

# **COMM1Q – Introduction to E-Commerce: Assignment I**

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**Analysis of a Business to Consumer Framework: easyRentacar.com**  
**Analysis of a Business to Business Framework: B2bwine.com**

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MSc Electronic Commerce

## **Report Keywords**

Framework, Operations, Analysis, System description, Business Goals, Infrastructures

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## **1. Report Introduction**

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Electronic commerce is shopping on the Web, but it is also much more - in transactions through the Internet, intranets and extranets both between businesses and between businesses and consumers. It enables businesses to reduce costs, reach a global market and provide a higher level of customer service, 24 hours a day, 365 days a year, without heavy staff costs. It blurs the lines between local and global markets. E-commerce propels business in almost the same way that the railways revolutionised distribution 100 years ago. (BCS, 1999)

One of the most important questions about e-commerce is whether it is a real, lasting business phenomenon or a passing fad. In the 4 years that the web has been used for electronic commerce, we've witnessed both spectacular successes like Amazon.com, and dismal failures like Nets, Inc. (Cohan, 2000) the following report outlines structures of two well established organisations on the net, and both have their real estate developed through the web.

The well known easyrentacar.com as a business to customers facility have become one of the first internet only car hiring agents at very low prices. The other business-to-business organisation, B2Bwine.com, is based in the US and aims to become the premier business-to-business source of global industry news, product information, e-commerce solutions, and brand-building services for the international wine industry.

## 2. Business-to-Customer Framework

[www.easyrentacar.com](http://www.easyrentacar.com)

### 2.1 EasyRentacar.com: The site

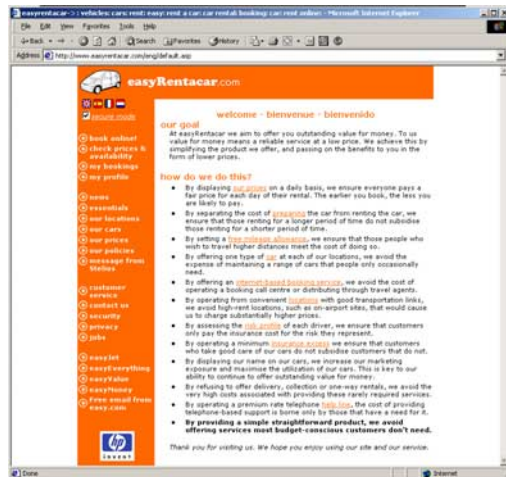


Figure 1. The easyRentacar.com introductory page

The success of easyJet the European “no frills airline” thrust the chairman of the easyGroup (easy.com) to create a new “no frills” company based on the Internet and only, easyRentacar.com. This company is based on the same concept with the airline and offers car hire services in prices as low as 9 pounds sterling per day. Based solely on the Internet, this service offers car rental almost 16h/day including Sundays.

*“At easyRentacar we have aspired to re-invent the car hire industry which looked like the airline industry did five years ago, a cosy fraternity that relied on the corporate market. We are interested in people who pay out of their own pockets and have therefore re-engineered the business. What this means is that all bookings are made online, we offer one type of car and we choose our sites with an eye to cost. As a result this also means that we can offer customers brand new Mercedes cars at best prices.” Stelios Haji-Ioannou - easyGroup chairman*

### 2.2 Commercial goals

*At easyRentacar we aim to offer you outstanding value for money. To us value for money means a reliable service at a low price. We achieve this by simplifying the product we offer, and passing on the benefits to you in the form of lower prices. (easyRentacar.com Website)*

At easyRentacar.com the main objective is the customer and the value for money rental. Based up on the same strategies as with the sister airline company, easyJet, they offer low cost services at a great deal of quality adequate to the budget concern customer. The name and the branding that have been taken straight from the airline gives the required boost to easyRentacar.com, for a 16h/day business operations, with the use of a 24h/day web site. Furthermore with the use of a simple and fast downloading times website easyRentacar.com aims to the user that considers time and effort to complete a required task. Also chosen

carefully the locations of their outlets the company hits great deals with customers from airports and train stations those require an affordable and convenient way of transport.

