

# SW 1 - OVERVIEW

PART 1 - Answer the ff. questions:

1. What is e-commerce?

- E-commerce is short for "electronic commerce."
- Electronic commerce or e-commerce is a term for any type of business, or commercial transaction that involves the transfer of information across the Internet. It covers a range of different types of businesses, from consumer based retail sites, through auction or music sites, to business exchanges trading goods and services between corporations. It is currently one of the most important aspects of the Internet to emerge.
- E-commerce allows consumers to electronically exchange goods and services with no barriers of time or distance.

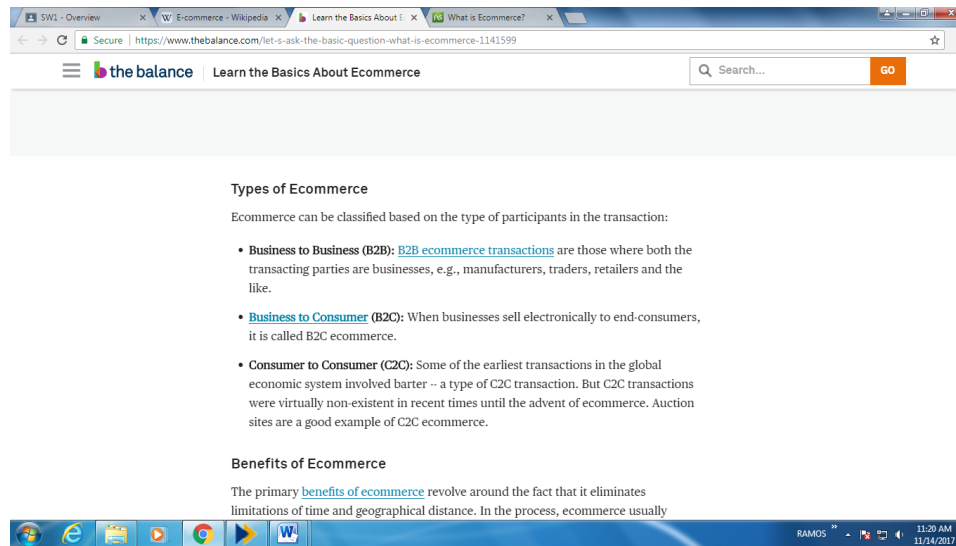
The screenshot shows a web browser window displaying an article from 'the balance' website. The article title is 'Learn the Basics About Ecommerce' by Ajeet Khurana, updated on October 23, 2017. The article text defines e-commerce as transacting or facilitating business on the Internet and lists examples like buying and selling online. A photo of a woman using a smartphone is included. The browser's address bar shows the URL: https://www.thebalance.com/let-s-ask-the-basic-question-what-is-ecommerce-1141599.

The screenshot shows a web browser window displaying an article from 'www.networksolutions.com' titled 'What is Ecommerce?'. The article has an article rating of 3/5 stars based on 903 votes. The text defines e-commerce as a term for any type of business or commercial transaction involving information transfer across the Internet. It also discusses the expansion of e-commerce and the concept of B2B (Business to Business). The browser's address bar shows the URL: www.networksolutions.com/education/what-is-ecommerce/.

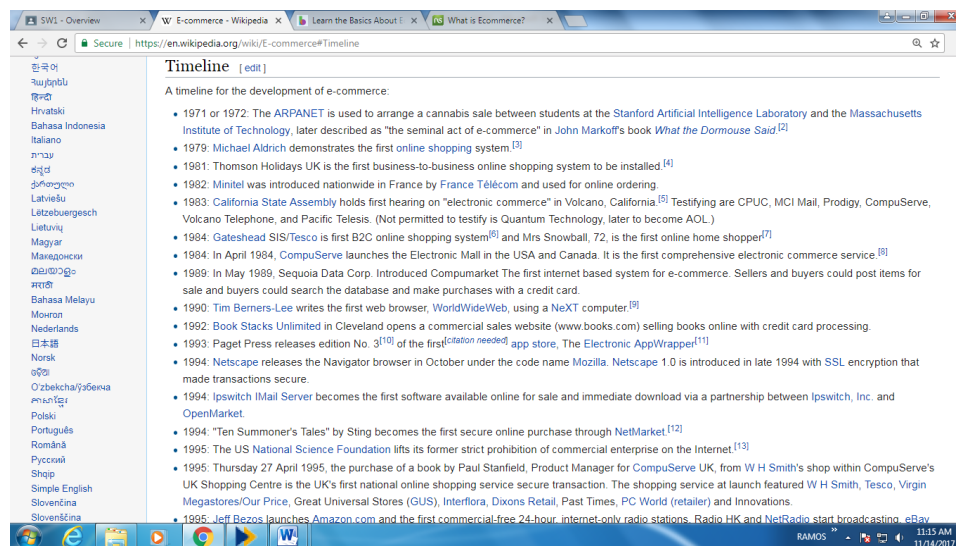
2. What is B2B/C2C/B2C/B2G? (Choose 2) Give examples.

