

## Management for "Online" Sales, Present and Business Development Perspectives

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### Abstract

*At present, in the special conditions of our society, the sale through internet, at some companies, has taken a big boost, it has reached very high turnover, comparable in some fields, with those of the big chain stores. The health crisis has uncovered many companies, which have failed to find solutions to maintain their business, not to lay off staff. In this crisis situation, it is important to know, not only by customers, but also by specialists, this way of doing business, the implications it has for the management and marketing of companies involved in this type of business. The paper presents the current situation of "online" sales, the challenges for managers and the prospects of this type of trade in crisis conditions.*

**Key words:** trade, internet, manager, development

**J.E.L. classification:** M15, L81

### 1. Introduction

For many years, much of the trade has focused on "online" sales. Today, many manufacturers and wholesale distributors have created their own electronic systems, connected to this type of business and do these businesses in parallel with the "classic" ones. "Online" sales were promoted and initiated at the beginning, by small traders or intermediaries, but now, the largest companies have launched and are promoting this type of business. It can be appreciated that the business is in "movement" or in an intense development. Today, virtually all large companies in production, transportation and distribution use the Internet for information and promotion, but many have begun to make "online" sales. The year-on-year turnover of companies that distribute products ordered via the Internet is the best proof in the sense of increasing the volume of business, (Iordanoaia, 2015, pg.44-46). Equally important is the fact that a number of companies have developed many types of applications for "online" sales, which they make available to interested companies and after launching sales on the Internet, provide consulting and maintenance. Some companies, such as those that develop specific software, consider launching a successful online store or business portal such as "Business to Business" with a "SeniorE-commerce" application integrated with ERP (Enterprise Resource Planning =, the planning of enterprise resources), at online sales platforms, are tools with a significant impact in organizing and optimizing the sales process", (SS, 2015, pg.1-7).

### 2. Theoretical background

The concept of e-commerce is relatively new, in scientific research and economic practice, compared to the "classical" research of management and marketing. Nationally and internationally there is a literature, books and articles, which refer to the use of the Internet for business development, for the integration of electronic systems in multiple commerce. In the studied works, I found presented the technical and economic aspects of e-commerce, of selling products or providing services, but less those related to management, running a business, which is related to a portal or a simple online store. There are also a number of statistics on the evolution of e-commerce, the increase in its share in general trade and a number of forecasts on the increase in the volume of goods traded via the Internet. From a legal point of view, the current European Union

legislation is updated, it is comprehensive, easily accessible, in the languages of all member countries.

The study of the current legislation on electronic commerce helps us to understand, first of all, the limitations related to the respect of the buyers' rights, the right to the protection of personal data and to their protection when making online payments.

Fewer studies are related to the provision of services via the Internet, where most of them refer to financial transfers, making payments, withdrawing cash from specialized vending machines, etc. For the other types of services, there is much less elaborate work, because it is much more difficult to obtain information and many services have not yet been purchased online.

### 3. Research methodology

In order to carry out the paper, I considered the study of specialized works, business management, electronic systems used for promotion and sales, which were published in volumes, magazine articles and websites of companies specializing in software solutions. I studied the situations from several companies, regarding the way they do their business "online". I collected and systematized the information, centralized some of it and optimized it for this study. The methodology used consisted of a systematic, oriented and coherent study, in accordance with the principles governing a scientific investigation in the field of business management, in a crisis situation, such as the current health crisis. Used the method of "transfer of concepts", which consists in taking from scientific papers and practical applications, ideas, concepts and methods important for this type of study. Transferred them in the field of research and I looked for a series of solutions for business development through the internet.

### 4. Results. "Online" sales nowadays. Portal or online store

This type of business usually starts with the creation of an "online" sales portal or store, which has certain characteristics, which make it very attractive, for several reasons, presented in table 1, but which also, has a series of limitations and even disadvantages.

