2 more Access Tutorials

☐ Thursday, 4/23/15
   ☐ 7:30-9:00pm

☐ Friday, 4/24/15
   ☐ 4:30-6:00pm

☐ Both in:
   ☐ Ming Ong PC (Merrill Room 103)
Class Announcements

- Database Assignment 1 Due 4/28
- (regular) Assignment 3: Due 4/30
- Midterm: 5/5
E-commerce and the Internet

The Benefits of Disintermediation to the Consumer

Figure 9-2
Key Concepts in E-commerce: Digital Markets and Digital Goods In a Global Marketplace

- Digital goods
  - Goods that can be delivered over a digital network
    - E.g., music tracks, video, software, newspapers, books
  - Cost of producing first unit almost entire cost of product: marginal cost of producing 2\textsuperscript{nd} unit is about zero
  - Costs of delivery over the Internet very low
  - Marketing costs remain the same; pricing highly variable
  - Industries with digital goods are undergoing revolutionary changes (publishers, record labels, etc.)
E-commerce: Business and Technology

Types of E-commerce

- Business-to-consumer (B2C)
- Business-to-business (B2B)
- Consumer-to-consumer (C2C)
- Mobile commerce (m-commerce)
E-commerce: Business and Technology

E-commerce Business Models

- Portal
- E-tailer
- Content provider
- Transaction broker
- Market creator
- Service provider
- Community provider
E-commerce: Business and Technology

**E-commerce Revenue Models**

- Advertising
- Sales
- Subscription
- Free/Fremium
- Transaction fee
- Affiliate
Web 2.0, Social Networking, and the Wisdom of Crowds

- Most popular Web 2.0 service: social networking
  - Social networking sites sell banner ads, user preference information, and music, videos and e-books.
- Social shopping sites
  - Swap shopping ideas with friends (Kaboodle, ThisNext)
- Wisdom of crowds
  - Large numbers of people can make better decisions about topics and products than a single person.
- Prediction markets: peer-to-peer betting markets on specific outcomes (elections, sales figures, designs for new products)
Internet provides marketers with new ways of identifying and communicating with customers.

Long tail marketing:
- Sell large number of unique items
- Relatively few of each item sold

Behavioral targeting: tracking online behavior of individuals on thousands of Web sites.

Advertising formats include search engine marketing, display ads, rich media, and e-mail.