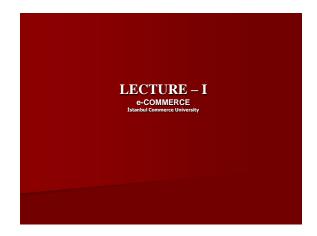
## eCommerce Textbook

Dr. Mustafa Emre Civelek





#### **INTERNET**

The Internet is a global system of interconnected computer networks that use the standard Internet Protocol (TCP/IP).

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The client – server (Host) model is used today on the Internet. Web browsers are clients that connect to web servers and retrieve web pages for display.

#### **ISP**

An Internet service provider (ISP) is a company that offers its customers access to the Internet. ISPs may provide Internet e-mail accounts , hosting and databases through their ISP's servers.

#### History of the Internet

- Internet is a product of the Cold War between the Soviet Union and the United States. (1947-1962)
- Major objective of the Internet is to continue communication during air offensive between US military bases. Because internet has not any communication center which can be targeted by the enemy.

■ In the 1950s and early 1960s an informal
group was formed within ARPA (Advanced
Research Projects Agency).

As a result of the studies conducted in	
ARPA P <i>acket-Switching</i> method was	
developed. Packet switching is a digital	
networking communications method that	ıt
groups all transmitted data into packets	

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TCP/IP is the set of communications protocols used for the Internet and other similar networks. It is named from two of the most important protocols in it: the Transmission Control Protocol (TCP) and the Internet Protocol (IP). DARPA released TCP/IP technology as free of charge and as unrestricted to the world.

#### ARPANET in 1969



<ul> <li>In 1991 WWW interface was developed in CERN by Sir Tim Berners-Lee.</li> <li>In 1993 WWW revolution begun to rise .</li> </ul>	
WWW	
The World Wide Web, abbreviated as WWW and commonly known as The Web, is a system of interlinked hypertext documents contained on the Internet. With a web browser, one can view web pages that may contain text, images, videos, and other multimedia and navigate between them by using hyperlinks.	
<ul><li>WWW revolution is also named as hypertext revolution.</li><li>Hypertext is text displayed on a computer</li></ul>	
with references (hyperlinks) to other text that the reader can immediately access	

Key Features of the Internet  Decentralized Free Global Unbounded Asynchronous Dynamic (Interactive)	
Decentralized  There is not a central computer. Therefore nobody can shut down the internet. This feature arised from logic of the original design. Because it was designed for military purposes.	
Free	
Nobody can restrain the contents exist on internet. Everybody can reach to the prohibited sites through proxy servers.	

Global	-
By means of internet you can broadcast to	
any place in the world.	
Unbounded	-
Web sites can easily violate the national borders.	
borders.	
	-
Asynchronous	
	-
On the internet there is not any time constraint. We can view any content and	-
broadcast whenever we want. On the contrary TV or Radio broadcasts are	
synchroneous.	
	-

#### Dynamic (Interactive)

Internet facilitate interactive information sharing and collaboration between visitors. For example you add a comment to some news papers.

#### Dark Side of the Internet

- Black market activities.Illegal gamble.Fraudulent acts.

- Terrorist activities.
- Illegal medicine trade.
- Intellectual property rights violations.

#### **Top Ten Languages Used in** the Web

TOP TEN LANGUNGES IN THE INTERNET	by Lampaner	Selected Personalises (% Papalations	Share Growth in Internet (2000 - 2017)	to of World Total (Participation)	World Population for this Language (0017 Statement)
Broutet.	862,066,837		318.85	20-5 %	7,894,697,49
Connect.	763,362,204		3,262.6%	304%	1,825,430,85
Specials	285,847,716	526%	1310.1%	73%	590,360,42
Antic	173,636,696	40.5%	6,805,9%	44%	400,240,03
Cirhagess	785,006,606	28.1%	3,946.0 %	414	201.003.01
September / Malagores	194,694,662	52.4%	2,598,7%	4.1%	289,596,77
Japanese	110,485,696	94 0 %	S15%	32%	126,046,31
Baster	184,551,891	72.9 %	3,212.7%	28%	745,375,00
FROM	100,081,456	24.8 %	734.1%	27 h	485,644,60
Server	\$1,000,014	88.4%	200.1 %	22%	10,041.00
TOP TO LANGUAGES	11,699,961,414	96.6%	817.2%	215.94	1,126,016,81
Host of the Larguages	639,757,008	36.1%	1,307.5%	23.5 %	2,580,510,85
WORLD ROTH	3,730,690,800	467%	W000%	490.036	F/019,000,00

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Spam is the abuse of electronic messaging systems to send unsolicited bulk messages indiscriminately.

