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Electronic commerce in the structure of electronic business

Abstract. Introduction. The appearance of the Internet at the end of the 20th century has led to the emergence of unique additional opportunities for conducting business. The ability to conduct transactions remotely has become the basis for the formation and development of a special form of business - electronic business, the main component of which is e-commerce. However, along with the opportunity to enter electronic markets, a number of challenges have arisen for modern business entities, related to the adaptation of information systems to the requirements of online interaction, strengthening data security, and the peculiarities of promoting goods and services on the Internet.

Purpose. The purpose of the research is to identify the main components of electronic business, to examine the functional characteristics of participants of the electronic market within the identified components, and to clarify the role of e-commerce in the development of global electronic business.

Results. The article provides an overview of the main characteristics of electronic business. It is shown that this concept is characterized by its component nature. It is clarified that the key component of electronic business is e-commerce. The essence of the main models of online interaction between participants of the electronic market is revealed. The main advantages and disadvantages of conducting business online are outlined. In particular, it is shown that when choosing this form of business, there is no need to build or rent retail space, there is practically unlimited access to consumers in the geographical regions of the world, and personnel costs are significantly reduced.

The research materials consist of works of foreign authors and domestic scientists, who study the functional features of modern electronic business and e-commerce within its structure.

In the process of studying the structure of electronic business, the following scientific methods were used: theoretical generalization and grouping (to characterize the main components of electronic business); analysis (to isolate the category of "e-commerce" from the structure of electronic business); logical generalization of results (to formulate conclusions).

Conclusions. A comprehensive understanding of the key components of e-business, in particular e-commerce, allows to make effective management decisions in e-markets. It is advisable to conduct further scientific research in the search for specific management technologies to increase the efficiency of the activities of electronic market participants.

Keywords: electronic business; electronic commerce; electronic market; electronic marketing; Internet.

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Електронна комерція у структурі електронного бізнесу

Анотація. Поява наприкінці ХХ ст. мережі Internet сприяла виникненню унікальних додаткових перспектив щодо ведення бізнесу. Можливість здійснювати дистанційно трансакції стала підґрунтям для формування та розвитку особливої форми господарювання – електронного бізнесу, основною складовою якого є електронна комерція. Проте разом з перспективою виходу на електронні ринки з'явилися численні виклики для сучасних суб'єктів господарювання, що пов'язані з приведенням інформаційних систем до вимог онлайн-взаємодії, посиленням рівня безпеки даних, особливостями просування товарів та послуг у мережі Internet.

Метою дослідження є виокремлення основних складових електронного бізнесу; огляд особливостей функціонування учасників електронного ринку в межах виявлених складових; з'ясування ролі електронної комерції у розвитку світового електронного бізнесу.

У статті здійснено огляд ключових особливостей електронного бізнесу. Виявлено, що дане поняття характеризується компонентністю. З'ясовано, що ключовою складовою електронного бізнесу є електронна комерція. Розкрито зміст основних моделей онлайн взаємодії між суб'єктами електронного ринку. Окреслено основні переваги та

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недоліки ведення бізнесу онлайн. Зокрема з'ясовано, що при обранні вищезазначеної форми бізнесу зникає необхідність у будівництві або оренді торговельних площ, з'являється практично необмежений доступ до споживачів у географічних регіонах по всьому сучасному світу та значно скорочуються витрати на персонал.

Матеріалами дослідження є праці закордонних авторів та вітчизняних вчених, що досліджують особливості функціонування сучасного електронного бізнесу та електронної комерції у його структурі.

У процесі дослідження структури електронного бізнесу було використано такі наукові методи: теоретичного узагальнення та групування (для характеристики основних компонентів електронного бізнесу); аналізу (для виокремлення категорії «електронна комерція» зі структури електронного бізнесу); логічного узагальнення результатів (з метою формулювання висновків).

