E-commerce Benefits and Challenges in an Emerging Economy

Smt. Sarasa H.C

Assistant professor in Commerce and Research scholar, Government first Grade College, koratagere.

Prof. Paramashivaiah. P

Prof. of commerce and Research guide, Dept. of studies and research in commerce, Tumkur University, Tumkur.

Abstract

E-commerce is one of the vital role in business operations and facilitate to explore in the future. E-commerce means it is an online transaction. E-commerce provides multiple benefit to the consumers it means availability of goods at lower cost. Information and communication Technology {ICT} is used in E-commerce marketing to create and add to the relationship among organization and individual. At present half of the world prefers purchasing items online at their convenience. However, India's overall retail opportunity is substantial; the online business is plagued with some critical challenges. Hence in my current study has been carried out to depict the present condition and the future prospective of E-commerce business in an Economy. It facilitates to analyze the present trends, Sustainable Development, The Challenges and Benefits of E-commerce business in Emerging Economy.

Keywords; E-Commerce, Information Technology, Sustainable Development, Customer Satisfaction, and Challenges,

Introduction

Now- a- days, E-commerce is growing popular in an emerging economy. E-Commerce provides platform by which retailers sales and advertise their products and share information on the internet using Information and Communication Technology {ITC}, E-Commerce relates to website of the vendor, who sell product and service directly from portal using digital shopping cart. Today E-Commerce is a backbone of Indian Society. E-Commerce means Electronic Commerce it means the buying and selling of goods and services through the internet. These business transactions occur either to Business to Business (B2B), Business to Consumer (B2C), Consumer to Consumer (C2C), Consumer to Business (C2B),

In India e-commerce industry is booming very fast. According to an E-Commerce Site, B2B Sales, Video Business Marketing, E-Commerce Software and B2B e-commerce segment. According to these business reviews in the year 2019 the most important E--Commerce Companies are

Amazon.in: It is an American based e-commerce company.it is the largest internet retailer according to the revenue and market capitalization. All customers on Amazon shopping are very happy because it is easy and convenient.

Flipkart.com: It is an Indian based e-commerce company. It is the biggest online store for Mobiles, Electronics, Home Appliances, Furniture etc. Flipkart services are Cash On Delivery, No Cost EMI and 10-day replacement policy.

India.alibaba.com: Alibaba is the fastest growing online retail company in India. Actually it is China-based Alibaba Group Holding Limited owns the India. Alibaba provides B2B, B2C, and C2C sales services through the web portal.

Rediff.com: It is an online shopping business. It provides News, Information and Entertainment. The Rediff.com is popular for deals and discounts.it sells mainly books, auto accessories, personal care products etc.

Paytm.com: It is an Indian based E-Commerce Company. The Paytmcompany operates the Paytm payment gateway and the Paytm Wallet services.

Indiamart.com: This company provided B2B services. The company runs the business on online business. The online channel focuses on providing platform to SMEs. Large enterprises as well as individuals. It makes doing business easy.

eBay.in: It is one of the online shopping of E-Commerce. It facilitates C2C and B2C sales through its Website.it is an online auction provider and shopping website in which people and businesses buy and sell goods and services.

Makemytrip.com: It is an online travel company. This e-commerce company operates the business through 51 retail stores across47 cities in India.it is very popular for travel deals and discounts. the main service is flight tickets for travel, rail tickets, bus tickets cab service and hotel booking.

Bookmyshow.com: It is the largest entertainment portal for movie tickets, event tickets and sports ticket. Customers can book the tickets through internet, mobile application, WAP, and in house call center

Snapdeal.com: It is one of the Indias leading e-commerce Company. It has a wide logistic network and it delivers to more than 6000 cities in India.

Objectives of Study

1) To study the concept of E-Commerce.

2) To identify the benefits of E-Commerce.

3) To know the challenges in E-Commerce.

Research Methodology

This paper has been written on the basis of secondary data. The secondary data were collected in the form of Books, Newspapers, Journals, Websites, Research papers, Magazines, and official statistical documents.

Review of Literature

1. Abdul Gaffer khan in his research paper electronic commerce a study on benefits and challenges in an emerging economy [2016]. he mentioned that the benefits of e-commerce are reduced transaction costs, increased comforts, time saving, quick and convenient access to information. And some of the challenges are lack of education, poor concept of online marketing, cultural tradition and internet coverage area is limited. He has concluded that e-commerce business faces lot of challenges in flourishing their business.

2. P. Devaraju in his research article the challenges and opportunities of E-commerce in future prospective [2016] in his paper he has analyzed the present trends and opportunities of E-Commerce in India. According to him some of the advantages are improve customer service, reduces distribution cost, helps business globalize. He concluded E-Commerce emerging greatly in India.

3. Sanjay Chaudhary in his research article effect of E-Commerce on Organization Sustainability (2017) in his paper e- commerce is one of the sustainability development measures that can be implemented by business organizations. In his statistical analysis opinion survey he conclude that E-Commerce have positive effect on overall sustainability of an organization. Organizations adopt E-C0mmerce not only in economic reasons but also in Environmental and Social reasons.
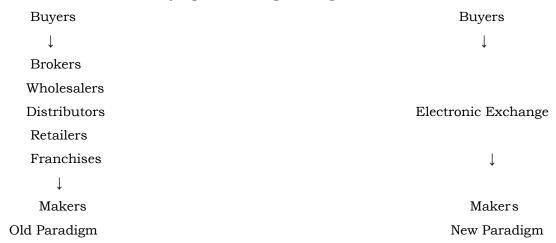
Sustainable Development

E-Commerce creates sustainable development. It initiates that use of E-Commerce to change organizational processes and is improving energy efficiency. By introducing environmentally healthier products and services there by it does not effect on environment. E-Commerce involves online transaction. In online transaction IT based new approach and technology helps to become energy efficient, reduce carbon emission, avoid wastage of resources.

