

# Retailing in Electronic Commerce

## Products and Services

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E-Commerce (Winter 2011)

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# Learning objectives

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- In 2008 -> 100 millions of online shoppers in United States
- Internet usage is reaching saturation -> increase the time users spend online
- Overview of Internet retailing
  - diversity, prospects, limitations
- Specific E-tailing examples

# E-Tailing Overview

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# Electronic Retailing

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- A retailer is a sales **intermediary**: operates between manufacturers and customers
- In **physical** world, retailing is done in stores
- A **catalog** free companies of the need of a physical space. Customers can browse the catalog at any time
- E-tailing: retailing conducted **online**, over the Internet
- E-tailers: **actors** that sells over the Internet

# B2C

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- The concept of retailing implies sales of goods/services to **individual** customers
- Distinction between B2C and B2B is not always clear
  - Amazon.com sells both to private and to companies
  - Barnes & Noble has a special section of thier site for B2B
  - Ikea.it has special offers and financing for business customers, but products are the same

# Size and growth of the B2C market

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- Reported amounts of online **sales** deviate substantially based on how the numbers are derived
  - Annual online 2004 sales were estimated to be over \$70 billion
  - The average online shopper spent over \$350 per quarter
  - Forrester Research estimates that e-tailing will reach \$316 billion by 2010

# What sells well on the Internet?

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- Computer hardware and software
- Consumer electronics
- Office supplies
- Sporting goods
- Books and music
- Toys
- Health and beauty
- Apparel and clothing
- Jewelry
- Cars
- Services
- Others

# Characteristics of successful e-tailing

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- High brand recognition
- A guarantee provided by highly reliable or well-known vendors
- Digitized format
- Relatively inexpensive items
- Frequently purchased items
- Commodities with standard specifications
- Well-known packaged items that cannot be opened even in a traditional store



# E-Tailing Business Models - Classification

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- E-tailing business models can be classified in several ways
  - scope of items handled (general purpose vs specific)
  - scope of sales regions covered (global vs regional)
  - classification by revenue model
  - others

# E-Tailing Business Models - Classification

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- Classification by Distribution Channel
  - Direct marketing from mail-order retailers that go online
  - Direct marketing from manufacturers
  - Pure-play e-tailers
  - Click-and-mortar retailers
  - Internet (online) malls

# Mail orders

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- Mail marketing that takes place without intermediaries between manufacturers and buyers
- Takes orders directly from consumers
- Moving online: cut the price of catalog distribution, easier and faster order handling

# Direct Sales by Manufacturers

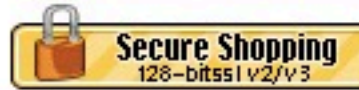
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- Sellers can understand their markets better because of the direct connection to consumers
- Consumers gain greater information about the products through their direct connection to the manufacturers
- Dell uses direct marketing with a build-to-order approach, customizing its products

# Pure-play e-tailers

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- Firms that sell directly to consumers over the Internet
- no physical sales channel
- Example: amazon.com, libreriauniversitaria.it ([http://ricerca.gelocal.it/mattinopadova/archivio/mattinodipadova/2008/12/06/MCKPO\\_MCK01.html](http://ricerca.gelocal.it/mattinopadova/archivio/mattinodipadova/2008/12/06/MCKPO_MCK01.html))
- Low overhead costs (can also use existing platforms <http://smallbusiness.yahoo.com/>)



View Cart

VIEW CART

CHECKOUT

SEARCH



SHOP BY:

BRAND

TYPE

PERSONALITY

CATEGORIES

- New at Cat Toys
- Made in the USA
- Holiday / Seasonal Items
- Beds, Mats & Carriers
- Books & Multimedia
- Bowls, Feeders & Storage
- Cat Collars & Accessories
- Cat Toys & Playthings**
- Cat Treats
- Catnip, Just Catnip
- Clothing & Accessories
- Eco-Friendly Products
- Flea & Tick Solutions
- Gifts for Cat Lovers
- Grooming Supplies
- Health & Wellness
- Kitten Toys & Products
- Outdoor Cat Enclosures



Toys for Pets  
Donation  
Program

Donate Today

CATtoys.COM

Send a Donation Today

BEST SELLERS



Sale Cat Items

FEATURED CATEGORIES



Matched Cat Toys



Crunchy Cat Treats



Made in the USA



Cattoys.com

Pure-player in a narrow market



**Application Case****CATTOYS.COM, A SPECIALTY E-TAILER**

CatToys.com is a specialized e-tail site that sells cat toys. Its Web site (*cattoys.com*) is designed to appeal to cat enthusiasts, with cat images everywhere and informal typefaces to put buyers at ease. It has no banner ads, is easy to navigate, is updated weekly, and displays products in clear categories. The company's retail prices are comparable with those of other pet stores and are kept low through aggressive cost control. Buyers can receive discounts by donating cat toys to animal shelters. Marketing is mostly accomplished through search engines and an affiliate program in which any cat lover can participate. The site has no membership or personalization features.

