

A DESCRIPTIVE STUDY ON THE GROWTH AND FUTURE OF E-COMMERCE IN BUSINESS

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Abstract

Implementation of E-commerce is a crucial process for the organisation to make it successful and beneficial. To conduct the activities of organisation through E-commerce requires abundant knowledge and experience in Information Technology. Though e-market made the majority work simpler and easy to perform, many of us prefer to choose online marketing when compared to that of traditional marketing without realising that conduct of transaction through internet have many threats too. This study provides the systematic information regarding the growth of e-commerce, how e-commerce took over the traditional commerce, which supported the growth of e-commerce. The main focus or objective of this paper is to know the present situation and working of e-commerce and its future.

Key Words: E-commerce, E-market, Traditional commerce.

Introduction

E-commerce stands for Electronic Commerce which means any kind of business transactions, purchasing and selling of goods and rendering of services can be done through electronic media and Internet. The basic necessity tool required to use e-commerce is availability of Internet facility and can also done through Information Technology. E-commerce has lot of approaches when compared to traditional approaches.

E commerce have made the work of the society simpler by consuming less time in each and every task they do as this service will be available 24*7 . It can be used conveniently by everyone.

In the competitive world, electronic business have drastically become a essential unit of business strategy and a strong capitalist for economic development. One of the main reason why E-commerce also has the power to generate income and reduce costs of business. Marketing Retailers, financial institutions, Insurance, Government training, online publishing, travel agencies are some of the main beneficiaries of e-commerce.

Objectives

- To understand the present working condition of e-commerce
- The various reasons for the growth in e-commerce
- To know the various opportunities which is available for e-commerce
- To know the future of e-commerce
- To know the advantages of e-commerce

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Review of Literature

Nikitha Goyal and Deepam Goyal (2016) had conducted the research per on Impact of E-commerce in India where they had discussed the issues and challenges of E-commerce. The papers main objective is to show how e-commerce has emerged, reasons behind the growth of e-commerce, they also discussed about the barriers of e-commerce, challenges and how to overcome it. The paper was based on the secondary data. This paper has clearly shown how e-commerce was benefited. Initially, how this helped tin transferring the business into digital world which helped many to conduct any time transaction easily and very quickly. The authors had also specified some reasons for the success of e-commerce like change in lifestyle, high deposable income awareness of products, and increased usage of internet.

It was found that E-commerce made each and every work simple and it was very useful in all the business activity. The author have made the clear point where they had highlighted that increased use of internet made e-commerce very much successful.

Dr Shahid Ameen ,Keshav Kansana , Jenifer Majid (February 2016) had examined paper on e-commerce. The main objective of the paper was to understand the present status , the concepts relating to e-commerce ,trends of e-commerce and to reveal the key variables influencing the increased usage of e-commerce . The paper is based on primary and secondary data and the pare is conceptual in nature. The author had also specified that he commerce has helped marketing the products easily and it was able t reach more customers in less time. The paper found that e-commerce has helped in digital marketing and it was also able to create connecting with larger number of customers around the world.

Gaffer Khan (2016) had examined in his paper “study on benefits and challenges of e-commerce in emerging economy”. The main objective of the study was to get a full knowledge about e-commerce, benefits of e-commerce and challenges of e-commerce. The study was descriptive in nature where the author had highlighted the increased use of e-commerce fraudulent practises was reduced. It had also increased way in increasing customer satisfaction etc. The author found that with the help of e-commerce technology, it reduced the transaction cost and comfort transaction can be made within short period of time.

Emergence/History of E-Commerce

One of the most popular activities in internet is shopping. The reason behind the success of e-commerce is, it provides time to shop at anytime from any part of the world. At first the term e-commerce meant the process of execution of commercial transaction electronically with the help of leading technologies such as electronic data interchange, electronic fund transfer which

gave an opportunity to users to exchange business information and to do electronic transactions.

In 1986, e-commerce started through an electronic data interface which gave an opportunity to the companies the ability to complete transaction with each other.