The earliest documented spam was a message advertising the availability of a new model of Digital Equipment Corporation computers sent to 393 recipients on ARPANET in 1978.

<b>Elementary Components</b>	of	e-
Commerce		

- Dynamic web sites
- Databases
- V-pos payment systems

#### Dynamic web sites

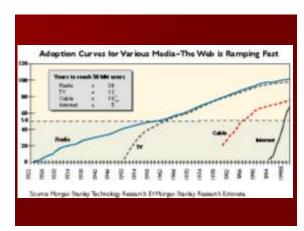
Classical web page design using only HTML provides static content. However, a web page can also provide a live user experience. Content on a web page can change, in response to different contexts or conditions.

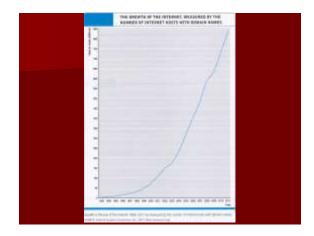
#### **Databases**

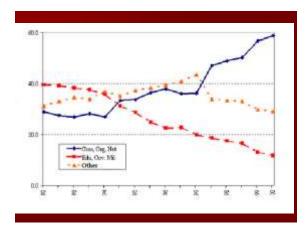
Databases consist of software-based "containers" that are structured to collect and store information so users can retrieve, add, update or remove such information.

#### V-pos payment systems

Virtual POS is a web application that can be used by card-accepting merchants.







### NEGATIVE PROFIT FACTORS ON INTERNET

■ Low Costs:

Low costs cause the new players to enter the market easily.

■ Copyright Infringement:

Contents on the internet can easily be copied. So most of the newspapers are free on internet. Is otherwise possible?

<ul> <li>Logistics Costs:         <ul> <li>Logistic cost per unit is increasing depending on distance.</li> </ul> </li> </ul>	
IPR – Intellectual Property Rights  Intellectual property (IP) refers to creations of the mind.  Intellectual property rights play an indispensable role in the formation, development and protection of innovative capacity	
IP is divided into two categories:  Industrial property, which includes	
<ul> <li>inventions (patents), trademarks, industrial designs, and geographic indications of source.</li> <li>Copyright, which includes literary and artistic works such as novels, poems and plays, films, musical works, artistic works such as drawings, paintings, photographs and sculptures, and architectural designs.</li> </ul>	

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Web sites can survive provided that they can increase the number of their users.

- Active User: Continuously visit the site.
- Pasive User: Don't visit the site anymore.

- Up-to-date content and tools are crucial for keeping users active.
- How Hürriyet, google, facebook to keep their visitors active?

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Digital Economy  Digital economy is an economy that is based on goods and services produced by an electronic business and traded through electronic commerce.	

- Digitalization is increasing the effectiveness of the production processes by getting rid of employees
- Consequently cause the unemployment rate to increase
- and also cause the purchasing power of the consumers to decrease.

- Primary factor of production digital economy is information.
- Today major source of information is internet.

#### **Creative Destruction**

It means that innovation based technologic developments cause current paradigm to shift and destroy the old industries.



New	<b>Ecosocial</b>	<b>System</b>
-----	------------------	---------------

Refers to new economic and social pattern arised from new technological developments ( especially internet) that promotes new life style and fashion of communication and new methods of doing business and trading.

#### Globalization

Integration of national economies into the international economy through trade, foreign direct investment, capital flows, migration, and the spread of technology.

- Bretton Woods conference, an agreement by the world's leading politicians to lay down the framework for international commerce and finance, and the founding of several international institutions intended to oversee the processes of globalization. (the World Bank, the International Monetary Fund)
- Under the auspices of the General Agreement on Tariffs and Trade (GATT), which led to a series of agreements to remove restrictions on free trade.

