



REPERCUSSION AND INSPECTION OF ELECTRONIC COMMERCE

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Abstract

Electronic Commerce (E-commerce) is one of the fastest growing segments in the Indian Economy. Though marked by high growth rate, the Indian e-commerce industry has been behind its counterparts in many developed and emerging economies, primarily due to a relatively low internet user base. E-commerce is a boom in the modern business. E-commerce means electronic commerce. E-commerce (Electronic commerce) involves buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, predominantly the Internet. E-commerce (Electronic commerce) 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. A massive internet penetration has added to growth of E-commerce and more particularly start-ups have been increasingly using this option as a differentiating business model. Moreover E-Commerce has significant authority on the environment. Although the model is highly used in current business scenario but the option has not been explored at its fullest. The current research has been undertaken to describe the scenario of E-Commerce, analyze the trends of E-Commerce. The study further examines the key variables imperative for the success of E-commerce business models.

Keywords: *E-Commerce, Internet era, Self-service, Technology*

INTRODUCTION

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. E-commerce means electronic commerce. It means dealing in goods and services through the electronic media and internet. E-commerce involves carrying on a business with the help of the internet and by using the information technology like Electronic Data Interchange (EDI). E-



Commerce relates to a website of the vendor on the Internet, who trades products or services directly to the customer from the portal. The portal uses a digital shopping cart or digital shopping basket system and allows payment through credit card, debit card or EFT (Electronic fund transfer) payments. E-commerce is a bang 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. Electronic commerce (e-commerce) is a fairly new idea, and it is very common practice nowadays for businesses to conduct trade over the Internet. Social media may be a boon for brands and marketers looking to reach target buyers without wasting big bucks on traditional media, but luxury brands have recently found it challenging as unauthorised sellers are luring buyers, most of who fall in to the temptation of getting discounts.

ADVANTAGES OF E-COMMERCE

There are various advantages to e-commerce (e.g., lower cost, convenience).

- 1) E-commerce can simply be defined as buying and selling merchandise or services online.
- 2) Most successful businesses today have their own websites.
- 3) It is possible to conduct business nationally and globally with a click of a fingertip due to the worldwide use of the Internet.
- 4) To be successful in the global marketplace, businesses need to develop culturally friendly websites that E-Commerce does.
- 5) When conducting business online, factors such as region and culture, web content accessibility, ease of use, secure authentication, payment, fraud detection, performance, trust, stability, technology, and convenience are vital to the businesses' and consumers' satisfaction and interest.
- 6) E-Commerce is a less focused research area and needs significant attention.
- 7) Ecommerce is an important area for research and needs further investigation.
- 8) E-Commerce is leading the complete change in traditional way of doing business.
- 9) E-Commerce is witnessing a tremendous growth around the globe.

Moreover, E-Commerce has every potential to curb the pollution and thus producing significant influences on the environment.. Shopping has been revolutionized through the availability of online information. Just about anything that can be bought in 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 World Wide Web 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.



LITERATURE SURVEY OF E-COMMERCE

“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.” E-Commerce plays very vital role in everyone’s day to day life effectively. The brief survey of the E-Commerce is illustrated as below: Rina also elaborates the different applications of e-commerce in “Challenges and Future Scope of Ecommerce in India”, at the same time, defining the degree to which they are operational in the country. ASSOCHAM Study (2015) found the highest growth rate in the apparel segment, almost 69.5 per cent over 2014, followed by electronic items, up 62 per cent, baby care products, up 53 per cent, beauty and personal care products at 52 per cent and home furnishings at 49 per cent. Rapid growth of digital commerce in India is mainly due to increased use of smart phones. Mobiles and mobile accessories have taken up the maximum share of the digital commerce market in India, noted the study. Moreover, almost 45 per cent online shoppers reportedly preferred cash on delivery over credit cards (16 per cent) and debit cards (21 per cent). Only 10 per cent opted for internet banking and a scanty 7 per cent preferred cash cards, mobile wallets, and other such modes of payment. The 18-25 years of age group has been the fastest growing age segment online with user growth being contributed by both male and female segments. The survey highlights that 38 per cent of regular shoppers are in 18-25 age group, 52 per cent in 26-35, 8 per cent in 36-45 and 2 per cent in the age group of 45-60. Nearly 65 per cent online shoppers are male and 35 per cent female. Mitra Abhijit suggests E-Commerce has unleashed yet another revolution, which is changing the way businesses buy and sell products and services. New methodologies have evolved. The role of geographic distances in forming business relationships is reduced. E-Commerce is the future of shopping. With the deployment of 3G and 4G wireless communication technologies, the internet economy will continue to grow robustly. In the next 3 to 5 years, India will have 30 to 70 million internet users which will equal, if not surpass, many of the developed countries.

