Electronic Commerce: A Study on Benefits and Challenges in an Indian emerging Economy

Dr. Ajay Kumar

Associate Professor, Department of Commerce, Faculty of Commerce and Managememt Government P.G. College Dharamshala, District Kangra,Himachal Pradesh, India.

Abstract

E-commerce is playing one of the vital roles in business options and facilitates to explore in the future. E-commerce is concerning the paradigm shift in the business world for trading. E-commerce is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the Internet. These business transactions occur business-to-business, business-to-consumer, consumer-to-consumer or consumer-to-business. The terms e - commerce and e - business are often used interchangeably. The term e-tail is also sometimes used in reference to transactional processes around online retail. E-Commerce draws on technologies such as mobile commerce, electronic fund transfer, supply chain management, internet marketing, online transaction processing, electronic data interchange, inventory management software, data collection system E-commerce is conducted using a variety of applications, such as email, fax online catalogs and shopping carts, Electronic Data Interchange , File Transfer Protocol, and Web services. Most of this is business to business, with some companies attempting to use email and fax for unsolicited ads to consumers and other business prospects, as well as to send out e-newsletters to subscribers. The benefits of e-commerce include its around-the-clock availability, the speed of access, a wider selection of goods and services, accessibility, and international reach.

Key Words: paradigm, interchangeably, transactional, accessibility.

Introduction:

E-commerce is a transaction of buying or selling online. 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 one part of the transaction's life cycle although it may also use other technologies such as e-mail.

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

-Online shopping web sites for retail sales direct to consumers

-Providing or participating in online marketplaces, which process third-party business- to-consumer or consumer-to-consumer sales

-Business-to-business buying and selling

-Gathering and using demographic data through web contacts and social media

-　Business-to-business (B2B) electronic data interchange

-Marketing to prospective and established customers by e-mail or fax (for example, with newsletters)

-Engaging in launching new products and services

-Online financial exchanges for currency exchanges or trading purposes

E-commerce has become an important tool for small and large businesses worldwide, not only to sell to customers, but also to engage them. In 2012, e-commerce sales topped $1 trillion for the first time in history. Mobile devices are playing an increasing role in the mix of e- commerce; this is also commonly called mobile commerce, or m-commerce. In 2014, one estimate saw purchases made on mobile devices making up 25% of the market by 2017.2018 was a great year for the ecommerce industry. The worldwiderevenue of ecommerce amounted almost 2290 Billion USD. It can further grow up to an annual rate of almost 19.11 percent. This would result in a market volume of 4479 Billion USD by the end of the year 2022. These numbers speak for themselves about the growth of the global ecommerce.

For traditional businesses, one research stated that information technology and cross-border e-commerce is a good opportunity for the rapid development and growth of enterprises. Many companies have invested enormous volume of investment in mobile applications.TheDeLone and McLean Model stated that 3 perspectives are contributed to a successful e-business, including information system quality, service quality and users satisfaction. There is no limit of time and space, there are more opportunities to reach out to customers around the world, and to cut down unnecessary intermediate links, thereby reducing the cost price, and can benefit from one on one large customer data analysis, to achieve a high degree of personal customization strategic plan, in order to fully enhance the core competitiveness of the products in company.

Impact on markets and retailers:

Economists have theorized that e-commerce ought to lead to intensified price competition, as it increases consumers' ability to gather information about products and prices. Research by four economists at the University of Chicago has found that the growth of online shopping has also affected industry structure in two areas that have seen significant growth in e-commerce, bookshops and travel agencies. Generally, larger firms are able to use economies of scale and offer lower prices. The lone exception to this pattern has been the very smallest category of bookseller, shops with between one and four employees, which appear to have withstood the trend. Depending on the category, e-commerce may shift the switching costs—procedural, relational, and financial—experienced by customers.

Individual or business involved in e-commerce whether buyers or sellers rely on Internet-based technology in order to accomplish their transactions. E-commerce is recognized for its ability to allow business to communicate and to form transaction anytime and anyplace. Whether an individual is in the US or overseas, business can be conducted through the internet. The power of e-commerce allows geophysical barriers to disappear, making all consumers and businesses on earth potential customers and suppliers. Thus, switching barriers and switching costs may shift. eBay is a good example of e-commerce business individuals and businesses are able to post their items and sell them around the Globe.In e-commerce activities, supply chain and logistics are two most crucial factors need to be considered. Typically, cross-border logistics need about few weeks' time roundBased on this low efficiency of the supply chain service, customer satisfaction will be greatly reduced. Some researcher stated

that combining e-commerce competence and IT setup could well enhance company's overall business worth. Other researcher stated that e-commerce need to consider the establishment of warehouse centers in foreign countries, to create high efficiency of the logistics system, not only improve customers' satisfaction, but also can improve customers' loyalty.

