

Overview on E-Commerce with Respect to Indian Context

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Abstract: *E-commerce is a booming industry in the 21st century. E-commerce means electronic commerce. Ecommerce (Electronic commerce) refers to the purchasing and selling of goods and services, as well as the transmission of payments or data, over an electronic network, primarily the Internet. Electronic commerce (E-commerce) is a paradigm change that influences both marketers and customers. Rather, e-commerce is more than just a means of enhancing current business methods. It is leading a complete shift away from conventional corporate practises. This huge shift in business strategy is experiencing exponential growth worldwide, and India is no exception. Massive internet penetration has contributed to the expansion of e-commerce, with startups increasingly utilising this option as a differentiating business strategy. Additionally, E-Commerce has severe environmental effects. Although the model is widely employed in the current corporate environment, the alternative has not been fully investigated. The purpose of the current research is to explain the E-Commerce landscape and examine its trends. The study investigates in greater detail the essential factors for the success of E-commerce business models.*

Keywords: E-Commerce, Internet, Self-service, Technology, Internet banking

I. INTRODUCTION

1.1 What is Electronic commerce?

E-commerce denoted as electronic commerce. It involves the exchange of products and services via electronic media and the internet. E-commerce entails conducting business via the Internet and utilising information technologies such as Electronic Data Interchange (EDI). E-Commerce refers to a vendor's website on the Internet, from which he or she sells products or services directly to the customer. The site accepts credit card, debit card, and EFT (electronic fund transfer) payments and employs a digital shopping cart or digital shopping basket system.

E-commerce is the use of electronic communications and digital information processing technologies in business transactions to build, change, and redefine relationships for the generation of value between and among companies, as well as between organisations and individuals (C. Nisha and G. Sangeeta, 2012).

Business-to-business (B2B), business-to-consumer (B2C), business-to-government (B2G), consumer-to-consumer (C2C), and mobile commerce are the primary categories of electronic commerce (m-commerce).

E-Commerce Facilitators:

(1) Internet:

The widespread adoption of the Internet has contributed to the expansion of E-commerce. Internet and smart phones are integrating into every aspect of life. Internet is no more a source of information; rather, it has evolved into an essential tool for shopping, learning, communicating, and even obtaining services from plumbers, carpenters, physicians, etc. Additionally, the supply chain is getting leaner and more intelligent as digital platforms facilitate a better connection with clients, thereby considerably reducing waste and promoting green enterprises.

In an unprecedented manner, the ICT revolution has fueled global development during the past 15 years. Internet and its services have led to the development of new markets as a result of rapid technological advancement (D'silva et al., 2010).

Due to an increase in text-based users, the Internet user population increased slowly but steadily from the 1980s to 1994. (eg, those using email and file transfer functions). With the advent of the World Wide Web and subsequent expansion of multimedia material, the number of Internet users increased. The Internet has expanded more rapidly than any other media in history (Strauss et al., 2007).



It took more than a decade for the number of Internet users in India to go from 10 million to 100 million, then another three years to increase from 100 million to 200 million. However, the increase from 300 million to 400 million users took only one year. Clearly, Internet usage is now mainstream in India. This number is projected to increase to 462 million by June of this year, as more individuals gain access to the Internet, particularly via mobile devices. In December 2014, there were more than 300 million Internet users, a number that increased to 375 million by October of last year. India currently has the second highest Internet user population in the world, recently surpassing the United States (now the third largest user base). China leads the world with about 600 million Internet users. The number of mobile Internet users in urban India increased by 65 percent from 2014 to 197 million in 2015, while rural users increased by 99 percent to 80 million by October 2015. This is anticipated to increase to 219 million (in urban areas) and 87 million (in rural areas) (IAMAI and IMRB, 2015).

(2) Payment Processors:

A payment gateway is an e-commerce application service provider that enables credit card payments for e-businesses, online merchants, brick-and-clicks, and traditional brick-and-mortar firms. The payment methods, which include credit card, debit card, online banking payments, and electronic money transfer, are the lifeblood of internet businesses. The world is transitioning from cash to digital currency, necessitating payment gateways for future e-commerce sustainability.