Internet economy will then become more meaningful in India. With the rapid expansion of internet, E-commerce is set to play a very important role in the 21st century, the new opportunities that will be thrown open, will be accessible to both large corporations and small companies. The role of government is to provide a legal framework for E-Commerce so that while domestic and international trade are allowed to expand their horizons, basic rights such as privacy, intellectual property, and prevention of fraud, consumer protection etc are all taken care of. Chanana Nisha and Goele Sangeeta propose that the future of E-Commerce is difficult to predict. There are various segments that would grow in the future like: Travel and Tourism, electronic appliances, hardware products and apparel. There are also some essential factors which will significantly contribute to the boom of the E-Commerce industry in India i.e. 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 & realistic, the product quality should be same as shown on the portal, dedicated 24/7 customer care centre should be there. Awais Muhammad and Samin Tanzila indicate that use of internet has made the world a global village. The use of Internet has



reduced the distances and brought the people together. A nation's back bone is commerce and it will be strengthened if backed by electronic tools in which e-commerce plays a vital role. The important feature in ecommerce is privacy which not only increases competitive advantage but confidence level also.

E-commerce brings sellers and potential buyers at the distance of one click and it saves time as it is cost effective, as E-commerce is becoming key to success Internet banking, one among the innovative and significant internet based services has experienced explosive growth and led to transformation of traditional banking practice. Online banking or net banking in today's dynamic age of banking has made things much easier for the people and saves a lot of time for its customers. D'silva et al. the traditional way of standing in the queues and filling up all the forms are well solved and now it is no hassle for making any transaction with the banks by virtue of internet banking. The financial institutions which operated traditionally are now able to lower their operational costs and increase the consumer retention by virtue of technology. Internet banking as a latest and potential means for banking now holds a similar importance as that of ATM's, phone banking and traditional bank branches. The works by ABA, 2004; Fox, 2005 suggest that an internet banking strategy may be effective, with reports of more profitable, loyal and committed consumers compared with traditional banking consumers.

Dutta and Dutta, (2009) found tangibles have the highest impact on overall customer satisfaction. The largest discrepancy between the customer expectations and perceptions is in terms of empathy which includes Bank locations and ATM machines in convenient places and tele-banking and internet banking facility. The study regards this major source of concern for Indian banking industry as a huge service quality gap exists for all the banks in this category. Kumar and Rajesh (2009) suggest that the facilities of the banks should be made more convenient for customer comforts. The ATM services should be extended with few more cabins.

Blasio (2008), in his study does not find the support for the argument that the Internet reduces the role of distance. Internet usage is much more frequent among urban consumers than among their non-urban counterparts. The use of e-commerce is basically unaffected by the size of the city where the household lives. Geographically remote consumers are discouraged from purchasing goods by the fact that they cannot inspect them beforehand. Leisure activities and cultural items are the only goods and services for which e-commerce is used more in isolated areas. Finally, e-banking bears no relationship to city size. Ozok et al (2007) identified ten items contributing to overall consistency in e-commerce customer relationship management. These items are 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. This list of consistency items includes three usability items. It can be concluded that sites with good usability have a better chance of having successful CRM implementation in their business. Consistency of promotions, in-stock indications, product variety, fraud protection, guarantees etc.



CONCLUSION

A developing country may well attempt to be modernized if it introduces e-commerce effectively and efficiently. It will improve its output and lead to its competitive advantage. Information Technology (IT) has uplifted ecommerce worldwide. Now it's at ease to enter to a new market and marketers' can easily evaluate their product and company's performance. A growing number of firms in various industries, such as banking, education, commerce, and tourism, etc. have improved their services by both incorporating technologies into their service delivery process. Integration of technology in services is becoming very common; however, very little academic research has been conducted to examine its influence. The issues related to E-commerce are also on the rise which is posing serious threat to its tall future and hence demands right strategies on part of marketers.

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