

ITU-TRCSL Training on ICTs for promoting Innovation & Entrepreneurship

Empowering SMEs through E-Commerce

**12-15 September, 2017
Colombo, Sri Lanka**

Name , ITU Expert



Agenda

- Empowering SMEs through E-Commerce
- Facebook Commerce
- Bangladeshi Case study



Internet User less than 30% at Sri Lanka
Mobile user 107%

2.5 million users in Sri Lanka access the internet via mobile phones.





• E-Commerce for SMEs

This paper will take you through the applications and implications of E-Commerce for SMEs

- Challenges faced by SMEs
- SMEs as beneficiaries
- E-Commerce Adoption drivers
- Readiness for an E-Commerce Project
- The 'Right' E-Commerce Platform



- An Incubator for Innovation and Employment Growth
- Immensely contributing to the Global Economy





SME Challenges

- Non- Availability of suitable technology
- Small Production capacity
- Non- Availability of Skilled Labor at an affordable cost
- Inability to compete with larger organization's muscle capacity

SMEs as Beneficiaries

- They can now capitalize on overcoming logistical and geographical barriers- in terms of access to markets
- Business costs in every sense reduces when they adopt E-Commerce, as it eliminates middlemen
- SMEs create added value by producing new products and patents (In USA, SMEs account for 16.5 times more patents per employee than large patenting firms)
- SMEs are also more flexible in adapting to new technologies and products





E-Commerce Adoption drivers

→ Main driving forces

- Pressure from larger trading partners or suppliers
- Increasing levels of competition

→ Additional driving forces

- New modes of direct or indirect marketing
- Strengthening of relationships with business partners
- Ability to reach new customers
- Improvement in customer services
- Reduction of costs in communication
- Reduction in communication costs
- Improvement in Lead time and Sales





Readiness for an E-Commerce Project

• Internal Factors

- Organizational Related
 - Financial Resources
 - Organizational Culture
 - Appetite for Risk
 - Management Support
 - Business Model
 - Change Management Initiatives
- Technology Related
 - Solutions available in the market
 - Skilled IT Personnel
 - Procedure for handling payments
 - Privacy and Security features
- Legal Related
 - Contracts (new/ revised) with various parties in the ecosystem
 - Rules and Regulations Applicable

• External Factors

- Infrastructure for conducting business
- Government policies and incentives





The 'Right' E-Commerce Platform

- **Sophistication of Solution**

The solution should be sophisticated enough to monitor customer activity on the site and take action based on the customer behaviour

- **Business User- Friendly features**

The solution should be technically and architecturally sound so as to provide the business managers with tools such as categorization of products, development of promotions and campaigns, targeted email campaigns etc.

- **Scalability & Flexibility**

The product catalogue should be able to handle different kinds of products as well the peaks and troughs in demand.

- **Integration with other enterprise systems**

The solution should be strong and flexible in order to integrate seamlessly with other enterprise systems in order to deliver a dynamic buying experience.

- **Reporting Analytics & Search Capabilities**

The site should not only be able to capture historical and behavioural data but also support a compelling and personal search experience.





Finally

Considering that many SMEs will not have an in-house capacity to coordinate E-Commerce projects, it would do well to look for a trusted partner who can expertly guide them through key imperatives for the organization and external criteria while investing in an E-Commerce platform.





F – Commerce?

Simple Definition: Facebook Commerce is selling with Facebook.

