Task A

1. What is meant by the term B2B?

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| Businesses selling services and products to other businesses. |

1. Identify the pros and cons of B2B.

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| **Pros** | **Cons** |
| More convenient because businesses can make bulk orders. | Getting started as a B2B retailer takes work to figure out how to get customers who stay dedicated and make large-enough orders. |
| Lower mark-up price, they won’t pay retail price that consumers would pay in store. | Sellers often need to cut prices and find special ways to grab companies' attention to succeed in the market. |
| Since sales usually get tracked digitally, it's also more secure in that B2B sellers can track and monitor their financial results. | Special ordering experience needed: B2B companies selling online need to put much effort into designing a website and ordering system that buyers find easy to use. |

1. What is meant by EDI?

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| The paperless electronic interchange of business documents between companies in a standard format. |

1. Identify some pros and cons of EDI.

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| **Pros** | **Cons** |
| Eliminating the costs of paper, printing, reproduction, storage, filing, postage, and document retrieval. | The upfront costs can be high to begin with. |
| Reduces the time it takes to process orders because it’s automated. | Initial setup is time consuming. |
| Reduces human error and improves record accuracy. | EDI needs constant maintenance since the business depends on it. Robust data backups must be in place in the event of a system crash. |
| Transactions can be done securely. |  |

Task B

1. What is meant by the term B2C?

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| Businesses selling services and products to consumers. |

1. How does online shopping work?

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| * Websites and apps will display products and services for sale. * Customers place orders via these platforms by placing them in a virtual shopping basket. * Customer will select ‘check out’ * Payment is made and confirmed. * The products are then despatched and then delivered directly to the customer. |

1. Identify at least three features of online shopping.

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| * You can search for goods, sort them by price, relevance, reviews. * Images of the products provided. * 24/7 Availability * Read customer reviews * You can compare prices from different shops * Book a delivery/collection service. |

1. Identify some advantages and disadvantages for customers who shop online.

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| **Advantages** | **Disadvantages** |
| Far greater choice because you are not limited to one geographical area. | You need internet access and computer skills. |
| You can shop all day, every day. | You cannot pay using cash. |
| You can find the best price using price comparison websites. | You cannot see or touch products or try on clothes. |
| You do not have to leave the house. | You usually have to pay for delivery. |
| You have the right to return the goods for any reason within 7 days of delivery unless goods are customised. | You need to submit personal information through a website. |
| You can read other users’ reviews of a product. | There is a risk of not receiving goods or having personal details stolen on a fraudulent website. |

1. Identify the positive and negative implications online shopping has for businesses.

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| **Positives** | **Negatives** |
| Do not have to pay expensive rental price on high street stores if they choose just to operate online. | Not ideal for customers who don’t have an internet connection at home. |
| They don’t need to employ as many staff. | Reduces social contact – some customers prefer a face-to-face service. |
| Offer a greater range of products. | More jobs could be lost which increases unemployment. |

Task C

1. What is meant by the term C2C?

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| This is when a consumer sells to another consumer. For example, gumtree, air bnb, vinted, shpock. |

1. eBay is an online auction marketplace where consumers can sell/auction goods to other consumers.

How do online auctions work?

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| The seller and bidder create accounts. The seller will then provide a description of the product being put up for auction, which is accompanied by a photograph of the item. The buyer places a bid but might have to compete with other buyers. The bidder with the highest by the closing date ‘wins’.  The bidder has then made a commitment to purchase this product and it’s at this point the seller and bidder exchange emails to arrange payment and delivery. |

1. Identify at least three features of an online auction site like eBay.

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| * Bidders can search for items they want. * Bidders can see the status of their bids. * Changes can be made before the scheduled end time. * Users of the auction service can rate each other. * Sellers can choose to make an item available for purchase immediately rather than have bidders bid for it. * Secure payment is arranged by the auction site. |

1. Identify the advantages and disadvantages of using C2C selling.

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| **Advantages** | **Disadvantages** |
| The ability to search easily for goods that you want. | Not always as trustworthy as businesses as there is an increased opportunity for scams. |
| A community of users which builds trust by rating both buyers and sellers. | Limited in product range, it has what people want to get rid of. |
| Third party payment options for secure payments. |  |
| A large number of sellers competing for business, which drives down prices. |  |