

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Languages



Bachelor Thesis

Exploring Business Opportunities in a Digital World

Vladislav Startsev

© 2024 CZU Prague

BACHELOR THESIS ASSIGNMENT

Vladislav Startsev

Business Administration

Thesis title

Exploring Business Opportunities in a Digital World

Objectives of thesis

The main objective of this bachelor thesis is to identify potential directions in the digital world and create a business idea/model in this sector. Additional objectives are to identify trends in the digital sphere and determine the options available for digital tools, how they are used, and evaluate their effectiveness.

Methodology

The work consists of two parts – theoretical and practical. The theoretical part will be based on the study of secondary sources. The empirical part will be compiled on the basis of outputs from quantitative/qualitative research.

The proposed extent of the thesis

30-40 pages

Keywords

Digital world, digital business, metaverse, e-commerce, business plan, economics

Recommended information sources

- BALL, Matthew, 2020. The Metaverse: What It Is, Where To Find It, and Who Will Build It. Essay. <https://www.matthewball.vc/all/themetaverse>
- BALL, Matthew, 2022. The Metaverse: And How It Will Revolutionize Everything. Liveright Publishing Corporation. ISBN: 978-1324092032
- Ghorbani, M., Karampela, M., & Tonner, A. (2022). Consumers' brand personality perceptions in a digital world: A systematic literature review and research agenda. *International Journal of Consumer Studies*, 00, 1–32. <https://doi.org/10.1111/ijcs.12791>
- KOTARBA, M., 2018. Digital Transformation of Business Models. *Foundations of Management*, vol. 10, no. 1, pp. 123-142 Publicly Available Content Database. ISSN 20807279. DOI <https://doi.org/10.2478/fman-2018-0011>.
- SCHMARZO, Bill, 2020. The Economics of Data, Analytics, and Digital Transformation. Packt. ISBN 978-1800561410
- VAN RIJMENAM, Mark, 2022. Step into the Metaverse: How the Immersive Internet Will Unlock a Trillion-Dollar Social Economy. ISBN-13: 978-1119887577
- ZOTT, C. and AMIT, R., 2017. Business Model Innovation: How to Create Value in a Digital World. *GfK Marketing Intelligence Review*, 05, vol. 9, no. 1, pp. 18-23 Publicly Available Content Database. ISSN 18655866.

Expected date of thesis defence

2022/23 SS – FEM

The Bachelor Thesis Supervisor

Jared Daniel Jacques

Supervising department

Department of Languages

Electronic approval: 12. 6. 2022

PhDr. Mgr. Lenka Kučírková, Ph.D.

Head of department

Electronic approval: 27. 10. 2022

doc. Ing. Tomáš Šubrt, Ph.D.

Dean

Prague on 14. 03. 2024

Declaration

I declare that I have worked on my bachelor thesis titled "Exploring Business Opportunities in a Digital World" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break any copyrights.

In Prague on 15.03.2024

Acknowledgement

I would like to thank Jacques Daniel Jared, Anton Shkuratov, Irina Startseva for their advice and support during my work on this thesis.

Exploring Business Opportunities in a Digital World

Abstract

This thesis investigates the potential business prospects within the digital realm and the essential components of business strategies necessary for achieving success in contemporary commerce. The study is structured into two main sections: a theoretical examination featuring an extensive literature review, and a practical segment comprising semi-structured interviews on digitalization, alongside a case study centered on an e-commerce application. The culmination of this work presents pivotal insights and opportunities for enterprises seeking to navigate the digital landscape and flourish in this environment. It offers valuable perspectives on current digitalization trends, furnishing pertinent details on business opportunities for consideration.

Keywords: Digital transformation, Artificial intelligence, Digital Marketing, E-Commerce, Digitalization, Digital World, Business Opportunities, Business Innovations, Business Models, Digital Modernization

Zkoumání obchodních příležitostí v digitálním světě

Abstrakt

Tato práce zkoumá potenciální obchodní vyhlídky v digitální oblasti a základní složky obchodních strategií nezbytných pro dosažení úspěchu v současném obchodu. Studie je strukturována do dvou hlavních částí: teoretická zkouška s rozsáhlým přehledem literatury a praktický segment zahrnující polostrukturované rozhovory o digitalizaci spolu s případovou studií zaměřenou na aplikaci elektronického obchodování. Vyvrcholení této práce představuje klíčové poznatky a příležitosti pro podniky, které se snaží orientovat v digitálním prostředí a vzkvétat v tomto prostředí. Nabízí cenné pohledy na současné trendy digitalizace a poskytuje relevantní podrobnosti o obchodních příležitostech ke zvážení.

Klíčová slova: digitální transformace, Umělá inteligence, Digitální Marketing, E-Commerce, digitalizace, digitální svět, obchodní příležitosti, obchodní inovace, obchodní modely, Digitální modernizace

Table of Contents

1. Introduction.....	10
2. Objectives and Methodology	11
2.1 Objectives	11
2.2 Methodology.....	11
3. Literature Review	11
3.1 The Digital Transformation of Business.....	11
3.1.1 Introduction	11
3.1.2 Business Methods Modernization in the Digital Field.....	12
3.1.3 The Transformation of Traditional Business Models through Digital Innovation	14
3.1.4 The Impact of Digitalization on Modern Business	15
3.2 E-Commerce	16
3.2.1 General Information	16
3.2.2 E-Commerce Business Models	17
3.2.3 Digital marketing strategies for E-Commerce.....	19
3.3 Artificial intelligence as a valuable opportunity in a modern world	20
3.4 Challenges and Risks in the Digital World.....	23
3.4.1 Cybersecurity.....	23
3.4.2 Data Privacy	23
3.4.3 Moral Dilemmas.....	24
4. Practical Part	24
4.1 Interview with a Growth Marketing Manager of Meta Platforms, Inc.....	24
4.1.1 Interview Overview	25
4.2 Case Study: B2B Platform for small and medium sized businesses, UK case	27
4.2.1 Product Overview.....	27
4.2.2 UK Beer Market	28
4.2.3 BEES as Business Opportunity	29
4.2.4 Application Overview.....	30
5. Conclusion	32
6. References.....	33
Figure 1: 4 Types of E-commerce	17
Figure 2:: Process of Order	30
Figure 3: Application of BEES	31

