

***WONDERS.NET* ONLINE SHOPPING
PLATFORM:
ADOPTING ONLINE SHOPPING IN MALAYSIA
& INTRODUCING A NEW METHOD OF
PAYMENT GATEWAY**

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LIST OF ABBREVIATIONS

C2C	Consumer to Consumer
B2B	Business to Business
B2C	Business to Consumer
B2T	Business to Team
PBX	Private Branch Exchange
MVC	Model View Controller
SSL	Secure Sockets Layer
RCP	Rich Client Platform
SOHO	Small Office/Home Office
CA	Certification Authority
SIP	Voice over IP
IM	Instant Messenger
IVR	Integrate Voice Response
TCP/IP	Transmission Control Protocol / Internet Protocol
SET	Secure Electronic Transaction
VbV	Verified by Visa
SPA	Secure Payment Application
IMC	Integrated marketing Communication
UI	User Interface
API	Application Programming Interface
XMPP	Extensible Messaging and Presence Protocol
GDP	Gross Domestic Product

Abstrak

Dengan perkembangan e-dagangan yang semakin pesat, penggunaan pembelian secara talian dikalangan orang Asia adalah masih terlalu rendah. Kajian ini menyelidik faktor-faktor yang mempengaruhi penglibatan orang ramai untuk membabitkan diri dalam urusan jual-beli dalam talian bagi kedua-dua pihak penjual dan pembeli. Berdasarkan hasil kajian kami, hanya 12.4% daripada responden merupakan mereka yang berpengalaman dalam urusan jual-beli dalam talian berbanding dengan 71.2% yang tidak berpengalaman. Kami mendapati kebimbangan responden adalah berkenaan keselamatan pembayaran, keyakinan, dan kebolehpercayaan terhadap para penjual dalam talian.

Dalam usaha untuk meningkatkan bilangan pengguna yang terlibat dalam urusan jual-beli dalam talian, saya telah membangunkan platform prototaip berkenaan e-dagang atas talian yang dinamakan *wonders.net* yang mengandungi *wondertree.com*, *wonderland.com*, *wonderpay.com*, dan *wondertalk* pesanan segera untuk mempertingkatkan sistem sedia ada.

Berdasarkan kajian mendalam berkenaan faktor utama mengenai isu-isu pertimbangan pengguna dan analisa cara pembayaran sedia ada, kami mendapati bahawa keselamatan pembayaran dan kebolehpercayaan merupakan masalah berkenaan kaedah pembayaran. Penyelesaian kepada masalah tersebut memfokuskan kepada memperkenalkan kaedah baru cara pembayaran untuk mengatasi masalah kebolehpercayaan.

Abstract

For the continuous growth and development of e-commerce, Asian consumers' adoption of online shopping is very low. I experimentally investigate the factors that influence people to participate in global online shopping for both seller and buyer. Results of my survey indicate that only 12.4% respondents have experience in online shopping versus 71.2% who do not have any prior experience. I found that the respondents' major concerns are payment security, trustworthiness, and reliability of online vendors.

In order to entice more consumers to participate in online shopping, I developed a prototype of an online e-commerce platform called *wonders.net* which includes *wondertree.com*, *wonderland.com*, *wonderpay.com*, and *wondertalk* instant messenger to improve current system.

From my in depth study on the issues affecting consumers and analysis of current methods of online payment, I found that payment security and trustworthiness issues can be categorized into the payment method problem. I am proposing a solution by introducing an improved payment gateway to help solve the trustworthiness problem.

