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Electronic Business

Electronic Business - Introduction

dr Ljiljana Pecić
dr Danijela Zubac
dr Ermina Habibija



UNIVERSITY OF LJUBLJANA
Faculty of Electrical Engineering



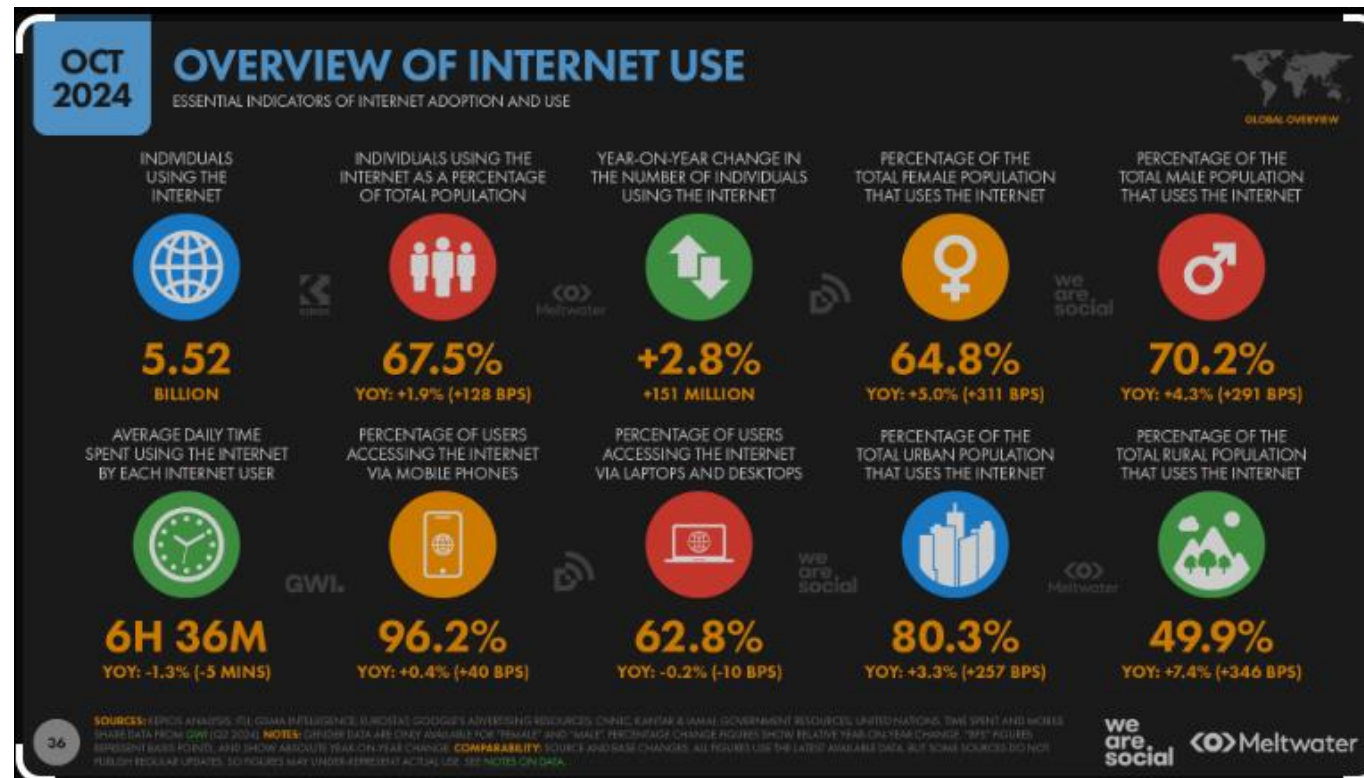
University of Pristina
Kosovska Mitrovica



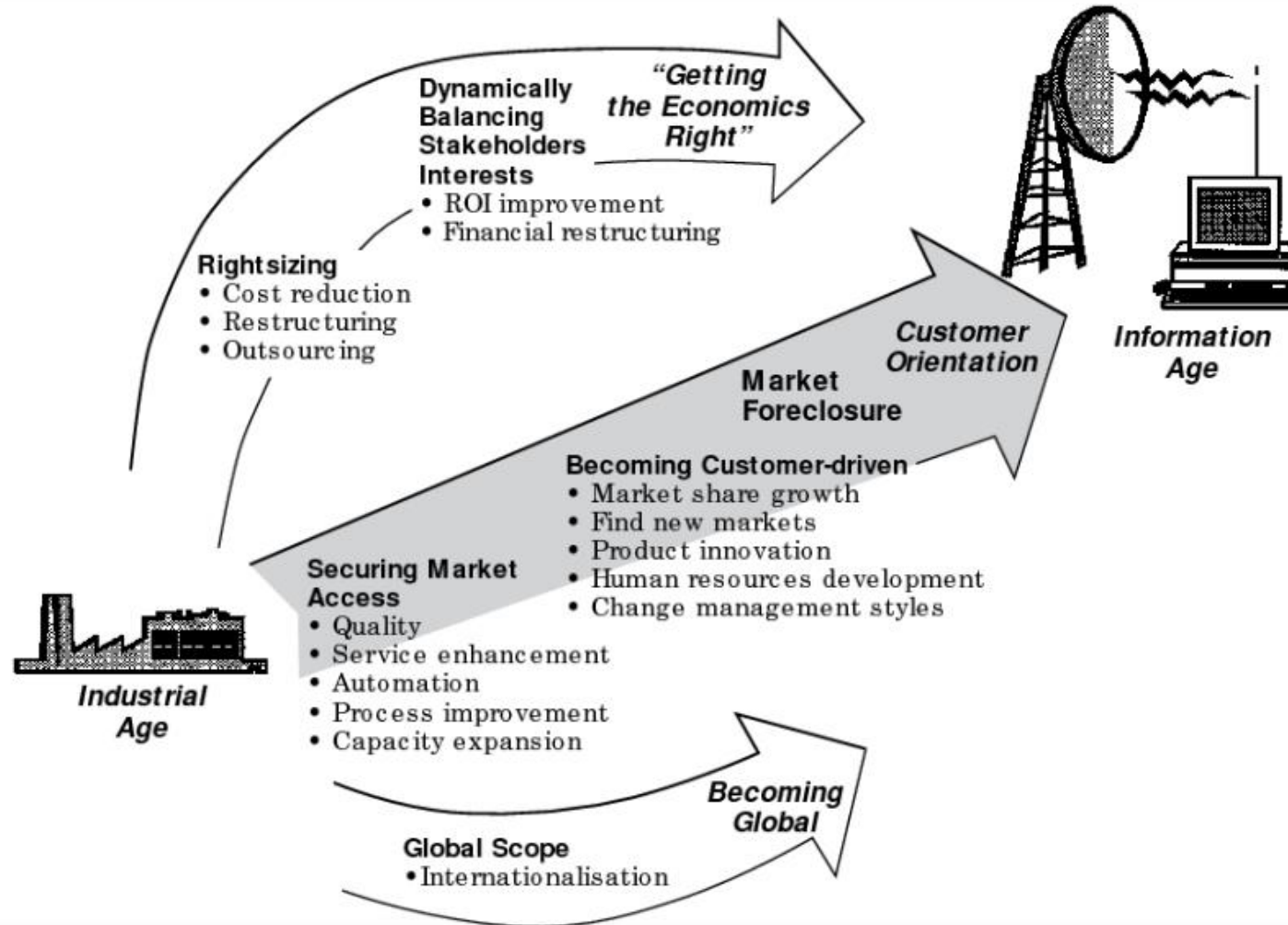
INTERNET....