Всебічне розуміння ключових компонентів електронного бізнесу, зокрема електронної комерції, дозволить приймати ефективні управлінські рішення на електронних ринках. Подальші наукові дослідження доцільно проводити у розрізі пошуку особливих управлінських технологій щодо підвищення ефективності діяльності суб'єктів електронного ринку.

Ключові слова: електронний бізнес; електронна комерція; електронний ринок; електронний маркетинг; Internet.

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Formulation of the problem. The rapid development of information and communication technologies in the 20th century has led to the emergence of a fundamentally new form of business - electronic business. The modern electronic space has significantly expanded the possibilities for organizations to implement and promote goods and services, which has resulted in a significant increase in the activity of participants in the electronic market. The emergence of various transactions in the virtual environment requires solving the problem of clear differentiation and identification of the main components of electronic business in order to develop and apply modern approaches to their management.

Analysis of recent research and publications. Significant contributions to the development of effective mechanisms for the functioning of e-commerce entities in their scientific work have been made by the following authors: Andronik O. L., Voronin A.V. [1], Vynohradova O., Yevtushenko N.O., Kriuchok I.S. [2], Sklyar D.V. [3], Shkryhun Yu.O. [4], Yarema O.R., Maletsky O.M., Havryshkiv O.V. [5], Al-Omouh K. S.[6], Leyton D., Pino J. A., Ochoa S. F. [7], Liu H., Ke W., Wei K. K., Lu Y. [8], Miceli A., Hagen B., Riccardi M. P., Sotti F., Settembre-Blundo D. [9], Pouloudi A., Ziouvelou X., Vassilopoulou K. [10].

At the same time, not enough attention has been paid to solving the problems of applying modern management technologies depending on the peculiarities of the components of electronic business, which confirms the relevance of research in this direction.

Formulation of research goals. The purpose of this study was to identify the main components of electronic business; to review the functional characteristics of participants of the electronic market within the identified components; to clarify the role of e-commerce in the development of global electronic business.

The research materials consist of works of foreign authors and domestic scientists, who study the functional characteristics of modern electronic business and e-commerce within its structure. In the process of studying the structure of electronic business the following scientific methods were used: theoretical generalization and grouping (to characterize the main components of electronic business); analysis (to isolate the category "e-

commerce" from the structure of electronic business); logical generalization of results (to formulate conclusions).

Outline of the main research material. The World Wide Web plays a crucial role as a communication tool in facilitating interactions among participants in the electronic marketplace. In fact, the advent of the Internet has revolutionized business practices and given rise to e-business, which has become increasingly popular among organizations due to its ability to foster effective relationships between market participants, reduce operational costs, enable rapid sales scalability, and provide virtually unlimited geographical reach.

Any form of interaction between electronic market participants using modern information technologies falls under the broad concept of "e-business". The primary objective of such interaction is to generate profits by harnessing the networking capabilities of digital technologies. E-business aims to improve the efficiency of real-world business operations by integrating information technologies into the daily activities of market entities, thereby facilitating online interactions between participants.

E-business should be viewed as an entrepreneurial endeavor that leverages modern information and communication technologies to increase profitability. At its core, e-business is about leveraging these technologies to optimize business processes and achieve financial gains. By adopting e-business practices, organizations can harness the power of digital technologies to streamline operations, enhance customer experiences, and ultimately improve their bottom line.

There are several components of e-business that need to be distinguished:

- e-commerce, which involves the direct sale of goods, services, and information over the Internet.
- electronic financial services, which encompass activities such as banking, trading, insurance services, and more.
- e-marketing, which focuses on persuading consumers to buy goods and services by using Internet technologies and promoting products online.

- the creation and operation of virtual enterprises, which are formed by the collaboration of geographically dispersed employees using information and communication technologies for day-to-day activities.

