Growth Aspects Of e-Commerce In India

Abhishek Tanwar

Researcher, Indira Gandhi National Open University, India

Abstract: We are living in the age of globalization in which information technology plays an important role in day to day dynamics. We use computers as one of the most comprehensive tools which not only solve our queries but also give us guidelines. The Internet is spreading pretty progressively in our country and it's on a rising state. A day without surfing the net is pretty impossible now. Because of this rapid growth of the internet, business has also been transferred to WEB. Business can only work if we understand the customer requirements and then measure the satisfaction involved with it. Measuring the satisfaction requires a herculean effort because customers are always different. Different customers and there comes different mindsets and requirements. Not all customers will be happy with one product, so it's always important to segment the market and then separately examine their needs. The present study focuses on these things to a greater extent.

Electronic Commerce is a process of doing business through computer networks. A person sitting on his chair in front of a computer can access all the facilities of the Internet to buy or sell the products. Unlike traditional commerce that is carried out physically with the effort of a person to go & get products, ecommerce has made it easier for humans to reduce physical work and to save time. E-Commerce which was started in the early 1990's has taken a great leap in the world of computers, but the fact that has hindered the growth of e-commerce is security.

The main advantage of e-commerce over traditional commerce is the user can browse online shops, compare prices and order merchandise sitting at home on their PC.

I. INTRODUCTION

E-commerce alludes to the buying and selling of merchandise and/or services by means of electronic channels such as the Internet. E-trade was initially introduced in the 1960s by means of an electronic data interchange (EDI) on value added networks (VANs). The medium developed with the expanded accessibility of Internet access and the coming of prevalent online venders in the 1990s and mid-2000s. Amazon started working as a book-shipping business in 1995. EBay, which empowers shoppers to sell to each other on the web, presented online barters in 1995.

Like any advanced innovation or customer based purchase market, e-commerce has developed throughout the years. As cell phones turned out to be more mainstream, m-commerce has turned into its own particular business sector. With the ascent of locales such as Facebook and Pinterest, online networking has turned into an imperative driver of e-business. In the starting of 2014, Facebook drove 85 percent of online networking deals on e-commerce platforms.

The changing business sector speaks to a boundless open door for organizations to enhance their pertinence and grow their business sector in the online world. By 2023, overall e-business deals came to $50.8 trillion, and U.S. versatile deals came to almost $273 billion. These figures will keep on moving as mobile and Internet use extend in creating markets around the globe. The tools that can offer you some assistance with determining how to best develop your organization into another portion incorporate PEST (Political, Economic, Social and Technological), MOST (Mission, Objective, Strategies and Tactics)

Trade is an open exchange between two parties, purchaser and merchant. For business to happen, some person must do the offering, and some individual must do the purchasing, and these two parties must share a fundamental comprehension of how the exchange is for the most part expected to stream by them. E-commerce sites can't just make items accessible to be purchased rather play an important role in the business exchange. Many people have a comprehension of trade taking into account their experience as customers and purchasers, and

they carry this involvement with them when they begin shopping on the web. Keeping in mind the end goal to address the client's issues, then, we should comprehend the regular client's experience of customary trade. Most issues with business destinations are because of mistaken assumptions with respect to the site designers about how clients comprehend the structure and components of ordinary trade exchanges. The measure of exchange directed electronically has grown significantly since the spread of the Internet.

An e-commerce model should consist of

✓ A shared computerized business framework, including advanced production and circulation innovations, which will permit business members to make and use system economies of scale and degree.
✓ A refined model for operations, including coordinated worth chains-both supply chains and purchase chains.
✓ An e-commerce administration model, comprising of business groups and/or associations.
✓ Policy, administrative and social frameworks i.e., business approaches steady with E-trade laws, teleworking/virtual work, motivating force plans, among others.

