Electronic Commerce

电子商务

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e-commerce

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Indicative Abstract

This book expounds the characteristics and advantages of e-commerce, analyzes the current situation, trends and principles of e-commerce development, and studies the close relationship between the current information technology development and e-commerce.

Based on the domestic information technology development environment, this book conducts a comprehensive and in-depth study of e-commerce, mainly includes the electronic market structure and mechanism, products and services, online customer management, system and technology innovation, as well as electronic commerce law and electricity supplier safety. This book puts forward several commercial developments in the birth of business forms, such as B2B and OTA, to give readers a more detailed understanding of the development of e-commerce.

总　序

　　商务英语作为本科专业获得教育部批准进入我国大学本科教育基本目录已经好些年了。商务英语本科专业的身份与地位获得了我国官方和外语界的认可。迄今为止,据不完全统计,有300所左右的大学开设了商务英语本科专业。各种商务英语学术活动也开始活跃。商务英语专业与英语语言文学专业、翻译专业成为我国英语教学的"三驾马车"。商务英语教学在全国已经形成较大规模,正呈良性发展态势,越来越多的大学正在积极准备申报商务英语本科专业。可以预计,将来在我国,除了研究性大学外的大部分普通本科院校的外语学院都可能开设商务英语本科专业。这是大势所趋,因为随着我国改革开放和经济全球化、世界经济一体化进程的加快,各个融入经济一体化的国家和地区急需有扎实英语功底的,熟悉国际商务基本知识的,具备国际商务领域操作技能的跨文化商务交际复合型、应用型商务英语人才。

　　高校商务英语专业教育首先必须有充足的合格师资;其次,需要有合适的教材。目前,虽然市面上有很多商务英语教材,但是,完整的四年商务英语本科专业教材并不多。重庆大学出版社出版的商务英语本科专业系列教材一定程度上能满足当前商务英语本科专业的教学需要。

　　本套系列教材能基本满足商务英语本科专业1—4年级通常开设课程的需要。商务英语专业不是商务专业而是语言专业。所以,基础年级的教材仍然是英语语言学习教材。但是,与传统的英语语言文学专业教材不同的是:商务英语专业学生所学习的英语具有显著的国际商务特色。所以,本套教材特别注重商务英语本科专业教育的特点,在基础阶段的英语技能教材中融入了商务英语元素,让学生在学习普通英语的同时,接触一些基础的商务英语语汇,通过听、说、读、写、译等技能训练,熟悉掌握商务英语专业四级和八级考试词汇,熟悉基础的商务英语篇章,了解国际商务常识。

　　根据我国《高等学校商务英语本科专业教学质量国家标准》(以下简称《标准》),本套教材不仅包含一、二年级的基础教材,还包含高年级的继续夯实商务英语语言知识的教材,如《高级商务英语教程》1—3册等。此外,还包括英语语言文学专业学生所没有的突出商务英语本科专业特色的国际商务知识类教材,如《国际商务概论》《国际贸易实务》《国际贸易法》《市场营销》等。本套教材的总主编都是教育部商务英语专业教学协作组成员,参与了该《标准》的起草与制定,熟悉《标准》的要求,这为本套教材的质量提供了基本保障。此外,参与编写本套教材的主编及编者都是多年从事商务英语教学与研究的有经验的教师,因而,在教材的内容、体例、知识、练习以及辅助教材等方面,都充分考虑到了教材使用者的需求。教材的编写宗旨是:力求传授实用的商务英语知识和国际商务有关领域的知识,提高学生的商务英语综合素质

和跨文化商务交际能力以及思辨创新能力。

　　教材编写考虑到了以后推出的全国商务英语本科专业四级和专业八级的考试要求。在教材的选材、练习、词汇等方面都尽可能与商务英语本科专业四级、八级考试对接。

　　本套教材特别适合培养复合型、应用型的商务英语人才的商务英语本科专业的学生使用，也可作为商务英语爱好者学习商务英语的教材。教材中若存在不当和疏漏之处，敬请专家、学者及教材使用者批评指正，以便我们不断修订完善。

