Fifth Edition

Eastern Economy Edition

E-COMMERCE

An Indian Perspective

P.T. Joseph, S.J.

PHI

E-COMMERCE
An Indian Perspective

FIFTH EDITION

P.T. JOSEPH, S.J.
Director
Marian International Institute of Management, Kuttikkanam
and
Former Director of Xavier Institute of Management, Bhubaneswar
and
Former Professor of Information Systems at XLRI, Jamshedpur

PHI Learning Private Limited
Delhi-110092
2015

E-COMMERCE: An Indian Perspective, Fifth Edition
P.T. Joseph, S.J.

© 2015 by PHI Learning Private Limited, Delhi. All rights reserved. No part of this book may be reproduced in any form, by mimeograph or any other means, without permission in writing from the publisher.

ISBN-978-81-203-5154-7

The export rights of this book are vested solely with the publisher.

Nineteenth Printing (Fifth Edition) . . . . . September, 2015

Published by Asoke K. Ghosh, PHI Learning Private Limited, Rimjhim House, 111, Patparganj Industrial Estate, Delhi-110092 and Printed by Rajkamal Electric Press, Plot No. 2, Phase IV, HSIDC, Kundli-131028, Sonepat, Haryana.

Contents

Preface ..... *xv*

Chapter 1 History of E-commerce and Indian Business Context 1–29

Learning Objectives 1
ITC's e-Choupal 1
Electronic Commerce 6
E-Commerce vs E-Business 7
Early Business Information Interchange Efforts 8
Emergence of the Internet 10
Commercial Use of the Internet 11
Growth of the Internet 12
Emergence of the World Wide Web 12
The Milestones 15
Advantages of E-commerce 16
Disadvantages of E-commerce 19
Online Extension of a BAM Model 20
Transition to E-commerce in India 20
E-commerce Opportunities for Industries 22
Tata Motors—Managing Supply Chain on the Internet 23
Hindustan Lever—Getting the E-advantage 24
Asian Paints—E-transforming the Organization 24
CRISIL—Cost-effective Distribution Channels 25
ICICI Bank—Comprehensive Transactions 25
E-transition Challenges for Indian Corporates 25
Internal Resisting Issues 25
External Driving Factors 26
Doubts and Difficulties 27
Exercises 27

Chapter 2 Business Models for E-commerce 30–82

Learning Objectives 30
Social Networking and Facebook 30
Business Model 32
E-business Models Based on the Relationship of Transaction Parties 36
Business-to-Consumer (B2C) 37
Business-to-Business (B2B) 41
Consumer-to-Consumer (C2C) 46
Consumer-to-Business (C2B) 47
E-business Models Based on the Relationship of Transaction Types 47
1. Brokerage Model 48
2. Aggregator Model 58
Automartindia.com 61
3. Info-mediary Model 63
4. Community Model 67
5. Value Chain Model 71
6. Manufacturer Model 72
Tata Steel 73
7. Advertising Model 74
8. Subscription Model 77
eGurucool.com 77
9. Affiliate Model 80
Exercises 81

Chapter 3 Enabling Technologies of the World Wide Web 83–141

Learning Objectives 83
Akshaya Project 83
World Wide Web 86
Internet Client-Server Applications 87
Networks and Internets 88
Communication Switching 88
Developments in Transmission 90
Network Routers 90
Network Switches 91
The Internet Protocol Suite 93
The Internet Naming Conventions 98
Uniform or Universal Resource Locators (URLs) 98
IPv6 102
Transmission Control Protocol (TCP) 105
Web Page Request and Delivery Protocols 109
Electronic Mail Protocols 110
Unsolicited Commercial E-Mail (UCE, Spam) 111
Search Engines 111

Software Agents ... 114
Information Overload ... 114
Value of Software Agents in a Networked World ... 114
A Typology of Agents ... 116
A Panoramic Overview of the Different Agent Types ... 117
Software Agents at Work ... 122
Internet Standards and Specifications ... 123
The Evolution of Standards and Specifications ... 125
The Role of Documentation ... 125
Internet Service Provider (ISP) ... 125
ISPs in India ... 127
ISP Policy of the Government of India ... 128
Markup Languages and the Web ... 128
Creating and Viewing Your First HTML Document ... 130
JavaScript ... 132
Running Scripts ... 134
XML ... 137
Intranets and Extranets ... 139
Public and Private Networks ... 139
Virtual Private Network (VPN) ... 140
Exercises ... 141