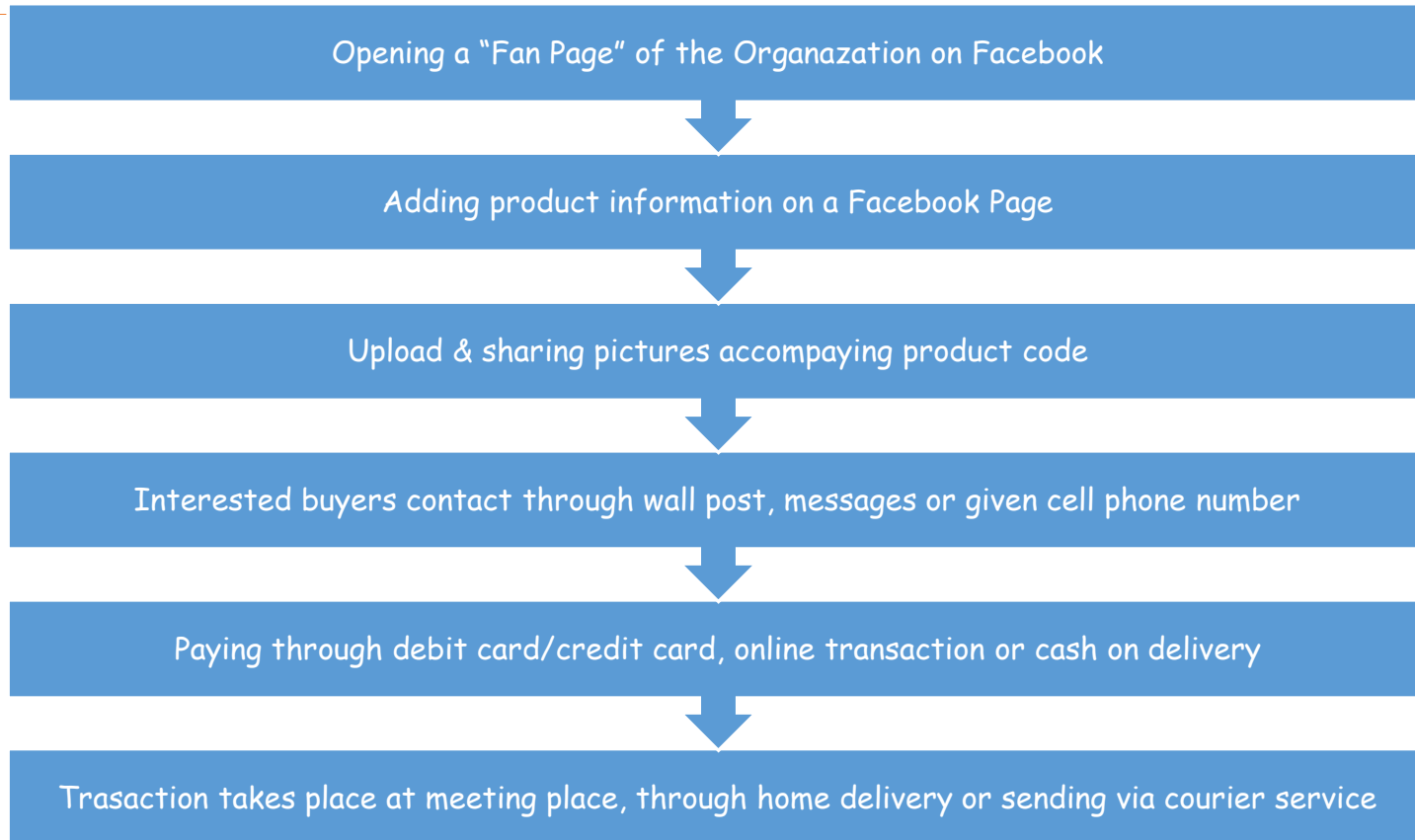
Full Definition: F-Commerce, derived from e-commerce, is the use of Facebook as a platform for facilitating and executing sales transactions – either on Facebook itself or externally via the Facebook Open Graph. F-commerce is a form of social commerce, the use of social media, online media that supports social interaction and user contributions, to assist in the online buying and selling of products and services.

F – Commerce = Commerce inside Facebook





How does it work?





Purpose of F – Commerce

1. F-commerce helps business facilitate and execute sales transactions using Facebook.
2. F-Commerce can be used to drive customer acquisition (trial)
3. Customer loyalty (re-purchase) and customer advocacy (word of mouth), and improve customer experience.

