International Journal of Research Publication and Reviews

Business Development - B2B and B2C Ecommerce

Pramita P. Kharat[a], Prof. M. R. Nagare[b]*

[a]M.Tech Student, Project Management, Department of Production Engineering, VJTI, Mumbai-400019, Maharashtra, India.
[b]Professor, Department of Production Engineering, VJTI, Mumbai-400019, Maharashtra, India.

A B S T R A C T

Business development is a broad concept and can be classified according to the nature of business. We can classify broadly in four categories B2B, B2C, C2C and C2B models. As Caprihans India Ltd is manufacturing firm we will focus on B2B and B2C model. B2B model is where the business processes take place between two business firms. B2C model is where the business processes take place between Business firm and Customer. Business Development is needed for Marketing, Sales, Branding and Business presence of the firm. Product management, Client Management, Market Analysis and Advertising are parts of Business Development. Product management contains processes related to logistics and supply chain. Client Management is the communication and relationship between the client and firm. Market Analysis is related to research on the current trend in market, competitors and customer base. Advertising is mostly the methods used for channeling the customer to buy the products and branding. For business development there are two methods: Traditional method and Digital method. Traditional methods use newspaper, TV ads, brochure to reach the people. People have to visit the seller for buying the products. Whereas, digital method uses digital marketing, advertisement, bidding, use of keywords for channeling customers and e-commerce platforms for delivering products. And the products are delivered to the door step of the customer.

Keywords: e-commerce, B2B e-commerce, B2C e-commerce.

1. Introduction

Covid-19 pandemic made a huge impact on the businesses throughout the globes. More than half of businesses in countries showed adverse impact. The Covid-19 pandemic has proven to be a catalyst for the growing importance of online communities in India over the past year. Many businesses were forced to shift on online (non-store retailing). According to market research, the store sales (offline business) fell by around 10%. The research also shows that there was 70% increase in online sales. Many platforms have supported digital marketing and sales during pandemic. Platforms like ecommerce apps, ecommerce websites, social media- Facebook, Instagram, WhatsApp; search engines helped the businesses to sustain in this difficult period. Market access and credit facility are major challenges in scaling up operations. Marketing support, adoption of technology and better client-customer services were top aspect of the enterprises. It became important for various enterprises to adapt to digital platform so as to keep up with market and running in the pandemic. Some major key issues during the change from traditional business to online business were adaption to technology, understanding online market trend, digital marketing, digital branding and online trading.

1.1. E-commerce business model

Electronic commerce or e-commerce is a business model that lets business organization and individuals to buy and sell product/services over the internet. It has helped businesses establish a wider market by providing cheaper and efficient distribution channels for their products and services. E-commerce can operate and is available for 24x7. Almost anything can be purchased through e-commerce platforms.

E-commerce operates in the following major market segments:

* Pramita P. Kharat. Tel.: +91 8097397511 ;
E-mail address: kharatpramita1@gmail.com

- Business to Business(B2B)
- Business to Consumer(B2C)
- Consumer to Business(C2B)
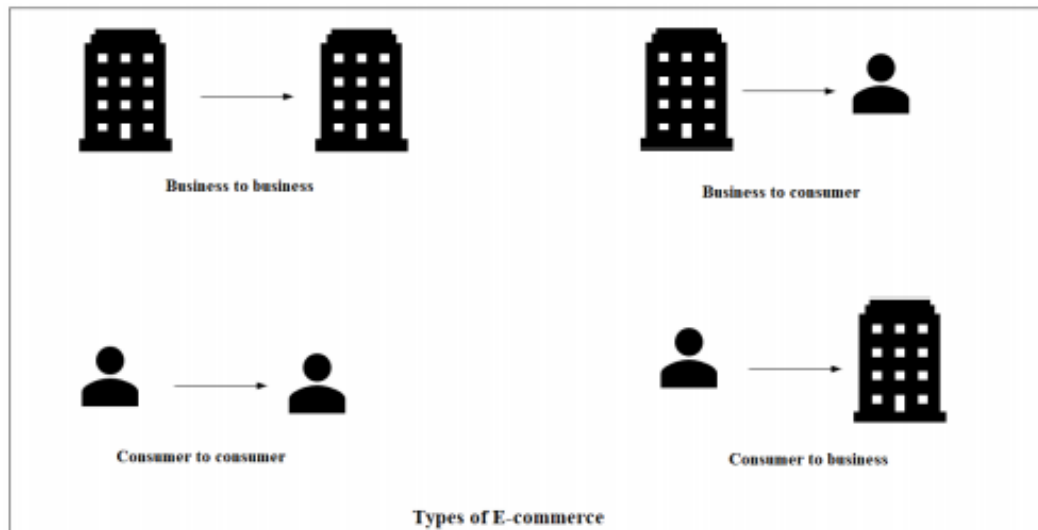- Consumer to Consumer(C2C)

Fig. 1 – Types of e-commerce

1.2. E-commerce and consumer behavior

Caprihans India Ltd. is a PVC manufacturing firm. For business firms, B2B and B2C model are used for expanding the business. For both B2B and B2C models, we must know the target audience for planning marketing strategies, costing of products andplanning the flow of product through supply chain.