II. HISTORY EVOLUTION AND GROWTH OF E-COMMERCE IN INDIA

Commerce has advanced over the centuries. Before the evolution of cash it was a straightforward "barter process" where things could be exchanged, say milk for grains. The advancement of cash carried with it, the idea of a "commercial center". In a commercial center, Commerce functions by the use of 4 P's – Product, Price, Place and Promotions. All these four parts assume a fundamental part in an exchange to happen. Distinctive mixes of 4Ps decide diverse types of Commerce. Once the commercial center appeared, a couple pioneers understood that individuals would be prepared to pay additional in the event that they could convey products at client's doorsteps. A slight adjustment on Price and Place prompted the accommodation of getting products at their homes. This idea charmed the clients and along these lines, the idea of "Street Vendors" was conceived. At the point when the Postal System appeared the vendors chose to take advantage of the new open door and began utilizing mailers giving depiction of their items. It prompted the idea of "Mail Order Cataloguing". From here, the advancement of the "Tele-shopping" systems was unavoidable with the improvement of media vehicles. The most recent era of business is one that should be possible over the web. Web gives a virtual stage where vendors and purchasers can come in contact for sale and purchase of merchandise and services. They can be a large number of miles separated, might fit in with various parts of the world, may talk distinctive dialects, "E-Commerce" developed as the limit less exchange medium in the period of globalization. Since, Internet can reach the client's home; the Distribution Channel has begun to accept new intending to the B2C and C2C e-Marketer. The Physical delivery got changed over to electronic delivery; physical items are now showed as electronic items on the site. With choices of paying online through debit and Master cards, even the exchange was simply electronic. Another essential P for the e-advertiser, the Promotion, expected particularly on the grounds that there is no up close and personal cooperation between the purchaser and dealer. The center of online advancements is the 'considerable arrangements', 'rebates', "accommodation" offered by the e advertisers.

The bleeding edge for business today is e-business. The vast majority think e business means internet shopping. Be that web shopping is just a little part of the scene. The term additionally refers to online stock, bond exchanges, purchasing and downloading programming while never heading off to a store. What's more, e business incorporates business to business associations that make buying less demanding for huge companies. E-business is by and large portrayed as a technique for purchasing and offering items and services electronically. The primary vehicle of e-business remains the Internet and the World Wide Web, however utilization of email, fax and phone requests are additionally predominant. Electronic trade is the application correspondence and data sharing innovation among exchanging accomplices to the quest for business goals. E-business can be characterized as cutting edge business procedure that addresses the requirements of the association, dealers and buyers to cut expenses while enhancing the quality of merchandise and services and speed up the service delivery.

SCOPE OF RESEARCH

The impacts of e-business are as of now showing up in every aspect of business, from customer service to new product plan. It encourages new sorts of data based business forms for coming to and collaborating with clients web promoting and showcasing, on the web, request taking and online customer service and so forth. It can likewise lessen costs in overseeing arranges and cooperating with an extensive variety of suppliers and trading partners.

As organizations are attempting to make their promoting more compelling regarding acknowledgment among purchasers, we think of it as vital to see whether buyers have a more prominent acknowledgment towards advertising in recognizable or preferred destinations, for example, websites and groups contrasted with non centered websites. Moreover, a few organizations are utilizing more custom-made advertisements to accomplish their objectives and rapid growth, so we will inspect this issue in connection to client's state of mind towards altered promotions.

Web journals and groups are generally made by private shoppers, for particular causes. While a few websites have a greater part of male guests, others are better known among ladies.

OBJECTIVE OF THE STUDY

In view of the announcements in the issue talk, we have achieved the accompanying examination points to be analysed and answered:
✓ To check level of acknowledgement of buyers towards internet shopping.
✓ To understand the buyer's state of mind towards online promotion.

✓ To find the ways by which an organisation can fabricate the uplifting state of mind of a client.

III. REVIEW OF LITERATURE

✓ *Chanana N and Goele S, (2012)* analyzed that the E-Commerce market is thriving and poised for robust growth in Asia. There are players who made a good beginning. Their success depends on their understanding of the market and offering various types of features. This paper gives an overview of the future of E Commerce in India and discusses the future growth segments in India's E Commerce. Also find out various factors that would essential for future growth of Indian E-commerce. And represent the various opportunities for retailers, wholesalers, producers and for people. In this paper I found that the Overall E Commerce will increase exponentially in the coming years in the emerging market of India.