From a customer perspective,

F-commerce allows shoppers to shop with their social graph and make smarter shopping decisions using their social intelligence (learning from others.)





f-Commerce Scenario

42 million Facebook pages

9 million apps and websites integrated with Facebook,

35% pages are belong in facebook as store

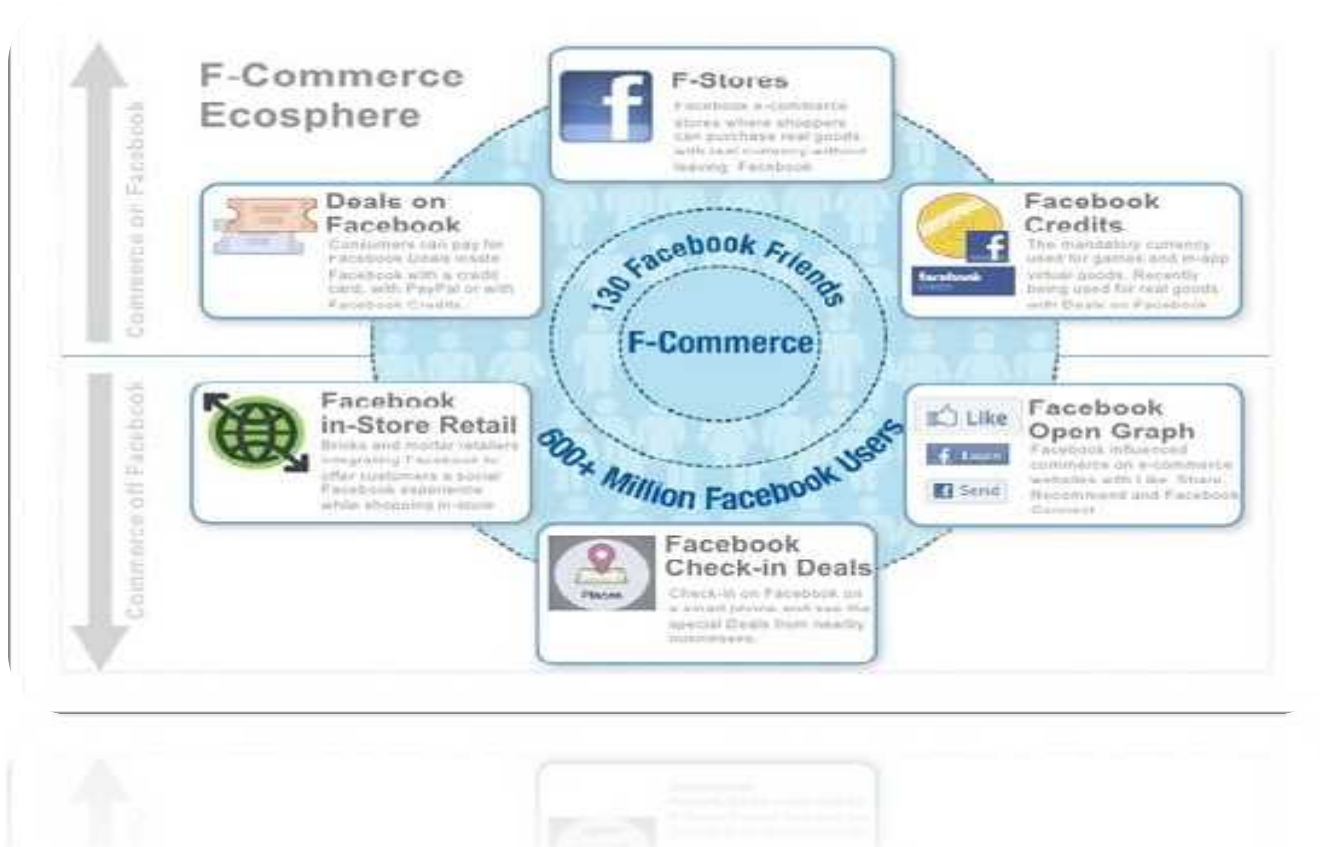
85% Women are lead this store

90% Products are for ladies





F – Commerce Ecosphere





Implementation of F- Commerce in Bangladesh

- ✓ F-Commerce is gaining its momentum in Bangladesh
- ✓ F-Commerce is reducing unemployment & creates economic development
- ✓ Easy formation, Easy to startup business
- ✓ Helps to create economic freedom & identity
- ✓ To promote their offerings, posting their products pictures in Facebook fan page





