



## “An overview on open network for digital commerce”

1) **P.R. Venugopal**

Assistant professor

Department of commerce

Bhavan's Vivekananda college of science, humanities and commerce Sainikpuri, Secunderabad, Telangana,  
India, 500094

2) **Ms. Muskan**

B. Com (Hons-Business Analytics), Semester-2

Bhavan's Vivekananda college of science, humanities and commerce Sainikpuri, Secunderabad, Telangana,  
India, 500094

### **ABSTRACT:-**

Open network for digital commerce, is a private non-profit company established by the department for promotion of industry & internal trade of government of India to develop open networks for e-commerce. The government imposed Open Network Digital Commerce (ONDC) platform is expected to transform the e-commerce landscape in India. It will enable both consumers and sellers to engage and trade online regardless of the app or platform they are using.

This platform aims to bring in new opportunities, check digital monopolies and by supporting micro, small and medium enterprises and sole proprietors and help them get on online platforms. It is an initiative provided by the Department for Promotion of Industry and Internal Trade (DPIIT) under the Ministry of Commerce and Industry.

To complete this research Action research design is implied. This paper is expected to give a brief overview about ONDC. It gives us the overall benefits for all the categories (consumer, buyer, tech platform). Brief data analysis of the digital commerce. How is India progressing in the state of digital world.

### **OPEN NETWORK FOR DIGITAL COMMERCE(ONDC)**

### **INTRODUCTION: -**

It is a digital project which was first announced in 2020 and an advisory council was set up in July 2021, but its implementation was done after ONDC was registered as a Section 8 non-profit company on December 31, 2021. The pilot has already started in Delhi, Bengaluru, Bhopal, Shillong, Coimbatore in April.

The network by itself would comprise participants from various domains ranging from retail, logistics service providers, restaurants, hotels, café, etc, who join ONDC as buyer-side apps, seller-side apps, or gateway.



### **OBJECTIVES:** -

- To get more information about ONDC
- Find the process of ONDC
- Precautions taken to cover the consequences
- Inclusivity & access for sellers, especially small & medium enterprises as well as local business
- Data relating to digital marketing
- More choices & independency for consumers
- Ensured data privacy & confidentiality
- Decreased cost of operation
- Difficulty caused by different users

### **LIMITATIONS:** -

- Information is restricted to the current data (April 2022)
- Values may change during the period of time
- As few information are kept confidential the data may be incomplete

### **LITERATURE REVIEW:** -

A relevant article was written by A. Shaji George (Director, Masters IT solutions, Chennai, Tamil Nadu, India); A.S. Hovan George (Masters IT solutions, Chennai, Tamil Nadu, India). The article name was “Open Network for Digital Commerce (ONDC): Democratizing Digital Commerce and curbing digital monopolies in India”. This article main focus was to give brief information about “Digital Commerce, ONDC- Open Network for Digital Commerce, COVID19, Business-to-Consumer (B2C), digital commerce ecosystem, ONDC network, Open network, ONDC, E-Commerce”

### **RESEARCH METHODOLOGY:** -

As it's research on a programme which was held recently primary collection is not possible so the entire research is based on secondary data

**Secondary data:** The methodology used was survey of information available on internet, journal. This gave a broad overview about ONDC.