Impact on supply chain management:

For a long time, companies had been troubled by the gap between the benefits which supply chain technology has and the solutions to deliver those benefits. However, the emergence of e-commerce has provided a more practical and effective way of delivering the benefits of the new supply chain technologies. E-commerce has the capability to integrate all inter-company and intra-company functions, meaning that the three flows (physical flow, financial flow and information flow) of the supply chain could be also affected by e-commerce. The affections on physical flows improved the way of product and inventory movement level for companies. For the information flows, e-commerce optimised the capacity of information processing than companies used to have, and for the financial flows, e-commerce allows companies to have more efficient payment and settlement solutions.

In addition, e-commerce has a more sophisticated level of impact on supply chains: Firstly, the performance gap will be eliminated since companies can identify gaps between different levels of supply chains by electronic means of solutions; Secondly, as a result of e-commerce emergence, new capabilities such implementing ERP systems, like SAP ERP, Xero, or Megaventory, have helped companies to manage operations with customers and suppliers. Yet these new capabilities are still not fully exploited. Thirdly, technology companies would keep investing on new e-commerce software solutions as they are expecting investment return. Fourthly, e-commerce would help to solve many aspects of issues that companies may feel difficult to cope with, such as political barriers or cross-country changes. Finally, e-commerce provides companies a more efficient and effective way to collaborate with each other within the supply chain.

Social impact:

Along with the e-commerce and its unique charm that has appeared gradually, virtual enterprise, virtual bank, network marketing, online shopping, payment and advertising, such this new vocabulary which is unheard-of and now has become as familiar to people. This reflects that the e-commerce has huge impact on the economy and society from the other side. For instance, B2B is a rapidly growing business in the world that leads to lower cost and then improves the economic efficiency and also bring along the growth of employment.

To understand how the e-commerce has affected the society and economy, this article will mention six issues below:

1.E-commerce has changed the relative importance of time, but as the pillars of indicator of the country's economic state that the importance of time should not be ignored.

2.E-commerce offers the consumer or enterprise various information they need, making information into total transparency, and enterprises are no longer is able to use the mode of space or advertisement to raise their competitive edge. Moreover, in theory, perfect competition between the consumer sovereignty and industry will maximize social welfare.

3.In fact, during the economic activity in the past, large enterprises frequently had the advantage of information resources at the expense of consumers. Nowadays, the transparent and real-time information protects the rights of consumers, because the consumers can use the internet to pick out the portfolio to their own benefit. The competitiveness of enterprises will be much more obvious than before; consequently, social welfare would be improved by the development of e-commerce.

4.The new economy led by e-commerce changes humanistic spirit as well, but above all, employee loyalty. Due to the market with competition, the employee's level of professionalism becomes crucial for enterprise in the niche market. The enterprises must pay attention to how to build up the enterprises inner culture and a set of interactive mechanisms and it is the prime problem for them. Furthermore, though the mode of e-commerce decreases the information cost and transaction cost, its development also makes human beings overly computer literate. Emphasizing a more humanistic attitude to work is another project for enterprise to development. Life is the root of all and technology is merely an assistive tool to support quality of life.

5.Online merchants gather purchase activity and interests of their customers. This information is being used by the online marketers to promote relevant products and services. This creates an extra convenience for online shoppers.

6.Online merchandise is searchable, which makes it more accessible to shoppers. Many online retailers offer a review mechanism, which helps shoppers decide on the product to purchase. This is another convenience and a satisfaction improvement factor.

E-commerce is not a new industry, technically speaking, but it is creating a new economic model. Most people agree that e-commerce will positively impact economic society in the future, but in its early stages its impacts are difficult to gauge. Some have noted that e-commerce is a sort of incorporeal revolution. E-commerce has numerous social benefits: one, the cost of running an e-commerce business is very low when compared with running a physical store; two, there is no rent to pay on expensive premises; and three, business processes are simplified and less man-hours are required to run a typical business smoothly. In the area of law, education, culture and also policy, e-commerce will continue to rise in impact. E-commerce will truly take human beings into the information society.

