

A Case Study on E-Commerce: An Emerging Business Practice and Trend during and Post COVID-19 with a Special Reference to Development of North East India with the Help of E-commerce Sector

Dr. Pradipta Mukhopadhyay
Independent Researcher

Abstract: *E-commerce or electronic commerce refers to the exchange of goods, services, funds or information between business and consumers using the electronic network where all the activities like purchasing, selling, ordering, and paying are performed over the internet. During Covid-19 Pandemic while supply chains and logistics sectors have undergone major disruptions several persons logged on to various e-commerce websites to make safe virtual purchases of various items including basic essentials such as groceries, medicines, food items along with luxury and lifestyle purchases. In this way it is observed that in-spite of various challenges such as manufacturing slowdown, transportation problem, unavailability of labour and disruption of national and international supply chains there has been a massive growth in the e-commerce sector during COVID-19. In this paper we will study the challenges and aspects of e-commerce during and post Covid-19 along with a Special Reference to the development of North East India with the help of e-commerce sector. In order to conduct the study both primary and secondary data have been collected by two stage sampling technique in the cities of Kolkata (West Bengal) and Guwahati (Assam).*

Keywords: E-commerce, Development, Supply Chain, North East.

I. INTRODUCTION

When the goods are produced it does not reach to the customers directly rather it has to pass through various activities which are included under the term commerce, whose main function is to satisfy the wants of the consumers by making goods available to them at the right time and place. Commerce encompasses all those activities that facilities exchange. Two kinds of activities are included in commerce, i.e, trade and auxiliaries to trade. The term trade refers to the buying and selling of goods and services for cash or kind and auxiliaries to trade implies activities like banking, insurance, transportation, advertisement, insurance, packaging and so on, that helps in the successful completion of exchange between parties. Previously commercial activities like the exchange of goods and services for money between parties took place only in the traditional mode i.e. the customer has to go to the market, look at the variety of products, choose the product and then purchase them by paying the specified amount and now with the advent of e-commerce, people can buy goods, pay bills, or transfer money in just one click through internet.

II. SCOPE OF E-COMMERCE

A) B2B Commerce

When the business transaction takes place between two business houses, through the electronic channel it is called B2B Commerce.

B) B2C Commerce

When the exchange of goods and services takes place between the business entity and the customer, over the internet, then it is known as B2C Commerce.

C) C2C Commerce

When the buying and selling of goods and services take place between customers using electronic medium, then it is called C2C commerce.

D) Intra B Commerce

When the exchange occurs within the firm or business house, with the use of electronic media, it is called as Intra B-Commerce.

E) Some Points of Difference between Traditional Commerce and E-Commerce

1. In traditional commerce, the transactions are processed manually, whereas e-commerce means carrying out commercial transactions or exchange of information, electronically on the internet.
2. In traditional commerce, the exchange of goods and services for money can take place only during the working hours while in e-commerce the buying and selling of goods can occur anytime.
3. Physical inspection of goods before purchase is possible in traditional commerce whereas in e-commerce a customer cannot physically inspect the goods before purchase, however if the customers do not like the products after delivery they can return the product within the stipulated period.
4. In traditional commerce there is always a direct interaction between the buyers and sellers but in e-commerce there is only an indirect customer interaction because it may so happen that the customer may be miles away from where the order is actually placed.
5. The scope of business in traditional commerce is limited to a particular area where it operates but any e-commerce business has worldwide reach.
6. In traditional commerce payment can be done by cash, cheque or card, but in e-commerce transactions can be done through online payment modes like card or fund transfer.
7. The delivery of goods is immediate in traditional commerce but in the case of e-commerce the goods are delivered at the customers place after some time usually within a week.
8. Traditional commerce is not suitable for purchasing software whereas e-commerce is not suitable for perishable goods and also high value items.

III. ADVANTAGES OF E-COMMERCE

Some of the advantages of E-commerce are as follows

1. **Faster Buying Process** : In E-commerce customers can spend lesser amount of time in shopping what they want by browsing many items at a time and buy what they like.
2. **Creation of Store and Product listing** : Creation of store and product listing in e-commerce helps the sellers to add many specifications about the product like product description, product category, product pricing, shipping fee, delivery date etc to help the customers understand the product better.
3. **Cost Reduction** : One of the biggest advantages of e-commerce business is its cost reduction effects which relieves sellers from making various types of expenses like rent, repairs, store design, inventory etc, which are needed to maintain a physical store.
4. **Affordable advertising and marketing** : In E-commerce seller's don't have to spend a lot of money to promote their items as the world of e-commerce has several affordable quick ways to market their products online.
5. **Flexibility for Customers** : Another advantage of e-commerce is that sellers can provide flexibility to customers by offering their product and services 24*7 any place any time.
6. **Product and Price Comparison** : E-commerce provides a good scope to the consumers to have a good idea of the products available by comparing all the details of the product available online on the shopping site with other products or products of other brands.

