

Emerging Modes of Business

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Summary

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5.1 E- Business

"The new mantra of the day is growth, globalization cycle times, speed and competitiveness," E- business is an abbreviation for electronic business. In 1997, IBM started using the term e-business for the first time. Till that time the word e-commerce was used. E-business means using the internet to connect people and process. It opens new door to customers around the world. E-business establishes more closer and responsive relationship with partners, employees and suppliers. It connects, adapts and integrates IT system, so companies are able to manage their business efficiently. Through the internet it is possible to invent new and innovative ways to add value to existing products and services without necessarily, spending a lot of money.

Electronic business refers to the use of the Web, Internet, intranets, extranets or some combination there of to conduct business. E- Business is not a technical change. It is a fundamental change in the way of business be done, aided, supported and enabled by technology.

The internet and the web support together provide opportunities in selling, customer relationship,

product/service design, user support, geographic expansion, logistic and supply chain integration. This is nothing but business on internet. Technology is moving fast to make things possible tomorrow, which seem impossible today.

5.1.1 Meaning

The term 'E-business' i.e electronic business is derived form the terms e-mail and e-commerce.

E- business or electronic business, is the administration of conducting business via the internet. This would include the buying and selling of goods or services, along with providing technical or customer support through the internet.

The concept of E-business emerged when IBM coined the term in late 90's. The purpose was to provide buyers a platform on the internet to buy and sell goods.

Activity :

Visit websites which are selling goods through online mode i.e. in category of E-business

Some people use the term 'e-business' and 'e-commerce' interchangeably but they are not synonymous. E-commerce refers to buying and selling online, while e-business encompasses all business conducted online. E-commerce is a branch of e-business.

5.1.2 Scope of E-business

The scope of e-business is not restricted to only online shopping, it also includes on line stock, transactions and the use of software. In India, till now business is managed through traditional methods. Now many businesses are becoming aware of the advantage of e-business and are incorporating this into their strategies. It also helps in better communication between business house and makes purchasing easier for large organizations.

We have mentioned above that the scope of E-business is quite vast. Almost all types of business functions such as production, finance, marketing and personnel administration as well as managerial activities like planning, organizing and controlling can be carried out over computer networks. The other way of looking at the scope of e-business is to examine it in terms of people or parties involved in electronic transactions. Various business and payment apps popularly used in E-business transactions are phone pay, google pay, swiggy, ola etc.

Viewed from this perspective, a firm, electronic transitions and networks can be visualized as extending into six directions as follows:

- 1) Business to Business (B2B)
- 2) Business to Consumer (B2C)
- 3) Consumer to Business (C2B)
- 4) Consumer to Consumer (C2C)
- 5) Business to Administration (B2A)
- 6) Consumer to Administration (C2A)

1) Business to Business (B2B)

In this form the buyer and seller are both business entities and do not involve individual consumers. Here, both the parties involved in e-commerce transactions are business firms and hence the name B2B i.e. business to business.

Transactions between business firms come under this category. Business firms interact with each other for a variety of services. These include supplying ancillary parts/components to manufacturers providing value added services like catering and also providing man power.

2) **Business to Consumer (B2C)**

Customer identifies a need, and searches for the product or services to satisfy the need. Customers select a vendor and negotiates a price. Customers receives the product or services, makes payment, gets service and warranty claims. As the name implies, B2 C transactions have business firms at one end and its customers on the other end.

The transactions under B2C are between business firms and consumer. Firms use their sites for a range of marketing activities. These include promotion, product information, reviews about the product/ service and delivery of the product at the doorstep. The cost of products and services is kept low through this method and the speed of transaction is also faster. Examples of web sites: www.flipkart.com etc.

3) **Consumer to Business (C2B)**

In this electronic transaction the consumer requests a specific service from the business. Consumer to Business is a growing arena where the consumer requests a specific service from the business. It enables buyers to quote their own price for specific goods or services. A consumer posts his request with a set budget online and, companies review the customers requirements and bids out the project. For example, pest control services, taxi services, door step food delivery etc.

4) **Consumer to consumer (C2C)**

It facilitates the online transaction of goods or services between two people. Consumer to consumer (C2 C) involves the electronically facilitated transactions between consumers through some third party. A common consumer posts an item for sale and other consumers bid to purchase it. The sites are only intermediaries, just to match the consumers. The internet allows a lot of space for consumer groups to be formed. These forums are very interactive. Redressal of complaints is also possible through such groups. For example, eBay.