Distribution channels:

E-commerce has grown in importance as companies have adopted pure-click and brick-and-click channel systems. We can distinguish pure-click and brick-and-click channel system adopted by companies.

-Pure-click or pure-play companies are those that have launched a website without any previous existence as a firm.

-Bricks-and-clicks companies are those existing companies that have added an online site for e-commerce.

-Click-to-brick online retailers that later open physical locations to supplement their online efforts.

Objectives of study:

The paper has following objectives:

- To explain the concept of e-commerce.
- To study the India's prospects in e-commerce
- To study the various challenges faced by e-commerce in India.
- To study opportunities of e-commerce in India.

India's prospects in e-commerce:

India has an internet user's base of about 475 million as of July 2018, about 40% of the population. Despite being the second-largest userbase in world, only behind China (650 million, 48% of population), the penetration of e-commerce is low compared to markets like the United States (266 million, 84%), or France (54 M, 81%), but is

growing at an unprecedented rate, adding around 6 million new entrants every month. The industry consensus is that growth is at an inflection point. In India, cash on delivery is the most preferred payment method, accumulating 75% of the e-retail activities. Demand for international consumer products (including tail items) is growing much faster than in-country supply from authorised distributors and e-commerce offerings. In 2015, the largest e-commerce companies in India were Flipkart, Snapdeal, Amazon India, and Paytm.

Market size and growth:

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. About 70% of India's e-commerce market is travel related. According to Google India, there were 35 million online shoppers in India in 2014 Q1 and is expected to cross 100 million mark by end of year 2016. CAGR vis-à-vis a global growth rate of 8–10%. Electronics and Apparel are the biggest categories in terms of sales. According to a study conducted by the Internet and Mobile Association of India, the e-commerce sector is estimated to reach ₹ 211,005 crore by December 2016. The study also stated that online travel accounts for 61% of the e-commerce market. 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.

India's retail market is estimated at $470 billion in 2011 and is expected to grow to $675 Bn by 2016 and $850 billion by 2020, – estimated CAGR of 10%. According to Forrester, the e-commerce market in India is set to grow the fastest within the Asia-Pacific Region at a CAGR of over 57% between 2012–16. As per "India Goes Digital",a report by Avendus Capital, the Indian e-commerce market is estimated at ₹ 28,500 Crore ($6.3 billion) for the year 2011. Online travel constitutes a sizable portion (87%) of this market today. Online travel market in India had a growth rate of 22% over the next 4 years and reach Rs 54,800 crore ($12.2 billion) in size by 2015. Indian e-tailing industry is estimated at Rs 3,600 crore (US$800 million) in 2011 and estimated to grow to Rs 53,000 crore ($11.8 billion) in 2015. Overall e-commerce market had reached ₹ 1,07,800crores (US$24 billion) by the year 2015 with both online travel and e-tailing contributing equally. Another big segment in e-commerce is mobile/DTH recharge with nearly 1 million transactions daily by operator websites. A new sector in e-commerce is online medicine, selling complementary and alternative medicine or prescription medicine online. There are no dedicated online pharmacy laws in India and it is permissible to sell prescription medicine online with a legitimate license. Online sales of luxury products like jewellery also increased over theyears. Most of the retail brands have also started entering into the market and they expect at least 20% sales through online in next 2–3 years. The India e-learning market size reached US$ 5.6 Billion in 2021. The market to reach US$ 12.5 Billion by 2027, exhibiting a growth rate (CAGR) of 13.9% during 2022-2027. Keeping in mind the uncertainties of COVID-19, Indian market continuously tracking and evaluating the direct as well as the indirect influence of the pandemic on different end use sectors. These insights are included in the report as a major market contributor.

Closures:

Though the sector has witnessed tremendous growth and is expected to grow, many e-commerce ventures have faced tremendous pressure to ensure cash flows. But it has not worked out for all the e-commerce websites. Many of them like Dhingana, Rock.in, Seventy MM amongst others had to close down or change their business models to survive.