✓ *Einav L, Levin J, Popov I, and Sundaresan N, (2013)* analyzed 56 percent of adults had a smartphone, and most of them used it to access the Internet. One-third of smartphone users report that their phone is the primary way they go online.1 Just as the Internet changed retailing in the late 1990s, many argue that the transition to mobile, sometimes referred to as "Web 3.0," will have a similarly disruptive effect. In this paper, they aim to document some early effects of how mobile devices might change Internet and retail commerce. We present three main findings based on an analysis of eBay's mobile shopping application and core Internet platform. First, and not surprisingly, The early adopters of mobile e-commerce applications appear to be people who already were relatively heavy Internet commerce users. Second, and less obvious, adoption of the mobile shopping application is associated with both an immediate and sustained increase in total platform purchasing. The data also do not suggest that mobile application purchases are simply purchases that would have been made otherwise on the regular Internet platform. Third, we show that while there are some differences in user behaviour across the mobile applications and the regular Internet site, for instance in browsing, the differences are not yet so dramatic. We speculate that one reason may be that a significant fraction of mobile shopping is relatively non-mobile. Indeed, the use of mobile devices for e-commerce appears to be highest in the late evening.

✓ *Ladda S, Bijlani J and Singh S (2014)* analyzed that the eCommerce sector has seen unprecedented growth in 2014. The growth was driven by rapid technology adoption led by the increasing use of devices such as smartphones and tablets, and access to the internet through broadband, 3G, etc, which led to an increased online consumer base. Furthermore, favoured demographics and a growing internet user base helped aid this growth. In terms of highlights, the growth shown by homegrown players such as Flipkart and Snapdeal and the huge investor interest around these companies displayed the immense potential of the market. With the entry of eCommerce behemoths such as Amazon and Alibaba, the competition is expected to further intensify. Both these international players come with deep pockets and the patience to drive the Indian eCommerce market. Also, their strong domain knowledge and best practices from their international experience give them an additional edge. Additionally, these companies have been part of markets where they have seen the eCommerce market evolve and are aware of the challenges and strategies to address issues thereof. Indian companies realise this, and are therefore aiming to continue their focus on expanding sellers and selection on their platforms, innovating on multiple customer touch points, and providing seamless and rapid delivery services in order to compete with the international entities. Competition is expected to continue, with these eCommerce companies experimenting with different ways to attract customers and increase online traffic.

✓ *Singh J, (2014)* said that the multi-billion dollar Indian e-Commerce industry is set to see consolidation in the next 4-5 years with only 2-3 big players surviving the market "bloodbath". "There is going to be a bloodbath in the market. It will all depend upon a company's capacity to bear losses. It also added, businesses were expected to gain sales revenue from traditional/offline channels with sellers following a dual strategy of combining online with offline sales. At the same time, Tier II and III cities are expected to have a faster adoption rate with greater sales margins derived directly from online channels.

IV. RESEARCH METHODOLOGY

A Research Methodology characterizes the reason for the exploration, how it continues, how to quantify progress and what constitute accomplishment as for the destinations decided for completing the examination study.

Exploratory research: this sort of research has the essential goal of advancement of bits of knowledge into the issue. It thinks about the principle zone where the issue lays furthermore tries to assess some suitable course of action.

RESEARCH DESIGN

The research attempted in this undertaking is exploratory; it tries to depict precisely the attributes of a specific circumstance, individual or a gathering. An arrangement of precise endeavour was followed to accomplish the objectives of the project. The whole research was done with the potential customers who make the actual purchases of the goods.

DATA COLLECTION

PRIMARY DATA: Primary data is collected by the help of self-administered questionnaire which is being filled by the potential customers. The SAMPLE SIZE of 150 respondents is taken for the analysis and the data is restricted to Delhi/NCR.

SECONDARY DATA: Secondary data has been collected

through reports, articles journals, magazines by various the organizations in the related sector.

DATA COLLECTION INSTRUMENTS

The data is being collected by the help of survey method. The survey was conducted by collecting response though questionnaires filled by the customers. Questionnaire method was chosen for the survey to check the awareness of the consumers about e-commerce and their interest in online shopping; moreover, questionnaire method is more speedy and versatile.