The development of the global economy contributed to the creation of a new business concept!

- The integration of a large number of information systems and networks has led to the globalization of business through a global computer network.

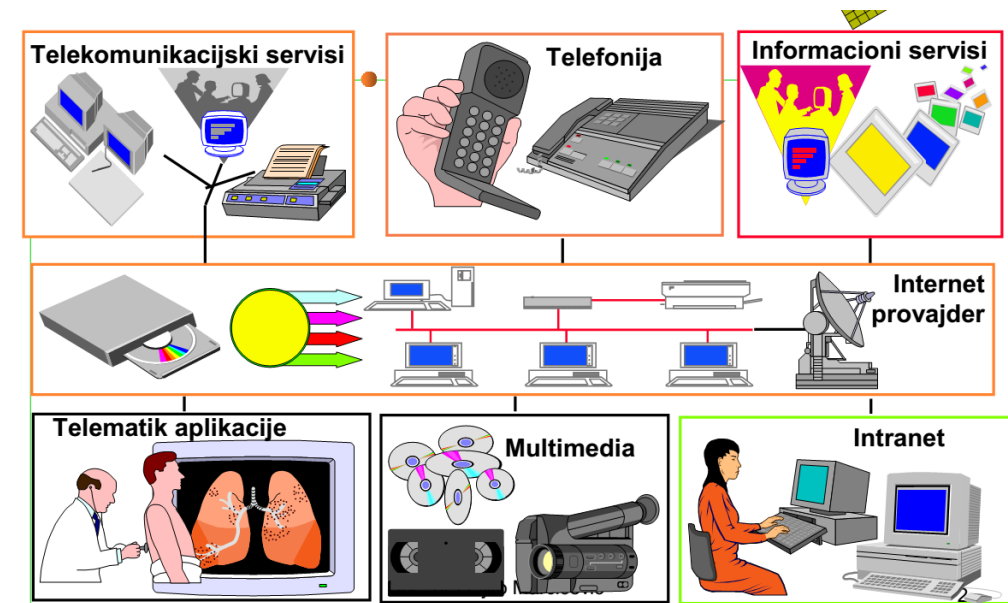


THE EVOLUTION OF INFORMATION TECHNOLOGY



TODAY...

- We live in the time of **DIGITAL ECONOMY**
- Digital economy also called :
 - ✓ Internet economy
 - ✓ New economy
 - ✓ WEB economy



MAIN CHARACTERISTICS OF THE DIGITAL ECONOMY

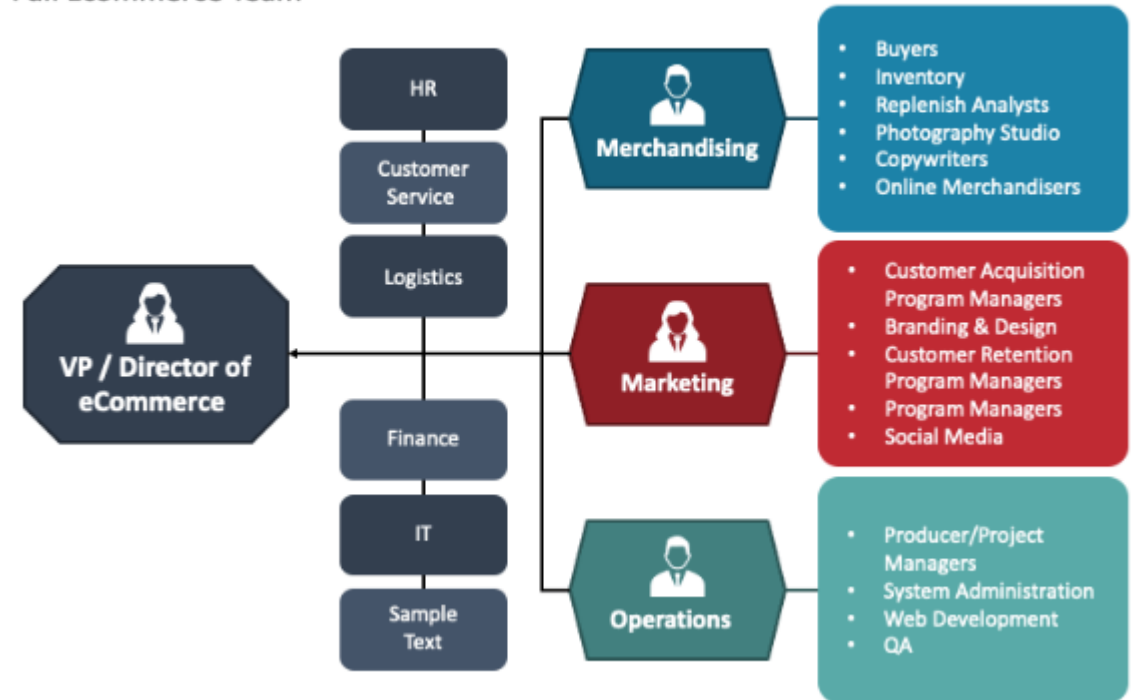
Area	Description
Globalization	Global communication and cooperation; global e-market.
Digital Systems	Analog systems are replaced by digital ones (TV, telephone, and other devices).
Education	Learning in real-time regardless of physical distance, without the need for paper.
Information	With increased speed and quantity, information grows, requiring more knowledge-oriented management.
Market	Traditional markets are transformed by digitalization, and new markets are created.
Publishing	Newspapers, books, and similar products are digitalized for better or easier use.
Medicine	Digital medicine is created to prevent increasing the number of diseases and prolong life.
Commerce	People trade via the Internet with a rapid response system.
Entertainment	New digital options offer a high satisfaction level.
New Opportunities	New digital aspects work for all aspects of business organization.
Crime Prevention	New forms of crime are created - cyber crime.
Warfare	Traditional wars are transformed into cyber wars.