Analytics is the scientific process of translating data into insight for the purpose of making better decisions. Analytics enables firms to collect, organise, analyse, and report on all client activity. The tremendous increase in data volume has compelled firms to focus on analytics to comprehend client behaviour. E-tailor must have access to information in real time to assess online investment return and optimise channel mix. There are basic analytics capabilities offered by e-commerce businesses, such as basket size analysis, average order value, and conversion ratio, but we need a more advanced analytics solution to gain meaningful consumer data.

(3) Social Media

Businesses are increasingly utilising social media to promote their products and services. Social media refers to websites and computer programmes that enable internet-based communication and information sharing utilising a computer or mobile device.

Social media has played a significant part in brand development and notifying clients about various offerings. It also facilitates receiving feedback on the product or service. It provides a platform for brand building, advertising, cultivating a community of dependable users, and spreading word of mouth, among other things.

(4) Autonomous Vehicles

A self-driving car is a motor vehicle that employs artificial intelligence, sensors, and global positioning system (GPS) coordinates to operate without human involvement. The age of driverless vehicles is rapidly approaching. The purchasers of driverless vehicles will have more time to check their email, browse the Internet, purchase new things, and see marketing everywhere. With autonomous vehicles, extensive digital marketing expertise will become available. These purchase and search trends can be monitored to assist businesses in customising their marketing campaigns to attract this new market niche.

(5) Three-dimensional Printing

A 3D printer is a machine that can create three-dimensional objects from digital designs. It employs a technique known as "additive manufacturing," which is a layered process similar to how an ink-jet printer gradually layers its colours on a flat sheet of paper.

It is anticipated that 3D printing would one day supplant conventional manufacturing, which has dominated since the Industrial Revolution shook up agricultural life in the early 19th century. 3D printing is generating a market for designs intended to be printed by the buyer or an unaffiliated third-party producer.

II. E-COMMERCE TRENDS IN INDIA: A NEW BUSINESS REVOLUTION

E-commerce is a booming industry in the 21st century. It is a paradigm change that has an effect on both marketers and customers. Rather, e-commerce is more than just a means of enhancing current business methods. It is leading a complete shift away from conventional corporate practises. This huge shift in business strategy is experiencing exponential growth worldwide, and India is no exception. In addition, E-commerce has the ability to reduce pollution and have consequentially positive effects on the environment.

E-Commerce gives consumers the flexibility to pick when and where to shop, as well as the chance to investigate the product, the seller, and any other accessible possibilities. Due to the availability of online information, shopping has been revolutionised. Even perishable goods such as groceries can be purchased online. And consumers around the world have embraced these options.

Already, e-commerce is impacting every aspect of company, from customer service to new product development. It enables new information-based business processes for connecting with and reaching customers, such as online advertising and marketing, online order taking, and online customer support. At least at some stage in the transaction

lifecycle, E-commerce leverages the Internet nowadays. It can also lower the costs associated with managing orders and communicating with a large number of suppliers and trading partners, two areas that normally contribute significantly to the price of products and services. For emerging nations such as India, e-commerce presents numerous opportunities. It is still in its infancy in India, but even the most pessimistic estimates point to a boom. In recent years, there has been an increase in the number of businesses engaging in e-commerce. In lieu of relying on advertising revenue, major Indian portal sites have turned their focus to e-commerce. Numerous websites now sell a wide variety of goods and services, including flowers, greeting cards, movie tickets, groceries, technological devices, laptops, etc (Mitra Abhijit, 2013). In India, e-commerce has reached such a level that cow dung patties are even selling like hotcakes online.

According to a report by ASSOCHAM, India's e-commerce business is projected to reach \$38 billion in 2016, a significant increase from the \$23 billion in sales recorded by the industry in 2015. Increasing internet and smartphone usage, expanding acceptance of online payments, and a supportive environment are all positive factors.

