

Comparative Study of Traditional Business and E-commerce

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ABSTRACT

Along with the traditional business method ,E-commerce is also being used more and more in India .E-commerce means electronic commerce ,By using internet goods and services can be exchange very easily and convenient . Through E-commerce high growth of economy but also some challenges facing by e -commerce, which removing very soon. Provision has also been made for e-commerce in the consumer protection act 2019 so that consumers can get protection from any type of fraud that occurs through e-commerce.

Keyword- E-commerce, Traditional, Transaction, Liberalization, customize.

Introduction

In the beginning of civilization and development, human needs were simple and limited. People used to exchange goods with each other to satisfy their need and wants. Barter exchange system refers to directly exchange goods or service for other goods or service without using a medium of any kind of exchange, such as money, and then gradually increased the trade of monetary transaction .Monetary transaction is a system in which good and service is exchanged in the place of money .In 1991 the year of liberalization in Indian economy. the government has made some radical changes in its policies related to foreign trade , foreign direct investment ,exchange rate , fiscal discipline , free market access without any restriction ,allow to established more privet companies and reduce government control etc. The new economic policy has been creating a more competition in the environment of economy as a mean to make more acceptable the productivity, transparency, consistency and efficiency in the economy.

After new economy reforms internet service in India on 15th August, 1995 by Vides Sanchar Nigam Limited. In November 1998,the government opened up the sector for providing internet service by private sector. Internet business conducted by e-mail. E-mail marketing is a form of marketing that can make the customers on your email list aware of new type of products, discount, quality of product, description of product and more other service.

After using e-mail marketing the innovation of Teleshopping in Indian economy. Tele marketing is direct marketing of goods and services for customer over the telephone, mobile or the internet .people can easily purchase good by using one phone call

With advancement of technology in present, e-commerce is extended in such a way that it is becoming very popular in whole economy. E - Commerce means electric commerce or internet

commerce. E-commerce means buying and selling of goods and services through internet, and the transfer of money and data to complete the sales. Government also promotes and makes policy to digital economy. The fast growing e-commerce market in the country and boost whole economy. In present various types of e-commerce like business to business e-commerce, Business to consumer e-commerce, consumer to administration e-commerce.

Objective of e-commerce

1. To explain the concept of the E-commerce.
2. Present trends of E-commerce.
3. To study the benefit and challenges faced in traditional business and E-commerce.
4. To study to reduce supply chain by e-commerce.
5. To study the changing business with new technology in rural area.

Review of Literature

- ❖ (Raja & Khan, 2020, pp. 697-709) In this article found that before green revaluation how was the rural marketing and after liberalization there were many changes in rural area marketing. Government also made several policies through which in rural area with traditional marketing, E-commerce, investment, Agriculture training, Technology education, banking facility, green card for farmers, employment opportunities are given. In India 65% of population lives in rural area. Rural marketing is assets of whole economy.
- ❖ (Chaturveda, 2017, pp.) In this article mention that Indian marketing structure divided into two parts rural and urban market. the study found that rural marketing boost the economy. company are investing in rural marketing and produce customized product, develop infrastructure in rural marketing and change the mindset of customer. The study found that the goal of rural marketing is consumer satisfaction instead of only profit maximization. With urban marketing, rural market is also playing a very big role in economy. The study also found that the mass services in rural area.
- ❖ (Khan, 2016, pp. 19-22) In this article to study the E-commerce Industry will be leader with popularity in economy in upcoming year. Examine various challenges and solution in implementing e-business.
- ❖ (Soni, 2017, pp. 390-392) The studies found that E-commerce market in India enjoy the phenomenal growth in the last year. Development in E-commerce creating big opportunity for cross border trade. The internet is enabling small company to access global market unlike ever before. Although the trends of E-commerce has been making rounds in 15 years.
- ❖ (Panigrahi, Upadhyaya & Raichurkar, 2016, pp. 15-22) In this article attempts to explain the concept of E-commerce, merits and demerits of E-commerce. Various trends of E-commerce and challenges before E-commerce and after E-commerce. However, at present juncture it has several limitation, legal and technical barriers in the development of E-commerce in India which could face away in year to come.
- ❖ (Mitra, 2013, pp. 126-132) In this article an attempt is to study the present status and facilitators of E-commerce in India, analyze the present trends examine the barrier of E-commerce. The study found that, there has been a rise number of companies taking up E-

commerce in India 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.