CatToys.com hosts its site through Yahoo!'s Merchant Solutions (*smallbusiness.yahoo.com/merchant*). This allows it to use sophisticated technologies (e.g., cookies for the shopping-cart process and payment security) and have access to a large audience. Because Yahoo! takes care of the Web site technology, CatToys.com can concentrate on

its core competency—selecting the right cat toys and marketing them effectively. CatToys.com is an example of a low-volume specialized store that attracts people with specific shopping needs.

A sister company is *dogtoys.com*, which offers similar services including gift certificates and the ability to earn points. Both companies are evaluated at *epinions.com*.

**Questions**

1. Visit *cattoys.com* and examine the company's revenue model.
2. Examine the relationship between *cattoys.com* and *dogtoys.com*. These two URLs are owned by the same company. Why do they have separate URLs for each product?

Cattoys.com

Pure-player in a narrow market





WEB HOSTING ▾

ECOMMERCE ▾

BUSINESS MAIL ▾

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ONLINE MARKETING

RESOURCES ▾

Already a customer? Sign in ▾

# Business is better with Yahoo!

Our suite of products is designed to help you succeed online.

## Get a web site today!

Plans start at just **\$7.46/mo.**<sup>1</sup>  
For 1st 3 mos.<sup>1</sup> (\$9.95/mo. after)

[Get Started](#)

### [Get a Domain »](#)

✓ Just \$9.95

### [Use Business Email »](#)

- ✓ Domain name
- + Custom email addresses
- + Antivirus and spam protection

### [Get a Web Site »](#)

- ✓ Domain name
- ✓ Business email
- + Easy-to-use web site tools
- + Site-performance tracking
- + 24-hour support

### [Sell Online »](#)

- ✓ Domain name
- ✓ Business email
- ✓ Web site
- + Easy store-building tools
- + Customizable shopping cart
- + Process credit cards/PayPal
- + Detailed sales reporting

# Yahoo Small Business

Tools and hosting for e-tailers



# Click-and-mortar Retailers

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- Brick-and-mortar retailers that offer a transactional Web site from which to conduct business
- Suggested winner strategy by many experts
- Often brick-and-mortars moved to the online world
  - Example: mediaworld.it, wallmart.com, etc.
- or pure-players that expanded on physical storefronts



Expedia.com

pure-player that expanded in  
physical storefronts

DELL



Dell Physical Store

non-selling physical storefront

# Online Malls

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- Referring directories
  - a directory organized by product type
  - selecting product brings to a selected store
- Malls with shared services
  - Orders are done directly on the mall site
  - One shared shopping cart, pay once

# Other e-tailing models

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- Postal services
- Adult products and services
- Wedding planners
- Gift registries

# Specific E-tailing Examples

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# Travel and Tourism Services Online

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- Online travel is probably the most successful e-commerce implementation
- Half of leisure travelers book online and 43% use internet to do travel research (2007 report)
- Most popular sites are travel agencies (expedia, travelocity, ...) and search sites (google, yahoo, ...)
- Revenue model: direct, advertising, commissions, membership
- Social networking sites

# Travel and Tourism Services Online - II

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- Services provided include:
  - General information
  - Reserving and purchasing tickets, accommodations, and entertainment
  - Travel guides
  - Electronic travel magazines
  - Fare comparisons
  - Travel bargain ([lastminute.com](http://lastminute.com))



# Travel-Oriented Social Networks

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- Social computing shifts online travel from passive selling to customer engagement
- affect how travel companies and agents market their products
- Several social networks have a travel channel or applications

Home [Edit](#)

