

E-commerce- A Growing Trend In India



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ABSTRACT

Research Paper- Commerce

E-Commerce stands for electronic commerce where business transactions are done through telecommunication networks, particularly with the help of internet. In modern era, as a symbol of globalization and advancement of information technology e-commerce has become an integral part in representing the cutting edge of success in today's digital world. E-Commerce is showing tremendous business growth in one country. The percentage of Indian E-Commerce space is getting higher as more and more online retailers enter the market. There is growing awareness among the business community in India about the opportunities offered by E-Commerce. The present paper mainly aims to highlight the future of e-commerce in today's business

Introduction:

E-Commerce (Electronic commerce) is a means of doing business through networks of computers. It pertains to trading in goods and services through electronic medium.

E-Commerce refers to a wide range of online business activities for products and services. It also pertains to "Any form of business transaction in which the parties interact electronically rather than by physical exchanges or direct physical contact".

E-Commerce also reduces costs in managing orders and intersecting with a wide range of suppliers and trading partners, areas that typically add significant overheads to the cost of products and services. For developing countries like India, e-commerce offers considerable opportunity.

Major Determinant of E-commerce:

The major different types of E-Commerce are-

Business to Business (B2B)

Business to Consumer B2C)

Business to Government (B2G)

Consumer to Consumer (C2C)

Mobile Commerce (m-commerce)

Status of E-commerce In India:

The size of the online advertisement market in India is projected to reach Rs 2938 crores by the fiscal year 2013-14, according to the findings of Digital Advertisement in India report, by the internet and Mobile Association of India (IAMAI) and IMRB International. The total online advertisement market in India, comprising was valued at INR 1750 crores in fiscal 2011-12 and has grown to INR 2260 crores in fiscal year 2012-13.

Though traditional media like Television and Newspaper still remain the preferred media for seeking information and entertainment, the internet has been steadily increasing its share in the market.

Many sites are now setting a diverse range of products and services from flowers, greeting cards and movie tickets to groceries, electronic gadgets and computers. The first E-Commerce site in India was rediff.com. It was one of the most trafficked portals for both Indian and Non-Residents Indians.

According to latest research by Forrester, a leading global research and advisory firm, the e-commerce

Country	Sales In \$ Billion	
	2012	2016
India	1.6	8.8
Australia	28.2	35.4
Japan	68.9	97.6
China	169.4	356.2

market in India is set to grow the fastest Asia Pacific Region at a CAGR of over 57% between 2012-16. The report titled "Asia Pacific Online Retail Forecast, 2011 to 2016".

India e-shopping will have a good time getting great deals and services online. A new report by the Boston Consulting Group says online retail could be \$84 billion industry by 2016 more than 10 times its worth to 2010 and will account for 4.5% of total retail.

Present Trends of E-commerce In India:

E-Commerce Trend is booming in India. Growth of e-commerce was low in starting years due to initial inhibitions, but it is growing now with extraordinary pace as confidence of Indian buyers is increasing slowly. The present and future e-marketers are keeping their eyes in the Indian market trends and studying the consumer behavior for creating best and attractive deals potentials clients.

As per experts the coming holiday season in December will blur the retail market shine by online deals and free shipping offers.

Asper Alexa:

Flipkart, Ebay, Snapdeal, Jabong, Home Shop 18. Yebhi, Myntra, Naaptol, Tradusin and Fashion and You are the top ten e-commerce websites in India.

Benefits of E-commerce:

E-Commerce provides multiple benefits to the consumers in form of availability of goods at lower cost, wider choice and saves time. People can buy goods with a click if mouse button without moving out of their house or office. There are so many online services which are providing tremendous benefits to the customers like Banking, Ticketing, Bill payments, Hotel Booking etc.

From The Buyer's Prospective-

From buyer's perspective also e-commerce offers a lot of tangible advantages like-

- 1- Reduction in buyer's sorting out time.
- 2- Better and quick buyer decisions.
- 3- Less time is spent in resolving invoice and order processing.
- 4- Increased opportunities for buying alternative products.

The Indian e-commerce portals also provide goods and services in variety of categories like apparel and accessories for men and women, health and beauty products, books, magazines, computers, vehicles, software's, jewellery, audio and videos, real estate and services.

Barriers of E-commerce in India:

There are some barriers from which companies have to be aware of e-commerce business.

- E-Commerce is about transactions that are very largely driven by money. This attacks Hackers and crackers and everyone with the Knowledge of exploiting loopholes in a system.
- Viruses, Worms, Trojans are very deceptive methods of stealing information. Unless a sound virus protection strategy is used by the e-commerce solutions firms, these malicious can compromise the credibility of all e-commerce web solution services.
- When get paid by net banking one has to end up giving a significant share of revenue(4% or more) even with a business of thin margin, Fraudulent charges, charge back etc. all becomes merchant's responsibility and hence to be accounted for in the business model.
- Another infrastructural barrier responsible for slow growth of e-commerce in India is the logistics faced by vendors. They have to deliver the product, safe and secure in the hands of right guy in right time frame. Regular post doesn't offer an acceptable services level, couriers have high charges and limited reach. Initially, forms might have to take Insurance for high value shipped articles increasing the cost.
- Poor telecom and Infrastructure for retailers connectivity.
- Multiple gaps in the current legal and regulatory frame work.

Conclusion:

E-Commerce is the future of shopping with the deployment of 3G and 4G wireless communication technologies, the internet economy will continue to grow robustly. There are various segments that would grow in the future

like Travel and Tourism, electronic appliances, hardware products and apparel.

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.

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R E F E R E N C E

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