V. DATA ANALYSIS & INTERPRETATION
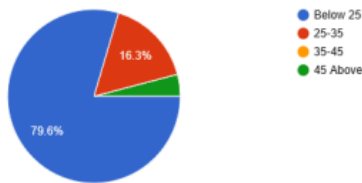
Source: Author
Figure 1: Responses On The Basis Of Age Group

The majority user of e-commerce lies below the age of 25 years as they occupy 79.6% of the total number of respondents which means the youth of the country is well known with the use of e-commerce and habitual of using e-commerce to fulfil their daily needs. The another age group which comes into the picture is 25-35 years with the percentage of 16.3% which shows that the use of e-commerce is being adopted by the people many years ago and the use is increasing with the upcoming generations drastically. The third group which is highlighted in this research is the age of 45 and above which is 4.1% of the total respondents shows the literate or highly educated people living in the society who can use the technology without facing any problems.
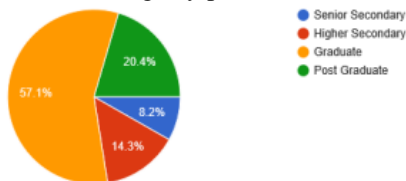
Source: Author
*Figure 2: Responses On The Basis Of Educational Qualification*

The analysis shows that the majority of the respondent's Educational Qualification was Graduates in the research as they constitute 57.1% of the total number of respondents. The second group which gets focused is the Post Graduates constituting 20.4% followed by Higher Secondary constituting 14.3% and lastly by Senior Secondary constituting 8.2%of the total number of respondents.
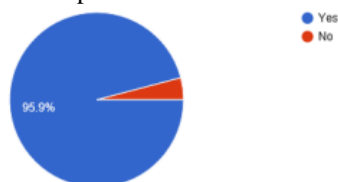
Source: Author
*Figure 3: Responses On The Basis Of Awareness About E-Commerce*

More than 95% of the total respondents are aware about the term e-commerce. They know the use of e-commerce websites as well as the benefits of using e-commerce. Only a small portion constituting 4% don't know about the term as well as the benefits that arise out of e-commerce.
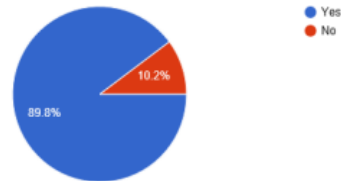
Source: Author
*Figure 4: Responses On The Basis Of Online Shopping Preference*

Out of the total respondents, 89.8% respondents prefer online shopping which means the growth of e-commerce will continue in the long run when the remaining 10.2% of respondents will start preferring online shopping through e-commerce websites.
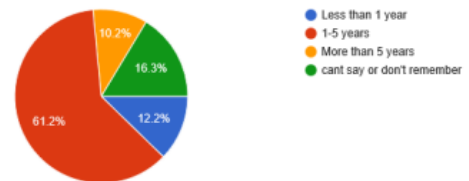
Source: Author
*Figure 5: Responses On The Basis Of Experience Of Using E-Commerce*

People have experience of using e-commerce for more than 5 years which means that people have adapted the usage of e-commerce long back. The majority of the respondents have experienced working on e-commerce from 1 – 5 years which means the drastic growth of the industry will be seen in the picture very soon and many of the respondents don't remember from how long they are using e-commerce in their lives, so it can be assumed may be that have adopted this industry long back.
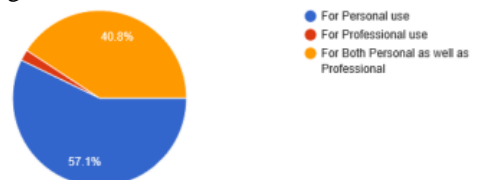
Source: Author
*Figure 6: Responses On The Basis Of Purpose Of Using E-Commerce*