2,125 PAGES ON THIS WIKI

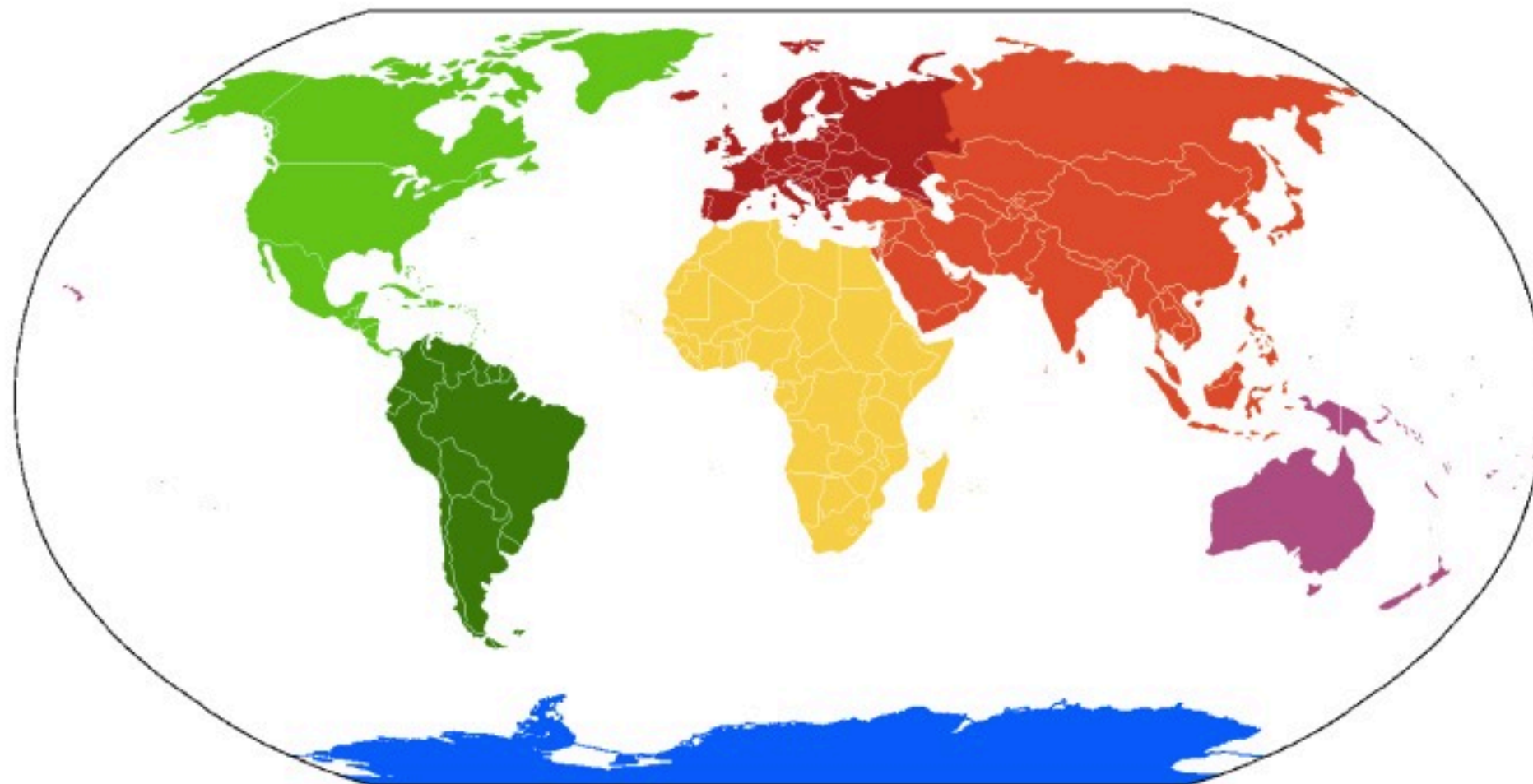
[Add a Page](#)

32 [Talk](#)

Search this wiki



## Welcome to the Travel Wiki!

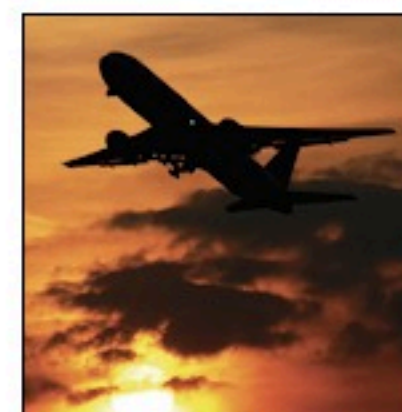


[Africa](#) - [Asia](#) - [Australia](#) - [Central America](#) - [Europe](#) - [Middle East](#) - [North America](#) - [Oceania](#) - [South America](#)