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翁凤翔

2016 年 3 月

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Preface

Over the past decade, e-commerce practices are developing rapidly in China and around the world, and many new business models, methods, technologies and laws and regulations are emerging. Academic theorists are also constantly summing up and exploring the knowledge and rules of e-commerce. The education sector is actively promoting the development of e-commerce education.
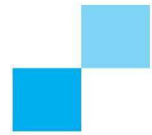
With the acceleration of global economic integration, more and more traditional enterprises are speeding up the implementation of e-commerce. It is predicted that, in the next few years, with the rapid promotion of e-commerce, China will have nearly 3,000 small and medium-sized enterprises to implement e-commerce business transformation. The competition of industry is the competition of talents. The rapid development of e-commerce will give birth to a great demand for talents of this new busniess. However, in recent years, one side is the continued demand for e-commerce talents, and the other side is higher vocational e-commerce graduates "employment without doors". The 20% employment rate of e-commerce graduates is far below the national average employment rate of 70%. The fundamental cause of this phenomenon lies not in the profession itself, but in the vocational education itself. As a vocational education, the current discipline-based professional training mode is still prevalent. Especially as an interdisciplinary e-commerce major, there is a "big and all", "universal" talent training tone. The gap between the training target and the market demand leads to the "unsalable" pattern of talents.

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Chapter 1 Introduction to Electronic Commerce

本章导读

2016 年中国电子商务交易市场规模稳居全球第一,电子商务交易额超过 20 万亿元,占社会消费品零售总额比重超过 10% 。其中一线城市仍占据主力消费区域的头把交椅,二三线城市互联网消费市场与一线城市的差距正在逐步缩小,而三线以下城市及乡镇市场在家电、通信产品等大宗物件的消费能力直逼一线城市,特色电商一枝独秀的潜力也开始显现。另外,B2B 市场交易规模达7.9万亿元,网络零售市场交易规模2.3万亿元。网络零售市场中移动端成为主战场,逐渐成为网购主要形态。在电子商务从业人员上,截止到 2016 年 6 月,中国电子商务服务企业直接从业人员超过 285 万人,由电子商务间接带动的就业人数,已超过 2 100 万人。本章将介绍电子商务的内涵定义、架构分类、发展历史以及电子商务在中国的发展历史及发展趋势。

Business Terms

①**Value-added Network**（**VAN**）：a hosted service offering that acts as an intermediary between business partners sharing standards based or proprietary data via shared business processes

②**Wide Area Network**（**WAN**）：a telecommunications network or computer network that extends over a large geographical distance. Wide area networks are often established with leased telecommunication circuits.

③**Local Area Network**（**LAN**）：a computer network that interconnects computers within a limited area such as a residence, school, laboratory, university campus or office building and has its network equipment and interconnects locally managed

④**Worldwide Interoperability for Microwave Access**（**WiMAX**）：a family of wireless communication standards based on the IEEE 802.16 set of standards, which provide multiple physical layer（PHY）and Media Access Control（MAC）options

⑤**Request for Proposal**（**RFP**）：a document that solicits proposal, often made through a bidding process, by an agency or company interested in procurement of a commodity, service or valuable asset, to potential suppliers to submit business proposals

⑥**Request for Information**（**RFI**）：a standard business process whose purpose is to collect written information about the capabilities of various suppliers. Normally it follows a format that can be used for comparative purposes.

⑦**Request for Quotation**（**RFQ**）：a standard business process whose purpose is to invite suppliers into a bidding process to bid on specific products or services

⑧**Digital Subscriber Line**（**DSL**）：a family of technologies that are used to transmit digital data over telephone lines

Introductory Case

Advertising of E-commerce Websites
Took the Lead in China's Online Advertising Market

In 2016, share of search engine advertising in online advertising market declined 5% to 27.2%, ranking the second in online advertising market. Meanwhile, e-commerce websites surpassed search engines and became the most popular online advertising media with a share of 30.0%, and it's expected to maintain the share in the near future. Portal websites and information advertising（excluding non-portal function content）took up 7.4%; Advertising of online video websites took up 11.0%; and social networking advertisements took a share of 8.3% with a rapid YoY growth. As the relationship between social networking service and scenarios gets increasingly intimate, advertising resources and forms of news feeds were continuously optimized, the share of social networking advertising will keep rising.