*At easyRentacar we have aspired to re-invent the car hire industry, which looked like the airline industry did five years ago, a cosy fraternity that relied on the corporate market. We are interested in people who pay out of their own pockets and have therefore re-engineered the business. (Stelios, 2001)*

### **2.3 Site network framework**

Considering the site been a customer service oriented site, is certain that the content of it is based up on the needs of the customer and the services provided. Logging on to the site is easily identifiable the way the company works. Other than the information presented through the site, it is divided in to the following sections:

Online registration of the client: this section of the site requires from the user to register him / her self on to the system in order a booking of a car to be possible. On the completion of this then a profile of the user is created on the server and any transactions made within the system with the user are logged in to the users profile. The site is highly cohesive with the secure methods of transaction from the very early steps while creating a booking or altering profile information. This is obvious from the first moment of browsing since the option for secure or non-secure transactions is available from the welcome page.

Online car booking: this section is completed after the required information is supplied to the system and also when the registration phase has been completed. When payment is successful by the client's bank the system allocates a car to the users profile on the desired dates. The allocation of the car type is not decided by the system it self, is allocated by the personnel on collection. Been a rental company with only one type of car on each location this feature is not taken in consideration, although the identifier of the rented car remains the registration of the car.

Online Payment: On successful credit check on the client's method of payment, the booking is processed and the car is allocated. This transaction is taking place in real time and then the contract is issued. The customer will have to produce the contract in paper and then presented signed on collection.

Online Booking Monitor: Provided that the user is able to alter any features of the booking, a monitor is provided to customer's profile. Full history on booking and cars allocated is available. Also online support is highly coupled with this feature of the site.

Based on customer service and support the integration on a customer support knowledge base in to the site for 24h/day customer support indicates the excellent use of the electronic commerce paradigm. This facility includes a database with the most common customer queries and also an email facility integrated to the customer's browser. By triggering this facility the central management is informed and required feedback is emailed to the customer within 48 hours.

Customer Profile contains all the history of activities under the name of the customer and it is highly coupled with the support section of the web site. Full history is also kept on customers support queries and booking made. Completed rental periods are also amend the inventory of the profile and the customer is informed by email for any supplementary charges on to account.

The diagram in figure 2 outlines the operation framework of the web site and the assumed technologies used to create an operational environment. The site also incorporates a pan European network to connect all the outlets under the same web site. The use of intranets and virtual private networks are a common use and even if it is not noticeable from the main site the entire system is based on intranets connected together in order to provide a fast and efficient service while allocation cars to customers and supporting customers on their online requirements.

## **2.4 Site Critical appraisal**

*During the last week of January 2000, European budget airline EasyJet sold 61.7% of its nearly 90,000 seats on the web. The entrepreneur behind that success story is aiming to do the same in car rental business with EasyRentacar, an Internet- only service that will be rolled out before the summer. (New York Times, 2000)*

The above statement can only secure the success of the newborn car hire company. Based up on good usability structures and on exceptional customer service, easyRentacar is most certain that follows the steps of the sister company easyJet. Using trusted service providers with almost 99.9% up time and fast page download times gets the user strait to the point. The 3-clicks buy over the web is well covered from this service. Minor refinements probably required to be considered like the use of the knowledge base system and the design of the