In 1992, Netscape introduced an internet browser that allowed for point and helped in conducting the online shopping easily. This was the beginning of the online shopping craze.

This was the first time that the ordinary people could act on the internet which helped them to complete their work easily.

In 1995, the two most recognizable E-commerce companies were introduced. Both Amazon.com and E-bay.in.

Amazon.com is one of the most famous e-commerce company located in Washington, USA . It was the first American company to sell products over the internet.

History of e-commerce is a history of a new virtual world which is evolving according to the customer advantage.

Tools Supporting E-Commerce

Web Browser:

A software provider that allow people to access the World Wide Web. Internet Explorer and Netscape Navigator are the most popular web browser. It gives all the comfort zone to each individual to do any kind of transaction over the internet.

Web Server:

Web Server are the special internet computers that store and deliver the web pages. A web server is having the capacity to host one or more websites. It is through this server the internet users can access the information they need.

Transaction Manager:

We all know that now majority of the transactions are done through internet. We can see that digital transaction are preferred more. To make the transactions through internet we require Credit Cards, Smart Cards, Digital Cash and electronic fund transfer.

E-Commerce Software:

Many organisations now introduce e-commerce software to enable their customers to conveniently use this facility. The basic functions of e-commerce software is customer registration and authentication, online catalogue viewing, order capturing and processing, customer service etc.

Reasons Behind the Growth of E-Commerce

Product Awareness:

These days' people prefer more of new products introduced into the market, their characteristics, specifications, costs, terms and conditions etc. Individuals may be aware of the new products easily through assistance of media like radio, newspaper etc. So they shop online with full confidence and trust.

Increasing Knowledge of Information Technology:

Due to the endeavours of government and educational institutions of India, computer education is getting to new skyline, which made the individuals to have more access to computer to get information they need. This also helped in the growth of information technology.

Increased Use of Internet:

As per the recent record, the count or number of users using internet is more than 100 million now. In India, due to internet facilities provided by jio, the number of internet users keep increasing day by day. Due to this many people prefer online shopping.

High Disposable Income:

With the increased employment opportunities, the income has become higher and thus giving more spending power to individuals. Thus, they are energetically ready to pay for the items on the internet.

Advantages of E-Commerce

The main benefits from the customers point of view is significant increase in subtitles, saves time and easy access from anywhere in the world.

Benefits to Customers

Cost Effective:

E-commerce is provided with lot of benefits to customers and it is proved to be highly cost effective for business as well as customers. From customer's point of view, it was easy to shop from any part of the world which offered them more convenience. Customers are also provided with more options where many products is made available to customers and can choose best product among those.

Increased Comfort:

Transaction can be made from any part of the world 24 hours a day, without maintaining the physical interaction with the business organisation.

Time Saving:

Customer can buy or sell any product at anytime with the help of internet. The customer is also made available to get quick and continuous access to information about any product they need.

Convenience:

All the purchase and sale can be performed from the comfort sitting at home or workplace or a place where customer wants to.

Help Other Customers Too:

A customer who already purchased products from e-commerce can comment on the product or review the product online. Based on this comment, it helps another customer whether to purchase the product or not.

The main benefit from the seller's point of view is increasing revenue and reducing operation and maintenance cost through internet.

This Includes:**Global Access:**

E-commerce enabled business now have access to people all around the world. In effect all e-commerce business has become virtual Multi-national Corporation. E-commerce expands market place to National and International market.

New Customer with Search Engine Visibility:

Physical retail is driven by branding and relationship. In addition to these two drivers, online retail is also driven by traffic from search engine.

Reduces Transaction Cost:

E-commerce decreases the cost of creating, processing, distributing, storing and retrieving information through the use of FDI etc.

No Middleman:

There is a direct contract with customer in e-commerce through internet without any intermediation.

Increased Supply Chain Efficiencies:

E-commerce minimizes supply chain inefficiencies, reduce inventories, reduce delivery delays.

Challenges of E-Commerce**E-Commerce Delays Goods:**

E-commerce websites take much longer time to get it delivered to the customer's hand.