COMPONENTS OF E-BUSINESS



ECOMMERCE ORGANIZATIONAL STRUCTURE

Full Ecommerce Team



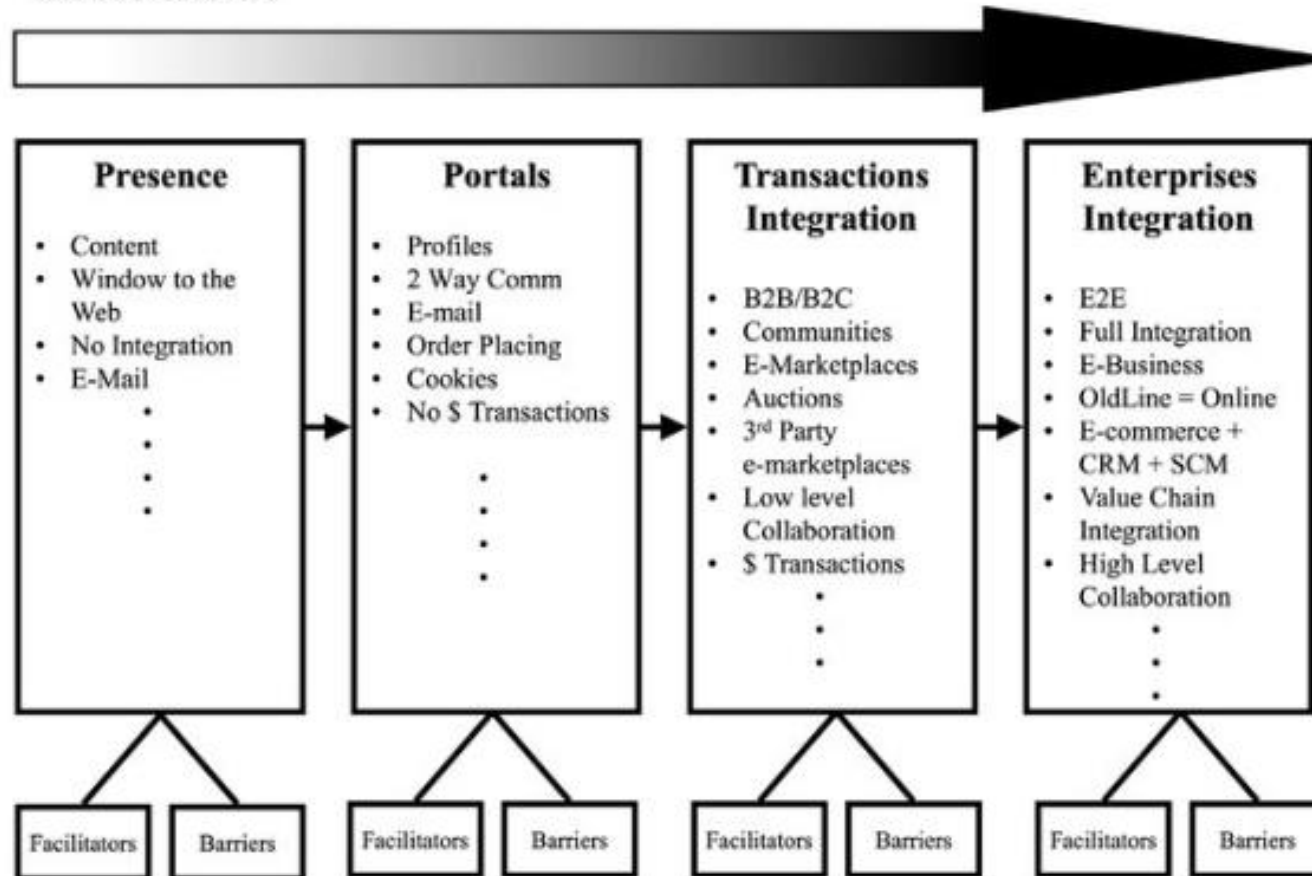
ELECTRONIC BUSINESS TOOLS



- ❑ The Internet also enabled the globalization of business processes,
- ❑ Saving time, money

E-BUSINESS DEVELOPMENT PHASES

Stages of E-Commerce Development and their characteristics

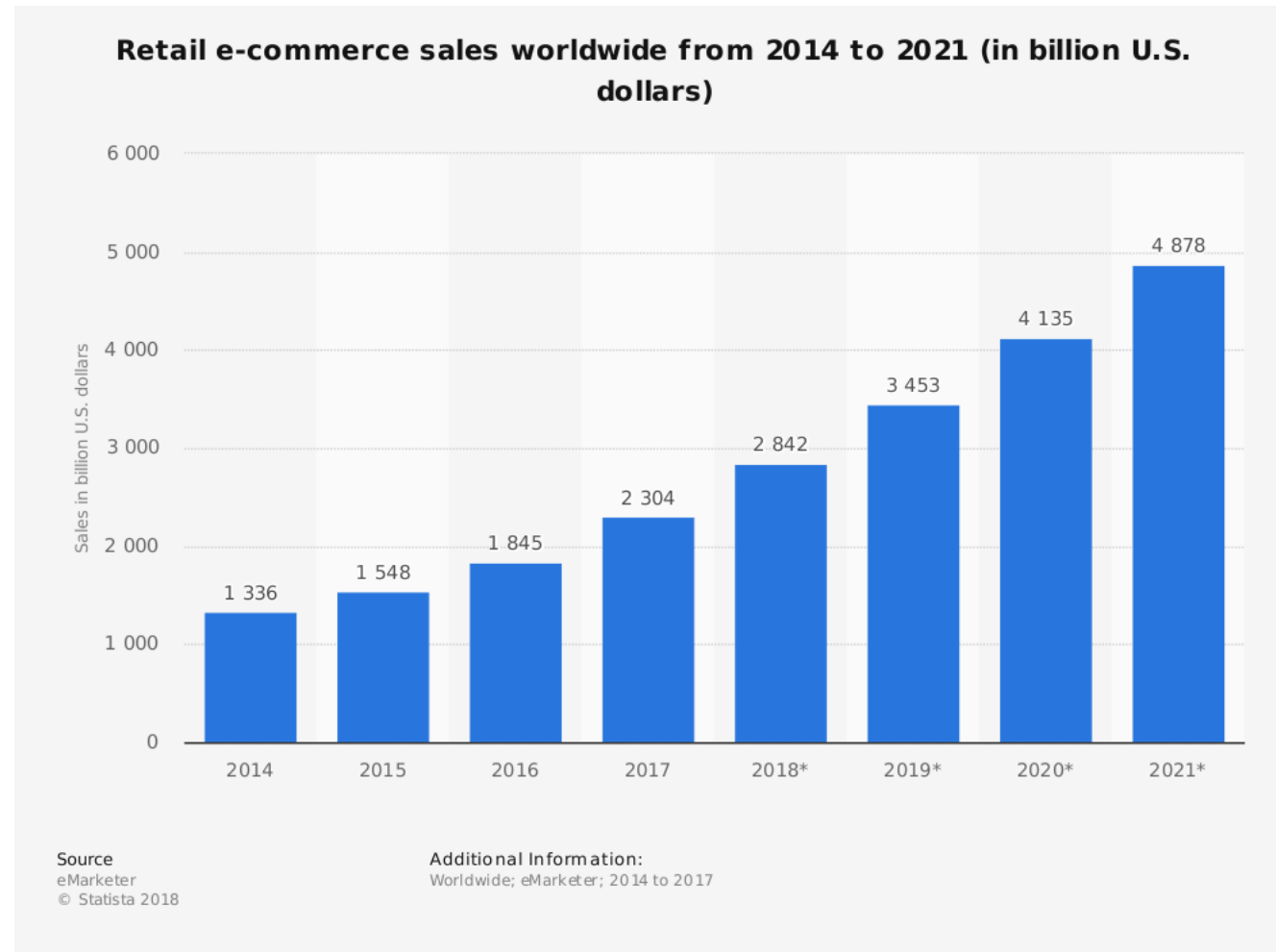


E-BUSINESS CHANGES EVERYTHING...

