

Recent Trends in E-commerce

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Abstract

In emerging world the technology is became necessity in humans busiest life. The arrival of internet and smart phone has created a tremendous change in the way we purchase-commerce is the purchasing, selling and exchanging goods & services over computer networks (internet) through which transaction or terms of sale are performed electronically. This paper shows to highlight the different issues and challenges faced by e-commerce in India. The customers also can select the required products from a variety of products that are available online. This study also discusses the recent trends in e-commerce, the opportunities and limitations of e-commerce and the various e-commerce models.

Keywords: online, issues & challenges, opportunities, e-commerce models, goods & services.

INTROUCTION

E-commerce is “any form of business transaction in which the parties interact electronically rather than by physical changes of documents or direct meetings among officials. E-commerce commonly written as E-commerce is the trading in products or services using computer networks, such as internet. Electronic commerce draws on technologies such as mobile commerce ,electronic funds transfer, supply chain management. Internet marketing online transaction processing ,electronic data interchange (EDI),inventory management systems and automated data collection systems .Modern electronic commerce typically uses the world wide web for at least of the transaction’s life cycle ,although it may also use other technologies such as E-mail.

E-commerce business may employ some or all of the following:

- Online shopping websites for retail sales direct to consumers.
- Providing or participating in online market places, which process third party business to consumer (B2C), consumer to consumer (C2C).
- Business to business buying and selling.
- Gathering and using demographic data through web contacts and social media,
- Business to business electronic data interchanges (EDI).
- Marketing to prospective and established customers by e-mail or fax.

- Engaging in pertail for launching new products and services.

E-commerce is a very valuable weapon. Its most important characteristic is interactive which keeps the customer involved in the company's processes. Interactivity is the mean to individualization. Furthermore, it is cheap as long as we use internet or reform already installed EDI(Electronically data interchange).

E-commerce has really started playing a major role in our day to day life. We hardly go to stores for making purchases. Instead we are ordering for goods sitting at home itself. The payment for the purchases made can even be using internet .In simple words any transactions that is conducted using the medium of internet and network can be called as E-commerce.

Objectives of the study

- To study the recent trends in E-commerce.
- To study the E-commerce models.
- To study the issues and challenges of E-commerce

Review of Literature

From the analysis of the definition, we may put that E-Commerce is a confluence of business operations with electronic and network technologies. Telephony and non networked technologies such as CD-ROM media may integrate into operations, but the core of E-Commerce is network technologies and especially open networks such as the Internet (www.orlandowebdevelopment.com, 2011). E-commerce means processing of information using one digital application (EDI or Internet) and only a few quick steps.(www.thalys.gr, 2011)

According to **Abhijit Mitra (2013)**, The article entitled "E-Commerce in India-A review". In this article an attempt is made to study the present status and facilitators of E-Commerce in India, analyze the present trends of E-Commerce in India and examine the barriers of E-Commerce in India. The study found that, there has been a rise in the number of companies taking up E-Commerce in the recent past. The study also found that, major Indian portal sites have also shifted towards E-Commerce instead of depending on advertising revenue.

Abdul Gaffar Khan (2016) has carried out a study to analyse the merits that ecommerce offers to our economy. The author also attempted to study the challenges of ecommerce in our economy. The growth of IT has really favored the growth of financial sectors. The author stated that with an increase in the usage of smart mobile services and internet there is a chance of more security issues and fraudulent practices. The internet and network technologies have created a lot of significant changes in all of our daily life. The author stated that E-commerce has a lot of benefits which add value to customer's satisfaction. Ecommerce enables us to easily purchase goods and services using internet.

Sarbapriya Ray(2011)The article entitled "Emerging Trends of E-commerce in India: Some Crucial Issues Prospects and Challenges". In this article an attempt is made to present a snapshot of the evolution of E-commerce business indicating the chronological order, category of E-commerce business, description of

organizations involved in E-business in India. The study found that, the role of government should be 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, prevention of fraud, consumer protection etc are all taken care of.

Research Methodology

This present study is purely based on secondary data and which is collected from books, journals, published reports of government and various websites.

Types of e-commerce

The various types of E-commerce are as follows;

- Business to Business(B2B)
- Business to Consumer(B2C)
- Business to Government(B2G)
- Consumer to Consumer(C2C)

Business to Business (B2B):

B2B E-commerce is simply defined as e-commerce between companies and it involves companies conducting e-procurement, supply chain management, network alliances and negotiating purchase transactions over the internet.

Example:

Intel selling microprocessor to Dell.

Business to consumer (B2C):

It is the model taking business and consumers interaction. The basic concept of this model is to sell the product online to the customers. B2C is the direct trade between the company and consumers. It provides direct selling through online.

For example: If you want to sell goods and services to customer so that anybody can purchase any products directly from supplier's website.

Business to Government (B2G):

Business to government e-commerce or B2G is generally defined as commerce between companies and the internet the public procurement, licensing procedures, and other government related operations

Example: Business pay taxes file reports or sell goods and services to government agencies.

