



## Prospects of E-Commerce and its future implications in India

**Miss. Pinky Dholakia**

Assistant Professor,

Department of Management,

Shree Sunshine Group of Institutions,

Rajkot, Gujarat (India)

*Abstract: Electronic commerce has unleashed another revolution that is altering the manner businesses acquire and trade services and products. Electronic commerce is electronic commerce and refers to goods and services through electronic media. E – Commerce is showing great expansion in India. Availability of PC at the nominal cost and additionally increasing use of Internet is one of the reasons for this. Among the business community there is mounting consciousness in India on the opportunities offered by electronic commerce. For e – commerce in India the future looks very intense smooth the stock markets coming online that provides a portfolio of equity and online status with a delay of fifteen minutes in prices.*

*Keywords: Electronic commerce, Policies and Regulations, the system dynamics.*

### I. INTRODUCTION

As a symbol of globalization and in many ways its main feature, e-commerce represents the forefront of success in this digital era. Electronic commerce is electronic commerce and refers to goods and services through electronic media, ie Internet or telephone. On Internet, refers to a website that trades products or services straight from the site using a shopping farm cart or shopping cart system and allows credit card payments. It is conducting business with the help of electronic media, making use of information technology such as Electronic Data Interchange (EDI). In simple words, e-commerce involves buying and selling goods and services on the World Wide Web. Customers can buy anything from a four wheeler or a chocolate having leisure in his comfort zone and a gift to someone sitting miles away with just a click of the mouse.

### II. E-COMMERCE: AN OVERVIEW

India is showing strong growth in e-commerce. Tradeindia.com Rival has 700,000 registered buyers and has the growth rate of 35% per year, which is likely to double by 2010. Indiamart.com says revenues of Rs. 37 crores and with an expansion rate of 50 per year. Receives about 500,000 visits every month. Definitely, online shopping shows unlimited potential in India with the middle class of 289 million people. The real estate prices are shooting the limits. Fee travel portals in the online business contributed 50% to Rs 4,900 crore online markets in 2008-09. The travel portals have reached Rs 1,000 crore turnovers, which are about 20% of total e-commerce market in India. In addition an annual growth of 65% has been provided annually in travel portals alone.

### III. SCOPE OF E-COMMERCE

In India the swift expansion of e-commerce is being obsessed by increased client's choice and improving comfort. Together with the class one level of service is significant to accomplishment having a strong business model. Before exploring these aspects is important to understand the unique attributes that define e-commerce in India. Amrish Rau, ICICI Merchant Services and First Data India, CEO, talks about. Among the total usage India has around 50 million internet uses.

In comparison of UK and US the diffusion of e – commerce is considerably low, with the large number of new participants it is growing at a much faster pace. The business harmony is that expansion is at a turning point to be key factors:

- Increasing broadband internet (which grows to 35% MoM) and the penetration of 3G
- Rising living standards and a flourishing of rising middle class with high disposable incomes
- The availability of a wider range of products (including online purchase of global retailer's sellers and straight purchases) as compared to what and how much is accessible in brick and mortar retailers
- Mainly urban traffic congestion, lack of time an busy lifestyles for shopping online
- Lower costs in comparison to brick and mortar trade obsessed disintermediation and inventory and building costs reduced.



#### IV. MARKET SIZE AND GROWTH

E-commerce market in India is worth about Rs 50,000 crore in 2011. About 80% of this is related to travel (air tickets, train tickets, hotel reservations, online mobile recharge, etc.). Retail online comprising about 15%. India has about 11 million online purchasers and is mounting at a predictable CAGR 45-50% vis-à-vis the overall growth rate of 10.8%. Electronics and clothes are the major categories in terms of sales.

#### V. FEATURES OF INDIA

Some of the defining characteristics of e-commerce in India are:

Against reimbursement as a form of payment. India has a vibrant monetary economy as a result of which 80% of e-commerce in India is inclined to be cash on delivery.

Straight imports are an important component of online sales. The need for international consumer products (including international purchasers online trading) is mounting faster than supply in the country dealers. A urbane logistics and technology to generate a global supply chain is used by E-commerce that permits consumers to deal online international duty paid products are delivered to your door.

#### VI. STATE OF E-COMMERCE IN INDIA

Today E-commerce is a synonym for Indian society and is considered an essential part of our day to day life. Various web sites provide end number of goods and services. Additionally there are those that provide a specific product, together with its allied services Multi-product e-Trade- These e-commerce portals in India provide goods and services in various grouping. Listing just a few, apparels and accessories for man and women, wellbeing and magnificence products, computers and peripherals, vehicles, software, books and magazines, consumer electronics, appliances, jewelry, audio / video, entertainment, goods, articles gift, Real estate and services from a single product of e-commerce portals Some Indian agreement / websites in a specialized field, such as:

1. Automobiles – These sites provides you an option of buying and selling your products by uploading and sell four wheelers and two wheelers, new and used vehicles, online. Some of the services offered are: car research and reviews, online assessment, technical specifications, vehicle insurance, vehicle financing.
2. Stocks and shares and E-trade- In India today, through e – commerce you can even cope in with equity. Following are the services offered to registered users: Online purchase / market analysis and do research, sale of stocks and shares, company information, comparing companies, Research on Equity and mutual funds.
3. Properties and E trade- provide information on new properties and resale properties. With the developer and consultant one can directly deal. Additional Services: Insurance companies, NRI, Packers and Movers services, Housing Finance, architects and interior designers.
4. Lifestyle and E-trade-India with a prosperous background has a sound heritage of electronic commerce and is instrumental, largely in selling India itself being product, cheering Indians and foreign person for its multifaceted culture and beauty . Tourist sites are classified according to topics such as: Adventure - trekking, mountaineering, etc, Eco-Themes belongs to forests, flora and fauna.
5. Gifts and E-trade- In recent days, had to plan what to gift to a loved one, trudging through your favorite store, and browse for hours before buying a gift. The gifts are classified as: Collectibles such as paintings and sculptures, luxury items such as, household curios and carpets, jewelry boxes, leather goods, perfumes, etc, flowers, toys and games, chocolates, woodwork and metal -art.
6. Hobbies and E-Commerce- The most popular pastimes since time immemorial are reading, music and cinema. The books cover a wide range of topics such as business, art, cooking, Engineering, Stories for Children, Health, Medicine, Biographies, Horror, Home & Garden, etc.
7. Marriage and E- Commerce- In the world of e-commerce that are made about marriage portals .One can find a suitable partner on their websites by region of dwelling (India or a foreign country), creed or social group. Related services for registered users: Health and Beauty, Fashion and Style, Information on traditions and ceremony, legal issues, Wedding Planners, Astrological Services.
8. Employment and E-trade- Two major portals like [www.naukri.com](http://www.naukri.com) and [www.monsterindia.com](http://www.monsterindia.com) are active in approaching clients with appropriate jobs the click of a mouse. The service is free to job seekers and employers who charge a nominal fee. The papers are accessible online in field's series from clerical software development and real estate education.

#### VII. BENEFITS OF E-COMMERCE BUSINESS

On the opportunity provided by E – Commerce there is a mounting consciousness between the business communities in India.

Accessible to Internet and navigation are critical factors that will lead to a rapid adoption of net trade. Safe and secure forms of payment are critical and time consuming giving birth to need to discover and disseminate innovations such as mobile commerce.



There are reports by India Reports which provides accurate and easy to understand India specific reports which capture trends, business map landscapes and reports tailored to specific needs. Other reports available in India Reports are in retail, outsourcing, tourism, food and other emerging sectors in India.

- Easy to get to an online community of rapid growth
- Unconstrained projection place for services and products
- Combine the overall limits of geographical areas and time
- At no operating cost reaching out to each corner of the world.

Research work has pointed out various reasons accountable for the unexpected increase in the growth of E- Commerce in India such as:

- Internet user base increases rapidly
- Technological advances such as VoIP (VoIP) have bridged between customers online
- The surfacing of blogging as a way to disseminate information and one to one communiqué for ecommerce providers and online retailers
- Technologies improved fraud prevention offering a safe and secure business and help prevent credit card fraud, identity theft and phishing
- Increased web presence of SMEs and businesses due to lower marketing costs and infrastructure.

### **VIII. FUTURE OF E-COMMERCE IN INDIA**

Today, we are talking about levels ecommerce progress of India's seventh largest by geographical area, the second most populous country and the most populous democracy in the world. India and Commerce percentage of space is growing as more and more online retailers enter the market. Although this level of entry into the e-commerce market is good from a long term perspective, the challenge is that most entrepreneurs do not have the resources or capital than wait years before they can profit.

The last two years there has been an increase in the number of embracing e-commerce technologies and Internet companies in India. Most e-commerce sites are designed for NRI services delivering gifts, books, audio and video cassettes etc. main portals of India instead of relying on advertising revenue has also shifted towards e-commerce. The web community construct around these sites with content have been targeted effectively to sell everything from event tickets and movie supermarket and computers. This does not mean that the stage of electronic commerce has been bad in India as a great success of e-business as Bazaar baba and India have shown mart. Banks in India have also been very successful in adapting the EDI Technologies to offer clients with account status in real time, transfer funds between checking, stop payment facilities and checking accounts, UTI-Bank, ICICI Bank, and Global TRUST BANK have also set their electronic banking via Internet services in place for next to the e-commerce market normal speed post also to clone the Federal Express history with the package status online at any point in time.

The future looks extremely brilliant for the e-commerce in India with the stock markets coming online that provides a portfolio of equity and online status with a delay of fifteen minutes in prices. The day may not be far off when the RBI regulations will be able to see values transfer and sale through the network with specialized services.

### **IX. DRIVERS OF GROWTH**

The impressive facility of huge variety of products and services which can be purchased on Internet is making the buying more lucrative and convenient with increasing incomes of the customers.

We believe it is the simplicity of the transaction processes to facilitate and encourage the adoption of electronic commerce. Thus there is immense work going on continually redesigning and review the process to make it as simple and easier as possible for the clients. For instance, with the overall experience of First Data we are able to offer multiple payment channels to our merchant's interactive voice response, ranging from e-commerce, POS terminals, e-POS and batch processing. Building consumer confidence is key and prevail over concerns about the peril of deception is vital. The enhanced security measures introduced by the RBI through the second authentication factor were an important event, so safer to reduce fraud and risk transactions. With comprehensive safety standards in place, traders still have to be careful to choose a purchaser with proven service reliability and speed of transaction to guarantee a highest grade of customer service is accomplished record.

Besides ensuring greater safety, consumers are also likely to be tempted in line with innovative and highly suitable methods to pay. First Data and ICICI Merchant Services are fine located to distribute these new payment instruments and will work intimately with the supervisory body to organize worldwide resolutions locally.



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#### AUTHOR'S PROFILE

Pinky Dholakia lives and practices the belief that we need to be aware of, assimilate and respond to the dynamics and challenges of the era. While pursuing doctorate in E-Commerce and more than eight years of experience in teaching and research in the academic; she at present, is Assistant Professor at Shri Sunshine Group of Institutions, Gujarat Technological University, Rajkot. She has to her credit, research papers, published in some of the leading national and international journals.