B2B and B2C models have different pricing strategy, marketing strategy and target audience. For establishing online presence and building trust, the firm should register itself using its brand on the portals. This also helps in creating healthy competition and making successful market entry.

On e-commerce platforms a buyer considers multiple parameters while buying a product/service:

- Brand
- Price
- Technical information
- Service Charges
- Guaranty/ Warranty
- Customer Service

2. Literature Review

It is very important to understand what consumer value with respect to the product offered so that marketers understand the decision-making process and hence can add value to its own consumers. (Rowley J., 2008) Researchers have agreed that customer satisfaction through order fulfilment and timely delivery helps in increasing trust.

Product specifications like Product price, Product manufacturer, origin, Availability, shipping cost and total cost are important as it gives additionalinsight of the product. (Jayawardhena & Wright, 2009) These are the major driving factors for an e-commerce business.

E-commerce has increased tremendously since last decade with increase in mobile devices and affordable data plans. (Morgan, 2016) India receives $6.6 billion in venture capital and private equity investment in 2015, a 50% increase from the previous year, which probably contributed to a steep growth in the gross merchandise value for ecommerce companies.

Amazon and Flipkart are top e-commerce websites. (Dr Swapna P., 2017) Amazon and Flipkart have been consistent in providing better userexperience for all age groups. E-commerce has also proved to be highly cost effective for marketers. Having stores online reduces infrastructure

requirement, inventory management & marketing cost. Hence it is imperative on the marketers to have knowledge of the opportunities available for e-commerce in India and the steps that should be taken to overcome the challenges faced by consumers in transacting online.

The most important features driving the purchasing decision (80%) is competitive pricing. (Burq Tanir, 2018). Around 90% of e-commerce shopperaremasters of hunting deals. It is due to technology and comparison-shopping engines; consumers get alerts in multiple items from multiple stores.Pricecomparison engines are a key part of the e-commerce marketing stack, as they constitute around 20% of e-commerce traffic for all sorts ofproduct categories.The items which contribute to consistency of e-commerce websites are transaction steps,consistency of Web site design,consistency of navigation,consistency of promotions, consistency of in-stock indications, consistency of product variety, consistency of fraudprotection, consistency of productguarantees, consistency of overall site fairness, andconsistency of return policies. (Ozok, 2007). This list ofconsistency items includes three usability items.It can be said that sites with ease in accessibility have a better chance of havingsuccessful CRMimplementation in their business. Consistency of promotions,in-stock indications, wide range of products, security, guaranty/warranty, fairness, and return policies indicate mainly that customers in fact demand a highlevel of security-related information as well as trustworthiness and high ethics onthe shopping site to become regular customers of vendors. Customersdemand fair and consistent treatment concerning products and productrelatedservices.

A project is a temporary endeavor undertaken to create a unique product, service, or result.Unique product, service, or result. Projects areundertakento fulfill objectives by producing deliverables. An objective is defined as an outcome toward which work is to be directed, astrategicposition to beattained, a purpose to be achieved, a result to be obtained, a product to be produced, or a service to be performed. A deliverable is defined as anyunique and verifiable product, result, or capability to perform a service that is required to be produced to complete a process, phase, orproject.Deliverables may be tangible orintangible. (PMBOK, 6th edition, 2017). Identifying various project phases helps in planning and determiningthegoals. This makes easy to execute and monitor the plans and reach desired the goals. A life cycle is a progression of phases through a series ofdevelopmental stages. The project life cycle is the performing organizations or department s methodology for managing a project. It is the logicalbreakdown of what you need to do to produce the deliverablesof the project. The project life cycle for a particular project is selected based on factorssuch as the type of product being developed, the industry, and theorganizations preferences. Project life cycles can be either plan driven or changedriven. Within a project life cycle, there are generally one or more phases.These phases are collectively referred to as the development life cycle of aproject. The development life cycle2 is used to ensure that the expected or plannedresult of each phase is achieved. An example of a development lifecycle for a software project might include the following life cycle phases: research,design, code, test, and implement. (Rita Mulcahy - PMP ExamPrep, Ninth Edition)

3. Objective and Methodology

The basic objective is to study various e-commerce portals and find out the most feasible portal for listing the product. To increase business presence, expand the company network and generate revenue through ecommerce portals.