*Table no. 1. Characteristics of the online sales portal or store*

No	ADVANTAGES	LIMITATIONS, DISADVANTAGES
1.	The portal is active, visible and available 24 hours a day. It has maximum local, zonal, regional, national and international coverage.	It depends on the internet. Usually, the owners of the servers on which the site is located charge fees or subscriptions. Some servers allow free installation on them, but place ads on site pages.
2.	It is easy to use, offers flexibility in choosing variants.	Requires a detailed elaboration, containing all the products or types of products (services) of the company.
3.	It is easy to promote, directly on the site interface, through emails or social networks.	Promotion through social networks is paid, it generates costs. Email is the easiest, but the use of email addresses of potential customers must comply with the law of personal data protection.
4.	It is in line with current retail market trends.	It requires a careful staff or management to change in the market.
5.	The "employee-client" interface is removed. It eliminates the mistakes that appeared in the relations of the employees with the clients.	Employees also have the role of obtaining or receiving immediate information about customer requirements, which they pass on to managers.
6.	The portal is made by computer program, which can be modified depending on the evolution of prices, the appearance or withdrawal of some products, the appearance of some offers, etc.	It requires hiring a specialist in programming or concluding a contract, based on subscription or work, with a company specializing in programming.
7.	The presentation of the products is made in different shapes, positions, through photos in different sizes, which provide useful and quality information.	It takes time to create a database from which to choose the most representative or important products.

*Source:* author's study, (Senior Software, 2020).

For the management of a company, the following aspects are important:

- Choosing a portal or online store model, based on existing models or designing a customized model for the company.

- Finding a person or a company to create the portal. Usually, specialized companies have several models available, which they can update or customize.

Online sales platforms are classified into: "B2B" portals and "online" stores.

1. The B2B portal. This is an "online" platform, through which the business partners of a company can place orders, can access the commercial policies they benefit from a supplier, such as personalized prices, discounts, etc. B2B = Business-to-business (or "one business to another"). In B2B, communication is what allows companies to reshape processes. Manual tasks such as: order registration for a standard product, is done by a computer. In this case, the computer controls the entire process, from the transmission of the order, the acceptance of the order by the supplier and the execution of the order, until the receipt of the transport and its verification. At the end, the amount payable is automatically transferred to the suppliers' account. Moreover, companies can use the internet to make purchases, through the so-called "marketplaces", (SS, 2015).

These can be differentiated by the existence of four characteristics so we have: product specificity; duration of collaboration; how to set prices: fixed prices, electronic catalog, price negotiation; the attitude adopted by these "marketplaces", which can favor the seller, the buyer or can adopt a neutral attitude.

2. The "online" store consists of a site through which customers (the general public or companies) can buy the products or services of a company that has created that site. On this site you will find information and data about the company's products and services, being simultaneously a means of promotion, attraction and customer loyalty.

Regarding the choice of the optimal model, the realization and commissioning of the portal, it involves a series of managerial decisions, regarding: costs, person or staff dealing with the portal and monitoring the operation of the portal. Equally important is the knowledge and familiarity with the most important functions of the system that supports the Portal (or the "online" store). Experts believe that these are the following, (SS, 2015):

A). Registration of customers in the portal. It takes place in two distinct stages:

- The client chooses the type of person he represents: natural or legal.
- The customer adds his contact details.

The registration of personal data must comply with current legislation on the protection of personal data (EU, 2016). Sites can be made in two ways:

- Site that requires all the necessary data to identify the client.
- Site through which the customer can place the order, using a small number of identifying information.

Both options have advantages and disadvantages. In the first situation, the company must take all internal measures to protect customer data, (L 190, 2018), (L 363, 2018), (L 102, 2005). In the second case, there is a risk of sending the product to a non-existent address. This situation can be solved by imposing the advance payment or by paying at the destination, when the recipient receives the product, but it implies the responsibility for the customer's data, which must be protected.

B). Products and services offered. The management of the company must decide how to present on the website, the products and services it offers. It is recommended that this be taken care of by marketing specialists or communication specialists, in order to increase the effect of the presentation on the page. Usually, products and services are grouped into categories, so that potential customers have the opportunity to filter the options, depending on personal criteria, different criteria set by the manufacturer or distributor. This implies the existence of a page or section for managing the range of products or services. This page chooses the characteristics used for filtering and the filtering options, depending on: range, type, characteristics, color, price, etc. In this section new products can be added or some existing information can be modified, whenever needed. For each product or service, representative photos can be posted; links can be made to the areas of the site where detailed information about them can be found. Also here you can change the prices; you can display similar products of the company, with different prices, etc. The company

may also recommend certain products or offer bonuses for the purchase of several products or quantities, etc.