Infrastructure:

There are many hosting companies working in India but most of them are not suitable for e - Commerce hosting purpose, because they are providing much less secure and threat protected shared hosting. E - Commerce demand highly secure, stable and protected hosting. Trends are changing with some of e - Commerce companies starting to offer software as a service (SaaS) for hosting web stores with minimal onetime costs. There could be various

methods of ecommerce marketing such as blog, forums, search engines and some online advertising sites like Google adwords and Adroll. India has got its own version of Cyber Monday known as Great Online Shopping Festival which started in December 2012, when Google India partnered with ecommerce companies including Flipkart, Home shop18, Snapdeal, Indiatimes, shopping and Make my trip. "Cyber Monday" is a term coined in the USA for the Monday coming after Black Friday, which is the Friday after Thanksgiving Day. Most recent GOSF Great Online Shopping Festival was held during Dec 10 to 12, 2014. In early June 2013, Amazon.com launched their Amazon India marketplace without any marketing campaigns. In July 2014, Amazon had said it will invest $2 billion (Rs 12,000 crore) in India to expand business, after its largest Indian rival Flipkart announced $1 billion in funding. In June 2016, Amazon agreed to invest another $3 billion to further pressure rivals Flipkart&Snapdeal Amazon has also entered grocery segment with its Kirana now in Bangalore and is also planning to enter in various other cities like Delhi, Mumbai and Chennai and faces stiff competition with Indian startups.

Funding:

Examples of venture capital firms having invested in e-commerce companies in India are:

Flipkart.com raised about USD 2.3 billion.On 10 July 2013, Flipkart announced it had received $200 million from existing investors Tiger Global, Naspers, Accel Partners, and ICONIQ Capital, and an additional $160 million from Dragoneer Investment Group, Morgan Stanley Wealth Management, Sofina, Vulcan Inc. and more from Tiger Global.

In February 2014, online fashion retailer Myntra.com raised $50 million from a group of investors led by Premji Invest, the investment company floated by AzimPremji, Chairman ofWipro. May 2014 also witnessed an acquisition of Myntra by Flipkart reportedly for ₹2,000 crores.In September 2015, PepperTap raised $36 million from Snapdeal and others.US retail giant Walmart will invest $16 billion in Flipkart for a 77 per cent stake making it Walmart's biggest ever acquisition and the world's largest e-commerce deal, valuing the Bengaluru-based and Singapore-registered company at $22 billion. This includes $14 billion earmarked for purchasing shares from existing shareholders and fresh capital infusion of $2 billion in Flipkart.

Niche retailer:

The spread of e-commerce has led to the rise of several niche players who largely specialize their products around a specific theme. As many as 1,06,086 websites are registered daily and more than 25% are for niche businesses.

During 2014, Royal Enfield sold 200 bikes of special series Online. Online apparel is one of the more popular verticals, which along with computers and consumer electronics make up 42% of the total retail e-commerce sales.Niche online merchandising brands like Headbanger'sMerch, Redwolf and No Nasties partner with and even help sustain independent musicians. Some established brands like Arvind are now creating clothing lines just for the e-commerce markets. Some of the bigger online retailer like VoxPop Clothing have secured multiple rounds of funding, the last round raising $1 million from Blume Ventures in 2014. As these niche businesses get popular, they are slowly getting acquired by the big players. Baby Oye was acquired by Mahindra Retail, part of the $17 billion Mahindra Group.Ekstop was acquired by the Godrej Group to complement their offline chain of Nature's Basket stores.

Challenges of e-commerce in India:

The growth of ecommerce volumes in India is attracting the attention of players around the globe. India, the second most populous country in the world, is home to 1.2 billion people.

To put that number into perspective, consider this: the combined populations of Germany, UK, France, Italy, Netherlands, Belgium, and Greece equal one-fourth the population of India alone! Despite lower per-capita purchasing power, this still makes India one of the most attractive emerging markets for ecommerce. But India is far from being a bed of roses. Here are the top 8 challenges that ecommerce businesses face in India.

Indian customers return much of the merchandise they purchase online:

Ecommerce in India has many first time buyers. This means that they have not yet made up their mind about what to expect from ecommerce websites. As a result, buyers sometimes fall prey to hard sell. But by the time the product is delivered, they demonstrate remorse and return the goods. Though consumer remorse is a global problem, it is all the more prevalent in a country like India, where much of the growth comes from new buyers. Returns are expensive for ecommerce players, as reverse logistics presents unique challenges. This becomes all the more complex in cross-border ecommerce.