Chapter 4 e-Marketing ... 142–198

Learning Objectives ... 142
Google ... 142
Traditional Marketing ... 145
Identifying Web Presence Goals ... 146
Achieving Web Presence Goals ... 149
The Uniqueness of the Web ... 150
Meeting the Needs of Website Visitors ... 150
E-marketing Value Chain ... 151
Site Adhesion: Content, Format, and Access ... 151
Maintaining a Website ... 152
Metrics Defining Internet Units of Measurement ... 153
The Browsing Behaviour Model ... 155
Browsing Behaviour Model of an Online Video Store ... 155
Aggregate Metrics for E-business Sites ... 158
Online Marketing ... 160
How Should Buyers Pay Online? ... 161
Advantages of Online Marketing ... 161
Various Businesses that Can Flourish on the Internet ... 162
E-advertising ... 163
Various Means of Advertising ... 164
Conducting Online Market Research ... 169

Building Customer Relationship Based on One-to-One Marketing 170
Market Segmentation 171
Data Mining and Marketing Research 173
Intelligent Agents in Marketing and Customer-related Applications 174
Measuring the Effectiveness of E-advertising 177
Internet Marketing Trends 178
Technology-enabled Relationship Management 178
Target Markets 179
Product Considerations 180
E-branding 180
Elements of Branding 180
Spiral Branding 181
Marketing Strategies 184
Permission-marketing Strategies 184
Brand-leveraging Strategies 185
Affiliate-marketing Strategies 185
Viral-marketing Strategies 186
Social Media Marketing 186
Content Marketing 187
Website Naming Issues 187
Advertising-supported Model 189
Marketing Strategy on the Web 190
The Times of India 191
Rediff.com 192
Exercises 196

Chapter 5 e-Security 199–234

Learning Objectives 199
Security Breach 199
Information System Security 200
Security on the Internet 202
Network and Website Security Risks 204
How are Sites Hacked? 207
Security Incidents on the Internet 208
How Vulnerable are The Internet Sites? 210
Security and E-mail 211
Network and Website Security 212
E-business Risk Management Issues 215
The Firewall Concept 216
Firewall Components 218
What Should a Firewall Contain? 223
Benefits of an Internet Firewall 224
Defining an Enterprise-wide Security Framework 225

Understanding the Security Framework 228
Secure Physical Infrastructure 229
Information Security Environment in India 232
Security Environment in India 233
Exercises 233

Chapter 6 e-Payment Systems 235–286

Learning Objectives 235
American Express Credit Card Authorization 235
E-banking at ICICI Bank 239
Main Concerns in Internet Banking 242
History's Lesson about Payments: People Drive Change 244
Digital Payment Requirements 244
Online Payment Categories 245
Digital Token-based e-Payment Systems 246
Benefits to Buyers 247
Benefits to Sellers 247
Convenience 247
Credit Cards as e-Payment Systems 248
Debit Cards as e-Payment Systems 249
Encryption and Credit Cards 251
The Mobile Payments 253
Classification of New Payment Systems 255
Smart Card Cash Payment System 255
Micropayment Systems 256
Electronic Cash (e-Cash) 257
Types of Electronic Money 257
Web-Based Money 258
Digital Wallet 258
Bitcoin—As a Crypotocurrency 259
Risk and e-Payment Systems 260
Data Protection 261
Risks from Mistake and Disputes: Consumer Protection 262
Managing Information Privacy 263
Managing Credit Risk 263
Designing e-Payment Systems 263
The Key to Security: Cryptography 264
Examples of Encryption Techniques 265
Attacks on Crypto Systems 266
A Matter of Keys 267
Exhaustive Search 268
Private Key and Public Key 269

Digital Signature 270
Legal Position of Digital Signatures 271
Signatures and the Law 271
How Digital Signature Technology Works 273
Digital Signature and Indian Websites 276
Public Key Certificates 276
The Secure e-Payment Process Method 278
Online Financial Services in India 279
Features of e-Banking in India 280
Online Stock Trading: The High Speed Alternative 282
No More Paper Hassles 282
e-Banking for Funds Transfer 282
Features Offered While Trading in Stocks Online 283
A Unique e-Broking Service 284
How Does Online Stock Trading Occur? 284
Exercises 286