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<ul> <li>Globalization has been facilitated by advances in technology which have reduced the costs of trade.</li> <li>Today the most important tool of globalization is internet.</li> </ul>	
Power of the individuals is gradually increase by mean of internet technologies. ( Example: Emergence of Facebook)	
WEB 2.0  The term "Web 2.0" is commonly associated with web applications that	
facilitate interactive information sharing, interoperability, user-centered design and collaboration on the World Wide Web.	

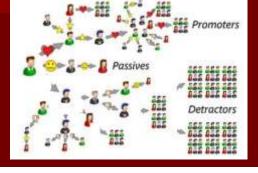
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■ A consumer	quote fron	n Forrester
Research Re	port:	

#### Viral Marketing

The term "viral marketing" is offensive. In order to create word-of-mouth effect, viral marketers make fake video, comments etc.(Dummy Profiles, Spoof Entries)

#### Word of Mouth Effect



Pros and Cons of Web 2.0  Disadvantages  Web 2.0 has created a cult of digital amateurism, which undermines the notion of expertise. For example Wikipedia is full of mistakes, half truths and misunderstandings.	
Advantages Promotes the culture of participation and collective conscious. Support the democratization of knowledge and information and transform people from content consumers to content producers.	
_	
Prosumer	
Prosumer is a blend of the word 'producer'	
with the word 'consumer'. The role of producers and consumers would begin to	
blur and merge in the future.	

#### Social Media

Social media is a term used to describe the type of media that is based on conversation and interaction between people online.

# The Purchase Funnel & The Social Web



#### Tools

- Google Alerts www.google.com/alerts
- Tweetbeep www.tweetbeep.com
- PRWeb www.prweb.com
- How Sociable http://www.howsociable.com/

#### Digital Divide

The digital divide is the gap between people with effective access to digital and information technology and those with very limited or no access at all.



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- Countries Level: Refers to differences in technology access between the citizen of a country.
- Global Level: Refers to differences in technology access between countries.

#### Measurement Criteria

- Number of Phone subscribers.
- Number of PC.
- Number of broadband Internet connections .

Rate of joung people in total population is important as much as development level of a country. (For example number of Mobile phone subscribers in Turkey)

Individual Development Process	
<ul> <li>PC penetration</li> <li>Internet penetration</li> <li>Internet usage duration</li> </ul>	
INTERNET & ORGANIZATIONS	
Today internet reformat the entire global market and form new chaotic business environment. (Example: music sector )	

#### The Scientific Paradigm versus Chaos Theory

- The scientific paradigm created by Newton and Descartes told us that the natural state for any system is equilibrium.
- Management theory in the early twentieth century took the principles of equilibrium.
- Henry Ford was applying them very successfully to the manufacture of cars.

#### Management theorists used the metaphor of "organisation as machine"

- Chaos theory is based on the recognition that real world systems never settle down into a steady state.
- In 1960, meteorologist Edward Lorenz, one of the first scientists to explore the emergence of patterns in chaos

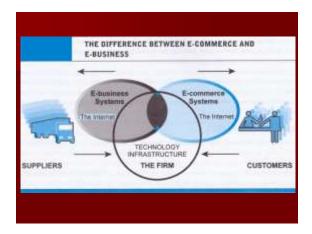
- "A butterfly can flutter its wings in China, and two months later you get a tornado over the USA."
- In organisational terms, this means that small actions can have big outcomes.
- We call this effect as "Butterfly effect".


#### Scientific versus Biological Organization Scientific Organization **Biological Organization** Newtonian paradigm Chaos Theory Mechanical Natural Hierarchic Flat Stabile Flexible Competition Collaboration Division of Labor Empowerment Manager Leader Team Work Individual Work

#### e-Business

- "e-business" may be defined as the application of information and communication technologies in support of all the activities of business.
- e-business refers to more strategic focus.

 e-Business can be divided into two parts as internal and extarnal according to the activities of the organization.



