

32. The Internet as a Medium of Business Development

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Introduction. The modern development of economy is characterized by soaring rates of economic processes informatization, the spread of the scales of electronic business and electronic commerce. However, a new form of functioning enterprises determines the need for consideration of the general questions of management in the conditions of electronic economy.

Resources and methods. We studied different resources in order to outline the role of the Internet for doing business.

Results. In the conditions of globalization and informatisation of public life number of users of the Internet is constantly growing, which in turn leads to the continued growth of the of consumers share who want to shop without leaving homeThe Internet creates new opportunities for business and it is considered by entrepreneurs to be a perspective platform for further development of commercial activity.

Social networking is one of the most popular modern Internet resources, and its popularity is deserved. Firstly, they have a convenient interface and, secondly, they cover the wide interests of the consumer. But in order to make the social network to become a business, it is necessary to create all conditions for the creation of values for the users, because business in the social network is only possible when it is aimed at its users.

It is necessary to mention that electronic commerce is represented by Internet-shops.

Internet-shop is defined as software systems that allow to trade on the Internet and to automate business processes. This method of selling goods has several advantages: clearly established system of delivery order, lower price for goods and services due to saving on unproductive expenditures, wide range of goods, etc.

The main differences of online-shops from more traditional shops are: interactivity, large amount of information and the range of products and an individual approach to each customer. However, there are also some disadvantages: our Ukrainian consumers prefer the advantages of Visual method of making a purchase. It's important for them to communicate with the seller and to find out his opinion about the product/service and only then make a purchase. However, very often, in the well promoted Internet-shops, this drawback is compensated by full information about the product, which sometimes can't be provided in offline-shops.

Conclusions. It is essential to point out that setting up and running of online shop is profitable, due to saving costs on salaries for workers and warehouses. Initial capital for shop establishing in Ukraine is not more than 5000 United States dollars. The advantage of online-shops is a lack of clear territorial limits and the functionality of the rapidly growing Internet market in Ukraine.

The electronic form of the enterprise creates the conditions for reducing the cost of products and services through a number of expenses, which are significantly reduced in terms of electronic business.

References

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