Salahaddin University – Erbil / College of Science
Department of Computer Science and IT
3rd Year (IT)

E-Business II

Theoretical Lecture 1

E-business Environment

2022 - 2023

Factors of macro- and micro-environment of an organisation

Macro-environment	Micro-environment (e-marketplace)
Social	The organization
Legal, ethical and taxation	Its customers
Economic	Its suppliers
Political	Its competitors
Technological	Intermediaries
Competitive	The public at large

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SLEPT Factors

- Macro-environment factors (SLEPT framework)
  - ❖ Social factors
  - ❖ Legal and ethical factors
  - ❖ Economic factors
  - ❖ Political factors
  - ❖ Technological factors
- Environmental Scanning:

  "The process of continuously monitoring the environment and events and responding accordingly"

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Social Factors

- Using the internet for business on the consumer's end is determined by:
  - ❖ Cost of access
  - ❖ Value proposition
  - ❖ Ease of use
  - ❖ Security
  - ❖ Fear of the unknown

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Social Factors

- We need to understand consumers' online behaviour

- Web Motivation Inventory (WMI)

  - ❖ Research

  - ❖ Communication

  - ❖ Surfing

  - ❖ Shopping

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Legal and Ethical Factors

- Ethical standards: "Practice or behaviour which is morally acceptable to society"

- Ethical issues include:

  - ❖ Privacy: "*The right of individuals to avoid intrusion into their personal affairs*"

  - ❖ Financial privacy and personal privacy

- Consumer's personal information is important to businesses. **Why**?

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Legal and Ethical Factors

- Personal information include:
    - ❖ Contact information
    - ❖ Profile information
    - ❖ Access platform usage
    - ❖ Behavioural information on a single site
    - ❖ Behavioural information on multiple sites

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Legal and Ethical Factors

- Domain name registration
- Using competitor's name in meta-data
- Accessibility law
- Protecting Intellectual Property (IP)
    - ❖ Trademark protection
    - ❖ Patent protection

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Economic Factors

- **E-economy**: "*The dynamic system of interactions between a nation's citizens, the businesses and government that capitalize upon online technology to achieve a social or economic good*"

- **Globalisation**: "The increase of international trading and shared social and cultural values."

- **Localisation**

Political Factors

- **Internet governance**: "*describes the control put in place to manage the growth of the Internet and its usage*."

- Who can govern the internet?

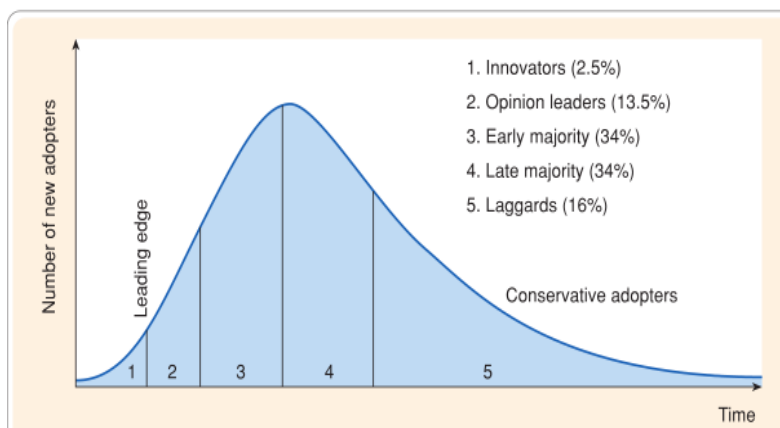- **Question:** What can governments do to encourage e-business?

Technological Factors

- Methods of adopting new technologies

  - ❖ Cautious approach

  - ❖ Risk-taking approach

  - ❖ Intermediate approach

Figure: Diffusion-adoption Curve