

E- COMMERCE IN INDIA - CURRENT SCENARIO

Dr. Santosh Kumar Tripathi
Principal

Marwar Business School Gorakhpur, U.P. India
(A Post Graduate College Affiliated to D.D.U.Gorakhpur University)

Abstract :

The electronic commerce is considered to be the new form of trading starting from electronic funds transfer to selling of goods and services. In year 1995 the electronic commerce came in instance and its second phase has been booming from 2005. The global annual growth rate of E-commerce has been estimated up to 28 percent, while some individual countries have recorded much higher growth rates in e-commerce marketing .Though it is a relatively new concept, it has the potential to alter the traditional form of economic activities. Already it affects such large sectors as communications ,finance and retail trade and holds promises in areas such as education, health and government.However , India's overall retail opportunity is substantial; the online business is plagued with some critical challenges.Consequently the Indian e-commerce business has seen exciting growth since few years.The growth of online retail was partly arriving by changing lifestyle of urban consumers and the need of convenience of shopping at home. Indian people like to carry their money in cash. So they make all transactions in cash. Out of Total e-commerce transactions in India 60 to 80 percent transaction were cash on delivery . E-Commerce has many advantages such as; improvement of customer services, availability round the clock, flexibility in shopping etc.

Keywords - Electronic Commerce , India , Current Scenario.

Introduction :

E-commerce stands for electronic commerce. Buying and selling products online is known as E-Commerce. It also includes the entire online process of marketing, selling, delivering, servicing, paying for products, and services .The electronic commerce presents a high percentage from commerce volume, also it can be considered as the new form of trading of goods and services. E-commerce provides multiple benefits to the consumers such as availability of goods at lower cost, multiple choices and save the time. People can buy goods with a click of mouse button without moving out of their home or office. Similarly online services such as banking, ticketing, bill payment, hotel booking etc . In this modern era every business unit want to join online business because of increasing ratio of internet users in India. E-commerce in India is still in growing stage but it offers considerable opportunity. In the present scenario e-commerce market & its space is increasing in demand as well as an impressive display or range of a particular type of services. E-commerce is already appearing in all areas of business, customer services, new product development & design. E-commerce business is growing in India because of wide range of product with minimum price , wide range of suppliers & customers with Internet . The implications of this are that e-commerce incorporates a whole socio-economic, telecommunications technology and commercial infrastructure at the macro-environmental level. All these elements interact together to provide the fundamentals of e-commerce. E-business can broadly be defined as the processes or areas involved in the running and operation of an organization that are electronic or digital in nature. These include direct business activities such as marketing, sales, human resource accounting and human resource management but also indirect activities such as business process re-engineering and change management, which impact on the improvement in efficiency and integration of business processes and activities.

DEFINITION :

E-commerce is widely considered the buying & selling of products over the internet, but any transaction that is completed solely through electronic measures can be considered e-commerce . Early, the barter system had been the common shape of commerce, after that it followed by motion of payment and selling using money. The appearance of internet provides a new shape of commerce, which is the electronic commerce.

Types of E-Commerce Models

Electronic commerce can be classified into four main categories. The basis for this simple classification is the parties that are involved in the transactions. So the four basic electronic commerce models are as follows,

1. Business to Business

This is Business to Business transactions. Here the businessmen are doing business with each other. The final **consumer** is not involved. So the online transactions only involve the **manufacturers, wholesalers, retailers** etc.

2. Business to Consumer

Business to Consumer. Here the seller company will sell their goods and/or services directly to the consumer. The consumer can browse their websites and look at products, pictures, read reviews. Then they place their order and the company ships the goods directly to them. Popular examples are Amazon, Flipkart, Jabong etc.

3. Consumer to Consumer

Where the consumers are in direct contact with each other. No company is involved. It helps people sell their personal goods and assets directly to an interested party. Usually, goods traded are cars, bikes, electronics etc. OLX, Quikr etc follow this model.

4. Consumer to Business

This is the reverse of B2C, it is a consumer to business. So the consumer provides a good's or some service to the **company**. Say for example an IT freelancer who demos and sells his software to a company. This would be a C2B transaction.

Examples of E-Commerce

Amazon , Flipkart , eBay , Olx , Quikr , SnapDeal .