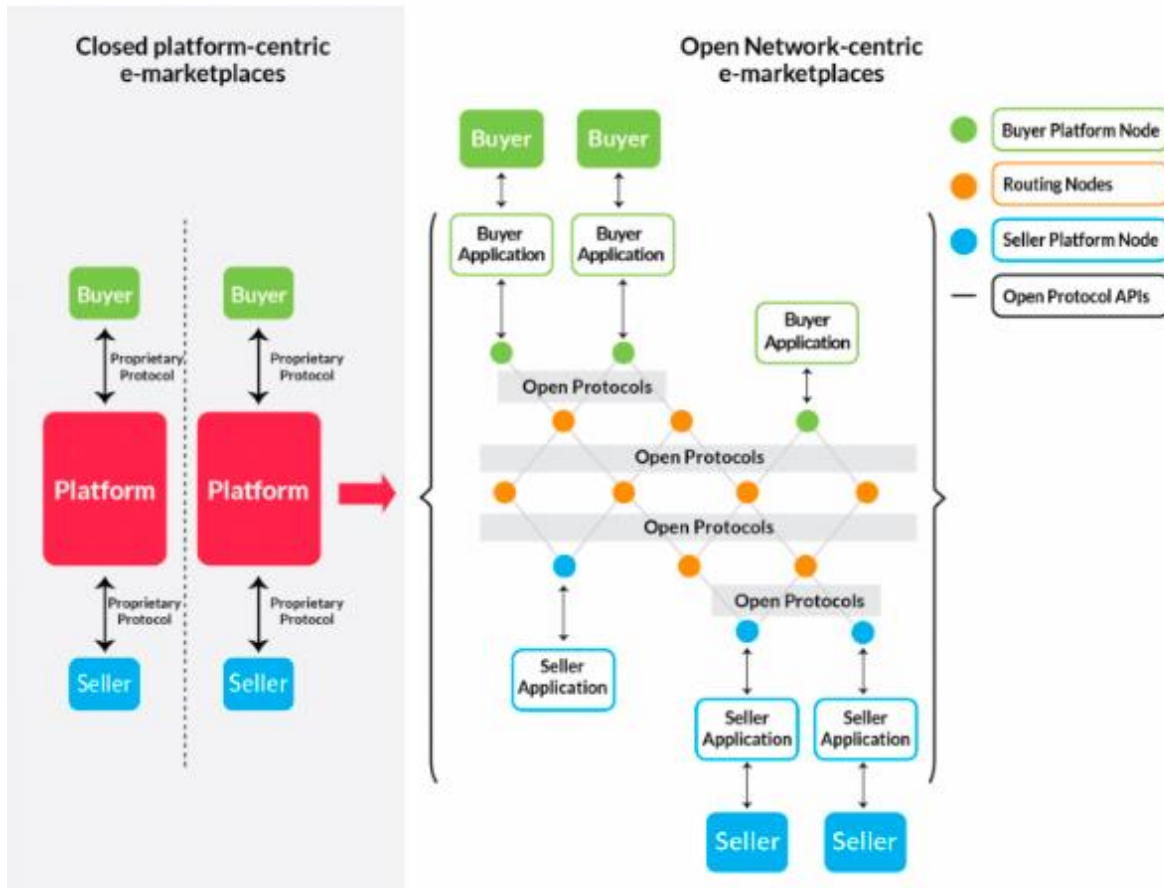
### **Data Analysis:** -

80 firms are currently working with the platform & are at different stages of integration. The officials further added that the platform plans to add 150 retailers in 5 cities during the pilot.

Outlining ONDC'S future plans, Agrawal said, "Going forward the target of the ONDC is to onboard 3cr sellers & 1cr retail merchants online. In the next step, we want to go to 100 cities in 6 months".

He also said that more local language support will be added to the app in the near future to expand the no. of buyers & sellers. Apart from sellers & buyers, logistics players & payment gateways will be part of ONDC, which has Infosys co-founder Nandan Nilekani, former Mc Kinsey India head Adil Zainulbhaia National Health Authority CEO Rs Sharma, among others, as key advisers.

Currently, there are more than 4,000 small and big e-commerce companies in India, 500 logistics companies to deliver products, and more than 20,000 entities including travel and hotels that provide services through e-market. The Indian e-market is expected to grow to USD 200 billion by 2026.



This open network will not be owned or controlled by a single application or platform and the idea behind it is to bring buyers, suppliers, payment, and logistics providers together through open-source specifications and protocols. ONDC will be created by unbundling (breaking down of a complex system into granular activities) the current system

### Benefits of ONDC

## DIFFICULTY WHICH COULD BE FACED

- Education of e-commerce: - As most of the traders are from small scale industry which means they could have very little or no information about e-market. Which will

For sellers	For buyers	For tech platforms
Access to more buyers	Access to more sellers	Reduced time-to-market and time-to-scale
Better discoverability of product	More product choices	New opportunities for start-ups
Multiple choices for being digitally visible	Better services & faster deliveries	Focus on niche aspects
Lower cost of doing business	Better consumer experience	
More options for value chain services		

- make it difficult for them to access
- Responsible: - If the product is late or the product got damaged due to some reason who will be responsible for it? Is it the buyer or the logistic? Who will give the refund?
- GST returns: - As the buyer will be in profit and a lot of sales will be taking place which would make buyer responsible to collect GST from buyers, which may create a lot of confusion among the buyer.