Section 1.0 EXECUTIVE SUMMARY

1.1 Business proposition

With the increasing trend of e-commerce trading activities and internet penetration such as e-commerce Consumer to Consumer (C2C) & Business to Business (B2B), an online shopping platform is a viable and potentially good business to develop. Our company, *Wonders.net* conducted a survey and found that Malaysian consumers' adoption of online shopping is very low. The current e-commerce online shopping platform such as *ebay.com* has major weaknesses involving payment methods, trustworthiness and communication issues, which makes it difficult for Asian societies to adapt to and participate in global trade. Moreover, as a seller, he or she not only needs the capital to start the business such as rental, stock and so on, but also needs to choose a right product and build a network to make business successful. Therefore, we came up with the idea of setting up *Wonders.net* that consists of three websites and an application:

- *Wonderland.com* focuses on B2B market, which provides a variety of products to the seller originating from a C2C website.
- *Wondertree.com* provides a sales network for buyer and seller trade online; the function is same as *ebay.com* but improves upon the current weaknesses.
- *Wonderpay.com* is an improved 3rd party payment gateway to protect buyer's interest and ensure a successful transaction

- *Wondertalk* is an *IM* (instant messenger) through which the seller and buyer are able to communicate in real time and thereby improving trustworthiness.

1.2 Target Markets and Marketing strategies

Wonders.net is targeting on those customers who wish to perform activities as following:

- To purchase cheaper or special products that cannot be found in a local market.
- To sell an unused product.
- Wish to open a shop to sell products, with no capital, suppliers and without any networks.
- To increase sales.
- To sell products overseas.

Wonders.net will focus on a different group of people in different stages in order to gather more customers in the shorter time.

Wonders.net will use the “boil frog” strategy, which provides free charges on registration shop’s fees and transaction fees for the first 5 years to attract potential customers. Another strategy of *Wonders.net* is:

- To provide a new method of 3rd party payment gateway to protect buyer’s payment.
- To provide *wondertalk* communication tools with built-in translator for buyer and seller to trade globally.

1.3 Financial

Wonders.net operates under a Small Office/Home Office (SOHO) basis, which keeps the operation cost at a minimum, with the setup cost less than RM10,000.

Wonders.net expects to reach the break-even point in the first year with the profit of RM20,000, as well as expecting to achieve profit earning of RM370,000 and RM700,000 for the second and third years respectively. After 4 years, *Wonders.net* forecasts to make RM5 million per annum.

1.4 Technology (platform and architecture)

Wonders.net uses the latest technology to develop an efficient platform to provide better services for both buyer and seller. *Wonders.net* needs 4 servers to run the business which are: *Apache* server for web application, *MySQL* server for database, *Openfire* server for Instant Messenger, and PBX (Private Branch Exchange) server for SIP (Session Initiation Protocol) phone and VoIP (Voice over IP) service.

Wondertree.com and *wonderland.com* are using MVC (Model View Controller) architecture and Smarty web template system to develop which separate user interface layer (template) and data present layer (core) to make website flexible.

Wonderpay.com is based on MVC architecture and Smarty engine plus SSL (Secure Sockets Layer) which are used to develop a secure and flexible payment gateway.

Wondertalk is an extensible instant messenger based on JAVA Eclipse RCP architecture that allows user to add own plug-ins.

Section 2.0 INTRODUCTION

2.1 Background

It is common to use the terms e-business and e-commerce as synonyms. However, there are differences between these two: e-business is broader in comparison to e-commerce. E-commerce is the exchange, procurement, and distribution of products, services, and/or payments between two or more economic entities via computers or other electronic means [1]. However, it excludes intra-organizational applications that do not interface with external entities. In contrast, e-business includes the strategies, tactics, practices, activities, and methodologies that companies apply to use information technologies to improve their business practices [2].

E-commerce platform website is the online marketplace; a place for buyers and sellers to come together and trade almost anything. It focuses on business-to-consumer (B2C) and consumer-to-consumer (C2C) markets. A seller lists an item on e-commerce platform online shopping website, almost anything from antiques to cars, books to sport goods. The seller chooses to accept only "bids" for the item (an auction-type listing) or to offer the "fixed price" option, which allows buyers to purchase the item right away. In an online auction, the bidding opens at a price that the seller specifies and remains on e-commerce platform website for a

certain number of days. Buyers then place bids on the item. And when the listing ends, the buyer with the highest bid wins [3].