7. **No reach limitations** : A seller with a physical store may only be able to reach to a certain number of buyers while several e-commerce marketplaces have their own logistics and delivery system to deliver their products to the customer's homes.
8. **Faster response to buyer / market demands** : In today's world another advantage of E-commerce marketplaces are that it offers strategic logistics or delivery system alongwith product returns management which helps in taking speedy actions to respond to the market demands.
9. **Severel Payment modes** : One of the biggest advantages of e-commerce is that e-commerce marketplaces normally permits multiple payment modes that include UPI, cash on delivery, card on delivery, net banking, EMIs on credit or debit card and pay-later credit facility.

IV. E-PAYMENT

One of the important component of e-commerce is e-payment and it happens when we purchase goods and services online we pay for them using an electronic medium. This mode of payment without using cash or cheque is called an E-commerce Payment System and is also known as online or electronic payment systems.

Today the increased use of internet based banking and shopping has seen the growth of various e-commerce payment systems and technology has been developed to increase, improve and provide secure e-payment transactions and today paperless e-payments have revolutionised the payment processing by reducing paper work, transaction costs and personal cost. These systems are user-friendly and consume less time than manual processing and help business extend their market reach.

A) Advantages of E-payment Systems

E-commerce allows customers to make cashless payments for goods and services through cards, mobiles or internet and some of the advantages of electronic payment system are as follows :

1. Money transfer between virtual accounts normally takes a few minutes while a wire transfer or a postal one may take several days and also time will not be wasted in lines at a bank branch or post office.
2. A virtual account will contain the history of all transactions made, indicating the name of the stores and the amount spent which we can check anytime we want and have control in our expenses.
3. Usually every service is designed to reach the widest possible audience, so it has the intuitively understandable user friendly interface.
4. Electronic Payment systems eliminates the security risk of handling liquid cash.
5. E-payment is also very convenient as it enables to pay for goods and services online any time of the day from any part of the world without spending time in a line, if we have a Internet connection.
6. With the Internet banking and online shopping becoming widespread, e-commerce will go a huge extend to increase the sale due to increase in working time and area of operation.
7. While there are no additional charges for making cash payments, trips to stores typically cost money and on the other hand there are usually no fees or very small ones to swipe card or pay online. In the long run e-payment could save both individuals and business a huge amount of time and money.
8. E-payment is also very convenient as it enables to pay for goods and services online if we have internet connections, any time of the day from any part of the world without spending any time in a line or waiting for a cheque to get cleared by the bank to access the funds they need to shop.

B) Disadvantages of E-payment Systems

1. It is seen that each payment system has its limits regarding the maximum amount in the account, the number of transactions per day and the amount of output.
2. Majority of electronic payment systems do not cooperate with each other and so there can be problems in transferring money between different payment systems.

3. Internet connection is always a must for e-payment as without internet connection there cannot be any e-payment.
4. E-payment Systems always has the risk of being hacked and if the security rules are not followed properly then there can be chances of leakages of personal data on cards and it's owners. Even though security measures like symmetric measures are there to make e-payment safe and secure it is still risky of getting hacked as fraudsters are always phishing attacks to trick unsuspecting users into providing the log-in-details of their e-wallets, which the criminals capture to access the victims personal and financial information's. Thereafter we see that without better identity verification measures like biometrics and facial recognition anyone can use another person's cards and e-wallets and get away without being caught.

C) Disadvantages of E-commerce

The open and democratic nature of the Internet, exposed consumers to get-rich-quick offerings from unscrupulous vendors. Anyone with even modest knowledge of website creation can build an online store with no need to ensure the availability of inventory on a way to provide services. There are many consumers who submit to the temptations of easy deals, to find later that the store from which they ordered disappeared between payment and delivery. While many payment providers offer some level of fraud protection that too isn't universal.

Again there is also the risk of identity theft as a buyer has to disclose personal information to complete a transaction. Now-a-days news headlines frequently feature news of legitimate business experiencing cyber attacks that expose sensitive customer information.

