

A/L ICT E- Business

Don't Forget to Write Extra Notes in the Live Session.

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The Role of ICT in Business

Competency 12:

Explores applicability of ICT to business organizations and the competitive marketplace

12.1 Explores the role of ICT in the world of business

- Digital economy
 - New business methods in digital economy
 - ❖ Reverse auctions
 - ❖ Group purchasing
 - ❖ e-Marketplace
- Pure brick, brick and click, and pure click organizations
- Business functions and the role of ICT
 - Accounting and ICT
 - Human resource and ICT
 - Production and ICT
 - Marketing & sales and ICT
 - Supply chain management and ICT
 - Business communication and ICT
 - Secure payment mechanisms
 - ❖ Payment gateways
 - ❖ Secure credit card payments
 - ❖ Third party systems
 - PayPal etc
 - ❖ Mechanisms

- Defines digital economy
- Lists and describes new business methods in digital economy
- Identifies the concepts behind pure brick, brick and click, and pure click organizations
- Describes the role of ICT in business functions of an organization

- Data encryption
- Micro credit payments (bit coin etc.)

- Threats and opportunities in ecommerce
 - Privacy
 - Product commercialization

Economy is the state of a country in terms of **production** and **consumption** of goods and services and **supply of money**

1. Digital Economy

The **digital economy** is based on **electronic transactions** and **technology-driven** business models.

New **Business Methods** in the Digital Economy

- **Reverse Auctions:** Buyers specify their needs, and suppliers bid to offer the lowest price. *(Example: Government procurement portals)*
- **Group Purchasing:** Multiple consumers combine orders to get bulk discounts. *(Example: Groupon, Daraz Group Buying)*
- **E-Marketplace:** **Online** platforms where buyers and sellers connect. *(Example: Amazon, Alibaba, eBay)*

2. Business Models in the Digital Era

Business Model	Description	Examples
Pure Brick	Traditional businesses with physical stores only	Local supermarkets, clothing shops
Brick and Click	Businesses with both online and offline presence	Keells, Arpico, Softlogic, Pizza Hut, food city, Restaurant Pre Booking.
Pure Click	Fully online businesses with no physical stores	Daraz, Amazon, Uber, small cake businesses

3. Business Functions and the Role of ICT

Business Function	ICT's Role in Business	Example
Accounting & ICT	Automated financial reporting, payroll systems	SAP, QuickBooks
Human Resource & ICT	Digital recruitment, employee monitoring	LinkedIn, HRM Systems
Production & ICT	Automated manufacturing, Inventory Tracking	Robotics in car manufacturing
Marketing & Sales & ICT	Online advertising, social media marketing	Google Ads, Facebook Ads
Supply Chain Management & ICT	Real time tracking, automated logistics	Fedex Tracking System, Royal mail tracking
Business Communication & ICT	E-mails, video conferencing, collaboration tools	Microsoft Teams, Zoom

4. Secure Payment Mechanisms

Method	How It Works	Example
Payment Gateways	Securely process payments between buyers and sellers (Does encryption too)	PayHere,Stripe
Secure Credit Card Payments	Uses encryption to protect transactions	Visa, Mastercard, SecureCode
Third-Party Systems	Secure payments using trusted platforms	PayPal,Google Pay,koko
Data Encryption		
Micro Credit Payments	Digital currencies used for transactions	Bitcoin,Ethereum

5. Threats and Opportunities in E-Commerce

Threat	Description	Example
Privacy Concerns	Customers' personal data can be misused	Data breaches(e.g. Facebook)
Scams	Fake or low-quality products sold online	Scams sellers on eBay/Amazon
Product Commercialization		



Commercialization

[kə-,mər-sh(ə-)lə-'zā-shən]

The process of bringing new products or services to market.

E-Commerce vs. E-Business

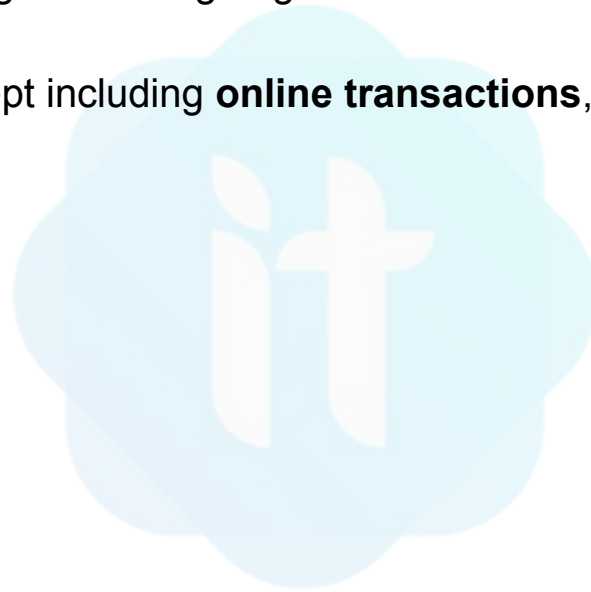
12.2 Analyses the relationship between ICT and business operations

- E-Commerce and e-business
 - The scope of e-commerce and e-business
 - Types of e-business transactions
 - ❖ B2B, B2C, C2C, C2B, B2E, G2C
- E-Business
 - Virtual storefronts
 - Information brokers
 - Online marketplace
 - Content provider
 - Online service provider
 - Portal
 - Virtual Community
- Advantages and disadvantages of e-business

- Distinguishes the e-commerce and e-business
- Investigates the scope of e-commerce and e-business
- Lists and briefly describes the types of e-business transactions
- Identifies the advantages and disadvantages of e-business

E-Commerce vs. E-Business

- **E-Commerce:** **Online** buying and selling of goods and services.
- **E-Business:** Broader concept including **online transactions**, **supply chains**, and **business processes**.