5) **Business to Administration (B2A)**

This part of e-commerce encompasses all transactions conducted online between business and public administration. For example, registration of companies, payment of taxes, getting permits etc.

6) **Consumer to Administration (C2A)**

The consumer to Administration model encompasses all electronic transactions conducted between individuals and public administration. For example, getting passport, aadhaar card, licenses etc.

Just to know

- 1997- Introduction of a brand new phrase e-business. IBM was one of the first companies to use the term in October 1997, it launched a thematic campaign built around e-business
- 1999 - The emphasis of e-business shifted from B2 C to B2 B
- 2001-The emphasis of e-business shifted from B2 C to B2 B, e- commerce, egovernance, e- learning and m-commerce. (Mobile commerce)
- 2004-Total online shopping and transactions in the United states between 3 to 7 trillion.
- E- business will undoubtedly continue to shift and change

5.1.3 Benefits of E- Business

The main advantage of e-business is people get product information online and order the product online through cash on delivery or pre payment. In this way seller and buyer both get advantage of internet platform.

Traditionally trading by the buyers and sellers is done through three channels like face to face, mail and phone. The internet has become the fourth channel for trade. Internet trade is booming and allowing business to sell more and at a lower cost. Thus, internet offers a great opportunity over traditional channels as it has some advantages or strengths.

1) **Ease of formation:**

The formation of traditional business is difficult, whereas to form e-business is relatively easy to start.

2) **Lower Investment requirements:**

Investment requirement is low as compared to traditional business as the store does not have physical existence and can be managed with less manpower so if trader does not have much of the investment but has contacts (network), he can do fabulous business.

3) **Convenience:**

Internet offers the convenience of 24 X 7 X 365 days a year. Business is going on any time and flexibility is available. Yes, e-business is truly a business that has enabled and enhanced by electronics and offers the advantage of accessing anything, any where, any time.

4) **Speed:**

This benefit becomes all the more attractive when it comes to information. Much of the buying or selling involves exchange of information that internet allows at the click of mouse.

5) **Global access:**

Internet is truly without boundaries. On one hand, it allows the seller an access to the global market. On the other hand, it offers a freedom to the buyer to choose products from almost any part of the world. No need of face to face interaction between buyer and seller.

6) **Movement towards a paperless society:**

Use of internet has considerably reduced the dependence on paperwork. Thus, recording and referencing of information has become easy.

7) **Government support:**

The government provides favourable environment for setting up of e-business. This support ensures maximum transparency.

8) **Easy payment:**

The payment in e-business is done by credit card, fund transfer etc. and it is available round the clock..

5.1.4 **Limitations of E- business :**

E-business does have certain disadvantages when compared to the traditional way of doing business. Some of the limitations of e-business are as follows.

- (1) **Lack of personal Touch :** E-business lacks the personal touch. One cannot touch or feel the products. So it is difficult for the consumers to check the quality of products.
- (2) **Delivery Time :** The delivery of the products takes time. In traditional business you get the product as soon as you buy it. But that doesn't happen in online business. This time lag often discourages customers e.g. Amazon now assures one day delivery. This is an improvement but does not resolve the issue completely.
- (3) **Security issues :** There are a lot of people who scam through online business. Also, it is easier for hackers to get your financial details. It has a few security and integrity issues.
This also causes disturbance among potential customers.
- (4) **Government interference :** Sometimes the Government monitoring can lead to interference in the business.
- (5) **High Risk :** High Risk is involved as there is no-direct contact between the parties. In case of frauds, it becomes difficult to take legal action.

Activity :

Study any business unit which is using E-business and E-commerce as a way of doing business.

5.2 **ONLINE TRANSACTION**

5.2.1 **Meaning:**

Online transaction is done with the help of the internet. It can't take place without a proper internet connection. Online transactions occur when a process of buying and selling takes place through the internet. When a consumer purchases a product or a service online, he/she pays for it through online transaction.