There's often no way for a buyer to be sure that a transaction privacy and data encryption systems offered by retailers are as robust as billed.

V. OBJECTIVES OF THE STUDY

The main objective of this study is to identify the challenges and prospects of the e-commerce sector and how it can go on to help the economical development of a country or region and also

1. To find out the present status of e-commerce in India and how it can be developed to increase the economic development of the country.
2. To find out whether e-commerce transactions will be helpful for a individual as well as for the overall development of the Indian economy.
3. To identify the problems of e-commerce and provide necessary suggestions to solve them.

VI. LITERATURE REVIEW

Aadahallikar Amog in his report " The Impact of COVID-19 on E-commerce in India stated that the worldwide spread of the COVID-19 pandemic has not only disrupted the normal procedure regarding how people used to buy products and services but the lockdown rules across India have almost forced the people of India to tilt towards e-commerce to purchase essential goods and a huge portion of the ordinary citizens have switched from shops , supermarkets, and shopping malls to online portals for the purchase of various types of products according to their requirements.

Sheth Arpan and Unnikrishnan Shyam in their report " E-commerce revolution in India gets its second wind, Post COVID -19 stated that the \$ 850 billion Indian retail market is the fourth largest in the world and is largely unorganised which is on the cusp of a transformation led by the emergence of e-retail and its growing influence on Indian shoppers. Sachdeva Sujata in her report " North East emerges as high growth market for e-commerce " stated that in North East India due to the mountainous terrain there is great difficulty of reaching goods to the consumers and so the needs of the consumers has been fulfilled by the online ventures and in this way while e-commerce is penetrating in this region by reaching out to consumers the North Eastern States of India are having double-digit growth for e-commerce companies.

VII. RESEARCH METHODOLOGY

The present study has been exploratory, casual and empirical in nature and the data needed for research work has been collected by using both direct and indirect method of data collection.

A) Direct Method

The study has been based on primary data collection by randomly selecting respondents (individuals) belonging to various fields who uses various e-commerce sites for their variety of purchase.

B) Interview Methods

To ensure the successful execution of the research work, interviews has been conducted using interview schedules.

C) Questionnaire Method

This Method has also been adopted to find out the views of the Persons of different fields who are either directly attached with these markets and constitutes the general population of the country and who regularly uses various e-commerce sites to purchase their requirement.

D) Indirect Method

A number of newspapers, magazines, journals and websites were also consulted to gather information related to our study. The primary and the secondary data are examined and analysed thoroughly and the results of the analysis are presented below:

a) Findings

i) E-commerce in India

In India, still today even though cash on delivery is the most preferred payment method, many people living in metro and urban cities are preferring for online shopping due to lack of time and reasonable pricing and so the scope of e-commerce sector has spread to the product sectors of Apparells, Shoes, Furniture, FMCG, Utensils, Electronic items, Mobile Phones, Laptops, Gift Items, Food items, etc. Today E-commerce has transformed the way business is done in India and propelled by rising internet usage, smartphone penetration, the launch of 4G network and increasing use of consumer wealth the Indian e-commerce industry led by Amazon India, Flipkart, Snapdeal, Nyka, Paytm & other's has been on an unprecedented growth trajectory.

The Government of India's recent policies and regulatory framework has also helped to increase the growth in this sector and some of the initiatives announced by the government of India are Digital India, Made in India, Start-up-India, Skill India and the proper and effective implementation of such programs will help the ecommerce growth in the country. Some of the measures of Government of India to increase e-commerce market are as follows :

1. In order to increase the participation of foreign investors in the e-commerce sectors the limit of foreign direct investment (FDI) has been increased to 100 percent in B2B models.
2. Heavy investment in rolling out the fibre network for 5G will help boost ecommerce industry in India.
3. Huge amount of money has been allocated in the union budget of 2018-19 to Bharat Net project to provide broadband services to the gram panchayats of India.
4. Under the Digital India movement, Government has launched various initiatives like Udaan, Umang, Start-up India Portal etc.
5. Under the project 'Internet Saathi' the Government has influenced over 16 million women in India and reached 1,66,000 villages.
6. Introduced Bharat Interface Money (BHIM), a simple mobile based platform for digital payments.
7. Udaan a B2B Online Trade platform that connect small and medium size manufacturers and wholesalers with online retailers and also provided them logistics, payments and technology support has sellers in over 80 cities of India and delivers to over 500 cities.