Consumer to Consumer (C2C):

Consumer to consumer involves transactions between private individuals or consumers. These exchange may or may not include third party involvement. Traditionally consumers have had dealings with other consumers, but only few of those activities were in a commercial sense

Example:

- Mary buying an iPod from Tom on eBay

- Me selling a car to my neighbour

Goals of E-commerce

- To reduce cost
- To improving quality of goods
- To faster customer response
- To increase speed of service and delivery
- To improve productivity and competitiveness
- To providing wide access to an online global market place with millions of customers.

Traditional Commerce v/s E-commerce

Traditional commerce	E-commerce
1.Face to Face contact 2.Printed & written documents 3. Customization is rare. 4. Telephone or postal mail communication 5. Payment by cash, cheque or CC Withdrawal, FTP 6. Advertisement: Print, media radio, TV 7. Merchandise deliver immediately i.e., customer takes merchandise home.	1. No personal contact 2.Documents are maintained on the Web. 3. Web pages personalized for a Particular customer. 4.E-mail communication. 5.Payment: credit card, direct 6.Advertisement on web radio, TV 7.Merchandise home delivery from 2 to 5 days.

Advantages of E-commerce

E-commerce advantages can be broadly classified in three major categories,

- *Advantages to Organization*
- *Advantages to Customer*
- *Advantages to Society*

Advantages to Organizations:

- Using organizations can expand their market to national and international markets with minimum capital investment .An organization can easily locate more customers, best suppliers, and suitable business partners across the globe.

- E-commerce helps organizations to reduce the cost to create process, distribute , retrieve and manage the paper based information by digitizing the information.
- E-commerce improves the brand image of the company.
- E-commerce helps organizations to provide better customer service.
- E-commerce helps to simplify the business process and makes them faster and efficient.
- E-commerce reduces the paper work.
- E-commerce increases the productivity of organizations

Advantages to Customers:

- It provides 24*7 support, customers can enquire about a product or service and place orders anytime, anywhere from any location.
- E-commerce application provides users with more options and quicker delivery of products.
- E-commerce application provides users with more options to compare and select the cheaper and better options.
- A customer can put review comments about a product and can see what others are buying or see the review comments of other customers before making a final purchase.
- It provides rapidly available information. A customer can see the relevant detailed information within seconds, rather than waiting for days or weeks.
- E-commerce increases the competition among organization and as a result, organizations provides substantial discounts to customers.

Advantages to Society:

- Customers need not travel to shop for a product, thus less traffic on road and low air pollution.
- E-commerce helps in reducing the cost of products, so less affluent people can also afford the products.
- E-commerce has enabled rural access services and products, which are otherwise not available to them.
- E-commerce helps the government to deliver public services such as healthcare, education, social services at a reduced cost and in an improved manner.

Disadvantages of E-commerce

- Unable to examine products personally.
- Everyone is not connected to internet.
- There is possibility of credit card number theft.
- Mechanical failures can cause unpredictable effects on the total processes.

The major opportunities that e-commerce can bring to the companies /suppliers are;

- **It minimizes inventory cost:** E-commerce venture need not maintain huge inventories or expensive retail show rooms.
- **It can improve customer service:** It has been found that providing both customer and after sale services account for up to 10 percent of the operating costs.

- **It helps business globalize:** E-commerce by minimizing costs enables companies' especially small ones to make information on its products and services available to all the potential customer speed over worldwide.

The major opportunities that e-commerce can bring to the customers are;

- **User friendly:** The best thing about e-commerce is its buying options that are quick convenient and user friendly with the ability to transfer funds online.
- **Eliminate travel cost:** Now, a customer does not have to travel long distance with few mouse clicks, customers can make their purchase.
- **Availability:** Customers can purchase almost anything online 24*7 a day and get ultimate shopping experience.

Challenges of E-Commerce Business

The developing countries face a number challenges in utilizing the benefits in raising incomes and trade flows in the area of e-commerce. A range of technical , legal and international governance consideration need to be addressed.

- ❖ It can be the single most important challenges for suppliers when it comes e-commerce and its competition its competition with retail stores. Retail stores have facility of personal touch which is difficult to replace with selling online.
- ❖ Issues related to lack of supply chain integration delay in delivery and lack of proper courier services in some areas make customers frustrated.
- ❖ Different countries have different import and export specifications. Issues related to credit limits and currency exchange rates. This hinders smoothness in commerce shopping.

Security issues in E-commerce Business

To protect data from unauthorized access and virus (malicious code & Trojan horse)

Basic security issues:

- **Authentication**
- **Authorization**
- **Confidentiality**
- **Integrity**
- **Non-repudiation**

Authentication:

The process by which one entity can verifies that another entity is who.

Authorization:

The process that ensures that the person has the right to access certain resources.

Confidentiality:

Keep private or sensitive information from being disclosed to unauthorized individuals entities or processes.

Integrity:

The ability to protect data from being altered or destroyed by unauthorized access or accidental manner.

Non-repudiation:

The ability to limit parties from refusing that legitimate transaction took place, usually by means of a signature.

Conclusion

Today's digital marketing world, e-commerce plays a important role in buying behavior of customer. There are some of serious challenges to be faced by the e-commerce industry. today's e-commerce business must always strive to create the next best thing that consumers will want because consumers continue to desire their products, services etc, to continuously be better , faster and cheaper. There are many big problems and challenges on the way of an online merchant. Factors like safety and security of online money transaction being the biggest problem along with others have curbed the smooth expansion of the online industry in the world.

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