

# E-Business: Changing Market Realities

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# Joe and Fred



**Joe, the barber**

**← Trade Dollars →**



**Fred, the electrician**

# Net Bartering

- Barter Exchanges (Net & Local)
- Publicly Traded Companies,
- Pizza Hut to General Motors, 300,000 companies in NA
- Cashless trading, Excess Inventory, Preserve Cash
- Backed by venture capitalists
- BarterNet.com / AllBusiness.com
  - Launched in 1999 ]
  - Acquired 28 local trade exchanges ] BarterNet.Com
  - Operating in 3 continents ]
  - 50,000 Customers ]

# Changing Face of Business

- The world is more competitive
- We are all competing in a global economy.
- Geographic boundaries have become almost incidental.
- Competitors are coming from outside traditional core business.
- Margins are thinner, with severe impact on cost structures and profitability.

# Changing Face of Business

- Customers are less loyal, but more sophisticated and ever more demanding.
- Labour and primary input related cost competitive advantages are short lived at best.
- Technological shifts in information availability and processing power have virtually eliminated the information float from business processes.
- Internet & E-Commerce has perpetuated itself



# Internet & E-commerce

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# How many online?

World Total	513.41 Million
Africa	4.15 Million
Asia Pacific	143.99 Million
Europe	154.63 Million
Middle East	4.65 Million
Canada & USA	180.68 Million
Latin America	25.33 Million

