

Impact of Information Technology and Internet in Businesses

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Abstract: *In the past few decades there has been a revolution in computing and communications, and all indications are that technological progress and use of information technology will continue. Revolution in information and communication technology has changed not only our lives but also the way how people do business. Using information technology, companies possess the potential to reach more customers, introduce new products and services quickly, and collaborate with suppliers and business partners from all over the world. Transformation from industrial society to information society and industrial economy to knowledge economy is a result of the impact of ICT and Internet use. Main objective of this paper is to describe information technology; opportunities of Internet usage for businesses to achieve strategic advantages compared to their competition and how they can facilitate the movement of goods and services from producers to customers*

Keywords: Internet, information technology, business, goods, service, customer.

I. INTRODUCTION

Information Technology (IT) has grown and evolved over the last 50 years; you cannot think and plan a project, business or other initiative without the usage of this technology. When we say Information Technology that means not only personal computers or smart phones, but also modern machinery in factories, automotive industry, aviation industry, various household appliances etc., In one way or another this has not only facilitated our daily lives but it has also reduced cost and time in general. Research shows that a quarter of workers in the United States of America work from home for a considerable time of the year, while, another quarter work “mobile” - on the move. It rejects the great opportunities that Information Technology and the Internet provide as an important tool for implementation in organizations and public institutions.

Economists highly appreciate the importance of Information Technology in business growth, lowering costs and promoting the best products. During recent years, globalization and computerization have reddened the industry, politics, culture, and social order. Globalization refers to ultimately integrate economic and cultural institutions. Information integration occurs as a result of the use of information technology. The technological revolution presupposes global computerized networks and the free movement of goods, information, and peoples across national boundaries. Hence, the Internet and global computer networks make possible globalization by producing a technological infrastructure for the global economy. Computerized networks, satellite-communication systems, software and hardware link together and facilitate the global economy

An overview of internet as a resource

Using ICT also facilitates the production of goods in a short time with the help of computerized information systems, and services are quick and elective (Miles, 2001, 232). Information and Communication Technology known as ICT technology has become the main tool in business activities in the modern world (Rimouski & Škerlavaj, 2004, 636). Internet is becoming part of everyday life for the whole world. In recent times electronic business has developed in an important business discipline. “E” as the last letter in Internet usage has assumed great importance not only in the world of information and communication technology but also in businesses. It has become an important component for a large number of areas of research. So we can mention: electronic marketing, electronic commerce, electronic Nance, electronic commerce, electronic learning, electronics markets and others. The Internet represents a technological

innovation, whose effects range from communication to interaction; however, its potential has not been fully explored and studied (Homan, Novak & Peterson, 1997, 123). Sales have increased in Europe in 2010 compared to 2009 online sales by 19.6% which makes 5.5% of all retail business (Center for Retail Research, 2010 www.retailresearch.

Table 1. Use of Internet in the world and population statistics June, 2012

World Regions	Population (2012)	% of population	% of the continents
Africa	1.073.380	15.6	7.0
Asia	3.922.067	27.5	44.8
Europe	820.918	63.2	21.5
Near East	223.608	40.2	3.7
North America	348.280	78.6	11.4
Latin America	593.689	42.9	10.6
Oceania/Australia	35.904	67.6	1.0
Total world	7.017.847	34.3	100.0

Globalization and informatization reduce the national concept on the one hand and on the other hand, allow ancient own of information. Information technology and computer networks also allow the global economic-, cultural- and political connection. These two forces greatly act the economic and cultural integrity. Technological innovations, particularly in the field of information and communication, have played and still do play a central role without doubt. Internet represents a symbol for the phenomenon of globalization in many aspects. The globalization of the financial markets, the lightning-quick transfer of unimaginable sums of money around the globe would be impossible without this technology, just like the organization of transnational production would be and much more. The enormous increase in trade as a further central element of commercial globalization results not only because transport costs have sunk rapidly, and goods can be

