

## **What are the Major Types of Ecommerce?**

The examples I've used above are all what we call Business-to-Consumer (B2C), however there are varying forms of ecommerce that may match your idea more fittingly.

There are 6 types of e-commerce. Below we have listed them and briefly explained what they all mean.

### **1. Business-to-Business (B2B)**

Quite self-explanatory, B2B ecommerce occurs when a transaction is made between two businesses. Successful B2B businesses include companies such as HubSpot who offer inbound marketing and sales software and Xero who offer accounting software for small to medium businesses.

### **2. Business-to-Consumer (B2C)**

The success story companies above are all B2C companies. This is when businesses are selling products to consumers, basically people like you and me. Online retail (including dropshipping) is more often than not working on a business to consumer model.

### **3. Consumer-to-Consumer (C2C)**

C2C e-commerce occurs when a consumer sells directly to a consumer. This has seen a particular boom in the last 10 years.

Sites such as Depop, Gumtree and Shpock have made a great name for themselves very recently. eBay are still the market leader having established themselves in 1995 followed closely by Etsy who were founded in 2005.

### **4. Consumer-to-Business (C2B)**

Consumer to business is a slightly less common type of ecommerce. This materialises when a consumer sells or contributes money to a business. Companies who have used crowdsourcing or a Kickstarter campaign to fund their business would fall under this bracket.

### **5. Business-to-Administration (B2A)**

This type of ecommerce happens when transactions are carried out online between companies and public administration.

This area tends to involve a variety of services such as social security, employment and legal documentation.

This type of e-commerce has seen an increase in recent years with the increased investment in e-government.

### **6. Consumer-to-Administration (C2A)**

Lastly this type of ecommerce involves all transactions between individual people and public administration.

A few examples of this would be:

Education – publishing and circulating information, distance learning

Tax – Tax return forms and payments

Health – payments to health services, appointments

## **Online Marketplaces**

As an online seller, what do you want? A readymade platform to sell your products to reach an extensive ready-to-buy customer base.

These online marketplaces are very popular selling channels providing an online seller with the platform to reach out a large number of customers. There are around 63% sellers who sell only through marketplaces and 55% have a profit margin of above 20%.

Various marketplaces have been dominating the online retail in various countries, such that there is Amazon in the USA, Alibaba Group in China and Flipkart in the South Asian region. Since 2014, the world largest marketplaces have grown 51.7% over three year period. With these marketplaces available there are some big players in the race such as Amazon, it has changed the way how people consume with an added layer of convenience. Amazon launched its mobile eCommerce site in 2001 and continue to lead innovation in the eCommerce market. With online marketplaces, consumers find a range of product offerings, compare prices, brands, read reviews and purchase products below the MRP.

Not only buying & selling of products has taken a new turn but also there is a lot of selling services online through these marketplaces. Magento is one such example, it is an eCommerce content management system allowing users to create an online store. Magento stands tall with 26.1% of market representation.

## **M-COMMERCE**

Going more technically, mCommerce is the act of buying and selling of products, goods or services through wireless handheld devices. A way of paying services using a mobile phone or personal organizer.

mCommerce has come a long way, it is one of the most important evolutions as it has the ability to browse, compare and shop from beautiful mobile sites and apps via smartphones or tablet. Consumers can make purchasing decisions and buy products without even entering a brick and mortar store.

Read some stats –

- 56% of the people feel mobile shopping makes their buying experience more enjoyable.
- 48% of the consumers use their mobile to look up product rating or promotions.
- 62% of the mobile users said that they have purchased physical good from their mobile devices.

The mobile market has proven its importance over the years and thesedata show that it will continue that way only. Mobile applications createmore interactivity and engagement and push

notifications are an advantage that mobile shopping apps pose. Push notification helps in re-engaging customers and promote sales.

## **DIGITAL MARKETING**

The increase in the use of mobile devices and the mobile optimization of eCommerce has impacted a lot in the way companies connect with consumers. Most of the mobile users keep their smartphones handy and are available all the time to marketers and advertisers. Digital marketing is definitely more inexpensive than traditional marketing. Online and digital marketing campaigns have completely replaced previous methods of marketing to consumers. Now marketers are directly hinging to the places where the consumers are likely to be present or spend more time at.

The key ingredients of DIGITAL MARKETING include-

- Social Media
- Email marketing
- Analytics and reporting
- Paid Advertising
- Search Engine Optimization
- Web Design
- Blog

Digital marketing helps you to reach out a maximum number of consumers, do client-specific marketing, is versatile i.e you can make changes to the advertising and provides you with immediate communication with your clients.

The evolution of these eCommerce technologies has changed the way people buy and sell online. In the future when VR (virtual reality) and AR (augmented reality) will find its way into the mainstream & surely dominate the future.

Also, if you are into buying & selling of goods and services then it is the time to follow the trends. Go with the latest technologies and build your own online store. Start to sell online with a beautifully designed website with ready-made themes from ThemeJungle.