Cash on delivery is the preferred payment mode:
Low credit card penetration and low trust in online transactions has led to cash on delivery being the preferred payment option in India. Unlike electronic payments, manual cash collection is laborious, risky, and expensive.

Payment gateways have a high failure rate:

As if the preference for cash on delivery was not bad enough, Indian payment gateways have an unusually high failure rate by global standards. Ecommerce companies using Indian payment gateways are losing out on business, as several customers do not reattempt payment after a transaction fails.

Internet penetration is low:

Internet penetration in India is still a small fraction of what you would find in several western countries. On top of that, the quality of connectivity is poor in several regions. But both these problems are fast disappearing. The day is not far when connectivity issues would not feature in a list of challenges to ecommerce in India.

Feature phones still rule the roost:

Though the total number of mobile phone users in India is very high, a significant majority still use feature phones, not smartphones. So, for all practical purposes this consumer group is unable to make ecommerce purchases on the move. Though we are still a couple of years away from the scales tipping in favor of smartphones, the rapid downward spiral in the price of entry-level smartphones is an encouraging sign. I expect that the next few quarters will witness announcements of new smartphones in India at the $30-40 price point. That should spur growth in smartphone ownership.

Postal addresses are not standardized:

If you place an online order in India, you will quite likely get a call from the logistics company to ask you about your exact location. Clearly your address is not enough. This is because there is little standardization in the way postal addresses are written. Last mile issues add to ecommerce logistics problems.

Logistics is a problem in thousands of Indian towns:

The logistics challenge in India is not just about the lack of standardization in postal addresses. Given the large size of the country, there are thousands of towns that are not easily accessible. Metropolitan cities and other major urban centers have a fairly robust logistics infrastructure. But since the real charm of the Indian market lies in its large population, absence of seamless access to a significant proportion of prospective customers is a dampener. The problem with logistics is compounded by the fact that cash on delivery is the preferred payment option in

India. International logistics providers, private Indian companies, and the government-owned postal services are making a valiant effort to solve the logistics problem. If someone could convert the sheer size of the problem into an opportunity, we might soon hear of a great success story coming out of the Indian logistics industry.

Overfunded competitors are driving up cost of customer acquisition:

The vibrancy in the Indian startup ecosystem over the past couple of years has channeled a lot of investment into the ecommerce sector. The long-term prospects for ecommerce companies are so exciting that some investors are willing to spend irrationally high amounts of money to acquire market share today. Naturally the Indian consumer is spoiled for choice. However, this trend has reversed as investors are getting worried about slipping further down a slippery slope, and I expect more rational behavior in 2014.

While this article focuses on ecommerce challenges in India, an intrinsically one-sided topic, it is important to note that ecommerce giants are increasingly attracted to India. Cross-border ecommerce to India is growing, and many large international players are also making a significant investment in setting up shop in India.

Opportunities of e-commerce in India:

At present e-commerce is the most preferred sector in India and it's moving towards the No. 1 destination. Due to the rising of e-commerce sector, and due to rising business, sometime customer going to disappear with the service, and as well as e-commerce sector become the highly employable sector. Through the e-commerce platform, the customer can get our daily needs solution under one roof. It's maybe domestic or global product.

Strategies for growth:

The growth rate of e-commerce in India is mentionable and higher than other countries. In terms of e-commerce it places the third position in the world but due to lack of proper IT infrastructure, logistic support and financial infrastructure it faces challenges for its development. The smartphone user and internet subscriber in India are growing rapidly which stimulates the e-commerce growth in India. Now e-commerce traders provide a wide range of services from daily necessities to logistics which help them to spread the e-commerce business all over in India.

Low inventory cost:

Inventory cost is an important element for maintain business. E-commerce traders are getting benefit for reducing their inventory cost due to living as a big country like India. It helps them to minimize the cost by storing the product at any places in India. It also provides a big opportunity for e-commerce traders to provide Justin-time (JIT) services and forecast the demand of the product more accurately.

Better customer service:

E-commerce is a best approach to provide maximum level customer services in terms of low cost, quality products, and just in time. Customer satisfaction is an asset for businessman to increase their business growth. Best level customer satisfaction can be given by e-commerce business. In this business, both traders and customers get benefit from it. It is an alternative system of traditional business which provides an opportunity to deal their business from distant places and without physical interaction by saving money, cost and minimizing risk.

