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**An analysis on how IoT and the SMART internet technology
affect businesses today, how this affects the consumer
behaviour**

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Chapter 1

Introduction

Over the past few years, a battle has emerged in online marketplaces and Technologies. After the lockdown in 2020, many companies focused efforts in strategies to attract customers to their online stores.

Based on the resources and capabilities of online merchants, several main market leaders have emerged. The competition between them contributed to rapid technological development in online business and customer service. Market leaders have implemented many technologies to make their customers' lives easier. Technologies related to improving customer service, fast problem solving, fast feedback, simplified methods for ordering and returning products, voice assistants and others. Customers are presented with many different options through which they can shop online. Online Technologies to save them time, costs, and effort. Major players in the market strive to provide a wide range of products to their potential customers, in the future to become loyal customers of the brand. Every user's thinking and beliefs are different, so companies strive to gather as much information as possible about their customers. In this way, the business will have clearer guidelines for what the customer needs, what makes him buy, how he will react to the changing environment and technologies.

Rational of study

One of the most important aspects in business is understanding your target customers. This knowledge is of great importance. Without it, it would be difficult for marketers to create content or design products and services. Understanding customer behaviour would help to make better decisions and optimize the qualities of the product or service. By analysing people and their habits, answers can be obtained as to why customers buy certain products and what are the prerequisites for an increase or decrease in demand. By finding an answer to these questions, business companies would more easily adapt to the needs and desires of target customers. It is necessary to define consumer behaviour, through methods and theories, to understand and get to know customers at a deeper level. This would allow for the creation of a more loyal customer base that would be retained for a long period of time.

Purpose

The research aims to analyse changes in Internet technology and business, taking into account consumer behaviour and what prompts customers to increase or decrease demand. It is necessary to identify what potential solutions can be implemented and what is most appropriate. Applying the chosen solution, what results would we get. For this purpose, existing market trends will be examined. What would increase the chances of e-businesses to attract more customers. At the same time, determining the factors that influence people's behaviour. By looking at the different aspects of the problem, we will be able to reach conclusions and plan for a long-term relationship between the seller and the customer.

Aims

To analyse and evaluate the development of new business concepts in e-commerce, how these changes affect customer behaviour.

This study has three main objectives:

- To analyse the industry of Smart Internet technologies / IoT
- Competitive analyse
- The impact of technologies on e-business
- The affect of technology on customer behaviour

Research Questions:

- In which stage of the life cycle is the Smart Technology industry?
- Who are the main competitors in the industry, and what makes them powerful?
- How technology impacts e-business?
- How technology affects customer behaviour?

Chapter 2

Literature Review

The literature review contributes to presenting the context of the study, informs the methodology used, identifies the research area, minimizes duplicate information. (Maggio & Sewell, 2016) This allows the researcher to select information from the most relevant sources and create an organized implementation plan. It provides a greater guarantee that all standards will be professionally met. The literature review will analyse different perspectives of business supply and consumer behaviour and demand. The selection and systematization of the available information will contribute to the improvement of the final decision-making process.

Contribution and importance of the development of IoT and Smart Internet Technologies in business, their influence on customer behaviour

Shifting focus from sales orientation to customer needs orientation is essential for business, according to Theodore Levitt. The business must understand the needs of its target customers and on this database create its product or service.

In the 1980s, Michael Porter proposed a number of highly influential models for strategic analysis. In the study, Porter's Five Competitive Forces model will be used. It will help analyse the target industry and determine who has market power. After a detailed analysis of the industry, the main competitors in the market will be identified. Through the Porter Value Chain model, the main players in the market and the factors that make them powerful compared to others will be analysed. The model aims to define the set of The Primary and Support Activities in the company and explain what creates value to its customers. (Kale, 2017)

To determine the importance of a business industry, how it creates value for consumers, and analyse their behaviour, the following methods, models and theories will be considered:

Business to Consumer Model (B2C)

The Business to Consumer model refers to companies that have direct access to their consumers. In this way, the business company can offer cost-effective products and services directly to its consumers. The model assumes that demand will be constant, routine on the part of consumers to satisfy daily needs. The direct link model aims to reduce the risk of fluctuations in demand and maintain consistency in business. By applying this model, the factors that make an organization powerful against competitors and the factors that contribute value to customers will be defined. (Kale, 2017)

Customer Relationship Management Method

Customer Relationship Management (CRM) is a method of managing all relationships and interactions of business companies with their potential customers through technology. According to the philosopher Maraj Rehman Sofi, the use of CRM systems in marketing is without a doubt one of the industries biggest technological steps towards understanding customers by getting accurate information about a target group of people at a precise time. The CRM method would be of great benefit to the business and customers only if the information technology is used and analysed properly. The technological CRM method of collecting a database is closely related to the efficiency of the business industry, as it is necessary to apply approaches to better understand the customers. (Sofi, 2015)