#### Some External Activities of an Organization

- ShareholdersJob ApplicationsCustomers
- Dealers
- Suppliers Manufacturers

- Transporters
  Accounting
  Advertising
  Government
- Finance

#### **Effectiveness**

The degree to which the organization achieves a stated goal.

Efficiency	
The use of minimal resources – raw	
materials, money, and people – to produce a desired volume of output.	
produce a desired volume or output.	
ERP	
Enterprise resource planning (ERP) is an integrated computer-based system used	
to manage internal and external	
resources.	
Example: www.logotiger.com.tr	-
e-CRM	
We can define eCRM as activities to manage customer relationships by using	
the Internet. By using internet technologies we can gather data and	-
analyze customer information.	

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Data mining is the process of extracting patterns from data. Data mining is becoming an increasingly important tool to transform this **data** into **information**.

#### **Automation**

Automation is the use of systems to control industrial machinery and processes in order to reduce the need for human intervention.



#### Artificial Intelligence

The field was founded on the claim that intelligence can be simulated by a machine.



#### BOT

Internet bots, also known as web robots, WWW robots or simply bots, are software applications that run automated tasks over the Internet.

Information Systems & Management Levels							
Strategic & Tactic Level	Management Information Systems	Decision Support Systems Enterprise Reporting Systems					
Operational Level	Operational Information Systems	Office automation Systems Data Entry Systems Process Control Systems					

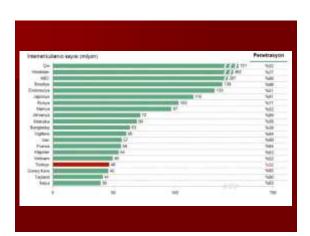
#### Resistance to change

Resistance is an inevitable response to any major change. Individuals naturally defend the status quo if they feel their status are threatened.

LECTURE — III e-COMMERCE Istanbul Commerce University

#### e-Commerce

e-Commerce consists of the buying and selling of products or services over electronic systems such as the Internet and other computer networks.



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#### B2B

Business-to-business (B2B) describes commerce transactions between companies, such as between a manufacturer and a wholesaler, or between a wholesaler and a retailer.

#### Examples

- www.ecplaza.net
- www.alibaba.com

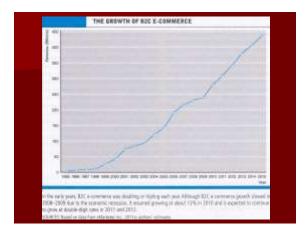
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#### B2C

Business-to-consumer (B2C, sometimes also called Business-to-Customer) describes commerce transactions between companies and consumers.

#### Examples

- <u>www.amazon.com</u>
- www.idefix.com
- <u>www.hepsiburada.com</u>







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- Security concern
- Concern about purchasing without touching

#### **Payment Methods**

- Credit Card
- Bank Transfer

#### V-POS

A Virtual POS is a web application that can be used by card-accepting merchants.

SSL	(Secure	Sockets	Layer
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SSL provide secure web page by encrypting the segments of network connections .

# www.verisign.com

Example for a SSL provider Certification Authority



When secure connection established lock symbol appeared and protocol turn to https .

Cost Model	
Sale Price + Courier Fee + Security	
Concern + Touching Concern < Sale Price	
+ Fare + Time Cost	-
	_
C2C	
Consumer-to-consumer (C2C) electronic	
commerce involves the transactions between consumers.	
Examples	
■ <u>www.sahibinden.com</u>	
■ <u>www.ebay.com</u>	

	•
Escrow	
Escrow works by placing money in the	
control of an independent and licensed third party in order to protect both buyer	
and seller in a transaction.	
P2P	
Peer-to-peer is any distributed network architecture on which user can share their	
own files.	
Examples	
■ <u>www.bittorent.com</u>	
■ <u>www.piratesbay.com</u>	

# Drawbacks of P2P

- Copyright infringement
- Virus threat
- Violation of privacy

# Steps of Positioning of a Site

- Submitting the site to search engines
- Submitting sitemap.xml and robots.txt files
- Mailing
- e-Advertisement (banners, Google AdWords etc.)
- Social media strategies

# Domain Name & URL

URL stands for Uniform Resource Locator.