In today's business landscape, e-commerce has become an additional and sometimes essential component of doing business. Modern businesses are increasingly venturing into the realm of digital commerce to offer their products and services. This approach offers undeniable advantages, such as eliminating the need for physical stores, resulting in reduced initial capital investment and a corresponding reduction in the manpower required to launch a business. It also provides access to a wide range of goods and services without geographic limitations. In addition, e-commerce facilitates cost reduction and allows companies to adopt more flexible pricing strategies. The ability to conduct transactions around the clock is another significant benefit.

However, it is important to recognize that e-commerce also has some drawbacks. One such disadvantage is the inability to physically inspect the quality of goods at the time of purchase. In addition, customers often have to endure waiting periods for delivery of their purchases, which can range from a few hours to several months. In addition, the process of returning goods or claiming warranty service can be complex and cumbersome, especially when items must be transported to distant locations. Finally, shoppers are less likely to have access to expert assistance in selecting goods.

Despite these challenges, e-commerce continues to reshape the business landscape and offers numerous benefits that cannot be overlooked. As technology advances and consumer behavior evolves, it is critical for businesses to adapt and harness the potential of e-commerce while effectively addressing its limitations.

There are several well-known models of e-commerce, including:

- B2B (business-to-business) - This model involves interactions between legal entities, specifically between businesses.

- B2C (business-to-consumer) - This model focuses on the interaction between legal entities and end consumers. It involves the sale of goods and services.

- C2C (consumer-to-consumer) - This model is a unique type of interaction between end consumers. It primarily revolves around online platforms and auctions for the buying and selling of goods and services.

- B2G (business-to-government) - This model involves interactions between business entities and government organizations. It includes agreements for the purchase and sale of goods and services, as well as the performance of various works.

Each of the above models requires specific approaches to establishing effective means of interaction between the relevant participants in the electronic marketplace.

The development of e-commerce, particularly in the area of electronic financial services, is aimed at fostering

links between participants in the electronic financial market. Specifically, e-banking involves banking institutions offering a wide range of services to customers over the Internet. Electronic trading enables participants to trade on stock, commodity and currency exchanges via the Internet. This network also serves as the basis for interaction between insurers and policyholders in the online sale of insurance policies.

E-marketing is based on the following components: website development; online advertising of goods and services (including contextual, banner, video and social network advertising); a range of public relations activities conducted on the Internet (such as writing and publishing news and articles, disseminating information about goods and services, and promoting brands).

An advanced facet of e-commerce involves the creation and operation of virtual businesses that are formed by the integration of individuals across networks.

Many people mistakenly use the terms e-commerce and e-business interchangeably, but they have different focuses and scopes. E-commerce is primarily concerned with online transactions, specifically the exchange of goods and services over the Internet. It includes activities such as establishing online retail platforms, showcasing products or services, and facilitating electronic purchases. The impact of e-commerce on consumer shopping habits and business sales has been significant, with platforms such as Amazon, Taobao, eBay, Aliexpress, and Shopify leading the way.

On the other hand, e-business takes a broader approach. It involves not only buying and selling, but also the integration of electronic technology into various internal and external business processes. This integration includes electronic interactions with suppliers, partners, and customers, ultimately leading to improved operational efficiencies and well-informed strategic decisions.

It is important to note that an e-business does not necessarily engage in e-commerce activities, but an e-commerce operation will always include an e-business component.

Conclusions. Breaking down the complex realm of e-business into distinct components allows for effective management decision-making, strategic prioritization, and increased profitability for each individual element. Each component requires a unique management approach, and it is important to note that there is no one-size-fits-all formula for successful e-business development. Management decisions in this area should be based on a thorough evaluation of potential alternatives and their associated risks. It is critical for employees in modern organizations to critically examine the need to enter the electronic marketplace, as it will undoubtedly change the nature of their work through the use of networking.

A comprehensive understanding of the key components of e-business serves as the basis for conducting extensive research on the interactions among

e-market participants. This research is aimed at optimizing and achieving profitability through the use of advanced efficiency, discovering new ways to meet societal needs, information and communication technologies.

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