# EasyRentacar.com: Network and Operation Structure

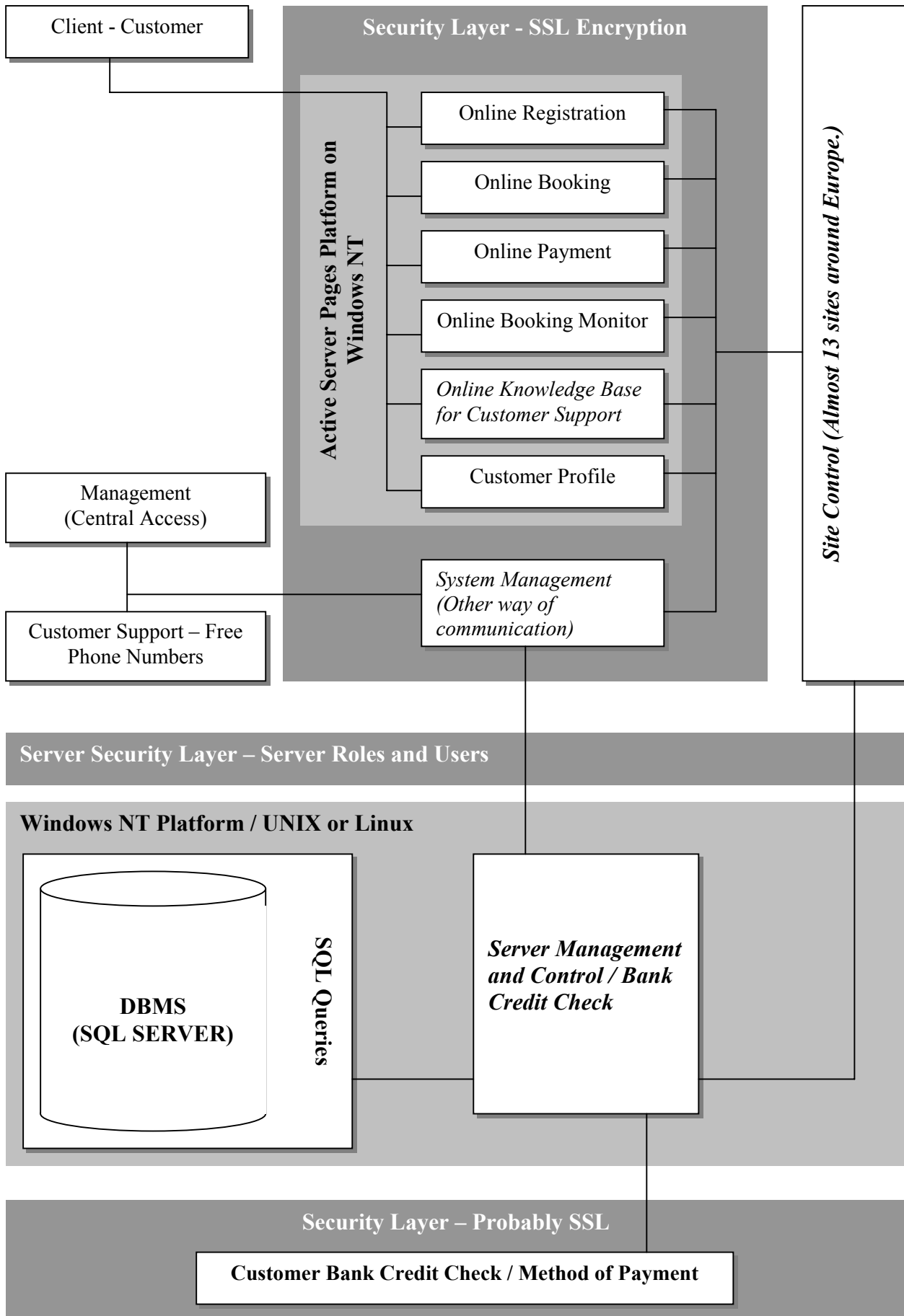


Figure 2. EasyRentacar.com: Network and Operation Structure  
 Vassilios P. Kassapidis

welcome page from a designer's point of view. Nevertheless the systems is well structured and security is a major concern for the company and that gives the confidence to the user to proceed with any transactions. As shown from the diagram in figure 2, the system is highly coupled with secure layers in all areas and with the use of an exceptional business model and the latest technology applied in electronic commerce is one of the successes on the web.