- Top-level domain name: .net
- Second-level domain name: example.net
- Host name: <u>www.example.net</u>
- URL: http://www.example.net/index.html


	•
Some Top-level Domain Names	
.com .org	
.edu .gov	
.int .mil	
.name	
Domain Name Registrars	
The right to use a domain name is	
delegated by domain name registrars which are accredited by the Internet	
Corporation for Assigned Names and Numbers (ICANN).	
■ <u>www.nic.tr</u>	
■ <u>www.register.com</u>	
Web Hosting Service	
Web hosts are companies that provide space on a server to their clients to make their own website accessible via the World	
Wide Web.	

<ul> <li>e-ticaret yapmak isteyen ihracatçılar gümrüğe</li> </ul>
gitmek zorunda kalmadan hızlı kargo taşıyıcıları
aracılığıyla ihracat yapma imkanına kavuşmuş
oluyor. Bu çerçevede, müşterilerinin gümrükteki
dolaylı temsilcisi olarak PTT ve hızlı kargo
şirketleri gümrük işlemlerini yapabilecekler.
- Kananina 136 man mandalari hamasan da militani

■ Karar'ın 126 ncı maddesi kapsamında miktarı brüt 150 kilogramı ve değeri 7500 Avro'yu geçmeyen ihracat rejimine konu eşyanın beyanı bu Tebliğ hükümleri çerçevesinde operatör tarafından yapılır." (20.07.2011-28000 R.G.ile eklenmistir.)

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LECTURE – IV	
e-COMMERCE	
İstanbul Commerce University	
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. Decument	
e-Document	
e-Document is an electronic record which	
is electronically signed.	
	·
■ Different file formats (such as pdf, xml	
etc.) can be turned to e-document by	
adding electronic signature.	
e-Signature is binding for person or	
corporation who sign an electronic	
document.	

XML	
XML (Extensible Markun Language) is a	
set of rules for encoding documents electronically. XML's design focuses on e- documents. XML documents are more	
documents. XML documents are more effective than PDF documents.	
Benefits of the e-Documents	
Courier charges and time	
Missing documents and erroneous	
document cause resent of the documents.  Consequently increase the expenses and	
waste of time. However e-Documents have no Courier charges and waste of	
time.	
<ul> <li>Decrease the influence of human factor on transaction</li> </ul>	
Errors, fraud, bribe, corruption are the concepts which belongs to human being.	

■ Decrease the costs of archives  Filing and protecting paper documents is a high-cost process. And retrieving document from archives is time wasting process.  However archiving e-documents is considerably lower cost process.	
■ Taking control on informal and underground economy	
Real time electronic recording systems increase the control of governments on economic activities.	
<ul> <li>Prevention of forgery and falsification         Exerting fraudulent alterations and distortions on paper documents is easier than e-Documents.     </li> </ul>	

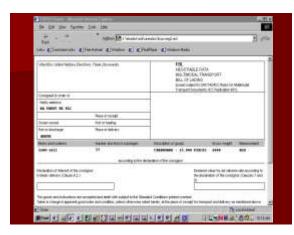
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UNeDocs aims to become the world electronic trade document standard under UN auspices.

# Paper Bill of Lading







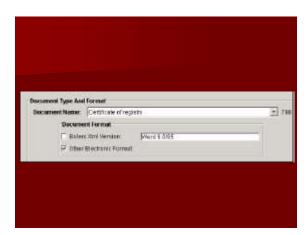
# **SWIFT**

More than 9,000 banking organisations, securities institutions and corporate customers in 209 countries use this system every day to exchange millions of standardised financial messages.

# Bolero International Ltd.

- Bolero is a secure platform enabling paperless trading between buyers, sellers, and their logistics service and bank partners.
- Bolero Platform provides infrastructure to enable secure and contractually binding e-documents.