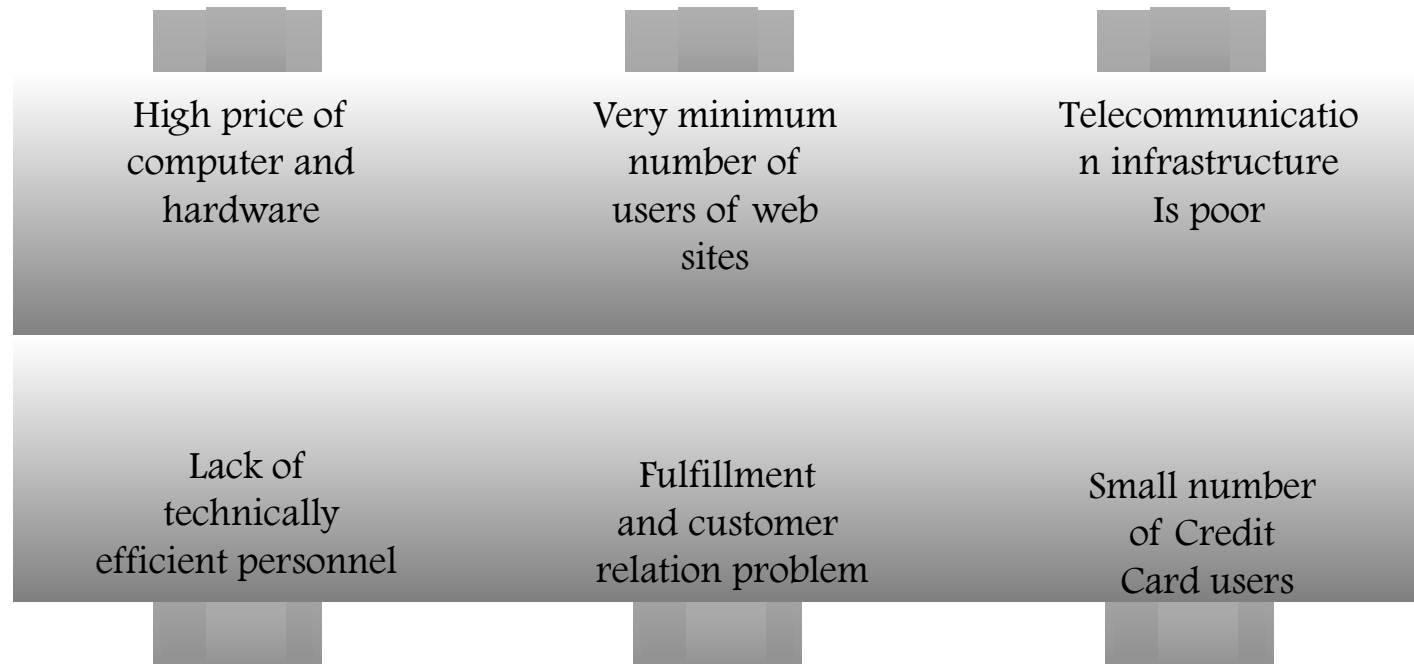
Implementation of F- Commerce in Bangladesh

- ✓ Making a direct, successful negotiation with their customers
- ✓ F-stores in Bangladesh are mainly run by college and university going students
- ✓ Providing variety of products & services
- ✓ Offering exclusive fan-only promotional discounts, coupons, contests, personalized promotional inbox messages