List of Abbreviations

B2B – Business to Business
B2C – Business to Customer
C2C – Customer to Customer
AI – Artificial Intelligence
SEO – Search Engine Optimization
AB-InBev – Anheuser-Busch InBev SA/NV
PPC – Pay-per-Click
ASI - Artificial superintelligence
ANI - Artificial narrow intelligence
AGI - Artificial General Intelligence
GDPR - General Data Protection Regulation
CCPA - California Consumer Privacy Act
UK – United Kingdom
OM – Order Management
ATP – Available-To-Promise

1. Introduction

Today, in the rapidly changing environment of modern business, companies are constantly striving to adapt in order to take advantage of the opportunities provided by the digital revolution. The introduction of digital technologies has led to a revolution in traditional business models, as well as in customer engagement strategies. Maintaining flexibility in response to these changes and integrating new methods and technologies is crucial for sustainable competitiveness.

This thesis attempts to analyze the impact of digital transformation on business operations to identify key strategies and innovative approaches to achieve success in the era of digitalization. By conducting in-depth research, I strive to provide practical information that will allow companies to navigate the digital paradigm and benefit from it.

The thesis is divided into two main parts: a comprehensive review of the existing literature on the topic of digital business opportunities and a practical part including interview and case study. The literature review examines various theories and research results on digital opportunities, development, and its impact on business.

The practical part of the thesis consists of two parts: interview and case study. The first part, interview, was conducted with Growth Marketing Manager of Meta, worldwide company which has implemented a lot of digitalization in their work processes. Interview will be focused on business opportunities that Meta provides now to people and prospective directions in today's business.

Second part will provide a case study based on multinational brewing company and the largest brewer in the world Anheuser-Busch InBev SA/NV, commonly known as AB InBev and their e-commerce product called Bees. The analysis will provide a valuable overview on new Business-to-Business (B2B) e-commerce platform that brings the power of digital to small and medium sized retailers globally through revolutionary sales capabilities.

2. Objectives and Methodology

2.1 Objectives

There are three main objectives in the Bachelor Thesis:

1. To identify new trends and technologies in the digital world
2. To analyze business innovations and products in the digital world
3. To identify and investigate potential risks and challenges of digitalization

2.2 Methodology

This thesis includes both methods qualitative and quantitative. Theoretical part of the thesis is based on literature review and analysis of publications such as scientific papers and research.

The practical part of the thesis includes two parts: a semi structured interview with the Growth Marketing Manager of a multinational technology company and a case study in which I tried to analyze the prospective business direction that can be good and profitable for small and medium-sized businesses and retailers.

3. Literature Review

3.1 The Digital Transformation of Business

3.1.1 Introduction

Nowadays digital transformation represents a huge change in the way businesses operate and use their technologies, which introduces new processes that change the usual understanding of doing business. It includes the implementation of digital tools, platforms, and strategies to optimize daily operations, increase efficiency, and apply innovation. (Marcin, 2018) As businesses embrace digital transformation, they adapt to fast-changing market demands, as well as gain the possibility to discover new growth opportunities and remain competitive in a rapidly changing world.

Despite the recent origin of this term, the concept of digital transformation originated several decades ago, or to be more precise, in the late 70s of the 20th century, when enterprises first began using computer-aided design and production. Further achievements included the introduction of an enterprise resource planning system in the 1980s, followed by the introduction of customer relationship management systems in the 1990s. (Truong, 2022)

When companies began to introduce digitalization into their operations, initially a lot of attention was paid to establishing relationships with customers. Then the situation changed with the advent of digital processes aimed at improving customer engagement support. As companies expanded their digital efforts, they realized the need for specialized digital teams to manage the emerging social and mobile channels.

Unlike the trend of the last century, customers are no longer passive consumers. They have become the so-called masters and regulators of the market, interacting with each other and forming brands. (Rogers, 2016) They are the main part of this network, and they are the ones who set trends and contribute to business changes, because every business focuses on the consumer.

3.1.2 Business Methods Modernization in the Digital Field

Business in the modern world is facing important and fundamental changes, which are influenced by the digital sphere. At the heart of these changes and evolution is the modernization of business practices and development in the digital sphere. Digital modernization means upgrading existing technologies to newer, improved versions to improve productivity. We are talking about the introduction of new technologies that gradually increase the efficiency and productivity of the business without having to change the way we do business or our strategies. (Achuthan, 2023) The key areas of business modernization are the smooth implementation of technologies and tools that allow optimizing manual processes and digitizing them. An equally important aspect is the process of data collection and processing, for further improvement of modernization. To do this, it is important to use advanced analytical methods correctly to obtain useful information for further optimization of processes and efficiency, as well as the development of strategies necessary for business growth. All this is important for proper

adaptation to changes in customer preferences and their requests. The transformative potential of modernizing digital business practices goes beyond operational efficiency and includes improving customer service, increasing flexibility, and expanding opportunities for innovation. Digital modernization is an important aspect in business development and a necessary part of the company to ensure the ability to compete in the market.

Digital modernization mainly focuses on providing exceptional customer service at various points of digital interaction. (Zott & Amit, 2017) In the modern digital age, consumers expect trouble-free interaction through various channels and personalized interaction with the brand. Companies use digital channels such as websites, mobile apps, and social media platforms to build meaningful relationships with their customers. Through carefully designed digital interaction, organizations can create personalized content, make recommendations for relevant products, ensure trouble-free transactions and thus increase customer satisfaction and retention.

Websites serve as digital storefronts for businesses that give customers insight into offers, values, and brand identity. With easy-to-use navigation, attractive design, and content, companies can provide users with a seamless view and increase engagement and conversion rates. Mobile apps provide companies with additional opportunities to connect with customers on the go, giving them easy access to exclusive products, services and offers. Features such as Push notifications and location-based services allow companies to offer personalized content and promotions tailored to individual preferences and behaviors.