2.2 Business Intent

2.2.1 Opportunities

The phenomenal worldwide growth of the Internet and the World Wide Web has made it an important vehicle for both e-commerce and online shopping. The web offers great opportunities for international electronic commerce by eliminating the barriers of time and space, language, cultural, legal, and infrastructure issues, which present major impediments to global Internet commerce. The use of e-commerce in different parts of the world has shown staggering numbers. Global e-commerce estimates in 2004 expected transaction to reach US\$9.743 trillion by 2008, from US\$6.789 trillion in 2004 [4]. In most countries and regions, e-commerce markets are expanding rapidly.

Due to the increasing trend of e-commerce B2C and C2C trading activities and internet penetration, e-commerce platform service will be a potential and good business to develop. Moreover, there are many unsolved issues in current e-commerce websites that is unsuitable for many Asian countries. For example, there is the case of *Ebay.com* which lost its position as the leading e-commerce web portal to local website in China in a matter of two years. In 2006, the Chinese Academy of

Social Sciences Research and Development Center Internet published the 2005 China E-commerce market research report shows: “In 2005, with a C2C turnover of 13.505 billion Chinese Yuan, *Taobao.com* (founded in year 2003) achieved an annual transactions of more 8.9 billion,. To date, *Taobao.com* has 72.2% of the market share to become the leading domestic C2C portal in China. The world's largest C2C company e-Bay in China has its market share dropped from the 78% to 26.7%” [5]. This indicates that local content is extremely vital to ensure success in Asian countries. Therefore, this business plan is proposed to develop a complete, secure, and one-stop e-commerce solution which is specifically designed for Asian people.

2.2.2 Problems of current e-commerce website

The Figure 2.1 shows the current transaction flow of a typical e-commerce website but there are several weaknesses that need to be improved to increase higher adoption in online shopping.

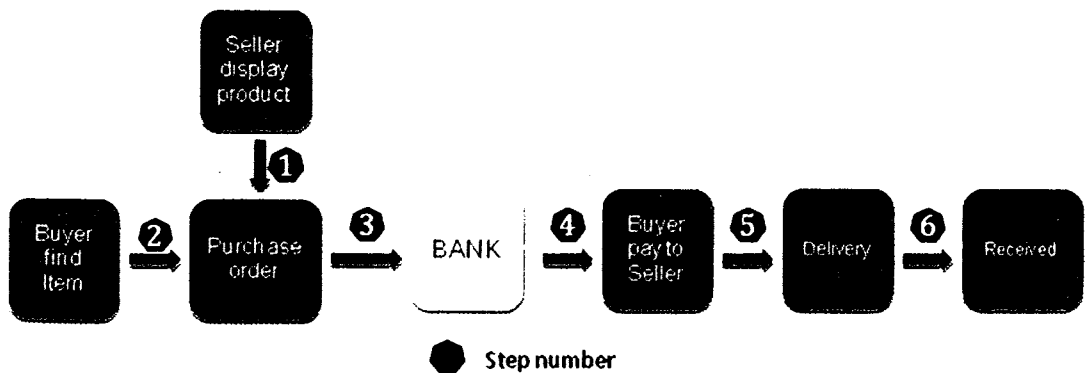


Figure 2.1 Transaction flow of current e-commerce platform

Step 1: Seller listed an item on the webpage

Step 2: Buyer finds an item from website.

Step 3: Buyer learns about the item that he/she found and makes a purchase order.

Step 4: Buyer makes payment direct to seller through bank or payment gateway.

Step 5: Seller gets payment from buyer and delivery the item.

Step 6: Buyer received an item.

The problems occur in the current transaction flow is shown in the Table 2.1. And base on the survey which was conducted by *Wonders.net* those problems with current e-commerce website can be categorized into several categories.

Table 2.1 Problems in current e-commerce website.

Step	problem	category
1	Seller have difficulty in finding product to sell	Find supplier
1	Seller have difficulty in selling a product to overseas	Language gap
1	Seller running cost is high	Operation cost
2	Buyer buy product from overseas	Language gap
3	Buyer cannot get extra information about the product beside the description on webpage	Communication
4	Buyer does not have any credit cards	Payment related
4	Buyer is scared to loss personal information when buyer using credit card make payment	Payment related
4	Charges of transaction are high	Payment related
5	Buyers may not receive the product after making payment	Payment related
5	Buyers cannot trace the product delivery status. Buyer do not know how long have to wait for the product.	Communication
5	Buyer wants a refund.	Payment related

Table 2.1 shows that the most important problem is payment related problem. This thesis will mainly focus on introducing new payment method. Detail discussion in section 4.2.

