



Unit title:	Business skills for e-Commerce
Unit number:	3
Level:	4
Credit value:	15
Guided learning hours:	60
Unit reference number:	Y/601/1244

### **UNIT AIM AND PURPOSE**

This unit will enable learners to design an effective and efficient e-Commerce solution for an organisation. Learners will understand the core functions of an organisation and then consider the impact which e-Commerce has on organisations and the global economy and use this understanding as a basis for designing their own e-Commerce solution.

## **LEARNING OUTCOMES AND ASSESSMENT CRITERIA**

A pass grade is achieved by meeting **all** the requirements in the assessment criteria.

<b>Learning Outcome (LO)</b>	<b>Pass</b>
The Learner will:	The assessment criteria are the pass requirements for this unit.  The Learner can:
LO1 Understand the structure and aims of business organisations	1.1 assess an organisation's core business functions  1.2 evaluate an organisation's business aims and show how they relate to stakeholders
LO2 Understand the impact of e-Commerce	2.1 analyse the impact, including the risks, of introducing an e-Commerce system to an organisation  2.2 discuss the global impact of e-Commerce on society
LO3 Be able to design e-Commerce solutions	3.1 investigate market potential for an e-Commerce opportunity  3.2 evaluate current e-Commerce systems in use by organisations  3.3 discuss the financial implications of an e-Commerce solution  3.4 design an e-Commerce solution  3.5 evaluate the suitability of an e-Commerce solution

## **GRADING CRITERIA**

A merit grade is achieved by meeting **all** the requirements in the pass criteria **and** the merit descriptors.

A distinction grade is achieved by meeting **all** the requirements in the pass criteria **and** the merit descriptors **and** the distinction descriptors.

<b>Merit Criteria (M1, M2, M3)</b>	<b>Distinction Criteria (D1, D2, D3)</b>
(M1, M2, and M3 are mandatory to achieve a merit grade. Each must be achieved at least once per unit to achieve a merit grade.)	(D1, D2, and D3 are mandatory to achieve a distinction grade. Each must be achieved at least once per unit to achieve a distinction grade.)  (In order to achieve a distinction grade, all merit criteria must also have been achieved.)
<b>MANDATORY TO ACHIEVE A MERIT GRADE</b>	<b>MANDATORY TO ACHIEVE A DISTINCTION GRADE</b>
M1 Analyse concepts, theories or principles to formulate own responses to situations.	D1 Evaluate approaches to develop strategies in response to actual or anticipated situations.
M2 Analyse own knowledge, understanding and skills to define areas for development.	D2 Evaluate and apply strategies to develop own knowledge, understanding and skills.
M3 Exercise autonomy and judgement when implementing established courses of action.	D3 Determine, direct and communicate new courses of action.

## **TEACHING CONTENT**

The Teaching Content describes what has to be taught to cover **all** Learning Outcomes.

Learners must be able to apply relevant examples to their work although these do not have to be the same as the examples specified.

### **LO1 Understand the structure and aims of business organisations**

Business structures (e.g. Private Limited Company, Sole Trader, Limited Liability Partnership, Public Limited Company, Guarantee Partnership, multinational companies, small and medium enterprises, franchises, not-for-profit).

Business functions (e.g. production, quality control, research and development, distribution/logistics, purchasing, human resources, finance, accounts, sales and marketing, information systems) and how they support different types of business.

Identification of both internal and external stakeholders and their objectives.

Business aims depend on whether an organisation is in the public or private sector

- Private sector (e.g. enhanced profit levels, global penetration, market leadership, excellent customer service)
- Public sector (e.g. customer service, value for money, reduction in overheads)
- Not for profit (e.g. identifying needs of the population, providing support to individuals and groups, raising awareness of particular issues, alleviating pain or hardship, eradicating disease).

### **LO2 Understand the impact of e-Commerce**

Impact on customer service, marketing, corporate image, customisation of products, advertising, ordering systems, market reach, corporate structures, manufacturing, new product design, pricing options (differences, fluid pricing).

Customer positive impact	e.g. online sales, greater choice, lower prices, availability of new products, instant access 24/7, mobile technology
Capturing customer preferences	e.g. gathering customer information, profiling customers
Customer relations risks	e.g. lack of direct customer contact, lack of trust in integrity and honesty of online business
Security risks	e.g. viruses, cyber-terrorism, political instability, political intervention
Business risks	e.g. national and international competition, trust of customers, trust of suppliers, logistical failures, failure of information systems
Legal concerns	e.g. national and international legal requirements, regulations and ethics impacting upon the e-commerce practice