### 3. Business-to-Business Framework

[www.b2bwine.com](http://www.b2bwine.com)

#### 3.1 B2Bwine.com: The site



Figure 3. B2Bwine.com

The use of intranets, extranets and the Internet a business-to-business framework is formed. This gives the ability to retailers, suppliers and other business operations specific departments to provide a network of alliances. A more specific term to the above statement is Supply Chain Management (SCM).

*“B2Bwine.com’s mission is to provide real-time information, interaction and e-commerce capabilities to wine buyers, producers, importers and distributors throughout the world.”(B2bwine.com, 2001)*

B2Bwine.com allows global wine buyers to stay abreast of industry trends, research new product offerings, and interact with suppliers throughout the world. B2Bwine.com’s online catalogues allow producers, importers and distributors to showcase products, receive qualified sales leads and respond to requests for additional information and product samples. Qualified buyers search the B2Bwine.com database for relevant product information and contact producers to request product samples, additional information and price quotes. (B2Bwine.com, 2001)

#### 3.2 Business Infrastructure

As business-to-business sites have different approaches this leads to the question: *“What are the main elements of this site that make it to be considered as a business to business framework?”* to answer this question it is necessary to consider the user groups that are benefit of the site and not only the users that browsing the site for any other reason.

Suppliers, distributors and other corporate clients using their own intranets to perform their business operations; thus the connection in between them is a business to business framework that takes the advantage of virtual private networks and the connectivity of those with the use of the Internet. B2bwine.com is considered to be one of the links in the business-to-business framework chain. In figures 4a and 4b the structure of the site is outlined including usability

methods. The main feature of the b2bwine.com site is the search facility on a comprehensive wine database that is been provided by the producers of wine and other wine products. This couples highly the information given in the registration process by producers and other corporate clients with the site's database. Furthermore other classes of users, like distributors and Importers can have access to the database and search for any desired type of wine by a list of predefined criteria.

