

# Assignment

On

Internet as a competitive advantage

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**Q:** Do You think that internet can be a source of advantage for one firm on other firms? Or do you think that it is a necessity just to be able to compete?

**Ans:**

We can say that internet has become the necessity of time for a firm to survive in the market. If we are not using internet within our firm and another firm is using it then another firm will get competitive advantages over us.

To explain it I will give some examples for it.

## **Internet Marketing**

A company can use internet to do internet marketing of their products, They can use online advertising companies to place advertisements of their products, like on google adsense, bluelithium.com, infolinks.com etc

If a company is using internet marketing, it is capturing online customers.

Barriers to entry don't matter. Entry to the e-commerce world is easy and virtually costless.

Place doesn't matter. The global reach of the Internet renders geographic location irrelevant.

## **New Products information (new technologies)**

A revolution is here. "Clicks" will substitute for "bricks" in such as way that previous business fundamentals no longer apply in the virtual world of the Internet.

A new survey has found that 45 per cent of small businesses believe that the web is "an important tool" that can help them survive the recession, with 20 per cent calling it the "most important tool".

A company can use internet as a source of knowledge gathering tool about the new technologies being used by different organizations and how they can implement these technologies in their organizations.

## **Market Penetration**

With millions of person using the Internet to search for products and services, small businesses can penetrate other markets at a fraction of the cost of traditional marketing methods.

Websites act as virtual storefronts, allowing businesses to stay open 24/7. Internet Promotion gives a business greater visibility, thereby creating more opportunities for increasing its customers at relatively low cost. Never before has it been easier for an upstart business to be able to reach out to literally millions of potential customers and to position themselves for success, without the need for costly infrastructure and overwhelming marketing costs. Thanks to the Internet, new businesses can become popular almost overnight.

## **Real Time Statistics Company information**

One of the most significant advantages of Internet Promotion is that its success is measurable. Marketers can use tools that provide real time statistics, on unique visitors, Or it is a necessity.

Internet becomes a necessity in today's business, without this you cannot expand your business or you cannot compete even....

For example by using the online marketing you can advertise your product throughout the world.....

Here we discuss the online marketing is the necessity not just an option..

## **Online Communication**

Online live support system on ecommerce website are all important. As customers can easily communicate with the company to answered his queries regarding companies products. It is less costly than the other communication method used by an offline company.

On other hand a company with online infra structure can send a message to 1 person as easily as sending the same message to 1,000 people to introduce their new products and companies promotions. So it reduce the on literature costs

## **Online Business Websites**

Most of the companies having online websites are using online shopping cart systems. Which display all kind of company products online. And costumer can easily explorer the products and choose the best product which he want to purchase. The most useful feature of shopping cart is that customer can purchase the products by paying online using their credit cards or paypal money.

Basically shopping cart is a software that you purchase and install on your server, and there is hosted software. Which is right for you?

Shoping cart that you have outright is more vulnerable to hackers and scammers, who often look to target ecommerce sites. If you purchase this type of shopping cart software, be sure the security features are robust. Otherwise you are at risk of hackers stealing

customers' credit card numbers. This can be very damaging to your reputation and even cause you to incur fines.

If you do not have your own server, you need to verify that the owner of the server hosting your site will permit you to install shopping cart software. Some do not allow that. You may need to change servers or install your own. Do your homework.

You will need a payment gateway company, and the ability to display the approval message to the online customer.

Software that you purchase outright and install on a server gives you greater control but is also more problematic.

Whichever type of software you decide to go with, choose the company well, not only on the basis of features provided but on the reputation and experience of the company.