Advantages of E-Commerce

E-commerce provides the sellers with a global reach. They remove the barrier of place (**geography**). Now sellers and buyers can meet in the virtual world, without the hindrance of location.

Electronic commerce will substantially lower the transaction cost. It eliminates many fixed costs of maintaining brick and mortar shops. This allows the companies to enjoy a much higher margin of profit.

It provides quick delivery of goods with very little effort on part of the customer. **Customer** complaints are also addressed quickly. It also saves time, energy and effort for both the consumers and the company.

One other great advantage is the convenience it offers. A customer can shop 24×7. The website is functional at all times, it does not have working hours like a shop.

Disadvantages of E-Commerce

Although it may seem like a sure thing, the e-commerce **Industry** has a high risk of failure. Many companies riding the dot-com wave of the 2000s have failed miserably. The high risk of failure remains even today.

At times, e-commerce can feel impersonal. So it lacks the warmth of an interpersonal relationship which is important for many brands and products. This lack of a personal touch can be a disadvantage for many types of services and products like interior designing or the jewelry business. Security is another area of concern. Only recently, we have witnessed many security breaches where the information of the customers was stolen. Credit card theft, identity theft etc. remain big concerns with the customers. Then there are also fulfillment problems. Even after the order is placed there can be problems with shipping, delivery, mix-ups etc. This leaves the customers unhappy and dissatisfied.

E-Commerce-trends and Opportunities

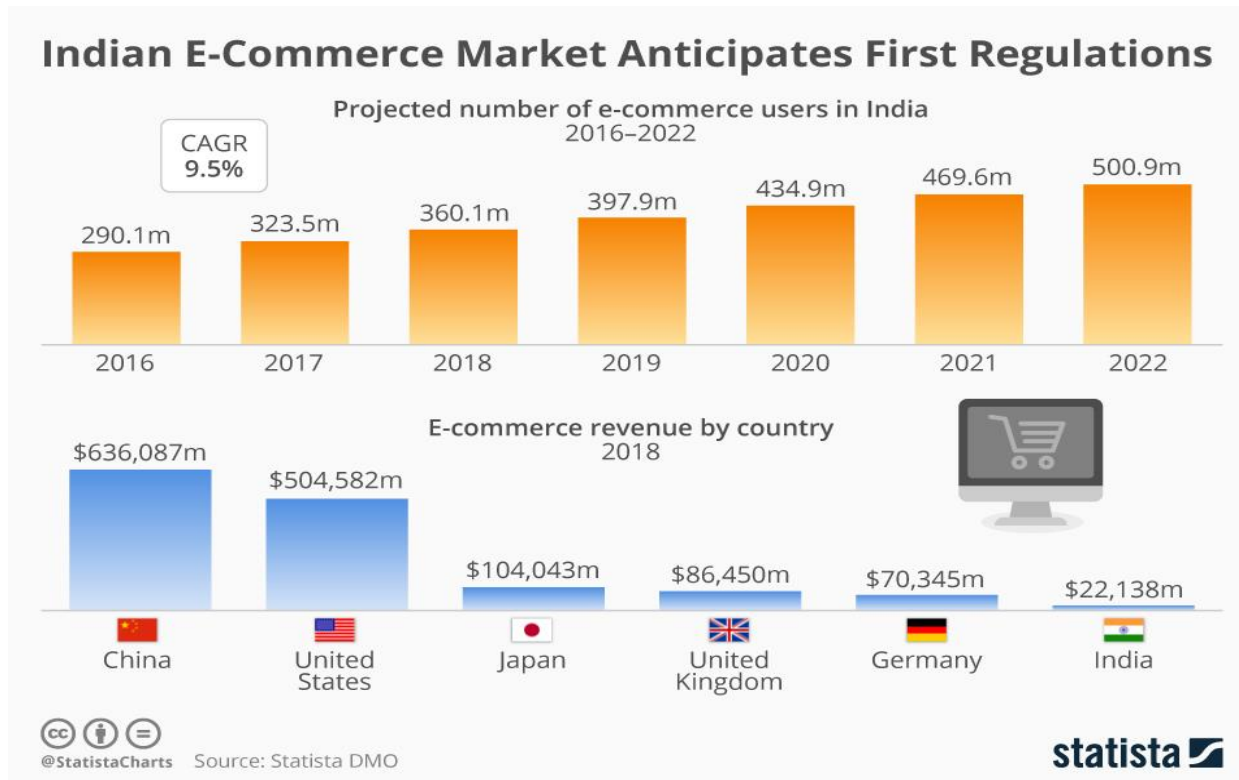
E-commerce has come a big long way since its inception and is only getting bigger. As technology continues to grow rapidly, e-commerce retailers are adopting newer techniques to facilitate the sellers and buyers to sell and buy online more efficiently, thanks to ever dropping rates of internet surfing – both for web and mobile interfaces- which is completely to the soaring population of internet users. It has hence become the key force behind driving the trend for commerce. The rise of social networks and mass adoption of mobile devices is acting as a catalyst to accelerate this drive further, shaping the e-commerce trends in the Indian market.