The purpose of using e-commerce is majorly for the personal use like for buying products of daily needs, clothes, accessories, and so on. Then the people use e commerce for personal as well as professional use like ordering products which help them in their routine course of work. And lastly the remaining 2.1% respondents use e-commerce only for professional use.
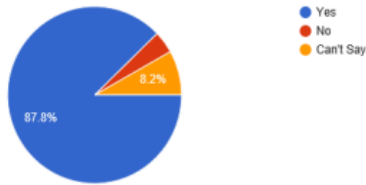
Source: Author
*Figure 7: Responses On The Basis Of Application Of E-Commerce*

Almost 88% of the respondents think that the application of e-commerce have increased in India as people have started searching for e-commerce in most of the cases and need e-commerce as an option in their purchases. Hardly 4% of the respondents think the application of e-commerce doesn't increase in India. And the rest of the respondents constituting 8% could not judge whether the application of the e-commerce have increased or not.
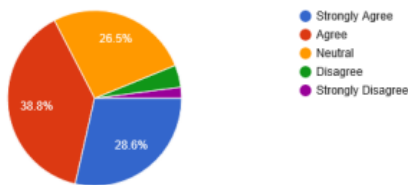
Source: Author
*Figure 8: Responses On The Basis Of Convenience Of Buying*

The analysis shows that 38.8% of the respondents agree with the statement that internet is a convenient source for buying the products, whereas 28.6% of the respondents are strongly agree with this statement followed by 26.5% who are neutral and don't say anything in this regard while 6% of the total respondents combining together say that they disagree and even strongly disagree with the statement of convenience of buying products online.
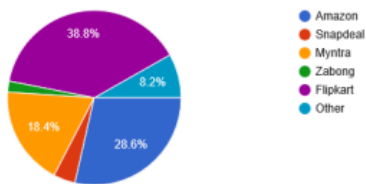
Source: Author
Figure 9: Responses On The Basis Of Preferred Website For E-Commerce Purchase

The maximum number of respondents buys product from Flipkart constituting 38.8% followed by amazon with 28.6%, then by Myntra constituting 18.4% and the remaining respondents buy products through snapdeal, Jabong and other websites constituting 14.2% of the total number of respondents.
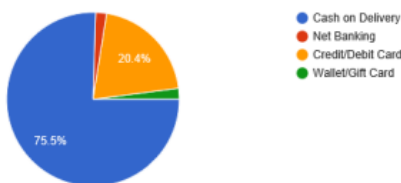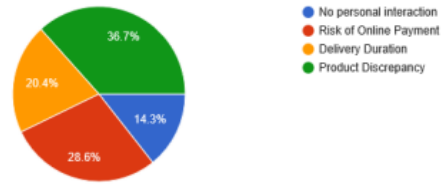

Source: Author
Figure 10: Responses On The Basis Of Mode Of Payment Used While Shopping Online

Cash on delivery is the best mode of payment known through this analysis as it constitutes 75% of the total responses filled by the respondents. The second best mode of payment which is preferred is the plastic money namely credit and debit cards constituting 20% and the remaining 5% of the respondents prefer net banking and wallet and gift cards as their mode of payment while shopping online.

Source: Author
Figure 11: Responses On The Basis Of Problems Faced In The System Of Trading

Product discrepancy (36.7%) is the major issue faced by the people, they do not find the product of good quality which is shown virtually to them on e-commerce websites. The people (28.6%) hesitate to go for online payments as they have a fear of getting cheated or frauds. People (20.4%) face the problem with the late delivery of their products and, there is no personal interaction during the time of purchase is least problem faced by the respondents.
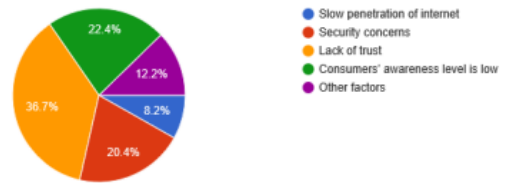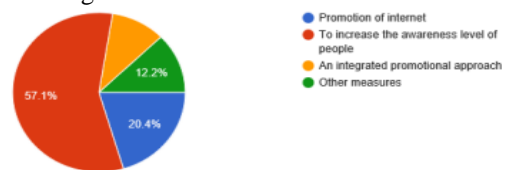

Source: Author
Figure 12: Responses On The Basis Of Challenges In The Implementation E-Commerce In India

Lack of trust (36.7%) is the foremost challenge in the implementation of e commerce in India. People do not have trust over online transactions as compared to traditional transactions or physical transactions. As people have the fear of extra charges or online frauds or getting wrong amount of money debited from their bank accounts. The second foremost challenge is the awareness level among the consumers (22.4%) which is very low as suggested by the respondents. The companies should use different strategies to bring the awareness to the people of all income groups and the society, so that more and more purchases can be done online.

