## B2B concepts

**Business-to-Business e-commerce**

Computer-mediated transactions between businesses conducted using the Internet, extranets, or private networks.

- In-house (company use only) network that uses same technology as the Internet to deliver information to a select audience.
- Company information made available outside the company, but not widely distributed to the public at large.
### Supply Chain Management

Necessary logistical concern that can benefit from B2B application.

— process that involves

Companies exist to put products or services in the end user’s hands, not to move them around.

### B2B Focus

B2B e-Commerce focuses on

May be large MNCs or SOHOs (Small Office, Home Office)

Types of purchases:
- Direct Materials—
- Indirect Materials—
- MROs (maintenance, repairs, and operations)—
Procurement Strategies

Spot buying—

Strategic sourcing—

In both of above, B2B e-Commerce can help both buyer and seller achieve success.

How B2B technology can help purchasing

Technology can help companies...
**Indirect Benefits of B2B Purchasing**

Technology can help companies...

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**B2B Transaction Types**

**Sell-side (seller has advantage)**

- Generally sold through online catalogs (similar to storefront model) or auctions

**Buy-side (buyer has advantage)**

- Variety of techniques possible: reverse auctions, negotiations, group purchasing, or other methods
**B2B Automation**

B2B technology allow us to introduce computer assistance into every facet of ordering.

- Purchase need “triggered” by automated inventory alert.
- System places order from established supplier or begins to search among various suppliers for best price/need match.
- Delivery logistics arranged as well as special requirements (packaging, etc.).
- Receiving scheduled.

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**Importance of SCM**