Demographics have presented businesses with a unique opportunity to engage with customers. As a stable and secure supplement to the e-commerce business, mobile commerce (m-commerce) is expanding rapidly. Online shopping via mobile devices is proven to be a game-changer. According to estimates, m-commerce might account for up to 70% of their overall sales.

III. FUNDAMENTAL ELEMENTS OF E-COMMERCE

The ASSOCHAM Study (2015) indicated that the clothes area had the largest growth rate, nearly 69.5% over 2014, followed by electronic items, up 62.5%, baby care products, up 53.5%, beauty and personal care products at 52.5%, and home furnishings at 49.5%. Rapid expansion of digital commerce in India is primarily attributable to the proliferation of smartphones. The majority of the digital commerce market in India is comprised of mobiles and mobile accessories, a survey found. In addition, nearly 45 percent of internet customers allegedly favoured cash on delivery over credit cards (16 percent) and debit cards (five percent) (21 per cent). Only 10% chose internet banking, while only 7% opted for cash cards, mobile wallets, and other similar payment methods. The 18-25 age group has been the fastest-growing age segment online, with both male and female sectors contributing to this rise. The survey reveals that 38 percent of regular customers are aged 18 to 25, 52 percent are aged 26 to 35, 8 percent are aged 36 to 45, and 2 percent are aged 45 to 60. Nearly 65% of online buyers are male, whereas 35% are female.

According to Mitra Abhijit (2013), E-Commerce has unleashed yet another revolution that is altering how businesses purchase and sell goods and services. New methods have developed. The importance of geographical distance in establishing commercial partnerships is diminished. E-Commerce represents the future of retailing. The Internet economy will continue to expand strongly with the implementation of 3G and 4G wireless communication technology. In the next three to five years, India will have between 30 and 70 million internet users, which will be comparable to, if not surpass, many wealthy nations. India's Internet economy will then become more significant. E-commerce will play a significant role in the 21st century due to the rapid spread of the internet, and the new opportunities that will be created will be accessible to both large and small businesses. The government's responsibility is to create a legislative framework for E-Commerce so that although local and international trade are permitted to flourish, fundamental rights such as privacy, intellectual property, fraud prevention, and consumer protection are protected.

According to Chanana Nisha and Goele Sangeeta (2012), it is difficult to predict the future of e-commerce. Travel and Tourism, electrical appliances, hardware products, and clothes are segments that are projected to expand in the next years. Replacement guarantee, M-Commerce services, location-based services, multiple payment option, right content, shipment option, legal requirement of generating invoices for online transactions, quick Service, T&C should be clear and realistic, the product quality should be the same as shown on the portal, and a dedicated 24/7 customer care centre should be tasked with ensuring customer satisfaction.

According to Awais Muhammad and Samin Tanzila (2012), internet use has transformed the world into a global village. The Internet has shortened distances and brought people closer together. Commerce is the backbone of a nation, and it will be enhanced by technological technologies in which e-commerce plays a crucial part. Important in e-commerce is privacy, which not only increases competitive advantage but also boosts consumer confidence. E-commerce brings suppliers and potential consumers within a single click's distance, while saving both time and money. E-commerce is rapidly becoming a necessity for business success.

Internet banking, one of the most inventive and major internet-based businesses, has witnessed spectacular development and transformed traditional banking practise. Online banking or internet banking in today's dynamic banking age has made life much simpler and saved its consumers a great deal of time.

Internet banking as the most recent and possible banking method is now on par with ATMs, phone banking, and traditional bank locations. ABA, 2004; Fox, 2005 indicate that an internet banking strategy may be effective, with reports of more profitable, loyal, and devoted customers than traditional banking customers (D'Silva et al., 2010).

According to Dutta & Dutta (2009), tangibles have the greatest impact on consumer satisfaction as a whole. The gap between client expectations and perceptions is greatest in terms of empathy, which comprises Bank branches and ATM machines at convenient locations, as well as tele- and internet-based financial services. This is a serious problem for the Indian banking industry, according to the survey, as there is a significant service quality disparity between all banks in this area.

Kumar and Rajesh (2009) propose that banks' facilities should be made more convenient for customers' convenience. A few more cabins should be added to the ATM service.

