

Assignment of Entrepreneurship

Topic:

“Internet can be a Source of Advantage for one firm on another firm”

OR

“Do u think that it is Necessity just to able to Compete”

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How Internet Provide a competitive Edge in Business

Reach a worldwide audience:

The Internet is a worldwide network allowing you to reach people even very expensive advertising could not.

Provide product information:

Give customers direct access to information about your products. Some people prefer to learn about products on their own. The Internet has an unsurpassed ability to make information about your company's products or services available to potential customers. It also provides the information when the customer wants it (now).

Save on literature costs:

Providing the information online reduces the need to print and mail product literature, thereby resulting in significant cost reductions.

Augment/replace phone banks:

Often people staffing phone banks are serving merely as interfaces to computer databases. In an age of graphical, networked computing, this function is less necessary. Simple graphical interfaces can be designed to allow customers to find the information they want quickly and inexpensively.

Provide easy access to customer service representatives:

Human interaction cannot be totally replaced by even the best graphical interface. When customers have a question, or would like to speak with a person, provide a list of contacts and phone numbers or allow them to send e-mail directly to a customer service representative, requesting that they be contacted.

Level your customer service load:

How many customers are turned away unsatisfied when your customer service lines are busy? How often do you have slack times when customer support personnel are not handling calls but still cost your business money? E-mail provides "asynchronous communication" that can help level the load. Customers with problems that do not require immediate attention can send an e-mail message through your Web site which can be handled when support people are not busy. Telephone-tag is eliminated for your customers, and you.

Inexpensively create/augment your corporate image:

It is easy and inexpensive to define your image on the Internet, whether you are a one-person-company or a large corporation. If your company information changes rapidly due to market forces, there is no easier way to change your image than electronically.

Recruit new employees:

Many companies (now nearly all), provide current information about job openings and attract talented people from places they could not reach otherwise.

Provide useful information to attract customers:

Ski shops often have a board listing local snow conditions. Search sites like " yahoo " and " Lycos " provide useful search services for the Web. Providing useful information to potential customers is a good way to get them to come to your site and return again and again (a property now called "stickiness").

Provide your service on-line:

Many products and services can be delivered over the Internet. Online services will become an even brighter option for many businesses. Since the transaction is electronic, billing and inventory control can be automated, increasing accuracy and reducing your accounting and product storage costs.

Give customers access to searchable information:

Computers on the Internet allow companies to post information in the form of static Web pages. But, with some of the latest software (or some clever programming) , these computers can also help your customers find the information you are providing quickly. Federal Express created an award winning Web site that allows customers to track their packages. In doing this, Fed- Ex is providing a useful customer service while also promoting their product (service).

Help customers understand why they need you:

Another thing computers do well is provide artificial intelligence, expertise, or analysis. The Internet allows you to deliver custom software applications and extend your expertise virtually. Suppose you manufacture thermopane windows. A spreadsheet application could allow potential customers to determine how much money they would save in energy costs if they installed your windows. A financial services company could allow potential customers to analyze their investments in light of a financial service the company offers.

Let customers try a sample of your product or service:

Many new Web tools are becoming available that will allow consumers to try out a sample of what you have to offer before they buy. Gain a competitive advantage by offering a "test drive" of your product or service.

Eliminate the middleman:

Middlemen exist in some industries where there are barriers to direct contact between producers and consumers. The Internet is a vehicle for removing these barriers. This lowers prices for consumers and increases profits for producers.

On-line commerce:

This has been much touted in the popular press. Some products and services are well suited for sales on-line. Rapid growth in this area will occur as secure credit card transactions become (are now) standardized. Efficiency of shipping and delivery methods for hard goods is important for typically impatient internet shoppers.

Consider an Intranet:

Use the same Internet technology within your company to help workers communicate better and work more productively. Many companies are finding an Intranet to be a much more cost effective solution to their network information needs than proprietary software.

Establishing New Internet Buisness

Once you have decided to start your own home Internet business you need to start gathering the tools and resources to get your business off the ground. The difference between having a successful vs. unsuccessful home Internet business is how well you research the market you are trying to crack. If you only focus on the big players and the products they sell you may find it difficult to make money in that market. Your website will end up buried beneath hundreds of search results and never get noticed by the consumer thus not leading to many sales.

In determining the type of product you are thinking of selling you should first consider what you have a passion for. If you are familiar with the product you will be able to promote it more effectively than products you don't know much about or could care less about. It is also important to consider that just because the product is cool to you there may not be a market for it. By researching the product for your home Internet business you will be able to determine whether or not your product is a worthy to sell.

There are various ways to research you home Internet business product(s). A good starting point is to determine how much competition there is among the major search engines such as, Google. Type in the key phrase, with quotes, that best describes what you want to sell and see how many web pages have that same term.

You can tell how competitive that term is by the number of results returned. If there are a lot of competing pages then this market may be tuff to profit from, meaning that there is a lot of competition. If your search results come back with very few web pages then this market would be easier to get into, however, this may be an indicator that there is no market for the product you are wanting to sell through your home Internet business. In this case you may want to consider a different product.

After conducting your research and you find that the market for the product you want to sell is quite competitive don't get discouraged just yet. The market may be highly competitive for the general key phrase but there is most likely phrases that are less competitive that can deliver a steady flow of traffic to your home Internet business. For example; you conducted your main search on "dog training". This market is huge and you probably will have a very difficult time getting your home Internet business noticed. Try more specific key phrases like "dog training book" and the level of competition drops dramatically yet there is a good amount of traffic generated by the more specific key phrase. A good tool to use to find related key phrases is the Overture Keyword Tool.

I have mentioned only a couple tips to help you determine whether or not a market is worth entering. Researching your competition for your home Internet business is one of the most important steps in starting your business. Don't go into it without knowing what you are in for. You may find that your home Internet business only failed because the competition was too much and you put all that work and money into it only to fail due to lack of research.
