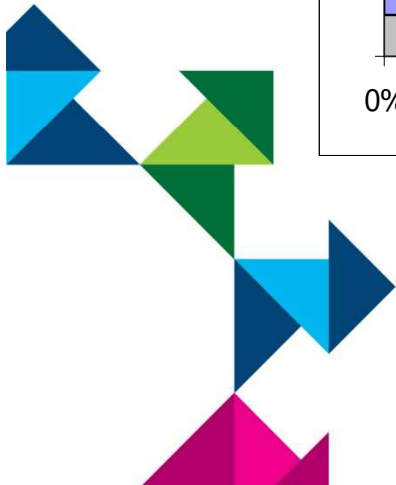
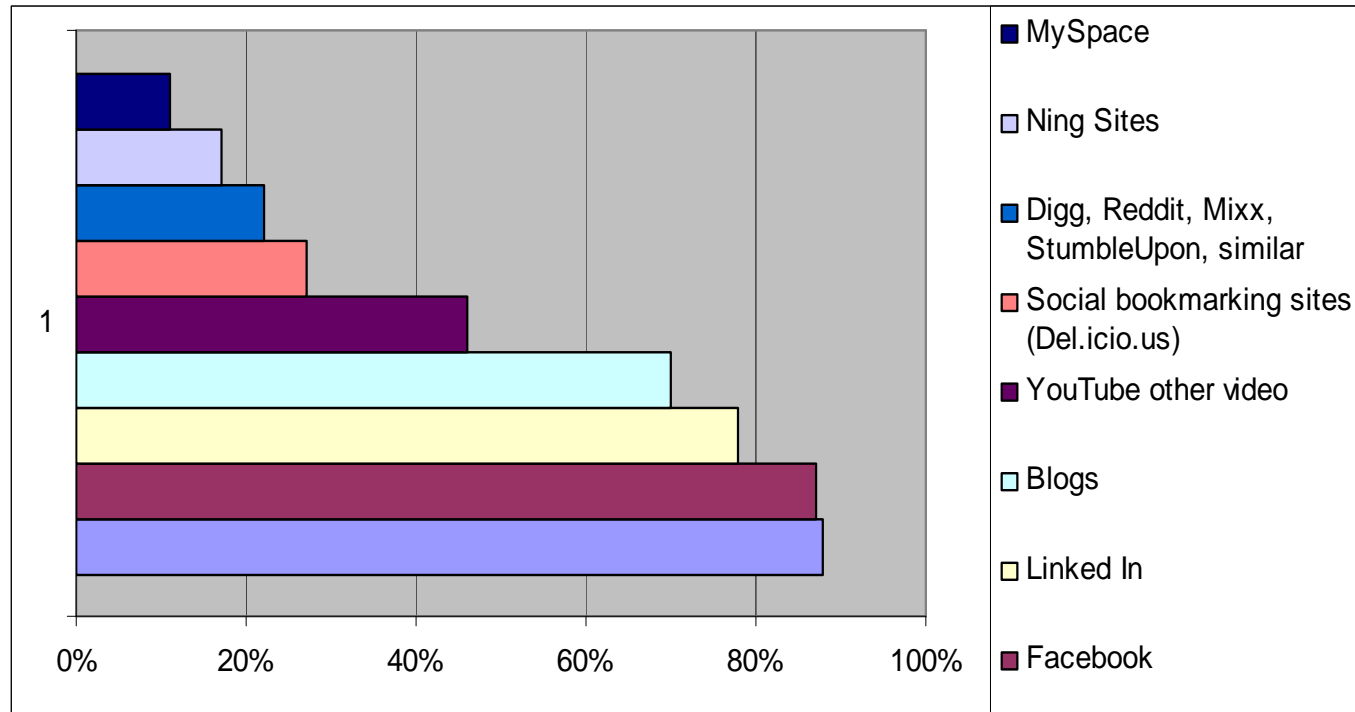