- E-business affects the quality of life and the way of doing business
- **How?**
 - ✓ Efficiency and cost-effectiveness of work are increased,
 - ✓ All costs are reduced because e-transactions are incomparably cheaper,
 - ✓ Performing business is no longer tied to the location of the company's headquarters,
 - ✓ Working hours are no longer fixed and transactions can be carried out throughout the day and all days of the year,
 - ✓ Payment is made with e-money and the buyer does not have to keep cash with him for security reasons.



EARNINGS TREND IN THE WORLD FROM E-BUSINESS



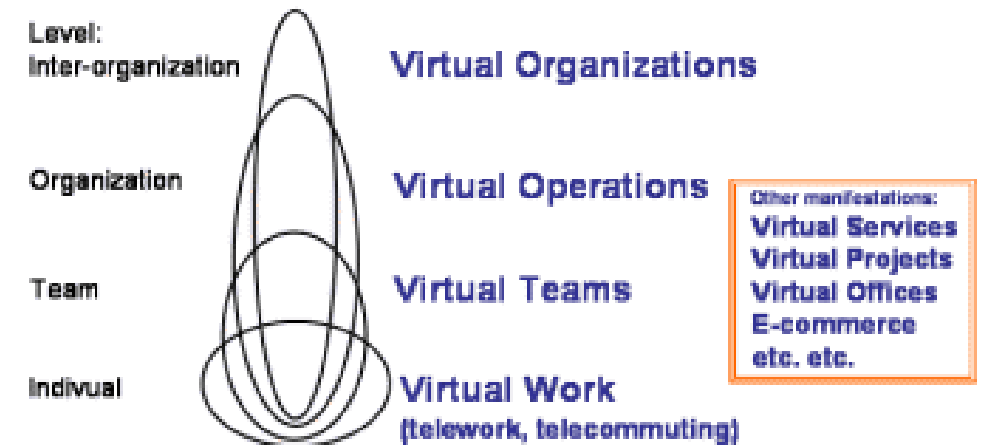
NEW FORMS OF THE ORGANIZATIONS

Virtual organizations

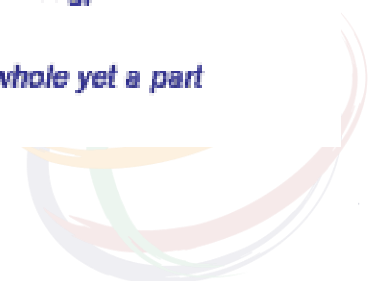
Geographically distributed organizations that are connected by common interests and collaborate through mutually independent work tasks, across space and time, as well as across organizational boundaries, with the help of information and telecommunications technologies

Types of virtual organizations

- ✓ Telework
- ✓ Virtual offices
- ✓ Virtual teams



*Adapted from a network 'holonomy' - a whole yet a part
(Koestler / Lipnack and Stamps)*



VIRTUAL ORGANIZATION FORMS

Telecommuting - Employees work at a location away from their usual workplace, but not exclusively from home. Computers and telecommunications equipment are used to maintain contact between the remote workplace and the home office.

Telecenters - these remote offices are located in communities outside major cities and provide space and equipment to employees who are often not available to them in the form of telecommuters.

Mobile working - refers to the work environment of workers who require appropriate equipment such as mobile phones, wireless devices, laptop computers

Hot desking - this form involves eliminating permanent workstations (desks) for all or certain employees. When they arrive, employees are assigned a desk, a computer, and in this way they are given access to their documents, files, applications, and email.

Hoteling - a form in which the client provides a "hot desk" for employees of a virtual organization

Virtual teams - employees collaborate from remote locations using email, Intranet, video conferencing



VIRTUAL ORGANIZATION TYPES

Virtual broker - the service offered is the market itself. Most traditional markets, such as city shopping malls, stock markets, etc. have taken on a virtual form.

Virtual face - an organization is an alternative presentation of a conventional organization. It mainly bases its business on the existence of the Internet, and its basic orientation is the traditional organization. Internet banking is often a "virtual face", closely related to traditional banking. In such a system, the organization located at the core has the greatest responsibility for the implementation of all business ideas, even those processes that take place in virtual space.

Star alliance - occurs when seemingly unrelated organizations are grouped around a single key organization (the "star" organization). This form of virtual organization is common in many areas where there are contractors and subcontractors. The star is the one who builds the corporate image, brand of products and services to be offered to customers.

Brand alliance - occurs when only one organization manages customer relations. This form is quite different from a star alliance, even despite the great structural similarity. The main difference is that in a star alliance, the star is responsible for managing the entire virtual organization, unlike a market alliance, where the central organization is responsible for sales and marketing activities.

Co-alliance - occurs when two or more organizations participate equally in managing the virtual organization and customer relations. An example of such alliances occurs when several manufacturers of different, but complementary products in one market cooperate to achieve economic and coordination advantages.

Value alliance - organizations join together in Value alliances when they benefit from integrating their value/supply chains. This type of alliance is characterized by each member of the chain adding value sequentially. When a customer places an order with one chain, the organization at the end of the chain will process the request.

Parallel alliances - are common when two or more organizations must work together because their finished products are interdependent. This is often the case with software and hardware companies where, for example, an operating system is written for a specific type of processor.

Advantages of virtual organizations...

- ✓ Enables engagement of the best experts
- ✓ A flexible organization responds more easily to changing market demands
- ✓ Competitiveness between different business units
- ✓ Increased productivity
- ✓ More reliable and satisfied staff
- ✓ Flexibility in the organization of employee work
- ✓ Increased employee productivity
- ✓ The working day lasts 24 hours



TELEWORK



Telework - remote work

The location of the workplace can be:

- ✓ At home - employees manage their work schedule and working hours, and are provided with all technical resources,
- ✓ Satellite office - offices located away from the headquarters of the organization, employees share workspace, reducing communication time and costs,
- ✓ Mobile office - used by traveling salespeople,
- ✓ Telecenter - an office where space is shared with employees from other organizations.



WORK IN THE VIRTUAL OFFICE

Virtual office

A new concept of office organization is applied in:

- telework offices,
- classical offices in companies.