Social media platforms have become powerful tools to attract customers and promote the brand. Organizations can use social media channels to connect with customers in real time, respond to inquiries, and promptly resolve comments and issues. Through persuasive storytelling, visually appealing content, and interactive campaigns, organizations can develop a sense of community and connection with their audience, which contributes to greater brand awareness and promotion.

In addition, digital modernization allows companies to implement multichannel strategies that ensure the seamless integration of various digital engagement points to ensure comprehensive and consistent interaction with customers through all channels. By

eliminating segmentation and combining customer information from various points of contact, companies can gain complete information about their customers' travels and preferences and offer personalized interaction and targeted marketing efforts.

In general, improving customer service through digital modernization is essential for companies that want to stand out in a competitive market. By effectively using digital channels and prioritizing customers, companies can build long-term relationships with their customers, increase employee loyalty and retention, and ultimately help the business grow.

3.1.3 The Transformation of Traditional Business Models through Digital Innovation

Digital innovation encompasses a wide range of technologies and strategies that enable companies to adapt and evolve in the digital age. From the introduction of cloud computing and the use of great data analysis capabilities to the use of artificial intelligence and the Internet of things, companies now have access to many tools and capabilities that can radically change the interaction between their businesses and customers. (Marcin, 2018)

One of the main aspects of this transformation is the digitalization of processes. By using digital tools to optimize work processes, automate daily tasks, and increase efficiency, companies can increase productivity, reduce costs, and accelerate product market launch while gaining a competitive advantage.

In addition, digital innovations pave the way for new sources of income and business models to be explored. From innovative subscription-based services and digital markets to platform service offerings and results-based pricing models, companies use digital technology to create innovative products and services that meet the changing needs of their customers. (Zott & Amit, 2017)

In addition, digital innovations have democratized access to markets and resources, allowing companies of any size to expand their reach and reach a global audience. With the proliferation of e-commerce platforms, the strategic use of social media channels and the

competent use of digital marketing strategies, companies can now interact with customers around the world, strengthen meaningful connections and level the playing field compared to larger competitors.

In fact, digital innovation plays an important role in improving the quality of customer service and increasing engagement. Using data analysis capabilities, customization technologies, and multichannel approaches, companies can create customized solutions that resonate with customers, promote sustainable brand loyalty, and inspire repeat work. While business modernization often requires improving existing processes and systems using modern technologies to increase efficiency and productivity, business transformation represents a more holistic and profound change in organizational structure, culture, and strategy. While modernization may involve incremental improvements, transformation typically involves a fundamental change in thinking and approach, fostering innovation and flexibility in the organization. In the context of digital innovation, modernization may involve the introduction of specialized digital tools and techniques, while transformation may involve a comprehensive restructuring of business models and processes to take advantage of emerging digital opportunities and remain competitive in the digital age

3.1.4 The Impact of Digitalization on Modern Business

In today's fast-paced business landscape, the impact of digital transformation is undeniable. It is reshaping traditional business models and ushering in a new era of innovation. This chapter explores the transformative power of technology in modern business operations. From enhanced connectivity to increased competitiveness, digitalization has revolutionized how businesses operate.

One significant aspect of digitalization's impact is the democratization of market access. E-commerce platforms and social media have leveled the playing field, allowing small businesses to compete with larger ones. Digital marketing strategies enable businesses to reach customers worldwide, breaking down geographical barriers. Furthermore, digital technologies have enhanced efficiency and productivity. Automation and data analytics optimize processes, leading to more accurate decision-making and faster response times. Artificial intelligence and machine learning are transforming industries, unlocking new

possibilities for growth. However, challenges also arise. Privacy concerns, cybersecurity risks, and the need for skilled workers remain significant issues. But with the right strategies in place, businesses can navigate these challenges and thrive in the digital age. Furthermore, digitalization has ushered in a new era of customer-centricity, enabling businesses to deliver personalized and seamless experiences across diverse touchpoints. By harnessing the power of data analytics and personalization technologies as well as omnichannel strategies, organizations can gain deep insights into customer preferences and anticipate their needs. This allows them to tailor their offerings and enhance customer satisfaction, cultivating enduring loyalty. Moreover, digital transformation serves as a catalyst for innovation within organizations. It drives transformative change, enabling companies to adapt swiftly to market dynamics and capitalize on opportunities. Through strategic initiatives, businesses can foster a culture of innovation and streamline processes. This positioning them for sustained growth and a competitive advantage in today's digital age and beyond.

The impact of digitalization on modern businesses is profound and multifaceted. It permeates every aspect of organizational strategy, operations, and customer engagement. Businesses can unlock new efficiencies by embracing digital technologies strategically and proactively. This can drive innovation and help them thrive in an increasingly digital landscape. They are poised for success in the dynamic and ever-changing business landscape of the 21st century.

3.2 E-Commerce

3.2.1 General Information

E-commerce means electronic commerce. It has become a transformative force that is changing the way businesses operate and consumers make purchases and transactions. With the advent of the Internet, e-commerce has expanded beyond geography, thereby offering businesses the opportunity to reach a global audience and consumers the convenience of shopping. (Jan, Malviya, & Arya, 2021) This shift towards online trading has revolutionized the traditional way of doing business, which has led to the emergence of trading platforms and digital storefronts, as well as marketplaces. From small businesses selling certain products to international corporations offering a wide range of goods and

services, e-commerce has democratized entrepreneurship and reduced business inequality in it and opened up new opportunities for small and medium-sized businesses to grow. Moreover, the spread of gadgets has led to the growth of mobile commerce (M-commerce), which has further accelerated the introduction of e-commerce. As e-commerce continues to evolve, businesses must properly adapt to changing consumer behavior, technological changes, and regulatory conditions in order to be successful in this promising environment (Laudon & Traver, 2020)

3.2.2 E-Commerce Business Models

To better understand and analyze possible options for business development and improvement, as well as successful setup, it is important to understand the e-commerce business models and what their differences are, as well as to know the nuances, pros, and cons. (Manzoor, 2010)

Types of e-commerce business models:

- Business-to-consumer model (B2C)
- Business-to-business (B2B)
- Consumer-to-business (C2B)
- Consumer-to-consumer (C2C)
- Consumer-to-government (C2G)
- Business-to-government (B2G)
- Business-to-business-to-consumer (B2C)
- Government-to-business (G2B)
- Government-to-consumer (B2C)

And the four “traditional” types are B2C, B2B, C2C and C2B. Detailed overview provided below:

Figure 1: 4 Types of E-commerce

Business-to-Consumer (B2C)	Type of e-commerce where business sells products directly to the customer. It is the most popular model. Most of the people experience this transaction while shopping online. This model helps consumers to
----------------------------	--

	shop anytime from any location, from any device. Companies using B2C type of e-commerce often put factors such as secure payments gateways, user-friendly interfaces, algorithms on top priority. (Murphy, 2022)
Business-to-Business (B2B)	Company sells products and services to other organizations. For this type of e-commerce, often the buyer is a reseller who sells product to the consumer in the end. Business-to-business transactions typically involve a more complex sales process, but they also tend to have higher transaction values and involve more frequent repeat purchases. (Murphy, 2022)
Consumer-to-Consumer (C2C)	Enable customers to trade with each other on special platforms like eBay, Avito. Sellers list their products online and buyers purchase it. There are some big risks in this type of e-commerce such as quality control and payment risks.
Consumer-to-Business (C2B)	In this model consumer sells product or service to business. As an example, photographer offering photos directly to the online platform. C2B transactions became popular because of freelancing and high popularity of blogging.

Various e-commerce models, including "business for business"(B2B), "business for consumer"(B2C), "consumer for consumer" (C2C) and "consumer for business" (C2B), each of which plays an important role in the digital market. B2B transactions facilitate trade between companies, often involving longer sales cycles, higher order prices and frequent purchases, while these types of transactions are more complex. B2C operations

allow companies to indirectly sell goods and services to individual consumers, providing convenience and accessibility to online shopping. C2C transactions allow individuals to participate in trading, facilitate the purchase and sale of goods and services through online platforms and brokerage markets. Finally, C2B operations involve people who offer their skills, services or products to companies or organizations, a particular change in the traditional dynamics of the business-consumer relationship. Together, these e-commerce models contribute to the dynamism and diversity of the Digital Economy, meeting a wide range of market needs and consumer preferences. As technology continues to evolve and consumer behavior changes, understanding and using these ecommerce models will be critical for both businesses and individuals to thrive in the digital landscape. (Chaffey, 2019)

3.2.3 Digital marketing strategies for E-Commerce

Another important point for the success of your business in the digital world is to develop the right digital marketing strategy. In other words, how the company will develop an online presence on the Internet through various channels. (Kingsnorth, 2019) Usually, the company's goal is to expand the audience and increase sales using this method. (Kotler, Cao, Wang, & Qiao, 2020) A marketing strategy is always well structured and has a clear plan.

In the realm of e-commerce, digital marketing strategies play a pivotal role in driving traffic, engaging customers, and ultimately, boosting sales. From leveraging search engine optimization (SEO) to harnessing the power of social media platforms (Bailey, 2013), e-commerce businesses have a plethora of tools and tactics at their disposal to enhance their online presence and maximize conversions.

Search engine optimization (SEO) stands as a cornerstone of digital marketing for e-commerce. By optimizing website content, meta tags, and URLs with relevant keywords, businesses can improve their visibility in search engine results pages (SERPs), thereby attracting organic traffic and increasing their chances of generating leads and sales.

Pay-per-click (PPC) advertising presents another effective digital marketing strategy for e-commerce businesses. Through platforms like Google Ads and Bing Ads, businesses can

create targeted advertising campaigns that appear in search results or on relevant websites, reaching potential customers who are actively searching for products or services. (Media, 2021)

Social media marketing offers e-commerce businesses a valuable opportunity to engage with their audience, build brand awareness, and drive traffic to their websites. By creating compelling content, running targeted ads, and fostering meaningful interactions on platforms like Facebook, Instagram, and Twitter, businesses can cultivate a loyal following and generate sales.

Email marketing remains a powerful tool in the e-commerce marketer's arsenal. By building and segmenting email lists, businesses can send personalized messages, promotions, and product recommendations to subscribers, nurturing customer relationships and driving repeat purchases.

Content marketing is another essential component of digital marketing for e-commerce. By creating high-quality, relevant content such as blog posts, videos, and infographics, businesses can establish themselves as industry authorities, attract organic traffic, and engage customers throughout the buyer's journey.

In conclusion, digital marketing strategies are integral to the success of e-commerce businesses, enabling them to reach and connect with their target audience, drive traffic to their websites, and ultimately, convert leads into customers. (Gilbert, 2023) By leveraging a combination of SEO, PPC advertising, social media marketing, email marketing, and content marketing, e-commerce businesses can effectively navigate the competitive digital landscape and achieve their business objectives (Bailey, 2013)

3.3 Artificial intelligence as a valuable opportunity in a modern world

Artificial intelligence occupies a special place in the digital world. Its influence is increasingly being compared to that of the Internet over the past 30 years. (Arbuzova, 2023) With its increasing popularity, more and more companies understand its importance and try to integrate it not only to automate everyday operations, but for more detailed

information collection and analysis, as well as personal customer service. AI can help companies improve their competitiveness in the market.

Its main advantage is the ability to automate everyday operations. Creating the right algorithms allows companies to analyze a large amount of information in order to determine market trends and consumer preferences, as well as determine the strategy necessary for further development. (Russell, 2019)

As for e-commerce, AI allows you to provide a personalized approach to working with customers. Artificial intelligence-based mechanisms offer products and services that may be of interest to customers based on their past behavior. In addition to improving the quality of service, this allows businesses to increase revenue while minimizing costs. By providing personalized AI-based customer support, it increases customer satisfaction by reducing time to resolve an issue and enables agents to engage in the development of more complex operations and processes.

