Introduction

Information and communication technologies are the major stimulus for changes in trade, commerce, governance in both corporate and government and every sector under the sun. Convergence of the above technologies has become possible due to rapid advancements made in the respective technology. This convergence is termed as information and communication technology (ICT) and considered as a separate discipline. ICT is advancing by delivering exponential increase in computing power and communications capabilities. This has resulted in the new concepts are being developed in this discipline.

COMMERCE IN ELECTRONIC ENVIRONMENT

Convergence of money, computing and networks has laid the foundation for electronic commerce. There have been various applications related to e-commerce. Many large organizations used to make electronic fund transfer by making use of the application of Electronic Fund Transfer known as EFT. Another application Electronic Data Interchange (EDI) has been used for direct exchange of documents from one business computer system to another. Communications through internet and emergence of websites during nineties have led the applications related electronic commerce to make rapid progress. The year 2000 has witnessed many dotcom companies going out of business. As a consequence to this electronic commerce was affected. Due to globalization policy followed by many countries across the globe the applications related to electronic commerce have started gaining momentum from the year 2003. Now many organizations have been making use of electronic commerce applications. In the present business scenario, it may be noted that e-commerce business models are being developed for various segments of business and industries. These models can be classified for the purposes such as organization purpose, people oriented and society purposes. The advancements in mobile communications have made mobile commerce (m-commerce) popular. Mobile commerce can be considered as one or more features in e-commerce. Mobile commerce is the result of PC based Commerce. Two more concepts have been becoming popular under electronic environment. They are Space commerce and Ubiquitous commerce. Commercial satellite systems are made use of developing business models in multiple domains such as health, education and business. Ubiquitous commerce focuses on the development of location based application software.
ORIGIN OF THE WEB

In the late 1970s Berner-Lee wrote software programs for D.G.N Ash limited. He joined CERN, the European particle physics laboratory in 1980. At CERN he wrote a program for his personal use, named ‘ENQUIRE’, that has become the conceptual start of title World Wide Web. ‘Enquire’ is a name from a book written in 1858 that inspired Berners-Lee: “Inquire within: anything you want to know”. The program was put on the Internet. The following summer Berners-Lee continued his work on the web and created early specifications of universal resource locations, HTTP and HTML. He joined the Massachusetts Institute of Technology Lab for computer science in 1994 and formed the World Wide Web consortium. He preferred to work quietly in academia. His contribution has changed every business in the world. The use of internet is not restricted strictly to the selected few people. In fact many companies now owe their very existence to Berner-Lee’s creation.

Berner-Lee’s more memorable spare time projects happened when his boss refused to buy terminals in the temporary “Huts”, where Berner-Lee and other contract workers sat. Berner-Lee has made a dummy out of a cardboard and it had a plastic sleeve in the place of the screen where he could slide in sheets of paper to “display” screen images. Many people who have visited his office noticed that he was typing on his card board terminal. Unfortunately even this was not enough to get his boss’s approval for getting real terminals.

Berner-Lee used to avoid public eye and interviews. At an electronic commerce conference at Boston in the year 1998, he delivered a key note that provided some insight as to where he believed that the internet and the web were advancing. He believed that the web should be in two fold places for fluid communication and a tool for machines to analyze data. According to him this type of information processing would help people to focus on being creative.

Regarding the involvement of government in the development of the web and e-commerce, he said “my feeling is that when you have something common to everyone, it has to be run by people, for the people in a democratic way”.

CLOUD COMPUTING AND WEB 2.0

Cloud computing and web 2.0 are the concepts among the number of other concepts provided by information and communication technology. The terms cloud computing and web 2.0 appeared at the same point of time. Both the concepts provide the same type of features to end users. Tim O’Reilly, the god father of Web 2.0 defines it as the network as platform, spanning all connected devices. According to Tim O’Reilly cloud computing is about computers, Web 2.0 is about people. According to Tim O’Reilly cloud computing refers specifically to the use of internet as computing platform. Further Tim O’Reilly defines that Web 2.0 is an attempt to explore and explain the business rules of that platform.

WEB 2.0 AND SOCIAL MEDIA

Web 2.0 coined by Tim O’Reilly at the WEB 2.0 conference held in San Francisco in 2004, refers to the second generation of internet based services that let people collaborate and share information online perceived in new ways. They are such as social networking sites, blogs, wikis and communication tools.
Introduction

The hallmark of any buzzword is its ability to convey the appearance of meaning without conveying actual meaning. To many people the term social networking or social media has the feel of a buzz word. But Social Media is not a buzzword anymore. Social media is the evolution of a variety of technologies that are combined to alter an individual and an organization’s approach to their needs and requirements (Bernal, 2010)

Many people want to be on social media. One of the main reasons is simple and free. Social media is a rare example of a true, modern and functional. In principle any node can speak as a peer to any other node as long it obeys the rules of TCP/IP protocols which are strictly technical not social.