Types of virtual offices are-

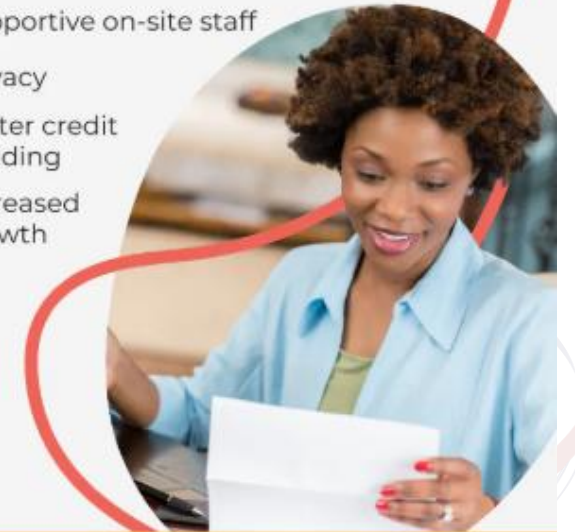
Hot desk environment - employees are assigned a different desk every day and are provided with access to e-mail and computer data,

Hoteling - employees spend most of their working time with clients using their equipment and resources - similar to a hotel visitor,

Touchdown office - employees are assigned a workspace when they come to work on a "first come, first serve" basis.

8 Virtual Office Benefits You Didn't Know Before

- 1 Reflect your reputation
- 2 Flexible workspaces
- 3 Meeting rooms
- 4 Access to business amenities
- 5 Supportive on-site staff
- 6 Privacy
- 7 Better credit building
- 8 Increased growth



Visit www.alliancevirtualoffice.com/virtual-office-blog/Virtual-Office-Benefits/



ALLIANCE VIRTUAL OFFICES

WHY CHOOSING VIRTUAL OFFICES

INTERESTING: The first commercial application of a virtual office in the world began only at the end of the 20th century, more precisely in 1994, when Ralph Gregory founded "The Virtual Office, Inc." in Colorado. In our country, however, this idea has only been developing in recent years.

Virtual Office Advantages And Disadvantages

Advantages

- ★ Higher Engagement
- ★ Lower Costs
- ★ More Flexibility
- ★ Location Independence



Disadvantages

- ★ Unexpected Technical Issues
- ★ Insufficient Social Interaction
- ★ Difficult to Balance
- ★ Restricted Access

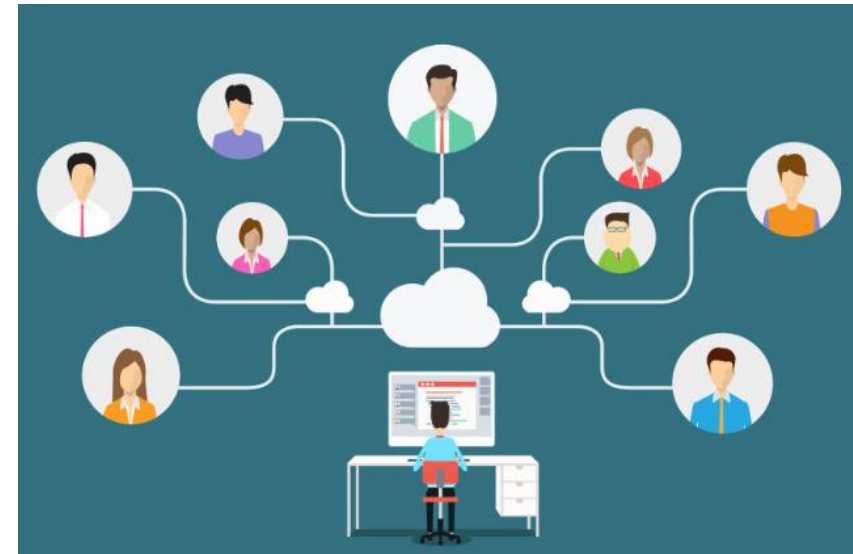


VIRTUAL TEAMS

Virtual teams

They arise due to non-routine tasks for which organizations do not have trained experts.

- ✓ Teams of experts are formed who may be physically distant,
- ✓ Flexible to changing environmental conditions,
- ✓ Have complementary skills and independent goals, and are made up of employees who work from home and small groups in offices.



REMOTE WORK

Remote work

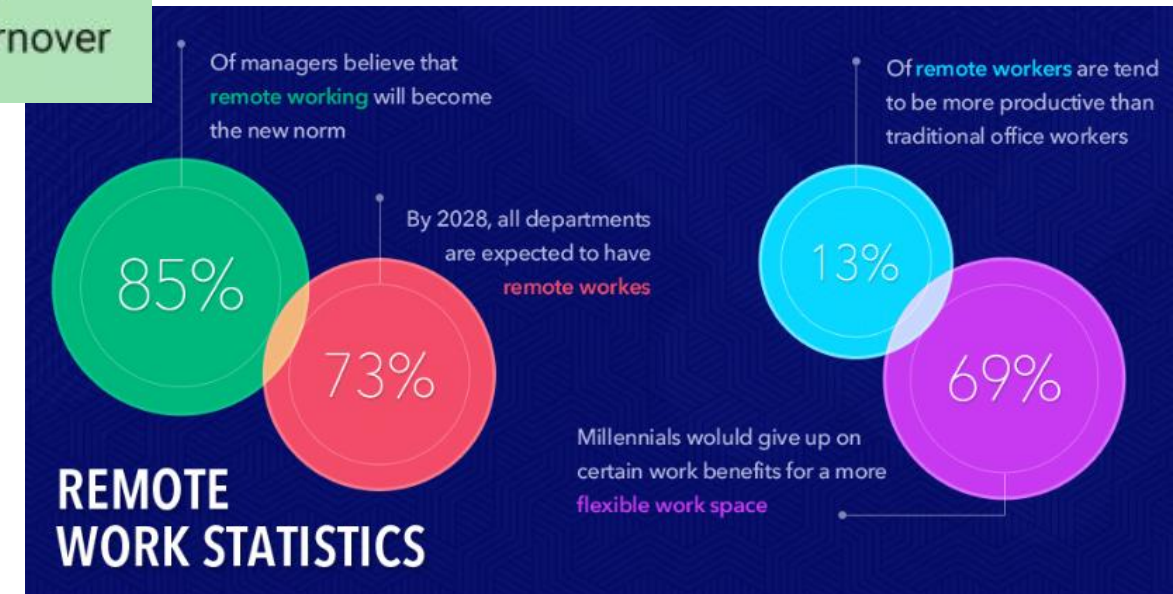
The location of the workplace can be:

1. **at home** - when employees manage their work dynamics and working hours and are provided with all technical means,
2. **offices away from the headquarters of the organization** - where employees share a workspace, reducing communication time and costs,
3. **mobile offices** - which are used by traveling salespeople,
4. **offices in which space is shared** - with employees from other organizations



BENEFITS OF REMOTE WORK

EMPLOYEES	BUSINESSES
<ul style="list-style-type: none">- Money saving- Less commuting- Flexibility and freedom- Improved work-life balance- Location independence- Improved productivity	<ul style="list-style-type: none">- Reduced costs- Larger talent pool- Reduced payrolls- Less absenteeism- Increased productivity- Reduced employee turnover