Chapter 7 e-Customer Relationship Management 287–326

Learning Objectives 287
FedEx 287
Customer Relationship Management 289
E-CRM Solutions 290
When Humans are Not Enough—Or When There are Not Enough of Them 293
How Technology Can Help 294
Where Interactive Web Technology Shines 300
E-CRM Toolkit 301
Typical Business Touch-points 302
Converting Clicks to Customers 304
Managing Customer Value Orientation and Life Cycle 304
The Customer Retention Goal 305
CRM Capabilities and the Customer Life Cycle 308
Privacy Issues and CRM 310
Data Mining in CRM 311
Orbitz 314
CRM and Workflow Automation 316
Customer Relationship Management System for a Bank 317
Naukri.com 322
Indianrail.gov.in 323
Exercises 326

Chapter 8 e-Supply Chain Management 327–354

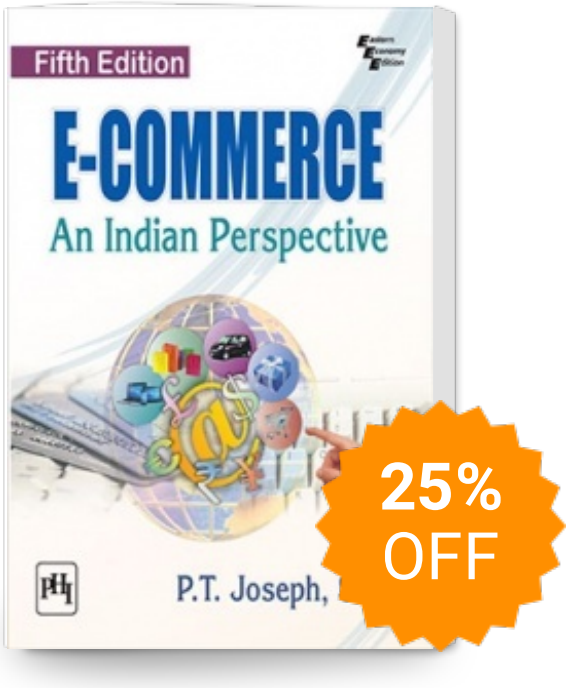
Learning Objectives 327
e-Supply Chain at CISCO 327

Supply Chain ... 332
The New Way ... 332
e-logistics of UPS ... 337
Supply Chain Management—It is all about Fulfilling Customers' Needs ... 337
Smart Chains, Smarter Gains ... 338
Supply Chain Management in Wal-Mart World ... 340
What Happens at Dell? ... 341
The Pay-off ... 342
Seven Ways to Reduce Inventory ... 342
e-SCM Provides "Real-time" Benefits ... 343
e-SCM—The Strategic Advantage ... 344
Benefits ... 344
e-Supply Chain Components ... 345
e-Supply Chain Architecture ... 346
Major Trends in e-SCM ... 347
New Trends in Supply Chain Management ... 348
Supply Chain Management at Marico Industries Limited ... 349
Supply Chain Management at Mahindra & Mahindra Ltd. ... 350
Supply Chain Management at Amul Dairy ... 351
Exercises ... 354

Chapter 9 e-Strategy and Knowledge Management ... 355–400

Learning Objectives ... 355
Knowledge Management at Tata Steel ... 355
Knowledge as a Key Business Asset ... 359
Changes in the Global Business Economy ... 361
Changes in Technology ... 362
Definitions of Knowledge ... 364
Know of, or Know about ... 365
Know how ... 365
Know why ... 366
Know who ... 366
Defining Knowledge Management ... 367
Importance of Knowledge Management ... 368
Need for a Strategic Approach to Managing Knowledge ... 370
Knowledge Management Drivers and the Link with Organisational Strategy ... 371
Stages in Developing Knowledge Management Systems ... 372
System Development Life Cycle ... 373
Some Applications of Knowledge Management ... 375
Knowledge Management and Data Warehousing and Data Mining ... 376
Importance of Data Warehouse for an Organization ... 376
Characteristics of a Data Warehouse ... 377
Functions of a Data Warehouse ... 377

E-Commerce : An Indian Perspective



Publisher : PHI Learning ISBN : 9788120351547 Author : P T Joseph

Type the URL : http://www.kopykitab.com/product/6781

Get this eBook