# Document Type And Format Document Type And Format Document Format Document Format F Robert State Vectors F Other State State F Other State State F Other State F Ot



E-Document Projects in Turkey	
BİLGE Project	
■ Customs declarations are presented as	
electronically.  Today all customs declarations are e-	
documents.	-
EFKS	
EFKS is electronic invoice recording system in Turkey ( <a href="http://www.efatura.gov.tr">http://www.efatura.gov.tr</a> ).	
	-

# Phases of the Project

- 1. Recording second copy magnetic environment.
- 2. Sending first copy as e-Document .
- Avea İletişim Hizmetleri A.Ş.TTNet Anonim Şirketi

completed completed

Turkcell İletişim Hizmetleri A.Ş.

completed

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Türk Telekomünikasyon A.Ş. completed Vodafone Telekomünikasyon A.Ş. completed

completed completed

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Legal Aspects of eDocuments	
■ Legal basis of e-Documents depens upon	
eSignature Law No 5070 in Turkey. ■ In U.S. and EU eSignature laws were	
accepted. ■ But there are many countries that do not	
have any eSignature law.	-
<ul><li>eSignature Law No 5070 was accepted on Jan 23, 2004 .</li></ul>	
	-

Certificate Authorities in Turkey	
(ESHS)	
■ http://www.turktrust.com.tr	
■ http://www.e-tugra.com.tr	
■ http://www.e-guven.com	
CA	-
A certificate authority or certification	
authority (CA) is an entity that issues digital certificates for use by other parties	
as trusted third party.	
Electronic Signature	
Electronic Signature or Digital Signature is an electronic process logically associated	
with an electronic record by a person with the intent to sign the record.	

Paper-based signing process versus e-Signature	
Authenticity	
<ul> <li>Digital signatures authenticate the source of messages. A valid signature shows that</li> </ul>	
the message was sent by a user.  Authentic means that you know who	
created and signed the document.	
Authorization	
■ Authorization is the function of specifying	
rights, responsibility and competence of the user who sent a e-document.	

INTEGR	ı۲ı
Integr	ILL

Prevent the orginal message from any alteration. Only sender can be change content of orginal document.

# Hashing

■ The process whereby e-document was input to a cryptographic hash function to produce a mixed content.

# Time Stamp

- A timestamp denotes the date and time at which a certain e-Document signed.
- Preventing from retrospective issuance of a document by dating back.

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■ Public Key Infrastructure is an encryption system used by Certificate Authorities to issue digital certificates.

# **Biometrics**

Biometrics comprises methods for uniquely recognizing humans based upon one or more intrinsic physical or behavioral traits. In computer science, in particular, biometrics is used as a form of identity access management and access control.

# Mobile Signature



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Electronic documents in the future commercial life will be very active according to the vision of ICC - International Chamber of Commerce at the beginning of 2000. In this year a working group was formed for the electronic submission of documents under the letter of credits. As a result eUCP (Supplement to UCP 600 for Electronic Presentation) brochure went into effect as of 1 April 2002.

LECTURE – VI  e-COMMERCE İstanbul Commerce University

## **Trade Point**

- Trade Point is an advanced B2B site on which all parties related to foreing trade transaction come together.
- Trading parners can conduct their transactions on Trade Point from the begining to the end

- e-Notary function provides the companies to use e-Documents on Trade Point platform.
- Decrease the need to office because documents can be archiving on Trade Point system.

	4.4	C - 1	
ы	iction	s of Trad	IA POINI

- Non-documentary communication
  - 1- Between Trading Partners (e-Marketplace)
  - 2- Between secondary trading parties (Transportation Portal, Insurance Portal, Inspection Portal etc.)

- e-Document Systeme-Notary and archiving functions
- Provide trade informationCountry information, regulations etc.

**Essential Parties of Trade Point** 

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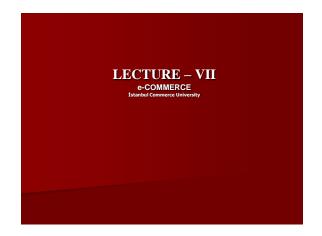
- Exporter
- Insurance Company
- Transportation Company
- Customs House
- Bank
- Inspection Company

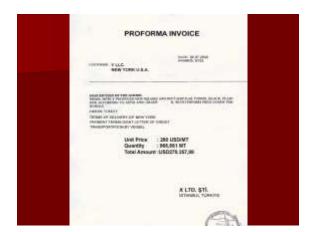
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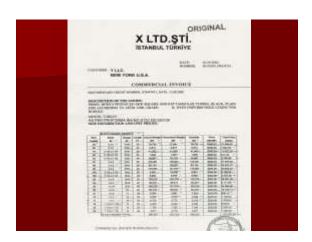
The Trade Point Programme (TPP) was launched in 1992 with the following broad objectives:

- Fostering greater participation in international trade
- Reducing transaction costs in international trade
- Opening international trade to new participants, especially SMEs, by contributing to the simplification and harmonization of trade procedures worldwide and giving traders access to advanced technologies and information networks.