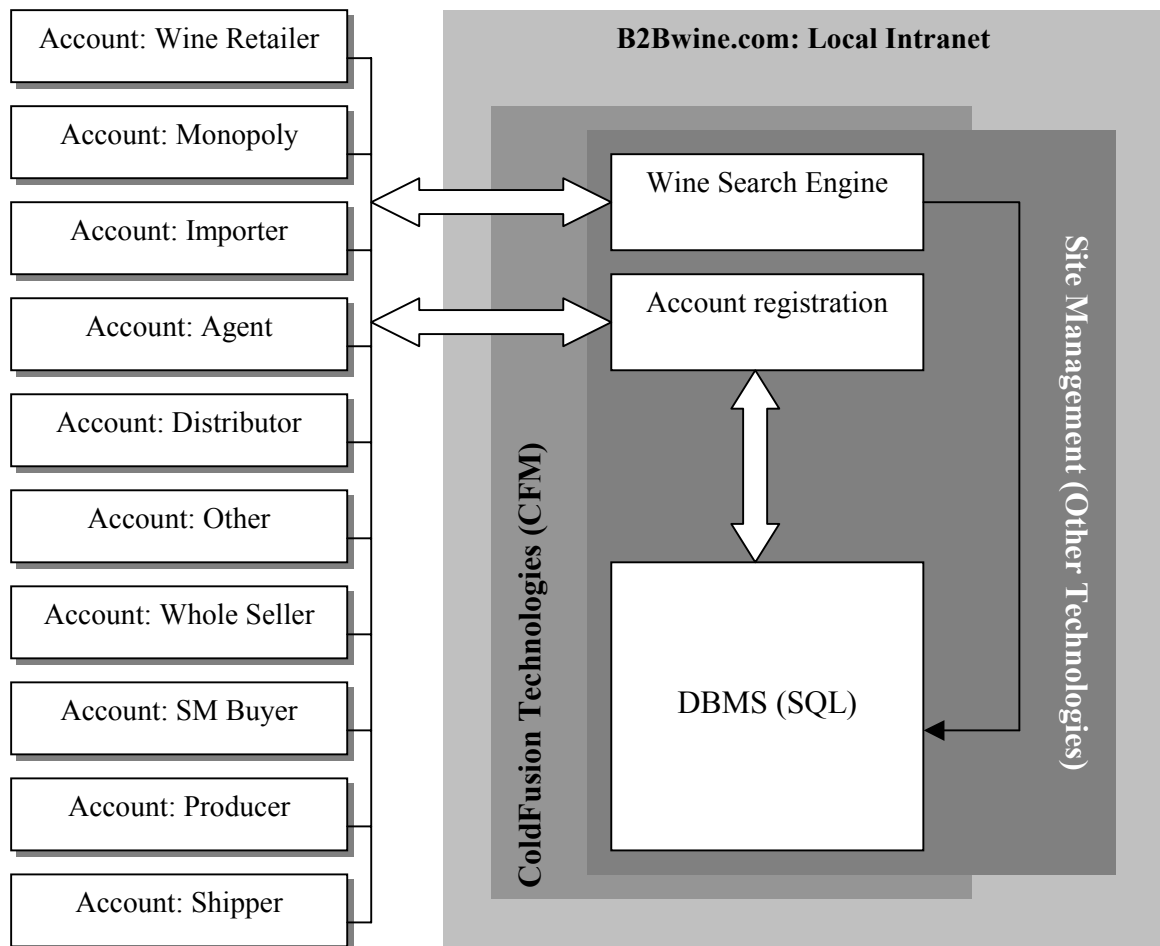


Figure 4a. Intranet Structure of b2bwine.com

On a traditional business-to-business model the supply chain can be performed by any means of communication between the alliances performing operations. Moving to an e-business model the use of extranets and intranets and/or communication over the Internet in a global perspective is required. To be more precise the business-to-business electronic commerce considers the following characteristics:

- Uses Extranets and the Internet.

*Extranet = two or more Intranets connected via Internet, Only enough information made available to allow business, Often security attained using virtual private n/works (VPN).*

- *Cost of deploying networks has dramatically fallen - by-product of Internet.*
- *Transaction costs have been cut dramatically - a driving force behind B2B adoption (Comer, 2001)*

From the above characteristics, implies that supply chain management is the key for business-to-business frameworks. This can be a network of alliances that can also perform as a single company and converse with a number of intranets i.e. virtual private networks if security is a serious concern. Figure 4b concentrates on the operation of this alliance based on the service of b2bwine.com. From the diagram is clear that certain operations are taking place over the Internet and communication between key vendors is performed with the use of the b2bwine.com web site.

### **3.3 Critical appraisal**

With a rather simple design b2bwine.com does not get any design awards. Therefore the site offers exactly the services that it is designed for. It is obvious from the initial page that the users of the site are experienced users on the wine market and when they browsing through they are looking for something specific. Based on a rather simple technology model offers the basic communication between alliances and gets easily other companies from the area to be also a part of a community with great deal of information.

*B2Bwine.com is currently developing strategic partnerships with importers, distributors, and retailers in the United States, Europe and Asia. B2Bwine.com expects to leverage its relationships with producers, distributors and importers to provide value-added marketing services that create additional consumer demand for products. (B2bwine.com, 2001)*

Covering the most aspects of a business-to-business approach, B2Bwine.com will provide a suite of e-commerce solutions that enable buyers, importers, distributors and wineries to transact more efficiently and securely. B2Bwine.com's negotiation platform will allow trading partners to privately and securely negotiate price, volume and payment terms.

Considering the wine market as an agricultural area, where many large organisations can be found that have not intergraded their systems electronically with any form of Internet or intranet, is certain that b2bwine.com is one of the leaders in this market.