E-commerce is one of the most exciting spaces for today's global online community, and India's young startup economy is along for the ride. In the less than three months of 2011, Indian venture capitalists have already invested over \$50 million in seven e-commerce companies, a 400 percent increase over the same period just last year, which reflects the potential of e-commerce industry in India for the upcoming years.

E-commerce in India has a long, road ahead, and e-commerce infrastructure and best practices are in their infancy. India's 7 to 9 percent internet penetration lags far behind the 30 to 40 percent China and Brazil enjoy, and while India's estimated 100 million internet users still comprise the third largest online production, the total Indian e-commerce market was approximately 3 percent of the U.S market last 7 year.

Current Scenario of Online Shopping in India

Today the access of the Internet is not limited to cities, but also being used in large numbers in rural areas, due to the low cost of data pack, affordable price of Smartphone, internet awareness and most impactful programs "Digital India". These are all playing important roles in spreading the Internet all over India. According to Internet and Mobile Association of India (IAMAI) & market research firm IMRB, the number of mobile internet users in India is estimated to reach around 627 millions in 2019* with the better growth rate of rural India at a much higher than urban India. According to a report titled Mobile Internet in India 2018, there were more than 566 million mobile internet users in India as on December 2018. India has an internet users base of about 460 million as of July 2017, 40% of the population. Despite being the second-largest user base in the world. Now everyone using Google, everyone aware from Facebook, Twitter and WhatsApp account. Only because of internet revolution in India.



When we talk about e-commerce in India. The scenario of online shopping in India has become changed. At that time nobody would have even thought that the buying and selling online or say the online shopping will become a trend in the world and India will also share a good proportion of this success. And now we are seeing that the online shopping has become a trend in India the reason behind is best discounts, coupons, offers, referral systems, 30 days return guarantee, 1-7 days delivery time, quality product etc. Today, more and more online shopping companies are offering their services to their customers in India. The growing of e-commerce at an unprecedented rate, adding around 6 million new entrants every month. the growth of e-commerce is at a new inflection point. Besides a developing country, India has shown an appreciable increase in the e-commerce sector in the last few years, thereby hitting the market with a boom. Though the Indian online market is far behind China it has been growing at a fast rate. Now a days everything available online with amazing deals. a new sector in e-commerce is online medicine, Online food service including fruits and vegetables and now Baba Ramdev-led Patanjali Ayurved, announced its partnership with eight e-commerce companies in a move to push sales of its products. Accordingly, the entire range of Patanjali products would now be available online. According to Google India, there were more than 35 million big and small online shoppers in India in 2014 and was expected to cross 100 million marks by end of the year 2016. India's e-commerce market was worth about \$3.9 billion in 2009, it went up to \$12.6 billion in 2013. In 2013, the e-retail segment was worth US\$2.3 billion. According to a study done by Indian Institute of e-Commerce, by 2020 India is expected to generate \$100 billion online retail revenue out of which \$35 billion will be through fashion e-commerce. Online apparel sales are set to grow four times in coming years.

Conclusion :

As we all know, India is a big market and there is no limitations of opportunities and this is why India has drawn the attention of all the international companies. so the interest of the people is being to increase in online shopping, we can also say that in the future, India will make a unique identity in the field of e-commerce.