SOCIAL MEDIA

Social media are nothing more than a special class of Web sites (Cornard Levinson & Gibson, 2010). It may be said that they are second generation websites. The first generation websites are those created by organizations or by an authority that upload information in the sites for anyone to read using a “top down”. This is one too many providing information model. Second generation websites are such as social media web sites. These sites by contrast are platforms that provide users the ability using the software tools to create their own mini websites or web pages. The content on these sites is created by the participants from the “Bottom up” using a many-to-many model. The users of these sites, create, comment, give ratings and recommend the contents in these sites. Social media sites have generally three distinctive characteristics. They are 1-Majority of the content is generated by users 2-There will be high degree of participation and interaction among users and 3- It can integrate easily with other sites.

It can be said that social media platforms are blogs, social networking, social book marking, news and photo and video sharing sites. These are some examples. As time goes on, these categories will be on the increase.

FEATURES OF SOCIAL MEDIA

Social media sites mostly fall under at least any one of the five forms of activities.

1. Declaration of identity 
2. Association-based information 
3. User-initiated conversation 
4. Provider-initiated conversation 
5. In-person interaction

Declaration of Identity

Sites created by individuals, group of people or an organization provide more information about themselves. There will be very little interaction among the users of these sites.
Association-Based Information

Association based information provides an opportunity to the users of this site for associating with the sites.

User-Initiated Conversation

User initiated conversation gives an opportunity given to the users to create their own declarations or questions. There will be an opportunity for the site owner to respond questions.

Provider-Initiated Conversation

This will be mostly useful for marketing division in an organization. This site facilitates the marketing division in an organization to find out their customers thinking, feeling, likes and dislikes about their products/services.

In-Person Interaction

This will be the best form of interaction with their customers of an organization. Face to face interaction with the customers helps to build good relationship and facilitates better input, feedback, collaboration and communication.

COMPONENTS OF SOCIAL MEDIA

Social media use web based technology to disseminate knowledge and information to huge number of users. They allow creation and exchange of user generated content. Face Book, Twitter, Blog and other social networking sites are collectively referred to as social media.

SOCIAL MEDIA OPTIMIZATION

Social media optimization is a method of creating popularity for a website through social media like popular online communities or community websites. Social media optimization facilitates to get traffic to a website. This provides free access to a surfer. Social media optimization process is created in various ways by the use of networking in the social media sites.

SOCIAL NETWORK

A social network is a social structure made up of individuals or organizations called “nodes” which are connected by one to one or more specific types of interdependency. Interdependency means friendship, common interest, relationships of beliefs, and knowledge. Social network analyses the views of above relationships in terms of theory consisting of “nodes” and “connections”. Nodes are the individual participants within the network. Connections are the relationships between the individuals. There may
Introduction

be many kinds of connections between the nodes. Research in a number of academic fields has shown that social network operates on many levels from individuals up to the level of nations. This plays an important role in deciding the method of solving problems. Further, it helps organizations to manage the business properly. It also facilitates individuals in achieving their goals. It may be said that a social network is a source of all the relevant connections between all the nodes. It will be useful for analysis. The network may be utilized to evaluate social capital.

BUSINESS APPLICATIONS

The use of social network services in business context provides a potential impact on the business scenario (Jacobson, 2012). The content in social network is available at a minimum cost. This will be beneficial for entrepreneurs and small business enterprises that have ideas to expand their business through social network environment. In the context of business, social network is considered to provide a management tool for business applications. In the present globalization scenario social network facilitates enterprises to keep in touch with contacts for their business purposes (Postman, 2009).

ENTERPRISE FUNCTIONS WITH SOCIAL MEDIA TOOLS

Enterprises need to identify their organization functions that can be integrated with the social media tools. Table 1 gives an idea of enterprise functions relating to social media tools.

SOCIAL MEDIA PROGRAMMES IMPLEMENTATION

Implementation of social media programs in enterprises generally has the following stages (Dentus Social Media Handbook, 2010).