5.2.2 **Procedure of online Transaction:**

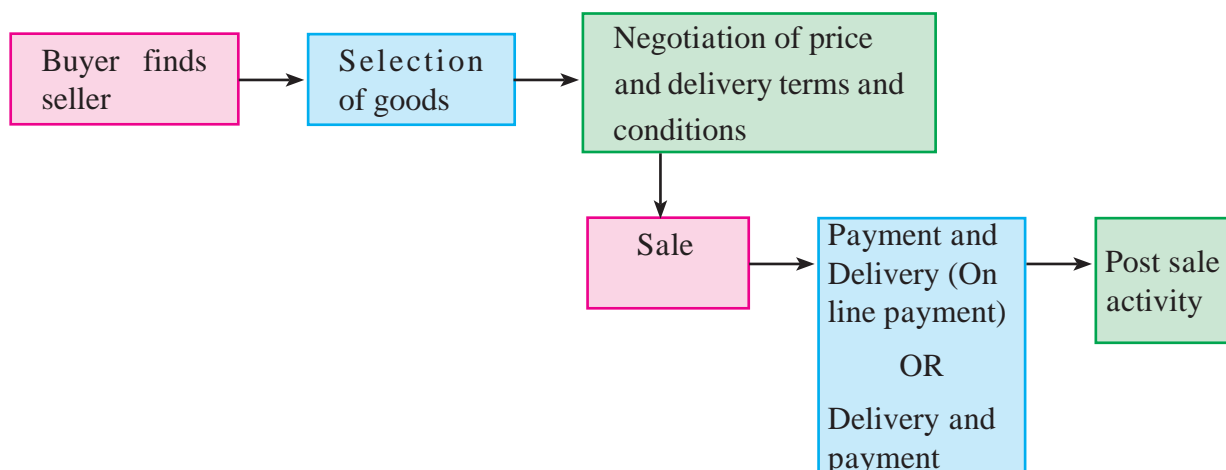
The online transaction moves through pre-purchase/sale, actual purchase/sale and delivery stage. It involves following steps.

- 1) **Registration -** Before online shopping one has to register with the online vendor by filling up a registration form. Registration is the first step in online transaction. For online transaction registration is required. The consumer needs to login a particular website to buy a particular article or service. The customer's email ID, name, address, other details are saved and are safe with the website. For security reasons, the buyer's 'Account' and his 'Shopping Cart' is an online record of what you have picked up while browsing the online store.

- 2) **Placing an Order-** It is second step in online transaction. When a customer likes a product or service he/she puts the product in the shopping cart. The shopping cart gives a record of all the items selected by the buyer to be purchased ,the number of units or quantity desired to be bought per item selected and the price for each item. The buyer then proceeds to the payment option after selecting all the products.
- 3) **Payment -** It is the last step in online transaction. The buyer has to select the payment option. These payment systems are secured with very high level encryption. The personal financial information is completely secure. The following are some ways in which we can make this payment.
 - a) **Cash on Delivery-** In this type of payment the buyer pays when he/she receives the product. The payment is made at the doorstep. The customer can pay in cash or by debit or credit card.
 - b) **Cheque-** In this type of payment, the buyer sends a cheque to the seller and the seller sends the product after the realization of the cheque.
 - c) **Net Banking transfer-** In this type of payment, the payment is transferred from the buyer's account to the seller's account electronically. After the payment is received by the seller, the seller dispatches the goods to the buyer. It is an electronic facility of transferring funds through the internet.
 - d) **Credit or Debit card -** The buyer makes payment through debit or credit card and amount get deducted from customers account. Debit card or credit card popularly known as "Plastic Money". They are mostly used for online payments.
 - e) **Digital Cash -** Digital Cash is a form of electronic currency that exists only in cyberspace and has no real physical properties, but offers the ability to use real currency in an electronic format.

Buying Selling Process

Information plays a very important role in all the transactions. Information is exchanged in both traditional as well as online business. But as compared to traditional business internet transactions are easy. In traditional business, time is required to travel, to negotiate, to convince, and presence of both the parties for face to face interaction is necessary. In this process lot of time is wasted. Where as in online transaction, required information is provided with terms and conditions and it is free from most of the problems referred above. So online transactions are easier and result oriented than traditional business.



Activity :

Compare the products and their prices available on the internet and in retail shop.

5.3 OUTSOURCING

Introduction :

Outsourcing is the process of contracting a business function or any specific business activity to specialized agencies mostly the non-core areas such as sanitation, security, household pantry etc. are outsourced by the company. The company makes a formal agreement with the agency.

The agency can send the required manpower to the company. The agency charges the company for their services. With the help of outsourcing, company can focus on their core areas.

5.3.1 Meaning / Concept :

Outsourcing is the process of contracting some business functions to specialised agencies. The company benefits in two ways.

1. It reduces its own cost
2. It uses the expertise of the firm which specialises in a particular kind of service.

Examples of outsourcing - The establishments such as shops, malls, housing societies, offices etc. outsource facilities like canteen, sanitation, security etc. In the same way arrangements for wedding, anniversary, birthday celebration can also be outsourced.

