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E-Commerce
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ADJUSTING TO DEMANDS & TECHNOLOGY

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E-commerce has a lot of strategy that goes into it. You have to determine your targeting strategy, customer service approach, marketing budgets, privacy and security systems, using social networking, stock management and the leading generation demographic. All of these points are important to ensure the success of the ecommerce platform. Technologies are needed to assist in these areas. As well technology is needed to keep up with changing demand in the market.

Targeting strategies usually consist of graphic ads, email advertising and affiliate programs. Graphic ads include banner ads that have promotional messages that can lead the consumer to the website, it tracks the consumers purchasing behaviours. Then there are video ads which displays a scene for the consumers to watch. They also provide a promotional or brand awareness message. These ads can be displayed through affiliate's such as Facebook, Google, Oath and Twitter. For a fee these companies will display your ads horizontally, vertically, mosaic either on the top, bottom on the side either left or right and at times present a full page for your ad. (LaSalle, 2019). Email marketing is when users provide their emails either online or in store to the company and then the company is able to send them promotions and discounts such as birthday coupons or loyalty cards. With email marketing they are able to track consumers purchasing behaviours and start sending them promotions specific to their interests as well as suggesting items. Retargeting is when a consumer leaves your site, a code follows their browsing activities and your ads will display on other content they are viewing regardless if it is related or not. (Inuvo, 2019). Retargeting is effective because the advertising is directly focused on consumers who know your brand and have showed interest. Reviewing the ads that pop up later can re-spark their interest and bring them back to your website by showing them new items they haven't seen or reshow them the products they were looking at. However retargeting works best when used with other digital advertising, such as content marketing when using keywords so people are able to find you whether they were looking for you or not. This way you have a larger audience to reach out to and have higher chances of getting the most out of your retargeting. (Inuvo, 2019).

Some different customer service approaches include different pricing levels which entails 4 different price discriminations. You can set a high price that only a few amount of customers would pay, a price that a larger amount of customers would pay and a low price that would attract a very large

audience. These are the 4 different prices you can set for the same product. To get the most profit out of your product the company should use these 4 different price points to attract each customer which they can achieve by using a set price for the different versions of their products. (LaSalle, 2019). Dynamic pricing is also part of pricing levels as they use ticket prices and promotional sales to move product. Long tail strategy involves search engines. Recommendations and social networks to bring more visibility to products with a lower demand. This gives retailers the opportunity to reach an audience and sell them their low demand products at low prices (LaSalle, 20). For instance, when using google search engines users can type in a product their looking for which could be a maxi dress, google then recommends different ecommerce sites that provide the lowest discounts and can be of retailers you have never heard of before. The transactions log is used to record the activity of the user. When users visit the website and create an account they can track previous purchases, items looked at and uses of the shopping cart. Companies will give you discounts, gifts and special privileges. You can leave personal information which includes your email, address, name and a little bio about yourself if you choose. The shopping cart allows the companies to maintain your payment method for an easier transaction next time. Data warehousing gathers consumers previous transactions in one location available to marketing teams and sites managers, so they can determine which region products are more popular and profitable in, which marketing strategies work and the effectiveness of in-store promotions and website promotions. Data mining uses consumer data to model their behaviour and create profiles. There are two types of data mining query mining and model based mining. Query mining uses platforms according to consumers habits by changing the display of product. Model based is used to optimize reductions in inventory which is based of the products profitability. (LaSalle, 2019). Big data is a term used referencing data that is collected from different sources such emails, social media, networks and messaging. The amount of data is large so it can be unstructured or semi-structured because it isn't able to be held and analyzed by data based management systems (DBMS). Marketing automation systems are used by the marketing team to automatically send the target audience information on the company. This starts by raising brand awareness, comparing and purchases. These stages are organized by planning marketing strategies, tracking progress of exposure and providing follow up communication. (LaSalle, 2019). Customer relationship management systems tracks the consumers profile for the company to better assist them. It

will log previous purchases, personal information, how many times visited, reactions to market campaigns etc. They provided customer service systems which customers can either call, send in a message, or communicate through a chat. A chat is most effective in assisting your customer as they will receive an immediate response. (LaSalle, 2019).

For the marketing budget of \$100,000 I would recommend using \$20,000 to modify the website to give our customer service a chat box that is available 24/7 so our customers get an immediate response. I would also recommend sending personalized messages to our customers, so they know they are important to us and customers appreciate personalized birthday greetings. I would ensure our website has a platform to leave reviews as it can turn browsers into buyers. I would use \$15,000 affiliate programs so our ads reach a larger audience and bring more visibility to the brand. I would pay social influencers to review our products on their blogs, YouTube channels and provide free or discounted products to them which would end up costing around \$3,000. This can turn their loyal fan base into loyal customers for our company. I would invest \$20,000 into television commercials on the channels that our target audience would likely be watching. This would include doing market research into their interests and behaviours so we can accurately target the right channels. I would pay \$5,000 to the radio station to play our ad campaigns. \$7,000 into Google for the use of the search engine and having our keywords and website show up first. I would choose Google as it is the most popular and known search engine. The keywords are important for customers to find our brand as well bring awareness to those who don't know our company. I would use \$30,000 into our computer software so our IT team can create amazing graphic banners and videos for our ad campaigns. (LaSalle, 2019).