In 2016 the calculating scope of advertising of portal websites and information websites changed. Their online advertising revenue no longer included non-portal content revenue. Under

such scope, the revenue reached 21.41 billion Yuan with a high YoY growth of 36.4%. Mobile apps were still the trend of traditional portal websites in 2016, and portal websites stared to explore the upstream and downstream industries. In the upstream, they improved the amount of their high-quality content and we-media resources; while in the downstream, they offered more targeted information to users with the help of advanced algorithm, and the continuous trials in the whole industry chain provided commercialization of the industry with more chances.

Questions for Discussion

①What is the status and trend of advertising of Chinese e-commerce websites in 2016?

②What are the main factors that contribute to a considerable growth in advertising development of Chinese e-commerce websites?

③Could you cite a specific example of online advertising to support the theme of the passage?

1.1　OVERVIEW OF ELECTRONIC COMMERCE

Electronic commerce, commonly written as eCommerce or e-commerce, is the trading or facilitation of trading in products or services using computer networks, such as the Internet. Electronic commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection systems. Modern electronic commerce typically uses the World Wide Web for at least one part of the transaction's life cycle, although it may also use other technologies such as e-mail.

E-commerce businesses may employ some or all of the following:

- Online shopping websites for retail sales direct to consumers;
- Providing or participating in online marketplaces, which process third-party business-to-consumer or consumer-to-consumer sales;
- Business-to-business buying and selling;
- Gathering and using demographic data through Web contacts and social media;
- Business-to-business electronic data interchange;
- Marketing to prospective and established customers by e-mail or fax (for example, with newsletters);
- Engaging in pretail for launching new products and services;
- Online financial exchanges for currency exchanges or trading purposes.

1.2 FRAMEWORK OF ELECTRONIC COMMERCE

Electronic commerce（EC）framework involves many activities，organization units and technologies under the environment of e-commerce. Generally，EC's framework comprises "3 levels" and "2 columns". "3 levels" refers to network level，information publishing level and information transmission level，business service level and e-commerce application level. "2 columns" refers to public and legal regulation column and technical standard column.

Network level

Network level is the network hardware infrastructure，namely an information transmission system. It includes telecom，cable TV，wireless access，Internet，VAN，WAN，LAN，intranet，extranet，Wi-Fi and WiMAX.

Information publishing level and information transmission level

Network level decides the route of e-commerce information transmission. However，information publishing level and information transmission level deal with the questions concerning how to transmit information and what information to be transmitted. The most popular information publish mode is publishing information on WWW in the form of HTML or XML. Java or XML can facilitate publishing information on various network systems，various equipments and various operating system platforms. From the technical perspective，the whole process of e-commerce system revolves around information publishing and transmission.

Business service level and e-commerce application level

Business service level actualizes normal online business activities and services，such as online advertisement，online retail，online directories，electronic payment，online client service，electronic certification（certificate authority，CA）and e-commerce information security. Among them，CA is the most important element. Since e-commerce is the business activities conducted online and all parties involved in online business would not see each other in person，identity confirmation and security become extraordinarily important.

On network level，information publishing level，information transmission level and business service level，people can realize all kinds of e-commerce applications，such as the information systems of supply chain management，enterprise resource planning，client relation management，and enterprise knowledge management as well as competing intelligence activities that are conducted on the basis of the said information systems. The main parties engaging in e-commerce activities like supplier，distributor，cooperating partners，and governments are interacting in all aspects with enterprises on this level.

1.3　CLASSIFICATION OF ELECTRONIC COMMERCE

Business-to-Business（B2B）refers to a situation where one business uses e-commerce to make a commercial transaction with another. This typically occurs when a business uses the computer and Internet：

- to source materials for their production process；
- to acquire the services of another for operational reasons；
- to re-sell goods and services produced by others；
- to fulfill the payment and conclude the transactions with others.