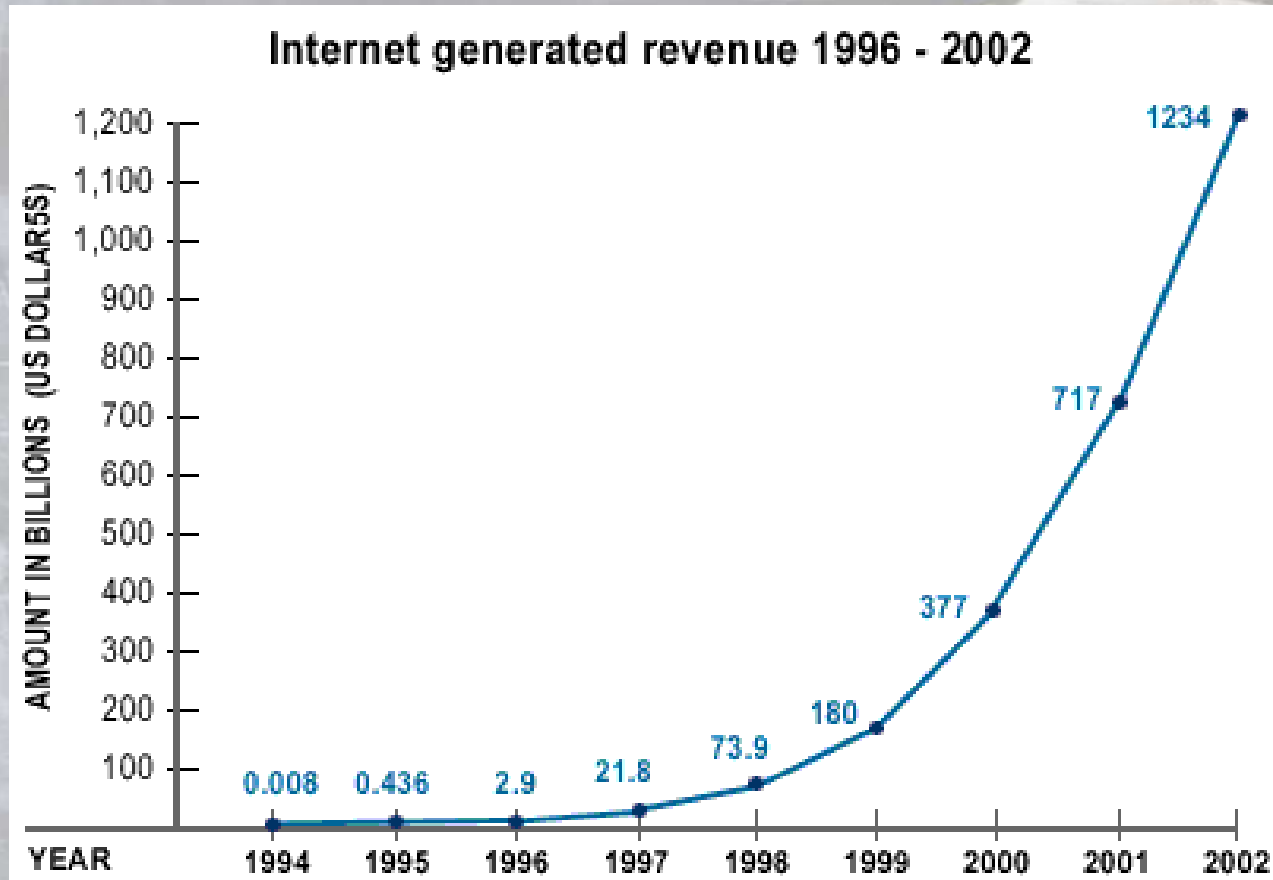
As on August 2001

Compiled by: Nua Internet Services

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# Internet Generated Revenue