Reducing distribution costs:

Since e-commerce is based on virtual market i.e. internet, so it reduces distribution cost and time by providing Justin-time (JIT) services. It is a great opportunity for buyer and sellers to deal their business by sitting their own places. It helps to avoid all kinds of risk. Generally traditional business requires a mentionable amount for its distribution cost but e-commerce is an alternative system of traditional business which helps to reduce distribution cost and easily spread the business all over the country and sometimes out of the boundary of the country.

Globalizing business:

E-commerce is a business platform which can provide the same kind of services to its customer crossing the country's boundary. The people can easily buy products from an online shop which is situated within the country or from abroad by online payment through debit or credit card, m-cash and other related methods. It also helps to market the products easily to mass people over the world within a short time. India is a country which is favorable for globalizing the e-commerce business as well as crores of Indian people.

Quick marketing of products:

Since e-commerce is mainly based on internet and connected with the virtual arena, so it is a big opportunity for e-commerce trader to do marketing to a large number of people through various social networking site and websites. It is a platform to explain all details about the product to its consumers. E-commerce is providing a complete solution for purchasing the products from online and pay online by avoiding so many types of hassle and risk. It provides an opportunity to reach the product information to people of the domestic country as well as abroad within a short time.

Integration of E-commerce:

Integration among various stakeholders is an essential tool for making the business easily. E-commerce business is usually connected to the other service providers like internet service provider, government agency, commercial bank, the central bank, payment gateway, businessman, and business cooperative society for maintaining the smooth running of e-commerce business. Coordination is necessary among all stakeholders. Integration should be done by including e-commerce in the academic syllabus, including latest business-related technology to e-commerce, coordination among ecommerce businessman, university professors, expert, IT experts and government agency for proper implementation and enhancement of e-commerce in India.

Reasons why e -commerce Grows Day by Day: Here are some reasons for becoming an e -commerce world.

- **Critical mass of Internet users:** With more than 100 million Internet users, the country is beginning to achieve a critical mass of users who are familiar with web services. In addition, over the past few years, relatively sophisticated online travel agents ("OTAs"), such as MakeMyTrip – which started turning these initial Web users into Web consumers – have dominated Indian e-commerce.
- **Rising middle class with disposable income:** Throughout India's short history, the country has been a land of "haves" and "have-nots". However, with the rise of small and medium enterprises, foreign direct investment, and India's own powerful multinational corporations creating millions of new jobs, a new generation of globally-minded Indian consumers has been created.
- **Payment gateways & logistics:** One of the largest challenges to e-commerce in India is the lack of infrastructure to support new businesses. Logistics companies have been notoriously unreliable, and complex interstate regulations mean that interstate logistics and paperwork is more like international customs. Additionally, Indians have an aversion to credit cards – only an estimated 2 percent of the nation has a credit card.
- **User Experience:** The number of e-commerce companies has grown, companies have started to place more emphasis on investing in the user experience. Best practices that have driven e-commerce globally are now a key focus of successful Internet companies, including merchandising, customer service, user interface design, and guaranteed delivery and return policy. In this competitive drive to differentiate via user experience, the ultimate winner is the Indian online consumer.

- **It's easy to get up and running:-** The most challenging aspect of getting set up is product, but if you are passionate about a specific line of products — especially if they have helped you personally — it makes it much easier to walk through the process of building relationships with distributors or product sourcing. Additionally, it's that passion that's going to drive you to do the work you need to do to build a successful business.

E-Commerce Future Trends:-

There have been many developments in the field of technology since then, most notably in the field of mobile, social networking, big data, analytics and personalization.

These changes have begun to give rise to new trends in the world of ecommerce marketing.

- **Mobile optimized, not just mobile friendly:** Mobile shopping is becoming more and more important.While 2013 saw responsive web design spread like wildfire, going forward we are bound to see an improvement in mobile shopping experiences.The first step was to create sites that worked decently on mobile – now we will see online store owners scrambling to build sites that positively blossom on smartphones and tablets.

- **Mobile Advertising:** Not only will ecommerce websites render a lot better on mobiles, but a larger number of mobile store owners will also start advertising their products and services on mobiles. Mobile advertising is getting more popular day by day, and branded ecommerce store owners are going to be among the first big spenders on mobile ads.While smaller store owners may not jump on the bandwagon yet, larger stores will make an attempt to get reach as many mobile users as possible. We will also see rise in video mobile ads that have the potential go viral on social networks.