## Browse our Wiki



Cities



Getting there



travel.wikia.com

Social Network Travel Channel





Shooting winter landscapes in the Swiss Alps

*What would you love to do?***Register now for FREE!**

Sign-in with:

Connect

Full Name: 

First name Surname

Email: Password: 

Birthday:

Day Month Year 

Nationality:

Italian

Home town:

Vicenza, Italy

I am a:

 Male Female

You will receive email newsletters &amp; account updates from us, which can be turned off at any time

I confirm that I have read and agree to the [Terms & Conditions](#) and [Privacy Policy](#)**What is WAYN?**WAYN is the world's largest travel and lifestyle community with **over 15 million members** around the world.**See what others have said...**

I've planned my whole travels thanks to members on WAYN and even found my perfect match ;)

Liv, 31, Australia

**WAYN on Mobile**

- Share what you would love to do with others whilst on the go
- Find great places nearby

Wayn.com

Social Network for Travelers

# Benefits of Online Travel Services

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- Benefits to consumers
  - Large amount of free information available 24/7
  - Substantial discounts can be found
- Benefits to providers
  - Airlines, hotels, and cruise lines are selling otherwise-empty spaces
  - Direct selling saves the provider's commission and its processing

# Limitations of Online Travel Services

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- Many people prefer to not use the Internet
- The amount of time and the difficulty of using virtual travel agencies may be significant
- Complex trips or those that require stopovers may not be available online because they require specialized knowledge and arrangements
- Difficult to find accessory services (guides, car rental, etc.)
- Trust issues

# Impact of EC on the travel industry

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- Someone predicted that travel agencies as we know will disappear
- New intermediaries are born:
  - aggregators (expedia, bookings.com)
  - reviews (tripadvisor.com)

# Intelligent Agents in Travel Services

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- EC will play an even greater role in travel industry in the future
- Currently gaining prominence: travel meta-search engines, or travel bot (sdestep.com, kayak.com, mobissimo.com)
- search across multiple travel sites simultaneously
- search flights, accommodations, car rentals, city activities, provide travel guides, forum for customers



KAYAK

Esplora da

Verona, Italia - (VRN)

Dove posso volare e con che cifra?



Ci sto pensando

è indifferente

[Cosa?](#) attrezzature? temperatura?

[Come?](#) max scali? durata volo?

[Vuoi condividere?](#) Invia la mappa!



Kayak.com

travel meta-search engine



# Intelligent Agents in Online Travel

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- Another promising area: the use of software (intelligent) agents
- agents emulate the work and behavior of human agents in organizational processes
- travel authorization, planning, decision making
- increase organizational productivity
- Smart Travel Service Advisor ([http://eprints.ecs.soton.ac.uk/16943/1/Travel\\_Advisor\\_paper.pdf](http://eprints.ecs.soton.ac.uk/16943/1/Travel_Advisor_paper.pdf))
  - provide clients with up-to-date information about travel companies' performance so they can choose the company that best suits their individual requirements and preferences

# Employment Placement and the Job Market Online

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- The job market is very volatile
  - supply and demand are frequently unbalanced
- Traditional job matching is done in several ways
  - ads in special sections of a newspaper
  - corporate recruiters
  - employment agencies

# Employment Placement and the Job Market Online

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- The Job Market has also moved online
- Connects individuals who are looking for jobs with employers who are looking for employees
- Very popular approach
- more and more are turning away from traditional channels
- Methods: specialized sites and career portals by large companies

# Advantages of online job market

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- Inexpensive
- Long life cycle
- Global reaching
- Fast update
- Large space for details
- Easy to search
- Fast communication
- Easy to compare jobs

# Traditional versus Online Job Markets

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<b>Traditional Versus Online Job Markets</b>		
<b>Characteristic</b>	<b>Traditional Job Market</b>	<b>Online Job Market</b>
Cost	Expensive, especially in prime space	Can be very inexpensive
Lift cycle	Short	Long
Place	Usually local and limited if global	Global
Context updating	Can be complex, expensive	Fast, simple, inexpensive
Space for details	Limited	Large
Ease of search by applicant	Difficult, especially for out-of-town applicants	Quick and easy
Ability of employers to find applicants	May be very difficult, especially for out-of-town applicants	Easy
Matching of supply and demand	Difficult	Easy
Reliability	Material can be lost in mail	High
Communication speed between employees and employers	Can be slow	Fast
Ability of employees to compare jobs	Limited	Easy, fast