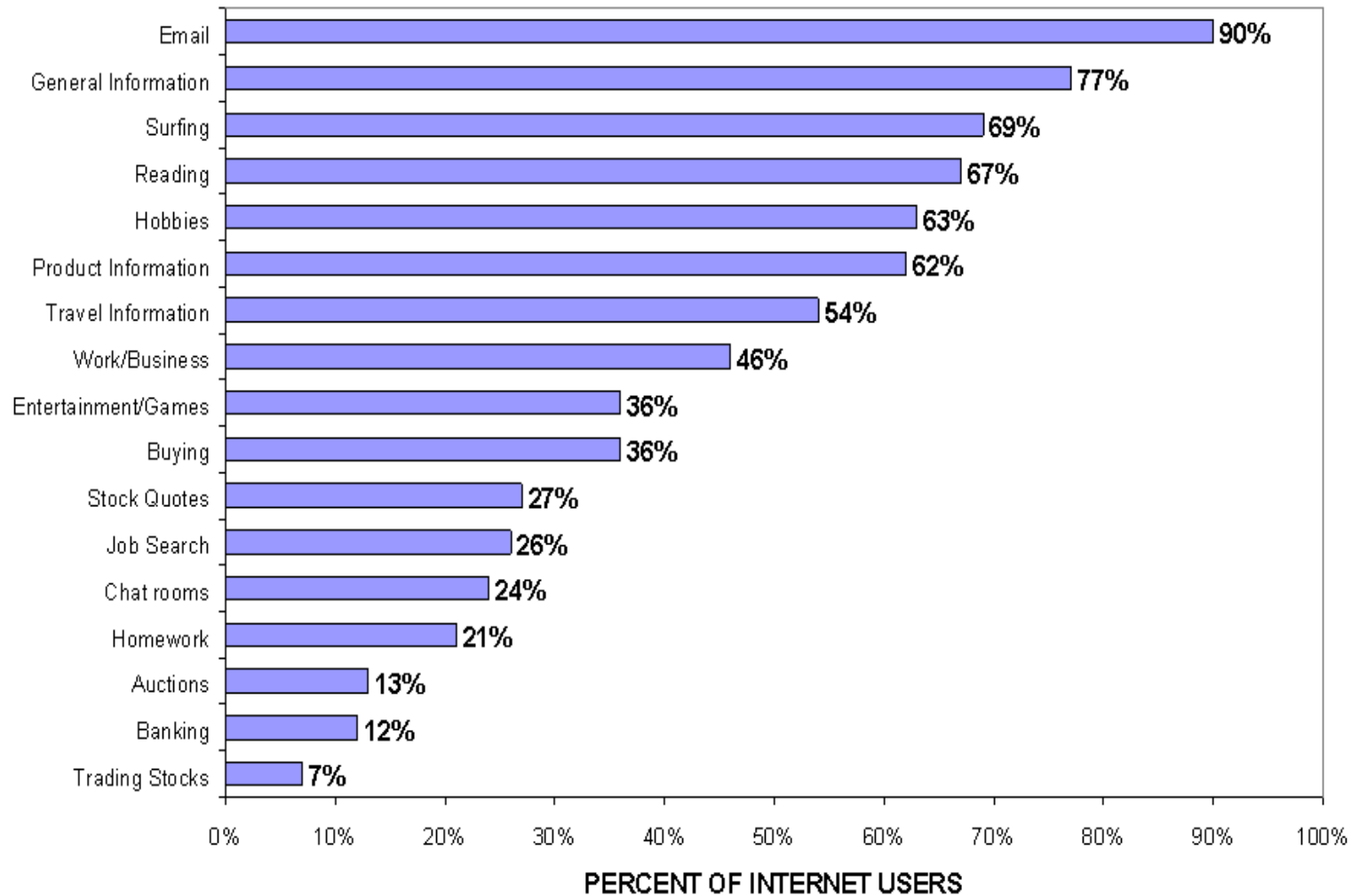


Source: ActivMedia

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## WHAT USERS DO ON THE INTERNET



# Emerging Trends

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# m-Commerce



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# m-Commerce

- **6:00 a.m.** : While walking the dog, you check your schedule on your mobile phone. The phone recognizes your voice, then finds and displays your calendar. It asks if you would like your e-mail messages, which you answer on the way back home.
- **7:00 a.m.** : During breakfast you realize you need some documents from work, so you hit a button on your mobile phone. Immediately, you are connected to your corporate local area network.

# m-Commerce

- **7:30 a.m.:** Driving to a meeting, you use your mobile phone to find the best route.
- **11:30 a.m.:** After the meeting you put on an almost unnoticeable headset plugged into the mobile phone, and ask for restaurants in the area. Your carrier knows you love pasta and suggests two Italian restaurants within walking distance.
- **11:45 a.m.:** As you are walking, you get an alert that a new book by your favorite author has arrived in the store around the corner for \$21.95. You stop buy and pick it up, paying by electronic transfer via your phone.

# m-Commerce

- **12:00 p.m.:** At the restaurant, your mobile phone alerts you that one of your best friends happens to be near. You call to invite him to join you.
- **12:45 p.m.:** After lunch you check your mobile phone for movie previews and get an alert on a stock you have been watching. You decide to buy a few shares immediately with your phone.
- **1:00 p.m.:** As you leave the restaurant, you notice it is getting warm out. You call your house and turn on the air conditioning so that it will be comfortable when you arrive at the end of the day.

# m-Commerce

- WAP & Bluetooth technology
- The industries affected by m-commerce include:
  - mobile banking & brokerage & stock quotes
  - Telecommunications - bill payment and account reviews
  - Service/retail, as consumers are given the ability to place and pay for orders on-the-fly
  - Information services - delivery of financial news, sports figures and traffic updates to a single mobile device.\*\*



*"This wireless technology leaves a lot to be desired."*



# Silent-Commerce



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## Silent-Commerce (Present)

**Star City Casino in Sydney**, Australia has developed a wardrobe inventory tracking system to manage 80,000 employee uniforms. The system, which uses embedded **Radio Frequency Identification (RFID) tags** in the waistband, shirrtail or collar of each uniform, ensures that the right uniforms are ready to wear at each shift change, and has streamlined operations for what was a significant cost center.

## Silent-Commerce (Present)

A company in the United Kingdom runs a warehouse that stores expensive single malt whiskies, which are subject to theft even by warehouse employees. They created a new security system by building a grid of transponders suspended from the ceiling. In the warehouse, forklift trucks are equipped with RFID readers. Routing details are downloaded to the forklift truck from a central computer via a radio frequency communication link. If the on-board reader detects deviations in the proper routing and loading, the truck is immobilized and a supervisor is required to reset the vehicle.

# How Does Silent-Commerce Work?

- Uses microprocessors, sensors and tags to make everyday objects intelligent and interactive
- Requires continuous Internet connectivity
- New infrastructure for the collection of data and for the delivery of services through everyday objects.
- "silent“, because objects communicate and commerce takes place without human interaction.

# Silent-Commerce (Future)

- You could sit at your desk and instantly take inventory at your warehouse and your customer's.
- Your products could monitor themselves and alert you when they are about to exceed temperature, humidity or vibration limits.
- You could identify and track every package as it moves along the value chain, from manufacturing all the way to the consumer.