- **Targeting wearable devices:** While Google Glasses, smart watches and other wearable devices are yet to take off in a big way, many more such products are set to enter the market in the future.If such devices become widely popular, we can expect retailers as well as ecommerce stores to shower discounts, promotions, offers and updates to their customers through wearable devices.

- **Rise of long form content:** Google's red eye at link-building using guest blogging will push ecommerce marketers to create better and more targeted content. We will see the rise of long-form content that is more closely related to the products and services offered by the stores.In addition to articles and blog posts, the length of videos and podcast will also see more takers. The easy availability of analytics and data will lead to creation of more data-based content

- **More social and search ads:** With Google making it more difficult for content marketers to benefit from link building through guest blogging, more will turn towards social media and search ads for revenue.Targeted social media ads are getting more effective, and this will drive a large PPC and CPC ads experiment in small and large ecommerce companies

- **Brand and Author Identity Will Become More Important:** While Google Authorship's branding opportunities for smaller business were well understood even last year, the death of large-scale guest blogging suggests that a digital brand – both for authors and businesses – is imperative in the coming years.Traditional, anonymous SEO won't work that well. Ecommerce stores and marketers will try to create high-quality communities and blogs to further their marketing efforts. A brand blog plus a team of well-known bloggers will become invaluable for ecommerce businesses.

- **Personalized Experiences:**Online stores have been serving personalized ads to prospective users since years. Many online stores also use personalized product displays and suggestion for registered users.As users become more comfortable with sharing some personal information with brands and trusted online stores, we will see store owners make more efforts to offer a more meaningful personalization to users.

- **Local Branding and Marketing:**As larger ecommerce websites offer newer facilities and features and try out new ways of attracting customers, smaller stores will turn to local base to survive.Smaller ecommerce store owners will use traditional SEO to target customers in a limited geographic area and combine it with social media engagement to personalize relations with local customers. Their branding and marketing strategy will revolve around points that differentiate them from large vendors

- **Marketing Automation:**Online shoppers are notorious for browsing around for a long time and leaving the store without buying. Personalized and targeted marketing can help turn them into paying customers.Marketing

automation has been around for a long time, and the trend of using such solutions will continue to rise. More and more steps of lead nurturing, remarketing, email personalization and analytics will be automated, helping even small online store owners get better insights and convert more customers.

Conclusion:

The concept of e-commerce is all about using the Internet to do business better and faster. It is about giving customers controlled access to your computer systems and letting people serve themselves. It is about committing your company to a serious online effort and integrating your Web site with the heart of your business. 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, prevention of fraud, consumer protection etc. are all taken care of.We found various types of opportunities for retailers, wholesalers/distributors, producers and also for people. Retailers meet electronic orders and should be in touch with the consumers all the time. Wholesalers can take advantage through E-Commerce of those who are capable of establishing contracts with reputed producers and link their business with the on- line. Producers can also link themselves with on-line, by giving better information about their products to the other links in the business chain and by a having a brand identity. As more people are getting linked through E-commerce, the demand for centers providing internet facility or cyber cafe is also increasing. Hence, the people who wish to take advantage of it can establish cyber network and have their benefits. People could found various opportunities of employment. On the behalf of above mentioned reports and experts views showed that the future of e-commerce in India would be bright in the upcoming years, if all essential factors would be implemented.

REFERENCES:

1.Chaudhury, Abijit; Jean-Pierre Kuilboer (2002). EBusinessand e-Commerce Infrastructure.

2. MK, Euro Info Correspondence Centre (Belgrade, Serbia), "E-commerce-Factor of Economic Growth."

3.Sinha (April 2009), "Ecommerce in India – The Real Challenges

4.Zorayda Ruth Andam (2003) "e-Commerce and e-Business" in e-ASEAN task force.

5.Bansal, Rashmi, Growth of the Electronic Commerce in China and India: A Comparative Study

6. Websites: E-Commerce Guide.Com, E-Commerce Times, www.business.com, www.forrester.com,

7. www.iamai.in

8 http://www.manjeetss.com/articles/advantagesdisadvantagesecommerce.html 9
9.http://www.manjeetss.com/articles/advantagesdisadvantagesecommerce.html 10
10.http://www.manjeetss.com/articles/advantagesdisadvantagesecommerce.html