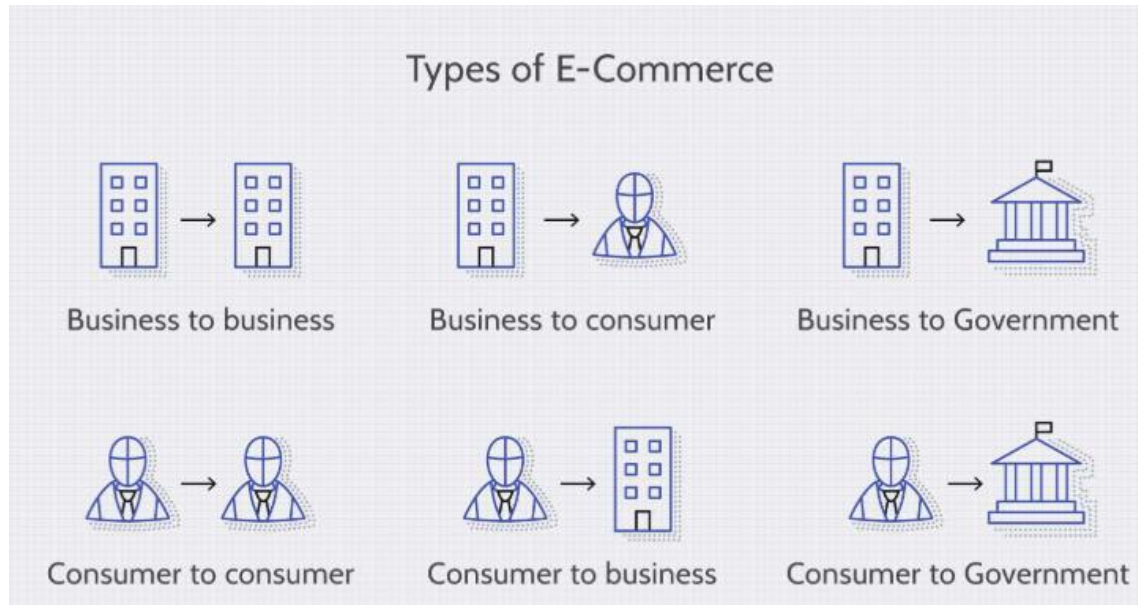
E-COMMERCE

E-commerce

- ✓ Sales of goods and services via the Internet, as well as advertising revenue, electronic exchange of documents accompanying goods, money and services in circulation,
- ✓ Business via electronic means EDI, electronic mail, FTP,
- ✓ Based on standards: ISO, IEC, ITU, CEFAC, WTO, UNCITRAL, UNCTAD



TYPES OF E-COMMERCE



DIGITAL MARKETING

Digital marketing

- ☐ Marketing in electronic services
- ☐ Forms:
 - ✓ one-to-many - 1st phase (WEB site)
 - ✓ one-to-one - later, specification of the service according to the client's needs
- ☐ Surveys to determine the target group



E-BUSINESS IN PUBLIC ADMINISTRATION

E-business in public administration

- ✓ The way of organizing state administration, doing business with partners, citizens and other government organizations,
- ✓ Online provision of services by state bodies and public services,
- ✓ Implies the integration of various public administration processes and a new technological approach, as well as a change in the redistribution of competences



E-GOVERNMENT

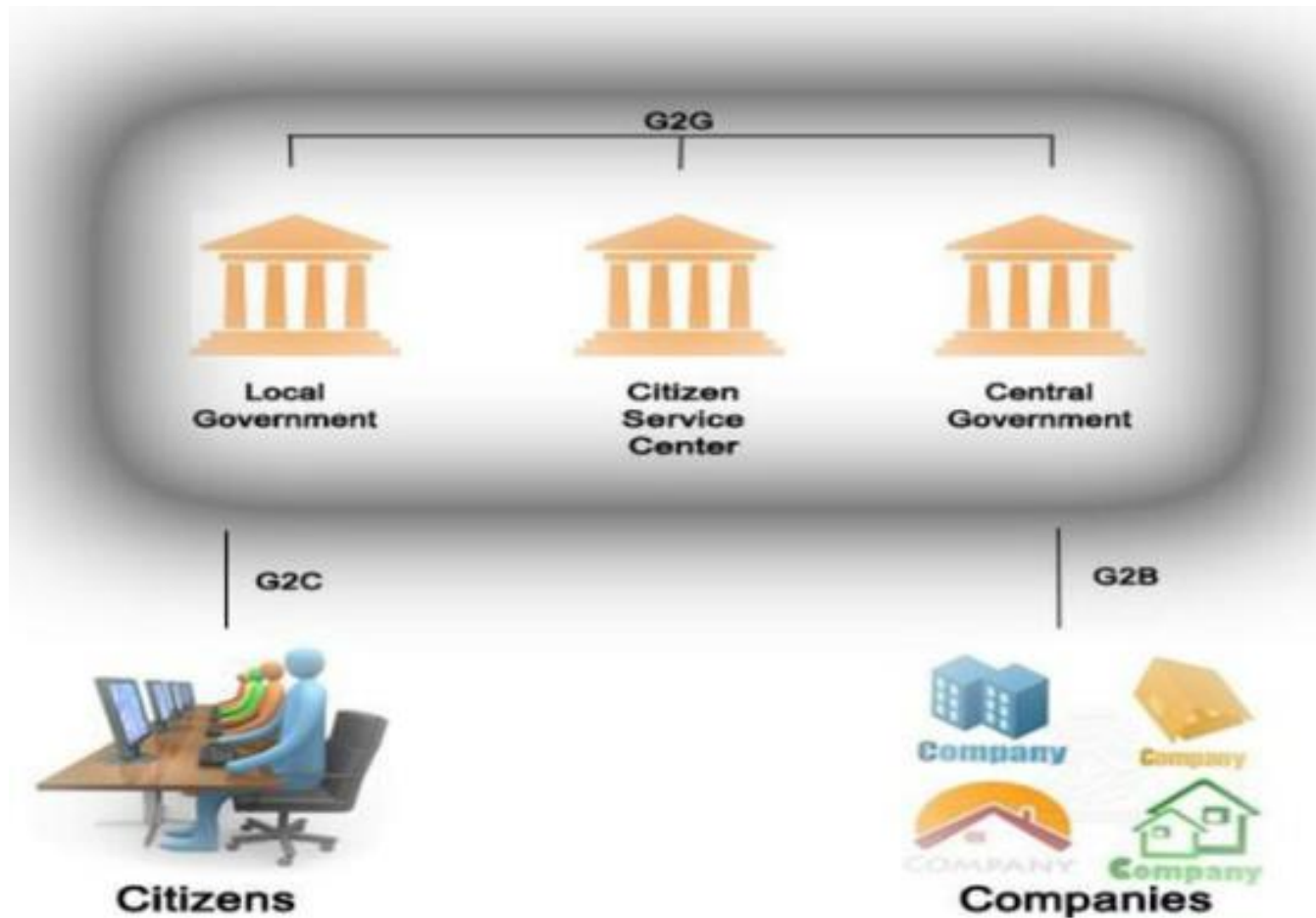
E-government

- ✓ E-government (known for electronic government) involves utilizing technology devices, such as computers and the Internet, to successfully and fastest way of delivering public services to citizens and other persons in a country or region.
- ✓ E-government involves digital interactions across various levels and stakeholders (C2G), between governments and other government agencies (G2G), between government and citizens (G2C), between government and employees (G2E), and between government and businesses/commerce (G2B))

Figure 1: Types of e-government transactions



COMMUNICATION IN E-GOVERNMENT



SMART Governance

SIMPLE

User-friendly governance through simplification of rules and regulations of the government with the application of ICT.