Mainly AI can be classified into three main sections: (Banafa, 2023)

- Narrow AI
- General AI
- Super AI

The first one is Narrow AI, also can be called weak AI, it is used to complete basic task or limited tasks. This is the most common used type of artificial intelligence. It is programmed to perform one specific task — whether it is controlling a machine or analyzing data to write a paper. Despite the fact that such an AI can work in real time, it is limited in the choice of data. In the end, the system solves only the problem for which it is trained and its capabilities are limited. A good example of such AI is Alexa, a smart speaker from Amazon, or Alice from Yandex. (Polyakova, 2019)

At first glance, it may seem that these systems have critical thinking and are able to interact with a person and give a reaction. However, all this is pre-programmed by the system and the information processing process takes place through search engines and receives an answer. That is why, answering philosophical questions, Alice from Yandex

gives an answer from resources on the Internet. Thus, this confirms that such interactive voice speakers, as well as in general just type AI, are not able to go beyond familiar tasks

Next one is Artificial General Intelligence (AGI), machines possess the capability to think, understand, learn, and utilize their intelligence to address intricate challenges, akin to humans. Robust AI relies on a theoretical framework known as the theory of mind AI to identify the emotions, beliefs, and cognitive processes of other intelligent systems. (Kanade, 2022)

Unlike narrow artificial intelligence systems designed to solve specific tasks, such as speech recognition or image classification, general artificial intelligence has the flexibility and adaptability to learn and excel in a wide range of fields and tasks. Achieving genuine general artificial intelligence remains a major challenge for AI as researchers strive to develop systems capable of independently understanding, reasoning, assimilating and applying knowledge in various contexts.

And the last type and the most powerful is Super AI. Artificial superintelligence, or ASI, remains a theoretical concept that envisions a software-based intelligence system that exceeds human intellectual capabilities. Current AI technologies, commonly referred to as artificial narrow intelligence (ANI), have demonstrated proficiency in specific tasks such as chess or language translation. However, they lack the capacity for autonomous learning or deep understanding of complex concepts. Despite ongoing progress in AI, achieving the intricacies of human intelligence within a machine poses significant challenges. (Mucci & Stryker, 2023) There is skepticism about the feasibility of ASI due to the unique evolutionary factors that give rise to human intelligence and the incomplete understanding of the complexities of brain functioning. This makes the development of a true super intelligent system a distant prospect at present

Narrow AI, General AI, and Super AI represent distinct categories of artificial intelligence, each with its own set of attributes, functionalities, and constraints. While Narrow AI is currently deployed across diverse applications, General AI and Super AI remain theoretical concepts, presenting formidable hurdles and ethical considerations. Prioritizing ethical AI

development is paramount to ensure that these systems serve the collective welfare of society and mitigate potential risks.

Summarizing the above, I would like to say that the development of artificial intelligence is a breakthrough in the technological revolution of today's years and opens up new and unexplored opportunities for humanity that can turn the basic knowledge in the world around. (Lee & Qiufan, 2021) However, do not forget that with new technologies come new challenges and risks that can have a detrimental impact on business.

3.4 Challenges and Risks in the Digital World

This chapter will describe the possible risks and challenges those businesses and consumers may face when switching to a digital business model.

3.4.1 Cybersecurity

The first risk is the security of data storage. In the digitalized world, cloud storage is increasingly being used, allowing data to be stored on the Internet, a secure network. But even in the most secure system, data can fail and leak. Therefore, it is very important to build your model so that the data is properly protected.

Attackers often take advantage of weaknesses in software systems and networks by initiating cyber-attacks such as phishing schemes, malware infiltration, ransomware incidents, and denial of service (DoS) attacks. (Worley, 2024) Such violations not only endanger confidential information, but also disrupt functionality, reduce trust and lead to significant financial and reputational consequences for both businesses and individuals.

3.4.2 Data Privacy

With the spread of digital technologies and the collection of personal data, data protection issues have come to the fore. Organizations are faced with the need to protect consumer data from unauthorized access, misuse and violation. Increased regulatory oversight, exemplified by regulations such as the General Data Protection Regulation (GDPR) (Drury

& Costagliola, 2020) and the California Consumer Privacy Act (CCPA), underscores the importance of prioritizing data protection and implementing strict data protection measures.

It is important for businesses to invest in data security technologies and adopt best practices to ensure the confidentiality, integrity, and availability of consumer data in an increasingly digital scope.

3.4.3 Moral Dilemmas

The fast development and implementation of technology raises critical ethical dilemmas that warrant careful consideration and deliberation. Questions surrounding the ethical use of artificial intelligence, automation, biotechnology, and surveillance technologies challenge societal norms, values, and principles. Issues such as algorithmic bias, deepfakes, job displacement, loss of privacy, underscore the imperative of establishing ethical frameworks and regulations to guide the responsible development and deployment of digital technologies.

To sum this chapter up, I would like to say that the more AI, Business Digitalization and Automatization becoming popular, the more risks and problems that can cause huge damage to the business. To be able to prevent such consequences, it is important to pay special attention to the security of your business in advance.

4. Practical Part

4.1 Interview with a Growth Marketing Manager of Meta Platforms, Inc.

In order to better understand and gain important insights into new business opportunities in the world of digitalization, a semi structured interview was conducted with a Growth Marketing Manager of Meta Platforms, Inc., Anton Shkuratov on the 10.10.2023.

One of the reasons to conduct this interview was the fact that Meta is one of the leaders in the implementation of innovative technologies and projects in the digital world. The company shows great success in this field and pays great attention to the development of artificial intelligence and its popularization in order to improve processes.

The interview was conducted via Zoom, a video chat platform that facilitating real-time communication. A number of precautions have been taken to ensure the reliability of the data. Initially, the interviewer asked additional questions to clarify any ambiguities in the answers. In addition, the interview session was recorded to ensure that all responses were accurately documented. Subsequently, the interviewer transcribed the conversation to ensure that the answers in the study were accurately displayed. The last step was to approve the interviewee's answers.

4.1.1 Interview Overview

Based on the interview, in the rapidly evolving digital landscape, I believe that General AI and generative AI will be the primary catalysts for digital transformation over the next five years. As a leader in AI development, Meta is making significant investments in this field, recognizing the immense potential for AI to revolutionize user experiences and streamline processes across various domains, including marketing, software development, and operations.