2.2.3 Value Proposition of Proposed solution

Figure 2.2 shows the proposed transaction flow as the following:

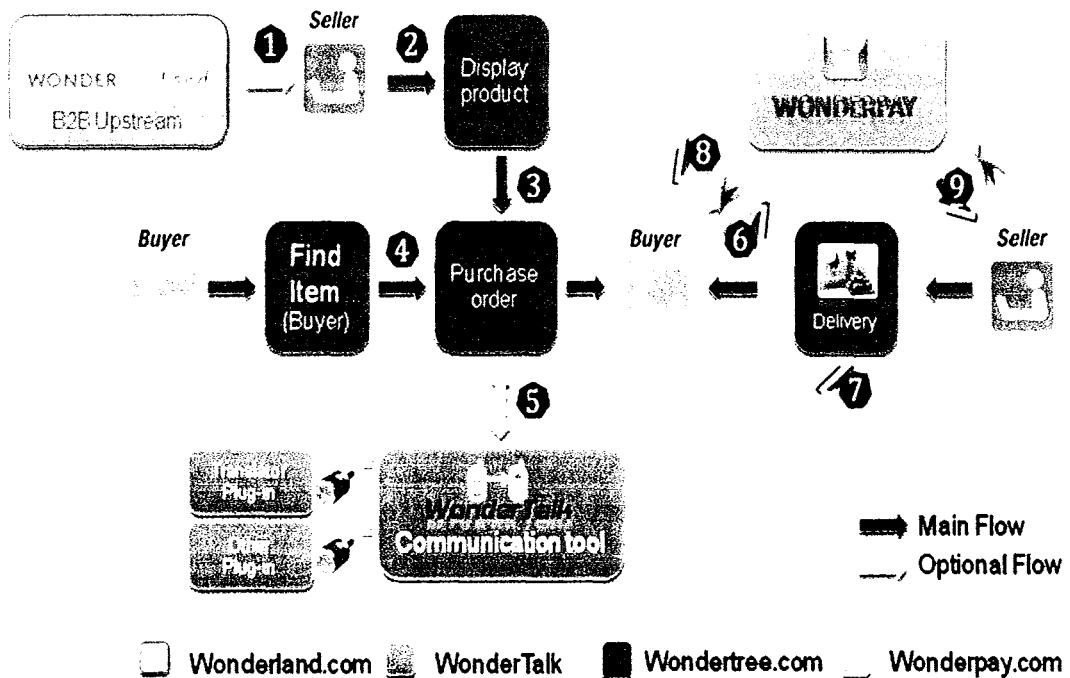


Figure 2.2 Proposed transaction flow.

Step 1: Seller buys an item from *wonderland.com* (optional)

Step 2: Seller list item information or import item's information from *wonderland.com*.

Step 3: Buyer finds an item from *wondertree.com*.

Step 4: Buyer reviews the seller's feedback score, and read the comments left by previous buyers in *wondertree.com* to be assured that the seller can be trusted.

Step 5: Buyer communicates with seller via *wondertalk* Instant Messenger to know more about item (optional).

Step 6: Buyer makes a purchase order and makes payment to *wonderpay.com*.

Step 7: *Wonderpay.com* will proceed with the order and deliver the item to buyer.

Step 8: The buyer requests refund from *wonderpay.com* if there is a problem with the item.

Step 9: Buyer confirms to *wonderpay.com* that item is received. *Wonderpay.com* pays to seller.

Ultimately, *Wonders.net* will raise the expectations and aspirations of people around the world as they seek to connect, discover and interact with each other. In order to solve the current problem and attract new customers, *Wonders.net* will provide following services:

Ø To implement *wonderland.com* B2B website which aims to build a supply chain network. It is easy for the sellers from *wondertree.com* and other C2C website to find product and sell it.