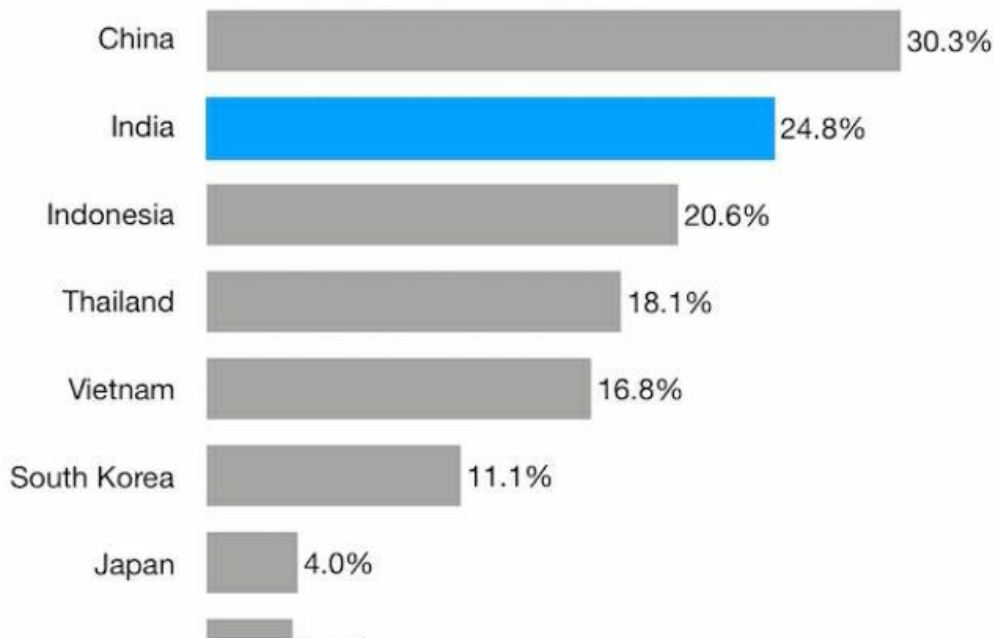
## INTERPRENTATION: -

India is the 3<sup>rd</sup> largest retail market. It was highest in 2018. Whereas e-commerce in India is still less compared to others. But growth rate is still higher compared to other country in the year 2019 it was 24.8%.



Even though the amount is less but the growth rate is higher compared to others.

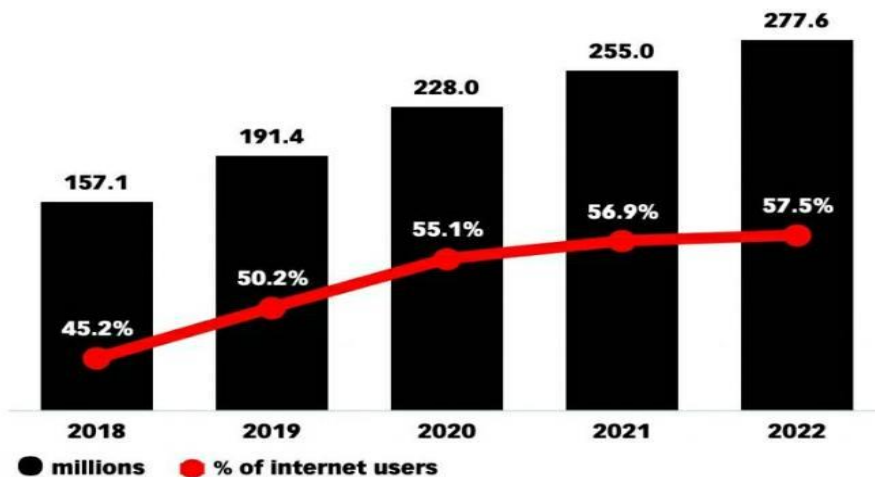
Retail E-commerce growth rate 2019

**CONCLUSION:** -

As the time is passing people are more interested surfing online instead of going out and looking for the product.

**Digital Buyers**

India, 2018-2022



Source: eMarketer, December 2018

Which means people look for easy way to get things done. If ONDC is going as per it is planned it would be a big revolution in the country just like the UPI system. But if it doesn't work as, it is planned there would a drastic loss to the government of over \$22 million.

**REFERENCES:** -**WEBIOLOGY:**

- <https://youtube.be/K8XJOXNJuco>
- <https://youtu.be/j6BI6FAMzv8>
- <https://inc42.com>
- <https://timesofindia.indiatimes.com>
- <https://pirimidtech.com>
- <https://chandlerngyen.com>
- <https://economictimes.indiatimes.com>
- <https://mediancma.com>