

## COMP 690 E-commerce      Fall 2006

### Written Assignment 1—Solutions

Due in the digital drop box by Wed., Sept. 1, 11:00 PM

1. Look at an interesting Web page for a relatively well-known company. Explain how the pages (and pages accessible through it) illustrate the feature of richness, interactivity, information density, and personalization/customization.

#### **Answer**

I'm looking at the page for Amazon.com (<http://www.amazon.com/>).

Richness: Everything they're trying to sell me is shown with a sharp, pretty picture and a link to information, sometime accompanied by a brief description. The menu bars at the left give links that allow me to browse all they have to offer and find out about all the services they offer.

Interactivity: The home page for Amazon basically is a gateway into a multitude of other pages, which I select and explore. There's one path to lead new users into the experience. There are also shortcuts for experienced users to get directly to what they want to buy. Generally, detail is presented only when requested, and the user can proceed rapidly to what he/she wants simply by clicking.

Information density: Once I choose an item for possible purchase (say, a book), I get all the information about it one might expect to be available in the standard case plus more. For example, for a book, I get the publishing details, the publishers price, usually a look inside the book (if I want), published reviews, and users' reviews and ratings. Also, I see what I previously looked at and links to related items. All reviews are dated and other users can indicate whether they found a given review helpful.

Personalization/customization: When I access the page, I have the option of logging in to see my personalized recommendations. These recommendations also come up when I order or browse something and when I go into a category. I can also easily see what I have previously bought and the status of an order. Finally, shipping is customized in the sense that I can select the kind of shipping.

2. What went wrong with e-commerce I?

#### **Answer**

The E-commerce I period is generally taken to have ended with the crash in the stock market for E-commerce I companies throughout 2000. The valuations of dot.com and technology companies had risen so high that nearly all investors were questioning whether earnings would ever justify share prices. Dot.coms devoted solely to e-commerce generally had no earnings at all, and most were losing money while showing revenue growth. Consequently, the venture capital that the dot.com bubble had fed off dried up. Contributing to the growing pessimism was the disappointing performance of e-commerce during the 1999 Christmas season: there was less sales growth than anticipated, enthusiasts began to realize that e-commerce was not easy, and the credibility of e-commerce was hurt when dot.coms found it hard to deliver on time. At the same

time, the earnings forecasts for technology companies were adversely impacted by the drop in expenditures previously devoted to the anticipated Y2K crisis, and the telecommunications industry was crashing as the magnitude of the excess capacity in fiber optic network became apparent. In general, these are all business problems and cannot be blamed on the technology.