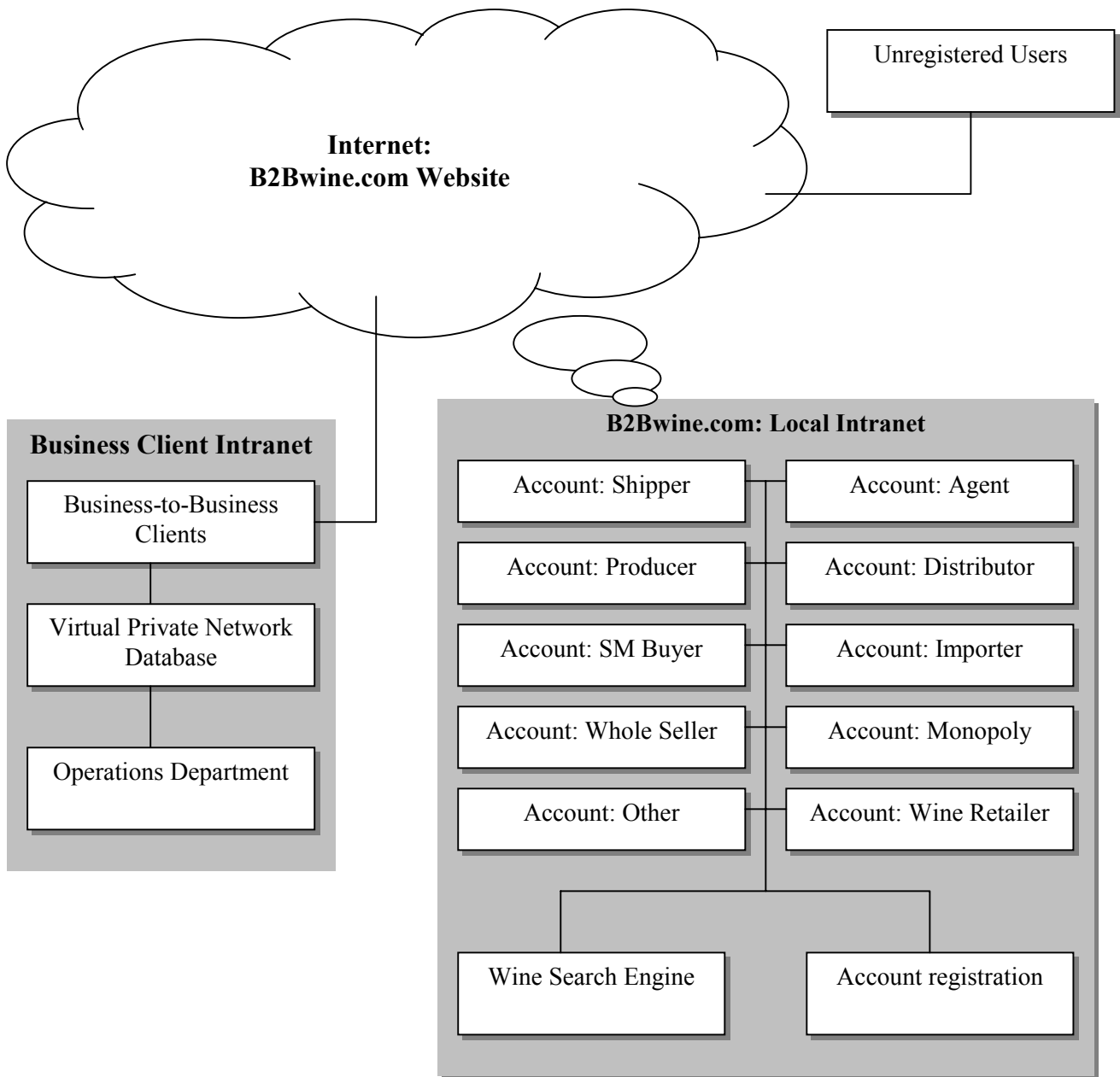


Figure 4b. Business-to-Business Model of B2bwine.com

#### **4 . R e f e r e n c e s**

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