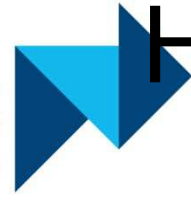
# Other Benefits





# Commonly used social media tools





# How many new customers can we reach?



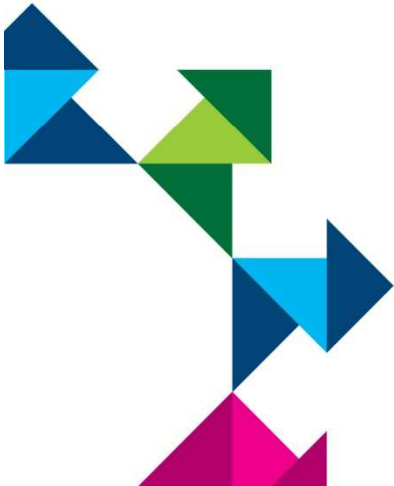
- It's tempting to want to reach out to as many customers, the reality is that the most expensive thing a company engages in, is reaching customers.
- • Count the total number of prospective customers that can be reached by activities that cost nothing!





# How many of your customers are there?

- There are millions of people who can afford a product that costs a few thousand pounds in a jewellery store, and tens of millions who can afford an expensive gadget. Take a moment to get some sense of the size of the Global market





# Determine

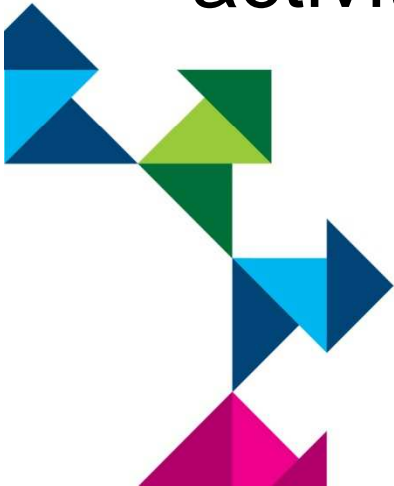
- Key characteristics of your customers
- Are your customers limited by location, local, regional? Other issues
- If the number of potential customers is growing slowly or quickly
- How long between repeat custom





# Who can you reach now?

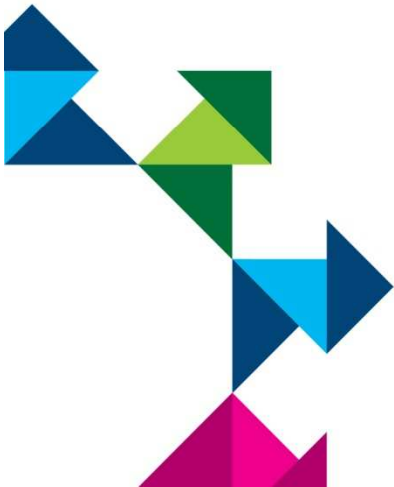
- Count the customers you can reach and for the moment treat that as your accessible market for ecommerce
- Establish momentum using social media then you look to higher cost marketing activities





# Remember

- Online customers frequently expect to pay a different price for a product or service from those who buy products or services through face to face contact. Distributors will also expect a different price.





# Important reminder

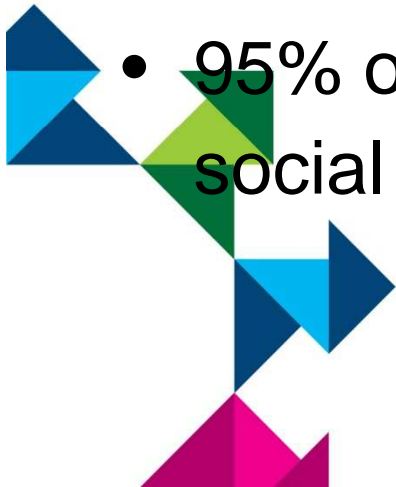
- The strategic advantage a small business has over larger competition is the ability to get close to the customer.
- Social media can help you do that by attracting more visitors to your website, encouraging communication allowing you to give great customer service, flexible production, payment and delivery options.