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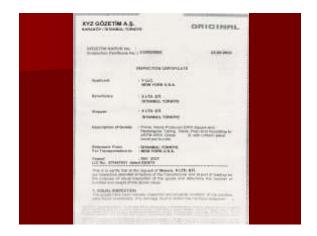


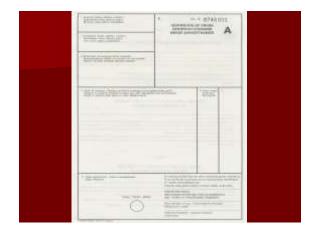






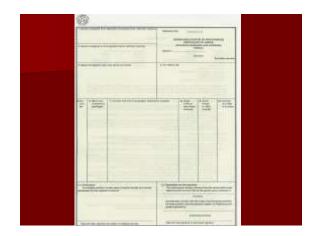


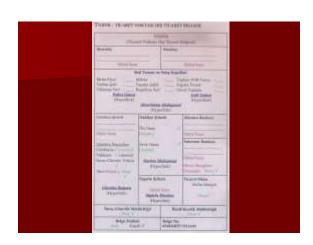












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LECTURE – VIII	
e-COMMERCE istanbul Commerce University	
Estadores	
Entrepreneur	
Entrepreneur is a person who habitually creates and innovates to build something	-
which has opportunity or risk.	
Characteristics of Entrepreneurs	
■ Self Discipline: - Think and dream something	
- Make the plan	
- and take action by oneself.	

■ Risk-taking:	
- Do not averse to take risk	
- But they are manageable risk takers	•
■ Energetic:	
- They have high level of energy	
■ Self Motivation	
Self-motivation is the ability to motivate	
oneself without the need of being	-
influenced by another person.	
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- Tourstier as and Futbooks and	
■ Impatience and Enthusiasm:	
- Awareness of elapsed time	
- Irresistible desire to take action	
■ Self-confidence:	-
to believe that one is able to accomplish	
to overcome obstacles and challenges	
	-
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Venture Capital	
Ventare expital	
Venture Capital is the money and	
resources made available to startup firms	
and small businesses with exceptional	
growth potential. Most venture capital	
money comes from an organized group of	
wealthy investors.	

<ul> <li>Venture capital investments are generally made in cash in exchange for shares in the invested company.</li> <li>Venture capitalists want to harvest in 3–7 years.</li> </ul>	
Angel Investor	
<ul> <li>Angel Investor is an individual who provides capital to one or more startup companies. Unlike a partner, the angel investor is rarely involved in management.</li> </ul>	
One of the first steps toward a professionally-managed venture capital industry was the Small Business	
Investment Act of 1958 in U.S.	
	<u> </u>

High interest rates in Turkey exert	
pernicious effect on venture capital financing.	
	-
Stages of Venture Capital	
Financing	
Sead Capital	
The venture is still in the idea formation stage and its product or service is not fully	
developed.	

Start-Up Capital	
The venture at this point has at least one principal working full time.	
principal Working full direc	
Early Stage and Gate Financing	
Zarry Stage and Sate Financing	
The venture has finally launched and	
achieved initial traction. Sales are trending upwards.	
Bridge Financing	
Bridge financing is a short term form of	
Bridge financing is a short term form of financing used to prepare a company for its IPO (Initial Public Offering).	