S**M**

Moral

Designing a government system based on moral values to uphold the spirit of good and efficient governance.

Accountable

Development of effective information management systems to ensure the accountability of public service functionaries.

A**R**

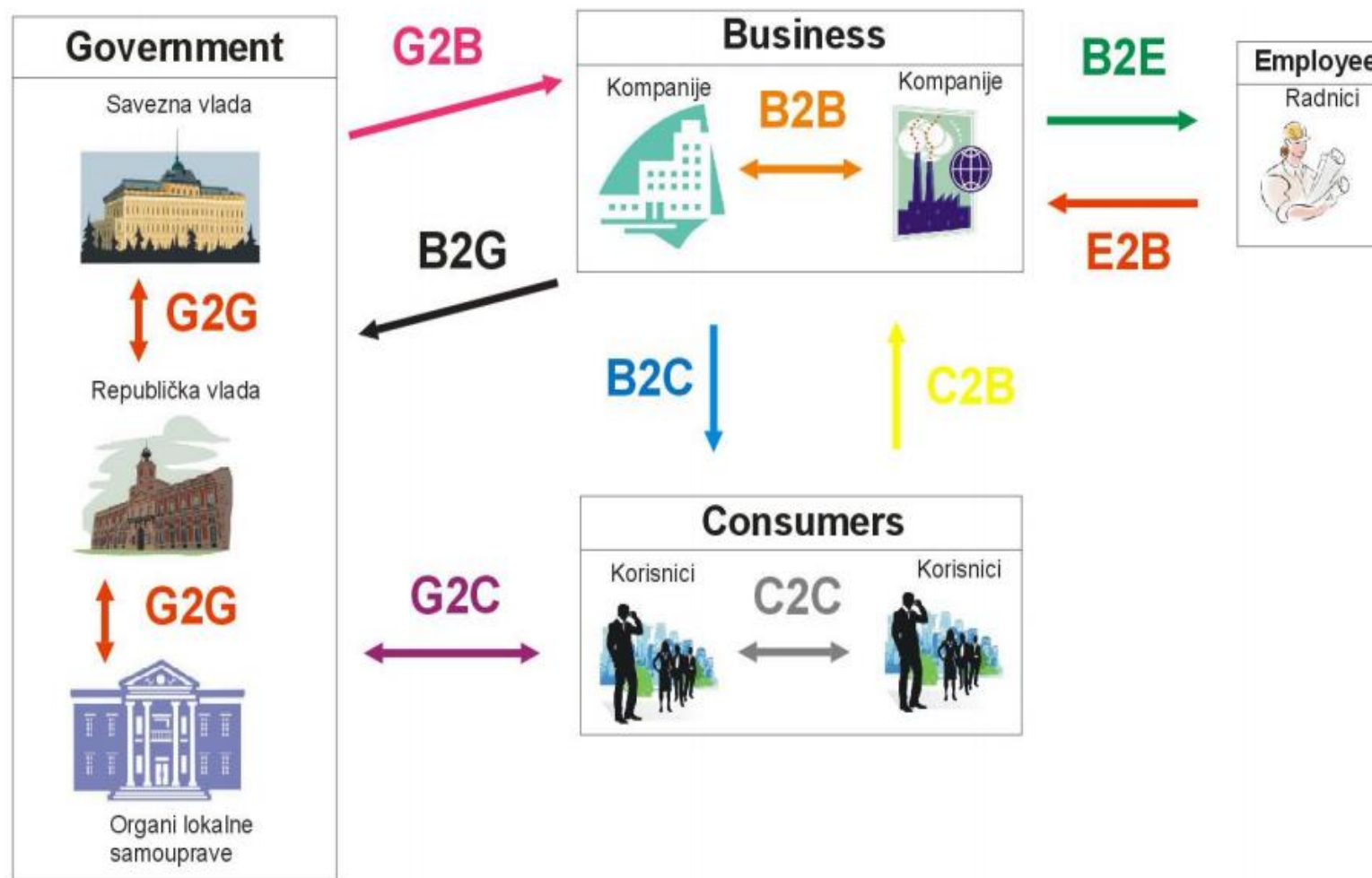
Responsive

Making the system more responsive by streamlining them efficiently for more convenience.

Transparent

Clear and transparent government processes through the use of public domain websites and portals.

T



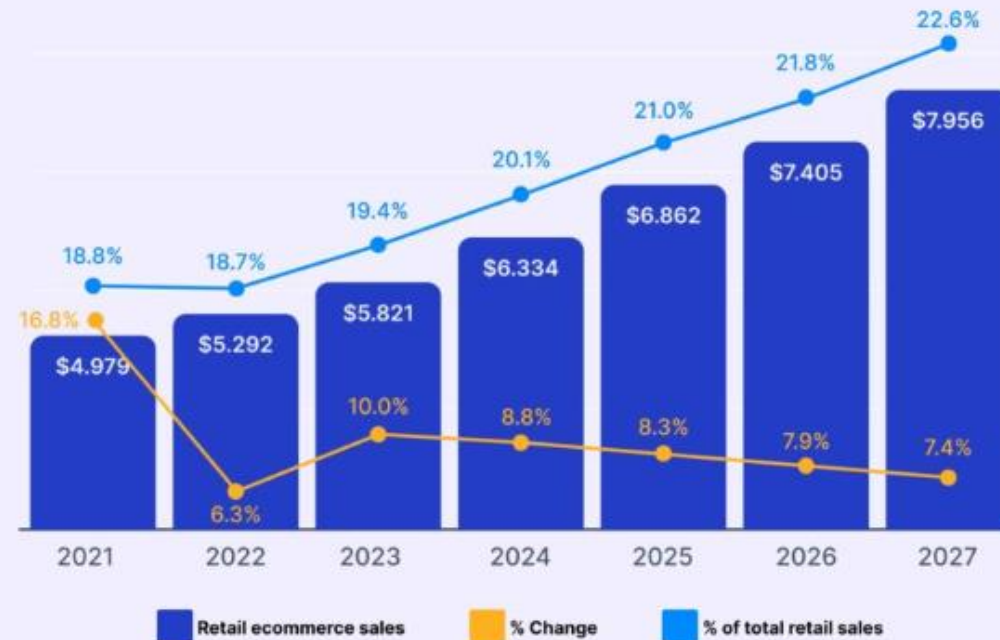
Slika1: Poslovni modeli – saradnja među učesnicima



THE FUTURE OF E-BUSINESS

The E-business landscape is evolving faster than ever, driven by technological innovations and shifting consumer expectations. Looking toward 2025, it is evident that the future of online retail lies in seamless, personalized, and immersive shopping experiences.