# The Internet Job Market

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- Rich environment for hard-to-find employees
- Online resources are now the most popular way to find applicants
- The U.S. market is dominated by three major players:
  - Monster
  - Careerbuilder
  - Yahoo! Hotjobs

# Internet Job Market

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- The following actors play a role in job marketing:
  - Job seekers: both active and passive. Rss feeds to keep an open eye on opportunities. Special sites for first jobs
  - Employers seeking employees: advertise job openings on public pages, online tests to predict candidate profile. LinkedIn offers several tools for recruiters, also Yahoo! Resumix.
  - Classified Ads: ads of job openings on specialized sites (kijiji.com, linked.com, craigslist.org)

# Internet Job Market

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- Job agencies: as offline job agencies, offer services for a fee or relay on advertisement
- Government agencies and institutions: many gov and inst advertise job opening on the internet. Some are required to do so by law.
- The Internet is a global online portal for job seekers
- Many large organizations spends lots of money on job agencies to get the “right” people
- For colleges, an important performance metric is the employability of their graduates
  - providing career advices is of primal importance



# Online Job Markets on Social Networking

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- In the age of Web 2.0 the wide reach of social networks like Facebook and LinkedIn can get people hired faster
- The sites provide job seekers the ability of promote their area of expertise as well as help them to be found
- Powerful search mechanisms
- Possible referral fee

# Global Online Portals

- Portals to look for job in another country

The screenshot shows the homepage of the 'workingin New Zealand' website. The header features the logo 'workingin New Zealand for people moving country' and a navigation menu with links: Home, About Us, Advertise with us, Visit our job expos, Contact us, and a 'Change country' dropdown. A search bar with a 'SEARCH' button is also present. Below the header is a main navigation bar with buttons for JOBS, EDUCATION, BUSINESS, VISA, JOB EXPO, MOVE, LIVE & SETTLE, MONEY & COSTS, NEWS, and a 'LOGIN' button. The main content area has a green banner that says 'WELCOME TO WORKING IN'. Below this, there is a section titled 'Do you want to live and work in New Zealand?' with a description of the site's 10-year experience and links to 'apply for jobs', 'learn about visas', 'find New Zealand real estate', 'transfer funds', and 'find a shipping company'. To the right of this text is a photo of a family and a green box that says 'THIS COULD BE YOU' with a link to 'Read about others who have used Working In to move to New Zealand.' Below the main content are three columns of featured content: 'Find a Job' with a list of job listings (Manager - Telecommunications, Senior Design Manager-Civil & Construction Contractor, Automation Engineers), 'Visit our Emigration Expo' with a photo of a family and text about successful expos in UK cities, and 'Get your Visa' with a photo of a person with sheep and a button that says 'I WANT TO GET HELP WITH MY VISA'. At the bottom, there is a section titled 'Already in New Zealand?'.



# THE EUROPEAN JOB MOBILITY PORTAL (EURES CV-SEARCH)

EURES CV-Search ([europa.eu.int/eures](http://europa.eu.int/eures)) is an electronic meeting point for employers and job-seekers. Job seekers can use the site to introduce themselves to employers; employers can use the site to find and contact promising candidates. EURES CV-Search gives job seekers the ability to post their curriculum vitas (CVs) on the site if they wish to advertise that they would like to work in another country.

Employers can view job seekers' CVs by registering with the service. Job seekers can post their CVs anonymously. If this option is selected, employers can only contact the job seeker through the EURES service. Job seekers can present their profiles in English, German, or French.

EURES is a free service for both job seekers and employers, subject to the rules set down by individual EURES country members.

What is offered on the site?

- ▶ Job vacancies throughout Europe, by country
- ▶ CV postings by area and country
- ▶ Information about the transitional rules regarding movement of workers to and from all member countries
- ▶ Information about living and working conditions in each country
- ▶ Information about training opportunities

- ▶ Information about public employment services
- ▶ Job-related news
- ▶ Personalized pages and accounts for applicants and employers
- ▶ Employment statistics
- ▶ Contact information and other resources
- ▶ A search engine for quick searches
- ▶ Search capabilities for employers to find the right CV

Source: Compiled from [europa.eu.int/eures](http://europa.eu.int/eures) (accessed September 2004).