Privacy is important to ecommerce users as they are vulnerable to hackers once their personal information is put out there. It is also a matter of security, as there are dangerous people in the world and having your information and what you look like can be scary for some people. It is important to protect the privacy of communication technology users as well those conversations can hold sensitive information. Ways to protect its users and their comfortability is allowing them to control their use. They can adjust their information, delete and change their personal information. You must obtain consent to collect this information, provide a term of agreement which describes to the user about collecting information, being

able to share information and what their rules contain for operating. System securities also need to be implemented to protect against unauthorized users from gaining access to personal accounts (LaSalle, 2019). Protecting your communication users can be through teleconferencing, emails, messaging through social media accounts, text messages, networking sites, etc. Passwords are a secured way to protect your information and the security systems should be able to detect red flags and send you an email or text ensuring it is you accessing your account. A chat is a good way to communicate electronically and the conversations can be cleared at the end of day to protect privacy.

Facebook is best social network to increase the visibility of the company because they hold billions of subscribers which gives them access to their social life, behaviours and preferences. They also have a rate of 90% along with other social media platforms, but Facebook users have an average rate of spending 6 hours and 45 minutes a month per user (LaSalle, 2019). It just takes the first follow for other users to see the ad campaign to accumulate more followers. Hitting the like button generates over 10 billion views on multiple websites with 30% of views on a mobile device according to Facebook (LaSalle, 2019). Facebook has multiple marketing features which include company pages to provide a link to your website and users can join and follow your page, leave comments and invite friends. They provide a “Shop” tap which allows consumers to purchase your company’s product from there which gains more traffic than websites. Facebook “news feed” gives your company more visibility since that is where users spend most of their time. Facebook provides reaction icons for users to leave on your posts and those reactions show you what they like and don’t like about your product. The messaging feature gives its users customer support from your company’s website.

The 3 pillars of stock management is planning, control and balance. Planning is deciding the levels needed to stock currently and for future stock. To plan you need to analyze the fluctuations in product ,know the requirements in manufacturing, determine product categorization, calculate the point of sale sales volume, determine the frequencies in ordering, determining minimum order quantity and determine if you need more than the minimum order, and to know the deadlines of orders to ensure you order in the time frame of the proper season. Controlling stock management is ensuring the validation in monitoring orders and the processes. To do this you must over see the movement of stock, track

merchandise transactions, provide a registration system for product, ensuring procurement rates are being followed, watching the flow of product and balancing the process of obtaining stock and the costs. Balancing is planning to have the right amount of stock, at the right time, at the right place. It's about balancing between planning the amount needed for the consumer demand. To balance this need you have to validate the control of the movement of stock, ensure the best use of product category, analyze the performance, handle any exceptions and ensure data accuracy. (LaSalle, 2019). These functions are important to ensure the efficiency and accuracy of supplying demand to the consumers. A shortage in stock could lead to dissatisfied customers, order cancellations and it could potentially damage the company's image. An overflow of stock is also detrimental to the company as it effects the working capital for the purchase, have a storage of unnecessary product, which prevents new product from entering. (LaSalle, 2019). The costs involved in stock management are units, ordering, installation, storage and shortage. Unit costs are price per unit for a certain bundle. Ordering larger amounts usually ends up in lower costs as discounts are generally given. The ordering cost is for the packaging, transportation, receipts and sometimes delivery. Installation costs is the amount it takes to produce a unit, which is calculated by the costs of installing machinery or work stations and the time taken until the product is created. Storage costs are the warehouse fees, handling fees, capital costs on inventory, potential risks and loss of opportunities such as investments. Shortage costs are the sales that are lost due to not enough product being ordered. (LaSalle, 2019). This leads to customers leaving your stores and buying from another retailer.

As Millennials are the lead generation in consumerism the focus is on their demands and they are the leading change in the fashion industry. Most millennials tend to research the products before they make a purchase. This entails comparing prices as brand loyalty isn't as important to them and determining if the product and company are socially responsible and eco-friendly. The concern for the environment is growing as more of the public is paying attention to global warming. The fashion industry is the second largest polluter to the planet and with the easy access to the internet it has provided consumers with unlimited knowledge and providing more awareness then ever. Companies have to follow the demands of the consumers or risk going out of business, so it is extremely important they keep up with technological trends and act socially responsible and use eco-friendly practices or else consumers

won't purchase from them and find other retailers who do. Technology is adapting so fast retailers use systems such as big data which helps companies to tailor their services to the needs of the consumer by tracking their likes and dislikes, offering special discounts, ensuring they are using proper the marketing tools, sending out personalized messages, recommendations on products, better customer service with immediate response times and producing innovative products such as 3D printing and the use of technologies that allow customers to see what the product would look like on them from providing full body photos on ecommerce sites (LaSalle, 2019). To keep up with the demand of eco-friendly products fashion companies can use organic materials, implement recycling programs, allow customers to bring in used clothing to be repaired, repair damaged product and donate, use high quality materials and produce less product and use cruelty free/ vegan textiles. (LaSalle, 2019).

Technology is such an important tool as it is able to reach a larger audience and provide better customer service support. It also shapes the way companies do marketing and how to target their audience. These systems are able to collect data and provide information for the company as well as consumers. Consumers are very conscious about their privacy as well as safe and eco-friendly practices. Companies need to always be aware of the needs to their customers and adjust to the demands accordingly.

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