INFORMATION TECHNOLOGY RELATED WITH BUSINESS APPLICATION AND ORGANIZATION

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ABSTRACT

Information Technology (IT) related with the business activities in organizations. IT and management is focused mainly on the business aspect with strong input into the technology phase of the business/organization. A primary focus of IT is the value creation made possible by technology. This requires the alignment of technology and business strategies. While the value creation for an organization involves a network of relationships between internal and external environments, technology plays an important role in improving the overall value chain of an organization; however, this increase requires business and technology management to work as a creative, synergistic and collaborative team instead of a purely mechanistic span of control. One set of resources was dedicated to one particular computing technology, business application or line of business, advanced technical application. IT also measure related with the E-commerce. E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform and redefine relationships for value creation between or among organizations and between organizations and individuals.

KEYWORDS

Concepts of IT to Business, Application of IT Related to Business, Benefits of IT.


INTRODUCTION

Information technology is an essential partner in management of your business, regardless of the kind of enterprise you operate. Whether you need computers for storage, transfer, retrieval or transmission of information, you can manage your business with greater accuracy and efficiency with the assistance of information technology and e-commerce applications. Communication by e-mail is faster and costs less than sending a paper letter in the mail. You can transform your business to the 21st century with the use of e-mail for communication with clients or customers. Information technology allows you to organize e-mail file folders by client or by type of communication, such as orders or billing. Large and small businesses are on a level playing field on the Internet. You can have a Web presence, take orders, buy merchandise, sell excess or even operate some businesses entirely online. A marketing tool that uses information technology is the Quick Response or QR Code that looks like a bar code, but is square. E-commerce is usually associated with buying and selling over the Internet or conducting any transaction involving the transfer of ownership or rights to use goods or services through a computer-mediated network. The integration of Information and Communications Technology (ICT) in business has revolutionized relationships within organizations and those between and among organizations and individuals. Specifically, the use of ICT in business has enhanced productivity, encouraged greater customer participation and enabled mass customization besides reducing costs.

Conceptual Article

E-commerce is usually associated with buying and selling over the Internet or conducting any transaction involving the transfer of ownership or rights to use goods or services through a computer-mediated network. Though popular, this definition is not comprehensive enough to capture recent developments in this new and revolutionary business phenomenon. A more complete definition is: E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform and redefine relationships for value creation between or among organizations and between organizations and individuals.

Picture 1.

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B2B e-commerce is simply defined as e-commerce between companies. This is the type of e-commerce that deals with relationships between and among businesses. About 80% of e-commerce is of this type and most experts predict that B2B e-commerce will continue to grow faster than the B2C segment.

Business-to-consumer e-commerce or commerce between companies and consumers involves customers gathering information; purchasing physical goods (i.e. tangibles such as books or consumer products) or information goods (or goods of electronic material or digitized content, such as software or e-books) and for information goods, receiving products over an electronic network.

The more common applications of this type of e-commerce are in the areas of purchasing products and information and personal finance management, which pertain to the management of personal investments and finances with the use of online banking tools.

Business-to-government e-commerce or B2G is generally defined as commerce between companies and the public sector. It refers to the use of the Internet for public procurement, licensing procedures and other government-related operations. This kind of e-commerce has two features: First, the public sector assumes a pilot/leading role in establishing e-commerce; and second, it is assumed that the public sector has the greatest need for making its procurement system more effective. Web-based purchasing policies increase the transparency of the procurement process (and reduce the risk of irregularities). To date, however, the size of the B2G e-commerce market as a component of total e-commerce is insignificant, as government e-procurement systems remain undeveloped.

This type of e-commerce comes in at least three forms:

- Auctions facilitated at a portal such as e-Bay, which allows online real-time bidding on items being sold in the Web.
- Peer-to-peer systems, such as the Napster model (A protocol for sharing files between users used by chat forums similar to IRC) and other file exchange and later money exchange models and consumer-to-business (C2B) transactions involve reverse auctions, which empower the consumer to drive transactions. A concrete example of this when competing airlines gives a traveler best travel and ticket offers in response to the traveler’s post that she wants to fly Washington to San Francisco.

There is little information on the relative size of global C2C e-commerce. However, C2C figures of popular C2C sites such as e-Bay and Napster indicate that this market is quite large. These sites produce millions of dollars in sales everyday.

Scope of the Study

1. Topical scope encompasses exploring the terms of business and E-commerce.
2. Geographical scope of the present study is confined to measure related with IT to business application and organization.
3. Analytical scope focuses on attainment of objectives set at the outset of the study besides testing all hypotheses by working over collected data.

Objectives of the Paper

1. To know about business application related to IT.
2. To know about E-commerce with its advantages and disadvantages.

METHODOLOGY

This paper has solicited the information from secondary data. It consists of reference books and journals and websites, etc.