5.3.2 Need for Outsourcing :

Today services all over the world are becoming highly specialized. Most services require finely tuned skills. With increasing global competition, most companies are focusing on showcasing their product or improving the quality of their goods. This has forced the companies to concentrate on their hard core activities, therefore companies are taking a fresh look at their business processes. Due to this, many non-core areas are being outsourced to firms who have an especially skilled work force. The concept of outsourcing has emerged as a result of this thinking.

5.3.3 Advantages of Outsourcing :

- 1) **Overall cost advantages-** It reduces the cost and also saves time and efforts on training cost.
- 2) **Stimulates entrepreneurship, employment and exports-** Outsourcing stimulates entrepreneurship, employment and exports in the country.
- 3) **Low manpower Cost-** The manpower cost is much lower than that of the host company.
- 4) **Access to professional, expert and high Quality services-** Mostly the tasks are given to people who are skilled in that particular field. This provides us with a better level of service and fewer chances of errors.
- 5) **Emphasis on core process rather than the supporting ones-** With its help companies can focus on their core areas which lead to better profits and increase the quality of their products.
- 6) **Investment requirements are reduced** - The organization can save on investing in the latest technology, software and infrastructure and let the outsourcing partner handle the entire infrastructure.

7) **Increased efficiency and productivity** - There is an increased efficiency and productivity in the non core areas of an organization.

8) **Knowledge sharing** - Outsourcing enables the organization to share knowledge and best practices with each other, it helps develop both the companies and also boosts goodwill in the industry.

5.3.4 Disadvantages of Outsourcing / Limitations of Outsourcing

1) **Lack of customer focus**- An outsourced vendor may be catering to the needs of multiple organizations at a time. In such a situation, he may lack complete focus on an individual organization. As a result, the organisation may suffer.

2) **A threat to security and confidentiality** - The confidential information of the organization may be leaked to the third party, so there are security issues.

3) **Dissatisfactory services** - Some of the common problem areas with outsourcing include stretched delivery time and sub standard quality.

4) **Ethical issues** - The major ethical issue is taking away employment opportunities from one's own country, when the function is outsourced to a company from another country.

5) **Other disadvantages** -

- i) misunderstanding of the contracts.
- ii) lack of communication.
- iii) poor quality and delayed services.

Following are a few forms of outsourcing.

5.3.5 Business Process Outsourcing (BPO)

Introduction :

BPO is basically the outsourcing of work to some third party service provider in order to save money while KPO is a subset of BPO only. KPO includes more knowledge based and specialised work. In addition to this there are many reasons that a company may choose KPO services over BPO.

Business process outsourcing or BPO, is a business practice in which one organization hires another company to perform a task (process) that the hiring organization requires to operate its own business successfully.

Meaning - BPO is a subset of outsourcing that involves the contracting of the operations and responsibilities of specific business process to a third party service provider. BPO refers to the outsourcing of peripheral activities of the organisation to an external organization to minimize cost and increase efficiency.

Key Terms of BPO :

- (i) Off shore- BPO that is contracted outside a company's own country.
- (ii) On shore- BPO that is contracted with the company's own country.
- (iii) Near shore- BPO that is contracted to a company's neighbouring country.

BPO refers to the outsourcing of peripheral activities of the organisation to an external organisation to minimize cost and to increase efficiency. For example, customer care centres for various banks, service providers etc.

Advantages and Disadvantages of BPO:

Advantages of BPO :

- 1) Productivity improvement :
Educated or skilled people perform the task efficiently and thus improve productivity.
- 2) Optimum utilization :
BPO enables optimum utilization of scarce resources.
- 3) Reduction in cost :
Cost saving can be significant to any business. BPO not only helps to reducing cost but also increase productivity and increase revenues.
- 4) Improved human resources :
Improved human resources is another great advantage of BPO. Outsourcing gives a company the ability to get access to skilled and trained man power at low rates.

Disadvantages of BPO :

- 1) Communication problem :
There can be communication gap between the client and vendor companies due to misunderstanding and miscommunication.
- 2) Different time zones :
The client and the vendor operate in two different time zones. The difference in time can create many problems during online meeting, communication etc.
- 3) Loss of control :
Due to communication errors, time differences, client company can at times lose control of the project.

5.3.6 Knowledge Process Outsourcing (KPO)

Introduction:

KPO is described as the functions related to knowledge and information outsourced to third party service providers.