Security concern (20.4%) is also a challenge which stands infront of the e-commerce companies while implementing e-commerce in India. Lastly some other factors (12.2%) which people face as challenges in the e-commerce industry and also the slow penetration of internet (8.2%) are the problems faced while implementing ecommerce in India.
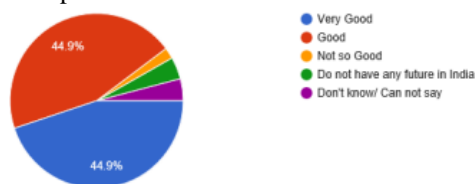

Source: Author
Figure 13: Responses On The Basis Of Measures Recommended For The Promotion Of E Commerce In India

Respondents recommended some of the promotion

measures like 57.1% of the respondents recommended to increase the awareness level of the people. 20.4% of the respondents recommended the promotion of internet. 10.1% of the respondents recommended an integrated promotional approach and 12.2% of the respondents recommended other measures for the promotion of e-commerce in India.

Source: Author

Figure 14: Responses On The Basis Of Future Of E-Commerce In India

The future of e-commerce is very intense as 90% of the respondents said that e commerce in India has a great future which means e-commerce will attain a good growth in the future and people will start using e-commerce more frequently as compared to current scenario.

VI. FINDINGS

Some of the findings from the study that might stimulate the degree of change from the conventional strategy are given below.

✓ The volumes in the Indian market lie in the middle and lower middle class. The growth and impact of e-retailing in India would be directly proportionate to the penetration of the internet in these categories. Currently access costs are very high. These access costs are a function for two variables:

The cost of acquisition of computers would be a pre-requisite for internet penetration. It is typically observed that the probability of customers making a purchase on the net from a cyber café is very low. Cyber cafes are mainly used for checking mail and other planned search activities. Thus it is necessary for customers to possess a computer with an internet connection to improve the scope of e- business.

The cost of connectivity that basically refers to the expenses, incurred in the telephone bill and internet subscription costs In order for the Internet levels of the internet to improve, these costs have to reduce thus encouraging more customers to become net savvy.

✓ Average literacy rates are also an important factor though a large percentage of the population watches TV and is able to appreciate the nuances and meaning of the commercials that are aired, Literacy would be an important factor in increasing internet penetration besides actually increasing the accessibility of the bet as a medium of business.

✓ The cultural factors and Indian traditions are a key impediment to the development of e retailing shopping in India is not just a chore, it is an enjoyable experience. In the west most of the families shop on the week end to shore up glossaries and provisions for the coming week it is viewed as a task that has to be completed. In such a scenario, the Internet with its apparent benefits of greater speed, convenience and information provided those with an attractive option the situation in India however is completely different.

From the traditional Indian house wife purchase of vegetable/ Glossaries by bargaining with the shop keeper is an important event in the day. Add to this the fact that a large percentage of consumer purchases in India occurs in an around festivals. This implies a lot of color fund and gaiety that would be missing in the case of on line shopping.

✓ All the above points have focused on the B2C model of e-business. In the B2B model in India, the key driving factor is relationship. It would take a significant amount of time to build the required level of trust in an online relationship. Thus, a large part of the B2B volumes would be driven by establishing connectivity among existing business partners.

VII. CONCLUSION

The retailing through internet is now considered as a substantial part of organization strategy, so while formulating the strategy, one should consider the relevance of Internet commerce.

There are divergent views on the future of e-commerce in India. Some experts are of the opinion that the giant, big brand retailers would dominate the small ones due to their wider investment capacities. It would be next to impossible for the small retailers and the kiranas to prove their existence in the battlefield of online retailing. Another viewpoint is that there would be an exponential growth in the online retailing business in India.