In E-Commerce the products are purchased more conveniently and also know the details of the products in online. The products are going to be in touch with people. As E-Commerce business are open for 24*7/365 due to this the precious time of people can be saved because those time is used for other purposes.

If people need any Niche Products, people can buy easily in online it eliminates travel cost. The travelling cost amount is also saved. This also sustainable development of Economy. These points are lead to Technology improvement, better cost efficiency and improved market presence.

Buying and Selling Paradigms: Old and New

Buyers	Buyers
↓	↓
Brokers	
Wholesalers	
Distributors	Electronic Exchange
Retailers	
Franchises	↓
↓	
Makers	Makers
Old Paradigm	New Paradigm

Benefits of E-Commerce

1. Convenience: E commerce has made people convenient as they can buy everything sitting at a place, saving their time and energy. As people today are very busy, e-commerce made them shopping easily and conveniently and they enjoy doing it as they are available at quick service and easy payable options, attract many. Most preferred way of shopping is E-Commerce because of its easiness.

2. Detailed information about product: People here gets complete information about products and also reviews by already purchased. people makes them to buy the desired product. People can get description and details about products in a better way than at shops.by this people will make decision whether to purchase or not.

3. Comprise warranty information: No matter whether customer checks for the warranty information but they make assure that they see important terms and conditions that are associated with the purchase.

4. Be in touch with people's choice: By e-commerce sellers can easily keep their eye on consumers' trend by satisfying their needs continuously. Best thing in this is traders can know habits and interests of buyers. Being in touch with their needs traders can improve the business. They can retarget their costumers online with the same products or new products with the help of their past browsing history.

5. Atrracting new people: E-Commerce makes reviews and ratings of purchasing goods. it helps the new customers easily to buy. E-commerce is able to beat traditional market. As today all most all people browse to know the new arrivals that are entering into the market and reviews many a times fascinates new buyers.

6. Sell across the world: Shops are restricted to some particular geographical areas where it limits few people. But E-commerce has made it easy as world is a playground can attract people worldwide.

7. Economy: E-Commerce has become economically beneficial because Investments can be decreased like rent, infrastructure, etc. but still can attract many people all around. All needed here business tactics, unique products and well-designed website to reach all the precious customers to sell the products and services. This makes e commerce lot more economical and reasonable.

8. Eliminate travel costs: E-Commerce eliminate travel cost of people and can give comforts to people. As they can purchase anything with few mouse clicks and have a wonderful shopping experience.

9. No personnel: E-Commerce equipping many employees is not needed a complete automation of checkout, billing, inventory management, payments and other type of cost and lower the cost of investors.

10. Stay open for 24*7/365: One of the most important benefit for customers is that they can enjoy shopping anything limitlessly. It can even be beneficial to sellers as they do not have a limited time as like traditional stores and can increase their orders. E-commerce websites are open 24*7/365.

11. Expand markets for niche products: It is difficult for the customers to find sellers physically by the advancement of E- commerce people can buy anything they need from any corner of the world. And can fulfill their needs and desires.

Challenges of E-Commerce

1. Security issue: It has become an emotional factor as they are having some fear about hacks on online payment mode. As anybody can sell their products on online, people are not ready to purchase the product. people have fear in sharing their personal details without knowing seller's complete identity.

2. Customer acquisition force: There should be a strong successful ecommerce interaction between the markets. One of the big challenge faced by e- commerce are issues related to lack in delivery, lack of supply chain, integration, lack of proper courier high charges for products in some areas also make customers frustrated. The problem that early stage of ecommerce startup will face is to get people to come on e-commerce site & make purchase involves high costs due to marketing & advertisement.

3. Product Target: Target marketing becomes one of the most important tools of differentiation. The product which is not satisfactory for the customer tends to be returned. Most of the products take much more time in delivery to reach customers home. time delivery of products may vary from day to month. This is one of the main issues which lead to an overall loss in revenue, reputation, transportation costs.

4. Less Awareness: The customers of India are more comfortable in buying or purchasing products while choosing the product they directly touching the product. About 50% of rural Indians are unaware of the internet & its uses .it is not admirable one when it comes to an average of internet users. At least 50% of the Indian internet users are unaware of a solution for online security.

5. Cash on delivery: Cash on delivery   is one of the best ways of payment for the buyers provide by e-commerce companies. Most of the users denied making the payment at the delivery time of the product. It is assumed that all the buyers are taking benefit of buying products and service on the internet.

Conclusion

E –Commerce is changing the way of buying and selling of products and services in India directly to the customer from internet using the digital shopping cart, E-mail is the best option on how people communicate on the internet to exchange information and find solutions to the problem. The popularity of E-Commerce is improved both globally and regionally due to quick exchanging goods and services. This paper discusses the benefits and challenges of E-Commerce. There is a weak Cyber security law in India that is why Indian people are facing problems in E- Commerce. if all the drawbacks are recovered it will soon be beneficial to India. E-Commerce is totally a new way of business that rely on technology to move goods.it provides multiple benefits to people. Overall E-Commerce is one of the sustainability development measure.

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