## Questions

1. Enter [europa.eu.int/eures/](http://europa.eu.int/eures/) and look at some CVs. How do you think jobs and people are matched?
2. Assume that you are looking for a job in one of the countries served by the portal. Do you think that the site offers sufficient information?
3. What tasks are performed by search agents?
4. Do you have any suggestions about how to improve this site?

Online File W3.4





Home | News | | Help & Support | Links

Quick Search

Advanced Search

## The easy way to find information on jobs and learning opportunities throughout Europe.

Job vacancies in 31 European countries, CVs from interested candidates, what you need to know about living and working abroad and much more brought to you by the EURES network.



04/03/2011: **1 063 414** job vacancies, **594 614** CVs and **23 216** employers registered.

### The EURES network

What can EURES do for you?

Eures Advisers

EURES in cross-border regions

Public Employment Services

### Jobseekers



> Search for a job

> Your CV On Line

> Register for a free My EURES account

### Employers



> Search CVs

> Advertise a job

> Register for a free My EURES account

### Log in to My EURES

Username:

Password:

> Forgotten your user name or password?



### Living & Working

Moving to another country guide:

> Monitoring the job market

### Learning

> Search for learning opportunities

EURES & you Newsletters

News on the portal

Events calendar

Tell us your opinion

# Eures

# Europe Job Mobility Portal

# Case of Study: Refer.com

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- A terrible idea: employers post job openings for a fee, and anyone who successfully refers somebody for the job earns a 1000\$+ referral bonus
- How most companies hire people:
  - 1) Internal referrals
  - 2) External recruiters
  - 3) Solicited applicants
  - 4) Unsolicited applicants
  - ...
  - 213) Refer.com - Somebody whom employer doesn't trust and has never met, refers somebody that they don't trust and have never met. The person whose resume gets passed for the job doesn't even know they're applying for the job. Random scour resume banks and refer thousands people, hoping to get a score. Employers get inundated with the lowest-quality applications.

Source: *F'd Companies* - Philip J. Kaplan

# Benefits and Limitations of E-Job Market

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- Limit: lack of access to the Internet
- Limit: reverse lack of access to the Internet
  - companies are flooded with applicants when they advertise online
  - most of them are not really suited to the position
- Security and privacy
  - dont let your boss know you're job hunting!

# Real Estate

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- Advice to consumers on buying or selling a home
- Commercial real estate listings
- Listings of residential real estate in multiple databases
- Maps are available
- Sites for persons who want to sell their homes privately, without using a real estate agent

# Insurance Online

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- An increasing number of companies use the Internet to offer standard insurance policies (auto, home, life, or health) at a substantial discount
- Third-party aggregators offer free comparisons of available policies
- Several large insurance and risk-management companies offer comprehensive insurance contracts online



# Banking and Personal Finance Online

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- Electronic banking or e-banking include various banking activities conducted via the Internet from home
- Saves time and money
  - for banks: offers inexpensive alternative to branch banking and a chance to enlist more customers
  - for customers: discounts, 24/7
- Mobile banking - home banking from your smartphone

# E-banking II

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- Virtual Banks
- no physical location, but only conduct online transactions
- more than 97% of pure-play virtual banks failed in 2003
- the most successful model seems the click-and-mortar
- watch out for frauds with cyberbanks

# On-Demand Delivery of Products

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- Most e-tailers use common logistic carriers to deliver their products
- Some own a fleet of delivery vehicles
- Either case, an express delivery service is called **on demand delivery service**
  - the delivery must be quick after the order (between “overnight” and 60 minutes)
  - offer e-grocers delivery this way (unattended delivery)

# Online Delivery of Digital Products, Entertainment, and Media

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- Certain goods, (software, music, or news stories) may be distributed in a physical form or they may be digitized and delivered over the Internet
- Products that can be transformed to digital format and delivered over the internet are called digital products
- For sellers, the costs associated with the manufacture, storage, and distribution of physical products can be enormous
- Inventory management also becomes a critical cost issue, and so does delivery and distribution

# Napster, a Major Revolution

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- The rise of Napster coincide with the wide availability of computers in college campuses and widespread adoption of mp3 files
- The Napster network did not require the use of a standard web browser such as IE
- No mp3 on remote servers: Napster only shared “libraries”, or list of songs, and then enables peer-to-peer file sharing
- Individual users literally exchanged songs with each other
- 60 millions of users by the end of 2003, one of the fastest community growth in history