b) Some of the E-commerce Companies Operating in India

As of July 2019, India has an Internet users base of about 475 million which is about 40% of the population which has risen to a much higher figure till date. Thereafter it is seen that despite being the second largest user base in the world after China the penetration of e-commerce is low compared to markets like United States, France, but it is growing with addition of around 6 million new entrants every month. Sale with service is required to fit into the criteria of best e-commerce companies in India and some of the best e-commerce companies in India are as follows :

1. Flipkart Internet Pvt Ltd.
2. Amazon
3. Nyka
4. Paytm
5. Snapdeal
6. Just dial
7. Make My Trip
8. Myntra

Today the scope of e-commerce sector is huge in all product categories such as apparels, shoes, furniture, FMCG, utensils, electronic items, mobile phones, laptops, gift items, food items etc and so it is seen and observed that the current e-commerce industry has been directly impacting the micro, small & medium enterprises (MSME) in India by providing means of financing, technology and training and has a favourable cascading effect on other industries as well. In this way the growth in e-commerce sector will also boost employment, increase revenues from export, increase tax collection by ex-chequers and provide better products and services in the long term.

c) E-Commerce in North East India

In North East India where hilly terrain and limited road and flight connectivity have not only posed hurdles for companies wanting to expand operations but has also hindered growth of offline retail and availability of branded products. In these circumstances along with big discounts being offered by E-commerce companies on a host of goods including branded products, India's North Eastern States are fast emerging as the drivers of growth for e-commerce companies.

Thereafter we see that as today's youngsters are extremely fashion conscious and tech savvy and online shopping gives them a platform to access the best brands at affordable prices with the convenience of shopping from anywhere anytime, E-commerce business is on the rise in North East India and by reaching out to the customers the E-commerce business are showcasing a double digit growth.

Due to the difficulty of reaching goods in the mountainous terrain of the North East India, online ventures are fulfilling the needs of the consumers where the e-commerce companies are having double -digit growth as they are penetrating in this region by reaching out to the consumers.

Companies like Snapdeal, service a large part of the North Eastern Region coveting more than 1100 Pin Codes and Flipkart reaches out to customers in over 80 cities in partnership with logistic organisations like ekart and India Post. Leading fashion platform Myantra developed a distribution centre in Guwahati and a centre in Mizoram's capital Aizawal to serve consumers in these states.

Here we see that some e-commerce organisations see this region as a great prospective if the logistical challenges are solved.

In this way owing to the ample room for development in the North East India, after addressing the various gaps in infrastructure and acceptability among the locals, the improvement in the internet and telecommunication services is likely to have a direct impact on the economic upsurge in the area. The basic network coverage will aid seamless inter and Intra trade and deliveries in the North Eastern Region. The enablement and integration of the digital corridor in the NER can help facilitate and nurture the business environment by providing diverse growth opportunities to the industries and attracting investing leading to the overall development of the region.

d) Future Prospects of E-commerce

The e-commerce industry has been directly impacting the Micro, Small & Medium Enterprises (MSME) in India by providing means of financing technology and training and has a favourable cascading effect on other industries as well. The Indian e-commerce industry has been on an upward growth trajectory and is expected to surpass the United States to become the second largest e-commerce market in the world by 2034. Factors like technology enabled innovations like digital payments, hyper-local logistics, analytics driven customer engagement and digital advertisements has helped to a great extent the growth of e-commerce sector.

On the other hand the growth in the e-commerce sector will go to a huge extent to boost employment, increase revenues from export, increase tax collection by ex-chequers and provide better products and services to customers on the long term.

VII. CONCLUSION

It is observed that places which have difficulty in reaching goods, online ventures have been fulfilling the needs of the consumers and the e-commerce companies are having double digit growth as they are penetrating in this region by reaching out to the consumers. Here it is seen that some e-commerce organisations see this aspect as a great prospective if the logistical challenges are solved, as the customers of North Eastern India buy a product through online not because of discount but also because of lack of availability of options and variety.

It is also seen that the basic network converge will go on to help seamless Inter and Intra trade and deliveries in the North Eastern Region, This way we can say that the enablement and integration of the digital corridor in the NER can help facilitate and nurture the business environment by providing diverse growth opportunities to the industries and attracting investment leading to the overall development. In this way we see that the e-commerce industry by helping in addressing the various gaps in infrastructure, along with improvement in the internet, telecommunication services and acceptability among the locals, have created a direct impact on the economic upsurge of not only North East India but the entire country as a whole.

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