An example that illustrates B2B concept is automobile manufacturing. Many of a vehicle's components are manufactured independently and the auto manufacturer must purchase these parts separately. For instance, the tires, batteries, electronics, hoses and door locks may be manufactured elsewhere and sold directly to the automobile manufacturer.

B2B is often contrasted against business-to-consumer（B2C）. In B2B commerce it is often the case that the parties to the relationship have comparable negotiating power, and even when they don't, each party typically involves professional staff and legal counsel in the negotiation of terms, whereas B2C is shaped to a far greater degree by economic implications of information asymmetry.

B2C refers to a transaction that occurs between a company and a consumer. The term may also describe a company that provides goods or services for consumers. B2C can reduce intermediaries and labor costs, shorten transaction times, improve customer service and expand market.

While most companies that sell directly to consumers can be referred to as B2C companies, the term became immensely popular during the dotcom boom of the late 1990s, when it was used mainly to refer to online retailers, as well as other companies that sold products and services to consumers through the Internet. Although numerous B2C companies became victims to the subsequent dotcom bust as investors interest in the sector dwindled and venture capital funding dried up, their leaders such as Amazon and Taobao survived the shakeout and went on to rank among the most successful companies in the world.

Business-to-Business-to-Consumer（B2B2C）is an emerging e-commerce model that combines B2B and B2C for a complete product or service transaction. B2B2C is a business model where online, or e-commerce, businesses and portals reach new markets and customers by partnering with consumer-oriented product and service businesses. The consumer-oriented businesses have their own clients, to whom the product or service is provided without adding any value to it. B2B2C is a collaboration process that, in theory, creates mutually beneficial service and product delivery channels.

As an example of a B2B2C model, Business A pays Business B for users, leads or sales generated by Business B's business or website. Business A then uses Business B's channels to locate prospective customers. Business B provides its customers with new and relevant services, facilitating

an increased customer base and earned revenue for sold products and services.

Business-to-Government（B2G）is a derivative of B2B marketing and often referred to as a market definition of "public sector marketing" which encompasses marketing products and services to various government levels through integrated marketing communications techniques such as strategic public relations, branding, marcom, advertising, and Web-based communications.

B2G networks provide a platform for businesses to bid on government opportunities which are presented as solicitations in the form of RFPs in a reverse auction fashion. Public sector organizations（PSOs）post tenders in the form of RFPs, RFIs, RFQ, Sources Sought, etc. and suppliers respond to them. In addition, PSOs also play a micro-readjustment, guidance and supervision role in the form of e-commerce: Via network and other information technology, PSOs can obtain comprehensive information promptly and make correct decisions and quick feedbacks; Sending control information as well as laws and regulations to enterprises, PSOs can strength the management and service function.

Consumer-to-Business（C2B）is a business model in which consumers（individuals）create value and businesses consume that value. C2B model, also called a reverse auction or demand collection model, enables buyers to name or demand their own price, which is often binding, for a specific good or service. The website collects the demand bids and then offers the bids to participating sellers. Another form of C2B is the electronic commerce business model in which consumers can offer products and services to companies and the companies pay the consumers. This business model is a complete reversal of the traditional business model in which companies offer goods and services to consumers. We can see the C2B model at work in blogs or Internet forums in which the author offers a link back to an online business thereby facilitating the purchase of a product.

Consumer-to-Consumer（C2C）is a business model which provides an environment where customers can sell these goods or services to each other. C2C electronic commerce involves the electronically facilitated transactions between consumers through some third party. A common example is the online auction, in which a consumer posts an item for sale and other consumers bid to purchase it; the third party generally charges a flat fee or commission. The sites are only intermediaries, just there to match consumers. They do not have to check quality of the products being offered.

Government-to-Consumer（G2C）is to offer a variety of information and communication technology services to citizens in an efficient and economical manner, and to strengthen the relationship between government and citizens using technology.