Ø To implement *wondertree.com* C2C website, which is a multiple channel distribution network to help seller selling their products worldwide.

Ø *Wonders.net* implemented Business to Team (B2T) model in *wodertree.com*. B2T is a new business model after B2B, B2C, and C2C. B2T concept is

assembling the consumers who have the same need via Internet to purchase a product at lower price [47].

Ø To integrate with *wonderpay.com*, a 3rd party payment gateway to protect both buyers and sellers. *Wonderpay.com* is different in comparison to typical payment gateway such as *paypal.com*. *PayPal* just helps the buyer to make payment and the seller would receive the payment immediately (detail discussion in section 4).

Ø To implement a business with the instant messenger tool, *wondertalk* can help to increase communication and reduce a language gap for both seller and buyer. *Wondertalk* has a built-in a real-time translator, which automatically translates text typed by the sender, and the receiver will receive his message in his own language.

Ø To implement seller grading system – before buyer makes a decision, he/she may view the seller's business reputation by looking at his or her Feedback Score, and read the comments left by previous buyers to be assured that the seller can be trusted.

Ø To link with logistic company's system, to ensure that the goods are delivered to the buyer at the lowest cost.

Referring the Table 2.1 (the problems in the current e-commerce website), summarized solutions for problems of current e-commerce website are shown in Table 2.2.

Table 2.2 Solutions for problems of current e-commerce website.

Steps	Problem	Solutions	
		<i>Wonders.net</i> component	Proposed flow steps
1	Seller have difficulty in finding a product to sell	<i>Wonderland.com</i>	1
1	Seller running cost is high	<i>Wondertree.com</i>	-
2	Buyer buy product from oversea	<i>Wondertalk</i>	3
3	Buyer cannot get extra information about the product beside the description on webpage	<i>Wondertree.com</i> + <i>Wondertalk</i>	4,5
4	Buyer does not have any credit card	<i>Wonderpay.com</i>	6
4	Buyer is scared to lose personal information when buyer using credit card to make payment	<i>Wonderpay.com</i>	6
4	Charges of transaction are extremely high	<i>Wonderpay.com</i>	6
5	Buyer may not receive the product after making the payment	<i>Wonderpay.com</i>	8
5	Buyer wants to make a refund.	<i>Wonderpay.com</i>	8

2.3 Growth Strategies

2.3.1 Marketing Strategies to increase market

As the launching of the new e-commerce service platform, there will be no charges for registration, transaction and product image posting/display fees for first 5 years. Therefore, users will start their e-business at *Wonders.net* with zero fees. *Wonders.net* is a free B2B and C2C platform for businessmen to explore and sell their products to the world. Besides, *Wonders.net* provides a new type of payment gateway and communication tool which other competitors do not have. Based on the research study by *Wonders.net*, the major problems with current e-commerce website are payment method and communication. So, *wondertalk* instant messenger and *wonderpay.com* payment gateway will help to attract more consumers to join *Wonders.net*.

In the early years, *Wonders.net* aims to increase user base. *Wonders.net* will use the following steps to increase users:

- (1) In the initial stage of development (3 months), *Wonders.net* will focus on attracting to register members, especially sellers in *wondertree.com*. This includes making exchange link with other entertainment websites as well as advertising in entertainment forums to increase the visitors. Spam email software can be used to advertise *Wonders.net* in getting 5000 visitors per day.

- (2) *Wonders.net* will then move to second stage of promotion when *wonders.net* has achieved around 10,000 active products, displayed on the website, around 1000 users registered in online shop, and daily visitor up to 8000 people. In this stage, *wonders.net* will focus on customizing online shop template service. At the same time, *wonders.net* will provide some articles to users like anti-cheat program, logistics service, and promotion of goods.
- (3) Updating around 50 to 100 articles and 3-5 shop interface templates each day for shop owners to download. Introducing new topics on every public holiday and big events. *Wonders.net* will continue to update the website to remain customer's loyalty.