Cost reductions	e.g. staffing, retail outlet costs
Global reach	e.g. reaching wider audience (such as national vs regional, international vs national)
Global impact of e-Commerce	e.g. removal of geographical barriers to customer access, reduction in physical business space requirements, reduced cycle times, customisation, production promotion.
<b>LO3 Be able to design e-Commerce solutions</b>	
Market research	e.g. qualitative research (e.g. surveys, focus groups, random sampling), quantitative research (e.g. questionnaires), desk-based research (e.g. existing surveys, business reports)
Evaluate the efficiency of the e-Commerce system	e.g. scalability, business user control, product catalogue schema, flexible response to visitor behaviour, customer data gathering and storage, analysis and reporting of customer preferences, search facilities, ability to integrate with other systems, e-Commerce platform
Evaluate the suitability of e-Commerce systems	e.g. questionnaires, criteria (e.g. speed of access, audience, ease of use, layout, and readability), functionality tests, review content; security, visibility on the web
Financial implications	e.g. website hosting services (in-house design and development, off-the-shelf products), training, maintenance, capital costs, cost of sales (e.g. staff reduction, lower rent/rate payments)
Components of e-Commerce solution design	e.g. audience, purpose, trust, usability, product detail (e.g. photographs, zoom-in, accurate descriptions), action reminders, check out process, registration, security, social media links. Relevant legislation (Data Protection Act, Computer Misuse Act, Consumer Credit Act, Trading Standards, Freedom of Information Act, Copyright).

## **GUIDANCE**

### **Delivery guidance**

It will be beneficial to deliver this unit in a way that uses actual events, industry forecasts or sector specific contexts which offer the learner the opportunity to explore, develop and apply the fundamental principles of the sector or subject area. Learners will need to review of a range of businesses including public, private and not-for-profit organisations to explain the structure and aims of different businesses such as national, international, public, private, not-for-profit and small or medium-sized businesses. Case studies of successful and unsuccessful e-commerce systems, e-commerce design projects, journal articles reviewing e-commerce could be provided.

Learners will benefit from being encouraged to exercise autonomy and judgement to research different approaches to e-commerce and adapt their thinking and reach considered conclusions, when designing an e-commerce system.

Learners would benefit from being presented with subject/sector-relevant problems from a variety of perspectives and from being given the opportunity to explore them using a variety of approaches and schools of thought. For example, desk-based research on the effect of e-commerce on emerging economies or critiquing websites aimed at different age groups.

### **Assessment evidence guidance**

Evidence must be produced to show how a learner has met each of the Learning Outcomes. This evidence could take the form of assignments, project portfolios, presentations or, where appropriate, reflective accounts.

Where group work/activities contribute to assessment evidence, the individual contribution of each learner must be clearly identified.

All evidence must be available for the visiting moderator to review. Where learners are able to use real situations or observations from work placement, care should be taken to ensure that the record of observation accurately reflects the learner's performance. This should be signed, dated, and included in the evidence. It is best practice to record another individual's perspective of how a practical activity was carried out. Centres may wish to use a witness statement as a record of observation. This should be signed and dated and included in the evidence.

## **RESOURCES**

### **Books**

Daniel, Ian. *E-commerce Get It Right – Essential Step by Step Guide to Selling and Marketing Products on Line*, Pub NeuroDigital, 2011. ISBN-10: 0956526209

Laudon, K. and Traver, C. *E-Commerce 2012* Pearson Education (8<sup>th</sup> Ed), 2012. ISBN-10 0272761293

Murtagh, Rebecca. *"Million Dollar Websites: Built a better Website using Best Practices of the Website Elite in E-business, Design, SEO, Usability Social, Mobile and Conversion,* Earl Press, 2013. ISBN -10 098894202X

Reynolds, Jonathan. *E-Business: A Management Perspective*, OUP, 2009. ISBN 10 0199216487

Turban, E., Lee, J. K., King, D., Liang, T. P., Turban, D. *Electronic Commerce 2010*, ACM

### **Journals**

Fasli, M 'On agent technology for e-commerce: trust, security and legal issues', *The Knowledge Engineering Review* / Volume 22 / Issue 01 / March 2007, pp 3 – 35

Lopez-Nores M, Blanco-Fernandez and Pazon-Aras J J 'Cloud-based personalisation of new advertising and e-commerce models for video consumption', *The Computer Journal*, July 2012

Westland J and Clark T, 'Successful E-Commerce' [ieeexplore.ieee.org](http://ieeexplore.ieee.org) 557-573

### **Websites**

[www.ecommercetimes.com/](http://www.ecommercetimes.com/)

[www.networksolutions.com/education/what-is-ecommerce/](http://www.networksolutions.com/education/what-is-ecommerce/)

[www.ecommerce.about.com/od/eCommerce-Basics/f/What-Is-Ecommerce.htm](http://www.ecommerce.about.com/od/eCommerce-Basics/f/What-Is-Ecommerce.htm)

[www.gov.uk/business-legal-structures/overview](http://www.gov.uk/business-legal-structures/overview)

[www2.sta.uwi.edu/~anikov/comp6350/questions.pdf](http://www2.sta.uwi.edu/~anikov/comp6350/questions.pdf)