Module 3: Lecture Guide Part I

Overview:

In this module, we will examine various strategies that can be used to generate revenue, which are called revenue models. These revenue models use Web catalog, digital content, advertising-supported advertising-subscription, mixed, and fee-based models. These methods apply to both B2B and B2C e-Commerce. Many companies use one website for both B2B and B2C sales or sometimes have a separate site or separate web pages yet use the same model for both types of sales.

Businesses can utilize a variety of marketing channels, but they must be careful to coordinate them to prevent cannibalization, either within their own organizations or with the businesses that have historically distributed their sales to customers on their behalf. Organizations that conduct business online occasionally develop strategic alliances with other companies to acquire their expertise in running Websites, in line with the network model of organization that we discussed in module 1.

Companies may develop efficient web presences that offer value to users by comprehending how the Web differs from other media and designing websites that take advantage of those distinctions. Every company must assume that users of its website will arrive with a range of expectations, background information, and technical proficiency, and they will be connected to the Internet via a range of various technologies. Organizations may create better, more usable Web sites by understanding how these elements can affect the visitor's ability to traverse the site and extract information from it. Another effective strategy for developing a Web site that accurately portrays the organization is to enlist the assistance of users when developing test versions of the website.

To find and connect with the most customers and qualified prospects, businesses need to grasp the nature of communication on the Web. Web sites can efficiently reach potential clients by using a many-to-one communication strategy.

Virtual Value Chain

The following article, Exploiting the Virtual Value Chain from the Harvard Business Review goes into detail on how the world of eCommerce creates a value creation.
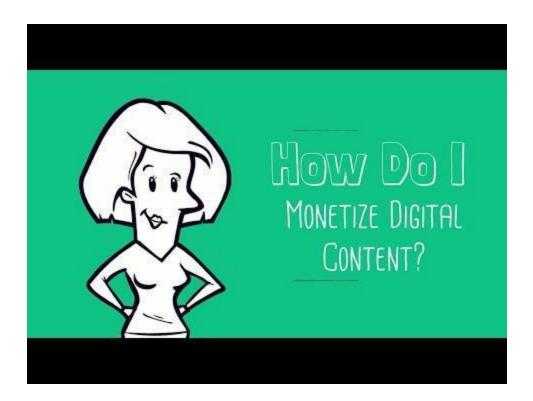
Revenue Models:

Web Catalog

With this business strategy, the vendor builds a solid brand image and uses it to market products via printed catalogs that are sent to prospective buyers. Customers can submit orders via mail or by calling the seller's toll-free hotline. This marketing technique, also referred to as the mail order or catalog model, has worked well for a range of consumer goods, including apparel, electronics, home goods, and gifts.

Digital content

The following two-minute video depicts diverse ways that one can earn revenue through digital content.

Advertising-supported,
Informative video below that uses the mental wellness industry to talk about how advertising supported revenue modules works.

Now that you see the good the Ad-Supported revenue streams can connect with something that is good but that is not always the case as shown in the video below.

Business Model...and why that matters to you.

Advertising-subscription,
The video below gives the diverse types of advertising subscriptions.

Finally, this video explains the need to have a strategy for a revenue model for a startup business.