Electronic business

E-business (electronic business) consists of the conduct of business processes on the Internet. these electronic business processes include buying and selling products, supplies and services; servicing customers; processing payments; managing production control; collaborating with business partners; sharing information; running automated employee services; recruiting; and more. E-business can comprise a range of functions and services, ranging from the development of intranets and extranets to e-service, the provision of services and tasks over the Internet by application service providers. Today, as major corporations continuously rethink their businesses in terms of the Internet, specially its availability, wide reach and ever-changing capabilities, they are conducting e-business to buy parts and supplies from other companies, collaborate on sales promotions, and Conduct joint research. Information technology is one of the relevant factors which nowadays is helping businesses to penetrate in new markets for being innovative and producing new products and services. Therefore, we can come to the conclusion that the role of information technology in the manufacture of new products and services is enormous. If an enterprise does adequately identify the information technology for its competitive business market by providing appropriate software, it will be able to perform the organization and accumulation of data and information necessary to develop new products and services. Electronic business via electronic mail, voice mail with videoconferencing, data conference, teleconferencing and electronic exchange of data enable the internet which gave a new boom in sharply changing market, economy, society and politics by changing products, services, consumer behavior, etc. At the same time, the rules of European and national competition will be implemented to ensure small businesses to have all opportunities to enter new markets and compete on fair terms (European Commission, 2000, 23).

Key elements of the surroundings include:

- Global Infrastructure
- Links to suppliers
- Links with buyers / clients
- Links with intermediary

So, being connected to the internet, companies have the opportunity to research faster, build websites that promote their products, monitor consumer behavior and develop video conferencing. It is worth to mention one of the most revolutionary developments in advanced communication technologies, such as voice over internet protocol (VoIP), which includes all types of voice communication transmitted through the internet, between computers or in hybrid form between PC and regular phone. Advanced computer technology is sophisticated, though it is often very expensive and takes more time to be implemented by an enterprise. Well business processes are transformed from physical reality to digital reality based on Bit (Berisha-Namani, 2010, 53).

Information technology and internet access by SMEs in Kosova

Information Technology is used as a strategic tool for companies to enhance their competitive advantages at a time when uncertainty is increasing (King, Grove & Hufnagel, 1989, 87-93). the idea that information technology can contribute to the optimization of enterprise resources, strengthen, enable and enhance business performance, is accepted and supported by many empirical studies (Sethi & King, 1601-1627; Chan, Hu 諳 & Barclay, 125-150; Croteau & Bergeron, 77-99). The level of the use of technology varies according to the country. The current situation in the level of information technology usage in Kosovo is shown below by BSCK's research results.

According to 2010 BSCK survey 59.42% of firms declared they have computers. According to BSCK Survey in 2011, the usage of computers by firms has increased by approximately 7% (66.26% in 2011), while in 2012 the usage of computers by firms has decreased by 8% (58.23% in 2012). In today's economy knowledge, the use of information technology by firms increases their competitive advantage. Moreover, not only the intensity of the use of IT, but also the quality of the use of IT is an important factor for SME development.

II. CONCLUSION

The results of using this technology are seen in the rapid implementation of products and services as well as in the great speed to meet customer requirements. We can say that as a result of the use of new technology, a new economic structure is developing, building an intelligence network that has become a new reality. these trends in global proportions have greatly influenced the Kosovo SMEs development in extending their productivity due to increased use of this technology.

Information Technology and the Internet are not only important features for the facilitation of communication between people but, they are a way that creates new business models, by changing the development of business and transforming them in a positive manner. the Internet can be considered as a strategic resource where companies can promote their work and services as well as to expand into new markets. Companies that utilize this new technology can be more ancient in conducting business activities and create competitive advantage. Electronic business has changed the economy, society and politics. Is i the main reason why enterprises which are in tighter competition today are orientated towards the market filling the requirements of the buyers

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