Digital transformation is fundamentally altering traditional business models, and Meta is at the forefront of leveraging these changes to drive innovation and growth. By partnering with businesses and organizations, Meta has successfully implemented digital transformation initiatives that have yielded impressive results.

To capitalize on the opportunities presented by the digital landscape, Meta is focusing on delivering personalized experiences through advanced targeting and audience engagement techniques. By harnessing the power of AI and machine learning, Meta is able to provide highly relevant and engaging content to users, fostering deeper connections and loyalty.

“For companies seeking to expand their digital presence and thrive in this new era, I recommend evaluating AI interaction opportunities within their organizations. By identifying areas where AI can enhance processes, improve decision-making, and deliver superior user experiences, businesses can position themselves for success. However, it's

crucial to approach AI integration with a strategic and data-driven mindset.” (Shkuratov, 2023)

Adapting to the digital world comes with its own set of challenges, such as data privacy concerns, technological complexities, and the need for continuous innovation. Meta assists companies in overcoming these hurdles by providing robust tools, platforms, and expertise. Through collaborations and knowledge sharing, Meta empowers businesses to navigate the digital landscape effectively.

Data-driven decision-making is at the core of Meta's approach to digital marketing and business growth. By leveraging advanced analytics tools and methodologies, Meta enables companies to gain deep insights into customer behavior, preferences, and trends. This data-driven approach allows for targeted campaigns, personalized experiences, and continuous optimization of strategies.

“To truly excel in the digital realm, I advise companies to adopt a rigorous experimentation and test-and-learn mindset. By constantly iterating and refining their digital strategies based on data-driven insights, businesses can stay agile, adapt to changing consumer demands, and maintain a competitive edge. Meta's expertise and solutions can be invaluable in supporting this iterative approach and driving measurable results.”

(Shkuratov, 2023)

In conclusion, the digital landscape is ripe with opportunities for businesses to transform and thrive. By embracing AI, personalization, and data-driven strategies, companies can navigate the challenges and emerge as leaders in their respective industries. Meta stands ready to be a partner in this journey, providing the tools, insights, and support needed to succeed in the digital age.

This interview provided valuable information from one of the largest digital corporations, and it helps to analyze the current progress in the field of artificial intelligence.

4.2 Case Study: B2B Platform for small and medium sized businesses, UK case

As an example, for case study, an international company Anheuser-Busch Inbev was chosen, that recently introduced its new product for digital commerce called Bees to the Europe market. Bees is AB Inbev's B2B digital sales platform through multiple channels, including its marketplace for third-party suppliers of beer and non-beer products. (Brohan, 2024). It was founded in 2016.

The purpose of this case study is to explore business opportunities in this model of business and analyze the given result based on data. By understanding and deep analysis this case study aims to provide proper feedback on prospect in way of digital collaboration for small and medium-sized retailers in contact with multinational corporations.

This case study is based on a product that I am currently studying during my career at AB InBev. All the materials that I have studied and that I am still working on are internal information of the company.

4.2.1 Product Overview

B2B platforms serve as an important tool for business development and collaboration with other companies. Modern platforms are regularly improved, offering an increasingly user-friendly and simple interface, as well as modernizing the way of working. Using such platforms, retailers can optimize their day-to-day operations - from product search to inventory management and order fulfillment.

Thanks to clear functions such as centralized product catalogs, automated order processing, as well as algorithms that offer products based on your tastes and previous orders, the seller has wide access to a range of suppliers and freedom of choice, which contributes to the development of partnerships. This platform not only improves the efficiency of day-to-day operations and routines, but also enables retailers to expand their range and collaborate with larger businesses seamlessly, which increases equality in this environment. These platforms are especially popular for small and medium-sized businesses, as they provide an opportunity to confidently navigate the complexities of modern commerce, which

contributes to their growth and success in the digital market.

This E-commerce platform was created in 2016 with the aim of bringing small, medium, and large businesses together and establishing processes within the supply chain.

The main dream of this platform is to provide one-to-one relationship between business and consumer. This case study will provide an example of UK market and supply chain in this country. This platform was implemented in United Kingdom in 2021 in order to improve transactions between small customer and business, like AB-inBev. Let's have a look on this process more in details.

4.2.2 UK Beer Market

United Kingdom is the biggest beer market in the world. In the 2022 people consumed more than 45 million hectoliters. (Verstl, 2023). There are big customers such as Tesco, Asda, Coop and many more, but there more small customers like small shops which are held by family business.

Usually, in order to place an order for such small businesses, they cannot contact the company directly, but through a wholesaler who will place an order for the business. What is the disadvantage of such a transaction? It does not allow a small business to place an order directly and thus small business has to pay a commission to a wholesaler. At the same time, the risks increase that something will happen to the order in the process, and it will not be delivered to the customer. The risks is that there are two different supply chains: from small business to wholesaler and from wholesaler to big business

The main problems are usually that the warehouse from which the beer should be sent to a small business is out of stock of the order SKU and the wholesaler does not immediately find out about it, thereby there is a risk of redating the order and financial losses for the buyer.

The second equally important difficulty is that usually a small business does not have the opportunity to access all the systems in order for the order to be processed. Let's imagine

an example that the business is run by a couple who runs a small store in the Bournemouth area and besides them there are no other employees who would be engaged in a separate task like placing an order in the system. Thus, this limits the development opportunities of a small business.

4.2.3 BEES as Business Opportunity

So, to avoid the problems above and any risks, e-commerce such as BEES was founded and recently implemented to UK market.