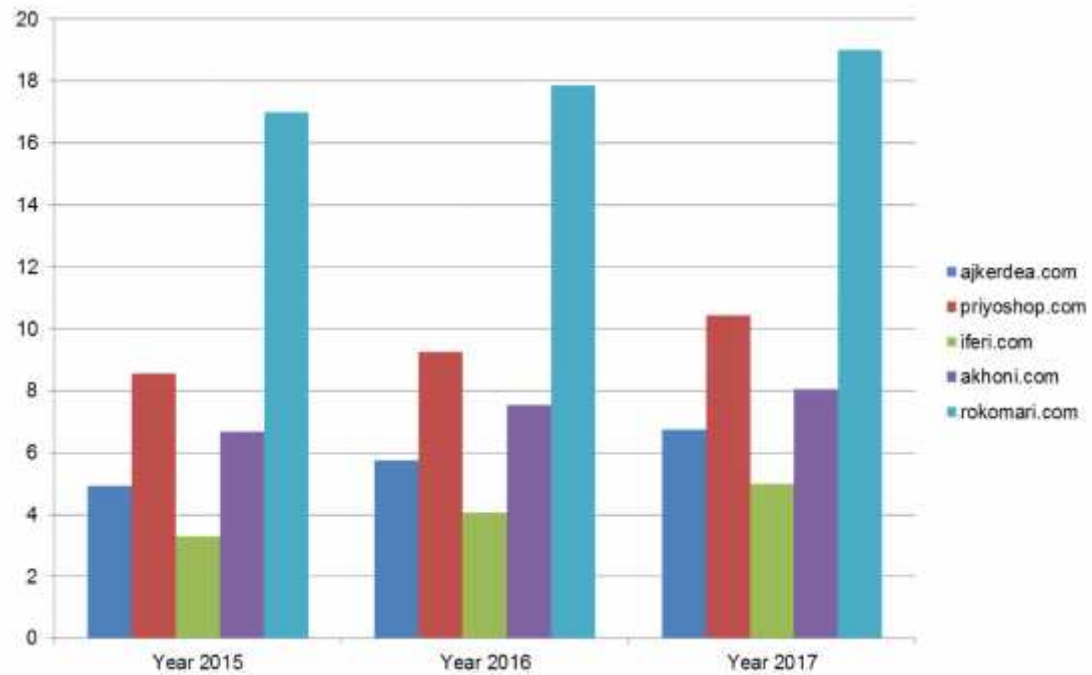


Current State of E-Commerce in Bangladesh





History of E-commerce in Bangladesh

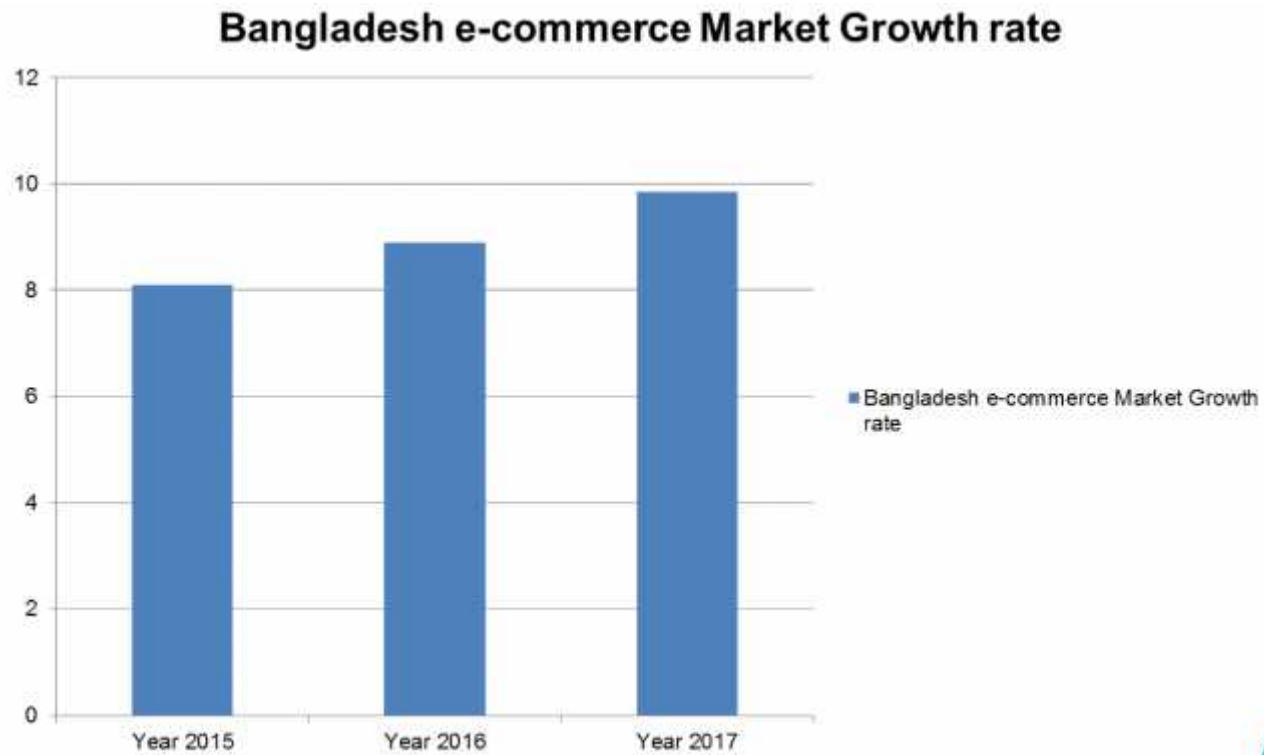


Current and future forecast for e-commerce business growth rate of some company



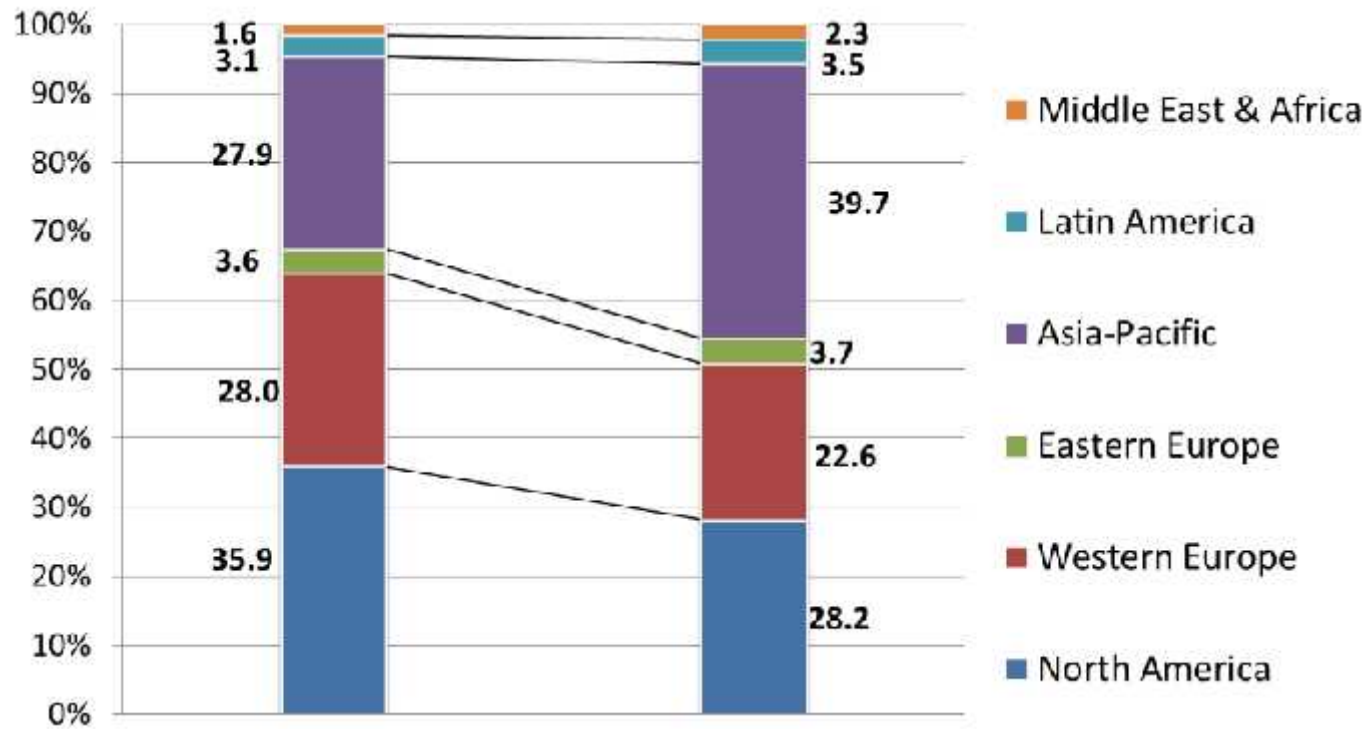


E-commerce Growth Rate in Bangladesh





E-commerce market growth rate 2011-2017 in different Countries





Scope of E-Commerce in Bangladesh

- Human Resources Management
- Offshore staffing
- Website Design
- Software Development
- Web Marketing
- Consulting
- Freelancing IT Jobs
- Search Engine Optimization
- Outsourcing





Opportunities of E-Commerce in Bangladesh

➤ For Consumers :

- Increased availability of information about products and services
- Reduced costs from increased competition, which in turn results in improved quality, quantity and variety of goods and services, through an expanded market.

➤ For Business :

- A global medium for marketing communications.
- Lower distribution costs
- Lower marketing costs

➤ For Governments