# Facts and Figures

- Only 14% trust traditional advertising
- 70- 90% of people trust recommendations
- 25% of all search results for the top 20 brands are links from social media website
- 500 million Facebook users
- 63% of Twitter users are male
- 95% of business decision makers worldwide use social networks (Source: Forrester Research)





# Does your business need Social Media

- Yes it does!
- Businesses are now waking up to the fact that people need to connect with people
- You have to get yourself out there and start networking online
- Otherwise while you're not, your competition will be and taking all your business





# How can it help my business

- One of the main things about social networking is it's free
- A great way to build your brand
- Raise your business, quickly and easily
- Direct marketing, create a niche group
- Build up trust
- Drive more traffic to your website





# Challenges of Social media

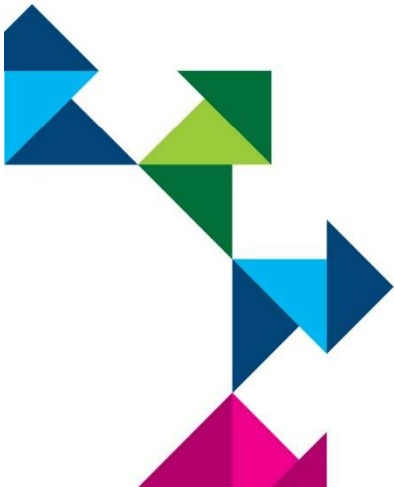
- Transparency – you have to be straight up
- Issue of scale – Large brands will have many people talking about their brand.
- Decide what social networks are relevant to you
- It takes time and effort to find tools that suit your business. Your teams style, your data, backup, analytics, tracking requirements





# Challenges

- Convincing people actually doing the managing that its not about cool but about revenue
- Engaging with customers – try talking or listening to them instead of just selling





# Brian Solis - Engage

Books | Brian Solis - Internet Explorer provided by Dell

http://www.briansolis.com/books/

Home Articles Speaking **Books** Appearances About

## Books

### Engage: The Complete Guide for Brands and Businesses to Build, Cultivate, and Measure Success in the New Web

The Complete Guide for BRANDS and BUSINESSES to Build, Cultivate, and Measure Success in the New Web

**BRIAN SOLIS**  
Author of *THE FUTURE OF MARKETING*

Engage: The Complete Guide for Brands and Businesses to Build, Cultivate, and Measure Success in the New Web

Social media has democratized influence, forever changing the way businesses communicate with customers and the way customers affect the decisions of their peers. With platforms like Twitter, YouTube, and Facebook, anyone can now find and connect with others who share similar interests, challenges, and beliefs—creating communities that shape and steer the perception of brands. Without engagement in these communities, we miss major opportunities to shape our marketing messages.

However, use of the tools does not guarantee that people will listen. Engagement is shaped by the interpretation of its intentions. In order for social media to mutually benefit you and your customers, you must engage them in meaningful and advantageous conversations, empowering them as true participants in your marketing and service efforts.

With Engage! as your guide, you can effectively compete in this new era

**SUBSCRIBE**

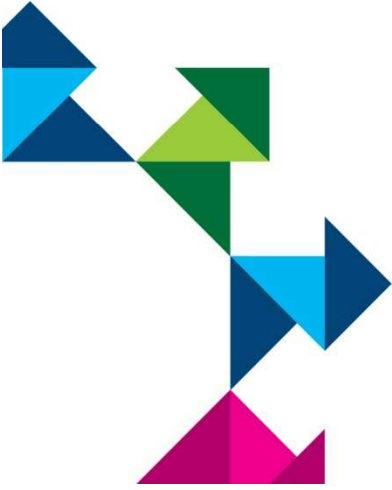
Get the blog sent to your inbox by entering your email address:

**ABOUT ME**

Brian Solis is globally recognized as one of the most prominent thought leaders and published authors in new media. A digital analyst, sociologist, and futurist, Solis has influenced the effects of emerging media on the convergence of marketing



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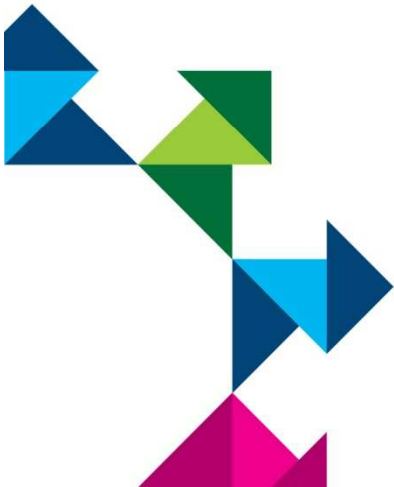