C). Details about products and services. Each product or service has a page that contains details about their main features. A customer has very easy access to all technical and commercial information about price, stock, warranty period, maintenance, etc. All products can be added to the "shopping cart", an option used to purchase multiple products from the same company. Basically, the option means adding all the products for the same customer, automatically calculating the total price, etc. All product features are defined and maintained in the portal administration section, where there is the possibility to add products in lists of "favorite products". For these, the customer can then place an order or send a request for quotation, if he has not found the product he is looking for.

D). Customer section. This section is very important for the company, because here, customers can make complaints, suggestions or recommendations. It is the feedback page, which helps the company's management to obtain information that is particularly important for the further evolution of the business, for the elimination of deficiencies and customer satisfaction. Customers can reissue unconfirmed previous orders, complete temporary orders, or reissue their contact information. This page must be constantly monitored by the company's management, being a direct source of information.

E). Transactions performed. Through this option, the company's management and the direct administrator of the portal have permanent access to: the history of orders received on the site, the situation of products accessed and sold, details about the billing date, the customer, his contact details, delivery and billing address, comments and registered complaints, products and quantities sold, total value of sales by hours or days, week, month, quarter, semester or year. From this section, the "proforma" invoice can be retransmitted to the customer, other products can be added to the initial order, bonuses can be granted for the quantities purchased, etc. Managers can change the status of orders, if they are: confirmed, unconfirmed, being delivered, delivered and other situations. The section offers the possibility to send answers to the messages received from customers, the ways of solving the requests can be followed, etc.

F). Back-end section and portal administration. The "Back-end" or "Final Return" section is the section to which only the managers or administrators of the Portal have access. From here they can manage data and information about partners, their orders, customized offers, prices and final reports. In this section you can make various settings of the page, and managers can be warned about the problems they have to solve, about offers, old prices, incomplete offers or products without photos, etc. Publishers' accounts are located in the "Administration" section, along with the "Back-end" sections, to which they have access and where to find the product categories that they can edit at any time. Through this section can be added: categories, subcategories, the order in which they are on the portal, you can set how the product features are displayed on the site, etc.

G). Promoting products and services. On the specialized sites, the promotion can be done through "newsletter" and through the promotion areas, specially allocated for this. The products can be promoted in the online store, through the websites of the partner companies, on the social networks and even on the pages of the media publications. The promotion modalities can be through: individual electronic banners, product promotion areas such as "promotions", stock clearances, daily, weekly or monthly offers, etc. You can also use the "Datafeed" or "Electronic data exchange" models. All information is established in the administration section of the portal, which allows the creation and sending of information such as "News" or "Newsletters" to individuals or legal entities, which have chosen the option to receive information about the company's offers.

H). Integration with the ERP system. Automatic retrieval of products, classifications and prices from ERP (Enterprise Resource Planning) is another possibility for the portal to work. The portal can be integrated with the ERP system, so that all the information related to: products, product categories, prices, commercial policies, bonuses, etc., are automatically taken from the ERP. Discounts and payment terms set in ERP, for certain customers, are also valid for orders placed through the portal. Through this link the stock of the products in the portal is updated in real time.

I). Automatic registration of customers in the ERP system. The portal has the possibility that after the client completes the registration form on the site, all his data (name, address, bank account, phone, e-mail), is automatically taken over in ERP. In this way, the portal operators no longer have to manually fill in the information in ERP.

J). Taking orders from the store directly in the ERP system. After the customer order has been confirmed, it is automatically taken over in the ERP system. This way you can avoid the costs of taking orders over the phone or sending them on paper. ERP system operators can then generate the invoice from the order received in the system. In addition to operators, managers have access to the ERP system, which can intervene where appropriate.

An online sales portal, integrated with the ERP system has two main components as follows:

- ERP connector. This connector provides: ERP interface, security, communication, hiding information (Cache) and confidential data. Due to the advanced ERP connector architecture, which provides caching facilities and accesses ERP web services, in maximum security, the portal can be hosted (Host) in the company's own network, on a separate server or at a specialized provider ( provider). The information does not require synchronization, the cache has its own "refresh policy", but there may be a delay between when the information is updated in the ERP and when it becomes available in the portal.

- The portal for "online" sales. This portal accesses the data in the ERP through the connector, allows direct sales, and retains data and information about customers and payments made.

