



E-Commerce in Today's World

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ABSTRACT - E- Commerce or electronic commerce is commonly known as electronic marketing. It was started in early 1990's by Jeff Bezos. It consists of buying and selling goods and services over an electronic system such as internet. It is purchasing, selling and exchanging goods and services over computer network or internet through which transactions or terms of sale are performed electronically. This paper will highlight the importance and need for e-commerce in today's world. E-commerce in today's world helps people in buying and selling the products faster and most importantly it helps to find products. It avoids the geographical limitations and operates in low costs and better quality of services. Consumers find very much benefited as they need not move from place to place for buying the products i.e., their physical movement is reduced . E- Commerce is now seen as a reality for many businesses and a normal part of a business plan. The main advantage of e-commerce over traditional commerce is the user can browse online shops, compare prices and other merchandise sitting at their home on their Personal computers. This paper will also highlight the importance and the contribution of E-Commerce in today's world.

Keywords – E-commerce, marketing, consumer.

I. INTRODUCTION

The term Electronic commerce or E-commerce literally denotes to the use of an electronic medium to carry out the commercial transactions. These business transactions are business-to-business (b2b), business-to-consumer (b2c), consumer-to-consumer (c2c) or consumer-to-business (c2b). It influences both the marketer and the ultimate consumers and it also has significant influence on the environment. E-commerce has experienced considerably a huge growth since the aurora of the internet as a commercial enterprise. Most importantly it reduces and totally vanishes the time and geographical limitations and enables the fellow customers to get accessed with the new products available in the market. It involves several combinations of customers, businesses, vendors, other suppliers and also other government agencies. In a nutshell, it refers to the buying and selling of goods and services via computers and or networks.

II. CHALLENGES FACED BY E-COMMERCE BUSINESSES IN INDIA

Though E-commerce is highly trending in the present day, the hurdles it faces is enormous, the first thing is that, the retailers find it difficult to sort out the unique products unless they decide to manufacture on their own, that is bringing out the right products to sell is being a massive task to the retailers, as of now it is like anyone can launch and emerge into an online store within a day's time and start selling any kinds of products. This mainly leads to competition in the online business market and thus each and every online retailer has to find out the new ways to attract their consumers. For this they must exactly know what

people are trending with , for e.g., massive population nowadays are attracted to social medias, if this is the area then the online retailers may get some way to advertise their products in social medias where people come across more. Thus they must effectively enhance different ways of marketing in online, like email, display ads, retargeting, mobiles, shopping engines and its associates. On the other hand the online retailers are spending significant amount of money which leads to peddle to their online store, for this they have to bring a good output so that their invested capital has a decent returns, so in order to achieve healthy profit they have to put a lot of effort in generating leads, and not all leads are created equally, retailers must position the right message for the right set of audience in order to convert them into leads, with the hope of turning them to consumers.

Once they get a good consumers in number it is very much necessary to retain them, and for this cause retailers must implement certain tactics to catch hold their existing consumers, this is one of the major problems faced by every retailer as the competition is high and people may switch on easily from one online store to the other as according to their convenience, this may lead the retailers to think about the increase in customer lifetime value. Beyond these attracting new consumers is more expensive than holding the existing ones.

There are retailers who face many growth challenges because the technology they use might be limited or it may also because of hiring or selecting wrong partners or agencies who could not efficiently cope up with their projects this is a biggest hindrances in the present day, as of now, every field is highly enriched with technologies. Thus

this becomes a big turn off to those retailers who lag in technology. Online retailers may have certain aspirations and visions to be attained, for accomplishing this they have to hire the right set of talents who contribute and attract the right and set of people, as the true fact is that hiring the right people make it all happen.

III. ADVANTAGES OF E-COMMERCE

In spite of having so many challenges, e-commerce still be a big hit in India both amongst people

And it also contributes to the growth of the economy. There are many reasons and factors that contribute in large for making e-commerce this successful.

As we all run to the internet for buying all our needs especially shopping, remarkably it is because of the rising income levels, which increases the purchasing power of the people, this is one of the important reasons that makes people to go online. Coming to the urban youth, who contributes majority to the growth of e-commerce, as they are the ones who get accessed to online much, and putting it in a word, they have an increased disposable income. The rising income of the middle class can also be countered here, as everyone likes to go online there is no doubt that people would like to experience this kind of shopping and buying. Apart from these there is a critical mass of internet users who are more than 100 million in number, so people easily get accessed to online, and this induces the e-retailers to expect more heavily in the conversion of web users to web consumers. Thus the rise in the internet usage is growing gradually; say nearly 20 percent, which also plays a major role in contributing to the growth of the economy. In present day condition, the usage on internet in mobile phones amongst the youth has been increasing and this enables a massive population to get attracted to online buying. And when comparing to the cost it is lower than that of traditional selling.