Retail E-commerce Sales Worldwide, 2021-2027



THE FUTURE OF E-BUSINESS

- ☐ Electronic business can be viewed from three aspects:
 - ✓ communication,
 - ✓ services and
 - ✓ business environment.
- ☐ The development of e-business also entails the development of the internet economy.
- ☐ The main feature of the internet economy is open connections between buyers, sellers, suppliers, while reducing costs and increasing productivity.

- ☐ The potential benefits that this model of networked global business brings are:
 - ✓ growth in revenue and production,
 - ✓ growth in employment,
 - ✓ savings in business costs,
 - ✓ reduction in delivery times and the number of complaints,
 - ✓ reduction in distribution costs,
 - ✓ more satisfied users.



ADVANTAGES AND DISADVANTAGES OF E-BUSINESS

The advantages of e-business are:

- ✓ reduced business costs,
- ✓ reduced errors in financial transactions,
- ✓ reduced expensive office space,
- ✓ external and internal integration of the company,
- ✓ targeted marketing (micromarketing),
- ✓ stronger customer support with cheaper after-sales services,
- ✓ reaching a larger number of potential customers through the Internet,
- ✓ direct sales, without intermediaries
- ✓ reduced time to market.

The main obstacle:

- ✓ cyber security
- ✓ data from unauthorized access,
- ✓ credit cards when purchasing online,
- ✓ copyright protection,
- ✓ protection of individual privacy,
- ✓ protection from computer viruses

ADVANTAGES AND DISADVANTAGES OF ECOMMERCE



MEASURABLE BENEFITS

- ❑ Cost savings and revenue growth are just some of the many measurable benefits.
- ❑ E-business does not make transactions free, but it does reduce costs in several areas:
 - ✓ paper and postage,
 - ✓ increased productivity,
 - ✓ achieved by reorienting employees to other more productive activities,
 - ✓ storage,
 - ✓ e-commerce supports just-in-time (JIT) production,
 - ✓ fewer returns - achieved by targeting specific types of consumers,
 - ✓ purchasing proven products from a wide range of consumers,
 - ✓ reduced delivery costs - in this area,
 - ✓ costs are reduced thanks to the automation of electronic transactions,
 - ✓ checking product delivery status,
 - ✓ improving delivery routes and finding more effective alternative transport.
- ❑ 3. Increased revenue - the company achieves this by increasing sales or reducing sales costs, increasing production and productivity = operating profit.

IMMEASURABLE BENEFITS

The immeasurable benefits of introducing e-business are difficult to express in monetary terms, but they need to be given appropriate importance, which is identified through

1. customer service;
2. internal processing:
 - ✓ fast and accurate data processing,
 - ✓ archiving of large amounts of data,
 - ✓ fast data exchange,
 - ✓ instant access to information,
 - ✓ automation,
 - ✓ decision-making support,
 - ✓ accumulation of business systems knowledge and
 - ✓ learning from previous experiences
3. competitive advantage.

E-BUSINESS PROCESSES

E-business processes

- data collection
- marketing (4P of marketing)
- online sales
- Communication

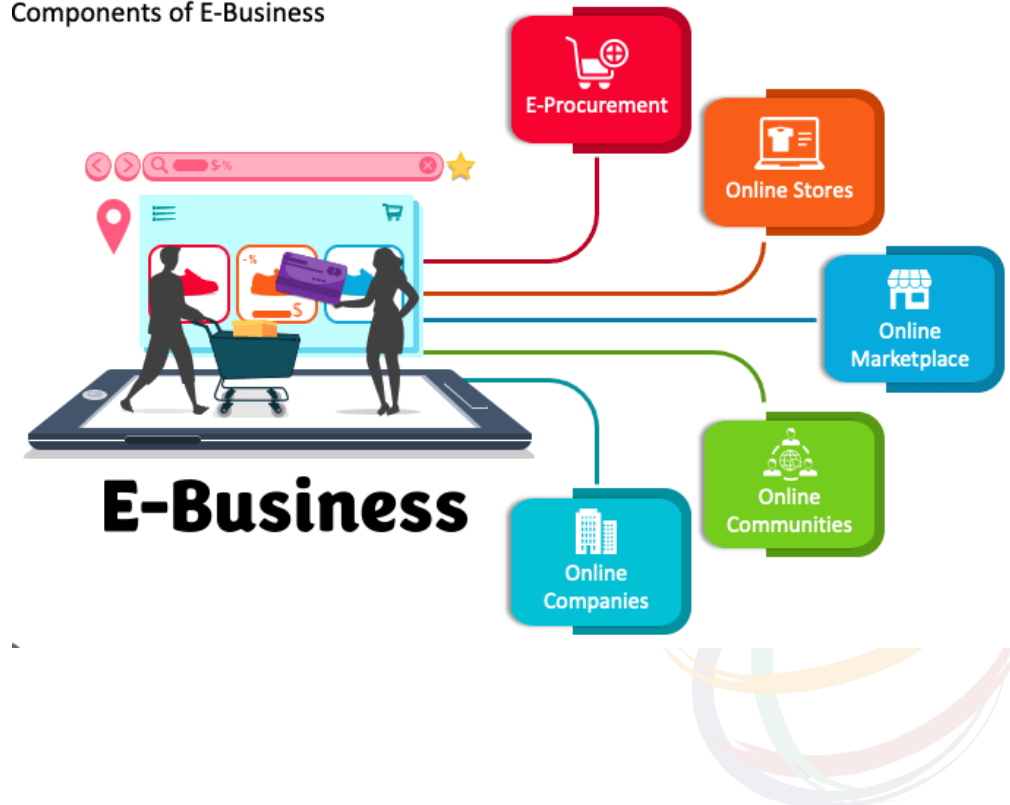
In order for e-business to develop, it is necessary to fulfill technological and legal prerequisites

- ✓ Technological: the possibility of digitizing various types of media: sound, image, music; demands for a large number of experts in this field on the market;
- ✓ Legal framework is generally significantly behind.

E-BUSINESS

Components of E-Business

Source : www.temok.co



THE DEVELOPMENT TREND OF E-BUSINESS IN SERBIA

The Belgrade Chamber of Commerce has devoted a series of activities to the development of e-business.
www.kombeg.org.rs/Komora/Opsta.aspx?veza=44

Infostud is the winner of the decade-long award for the development of e-business.
www.infostud.com





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Questions & Answers

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