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# Disadvantages of e-commerce

- Loss of ability to inspect products from remote locations
- Rapid developing pace of underlying technologies
- Difficult to calculate return on investment
- Cultural and legal impediments





# Advantages of e-commerce

- Increased sales
  - Reach narrow market segments in geographically dispersed locations
  - Create virtual communities
- Decreased costs
  - Handling of sales inquiries
  - Providing price quotes
  - Determining product availability

Being in the space





## Customer has more influence

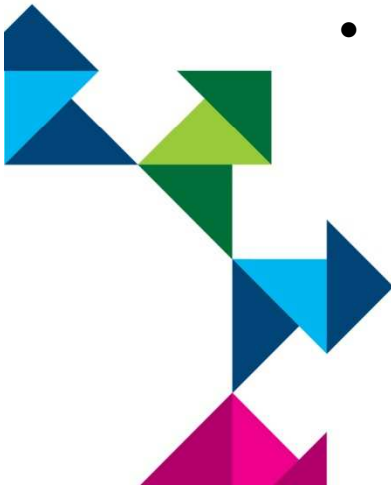
- How services are delivered, with customers having greater control.
- E-commerce makes information on products and the market as a whole readily available and accessible, and increases price transparency, which enable customers to make more appropriate purchasing decisions





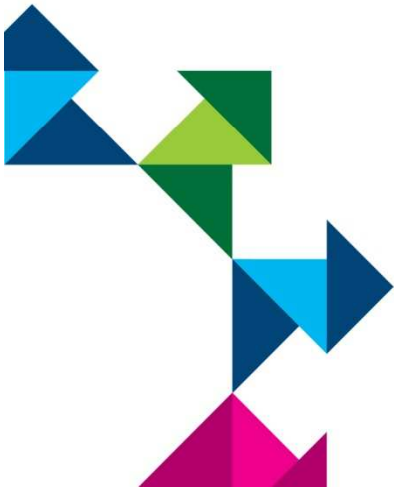
# The process of e-commerce

- Attract customers
  - Advertising, marketing
- Interact with customers
  - Catalog, negotiation
- Handle and manage orders
  - Order capture
  - Payment
  - Transaction
  - Fulfillment (physical good, service good, digital good)
- React to customer inquiries
  - Customer service
  - Order tracking



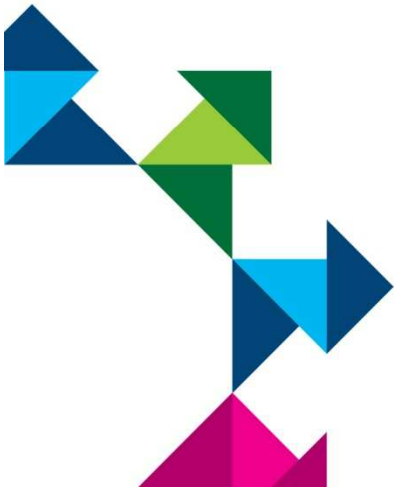
# Statistics

- Internet sales in the UK –
  - Internet sales represent 9.8% of sales (2008)
  - Value of sales £222.9bn an increase of 36.6% from 2007 (2008)
  - £104.7bn website sales – 118.2bn EDI



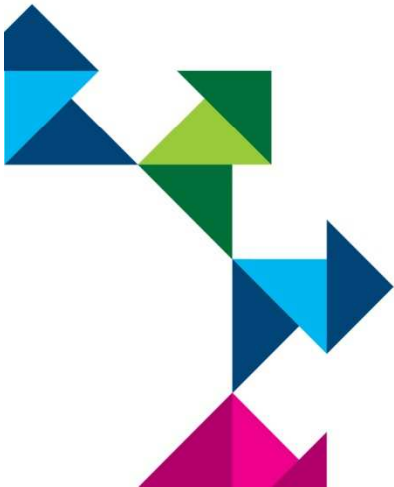
# Statistics

- Colombia Statistics
  - Internet Growth from 2000 to 2009
    - 878,000 internet users in 2000
    - 21,529,415 internet users in 2009 (48% of the population)