KPO is the sub segment of BPO, in which the outsource service provider is hired not only for its capacity to perform particular business process or function but also to provide expertise around it.

KPO is the allocation of relatively high level tasks, to an outside Organization or a different group usually in a different geographic location. KPO is a subset of BPO. KPO involves outsource of core functions which may or may not give cost benefit to the parent company but surely helps in value addition. The processes which are outsourced to KPO are usually more specialized and knowledge based as compared to BPO's.

KPO is the outsourcing of core information related to business activities which are competitively important or form an integral part of a company's value chain.

Definition :

- (i) *"Margaret Rouse of what is .com defines KPO. "KPO is the allocation of relatively high-level tasks to an outside organisation or a different group within the same organisation."*

Meaning : KPO is a form of outsourcing, in which knowledge related and information related work is carried out by workers in a different company or by a subsidiary of the same organisation. Which may be in the same country or in an offshore location to save cost.

KPO requires advanced analytical and technical skills as well as a high degree of specialist expertise. KPO allows both core and non core activities.

Advantages:

- (1) Cost reduction is possible as Clients get professional services at a cost effective price.
- (2) Business organisations can hire skilled employees from KPO service providers.
- (3) High end services are provided at a lower cost to decrease unemployment and benefit their economy.
- (4) Provides flexibility in terms of HRM (human resource management) and time management.

Disadvantages:

- (1) Security of organisation is questioned.
- (2) The character of the employee and the quality of the work cannot be assured .
- (3) KPO is time consuming and cannot provide a quick fix to the company seeking immediate results.
- (4) Lack of communication between partners due to legal, language and cultural barriers can lead to complications.
- (5) Reduction in communication due to language barrier.

5.3.7 Legal Process Outsourcing (LPO)

Introduction:

LPO is a type of KPO that is specific to legal services, ranging from drafting legal documents, performing legal research to offering advice.

LPO refers to the practice of law firm or corporation obtaining legal support services from an outside law firm or legal support services company. LPO is the industry in which in house legal departments or organisations outsourced legal work to such areas where it can be done at less cost. For example, areas like US or Europe outsourced legal work to India, where it can be performed at significantly decreased cost. LPO is high-end industry that has been growing rapidly in the recent years.

LPO is apparently a media invention. It derives from BPO, but to the extent that the word 'process' suggests standardized , commoditized , easy to replicate tasks that can be performed without a lot of education.

Meaning:

Legal outsourcing has gained tremendous ground in the past few years in India. It achieved success by producing service such as document review, legal research and writing, drafting of briefings etc.

Advantages:

- 1) One of the most significant advantage of outsourcing legal functions is cost savings.
- 2) Outsourcing legal work to external vendors allows organisations to access high level talent and niche expertise that does not exist within the firm.

3) Employing a combination of in-house and external talent allows law firm and organisations to tailor their liabilities in response to workload and client demands. Flexible staffing also reduces firm overhead.

4) Disadvantages :

- 1) There will be problem of authenticity as some important documents need to be shared with the outsourcing firm.
- 2) There may be problem of in-depth knowledge of all relevant laws.
- 3) There will be problem of cultural and language barriers that could hinder communication between domestic and international team.
- 4) L.P.O. also gets affected by geographical hurdles between firm and clients.

Comparative Study/ Distinguish Between

(1) E-Business and Traditional Business

	Point of distinction	E-Business	Traditional Business
1)	Formation	E- Business is easy to form	Traditional business takes lengthy and complicated procedure to form
2)	Setting up cost	It takes a very nominal cost	It takes huge capital in order to setup
3)	Risk involved	High risk involved as there is no direct contact between the parties	Less Risk involved as parties have personal interaction.
4)	Area covered	E- business covers entire world and so scope is vast	Traditional business is limited to particular area so scope is limited.
5)	Customer interaction	In E-business there is absence of face to face interaction.	Face to face interaction is possible.
6)	Physical inspection	Goods cannot be inspected physically before purchase	Goods can be inspected physically before purchase
7)	Resource focus	E-business resources focus on demand side	Traditional business resources focus on supply side
8)	Delivery of goods	In E-business delivery of goods takes time	In traditional business delivery of goods is instant.
9)	Usage	It is used to save valuable time and money	It is ancient and still in usage where the digital network is not reachable.
10)	Accessibility	It is available round the clock	It is available during the limited time
11)	Scope	More business can be done easily without any hassles	It is difficult to perform more business in this model.