Figure 1 shows the simplified block structure of a portal. This scheme helps us understand the level of organization that these portal models or online stores have reached. Hence the following important aspects:

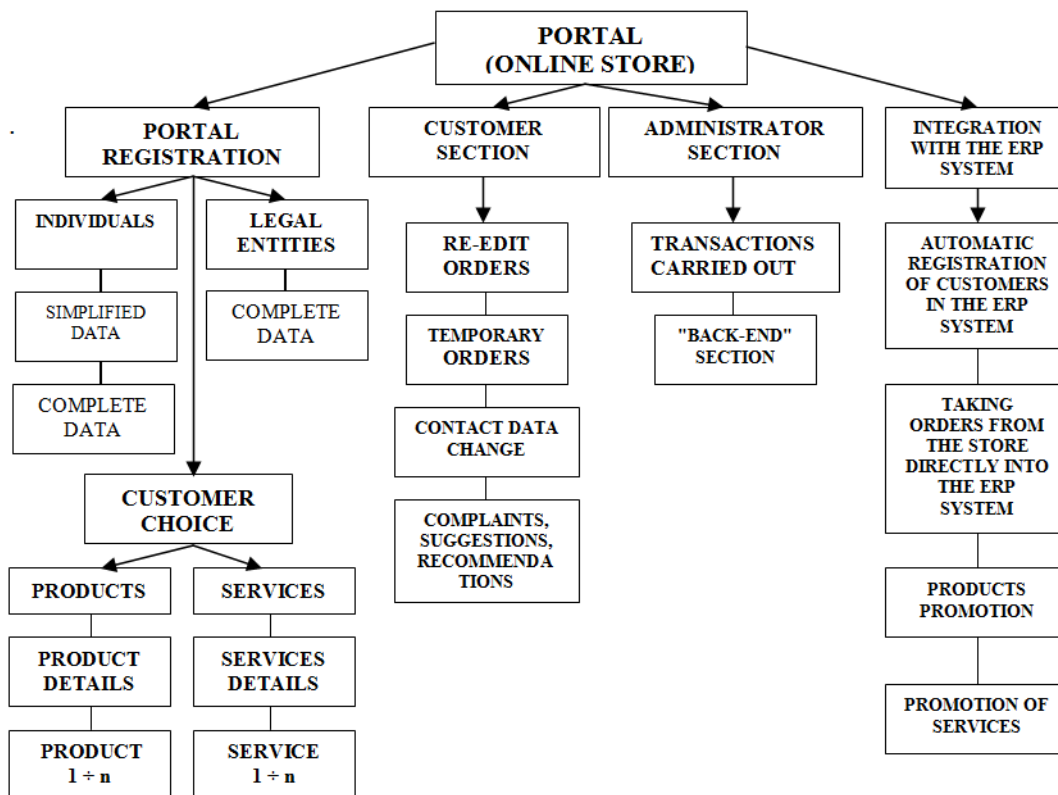
- Managerial. From a managerial point of view, it is very important: the administration of the site, its permanent access, in the section reserved for administrators, in order to follow the evolution of sales, the situation of customers, the most valuable customers, who buy the largest quantities or products. expensive.

- Logistics. Often companies neglect aspects related to logistics, supply chains, both from suppliers and especially to customers. An online portal or store, in addition to the aspects related to products, their qualities and prices, must organize very well the aspects related to logistics: storage in appropriate conditions, fast transport, arrival on time and in good condition, to customers. Basically, without proper logistics, an online store cannot be successful, it cannot retain its customers.

- Making payments. The managers of this type of business, before opening the portal or the online store, must fine-tune, very well, the process of making payments, for the transactions that will take place through the internet. The easiest form of payment is the one through which the customer directly transfers the money from his bank account, from the computer or phone, to the store account. Two situations arise in connection with this procedure: the first is given by the possibility for a hacker to buy the products and make payments from other accounts than his own; the second is related to the customer's guarantee that after making the payment, he will receive the product, because a series of online stores have appeared, which "clone" other stores or which collect the money, but do not send the products to the destination. In addition to the risks related to customers, there is also the risk of breaking accounts and entering the portal network. Another form of payment, used by customers less familiar with the Internet, is the payment of the product at the destination. Currently it is much safer for customers, but presents some risks for the store. That at the destination, the customer is not found and the product is returned to the warehouse, and the cost of transport is borne by the store.