- ❖ (Shethar, 2016, pp. 25-31) The study found that the world of E-commerce that existence of the wholesaler is at the greatest risk because the producer can easily ignore them and sell their products to the retailers and the customers. Wholesaler can take the advantage of E-commerce in establishing contract with reputed producers and linking their business with online.
- ❖ (Wadhawan & Arya, 2020, pp. 805-809) In this article mention the importance of E-commerce. Compare the traditional method of business with-commerce. The study found that, major factor driving E-commerce growth in India. Some of the factor which will contribute to this growth are mobile commerce, replacement facility, different payment modes, logistic and shipment option, product quality, customer care services.

Methodology

In this article based on secondary data all data collected from newspaper, articles, internet, books.

Finding

The study found that the use of e-commerce we can get good quality product at low price without go any were. The supply chain in e-commerce is not as long as in the traditional business, from producer to consumer, due to which the consumer had to pay a lot of extra cost in exchange for goods and services, but due to the small supply chain in e-commerce had to pay less amount. Goods and services are available at low cost.

Government made program and policy like National digital health mission launched by honorable Prime Minister Narendra Modi on 15th August 2020. Under this scheme health ID card of every Indian will be issued and they can avail the facility of treatment being done through digital medium in the hospital, Digital India scheme, Ghar tak fiber scheme in Bihar on 31st of March 2021 to connect all rural area with high speed and quality optical fiber internet etc, to enhance e-business and digital economy in urban area and also rural area.

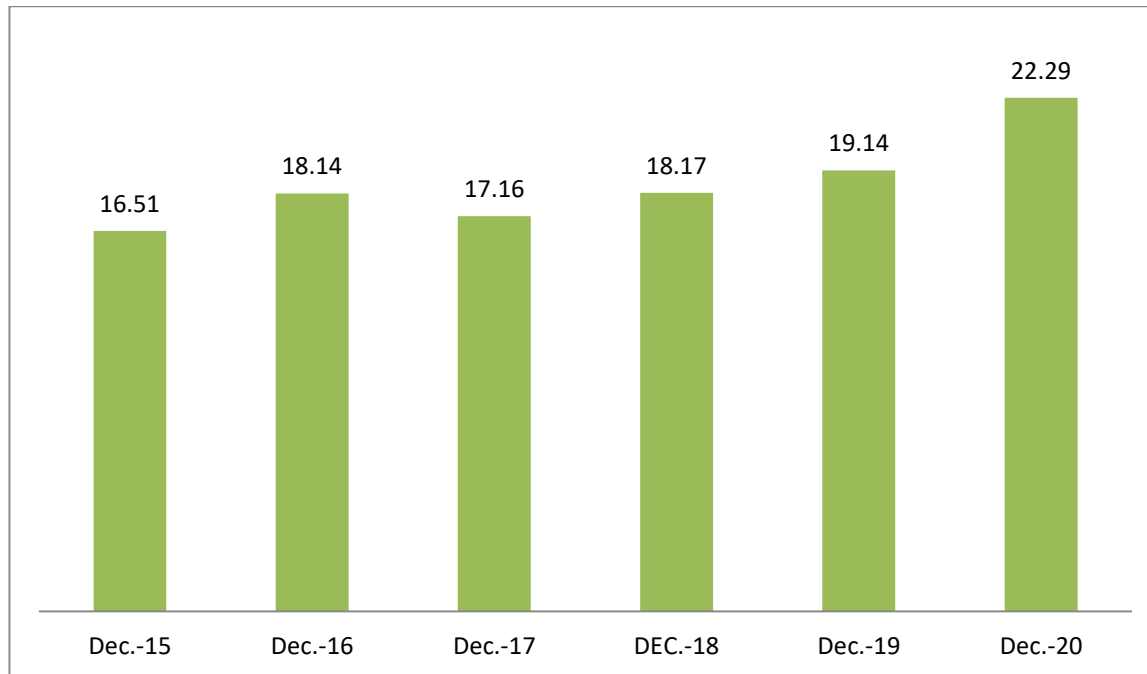
Table 1 Internet subscribers as 31st December 2020

Segment	Modes of Access		Total
	Fixed-line Subscribers (in millions)	Wireless subscribers (in millions)	
Broadband	22.29	725.12	747.41
Narrowband	3.24	44.53	47.77
Total	22.54	769.64	795.18

