

Role and Impact of E-Commerce in Business and Trades

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Abstract: This research paper involves a study of the impact of E-Commerce on Business and trades. The research study has highlighted the Information Technology, Management Information Systems, Finance and Accounting, Marketing and of E-Commerce on Business. E-commerce is a way of conducting business over the Internet. Though it is now become a familiar concept in business and has the potential to alter the traditional form of economic activities. Already it affects such large sectors as communications, finance and retail trade and holds promises in areas such as education, health and government. The largest effects may be associated not with many of the impacts that command the most attention but with less visible, but potentially more pervasive, effects on routine business activities. The integration of Electronic Commerce and Business will bring a rebirth in marketing function. As it present opportunities to get close to the customer to bring the customer inside the company, to explore new product ideas and pretest them against real customers

Keywords: E-Commerce, Business Organisation, Internet

1. INTRODUCTION

E-commerce is a paradigm shift. It is a "disruptive" innovation that is radically changing the traditional way of doing business. Electronic commerce is a type of business model, or segment of a larger business model, that enables a firm or individual to conduct business over an electronic network, typically the internet. E-commerce is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the Internet. These business transactions are business-to-business, business-to-consumer, consumer-to-consumer or consumer-to-business. The term e-tail is used in reference to transactional processes around online retail. E-commerce is conducted using a variety of applications, such as email, fax, online catalogs and shopping carts, Electronic Data Interchange (EDI), File Transfer Protocol, and Web services. It can be thought of as a more advanced form of mail-order purchasing through a catalog. Ecommerce is the movement of business onto the World Wide Web. The effects of e-commerce are already appearing in all areas of business, from customer service to new product design. It facilitates new types of information based business processes for reaching and interacting with customers like online advertising and marketing, online order taking and online customer service.

2. Research Methodology

For the said present research study is based on the secondary data. Such secondary data is collected from various reference books on E-Commerce, E-Business, Marketing Management, Marketing Research, Mobile Commerce, Internet Marketing, Electronic Advertising, Economics, Commerce, Management, Banking etc. For the said research study the secondary data is also collected from the various National and International Research Books and Journals which are related to E-Commerce, Internet, Commerce, Banking, Management and Information Technology. The present research study the data pertaining to the following objectives was collected by the review of the literature on the subject concerned. The literature was thus collected by visiting libraries and various concerned websites.

3. Objectives of the Research Study

Many E-Commerce business activities present different objectives. These may be specific and immediately measurable objectives as well as more general and complex.

The objectives of present study are:

1. To understand the present status and trends of E-Commerce; and
2. To reveal the key variables influencing the increased usage of E-Commerce.

4. E-Commerce and Its Role

E-Commerce plays an important role in the economic growth and development of nation. It is a purposeful activity includes in planning, controlling, promotion and also distribution of various goods and services. In this research paper will describe how the Business spirit play an important role in nation's growth. It also pertains to any form of business transaction in which the parties interact electronically rather than by physical exchanges or direct physical contact. E-commerce is usually associated with buying and selling over the Internet or conducting any transaction involving the transfer of ownership or rights to use goods or services through a computer-mediated network. Though popular, this definition is not comprehensive enough to capture recent developments in this new and revolutionary business phenomenon. A more complete definition is: E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform, and redefine relationships for value creation between or among organizations, and between organizations and individuals. While some use ecommerce and e-business interchangeably, they are distinct concepts. In e-commerce, information and communications technology (ICT) is used in inter-business or inter organizational transactions (transactions between among business organizations) and in business-to-consumer transactions (transactions between business organizations and also individuals).

E-commerce is a way of conducting business over the Internet. Though it is a relatively new concept, it has the potential to alter the traditional form of economic activities. Already it affects such large sectors as communications, service, finance, retail trade and holds promises in areas such as education, health, transport and government. The largest effects may be associated not with many of the impacts that command the most attention but with less visible, but potentially more effects on routine business activities. E-commerce presents opportunities to accelerate business processes, reduce costs, reach new customers and develop new business models and markets in the business organization. The general agreement is that electronic markets and digitalization of products will impact material flows. A clear identification of the extent and direction of effects, however, has not yet been achieved, and the issue remains controversial. Increased resource productivity is discussed

As one of the major potential ecological advantages of e-commerce. Potential exists, above all, in the fields of demand and supply chain management and mass customization. Potentials to increase resource productivity appear in outline particularly in the business-to-business(B2B field, where there may be, for instance, reduction in quantities procured or stored, surplus production, and error rates between supplier and manufacturer

5. E-Commerce Trends -A New Business Revolution in India

E-commerce is a boom in the modern business. It is a paradigm shift influencing both marketers and the customers. Rather e-commerce is more than just another way to boost the existing business practices. It is leading a complete change in traditional way of doing business. This significant change in business model is witnessing a tremendous growth around the globe and India is not an exception. Moreover, E-Commerce has every potential to curb the pollution and thus producing significant influences on the environment.

Buying goods and services via E-Commerce allows consumers the freedom to choose when and where to shop and the opportunity to research the product, the seller, and any other available options. Shopping has been revolutionized through the availability of online information. Just about anything that can be bought in a merchandise store can be bought via E-commerce, even perishables like groceries. And consumers have embraced these possibilities around the globe.

The effects of e-commerce are already appearing in all areas of business, from customer service to new product design. It facilitates new types of information based business processes for reaching and interacting with customers like online advertising and marketing, online order taking and online customer service. In now days E-commerce uses the WWW at least some point in transaction lifecycle. It can also reduce costs in managing orders and interacting with a wide range of suppliers and trading partners, areas that typically add significant overheads to the cost of products and

services. For developing countries like India, e-commerce offers considerable opportunity. In India it is still in nascent stage, but even the most-pessimistic projections indicate a boom. There has been a rise in the number of companies' taking up e-commerce in the recent past. Major Indian portal sites have also shifted towards e-commerce instead of depending on advertising revenue. Many sites are now selling a diverse range of products and services from flowers, greeting cards, and movie tickets to groceries, electronic gadgets, and computers, etc.

6. Challenges of E-commerce in India

India has less credit card population, lack of fast postal services in rural India. Accessing the Internet is currently hindered down by slow transmission speeds, frequent disconnects, cost of Wireless connection and wireless communication standards over which data is transmitted. High-speed-bandwidth Internet connection not available to most citizens of the nation at an affordable rate. In India, mostly people are not aware about the English language or not so good in English language. So that for the transaction over internet through electronic devices, language becomes one of the major factors to purchases, hire and sell a particular product or services. Multiple issues of trust in e-commerce technology and lack of widely accepted standards, lack of payment gateways, privacy of personal and business data connected over the Internet not assured security and confidentiality of data not in place to deploy ubiquitous IT Infrastructure and its maintenance

7. Conclusion

Growth of e-commerce depend to a great extent on effective IT security systems for which necessary technological and legal provisions need to be put in place and strengthened constantly. While many companies, organizations, and communities in India are beginning to take advantage of the potential of e-commerce, critical challenges remain to be overcome before e-commerce would become an asset for common people. With the explosion of internet connectivity through mobile devices like Smartphone and tablets, millions of consumers are making decisions online and in this way enterprises can build the brand digitally and enhance productivity but government policies must ensure the cost effective methods/solutions. Ecommerce in India is destined to grow both in revenue and geographic reach. The challenge of establishing consumer trust in e-commerce poses problems and issues that need further research.

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