(2) E-Commerce and E-business

	Point of Distinction	E-commerce	E-Business
1)	Meaning	E-commerce involves commercial transactions done over internet	E-business is conduct of business processes on the internet
2)	What is it?	E-commerce is subset of E-business	E-business is superset of E-commerce
3)	Features	E-commerce just involves buying and selling of products and services	E-business includes all kinds of pre-sale and post-sale efforts.
4)	Concept	E-commerce is narrower concept and restricted to buying and selling	It is broader concept that involves market surveying, supply chain and logistic management and using datamining
5)	Transaction	It is more appropriate in B2C context	It is used in the context of B2B transactions
6)	Which network is used ?	E-commerce involves the mandatory use of internet	E-business can involve the use of internet intranet or extranet

(3) BPO and KPO

	Basis for Distinction	BPO	KPO
1)	Meaning	BPO refers to the outsourcing of non primary activities of the organisation to an external organisation to minimize cost and increase efficiency	KPO is another kind of outsourcing whereby, functions related to knowledge and information are outsourced to third party service providers
2)	Degree of complexity	BPO is less complex	KPO is complex
3)	Requirement	BPO requires process expertise	KPO requires knowledge expertise
4)	Talent required in employees	BPO requires good communication skills	KPO requires professional qualified workers
5)	Focus on	BPO focus on low level process	KPO focus on high level process

Summary

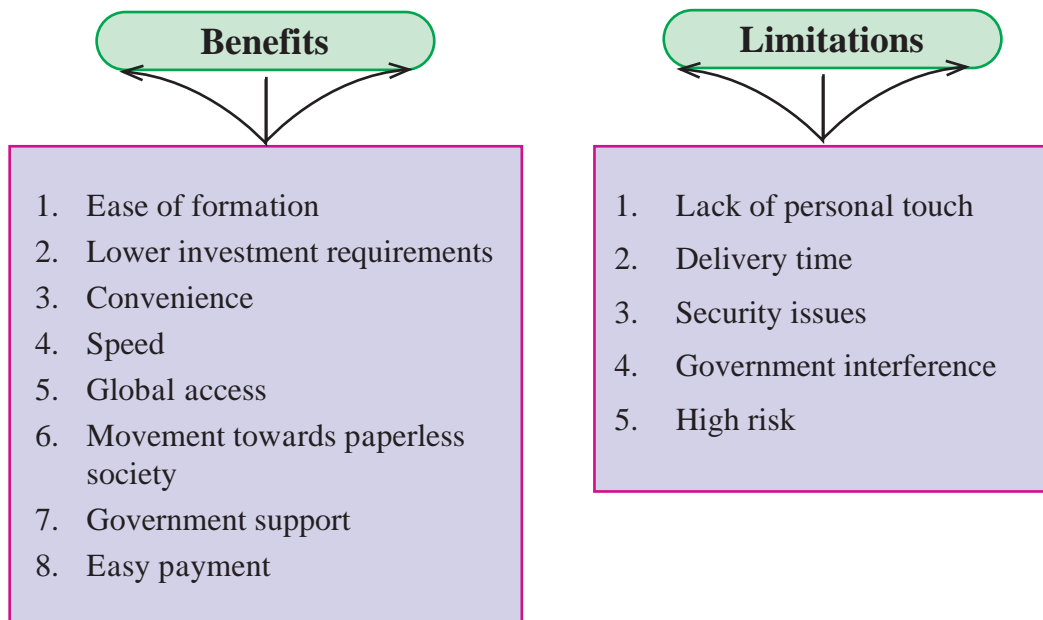
E-business :

E-business or electronic business is the administrative of conducting business via internet

Various Types of E-business Transactions are -

1. B2B- Business to Business
2. B2C- Business to Consumer
3. C2B- Consumer to Business
4. C2C- Consumer to Consumer
5. B2A- Business to Administration
6. C2A- Consumer to administration