Apart from the above reasons, there are other major advantages, like importantly the change in consumer behavior, where the people prefer to spend less time in travelling to places and shopping and the increasing expenditure for luxury items, increased availability of global products making Indian customers conscious of the existing quality and price, the changing mindset and outlook of the present generation consumers as they are becoming more aware and embarrassing the idea of online shopping. In addition to this, the online user base is expected to cross 370 billion in the next two to three years and even larger people are expected to transfer online. And for this purpose, multiple payment options like cash-on-delivery, EMI and free shipping are the added advantages that gives a strong impression for people to get online buying. Easy access of desired branded items available at a single place attracts even more consumers.

And the primary driver for any business is the user experience, same way in e-commerce also the customers prefer a trusted relationship with an e-commerce brand, and the convenience and reliability of e-commerce businesses have to outweigh the benefits of traditional retail outfits. Best practices that have driven e-commerce globally are now a key focus of successful Internet companies, including merchandising, customer services, user interface design, and guaranteed delivery and return policy, in the competitive world, to differentiate via user experiences, and the ultimate beneficiaries is the Indian Online Consumers. As there is a transparency in the buying system people preferably choose online buying.

IV. E-COMMERCE: GROWTH AND CONTRIBUTION TO INDIAN ECONOMY

Increasing internet and mobile penetration, growing accessibility of online payments and favorable demographics has provided the e-commerce sector in India the unique opportunities to companies connect with their customers. This paves way to the establishment of various online stores. It is said that e-commerce in India is expected to grow from US\$12 billion in 2015 to US\$75 billion in 2020. The growth was computed on the idea that the online buying population in India will grow at a compounded annual rate of 28 percent.

Another factor called M-commerce (mobile commerce) is now a game changer and it is believed that that mobile commerce would contribute up to 70 percent of their total revenues. Leading e-retailers has observed that more than 40 percent of their traffic comes from mobile devices. And the mobile internet users are 120 million where as users using internet on their personal computer is 100 million. On comparison we get a clear note that mobile commerce has been a outbreak to the online marketing world. The percentage of revenue is that is driven from M-commerce in India is significantly higher than lot of those companies in various other countries. It has noted that Thus mobile has now become one of the most strategic channels that brings out more revenue and customer acquisition.

Just like the growth of IT industry in India through the 1990's, the 2010's will be remembered for the growth in the e-commerce industry. As on 2017, the contribution of e-commerce to GDP was around 0.2 percent which is expected to grow 15 times to around 2.5 percent by 2030. At the time of demonetization lot of customers switched on to online payments where cash on delivery was not available, hence it could not have been thought if E-commerce did not exist, it helped people to absorb the shock as well as it gained maximum out of it. It has also fueled the growth of plastic money (debit/credit cards).

Apart from these, e-commerce is also bringing online transactions which make the system more transparent and to an extent may further drive technological adoption. And



this mainly will help out in bringing the corruption levels down with everything coming online. The government is also giving push to the start-ups and e-commerce environment, as expanding businesses becoming seamlessly easy with efficient e-commerce methods. Many global retailers that could not reach the population before have entered the Indian market, with the gaining force of E-commerce, and this leads to massive employment in India as it employs more than 1 million Indians.

While e-commerce taking force in the country, global e-commerce giants have been attracted to the country, hence many global e-markets have entered to India thus provoking the revenue scale, in the country.

V. CONCLUSION

In this era of internet, E-commerce is growing by leaps and bounds and thus keeps the growth of many businesses. The rapid growth in use of mobile and internet has facilitated E-commerce business in both rural and urban areas. The advantages of ecommerce are a mere hit for its growth. People enjoy E-commerce as it is very much flexible and reliable in present day context. It also increases the revenue of the country and it is also expected to rise in further years. This is mainly because of the awareness and knowledge about E-commerce amongst people; they find it easy to buy the products ultimately from one place. Thus E-commerce plays most important and effective role in day to day life of the people and also in shaping the growth of the economy.

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