Technology Problem/Network Problem:

E-commerce is dependent on internet. Technical failure in the system can cause unpracticable effects on the total process. Network problem also may sometimes create lot of problems while shopping.

Security:

When making a web purchase consumer need to provide a minimum of master card information and address. Sometimes this information may also create problems.

Financial Institutions and Intermediaries:

Financial institution and banks in developing countries are hesitant to take an active role in promoting e-commerce.

Many Competitors:

If there are thousands of online stores selling similar products, how company can attract visitors. Do they actually buy from it and not from others? It makes it difficult for business to attract and retain the customers.

E-Commerce Trends

E-commerce is a boom in modern business. It is a paradigm shift influencing both marketers and customers. E-commerce also plays a major role in expanding the existing business. It brings a complete change in traditional way of doing business. This notable change in the business model is witnessing a tremendous growth around the world.

Purchasing goods and services via e-commerce allows the consumer the freedom to choose when and where to shop and the opportunity to research the product, the seller and any other available options. It also provides convenience to the customers and encourages them to make more purchases.

The effect of e-commerce are already appearing in all areas of business from customer service to the new product design.

Future E-Commerce Trends**Personalization and Customer Engagement:**

Compared to traditional retail shopping, e-commerce lack face to face personal interaction. As all the activity takes place through internet, these stores do not have retail clerk who can recommend products based on the customer interest, taste and preferences. Using personal online data such as search queries, page visits and shopping history, brands transform their online stores to best serve the buyers needs and interest.

Ai, Assistants and Chatbots:

Robots and robotics will invade e-commerce store. Well robots such as chatbots and artificial intelligents designed to enhance a customers overall shopping experience.

B2b E-Commerce Is exploiting:

E-commerce personalizes works wonders for B2B shopping as well.

Opportunities for E-Commerce

The development of internet in the 20th century gave birth to the electronic market place, also known as e-market place which is now the seed of e-commerce.

E-commerce centres have now turned into an optional place for trade. Finally, an e-commerce centre can act as an information specialist that furnishes purchase and trades with the information on items and different members in the business sector.

Research Methodology

The research has been conducted on the basis of secondary data. The secondary data were collected through published book journals, research papers, magazines, daily newspapers, and internet and officially published statistical data. The study is descriptive in nature.

Findings

Due to the increased usage of internet, the e-commerce business is growing day by day. Now a days we can find even in small business sector all the activities takes place through internet. E-commerce also made many new businesses to enter into market.

E-commerce business is growing day by day. Due to the advancement in the field of science and technology, where new technology is introduced in the market. Everyday this technology leads to the development of e-commerce offering lot of opportunities to e-commerce business. With the usage of e-commerce, it provides lot of benefits to the customer as well as business. Customer are provided with a lot of benefits as they are provided with lot of opportunities to select the products and satisfy their needs. For business sector it helps in producing the transaction cost elimination of middleman thereby enabling to earn more profits.

Though e-commerce has lot of advantage, it has certain limitations too. Sometimes purchasing through online poses threats to customers like misuse of information, offering poor quality products and so on.

There is also lot of opportunities available for e-commerce business in future. It is very clear that in future customer will be offered convenience in such a way that all the work would be performed by robots.

Conclusion and Suggestion

E-commerce or electronic commerce opens new doors for business. E-business gives huge benefits in various ranges however it requires watchful attention for protection of consumer rights in the same time. Development of e-commerce would likewise depend all things considered, on successful IT security framework for which vital technological and legitimate arrangements should be set up and re-enforced always. With the introduction of 3g and 4g

networks, the e-commerce business is growing day by day. It offers lot of benefits to both the customers as well as business sector.

We are aware that the business of e-commerce is successful in urban areas only, this is not enough for the success of e-commerce. Any type of business can be successful when each and every individual have some benefits out of it. Likewise, e-commerce should also reach rural areas and help the individuals there in simplifying the work. Even though we are in 21st century, we still see many rural areas is underdeveloped. When e-commerce business reaches rural areas it would benefit the individuals there as well as for the country.

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