Subscription Model

This model is based in business organizations that offer software or applications whose content is offered to customers for a subscription. In this way, the company profits from monthly or annual payments for services offered. This model enables the company to earn from regular income and on the other hand allows the customer to pay in small monthly payments instead of the whole amount in a lump sum. The model is useful for analysing the subscription services that e-businesses offer and how it affects consumer behaviour. (Kale, 2017)

IDIC Model for Customer Relations and Improving Experiences

According to Philip Kotler, in order for a firm to build customer value through a relationship, it needs to use the IDIC (customer identification, differentiation, interaction, and personalization) method. This concept is the essence of any relationship that involves reciprocity and action directed at a specific customer. The IDIC method, by building these relationships, aims to build long-term trust in the client. These relationships would not exist if the method was not based on trust between the two parties. The IDIC model will assist research in identifying drivers that contribute customer value and ways of managing relationships. It will contribute to the definition of best practices for customer experience. (Kloter, 2017)

Value Proposition Canvas

According to Alexander Osterwalder, the value proposition canvas has two aspects. The first is creating a customer profile and the second is creating a value map. The ultimate goal is a fit between the two sides. (Osterwalder, 2014) A customer value proposition map is a method by which the features and benefits of a product or service offering can be described and visualized. The specific features would be the right pieces to put together in the puzzle of building customer value. Creating a customer profile involves selecting the most important customers for the company and identifying their needs and wishes. By looking at these two aspects, the company will be able to identify commonalities between the product offering and customer needs, and the business can focus on them to create value. (Walker, 2022) This model would help research to understand customers' desires to use e-stores, which services create value in them, and drive higher demand. This model will provide answers to the question of which factors influence people's behaviour.

A model for maximizing customer satisfaction and loyalty

According to John Goodman, the model for managing the customer experience and maximizing satisfaction and loyalty can be boiled down to the short mnemonic DRIFT. It stands for "Do It Right the First Time." For any company that wants to be successful, this would be the main goal, but it doesn't always work out that way. Organizations often fail to properly utilize their resources and capabilities to properly respond to customer preferences and behaviours. The model will help to understand the role of tactical service in the customer experience by analysing the subsequent behaviour. Setting expectations and implementing strategic customer service can get the most out of offering online products and services. (Goodman, 2009)

Chapter 3

Research Methods and Methodologies

- ❖ Epistemological philosophical research will be used in the study. As it will contribute to the identification of opportunities in business research, the environment, sources and limitations regarding knowledge in the research area.
- ❖ The research paradigm will be based on an Interpretative type of research. The research will use qualitative methods that will focus on analysing quantitative data, a collection of beliefs and reasoning of individuals, to understand their needs. Based on the research area, a questionnaire will be prepared, which will aim at a good understanding of smart technology users. (BRM, 2021)
- ❖ For the study, detailed observations related to IoT Smart Technologies Industry will be made by using Inductive Reasoning Approach. It will contribute to the identification of appropriate observational models and the development of explanations and theories.
- ❖ Qualitative research will be conducted, through a questionnaire. It aims to collect information about the opinion of users of smart technologies. This will allow to analyse the information and find answers what creates value for consumers and motivates them to look for this type of products and services. (Bhandari, 2022)
- ❖ The research strategy for showing the overall direction of the research will be case study based.
- ❖ Data collection is essential to any research that seeks to arrive at given answers and solutions to problems. To support the research, primary methods will be used as a data collection tool. A questionnaire will be prepared in which the participants must answer questions in written form. Books, articles, websites will be used as secondary methods of information gathering.
- ❖ Ethical practices will be used when conducting the study, as the questionnaire will be conducted with voluntary participation and the anonymity and confidentiality of the participants will be preserved. (Bhandari, 2022)

Gant Chart

The organizational action plan for preparing the dissertation is presented through the GANT chart.

Activities	2022	June	July	August	September	October	November	December
Defining an area of research								
Formulating research questions								
Defining strategies and methods								
Writing a Proposal								
Literary Review								
Data Collection								
Analysing the collected data								
Draft 1								
Draft 2								
Final Check								
Dissertation Due								

Chapter 4

Conclusion

The current Dissertation proposal was intended to give information about the topic on which research will be done and what are the results that are expected to be reached at the end of the project. Descriptions of methods, models and theories are presented, through which it is possible to analyze the IoT and SMART technologies industries on the one hand, and on the other hand to analyze the needs and desires of consumers. By defining all the reference points for carrying out the study, a clear plan of action is created.

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