

THE USE OF THE CMS APPLICATIONS IN THE ELECTRONIC COMMERCE

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Abstract:

This paper aims to inform the web users and the companies on the aspects that should be taken into account when starting an online business of e-business type. Although at first sight, it seems easy to make a website accessible to anyone who wants to buy, rent or bid for a particular product or service, creating a website is a difficult thing to achieve and maintain. Firstly, a market analyses should be carried on to see if you can survive on the market for a long term. Then the costs of creating and maintaining a website must be also considered. The CMS applications can be very useful, yet only to experienced users.

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E-Commerce

For most people, the term of **electronic commerce** is to do shopping online, through the internet. Yet, the term, which has also the synonymous **e-business**, has a much wider range of meanings for those directly involved in this type of business: companies having commercial exchanges with other companies, governments in dialogue with their citizens, electronic auctions etc. Using the definition given by IBM, electronic commerce means *transforming the key processes of business using Internet related technologies*.

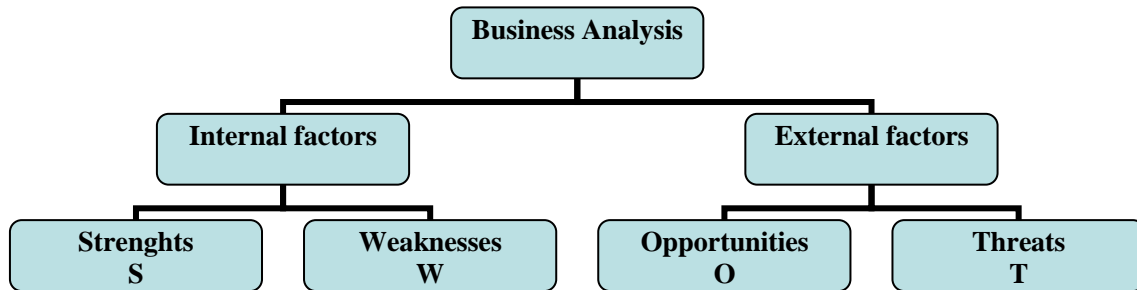
Considering the types of electronic commerce, the participating entities and the processes involved in transactions, we have the following categories:

1. **B2C** (business to consumer) → e-commerce through which a company sells products or services to a consumer. For example, Nike Company sells products online.
2. **B2B** (business to business) → e-commerce between companies or organizations, when a company sells products or services to other companies. For example PlasticsNet is the distribution point for plastic industry.
3. **C2C** (consumer to consumer) → e-commerce through which individual consumers sell products through an online market creator. An example would be www.totulredus.ro Romanian site or one of the most famous online commerce sites www.ebay.com
4. **C2B** (consumer to business) → electronic commerce through which the consumer sends offers to a company. An example would be the distribution point LetsBuyIt.
5. **B2G** (business to government) → electronic commerce through which a company sells products or services to a government or governmental institution.
6. **G2B** (government to business) → electronic commerce through which a governmental institution provides services to companies.

7. **G2C** (government to consumer) → electronic commerce through which government-citizen

SWOT Analysis

Before starting an online business an analysis and an assessment of the business opportunities should be carried on. **SWOT analysis** is the most appropriate as it provides useful information regarding the company’s potential in the competitive environment it will operate. Therefore the internal and external factors of the company will be assessed. The internal factors are classified into **strength** (S) and **weaknesses** (W), while the external ones are classified into **opportunities** (O) and **threats** (T).



- **Advantages** → the resources and opportunities that a company can use to create a competitive advantage, such as a brand name, patents, reputation and very good impression to customers, service quality, etc.
- **Weaknesses** → the absence of certain strengths may be perceived as weaknesses, such as the irrelevant company’s name, the mediocre or poor reputation, high costs, poor service etc.
- **Opportunities** → a market analysis can reveal opportunities for business development, such as a campaign which can bring profit, the emergence of a revolutionary technology, etc.
- **Threats** → changes may occur in the external environment, which threatens the business, such as the change in the customers’ tastes, the emergence of a far superior technology, harsher legislation regarding the trade barriers, etc..

Considering these issues, the SWOT matrix comes forward:

| | | |
|----------------------|-------------------|-------------------|
| | Advantages | Weaknesses |
| Opportunities | TO Strategies | SO Strategies |
| Threats | TA Strategies | SA Strategies |

- **TO Strategies** → opportunities that integrate the company's benefits
- **TA Strategies** → the way in which the company can use its advantages in order to reduce vulnerabilities
- **SO Strategies** → pursuing the opportunities by overcoming weaknesses
- **SA Strategies** → building a business plan in order the weaknesses not to be used in external threats

CMS applications

CMS - Content Management System - is a software application designed to create and maintain a website. CMS is itself a web application that controls the layout,

structure and content of the pages of public websites of intranet or extranet type or e-commerce type, etc.