# Silent-Commerce (Future)

- Your products could interact with your customers, then report back with new insights about those persons' buying habits and interests.
- You could provide in-the-field, real-time product authentication to help prevent counterfeiting.
- Your products could tell you if they are at some place they shouldn't be, thus reducing theft.\*\*\*



***"Internet again? Can't we find  
someplace new to eat?"***

# u-Commerce

Untethered

Ubiquitous

$u = e + m + \text{Silent} + ?$

Unbounded



# u-Commerce

- Untethered - not constrained by hard wires of traditional computing and telephony.
- Ubiquitous - taking place anywhere a person wants.
- Unbounded - no longer limited to the traditional definition of commerce.

# u-Commerce

- Dynamic environment of active information
- It is a world where everyday objects can reason, communicate and negotiate
- Flow of information among businesses, customers, suppliers & products means that commerce becomes continuous.
- "always on, always aware, always active" environment with intelligent tech. "eyes and ears" continuously analyzing situations to provide access to relevant, useful content and services for anyone, at anytime, in any place.

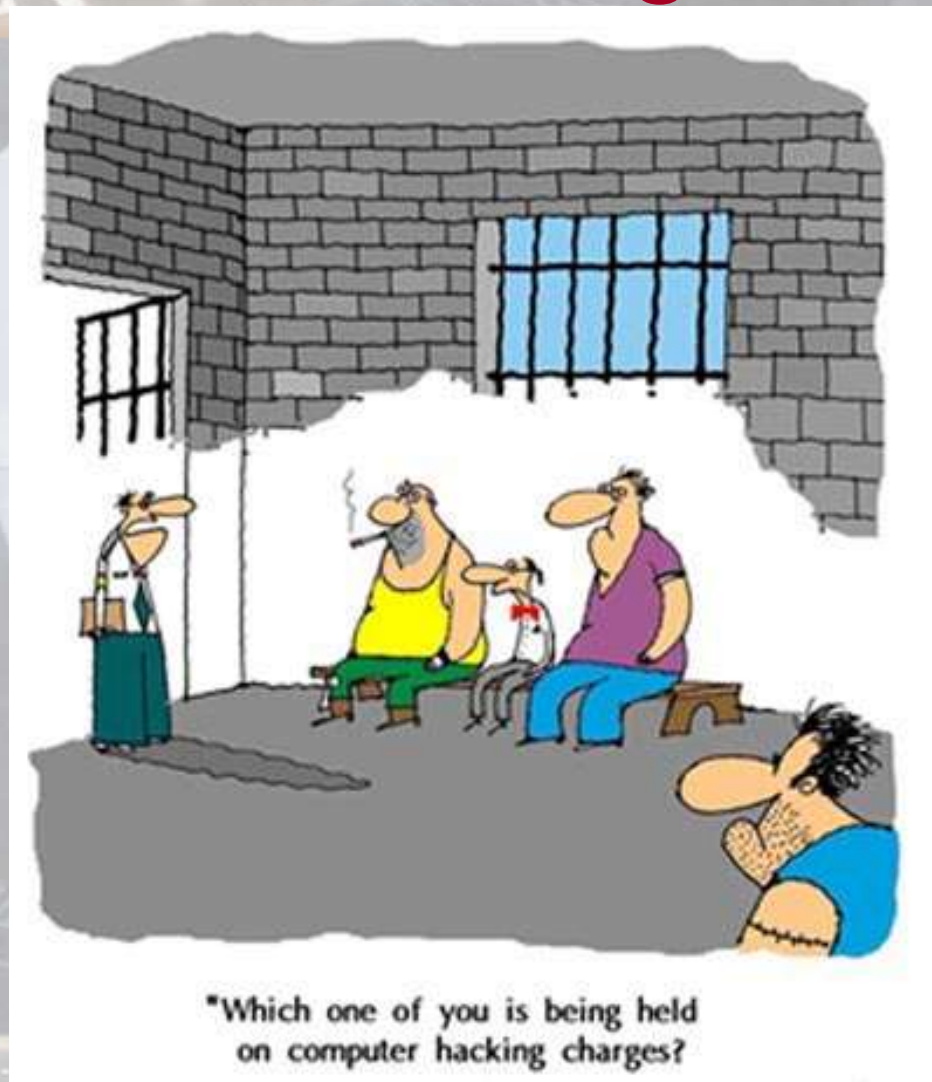
# u-Commerce

- "Digital Persona"—stores your profile and preferences and then acts as a proxy for you to find and package the content appropriate to your real-time needs.
- Smart content (packed with context to match needs)
- Smith's example - alarm
- Content network / infrastructure
  - multiple logical networks that collect, store, share and synchronize content.
  - accessing home, portable, work and automobile networks
  - personal content network interacted with the content networks of company, customer, and other businesses along driving route.

# CONCERNS

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# Hacking



# Virus

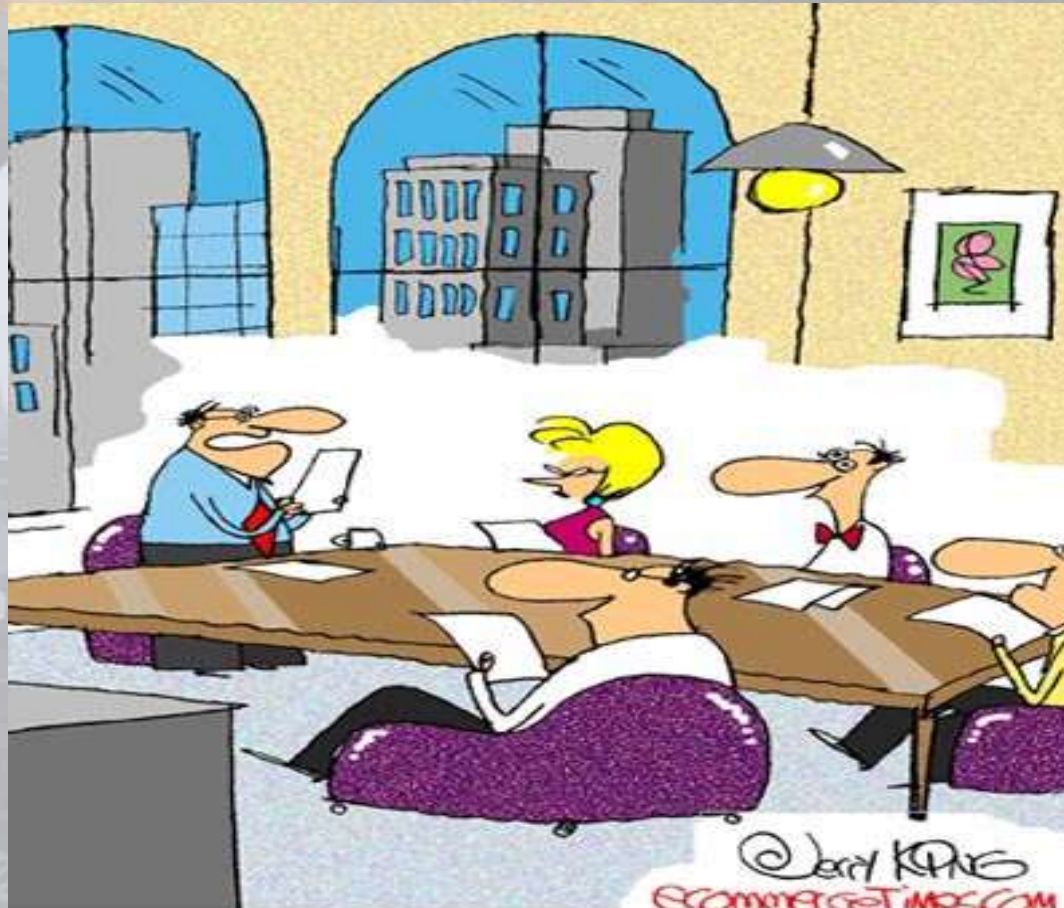


# Spam



*"Why, you ask?  
For inventing spam."*

# Cyber Squatting



*"Since our first 486 choices were taken, I say we go with buyitfromusfortheloveofpete.com."*



Finally



Depends upon Sound Risk Management