Types of E-Business Transactions

Transaction Type	Definition	Example
B2B (Business to Business)	Transactions between businesses <u>online</u>	Alibaba selling to retail stores
B2C (Business to Consumer)	Direct business-to-customer sales <u>online</u>	Amazon, Daraz
C2C (Consumer to Consumer)	Consumers selling to each other <u>online</u>	eBay, ikman.lk
C2B (Consumer to Business)	Individuals selling services / products to businesses <u>online</u>	Freelancers on Fiverr (Video post editing for busi)
B2E(Business to Employee)	Company services provided to employees <u>online</u>	Corporate discounts, Employee portals
G2C (Government to Citizen)	<u>Online</u> government services to citizens	SLT Mobitel Online Bill Payment

E-Business Models

Model	Definition	Example
Virtual Storefront	Fully online stores with no physical shops	Amazon, Daraz
Information Broker	Collects and sells information	Google, Bloomberg
Online Marketplace	Platform connecting buyers and sellers	eBay, Alibaba
Content Provider	Provides digital content	Netflix, YouTube
Online Service Provider	Provides online services	Cloud Computing, AWS
Portal	Aggregates information and services	Yahoo, Google News
Virtual Community	Online social networking and forums	Reddit, Facebook Groups

A **portal** is a **website or online platform** that acts as a **gateway** to access different services, information, or tools in one place.

In Simple Terms:

Think of a portal like a **main entrance** to a building with many rooms. Once you're in, you can go to different areas—email, news, online classes, accounts, etc.

Types of Portals & Examples:

Key Features:

- **Secure login** (username & password)
- Personalized information
- Access to **multiple services** from one place
- Often includes **dashboards**, forms, or support tools

Would you like to see an example layout of a portal or how it differs from a website?

Type of Portal	What It Does	Examples
Web Portal	General information, news, weather, etc.	Yahoo!, MSN, Google (early versions)
Student Portal	Students can check marks, timetables, notes, etc.	University login systems
Employee Portal	Company staff can access payslips, leave forms, HR info	Company intranet portals
E-Government Portal	Public can access government services online	Sri Lanka's www.gov.lk
Customer Portal	Customers manage accounts, view orders, make payments	MySLT, Dialog Self-Care, online banking portals

Advantages & Disadvantages of E-Business

Advantage	Disadvantage
24/7 Availability	Security Risks
Lower operational costs	Lack of personal Interaction
Wider Market reach	Online Payments

ICT in Business Growth and Marketing

<p>12.3 Analyses the ICT in terms of generating and delivering an improved products and services to consumers</p>	<ul style="list-style-type: none"> • E-marketing <ul style="list-style-type: none"> ○ Concepts of marketing ○ Use of ICT in marketing <ul style="list-style-type: none"> ❖ Web advertising etc • Databases in marketing <ul style="list-style-type: none"> ○ Predicting customer behavior with AI tools and techniques 	<ul style="list-style-type: none"> • Defines e-marketing • Identifies the role of ICT in e-marketing • Investigates the usage of database in marketing
	<ul style="list-style-type: none"> ○ Gaining competitive advantages through ICT • Mobile Marketing 	<p>activities to improve the product and services according to the requirements of the customers</p> <ul style="list-style-type: none"> • Identifies the ways of gaining competitive advantages using ICT

1. E-Marketing Concepts

Use of ICT in Marketing

- **Social Media Ads (Facebook, Instagram)**
- **SEO (Search Engine Optimization)**
- **Email Marketing (Newsletters)**

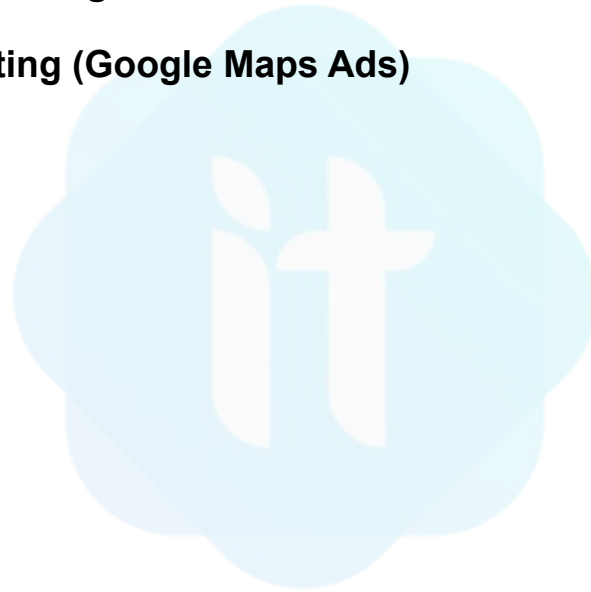
2. Databases in Marketing

- **Customer Behavior Prediction** (AI-based recommendations)
- **Gaining Competitive Advantages through ICT** (Personalized offers)



3. Mobile Marketing

- **SMS Ads, In-App Advertising**
- **Location-Based Marketing (Google Maps Ads)**





Final Takeaways

- ✓ **ICT in Business** helps reduce costs, improve efficiency, and reach global customers.
- ✓ **E-Commerce vs. E-Business**: E-business is broader than just online sales.
- ✓ **Secure Payments** like PayPal and Bitcoin improve **transaction safety**.
- ✓ **Marketing & Competitive Advantage**: **AI-based recommendations, social media, and mobile marketing** shape modern business success.