

## What is Ecommerce? And its Benefits

E Commerce is one of the most important facets of the Internet to have emerged in the recent times. Ecommerce or electronic commerce involves carrying out business over the Internet with the assistance of computers, which are linked to each other forming a network. To be specific ecommerce would be buying and selling of goods and services and transfer of funds through digital communications.

The benefits of Ecommerce:

\* Ecommerce allows people to carry out businesses without the barriers of time or distance. One can log on to the Internet at any point of time, be it day or night and purchase or sell anything one desires at a single click of the mouse.

\* The direct cost-of-sale for an order taken from a web site is lower than through traditional means (retail, paper based), as there is no human interaction during the on-line electronic purchase order process. Also, electronic selling virtually eliminates processing errors, as well as being faster and more convenient for the visitor.

\* Ecommerce is ideal for niche products. Customers for such products are usually few. But in the vast market place i.e. the Internet, even niche products could generate viable volumes.

\* Another important benefit of Ecommerce is that it is the cheapest means of doing business.

\* The day-to-day pressures of the marketplace have played their part in reducing the opportunities for companies to invest in improving their competitive position. A mature market, increased competitions have all reduced the amount of money available to invest. If the selling price cannot be increased and the manufactured cost cannot be decreased then the difference can be in the way the business is carried out. Ecommerce has provided the solution by decimating the costs, which are incurred.

\* From the buyer's perspective also ecommerce offers a lot of tangible advantages.

1. Reduction in buyer's sorting out time.
2. Better buyer decisions
3. Less time is spent in resolving invoice and order discrepancies.
4. Increased opportunities for buying alternative products.

\* The strategic benefit of making a business 'ecommerce enabled', is that it helps reduce the delivery time, labour cost and the cost incurred in the following areas:

1. Document preparation
2. Error detection and correction
3. Reconciliation
4. Mail preparation
5. Telephone calling
6. Data entry
7. Overtime
8. Supervision expenses

\* Operational benefits of e commerce include reducing both the time and personnel required to complete business processes, and reducing strain on other resources. It's because of all these advantages that one can harness the power of ecommerce and convert a business to ebusiness by using powerful turnkey ecommerce solutions made available by Filance solution providers.