Table 1. Enterprise functions and social media tools

<table>
<thead>
<tr>
<th>Enterprise Functions</th>
<th>Objectives</th>
<th>Aims</th>
<th>Social Media Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>Understanding customers</td>
<td>To know customers knowledge about products, get ideas from competitor’s products</td>
<td>Digital vision development.</td>
</tr>
<tr>
<td>Marketing</td>
<td>Promotion of Products</td>
<td>Making awareness of brands, changing perceptions of the brands</td>
<td>Blog, Video Blog and Social network</td>
</tr>
<tr>
<td>Sales</td>
<td>Enhancement of Sales Prospects</td>
<td>To answer sales queries, to get ideas and suggestions from customers</td>
<td>Face Book, Twitter and Social network.</td>
</tr>
<tr>
<td>Customer Service</td>
<td>Providing Support to Customers</td>
<td>Understanding customer requirements</td>
<td>Creation of user community sites.</td>
</tr>
<tr>
<td>Product Development</td>
<td>Developing new products, increasing the features of the existing products</td>
<td>Getting ideas for product development, freezing development process.</td>
<td>Creation of user community sites.</td>
</tr>
</tbody>
</table>
1. Evaluating the potential of various social media tools.
2. Identifying the social media tools in relation to the business activities.
3. Selecting and mapping various social media tools with business activities are to be carried out by an enterprise with the relevant content strategy.
4. Effectiveness of social media tools need to be evaluated with predefined measurement metrics.

Training Programs

Orientation programs related to social media tools are required to be organized for executives in an enterprise.

Identification of Business Activities

An enterprise has to identify its business activity with its market share of its products and services. While selecting a particular social media tool, various business issues are to be considered.

Business Goals

Setting goals and bench marks are to be decided by an enterprise for their social media program.

Measurement

Social media program is to be reviewed with an enterprise’s social media mix. Generally measurement details facilitate to know the transactions and traffic on to the web site of an enterprise (Poston, 2013).

Social Media Services

There are a variety of social media services. These are referred as social media channels. Some refer Web 2.0 as social Media Services. It is because Web 2.0 has interactive features. In fact Web 2.0 enables social media tools of social media for making use of social media channels.

Web Sites and Networking

Web sites and networking strategies that worked in the 1990’s are no longer relevant to in the present day’s context. The present day users expect instant reporting on everything from important news to insignificant messages.

Web Analytics

Web analytics is the process of analyzing the behavior of visitors to websites. Web analytics is often used as part of customer relationship management analytics. The objective of analysis is to promote specific products to those customers most likely to buy them. It is further to identify which products a specific customer is most likely to buy. Web analytics facilitate to identify the sites from which customers most often visit and communicate with other browsers. The results of web analytics are provided in the form
Introduction

of tables, charts and graphs. The results of web analytics will be beneficial for an enterprise to improve the ratio of revenue to marketing costs.

TWITTER

Twitter is an online service that allows users to share updates with other users by answering a one simple question. It is gaining a lot of importance in social media. It is not as functional as Face book. Twitter has become popular because of its simplicity Twitter allows friends, family and complete strangers to stay connected through quick updates. It takes a couple of seconds to write updates in Twitter. This is more useful for people who have limited time at their disposal.

MICRO BLOGGING

Micro Blogging is a web service that allows a subscriber to send short messages to other subscribers’. Micro posts can be made public on website. It can also be distributed specifically to a group of subscribers. Subscribers can read micro Blog posts online. They can request that updates may be sent to their e-mail Id’s. They may also request that updates may be sent to their mobiles as short messages.

BLOG

A Blog is basically a journal that is available on the web. Blogs are generally updated almost daily. Updating and maintenance of a blog is considered to be as very simple process. Generally postings on blogs are mostly arranged in chronological order. The advantage in the blog is that the most recent updates will appear prominently in one’s blog.

SOCIAL BOOK MARKING

Social book marking is considered to be an effective social media tool. This is mostly used in internet marketing service. This facilitates to increase the traffic and to generate more sales for online business. Social book marking allows the users to tag their websites with the relevant keywords. These keywords can be stored at a specific location for easy access. In the present global cyber village, social book marking plays an important role in the online business environment. The tag in the website is known to a sizeable number of users. This helps users to know more about products and services.

MOBILE SOCIAL NETWORKING

Mobile social networking has a combination of technologies and services. This is a segment of the mobile telecommunications industry. This is based on incessant media coverage provided to subscribers who have a real interest in this.
SOCIAL NETWORKING

Social networking is created by a specific group of people for a specific purpose or purposes. It is most popular online contact especially at the work place, universities, high schools; and colleges. Social networking websites function like an online community of internet users. Many of these online community members share common interests among themselves.