Application	Stages
Plan	

- Business Plan
- First evaluation
- Presentation
- Second evaluation
- Collective study on feasibility
- Contract

<b>Examp</b>	les in <sup>-</sup>	Turkev
		/

- Vakıf Risk A.Ş.
- Okyanux Risk Sermayesi Yatırım Ortaklğı A.Ş. (İxir) (Spent 60 million dolars)
- Koç Holding (Biletix)

■ e-Tohum:

http://www.etohum.com

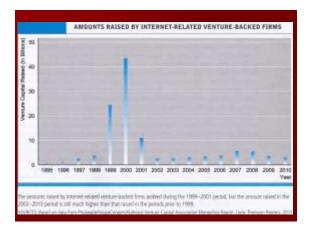
■ Girişim Fabrikası

http://www.girisimfabrikasi.com

■ İLab Ventures

http://www.ilab.com.tr/

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## **BUSINESS PLAN**

Business plans are an essential part of doing business. Business plan is a written document that identifies a company's goals and outlines how the company intends to achieve the goals.

# **Outline of Business Plan**

- Cover
- Content
- Executive Summary
- Mission Statement
- Management
- Marketing & Sales
- Financial Projections

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# **Executive Summary**

- Many prospective investors use the summary as a way to decide whether your plan is worth additional time.
- An outstanding executive summary is an absolutely essential element in winning investment from venture capital.

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- The organization's reason for existence.
- Mission statement expresses your philosophy, motivation, and goals with regard to your business.

# Management

- It is critical that you detail and define your own management background and vision.
- Define division of responsibility between management team members.
- You should list your qualifications.

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Mar	ketin	a &	Sal	les

- Definition of product ( or service)(Reason of your product being preferred)
- Target customers
- Competitors
- Marketing strategy
- Selling operation and logistics

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Cost sheet
 On this table you should list your prospective expenses

LECTURE — X e-COMMERCE Istanbul Commerce University

## Government

- A government is an organization that has the power to make laws within a group.
- The fundamental purpose of government is the maintenance of basic security and public order.
- The organization that is the governing authority of a political unit

- Information management is the most important aspect of government.
- Power of a government depends on efficient use of information.
- We are currently in information age.
- Today main information source is internet.

### e-Government

e-Government is creating a comfortable, transparent, and cheap interaction between government and citizens (G2C – government to citizens), government and business enterprises (G2B –government to business enterprises) and relationship between governments (G2G – interagency relationship).

### Benefits of the e-Government

- By means of efficient use of information, Power of a government increases.
- Through the integration of all the systems used by government agencies, we do not need repeated transactions.
- Helps simplify processes and makes access to government information more easily accessible.

- Reduce the costs arised from paper works.
- Reduce the operative effect of human factor. Therefore it reduce errors, fraud, bribery, corruption etc.
- Increase the control on unregistered economic activities.

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Development phases of e-Government  Primitive Phase: All government agencies have their own web sites.  Unification Phase: All government web sites are united in a web site	
<ul> <li>Integration Phase:         <ul> <li>The integration of all the systems used by government agencies prevent us repeated transactions.</li> <li>In this phase e-Documents begin to be used by government systems.</li> </ul> </li> </ul>	
<ul> <li>Social Transformation Phase:         <ul> <li>In this phase mass education programs are implemented in order to prevent effects of digital divide.</li> </ul> </li> </ul>	



■ Internet Law no:5651

# Web 3.0

- Web 3.0 is where "the computer is generating new information.
- Convergence of the virtual and physical world.
- Defined as semantic web.
- Related with artificial intelligence.

- This will be about personalization and intelligent search.
- Total personalization needs total surveillance (google map).
- Semantic Web is a group of methods and technologies to allow machines to understand the meaning - or "semantics" - of information on the World Wide Web.



- Sir Tim Berners Lee is recently studying on web 3.0 .
- DARPA is recently studying on humanoid robot soldiers.
- The web will exceed humanity in processing power.

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■ The Blue Brain Project is the first comprehensive attempt to reverse-engineer the mammalian brain, in order to understand brain function and dysfunction through detailed simulations.

# Future prospects for next 10 years

- Speech recognition will continue to improve and will reach human levels
- We will recreate some parts of the human (animal) brain in silicon (IBM Blue Brain)
- Recreation of the aspects of human intelligence, such as cognition, perception, rehearsal learning, or learning by repetitive practice

■ Robots take over everyones jobs