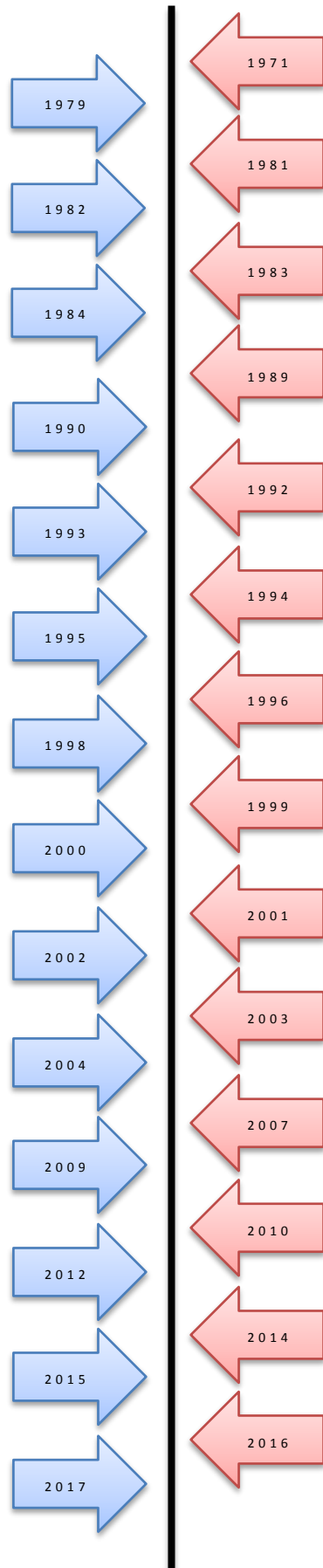
Ecommerce can be classified based on the type of participants in the transaction:

- **Business to Business (B2B):** B2B ecommerce transactions are those where both the transacting parties are businesses, e.g., manufacturers, traders, retailers and the like.
- **Business to Consumer (B2C):** When businesses sell electronically to end-consumers, it is called B2C ecommerce.
- **Consumer to Consumer (C2C):** Some of the earliest transactions in the global economic system involved barter -- a type of C2C transaction. But C2C transactions were virtually non-existent in recent times until the advent of ecommerce. Auction sites are a good example of C2C ecommerce.



PART 2 - Prepare a timeline of the evolution/history of e-commerce.





A timeline for the development of e-commerce:

- 1971 or 1972: The **ARPANET** is used to arrange a cannabis sale between students at the **Stanford Artificial Intelligence Laboratory** and the **Massachusetts Institute of Technology**, later described as "the seminal act of e-commerce" in **John Markoff's** book *What the Dormouse Said*.<sup>[2]</sup>
- 1979: **Michael Aldrich** demonstrates the first **online shopping** system.<sup>[3]</sup>
- 1981: **Thomson Holidays UK** is the first business-to-business online shopping system to be installed.<sup>[4]</sup>
- 1982: **Minitel** was introduced nationwide in France by **France Télécom** and used for online ordering.
- 1983: **California State Assembly** holds first hearing on "electronic commerce" in Volcano, California.<sup>[5]</sup> Testifying are **CPUC**, **MCI Mail**, **Prodigy**, **CompuServe**, **Volcano Telephone**, and **Pacific Telesis**. (Not permitted to testify is **Quantum Technology**, later to become **AOL**.)
- 1984: **Gateshead SIS/Tesco** is first B2C online shopping system<sup>[6]</sup> and **Mrs Snowball, 72**, is the first online home shopper<sup>[7]</sup>
- 1984: In April 1984, **CompuServe** launches the **Electronic Mall** in the USA and Canada. It is the first comprehensive electronic commerce service.<sup>[8]</sup>
- 1989: In May 1989, **Sequoia Data Corp.** introduced **Compumarket** The first internet based system for e-commerce. Sellers and buyers could post items for sale and buyers could search the database and make purchases with a credit card.
- 1990: **Tim Berners-Lee** writes the first web browser, **World Wide Web**, using a **NeXT** computer.<sup>[9]</sup>
- 1992: **Book Stacks Unlimited** in Cleveland opens a commercial sales website ([www.books.com](http://www.books.com)) selling books online with credit card processing.
- 1993: **Paget Press** releases edition No. 3<sup>[10]</sup> of the first<sup>[citation needed]</sup> **app store**, **The Electronic App Wrapper**<sup>[11]</sup>
- 1994: **Netscape** releases the **Navigator** browser in October under the code name **Mozilla**. **Netscape 1.0** is introduced in late 1994 with **SSL** encryption that made transactions secure.
- 1994: **Ipswitch IMail Server** becomes the first software available online for sale and immediate download via a partnership between **Ipswitch, Inc.** and **OpenMarket**.
- 1994: "Ten Summoner's Tales" by **Sting** becomes the first secure online purchase through **NetMarket**.<sup>[12]</sup>
- 1995: The **US National Science Foundation** lifts its former strict prohibition of commercial enterprise on the Internet.<sup>[13]</sup>
- 1995: Thursday 27 April 1995, the purchase of a book by **Paul Stanfield**, Product Manager for **CompuServe UK**, from **W H Smith's** shop within **CompuServe's UK Shopping Centre** is the UK's first national online shopping service secure transaction. The shopping service at launch featured **W H Smith**, **Tesco**, **Virgin Megastores/Our Price**, **Great Universal Stores (GUS)**, **Interflora**, **Dixons Retail**, **Past Times**, **PC World (retailer)** and **Innovations**.
- 1995: **Jeff Bezos** launches **Amazon.com** and the first commercial-free 24-hour, internet-only radio stations, **Radio HK** and **NetRadio** start broadcasting. **eBay** is founded by computer programmer **Pierre Omidyar** as **AuctionWeb**.
- 1996: **IndiaMART** B2B marketplace established in India.
- 1996: **ECP Laza** B2B marketplace established in Korea.
- 1996: The use of **Excalibur BBS** with replicated "Storefronts" was an early implementation of electronic commerce started by a group of **SysOps** in **Australia** and replicated to global partner sites.
- 1998: **Electronic postal stamps** can be purchased and downloaded for printing from the Web.<sup>[14]</sup>

- 1999: **Alibaba Group** is established in China. **Business.com** sold for US \$7.5 million to eCompanies, which was purchased in 1997 for US \$149,000. The peer-to-peer filesharing software **Napster** launches. **ATG Stores** launches to sell decorative items for the home online.
- 2000: Complete Idiot's Guide to e-commerce released on Amazon
- 2000: The **dot-com bust**.
- 2001: **Alibaba.com** achieved profitability in December 2001.
- 2002: **eBay** acquires **PayPal** for \$1.5 billion.<sup>[15]</sup> Niche retail companies **Wayfair** and **NetShops** are founded with the concept of selling products through several targeted domains, rather than a central portal.
- 2003: **Amazon.com** posts first yearly profit.
- 2003: **Bossgoo** B2B marketplace established in China.
- 2004: **DHgate.com**, China's first online b2b transaction platform, is established, forcing other b2b sites to move away from the "yellow pages" model.<sup>[16]</sup>
- 2007: **Business.com** acquired by **R.H. Donnelley** for \$345 million.<sup>[17]</sup>
- 2009: **Zappos.com** acquired by **Amazon.com** for \$928 million.<sup>[18]</sup> Retail Convergence, operator of private sale website RueLaLa.com, acquired by **GSI Commerce** for \$180 million, plus up to \$170 million in earn-out payments based on performance through 2012.<sup>[19]</sup>
- 2010: **Groupon** reportedly rejects a \$6 billion offer from **Google**. Instead, the group buying websites went ahead with an **IPO** on 4 November 2011. It was the largest IPO since Google.<sup>[20][21]</sup>
- 2012: **Zalora Group** was founded and started operations around Asia.
- 2014: **Overstock.com** processes over \$1 million in **Bitcoin** sales.<sup>[22]</sup> India's e-commerce industry is estimated to have grown more than 30% from 2012 to \$12.6 billion in 2013.<sup>[23]</sup> US e-commerce and Online Retail sales projected to reach \$294 billion, an increase of 12 percent over 2013 and 9% of all retail sales.<sup>[24]</sup> **Alibaba Group** has the largest **Initial public offering** ever, worth \$25 billion.
- 2015: **Amazon.com** accounts for more than half of all e-commerce growth,<sup>[25]</sup> selling almost 500 Million SKU's in the US.
- 2016: **Amazon.com** aided more than 10,000 sellers<sup>[26]</sup> to generate more than \$1 million of annual sales.<sup>[27]</sup>
- 2017: On march Amazon.com acquired **Souq.com** the biggest e-commerce website in Middle East (Egypt, KSA and UAE).

## Bibliography

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