SOCIAL MEDIA MARKETING

Marketing tools of the past have become obsolete in the present globalization scenario. Enterprises who anticipate the changes are ready to adopt them quickly have better chances to stay ahead in the business. Social media marketing is one such great change that many business enterprises have been accepting in a big way (Haydon, 2014).

The concept of social media marketing basically refers to the process of promoting business on websites through social media channels (Meerman, 2012). It is an effective marketing process that explains the way people communicate. It is one of the effective promotional methods that provide business to large members of links. Business enterprises can expect to get good attention from customers. It really attracts the attention from customers. It really works in favor of business enterprises interest.

Social media is an extremely useful tool of information, product or service descriptions and promotions. It can be said that it is integrated in the chain of networking world. Many business enterprises have started designing innovative ways to develop their marketing plans. Social media marketing is a booming sector. This sector is redefining the way marketing strategies are to be formed for promoting products or services of an enterprise.

INTERNET PRIVACY AND CENSORSHIP

Privacy is becoming a big concern due to the increasing number of users making use of the internet. There are number of advertisers, stalkers and hackers on the internet. They are waiting for an opportunity to violate user’s privacy over the internet.

Censorship of information on the internet has become a topic for discussion. Censorship is required to maintain a particular moral standard. During the past several years the internet has been expanding at a faster pace. It is because of the increase of internet users. It can be said that this has resulted in new issues of censorship and freedom of expression.

ESTABLISHING CONTACTS WITH CUSTOMERS

Social media is the best tool for brand image, online reputation management and online arbitration. Further it helps to establish good relationships with the customers (Zimmerman & Deborg, 2014).
**Introduction**

**BRAND IMAGE**

Enterprises can talk more about the important features of their products and services. This promotes online conversation with their customers and prospective customers about their products and services.

**PROFESSIONAL OUTLOOK**

Enterprises can create forums and message boards for interaction with customers. Once enterprises answer the queries of the customers professionally, they can create a good reputation for themselves (Golden, 2011).

**TOUCH OF MOUSE**

In the earlier days, word of mouth has played an important role for brand image. Generally, people rely on the opinions expressed by their friends and relatives. In the present scenario people share their opinions online. Enterprises need to build strategies through social media for their products and services. Now word of mouth is replaced with touch of mouse.

**ONLINE ARBITRATION**

Some enterprises are hesitant to make use of social media for their business. It is because of negative comments they may get from their customers. In fact, social media helps enterprises to take measures for establishing positive outlook about their products or services. The result of these approaches enterprises will give an impression that they are concerned about their customers. In this context, social media plays a role of arbitration (Flynn, 2012).

**FACEBOOK**

The social networking site Face Book was launched in 2004 at Harvard University. It started out with the name “The Face Book” and was available only for Harvard students or anyone with a Harvard.edu e-mail address. The social network spread quickly because it was exclusive. Although it was originally launched as a network for Harvard students, Face Book was eventually made available to students at other universities and then finally to anyone with access to computer. Now it has become the largest social networking site for many people for communication.

**ADVERTISEMENTS IN FACEBOOK**

In the year 1950, the television started becoming popular in America. At first, there were black and white television sets and then towards the end of the decade, there were color television sets in the living
rooms of American families. As more people started watching television instead of listening to the radio, marketers had to adopt their strategies to the new medium. Successful advertisement executives made an effort to understand television and its impact on American culture. Only after the survey conducted by them, they were able to create television advertisements. They learned to condense their advertisement messages to 30 seconds. In the same way, the present day advertisement executives have understood the new medium and making use of Face Book to market their brands.

Business enterprises have understood that paying for a full page advertisement in a national newspaper or buying 10-minute regional television time is not a cost effective way to reach targeted audience. In the present business scenario, Face Book provides an option such as likes and dislikes to their target audience. Face book is not about selling things or making them available at the lowest cost. Face book is relational. It is not transactional.

The concept of branding can be traced back in history to the early Romans. The practice among livestock farmers was to brand their cattle with branding icons so that they could be recognized by the farmer and his neighbors. When the animals wandered everyone would know who owned them. Branding is a way of distinguishing one’s product from other product that looks very similar. Business enterprises can build awareness of their brand with their current and prospective customers through a Face Book page. Business enterprises notify people of an upcoming event and contact information. Further they show their new products, videos and other types of content. A face book page also allows for two-way interaction between the business enterprise and its customer, providing a customer to post messages. It is also a good feedback loop for enterprises to know more about the customers’ needs. Face Book has an internal analytics system called Face Book insights to which one can gain a better understanding into visitors’ behavior.