A basic fact of e-commerce is that all websites are created equal as far as the location imperative for success in retailing is considered. No sites are closer to its customers. This makes it vital that business makes customer to come back to their stores. The key to this goal is to optimize factors such as efficiency, personalization, socialization, the look and the feel of the site, offering incentives to purchase and security.

✓ Performance and services: The site must be efficiently designed for ease of access, shopping, buying, with sufficient server power and telecom capacity coupled with marketing, ordering and customer service.

✓ Personalization: It should personalize your shopping experiences encouraging you to make repeated visits. Many sites register their customer and personalize according to them.

✓ Socialization: Giving online customer with similar interests a feeling of belonging to unique group of like-minded people helps to build customer loyalty and value.

✓ Look and feel: Websites can offer attractive virtual sore front and may provide multimedia experience.

✓ Incentives: Web stores must offer visitors to buy and return coupons. discounts, special offers and vouchers for reimbursement on purchases made online or otherwise.

Another area of research being attempted by marketers in developed countries seeks to look for differences between the profile of the Internet shopper and the Internet user. The profile could provide information on psychographics - such as

attitude towards buying products on the Internet, risk-taking and lifestyle orientation.

The major achievement for the online retail giant was that it had turned profitable despite challenges like dotcom bust. The future depended on how it tackled current challenges like increased competition in online retail and e-commerce, building large customer base, greater brand recognition, and a good financial performance. It also had to reward the stakeholders by earning profits on a steady basis. As online retailers in India was techno-savvy it, needed to upgrade and incorporate technological innovations to ensure website accessibility at all times. An analyst mentioned, "No one else has this kind of expertise because no one else has invested the capital to build this kind of 'infrastructure.

To conclude, with effective strategies, the right use of technology and Internet penetration will help this retail sector grow at a much faster pace, which in turn will benefit not only vendors and consumers in metros but those living across India.

VIII. RECOMMENDATIONS

✓ The barriers to Internet commerce have included concern about the security, reliability and poor performance often experienced by consumers form Internet congestion, slow modems, the use of large graphic files and others. So, to overcome these barriers, the organizations should take care of features like - security, Reliability, Internet traffic congestion's, slow moderns and the use of large graphic files.

✓ Selling on line in not as easy as seems to be. So pricing, customer service, logistic, infrastructure investment and marketing are the major issues.

✓ Online retailers in India should have a delivery system in and outside the country, which ensures timely distribution of goods and services. The delivery system should be amongst the Primary concern of the organization.

✓ Having a web site in not enough. Like any retail outlet, it has to be serviced at regular intervals.

✓ One should advertise not only on popular search engines like Yahoo or altavista simple because lot of people log in there, but one should advertise according to his target customers.

✓ As the infrastructure in India is not yet developed, so one should not get web shops which are heavy on graphics and other special effects. This is so because downloading takes much time and one can lose his impatience customer.

REFERENCES

[1] Chanana, N., & Goele, S. (2012). Future of e-commerce in India. International Journal of Computing & Business Research, 8(1).

[2] Einav, L., Levin, J., Popov, I., & Sundaresan, N. (2014). Growth, adoption, and use of mobile E-commerce. American Economic Review, 104(5), 489-494.

[3] Sharma, S., & Mittal, S. (2010). Prospects of e-commerce in India. Proceedings of ISCET, 2, 43-44.

[4] Indian E-COMMERCE growth in 5 years (2014) retrieved from: http://trak.in/tags/business/2014/10/24/indianecommerce-growth-5years/

[5] Google Scholar. (n.d.). https://scholar.google.com/scholar?hl=en&as_sdt=0%2C5&q=E-Commerce+in+India+-+Accelerating+growth+%28PWC%29+-+2014&btnG=

WEBSITES

[1] www.business.com
[2] www.forrester.com
[3] www.iamai.in
[4] www.zoho.com
[5] www.bigcommerce.com
[6] www.amazon.com
[7] www.walmart.com
[8] www.ebay.com
[9] http://www.busniessweek.com/magazines/content/02_05/b3768079.html