Methodology is the specific procedure used to identify, select and analyze the information of the topic. For e-commerce, analysis of products,identifying the platforms, registration, verification, listing and launching the product were the major process. During listing of products, products arecategorized in groups according to their usage and the taxing rates differ accordingly. The product dimensions, packaging dimensions and packaging material determinespackaging cost. E-commerce is a competitive platform, thus attractive discounts and rates can be a game changer. Therefore, marketanalysis for costing of products can prove effective

Phases to launch products on e-commerce platforms:

- Initiation phase: Initiation phase is the phase where the project starts. In this phase the problem is identified. We define the problem and determine the goal of the project. We also perform cost/benefit analysis to determine the investment and profit of project. In this phase we also try to list out the future risk and obstacles.

  a. Identifying the problem: During Covid-19 pandemic sales through traditional methods like meeting and getting quotes for product was not possible.
  b. Define goal: Shift to e-commerce platform and sell the product online.
  c. Cost/Benefit Analysis: The charges for using the platform and shipping charges are the additional cost, but this cost is compensated as other cost like marketing and advertising is not used.
  d. List of Assumptions, risk and obstacle: The fee changes on e-commerce platforms can be viewed as potential risk.

- Planning phase: Planning phase help us to plan how the project is to be executed. In this phase we determine the activities of the project, the resources required, project workflow and proposal of the project.

  a. Identifying project activities: We identify the activities to be performed during project execution. The completion of the activities can be marked as milestones during project execution.

b. Estimate resource requirements: We list down all the requirements of the project so that there is no discontinuity in project execution. Resources like all the credentials of the firm, product details all the related certificates are the resources required for e-commerce registration.

c. Construct Workflow: Schedule the activities to track the smooth working of the project.

d. Prepare project proposal: Prepare project proposal with budgeting, schedule and the final objective/ goal of project

- Execution phase: In this process we acquire all the required resources and start executing the plan. We also document the ongoing progress to keep track of the actions.

    a. Acquire resources: Acquiring the resources like certificates, IDs of Caprihans India Ltd. for registration on the portal. Acquiring the product details and images for listing on the portals. Getting the product cost for listing on the portals. Registering Caprihans India Lt. on the portals and get verified. After verification, list the products to be sold on the portals. Preparing the report of the progress at end of the day.

- Monitoring and controlling phase: In this phase, we have to monitor the sales of productand keep tract of the stocks of the product. Track the product whether it is delivered to the customer. If there is any change to be made it is performed in this phase. If there are any risks it is mitigated, monitored and managed in this phase. For e-commerce the possible risk can be change in some fees or the change in the customer demands. So, in this phase we can handle it.

- Closing: In this phase, we document the lessons learned for the future use. We hand over the credentials of all the portals and submit all the documents as a closure for the project.

4. Conclusion

The cost of actually setting up a business is more than that of e-commerce. Ecommerce requires less manpower in comparison to the offline business.Therefore, we can save on wages, salary of the employee. The business can be operated from anywhere and at any time. There are no geographical restrictions. E-commerce websites can be viewed using laptop or mobile. From an application or website. E-commerce websites are very effective and efficient. They allow the user to determine which product is selling successfully and the stock levels. This helps in monitoring and controlling the sales.

REFERENCES

Prof. Dr. Swapna P., Dr. Shweta V., Rohan Dwivedi. (March 2017). Content Comparison of E-commerce Sites in India – A Consumer Perspective. (11-13)
Morgan Stanley. (2016, February 16). Indian ecommerce market to grow fastest globally over 3 years. Mumbai: Economic Times.
Burq Tanir. (19 July,2018). Pricing Strategy: The Ultimate Guide to E-commerce Pricing, Prisync.
Rowley, J. (2008). Understanding Digital Content Marketing. Journal of Marketing Management, 24(5- 6), 517-540.
Ozok, A.A., Oldenburger, K., and Salvendy, G. (2007), "Impact of Consistency in Customer Relationship Management on E Commerce Shopper Preferences" Journal of organizational computing and electronic commerce"
Rita Mulcahy - PMP Exam Prep, Ninth Edition
PMBOK, 6th Edition, 2017