**VISUAL SOCIAL MARKETING**

Visuals are images and videos that are created to support visual social marketing. Some people are under the impression that visual social marketing is only relevant to businesses that offer highly visual products such as fashion design and food items. It is not the case that any business enterprise can benefit from participating in visual social marketing. Visual Social Marketing is a powerful way to make business presence felt on social networks (Neher, 2014). It is said that visual content is more powerful than text content. A video or an image allows for much more meaningful connection with customers than simply sharing text. If an enterprise has a unique product that performs better than people would expect, a product demo video can be a new way to generate new customers. Product demo videos are more useful to show a product in action. Video customer testimonials are dependable. It is because they have more visual impact than testimonials consisting text. People simply search for images online and use any image they find. Generally, the owner or creator of an image holds the copyright to that image. There are paid images sites. It would be better to select the images from these sites.

**ONLINE MARKETING**

Online Marketing is selling products or services over digital networks. Internet and cellular phone networks are considered to be digital networks. The art of online marketing involves finding the right
online marketing mix of strategies. These strategies should be designed to address target market. These strategies should facilitate in resulting sales. Examples of online marketing are:

1. E-Commerce  
2. Online Advertising  
3. Search Engine Marketing  
4. E-Mail Marketing  
5. Social Media Marketing and  
6. Article Marketing

The above list of online marketing is not exhaustive. More online marketing strategies are being developed.

SOCIAL MEDIA AND E-MAIL MARKETING

Social media gives public conversations a forum (Martin & Ericson, 2011). Anyone with an opinion, content or a link to share can join the conversation. It is timely and interactive. There is a difference between social media and e-mail communication. The posts on social media websites generally get mixed up with all other messages. On the other hand, e-mail offers direct level of contact with the customers of a business enterprise. E-mail newsletters content is easily accessible because email account holders can get it from there in boxes. The essence of social media is about sharing content and engaging in conversations. E-marketing interactions generally take to the next level of engagement. Some marketers feel the mix of e-mail and social media marketing can work together better for the benefit of their business.

DIGITAL MARKETING

Digital Marketing is the promotion of brands using all forms of digital advertising channels to reach consumers. It now includes television, radio, internet, mobile, social media marketing and any other form of digital media. While digital marketing does include many of the techniques and practices contained within the category of internet marketing, it extends beyond this by including other channels to reach people that do not require the use of internet.

E-COMMERCE

Electronic Commerce commonly known as E-Commerce consists of buying and selling of products or services over the internet and other computer networks. It is more than just buying and selling products online. It also includes the entire online process of developing, marketing, selling, delivering, servicing and paying for products and services. The amount of trade conducted electronically has grown extraordinarily with wide spread of internet usage.
SEARCH ENGINE MARKETING

Search Engine Marketing is a form of Internet marketing that seeks to promote websites by increasing their visibility. Search engine marketing is more as an art than science. Each search engine has its own formula for ranking search results. These algorithms change often, primarily to make results more relevant to the person who is searching.

INSTAGRAM

Instagram is an online mobile photo sharing, video sharing, and social networking services. This enables its users to take pictures and videos and share them on a variety of social media platform such as Face Book, Twitter, and Flicker. Instagram was created by Kevin Systrom and Mike Krieger. It was launched in October 2010 as a free mobile app. This service has gained popularity. Smart mobile devices such as i-phones, i-pads, kindle and similar internet enabled products are becoming more popular. The World Wide adoption of these websites enable tools in revolutionizing the online experience; including social media marketing.

SOCIAL BUSINESS INTELLIGENCE

The domains of business intelligence and social media are gaining importance in the present business scenario. Business Intelligence aims at supporting organization’s decisions by providing relevant analytical data. Social media is a source of personal and individual knowledge, opinion and attitude of stakeholders. Convergence of these two domains can result in a concept referred as social business intelligence. This convergence will provide a scope for research activities.

CONCLUSION

One of the most interesting opportunities in the present business scenario is the dynamic nature of the technological capabilities available for business. It is available in almost every sector that one could imagine.

The technology provides access to a vast amount of usage information. Enterprises need to integrate that information and those technology capabilities to create relevant context. The relevancy and context would help to transform enterprises’ business.

Social media enables business executives to look forward for their market potential and their target market in the broader perspective (Safko & Brake, 2009). There is a good scope for making use of the concept of social media in the sectors such as health care, hospitality, manufacturing, academics, corporate and government governance and many other related sectors.
Introduction

Return on investment of social media is to be measured to direct relation to the resource allocation investment into blogs, communities, face book and twitter (Blanchard, 2012). Then only it makes sound business sense.

N. Raghavendra Rao  
FINAIT Consultancy Services, India

REFERENCES