Applications of it Communicated with Business Areas

The applications of IT and E-commerce are used in various business areas, such as retail and wholesale and manufacturing. The most common IT and E-commerce applications are as follows:

Retail and Wholesale

E-commerce has a number of applications in retail and wholesale. E-retailing or online retailing is the selling of goods from Business-to-Consumer through electronic stores that are designed using the electronic catalog and shopping cart model. Cybermall is a single Website that offers different products and services at one Internet location. It attracts the customer and the seller into one virtual space through a Web browser.
Marketing
Data collection about customer behaviour, preferences, needs and buying patterns is possible through Web and E-commerce. This helps marketing activities such as price fixation, negotiation, product feature enhancement and relationship with the customer.

Finance
Financial companies are using E-commerce to a large extent. Customers can check the balances of their savings and loan accounts, transfer money to their other account and pay their bill through online banking or E-banking. Another application of E-commerce is online stock trading. Many Websites provide access to news, charts, information about company profile and analyst rating on the stocks.

Manufacturing
E-commerce is also used in the supply chain operations of a company. Some companies form an electronic exchange by providing together buy and sell goods, trade market information and run back office information such as inventory control. This speeds up the flow of raw material and finished goods among the members of the business community. Various issues related to the strategic and competitive issues limit the implementation of the business models. Companies may not trust their competitors and may fear that they will lose trade secrets if they participate in mass electronic exchanges.

Auctions
Customer-to-Customer E-commerce is direct selling of goods and services among customers. It also includes electronic auctions that involve bidding. Bidding is a special type of auction that allows prospective buyers to bid for an item. For example, airline companies give the customer an opportunity to quote the price for a seat on a specific route on the specified date and time.

Advantages of E-Commerce
Electronic commerce, better known as E-commerce, refers to the commercial activities—such as online shopping and payment transactions—carried out using computers and the Internet.

Increased Access
E-commerce has made it easier for businesses to reach people around the world and run their operation without approaching their suppliers directly. E-commerce businesses provide access to the consumers and the other businesses all over the world.

Reduces Competitive Gap
E-commerce reduces marketing and advertising expenses. So smaller companies can also compete on quality, price and availability of goods with the bigger companies.

Reduced Sale Cycle
The customers access the product listing and the pricing directly from the Internet without any phone calls and e-mails.

Reduced Cost of Business
E-commerce reduces the effort required to do business. It reduces the amount of manpower required, inventory costs, purchasing costs and order processing costs associated with faxing, phone calls and data entry.

Easy Business Administration
With the use of efficient software, most of the business-related tasks can be done automatically. Business processes like storing of inventory levels, shipping and receiving logs and other business administration processes are automatically stored.

Better Payment System
With the advancement in payment technologies, E-commerce allows encrypted and secure payment facilities online.

Reduced Burden on Staff
E-commerce simplifies the customer service and sales support tasks, thus relieving the staff from one of their job responsibilities.

Medium to Grow Business
E-commerce serves as a medium for start-up, small- and medium-sized companies to reach the global market.

Network Production
E-commerce allows parceling of the production process to the contractors who are geographically separated but are connected through the Internet. This helps in selling of add-on products, services and new systems.

Disadvantages
E-commerce has helped customers to find the required product in an easy way. But there are some difficulties that exist in the use of E-commerce. Some of the most common difficulties are as follows. It is difficult to decide the criteria on which taxes should be charged on the selling of goods over the Internet in case the business and the customer are in different states. It would be unfair to collect taxes from businesses whose products are not marketed over the Internet and to allow businesses selling their products over the Internet not to pay any tax. The issue of security is another major area of concern on E-Commerce. The security issues concerning personal and financial information about a customer still exists even with the improvement of data encryption techniques.
The cost that is involved in the development and deployment of the E-commerce application is very high. Some protocols are required to develop some specific E-commerce applications that are not standardized around the world. The deployment of such applications over the Internet required that these protocols should be available on the client side. The integration of E-commerce infrastructure with the present organizational Information technology system is difficult. The technologies used in the development of an E-commerce application in an organization may be different from that of the presently existing application used in the organization. There are no common rules and regulations agreed to by all the parties involved in the development and usage of Web resources and applications. On the business side, higher employee training is required for proper management of the process involved in the transactions.

**Benefits of Information Technology to Business**

- Expanded Geographical Reach.
- Expanded Customer Base.
- Increase Visibility through Search Engine Marketing.
- Provide Customers with valuable information about your business.
- Available 24/7/365 - Never Close.
- Build Customer Loyalty.
- Reduction of Marketing and Advertising Costs.
- Collection of Customer Data.

**CONCLUSION**

Information technology related business application and E-commerce is widely considered the buying and selling of products over the Internet, but any transaction that is completed through electronic measures can be considered e-commerce. Online shopping or online retailing is a form of electronic commerce, whereby consumers directly buy goods or services from a seller over the Internet without an intermediary service. An online shop, e-shop, e-store, Internet shop, webshop, webstore, online store or virtual store evokes the physical analogy of buying products. E-commerce has become an important tool for businesses worldwide, not only to sell to customers but also to engage them.

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