2.3.2 Technology and Product Development Strategies

Wonder.net will continue to develop and improve the service provided. The maintenance and the R&D will be running in parallel. The beta-release will be tested internally and among members who wished to join the trial programs. With the stabilization of the final release, the service will be expanded to the market step-by-step.

Choosing a good development platform

A good product can only be built using a good tool. Firstly, choosing a good software development tool is the major step. Table 2.3 lists the software development platform which is used to build *wonders.net*.

Table 2.3 Development platform for *Wonders.net*

<i>Wonders.net</i> component	Development platform	Advantages
<i>Wonderland.com</i>	PHP + MySQL + Apache	<ul style="list-style-type: none"> • These PHP, MySQL and Apache are open source (free). It is easy to find server hosting and cheaper price compared with other platforms. • PHP is one of the most popular server side scripting languages of creating dynamic webpages. • PHP offers multi levels of security to prevent malicious attacks. • PHP uses a modular system of extensions to interface with a various variety of libraries. • MySQL database is much faster compared with others. • MySQL support more on the standard ODBC functions. • Apache server well supports PHP and MySQL better than others.
<i>Wondertree.com</i>	PHP + MySQL + Apache	
<i>Wonderpay.com</i>	PHP + MySQL + Apache	
<i>WonderTalk</i>	Java Eclipse	<ul style="list-style-type: none"> • Eclipse is extensible framework • Eclipse has faster analysis of code • Eclipse supports multiple projects in one system window.

		<ul style="list-style-type: none">• Using Eclipse to build RCP (Rich Client Platform) which can be added to other plug-ins.
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Design a good architecture

Wonders.net is an extensible framework in order to make the platform dynamic and easy to change for the future. *Wondertree.com* and *wonderland.com* are using Model View Controller (MVC) architecture and Smarty web template system to develop separate user interface layer (Template) and data present layer (Core) to make the website more flexible. Successful processing of the MVC pattern can isolate business logic from user interface considerations, resulting in an application where it is easier to modify the visual appearance of the application and the underlying business rules without affecting the others.

Wondertalk is based on JAVA eclipse Rich Client Platform (RCP) architecture that allows user to add own plug-ins. By using it, programmers can build their own applications on existing platforms instead of having to write a complete application from scratch, they can benefit from proven and tested features of the framework provided by the platform. Building on a platform facilitates faster application development and integration; while the cross-platform burden can be taken on by the platform developed.

2.4 Target Markets

Wonders.net is targeting the market for those who want to move out from traditional trade activities online. There are two types of users in *wonders.net* as shown in Table 2.4. Agent is an individual person who stocks from *wonderland.com* and sells items in *wondertee.com*.

Table 2.4 Type of uses in *wonders.net*

Website	Users	
	Buyer	Seller
<i>Wondertree.com</i>	Individual (Anyone).	Agent, small business owner
<i>Wonderland.com</i>	Agent, small business owner	Manufacturers, distributors

As a new e-commerce service platform, *wonders.net* will mainly focus on B2B, B2C, C2C, and new B2T markets. University, college and surrounding business premises are *wonders.net*'s first targeted markets. The main purpose targeting on this group of people is to build up a first user base for *wonders.net* in low-cost e-commerce industry and attract more talented active sellers into *wonders.net*. Manufacturers and distributors are *wonders.net*'s stage two targeted market. The main purpose targeting on this group of people is to implement *wonders.net* B2B website *wonderland.com* in order to build up a supply chain for sellers in *wondertree.com*, where sellers can easily find product to sell in *wondertree.com*.

2.5 Revenue Model

Wonders.net provides a free service for the first 5 years as a cooling down time in order to let people to adapt online shopping. However, there are still many people not familiar with computer. In the start-up stage, *wonders.net* main revenue stream will come from maintenance service charge. The service charge will only apply to those sellers who need *wonders.net* help in selling their products. Besides maintenance service charge, second income will come from advertisements. Third revenue stream comes from set up charges, which only applies to sellers, who are not computer-literate in helping them establish their virtual store as required. *Wonders.net* to charge the transaction fee of 1% after 5 years for *wonder.net* to get a stable sale on *wondertree.com* and *wonderland.com*.