The operating principles of a CMS-type application are:

- All web pages, along with the site structure (template or layout) are saved in a database.
- The change of the content does not affect the pages accessible to visitors, but affects the content of the database.
- After the process of modifying the site content, the modified pages should be published on the website accessible to visitors.
- It is essential that the editing and publication should be made by the same user; for the complex sites, it is recommended that the responsibility should be shared between editors and directors, who approve the content changes.

Using a CMS type application brings many benefits to an e-commerce site, namely:

- **Real control over the website** → it allows you to make changes at any time and quickly for any information on the website without having to have technical knowledge in a very intuitive way, wherever you are, due to the secured access to the Web interface.
- **Editing** → Editing the content of a site is as simple as editing a Word document. The same it is adding a new menu, a page, a product, an additional image to a product.
- **Statistics and traffic reports** → as in the case of any marketing channel, instruments to measure efficiency and effectiveness of a website are needed. The method of advertising known as CPC (cost per click, meaning you pay only for the visitors who click on the Web advertisement) does not require any risky investments in advance.
- **Time to market** → CMS applications provide a list of features so that you might use them for creating a dynamic site: press releases, events, articles, news, surveys etc. It takes only a few days and you have a site that will immediately bring visitors and potential customers.

The costs of creating and maintaining a website

Lately more and more web users and companies want to create their web pages for electronic commerce. Most of them do not know how much a site created through CMS may cost. Others have decided which CMS will be used (usually based on its popularity on the forums), but their majority falls into a trap, believing that if a CMS is free, they will have a free site. Others choose a firm to provide the site with CMS, but they are not well informed and they get to unexpectedly high cost.

Below there are some criteria which a person should consider when deciding to create an e-commerce site.

1. Domain and hosting

Selecting the domain will be the first step to make. Its cost is not high, usually a standard sum of 10-15 € / year. It should be easy to remember and variants will be: *name-firm.com* or *easy-to-remember word.com*. The first variant is usually followed by firms, while the second choice is used when you want to have keywords on a domain to get better placement in the search engine. Some people also buy a business domain. The hosting may also vary between € 3 and € 15 / month, depending on requirements.

Usually, a small site does not require much space or more email accounts. It is important to have a database available, because most CMS sites use databases, yet some are "text based".

TOTAL: ~ 100-200 € / year

2. Site design

Though most CMS sites come with some ready made templates, they are not good enough for a site that becomes the image of a company or for a quality site. A variant to consider is the one of the firms that sell templates at a price of € 50-100. Here you can choose from thousands of designs, but the risk is very high, as your selected design may not be utilizable later on the CMS you have selected. When choosing a design from a templates site make sure it is consistent with the used CMS. After selecting a template from these sites, it should be modified considering the beneficiary's own colors, logo, and pictures, which means that you should have knowledge of image editing and of cutting again the chosen template in HTML, or of working directly on the cut photos, which is much harder. If we calculate the invested hours and the knowledge that is not very advanced in these cases, the price may become stiff.

A more elegant option would be to hire a design firm to create the company's image and make a personalized design. At a price of € 200-500 you can enjoy a professional design, made directly for the chosen CMS. A design firm can use the current company's image, branding and pictures you provide or it can use quality pictures from various sites that sell images.

TOTAL: ~ 200-500 €

3. The integration of the CMS template

Whether taking a template from a site at a low price or having it made by a designer, eventually it must be adapted to the chosen CMS. Time spent with this differs from CMS to CMS and from design to design, some can be adapted easily, in 2-3 hours, others require a few days.

When choosing a CSM it is important to take into account the price of integration. Before purchasing it, present the selected design to the person who will integrate the design in (X) HTML / CSS and ask if it is possible in the chosen CSM and how much it will cost. Prices vary between € 100-500, depending on how many pages must be prepared.

TOTAL: ~ 100-500 €

4. Selecting the CMS and the CMS's administration

This may be one of the most important steps. We must check if the software we have chosen has all the features we want. If it has not, it is difficult to find an addon that will bring the wanted feature. The administration of the page is quite easy to learn. It should be mentioned *that nothing is FREE*, everything has a price, and especially the TIME.

TOTAL: 0-100 €

5. CMS Training

When choosing some new software we will have to learn to use it. This means time and time is money. It can easily take a minimum of 4 hours up to 2, 3 days.

TOTAL: ~ 100-300 €

6. Preparing, updating, and maintaining the site

These represent expected costs, still many sites die because of the lack of maintenance. Maybe 50% of all sites will be abandoned after a period of time, without being upgraded.

TOTAL: ~ 100-300 € / month

We can see from above that in order to create and maintain a web site a large enough budget is needed, and not everyone can afford it.

Launching the site and the marketing

The created sites do not live by themselves, they must be promoted, made known through various marketing methods. Here we have to mention that a carefully chosen CMS can already do the 50% of the work. If it has URL, Title Tag, Meta Tags optimization, well-formed xHTML templates, you have already got an advantage. Otherwise, problems will arise from the optimization for the seekers. It would be advisable to consider also this aspect of a CMS.

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