- Support a new form of commerce that benefits all classes of society
- Increase foreign export earning
- Increase tax revenue.





Opportunities of E-Commerce in Bangladesh

- www.BanglaCommerce.com : An e-commerce site with lots of product.
- www.e-bangla.com : An one-stop Bangladeshi shopping mall on the net.
- www.ecommercebank.org : First e-commerce bank in Bangladesh.
- www.bdbazar.bigstep.com : Premier Bangladeshi shopping site for Bangladeshis who are living abroad.
- www.littlebangla.com : An e-commerce site for every types of business develops by FedEx and Aarong.
- www.bengalcommerce.com : An e-commerce site for sending gifts/flowers/cards etc to loved and dead ones.
- www.sonalibangla.com : It provides with most affordable Internet presence for Bangladeshi Business on the Web and helping to create Business Home Page, Publishing press release, advertising items and buy/sell.
- www.emrex.com : offers Internet and e-commerce solutions and sells handicrafts, books and clothing.
- www.bajna.com : A site for music and books shopping.
- www.bdjobs.com : An employment site. Various products/items can be purchased through these e-com.





Opportunities of E-Commerce in Bangladesh

- **Bikroy.com**
- **CellBazaar.com**
- **Rokomaril.com**
- **Priyo.com**
- **Bagdoom.com**
- **clickbd.com**
- **Boi-mela.com**





Advantages of E-commerce in Bangladesh

Provides consumers with more choices

Expands the Marketplace to national and international market

Decrease the cost of production and distribution

Allows consumers to interact and exchange ideas

Enables consumers to shop or other transaction 24 hours a day





Recommendation of E-commerce in anywhere

To make ecommerce successful in our country we need the help of all aspect of people as well as govt. and business industry to cope up or overcome the following limitations.

Access to computer of household should be increased

The cost of using internet should be affordable to general people

User of software should be more simple for the easier use

Its use should be made as easy as TV and newspaper so that it require unsophisticated skill





I Thank U (ITU)