In the first year, conservatively assuming there are 200 sellers joining and 20% of them need to setup our service, we will charge them RM150 per shop, and 16% of them need shop assistants by charging them RM1,200 yearly. Estimated advertisement income will be around RM1,000.

In the second year, conservatively assuming that there are 500 new sellers joining us and 20% of them need to setup our service, we will charge them RM200 per shop, and 16% of them need shop assistants by charging average of RM3,600 yearly. Estimated advertisement income will be around RM50,000.

2.6 Operational Setup

Wonders.net integrates 4 different web applications which are mostly open source software. Low investment cost is needed. The main expense will be the server rental and staff salary. Moreover, *wonders.net* is operating under Small office/Home office (SOHO) basis, which cut the operation cost to the minimum, with the setup cost less than RM10,000. In the early years, *wonders.net* is going to use *site5.com*'s share hosting service (server rental of RM199 per year) to minimize the cost. 4 part-time workers will be hired to promote and update the website.

2.7 Long Term Goals of Company

Wonders.net will continue to invent new technology to update their services. In the days to come people using *wonders.net* will experience a new and upgraded version. *Wonders.net* will make it user-friendly to engage in a social commerce that we believe can attract more users to participate. In the next version, we will bring them newer products, ideas and opportunities to serve everyone.

Wonders.net mission is to let everyone make more money and to enjoy online shopping. *Wonders.net* long term goal is to become a first choice of the global network and distributing center. *Wonders.net* aims to create 1 million job opportunities, and make RM5 million profits in each year. Although *wonders.net* is an ICT base product; however, it could run for at least 10 years.

2.8 Market & Competitors Information

In Malaysia, *lelong.com.my* and *ebay.com* are two famous C2C e-commerce service platforms. In order to compete with them, *wonders.net* decided to benchmark *ebay.com*. Table 2.5 compares popular online shopping platforms *ebay.com* and *lelong.com.my* with *wonders.net* on different services and functionality.

Table 2.5 Competitor analysis

No.	Features	<i>ebay.com</i>	<i>lelong.com.my</i>	<i>wonders.net</i>
1.	Operation fees	Yes	Yes	No
2.	Product image displayed in video clip format	No	No	Yes
3.	Communication tools	Yes	No	Yes
4.	Language translator	No	No	Yes
5.	Payment method	Real-time	Real-time	Protected
6.	3 rd party payment protection	No	No	Yes
7.	Business model	B2C, C2C	B2C, C2C	B2B, B2C, C2C,

Users may need to pay a certain amount of operation fees to start up their e-business in some of the e-commerce platform. However, in *wonders.net*, users do not need to pay anything to start up their e-business. This is to encourage and attract people which includes students to get involved in e-business.

Global e-businesses will face a language gap issue which may cause the business to lose profit. Real time language translator built-in in *wonders.net* helps users to

reduce and eliminate this issue. The purpose of this is to create more business opportunities to sellers in a global market.

The competitors of *wonders.net* may become partners. For example, the seller in *ebay.com* may order a product from *wonderland.com* and sell it in *ebay.com*. The seller from *wondertree.com* may also order products from *alibaba.com* and sell it in *wondertree.com*. Anyway, *wonders.net* is one of the channels that sell seller's product, which means that seller may open two shops in *ebay.com* and *wonders.net*. Besides that, *wonders.net* is also a free of charge service for the first 5 years.

2.9 SWOT

Strengths (Internal)

- §** Low-cost e-business with high return.
- §** Introducing new payment method to reduce fraud during transactions.
- §** We as provider are responsible on the various payment interfaces that could help seller to collect payment.
- §** Instant messenger provides real-time language translation service that helps small business go global.

Weaknesses (Internal)

- § Possibility of success is lower if lacking of investment capital.
- § Rely on a banking system to cooperate with *wonders.net* payment system.
- § Co-operation between management team members is a big challenge.
- § Lack of real time experiences in e-commerce sector.