Two-way communication of G2C allows citizens to send instant messages directly to public administrators, and cast remote electronic votes（electronic voting）and instant opinion voting. Transactions such as payment of services, city utilities can be completed online or over the phone. Mundane services such as name or address changes, applying for services or grants, or transferring existing services are more convenient and no longer have to be completed face to face.

1.4   A BRIEF HISTORY OF ELECTRONIC COMMERCE

History of e-commerce dates back to the invention of the very old notion of "sell and buy", electricity, cables, computers, modems, and the Internet. E-commerce became possible in 1991 when the Internet was opened to commercial use. Since that date thousands of businesses have taken up residence at web sites.

At first, the term e-commerce meant the process of execution of commercial transactions electronically with the help of the leading technologies such as Electronic Data Interchange (EDI) and Electronic Funds Transfer (EFT) which gave an opportunity for users to exchange business information and do electronic transactions. The ability to use these technologies appeared in the late 1970s and allowed business companies and organizations to send commercial documentation electronically.

Although the Internet began to advance in popularity among the general public in 1994, it took approximately four years to develop the security protocols (for example, HTTP) and DSL which allowed rapid access and a persistent connection to the Internet. In 2000 a great number of business companies in the United States and Western Europe represented their services in the World Wide Web. At this time the meaning of the word e-commerce was changed. People began to define the term e-commerce as the process of purchasing of available goods and services over the Internet using secure connections and electronic payment services. Although the dot-com collapse in 2000 led to unfortunate results and many of e-commerce companies disappeared, the "brick and mortar" retailers recognized the advantages of electronic commerce and began to add such capabilities to their web sites (e. g., after the online grocery store Webvan came to ruin, two supermarket chains, Albertsons and Safeway, began to use e-commerce to enable their customers to buy groceries online). By the end of 2001, the largest form of e-commerce, B2B model, had around $700 billion in transactions. By the end of 2007, e-commerce sales accounted for 3. 4 percent of total sales.

History of e-commerce is unthinkable without Amazon and eBey which were among the first Internet companies to allow electronic transactions. Thanks to their founders we now have a handsome e-commerce sector and enjoy the buying and selling advantages of the Internet.

1.5   DEVELOPMENT OF CHINESE ELECTRONIC COMMERCE

Since 1995, China's e-commerce has experienced from the "tool", "channel" to "infrastructure" these three expanding and deepening development process. In 2013, e-commerce of the "infrastructure" further spawned a new business ecology and new business landscape, further influenced and accelerated the traditional industry e-commercialization, further expanded its economic and social impact. "E-commerce Economy" began to rise.

China and the United States become the world's most dazzling Internet economy "Gemini". According to S&P Capital data, among the global Internet top 10 companies, the United States accounts for 6 and China accounts for 4. In the world's 25 largest Internet companies, the ratio of the United States to China is 14:6 seats (data from KPCB). The US Internet companies such as Apple, Google, Amazon and Facebook are still leaders, but the Chinese Internet companies such as Tencent, Baidu, Alibaba, Jingdong Mall, Vip.com are catching up.

Tool stage (1995-2003)

This stage is the exploration period or the enlightenment period of Internet entering China. In the early days, e-commerce enterprises and individuals mainly used e-commerce as a tool to optimize business activities or business processes, such as information dissemination, information collection and mail communication. Its application was limited to a business "point".

On May 9, 1995, Ma Yun founded the Chinese Yellow Pages and it became the first Internet company to provide services for the creation of web pages. The China Chemical Network was established in 1997 and 8848.com, Ctrip, eBay, Alibaba, Dangdang and a number of e-commerce sites have been founded in 1999. The end of 1999 reached the climax of Internet development, witnessing the birth of more than 370 domestic B2C companies, and until 2000, the number became 700. However, with the Internet bubble burst in 2000 and NASDAQ sharp decline, 8848.com and a number of e-commerce business failed. Then e-commerce experienced a relatively long "ice age".