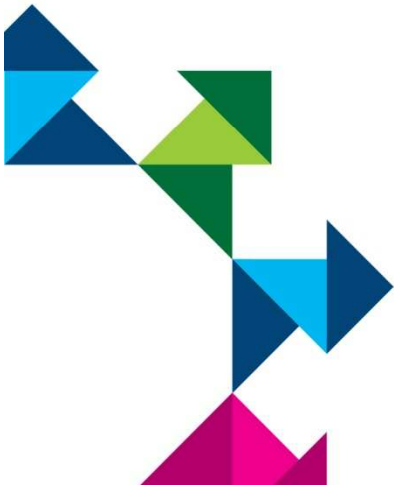
# Statistics

- Colombia Statistics
  - Internet subscribers in Columbia
    - 2,184,285 broadband subscribers (up 2.86%)
    - 719,943 mobile internet subscribers (up 45.23%)
    - 127,578 dial up subscribers (down 50.97%)



# Statistics – What sells

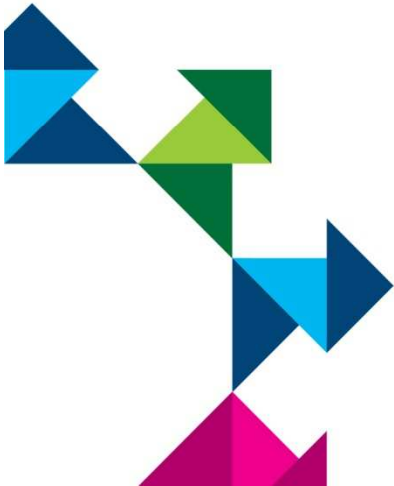
Books, music, movies	21.4%
Tourism and travel	16.9%
Electronics	13.9%
Software	12.3%
Appliances	9.1%
Services	7.7%
Flowers, gifts	6.7%
Food	4.3%
Games	3.1%
Spare parts	2.8%
Furniture	1.8%





# Useful sites

- Global Web Index LITE, Free global social media insights [www.globalwebindex.net](http://www.globalwebindex.net)





# Ecommerce options

- want other website owners to buy and sell your products Commission Junction

[www.cj.com](http://www.cj.com)

- Conduct manage and analyze research that takes your business forward

[www.surveymonkey.com](http://www.surveymonkey.com)

- Post video about your company

[www.tubemogul.com](http://www.tubemogul.com)





# More options

- Drive traffic with keywords to your website

[www.adsense.google.com](http://www.adsense.google.com)

- Submit PR for your business

[www.prlog.com](http://www.prlog.com) [www.openpr.com](http://www.openpr.com)

[www.ezinearticles.com](http://www.ezinearticles.com)

- Turnkey online store

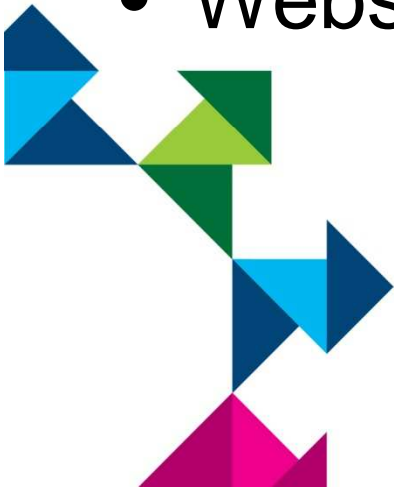
[www.webstore.amazon.com](http://www.webstore.amazon.com)





# Options

- Want to sell music and other Audio Content [www.tunecore.com](http://www.tunecore.com)
- Create and sell everything from books and calendars, music CD's and DVDs [www.lulu.com](http://www.lulu.com)
- Website building tool [www.wordpress.org](http://www.wordpress.org)





# In conclusion

- There are a practically an infinite number of ways to improve your Ecommerce, the Global trends are constantly moving.
- Ecommerce works well in conjunction with, search engine optimisation, releasing PR, writing articles, creating social media accounts it's in all your hands to do so now more than ever.





# Thank You

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