Opportunities (External)

- § Provide complete, secure, and one-stop trading solution to both seller and buyer.
- § Internet broadband service is widely used.
- § User-friendly.
- § Transaction method and security is safe.
- § Wide coverage of courier service.
- § Global e-commerce spending is increasing dramatically.
- § Petrol price increment caused people prefer to stay home.
- § Tax free in running e-business.

Threats (External)

- § Existing competitors improve their weakness before *wonders.net* is widely used.
- § Inflation and affection of a global financial crisis may reduce e-commerce trading volume.
- § Hacking from other parties.

Section 3.0 HUMAN CAPITAL

3.1 Management Team

Mr. Tan Bo, founder of *wonders.net* graduated in Bachelors Degree of Computer Science from Universiti Sains Malaysia in 2007. In 2004, he started his career as a part-time programmer in Professional Web Service (M) Sdn Bhd. He ended his 3-year career in the company and joined State Grid (China's power supply cooperation) in August 2007. In 2008, he abandoned his opportunity to become the head of a power station in China and enrolled in Universiti Sains Malaysia to pursue his Master degree studies in IT Technopreneurship.

During his 3-year service at Professional Web Service Company (M) Sdn. Bhd., he had gained enough experience and become an expert in web-based applications and Java platform. Besides that, he had helped his family business in earning a half million Chinese Yuan (CNY 2 = RM 1) by creating a new business model in 2007. Due to his strong management skills, China Power Supply Cooperation offered him an opportunity to be the head of power station in year 2007.

3.2 Human capital development

Wonders.net is an ICT based website. Most software is open source and developed by *wonders.net* founder. The promotion activities are all done online. Moreover,

wonders.net is running in a Small Office/Home Office (SOHO) base. Table 3.1 lists the number of workers needed by *wonders.net*.

Table 3.1 Knowledge worker table

Management Staff			
a. CEO	1	1	1
Technical Staff			
a. Engineer	0	1	3
Admin / Support Staff	3	3	3
Total Staff	4	5	7
Total Knowledge Workers	4	5	7
% Total Knowledge Workers	100	100	100
Breakdown of Total Staff			
a. Local	3	3	4
b. Foreign	1	2	3
Breakdown of total knowledge workers			
a. Local	3	3	4
b. Foreign	1	2	3

Wonders.net does not need many people to run the service in the early stage. The responsibility of the staff is to just reply to customer question through email or forum, and update website articles and contents. Promotions will be done via email, blog and forum auto replay. Hence, *wonders.net* requires 4 staffs. In the second year, *wonders.net* needs one engineer in R&D for inventing new features.

Section 4.0 BUSINESS DEVELOPMENT

4.1 Product / Service Overview

Wonders.net integrates four different web applications into one complete solution.

These four applications also can be run independently as four single systems. The description of each application listed in Table 4.1.

Table 4.1 Component of *wonders.net*

Component	Description
<i>Wondertree.com</i>	Focuses on B2C, C2C and B2T new business model that provides customizable online shops for multiple users. The function of <i>wondertree.com</i> is similar to <i>ebay.com</i> but more user-friendly.
<i>Wonderland.com</i>	Integrate B2B model e-commerce platform for supplier, which supports seller in another C2C website such as <i>wondertree.com</i> or <i>ebay.com</i> . The objective of <i>wonderland.com</i> is similar with <i>alibaba.com</i> but linked with other C2C websites such as <i>wondertree.com</i> .
<i>Wonderpay.com</i>	A third party payment gateway is an effective way to solve any problems during payment. It is to guarantee the goods quality and reliable exchange, and the exchange of a purchase. It will monitor the processes of trading to ensure trust between buyer and seller. <i>Wonderpay.com</i> offers necessary support for ensuring a successful business in e-commerce. In international trade, third party payment is important too.
<i>Wondertalk</i>	It is an instant messenger to make real time communication for the buyer and seller. It provides a variety of user-add-on plug-ins (such as auto translator) to solve the language gap problem during global trade, and maintain customer relationship.