# Napster - II

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- Potential challenge to industry revenue model
- Recording Industry Association of American (RIAA) and five major records engaged a legal battle for copyright infringement
- Napster argued that no mp3 were held at its servers
- Court ruled that as “manager of file exchange” Napster must observe copyright
- Napster were acquired by Roxio and revived as a for-fee service (napster.com)

# History of Filesharing

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- More on [http://en.wikipedia.org/wiki/Timeline\\_of\\_file\\_sharing](http://en.wikipedia.org/wiki/Timeline_of_file_sharing)
- Peer-to-Peer Systems What's behind the buzzword? (Uwe Schmidt Un-Distinguished Lecture Series 16/02/2007)

# B2C Dot-Com Fails

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- Nella crisi del 2000-2001 molte compagnie dot-com chiusero
  - 600 in USA, 1000 nel mondo
- Kozmo.com : affitto di film in dvd e altro materiale correlato porta a porta.
  - Come riconsegnare i film? Direttamente al negozio non era allettante per i clienti. Dropbox vandalizzate. Volume delle vendite insufficiente. Alleanza con Starbucks per la riconsegna inefficace.
  - Sempre più pornografia nel catalogo. La compagnia viene denunciata dopo aver negato il servizio alle zone più povere (con più criminalità).
  - Fallita nel 2001 con una perdita di \$250M



# B2C Dot-Com Fails

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- Furniture.com
  - Vendita di mobili tramite internet
  - \$2.5M pagati solo per acquisire il dominio
  - problemi: i produttori non riuscivano a coprire le richieste per gli oggetti più popolari
  - costo delle spedizioni troppo alto per gli oggetti ingombranti (anche \$200 per spedizione)

# B2C Dot-Com Fails

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- eRegister.com
  - intermediario per registrarsi a svariati servizi (non necessario)
- Go.com
  - portale Disney per accedere agli altri siti dell'azienda e generare profitti dall'advertising. per coprire il salario del 400 impiegati sarebbero state necessario 2 miliardi di impression, ne ottenne solo 2 milioni.
- Pets.com
  - alimenti e oggetti per animali. mercato molto competitivo. \$240 di spesa per ogni cliente acquisito

**See All Departments**

- [Electronics & Office](#)
- [Movies, Music & Books](#)
- [Home, Furniture & Outdoor](#)
- [Apparel, Shoes & Jewelry](#)
- [Baby & Kids](#)
- [Toys & Video Games](#)
- [Sports & Fitness](#)
- [Auto & Home Improvement](#)
- [Photo](#)
- [Crafts & Party Supplies](#)
- [Pharmacy, Health & Beauty](#)
- [Grocery & Pets](#)

Search

All Departments

Find

My Cart

Choose My Store

Free Shipping with **site to store** on eligible items.

**Save Big on Top-Brand Electronics**



32" HDTVs  
from  
**\$298**

[See all HDTVs](#)



iPods **from \$45**



Digital Cameras **from \$59**

**Save Big Now**

- Get Up to 45% Off All Dr. Seuss Books
- Jeans under \$18
- Rollbacks
- TV Stands under \$100

**What's New**

- Coming Soon — The New Apple iPad 2
- Preorder Allegra — Now Available Over the Counter
- Preorder Nintendo 3DS

**In the Spotlight**



**Stress-Free Tax Solutions**

Simplify filing, for less, with top tax software, laptops & more.

- [Laptops](#)
- [Printers](#)
- [Tax Software](#)

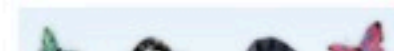
[See all Computers](#)



**Save on Smartphones**

Shop all the latest smartphones, including Galaxy S and various Android models. Many are free with a 2-year contract.

[See all Cell Phones](#)



Walmart.com

Closing Case

# Closing Case: Wal-Mart Online

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- Biggest retailer in the world
- Online and offline targets are different
  - Wal-Mart stores target \$25.000 income households
  - medium income of online households is \$60.000
- In 2006 online sales were 10% of online total in US

# Wal-Mart Online

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- Digital products
  - Music for 88c a song, early rival of iTunes
  - Inexpensive items were not available online (< 5\$)
    - no competition with their offline stores
  - Special offers and items for holydays
- One of the first and most successful big retailers online