Channel stage (2003-2008)

At this stage, e-commerce application was extended from the enterprises to the individuals. In 2003, SARS ravaged many industries, but brought a good fortune to the e-commerce. The e-commerce community has undergone a series of major events: On May 2003, Alibaba Group set up Taobao and began to march toward the C2C market. In December 2003, HC Hong Kong GEM listed became the first domestic B2B e-commerce listed companies. On January 2004, Jingdong set to be involved in the field of e-commerce. In November 2007, Alibaba Network Co., Ltd. was successfully listed on the Main Board in Hong Kong. The state has also issued a series of major documents on the development of e-commerce: in March 2004, the State Council executive meeting voted for the adoption of "People's Republic of China Electronic Signature Law (Draft)"; in January 2005, the State Council issued "A Number of Opinions on the Development of E-commerce" (more known as "Document No. 2"); In June 2007, the National Development and Reform Commission and the State Council Information Office jointly issued China's first e-commerce development plan "E-commerce Development Eleventh Five-Year Plan". It is the first time that China proposed the development plan for e-commerce services; In 2007, the Ministry of Commerce issued the "Opinion on Online Trading (Interim)" and "Opinions of the Ministry of Commerce on Promoting the Development of Electronic Commerce". Then the policy ecology of e-commerce development was constructed.

At the same time, with the rapid growth of Internet users and e-commerce transactions, e-commerce became a new trading channel for many enterprises and individuals, such as the

traditional store's online store, the traditional enterprise's e-commerce department and the traditional bank's Internet banking. Many companies opened up the online channels besides the offline channels. In 2007, China's online retail trade scale was about 56.1 billion Yuan. With the rising e-business, e-commerce gradually extended to the supply chain links. It promoted the growth of the logistics, online payment and other e-commerce support services.

Infrastructure phase（2008-2013）

The economic changes triggered by e-commerce made the core element "information" increasingly and widely used in economic activities. It speeded up the information penetration in business, industry and agriculture, greatly changed the consumer behaviors, corporate forms and social value creation modes, effectively reduced the social transaction costs, promoted the social labor division, detonated social innovation, improved the efficiency of the allocation of social resources, profoundly impacted on the retail industry, manufacturing, logistics industry and other traditional industries, became an important information economy infrastructure or new business infrastructure. On and through e-commerce platform of the new commercial infrastructure, more and more enterprises and individuals could reduce transaction costs, share business resources and innovate business services, which greatly promoted the development of e-commerce in turn.

In July 2008, China had the world's largest "Internet population". According to China Internet Network Information Center（CNNIC）statistics, at the end of June 2008, the number of Chinese Internet users reached 253 million, for the first time outnumbering the United States and ranking first in the world. During the two sessions in 2010, Premier Wen Jiabao's "Government Work Report" was clearly put forward to strengthen the business system and other infrastructure construction, and actively develop e-commerce, which is the first time in the national government work report clearly putting forward vigorously supporting electronic commerce. In October 2010, McCaw forest landed NASDAQ and became the first Chinese B2C e-commerce concept stock. In December of the same year, Dangdang was listed on the New York Stock Exchange in the United States. In 2011, the rapid development of the group purchase sites witnessed the situation of thousands of wars and the number of Chinese group purchase users were more than 42.2 million. In 2012, Taobao Mall was renamed "Tmall" with independent operation and the brand discount site Vip.com was listed in the NYSE transactions. Also in 2012, Taobao and Tmall's transaction volume exceeded 1 trillion Yuan. On the day "Double Eleven", the transaction size valued about 36.2 billion Yuan. In 2013, Alibaba and Intime Group, Fosun Group, Fuchun Group, SF Express logistics enterprises built the "rookie", planning to build a network of intelligent logistics to support 30 billion daily retail scales on average within 8-10 years, so that packages can be delivered to customers within 24 hours in any region of China.