Source: Telecom Regulatory Authority of India

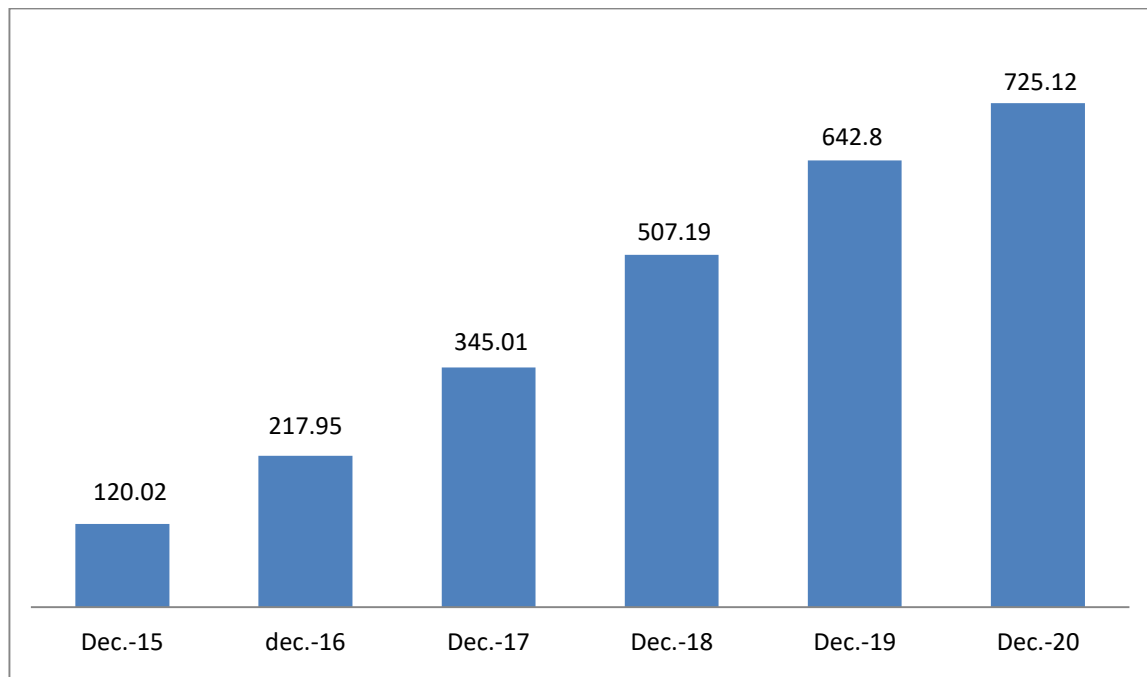
Table 1 show the total internet subscriber on 31st December 2020 in the country .On the basis of this data 745.1 millions peoples are broadband subscribers ,out of this subscriber 22.29 millions are fixed line subscriber and 725.12 million wireless subscribers.

Table 1.1: Fixed- line broadband subscribers (in millions)



Source: Telecom Regulatory Authority of India

Table 1.1 show the data of previous five year Fixed -line broadband subscriber in December 2015 there were 16.5 million subscribers and now there are 22.29 million subscribers. Fixed- line subscribers are constant previous presiding three years.

Table 1.3: Wireless broadband subscriber (in millions)

Source: Telecom Regulatory Authority of India

Table1.3 shows the data of wireless broadband subscribers since last five years. There were 120.02 million people are wireless broadband subscribers and now 725.12 million subscribers in December 2020. Wireless broadband subscriber has grown very fast in 2020.

At present, there are many facilities available in the digital platform like flipkart, Zomato, Amazon, paytm, IRCTC, Myntra, Health Kart , Ola cabs, Unacadmy etc, so that we can easily use it. E-commerce has many benefits as well as some challenges and the government will take corrective step related to it and remove it from the problem.

Suggestion

In presently e- commerce boosting the economy .There are many benefit as well as some challenges like –security of products, quality of products ,education ,internet access , unemployment , stereotype thinking etc, effort should be made to rectify these shortcoming ,as well as in rural area where people of youth who use more and more internet ,social media ,E- banking , E-learning . They should provide information related to this to more people and they should also be connected to the internet.

Conclusion

People life has become very simple and effective through e- commerce. Economy of country has been progressing a lot due to the progress of e-commerce. People are using digital medium in their day to day process except traditional method of commerce. More than half of the population in the country lives in village and they are moving towards digital economy very fast. Good quality of

products and services can be compared through e- commerce at the least cost and also provides easy delivery of goods and return policy.

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