Benefits and Limitations of E-Business



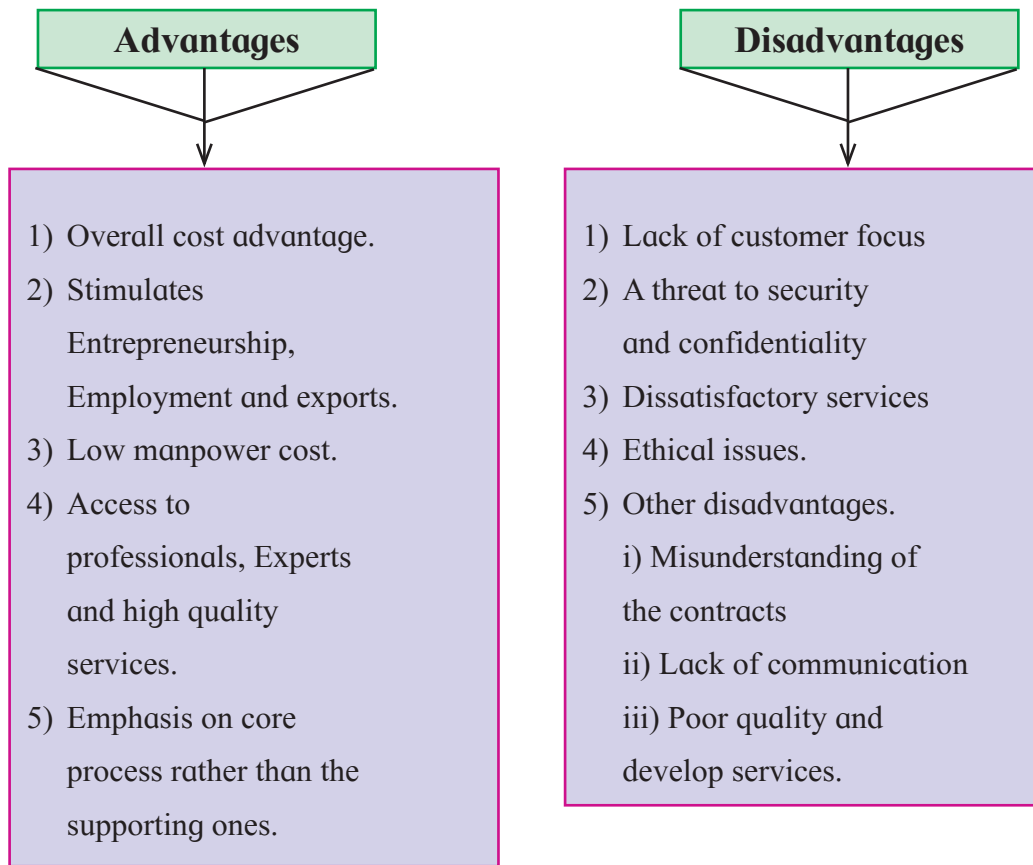
Procedure of on line transaction.

Steps involved in online transaction.

1. Registration
2. Placing on order
3. Payment mechanism
 - a. Cash on delivery.
 - b. Cheque.
 - c. Net banking Transfer.
 - d. Credit or Debit card.
 - e. Digital Cash.

Outsourcing

outsourcing is the process of contracting a business function to specialised agencies.



Forms of outsourcing :

1. B.P.O.
- 2) K.P.O.
3. L.P.O.

EXERCISE

Q1. (A) Select the correct option and rewrite the sentence.

1. For online transactions is required.
a. registration b. trading c. business
2. The term 'e-business' is derived from the term and e-commerce.
a. Cash b. e-pay c. e-mail
3. The transactions under are between consumers and consumers.
a. B2B b. C2C c. B2C
4. The process of contracting a business function to someone else is called as
a. outsourcing b. trading c. e-business
5. In online shopping customers put the product in the
a. shopping mall b. shopping cart c. shopping bag

(B) Match the pairs.

Group 'A'		Group 'B'	
A)	E-business	1)	Consumer to consumer
B)	B2C	2)	Exist everywhere
C)	Outsourcing	3)	First step
D)	Digital cash	4)	Business to consumer
E)	Registration	5)	Electronic business
		6)	BPO
		7)	RTO
		8)	Efficient business
		9)	exist only in cyberspace
		10)	Last step

(C) Give one word / term / phrase for the following sentence.

- 1) The stage where the goods bought are delivered to the customer.
- 2) The term derived from the terms e-mail and e-commerce.
- 3) The transaction which is done with the help of the internet.
- 4) The first step in online transaction.
- 5) The process of contracting a business function to specialized agencies.
- 6) Subset of outsourcing.
- 7) Sub segment of BPO
- 8) One of the value added BPO service which involves legal work.

(D) State whether following statements are true or false.

- 1) It is easy to set up e-business as compared to traditional business.
- 2) The term e-business is derived from the term e-mail and e-commerce.
- 3) e-business allows you to work across the globe in any field.
- 4) LPO stands for legal product outsourcing.
- 5) KPO requires advanced analytical and technical skills.
- 6) With the help of outsourcing, company cannot focus on the core areas.