Economy stage（after 2013）

China overtook the United States in 2013 and became the world's largest online retail market. In 2013, China's e-commerce transactions exceeded 10 trillion Yuan, the scale of network retail transactions valued about 1.85 trillion Yuan, equivalent to 7.8% of total retail sales of social consumer goods. In February 2014, China Employment Promotion Association released "Network

Entrepreneurship Employment Statistics and Social Security Research Project Report", which showed the online shops in China facilitated direct employment of a total of 9 million 620 thousand people and indirect employment over 120 million, reaching a new growth point of employment. In June 2014, China's online shopping users reached 332 million and the proportion of Internet users in China to use online shopping was 52.5%. In April 2014, Jumei.com was listed on the NYSE. In May, Jingdong Group was listed on the US NASDAQ officially. In September, Alibaba was officially listed on the NYSE and the issue price was 68 US dollars per share, being the largest IPO in the US history in terms of financing. In 2014, China's express delivery business volume was nearly 14 billion, ranking first in the world. China's express delivery business has a cumulative increase on the average of more than 50% for 44 consecutive months. According to iResearch, China's e-commerce GMV totaled 20.2 trillion Yuan in 2016, increasing by 23.1% compared with 2015. Online shopping with growth rate of 23.9% and local life O2O with growth of 28.2% were important roles which fueled the development of e-commerce in 2016.

The rapid development of online retail has promoted the development of production service industry, such as broadband, cloud computing, IT outsourcing, network third party payment, network marketing, online shop operation, logistics express delivery and consulting service, and formed a huge e-commerce ecosystem. E-commerce infrastructure is increasingly improved and e-commerce's economic and social impact is stronger than before. E-commerce, on the basis of the "infrastructure", has spawned new business ecology and a new business landscape, influenced and accelerated the traditional industry e-commercialization, and promoted the overall transformation and upgrading of the economy.

SUMMARY

This chapter mainly discusses issues related to electronic commerce (EC), which is the trading or facilitation of trading in products or services using computer networks, such as the Internet. EC framework involves many activities, organization units and technologies under the environment of e-commerce. Generally, EC's framework comprises "3 levels" and "2 columns". "3 levels" refers to network level, information publishing level and information transmission level, business service level and e-commerce application level. "2 columns" refers to public and legal regulation column and technical standard column. EC is classified into B2B, B2C, B2B2C, B2G, C2B, C2C, G2C etc. This chapter also discusses EC's history, and Chinese EC's history and development.

Words and Expressions

①**access**: the act of approaching or entering 接近,进入
②**bid**: a formal proposal to buy at a specified price 投标
③**brick and mortar**: existing in reality; substantial 实际存在的;实体的

④**demographic**：relating to or concerning demography 人口统计学的

⑤**dissemination**：the act of dispersing or diffusing something 传播

⑥**infrastructure**：the stock of basic facilities and capital equipment needed for the functioning of a country or area 基础设施

⑦**intermediary**：a negotiator who acts as a link between parties 中间人

⑧**logistics**：the management of the flow of things between the point of origin and the point of consumption in order to meet requirements of customers or corporations 物流

⑨**manufacturing**：the act of making something（a product）from raw materials 制造业

⑩**Marcom**：public relation department 公关部

⑪**mundane**：very ordinary and not at all interesting or unusual 平凡的

⑫**NASDAQ**：National Association of Securities Deal Automated Quotations 纳斯达克

⑬**newsletter**：report or open letter giving informal or confidential news of interest to a special group 通信

⑭**outsourcing**：If a company outsources work or things，it pays workers from outside the company to do the work or supply the things. 外包

⑮**protocol**：a set of rules for exchanging information between computers 协议

⑯**retail**：the selling of goods to consumers 零售

⑰**revenue**：money that a company，organization，or government receives from people（公司、组织的）收入,收益

⑱**telecom**：systems used in transmitting messages over a distance electronically 电信

⑲**transaction**：the act of transacting within or between groups（as carrying on commercial activities）交易

Exercises

Ⅰ. Key Terms（Explain the following terms. ）

①electronic commerce

②business-to-business

③business-to-consumer

④business-to-government

⑤government-to-consumer

Ⅱ. Multiple Choice Exercises（Choose the correct answer to the following questions from A，B，C and D. There is only one correct answer. ）

①Electronic commerce draws on technology such as _____.