

Everything On Demand: The “Uberization” of E-commerce • Class Discussion – Have you used Uber or any other on-demand service companies? – What is the appeal of these companies for users and providers? – Are there any negative consequences to the increased use of on-demand services like Uber and Airbnb? The First Thirty Seconds • First 20 years of e-commerce – Just the beginning – Rapid growth and change • Technologies evolve at exponential rates – Disruptive business change – New opportunities • Why study e-commerce – Understand opportunities and risks – Analyze e-commerce ideas, models, issues Introduction to E-commerce • Use of Internet to transact business – Includes Web, mobile browsers and apps • More formally: – Digitally enabled commercial transactions between and among organizations and individuals The Difference between E-Commerce and E-Business • E-business: – Digital enabling of transactions and processes within a firm, involving information systems under firm’s control – Does not include commercial transactions involving an exchange of value across organizational boundaries Technological Building Blocks Underlying E-Commerce • Internet • World Wide Web – HTML – Deep Web versus. “surface” Web • Mobile platform – Mobile apps Insight on Technology: Will Apps Make the Web Irrelevant? • Class Discussion – What are the advantages and disadvantages of apps, compared with websites, for mobile users? – What are the benefits of apps for content owners and creators? – Will apps eventually make the Web irrelevant? Why or why not? Major Trends in E-Commerce • Business trends include: – All forms of e-commerce show very strong growth • Technology trends include: – Mobile platform has made mobile e-commerce reality • Societal trends include: – Increased online social interaction and sharing Unique Features of E-Commerce Technology (1 of 2) 1. Ubiquity 2. Global reach 3. Universal standards 4. Information richness Unique Features of E-Commerce Technology (2 of 2) 5. Interactivity 6. Information density 7. Personalization/customization 8. Social technology Types of E-Commerce • Business-to-Consumer (B2C) • Business-to-Business (B2B) • Consumer-to-Consumer (C2C) • Mobile e-commerce (M-commerce) • Social e-commerce • Local e-commerce Figure 1.5 The Growth of B2C E-Commerce in the United States Figure 1.7 The Growth of B2B E-Commerce in the United States Figure 1.8 The Growth of M-Commerce in the United States E-Commerce: A Brief History (1 of 4) • Precursors – Baxter Healthcare modem-based system – Order entry systems – Electronic Data Interchange (EDI) standards – French Minitel E-Commerce: A Brief History (2 of 4) • 1995–2000: Invention – Sale of simple retail goods – Limited bandwidth and media – Euphoric visions of Friction-free commerce First-mover advantages – Dot-com crash of 2000 E-Commerce: A Brief History (3 of 4) • 2001–2006: Consolidation – Emphasis on business-driven approach – Traditional large firms expand presence – Start-up financing shrinks – More complex products and services sold – Growth of search engine advertising – Business web presences expand E-Commerce: A Brief History (4 of 4) • 2007–Present: Reinvention – Rapid growth of: Web 2.0, including online social networks Mobile platform Local commerce On-demand service economy – Entertainment content develops as source of revenues – Transformation of marketing Figure 1.10 Periods in the Development of E-Commerce Insight on Business: Rocket Internet • Class Discussion – What are the benefits of investing in a company that Rocket Internet has launched? – Is an incubator the best solution for start-ups to find funding? Why or why not? – Why is Rocket Internet controversial? Assessing E-Commerce (1 of 2) • Stunning technological success • Early years a mixed business success – Few

early dot-coms have survived – Online sales growing rapidly ● Many early visions not fulfilled – Price dispersion – Information asymmetry – New intermediaries Assessing E-Commerce (2 of 2) ● Other surprises – Fast-follower advantages – Start-up costs – Impact of mobile platform – Emergence of on-demand e-commerce Understanding E-Commerce: Organizing Themes ● Technology: – Development and mastery of digital computing and communications technology ● Business: – New technologies present businesses with new ways of organizing production and transacting business ● Society: – Intellectual property, individual privacy, public welfare policy Figure 1.11 The Internet and the Evolution of Corporate Computing Insight on Society: Facebook and the Age of Privacy ● Class discussion: – Why are social networks interested in collecting user information? – What types of privacy invasion are described in the case? Which is the most privacy-invading, and why? – Is e-commerce any different than traditional markets with respect to privacy? Don't merchants always want to know their customer? – How do you protect your privacy on the Web? Academic Disciplines Concerned with Technology ● Technical – Computer science, management science, information systems ● Behavioral – Information systems research, economics, marketing, management, finance/accounting, sociology Careers in E-Commerce ● Position: Category specialist in E-commerce Retail Program ● Qualification/Skills ● Preparing for the Interview ● Possible Interview Questions