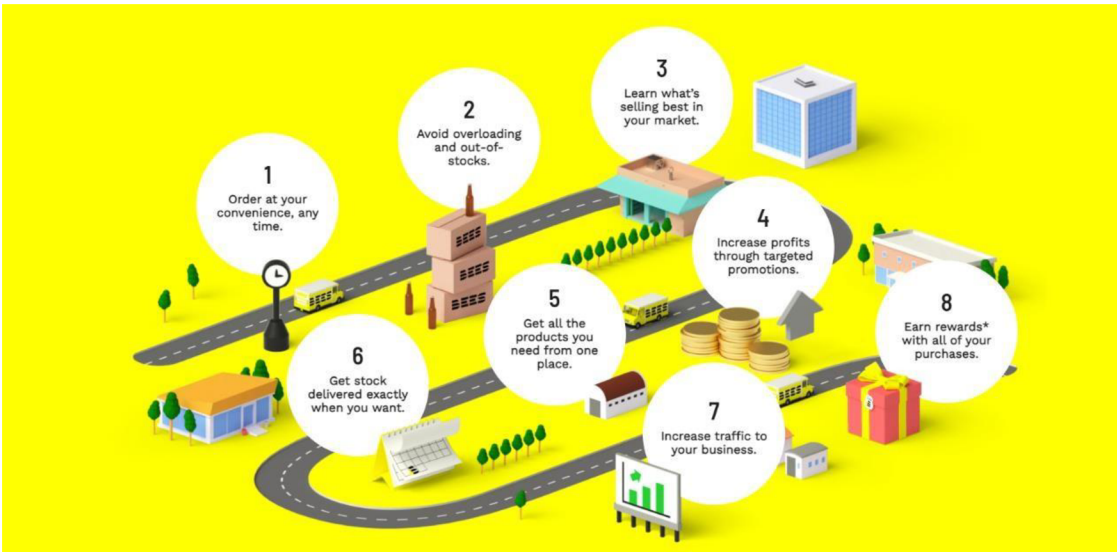
The main objective of this platform is that it benefits two parties. The main innovation of this application is that it simplifies the relationship between large and small businesses by reducing 3rd parties, thereby striving for the main goal of the company to create one-to-one relationships between small and big business.

How it works?

Small business wants to sell beer Stella Artois at their shop and the owner of the business will go to application and select this commodity and order in two clicks.

After this the order will be placed to the system of the company and interface in their application, then Order Management department will process the order and place it to another department called Available-To-Promise, they will allocate the stock and released to the Warehouse, where this stock is available. Next step is on Transport Planning Team, which will plan the order to be picked up from warehouse area and be delivered to the small business. Business will receive this order. It will take 2-3 days to get this order.

Figure 2:: Process of Order



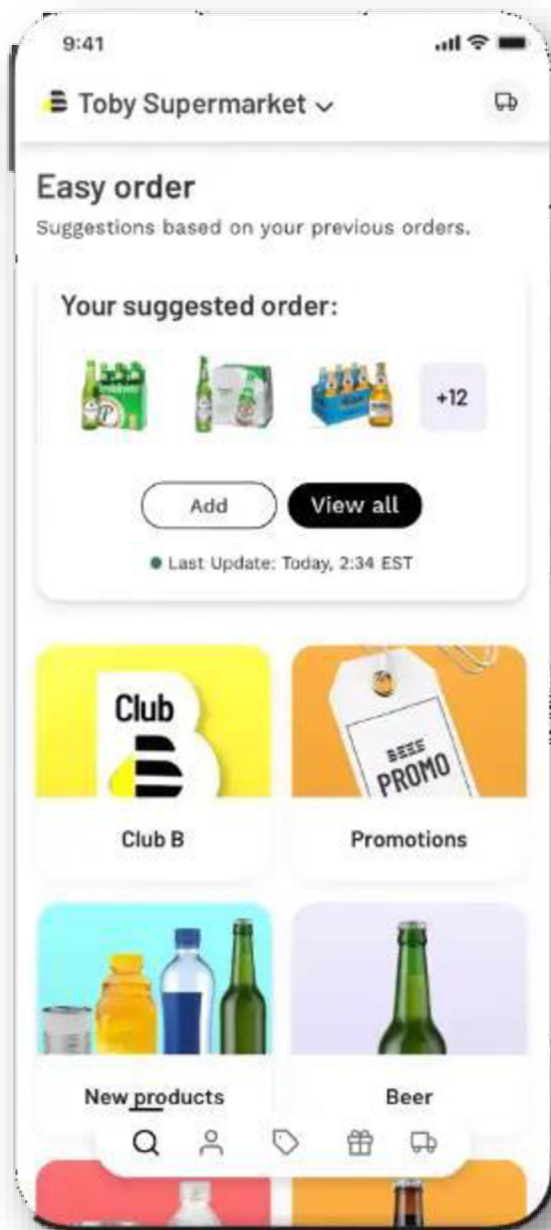
What are the benefits?

Main benefit for the small business is that it creates valuable one-to-one relationships with big business such as AB-InBev as well as it creates good profit for big business, because in modern era of digitalization it started more easier to run a small business because you do not need many resources such as big team and high costs. And for big business which selling fast-moving consumer goods customer loyalty is important.

4.2.4 Application Overview

have attached a screenshot of the application here:

Figure 3: Application of BEES



Using the example above, we can see that the application has a user-friendly interface and looks quite simple, which makes it attractive to the buyer. There are also built-in algorithms that allow you to customize personal settings for the user based on his preferences.

After analyzing this platform and the above case study of the UK market, it has been proven that the e-commerce business and digitalization play a crucial role for business

today. Based on this case study, it was possible to understand the relationship in the beer market between small and large businesses and confirm that this type of e-commerce platform is beneficial to both parties.

5. Conclusion

In conclusion, this Bachelor Thesis has successfully achieved its three main objectives, which were meticulously outlined at the onset of the study. Firstly, through a comprehensive analysis of literature and research, the thesis has effectively identified new trends and emerging technologies in the digital world. Secondly, the examination of business innovations and products within the digital sphere has provided valuable insights into the evolving landscape of modern commerce. Lastly, by delving into potential risks and challenges associated with digitalization, the thesis has shed light on crucial considerations for businesses navigating this transformative era.

The methodology employed in this thesis, encompassing both qualitative and quantitative approaches, has facilitated a robust and comprehensive exploration of the subject matter. The theoretical foundation established through literature review and analysis of scholarly publications has laid the groundwork for informed discussions and analysis. Furthermore, the inclusion of practical components, such as a semi-structured interview with a Growth Marketing Manager and a case study focusing on prospective business directions for small and medium-sized enterprises, has enriched the study with real-world perspectives and insights.