(E) Find the odd one.

- 1) BPO,RTO,LPO,KPO 2)B2B,B2C,A2Z,C2C
- 3) Debit card, Credit card, Aadhar card, ATM card.

(F) Complete the sentences.

- 1) E-business is an abbreviation for
- 2) The term e-business came into existence in the year
- 3) E-business means using the to connect people and process.
- 4) E-business is of e-commerce.

- 5) E-commerce is of e-business.
- 6) The process of contracting a business function to specialized agencies is known as

(G) Select the correct option and complete the table.

(Business to Business, First step, e-commerce, payment mechanism, e-business)

	Group A	Group B
A)	Registration
B)	Superset of e-commerce
C)	Last step
D)	Subset of E-business
E)	B2B

(H) Answer in one sentence.

- 1) What is E-business?
- 2) What is outsourcing ?
- 3) What is Online Transaction?
- 4) What is shopping cart ?
- 5) What is digital cash ?
- 6) What is BPO ?
- 7) What is KPO ?
- 8) What is LPO ?

(I) Correct the underlined word and rewrite the following sentence.

- 1) E-business is hard to start.
- 2) There are five stages of online transactions.
- 3) Registration is the Last step in online transaction.
- 4) Digital cash is form of plastic currency.
- 5) KPO includes less knowledge based and specialized work.

(J) Arrange in proper order.

- 1) Purchase or sale / Delivery stage / Pre purchase or sale.
- 2) Placing an orders, Cash on delivery, Registration

Q.2. Explain the following terms / concepts.

- 1) E-business 2) B2B 3) B2C 4) C2C 5) Outsourcing 6) BPO 7) LPO 8) KPO

Q.3. Study the following case / situation and express your opinion.

1. Abhay purchases some gift articles online from www.flipkart.com. At the same time Sheetal purchased gift from e-bay.com.

- i. Which website is related to C2C?
- ii. Which website is related to B2C?
- iii. What first step does Abhay need to follow?

2. Satvik purchases watch from Titan shop and his friend Shambhavi purchases watch from online shopping site.

- i. Which shopping is from traditional business?
- ii. Which shopping is from e-business?
- iii. Which business involved high risk ?

3. Mr. Ved made his payment by cheque at the same time Mr. Shlok made his payment by fund transfer.

- i. Whose payment is faster ?
- ii. Whose payment is related to traditional business ?
- iii. Whose payment is related to e-business ?

Q.4. Distinguish between.

- 1) Traditional business and E-business.
- 2) E-business and E-commerce
- 3) BPO and KPO

Q.5. Answer in brief.

- 1) What is outsourcing ? Illustrate with suitable example.
- 2) What is BPO? Explain in detail.
- 3) What is KPO ? Explain in detail.
- 4) What is LPO ? Explain in detail.

Q.6. Justify the following statements

- 1) It is easy to set up e-business as compared to traditional business.
- 2) E-business allows user to work across the globe in any field.
- 3) Online transaction is done with the help of the internet.

Q.7. Attempt the following.

- 1) What are the advantages and disadvantages of e-business ?
- 2) What are the types of e-business? Explain.
- 3) What are the advantages of outsourcing?
- 4) What are the disadvantages of outsourcing?

Q.8. Answer the following.

- 1) Explain the steps involved in online transaction.
- 2) What is outsourcing? Explain advantages and disadvantages of outsourcing.

Answer Key

- (A) (1) Registration (2) e-mail (3) C2C (4) Outsourcing (5) shopping cart
(B) A-5 B-4 C-6 D- 9, E- 3
(C) 1) Delivery stage 2) e-business 3) online transactions 4) Registration 5) outsourcing
6) BPO 7) KPO 8) LPO
(D) True- 1, 2, 3, 5 False- 4, 6
(E) 1) RTO 2) A2Z 3) Aadhaar card
(F) (1) Electronic business 2) 1997 3) Internet 4) Superset 5) Subset 6) Outsourcing
(G) 1) First step 2) E-business 3) Payment mechanism
4) E-commerce 5) Business to Business
(I) 1) easy 2) Three 3) First 4) electronic currency 5) more
(J) 1. Pre purchase / sale , Purchase / sale, Delivery stage
2. Registration, Placing an order, Cash on delivery

Carrier Opportunities :

- (1) Businessman
- (2) Vendor
- (3) IT experts
- (4) LPO
- (5) BPO
- (6) KPO

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