In his study, Blasio (2008) finds little support for the claim that the Internet lowers the significance of distance. Urban customers use the Internet significantly more frequently than their rural counterparts. The household's e-commerce usage is mostly unaffected by the size of the city in which they reside. The inability to perform a pre-purchase inspection discourages geographically distant buyers from making purchases. Only leisure activities and cultural commodities (i.e., books, CDs, and tickets to museums and theatres) are more frequently purchased via e-commerce in remote places. E-banking has no link to the size of a city. Non-urban customers place a greater emphasis on personal acquaintance than urban customers when selecting a bank, in part because bank account holders in rural areas are more likely to have taken out a loan from their bank.

Ozok et al. (2007) identified eleven aspects of e-commerce customer relationship management that contribute to overall consistency. Consistency of transaction steps, consistency of Web site design, consistency of navigation, consistency of promotions, consistency of in-stock indications, consistency of product variety, consistency of fraud protection, consistency of product guarantees, consistency of overall site fairness, and consistency of return policies are the aforementioned elements. This consistency list contains three usability items. It can be stated that websites with higher usability have a greater possibility of using CRM successfully. Consistency of promotions, in-stock indications, product variety, fraud protection, guarantees, fairness, and return policies indicate that customers require a high level of security-related information as well as trustworthiness and high ethics on the shopping site in order to become regular customers of e-retailers. Customers need fair and consistent treatment with respect to items and services associated to products. The findings reveal that the level of security and guarantees offered to clients has a substantial positive effect on customer retention and acquisition.

IV. CONCLUSION

A developing nation may well undertake modernization if it implements e-commerce in an effective and efficient manner. It will increase production and result in a competitive edge. Information Technology (IT) has improved global e-commerce. Now it is simple to join a new market, and marketers may simply analyse the performance of their product and organisation.

A rising number of businesses in several industries, such as banking, education, commerce, and tourism, etc., have enhanced their services by incorporating technologies into their service delivery processes. Integration of technology into services is becoming increasingly widespread; nonetheless, there has been a paucity of scholarly study examining its impact. E-commerce-related challenges are on the rise, which poses a grave threat to its bright future and necessitates correct marketing methods.

The E-commerce research literature identifies a number of criteria that marketers must consider in order to be successful with this new business model. Consistency of transaction steps, consistency of Web site design, replacement guarantee, M- Commerce services, consistency of promotions, consistency of in-stock indications, consistency of product variety, location-based services, multiple payment option, right content, shipment option, legal requirement of generating invoices for online transactions, quid pro quo, and quid pro quo should be emphasised as factors that will significantly contribute to the success of the E-Commerce industry. Privacy is a key aspect of e-commerce because it

not only increases competitive advantage but also client confidence. The data also indicates that 18 to 35 is a potential age range for customers, regardless of gender, to target for optimal outcomes.

Social media may be a boon for brands and marketers seeking to reach target buyers without wasting large sums of money on traditional media, but luxury brands have recently found it challenging as unauthorised sellers are luring buyers with discounts of up to 50-70% on platforms such as Facebook, Instagram, Twitter, and WhatsApp. Companies must actively monitor these accounts and invest in legal checks and controls.

Participants in the e-commerce business must also comprehend and handle the cultural challenges that are unique to the target country and pertain to the off-site transactional process; otherwise, the large-scale diffusion and success of such activities will be severely hampered. E-commerce companies must also develop the most efficient ways to merge their online and offline relationships, with the understanding that the full customer relationship cannot be established without considering both online and offline interactions.

Governments should level the playing field for e-commerce companies to facilitate the country's rapid growth. E-commerce should focus on providing a legal framework that protects fundamental rights such as consumer protection, privacy, intellectual property, and fraud prevention while allowing domestic and international trade to develop. The banks must also select appropriate security technologies and policies to safeguard themselves and their customers.

E-commerce is a boon for any nation; if given the proper push and a favourable atmosphere to flourish, it may considerably contribute to a nation's prosperity and development.

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