Overall, this thesis serves as a valuable contribution to the understanding of digitalization trends and opportunities in contemporary business environments. By synthesizing theoretical insights with practical observations, it offers actionable recommendations and strategies for businesses seeking to thrive in the digital era. Moving forward, it is imperative for organizations to remain vigilant of emerging trends, embrace innovation, and navigate potential risks with strategic foresight, thereby positioning themselves for sustained success in an increasingly digitized world.

6. References

- Achuthan, A. (2023, March 15). *Digital Transformation vs. Digital Modernization: Which one should you choose?* Retrieved from Kellton: <https://www.kellton.com/kellton-tech-blog/digital-transformation-vs-digital-modernization-which-one-to-choose>
- Arbuzova, A. (2023, December 27). *Как искусственный интеллект изменит нашу жизнь через 30–50 лет.* Retrieved from РБК Тренды: <https://trends.rbc.ru/trends/futurology/64ae65039a79475415aed9b1>
- Bailey, L. (2013). *The Small Business Guide to Online Marketing: A step-by-step guide to growing your business online*. Harriman House.
- Banafa, A. (2023, March 18). *Narrow AI vs. General AI vs. Super AI.* Retrieved from LinkedIn: <https://www.linkedin.com/pulse/narrow-ai-vs-general-super-ahmed-banafa/>
- Brohan, M. (2024, March 6). *Anheuser-Busch delivers digital transformation in 2023.* Retrieved from Digital commerce 360: <https://www.digitalcommerce360.com/article/ab-inbev-bees-b2b-marketplace/#:~:text=A%20B2B%20marketplace%20for%20beer,and%20manage%20orders%20and%20deliveries.>
- Chaffey, D. (2019). *Digital Business and E-Commerce Management*. Pearson.
- Drury, A., & Costagliola, D. (2020, November 11). *General Data Protection Regulation (GDPR) Definition and Meaning.* Retrieved from Investopedia: <https://www.investopedia.com/terms/g/general-data-protection-regulation-gdpr.asp>
- Gilbert, J. (2023). *Advanced SEO: A step-by-step guide on getting to the top of Google.*
- Jan, V., Malviya, B., & Arya, S. (2021, November 3). *An Overview of Electronic Commerce (e-Commerce).* Retrieved from ResearchGate: https://www.researchgate.net/profile/Vipin-Jain-13/publication/351775073_An_Overview_of_Electronic_Commerce_e-Commerce/links/60a8d9af45851522bc0aed79/An-Overview-of-Electronic-Commerce-e-Commerce.pdf
- Kaado, B. (2023, October 27). *What is B2C?* Retrieved from Business New Daily: <https://www.businessnewsdaily.com/5085-what-is-b2c.html>
- Kanade, V. (2022, March 25). *Narrow AI vs. General AI vs. Super AI: Key Comparisons.* Retrieved from Spiceworks: <https://www.spiceworks.com/tech/artificial-intelligence/articles/narrow-general-super-ai-difference/>
- Kingsnorth, S. (2019). *Digital Marketing Strategy: An Integrated Approach to Online Marketing*. Kogan Page.
- Kotler, M., Cao, T., Wang, S., & Qiao, C. (2020). *Marketing Strategy in the Digital Age: Applying Kotler's Strategies to Digital Marketing*. World Scientific Pub Co Inc.
- Laudon, K. C., & Traver, C. G. (2020). *E-commerce 2019 : business, technology, society*. Pearson.
- Lee, K.-F., & Qiufan, C. (2021). *AI 2041: Ten Visions for Our Future*. Crown Currency.
- Manzoor, A. (2010). *E-commerce: An Introduction*. Saarbruecken: LAP LAMBERT Academic Publishing.
- Marcin, K. (2018). *Digital Transformation of Business Models*. Warsaw.
- Media, M. (2021). *Social Media Marketing Mastery: The Ultimate, Powerful, And Step-By-Step Guide That Will Teach You The Best Strategies To Boost Your Business And Attract New Customers 24x7*. Micheal Media.
- Mucci, T., & Stryker, C. (2023, December 18). *What is artificial superintelligence?* Retrieved from IBM: <https://www.ibm.com/topics/artificial-superintelligence>

- Murphy, T. (2022, October 24). *B2B vs. B2C e-commerce: What's the difference?*
Retrieved from TechTarget:
<https://www.techtarget.com/searchcustomerexperience/feature/B2B-vs-B2C-e-commerce-Whats-the-difference>
- Polyakova, A. (2019, October 16). *Чем различаются слабый, сильный и супер-ИИ.*
Retrieved from BR.RU: <https://rb.ru/story/narrow-general-super-ai/>
- Rogers, D. L. (2016). The Digital Transformation Playbook: Rethink Your Business For The Digital Age. In D. L. Rogers, *The Digital Transformation Playbook: Rethink Your Business for the Digital Age* (p. 296). New York: Columbia Business School.
- Russell, S. (2019). *Human Compatible: Artificial Intelligence and the Problem of Control.* Sticky Notes.
- Shkuratov, A. (2023, October 10). Personal Interview. (V. Startsev, Interviewer)
- Truong, M. X. (2022, August 05). *Take a deep look at the history of digital transformation.*
Retrieved from Magenest: <https://magenest.com/en/history-of-digital-transformation/>
- Verstl, I. (2023, December 15). *UK beer report 2022: the numbers.* Retrieved from Brauwelt International: <https://brauwelt.com/en/international-report/europe-russia/646449-uk-beer-report-2022-the-numbers>
- Worley, R. C. (2024). *The Cybersecurity Bible: [5 in 1] The All-In-One Guide to Detect, Prevent, and Manage Cyber Threats. Includes Hands-On Exercises to Become an Expert and Lead Your (First) Security Team.*
- Zott, C., & Amit, R. (2017). *Business Model Innovation: How to Create Value in a Digital World.* New York.