- Marketing. This must be in the attention of managers, because the neglect of marketing aspects, from product presentation, to the promotion of the portal itself, is very important. The introduction of the portal in search engines and social networks are aspects that must not be neglected, that must be constantly monitored, because the ease with which the product or service is found on the Internet depends on the business itself. If the product is easily found and its price is competitive, it can be considered that a customer will be interested in it and become a potential buyer. Promoting special offers, discounts, rebates, price reductions for several products purchased, is very, very important and is an important way to attract customers.

Taking into account all these aspects, with the help of specialized programs, it is possible to make predictions related to customer needs, the volume of demand, the range of products, the evolution of prices, in order to respond as well as possible to their requests.



## 5. Conclusions

The conclusions related to the use of this modern type of trade are systematized and presented in table 2.

Table no. 2. Management decisions and effects on the use of electronic commerce

No	MANAGEMENT DECISIONS	EFFECTS AND EXPECTED ECONOMIC RESULTS
1.	Develop a coherent strategy to achieve e-commerce.	- The strategy must be realistic, to avoid wasting time, resources and people.
2.	Creating a business plan for setting up the portal or store, taking into account: - Coherent investment plan, based on securing financing resources. - Development of marketing tactics aimed at potential customers.	- The plan must be developed in detail, based on accurate information obtained from the market. - The initial investment is very large, requires consistent and available financial funds. - Searching for market segments that are not covered by competition. - Without promotion, many potential customers may not realize that there is an "online" business. - If the products or services that the company offers have exceeded the growth period, within their life cycle, it is possible that through the portal or store, nothing will be sold or sales will be very low, because there is no interest for the product or service launched via the Internet. - There is a very strong competition in the market, consolidated and without competitors. This is a difficult obstacle to overcome.

3.	Creating a distribution channel for the portal or store, which will immediately respond to customer requirements.	<ul style="list-style-type: none"> <li>- Without establishing partnerships with production and transport companies, based on stable contracts, it is not possible to start an e-commerce business.</li> <li>- The problem of large quantities or orders required in the same period of time must be calculated and solved.</li> <li>- Carrying out reverse logistics, for products that have defects or are defective within their validity period.</li> </ul>
4.	Ongoing tracking of customer benefits by: <ul style="list-style-type: none"> <li>- Convenience to find and request the desired product or service.</li> <li>- Offering multiple options, according to the rule "the customer has a choice!".</li> <li>- The quality of the products must be that resulting from the product information, and the warranty terms must be very clear.</li> <li>- The information they are looking for is very easy to find.</li> <li>- The requested product or products, arrive in the established time, for the areas where the customers are, at the established dates and times.</li> <li>- Customize the page to eliminate confusion.</li> </ul>	<ul style="list-style-type: none"> <li>- The flawless operation of the site, when it is accessed by a large number of customers at the same time.</li> <li>- Simplifying the way of filling in the forms, sending or receiving electronic messages by email or telephone. The problem of telephone communications with customers is a very important one, and the company must adopt a series of measures to have permanent operators who answer the phone and inform customers correctly.</li> </ul>
5.	Full involvement of managers and staff that will be responsible for the portal or store.	<ul style="list-style-type: none"> <li>- Managers Focus the efforts on the essentials of the business. This is an essential requirement that managers must keep in mind from the start of the business.</li> </ul>

Source: author's study.

Even if launching and maintaining an "online" business is difficult, with many organizational, legal and financial impediments, they still have a number of advantages for companies that invest and launch them in the public space. Among the most important are:

- Attracting new customers, through a new distribution channel, made through the internet.
- Increase sales to existing customers.
- Emergence and development of sales on demand.
- Reduction of operating expenses and inventory of products and stocks.

Due to the fact that internet access has become very easy, for a very large number of people, the results of using a portal or store can be remarkable. It is very important that this kind of market currently plays a special role, as an interface between two or more supply chains, which over time will consolidate and develop, but will eliminate inefficient companies from the market.

The investment and confidence in the development of this field, which is part of the general market trend, of permanent adaptation to customer needs, compliance with rules and laws, imposed by crisis situations, is in itself a great challenge for managers. Success belongs to those who have the courage and innovative ideas!

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