**IMPACT OF ICT ON COMSUMER CHOICE AND BEHAVIOUR**

1. Booking online
2. Shopping online (E-commerce)
3. Shopping from home
4. Home Delivery
5. More choice

|  |  |
| --- | --- |
| **Advantage of E-Commerce** | **Disadvantage of E-Commerce** |
| 1. Convenience – can be done at home
 | 1. No human interaction - banks
 |
| 1. Greater choice – buy from abroad
 | 1. Returning Goods – can be expensive (Postage and Packaging)
 |
| 1. Product details – research on line before buying
 | 1. Fraud – Website may take your money but you may not receive a product
 |
| 1. Customer reviews
 |  |

**IMPACT OF GLOBALISATION**

|  |  |
| --- | --- |
| **Positive** | **Negative** |
| 1. Employment – provides new news
 | 1. Benefits the rich more that the poor – sometimes poor countries can be exploited
 |
| 1. Spin off effects – TNC buy local material, use resource so they have to purchase from local businesses
 | 1. Local Communities – Most companies sent back profit to home country and the local community will not benefit
 |
| 1. New Experience – new products gives the consumer a choice
 |  |

**WAY FOR TRANSPORTION GOODS**

|  |  |  |
| --- | --- | --- |
| **Transportation type** | **Advantages** | **Disadvantages** |
| Road | 1. Door to door deliveries
2. Mim. Handling of goods
 | 1. Traffic congestion
2. Not good for the environment
3. Not suitable for bulky goods
 |
| Rail | 1. Suitable for bulky goods
 | 1. Not flexible- fixed timetable
2. Not every town has a railway station
 |
| Sea | 1. Suitable for transporting bulky goods worldwide
2. Cheaper than air
 | 1. Slow
2. Weather condition can cause delays
3. Must link with other forms of transport (Road)
 |
| Air | 1. Fast
2. Suitable for perishable goods
 | 1. Expensive
2. Must link with other forms of transport (Road)
 |

**RESONS FOR GLOBALISATION**

1.Improvement in Technology 2.Consumer Demands

3. Economic of scale 4. Freedom of Trade

5. Labour availability and skills 6. Decreased transport Costs

7. Transport Improvements

**GLOBALISATION HAS RESULTED IN**

1. Increase international Trade
2. Greater dependence on a global economy
3. Freer movement of Capital and Goods
4. Big companies trading all over the world and treating it as one market

**Why TNC LOCATE IN IRELAND**

Sourcing raw materialsCheap

**SELF-TEST QUESTIONSON**

**Be able to answer the following**

1. Define the term Globalisation
2. Explain the reason why companies trade with different countries
3. Define the term TNC and why they locate in Ireland
4. Describe the impact of global companies and technology on consumer choice and behaviour

**KEYWORDS**

**Globalisation -** This is the process by which the world become interconnected due to increases trade

**Transnational -** This is a company that has its head office (Parent Company) in

one country but also has subsidiaries around the world

**Subsidiary -** This is a branch of business or a company that is controlled by a

parent company

**Delivery Systems -** This refers to how the product gets transported from the manufacture to the consumer

**Foreign Direct Investment -** This is when a foreign company set ups a subsidiary of their parent company in Ireland or another country. It is also known as FDI and is called inward investment.

**Transnational Company -** This is when a company has their head office on one country and also operated is several different countries

**Repatriation of Profits -** This is when a TNC send their profits back to their home country

**ICT -** This stand for Information Communication Technology