

# E-Commerce Emergence and Development

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## ABSTRACT

The revolution of Information Technology has a considerable effect on the development of doing business across the globe. IT has made business processes so fast that everything is just a click away. Now a day no business can top the game without the inclusion of IT. Therefore it's a boon for E-commerce industry. E-commerce has changed the way of doing business. In this modern era E-commerce has significant influence on the business environment. The business model of new start up's are highly influenced by advent of E-commerce. E-commerce is an area of considerable importance in the field of business research, thus the study was conducted to have a deep insight into both sides of the coin. However the research on linkage between IT and business has been made much in the past yet the presence of quantity valuable literature is not sufficient. The researcher has tried to fulfill the gap.

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## 1. Introduction

These days E-commerce is spreading more in emerging economy day by day. E-commerce comes into existence in 1995. Due to improvement in the communication technologies it results in climacteric transformation in human life. It also brings change in shopping styles. Day by day online shopping is becoming a platform to transact buy and sell between the trades to consumers and consumer to consumers as well. Through E-commerce companies make sure to take advantage of just in time production and distribution. E-commerce is the term can also be defined as buying, selling, promoting and distributing the product through online platform. EC is the distribution of products, services, information or payments via computer network. The trend of e-commerce is increasing with the passage of time as it gives freedom to choose a product with unlimited variety with 24\*7 services. It is very much useful as it delivers products quickly and informs consumers about newest products. It is very useful for entrepreneurs too as it is more beneficial to them because it doesn't need physical appearance which reduces their cost of storage, decoration and mainly employee expenses etc. Usually the most traded are the following types of E-commerce (B2B) Business To business, (B2C) business to consumers, (C2C) consumer to consumers, (C2B) consumer to business, (B2G) business to government.

## 2. Review of literature

Ohidujaman, et al 2013: Information technology and e-commerce are closely interrelated in developed countries. But they can attain tremendous benefits to developing countries if it is accepted as competitive advantage for the corporates. E-commerce is an innovation in business practices.

Nanekaran, 2013: Electronic commerce has created lots of opportunities for the global travel and tourism industry. Switching from traditional business models to E-commerce method is difficult and there were many lucrative factors for corporate houses to adapt the E-commerce.

Jeffrey S. Ray-2011: E-commerce technologies can improve business processes and increased efficiencies, if implemented properly. Adoption of E-commerce technologies should result in advancement to developing countries, but have not produced the targeted results.

Anupam-2011: The word commerce is defined as transactions conducted between business associates. Electronic commerce is an evolving concept that explains the process of buying and selling or exchanging of goods, services and information with the help of computer networks including internet.

Hasan, 2010: analyzed that e-commerce has increasingly become a vital component of business strategy and a strong motivation for economic development.

Laudon and Traver: Commercial transactions involve the exchange of money across various organizations or boundaries in return for products and services. Exchange of value is crucial for understanding the concept of e-commerce. No commerce occurs, without an exchange of value.

Clayton and Criscuolo: E-business has changed entirely the processes within and between organizations. Electronic Data Interface (EDI), was widely introduced in 1960's and exhibited how information could be directly transferred within enterprise's supply chain network.

## 3. Objectives

1. To get insight into the concept of E-commerce.
2. To analyze the key variables that has influenced increased usage of the E-commerce.
3. To determine the opportunities and challenges of E-commerce.

## 4. Research Methodology

The paper is qualitative in nature. The researcher has used the secondary data that was collected from journals, published books and magazines.

## 5. Benefits

Ecommerce benefits traders in such a way that they requires low startup cost as compared to traditional physical stores.

- 24 \*7 incomes as the online stores are open every time regardless of day or night.
- Traders get advantage to sell their product to any country, any city or any region of the world.
- Easy to display or showcase products. Ecommerce helps traders not to waste time or money to showcase one customer it can showcase it to lakhs of customers at one time.
- Low employee cost as it requires fewer employees to handle such a large number of customers even they can work from anyplace.
- Customer Data can be saved easily so next time when customer comes to shop it only gets the product related to the shopped in last purchase without wasting time.
- Ecommerce enables traders to process high number of order at one time.
- If traders provide good product to customers it enlarge customer base which attracts more customers very easily and helps in super growth of the business.
- It constructs good brand image in market which enables customers not to hesitate while purchasing if customers have listen the name of website.
- Customer save time and easily purchase a product any time in the world.
- Customer is given credit and finance facilities with EMI option.
- Product description is given in deal whether innermost someone want to purchase a product or not he can get information free of cost.
- Consumer Can sell or buy a product or service anytime when he want to from any website or e commerce platform.
- All the transactions regarding purchase or sale are saved in the login ID of consumer.
- If consumer doesn't like the producer or it is not according to his requirements he can replace or return the product.
- All the transactions of sale or purchase are done at a place which is convenient to customer.
- Due to competition between online sellers consumer gets benefit of high quantity products at very low prices.
- Attractive offers and discount benefits ate offered to customer during occasions and events.

## 6. Challenges

- Due to growth of e commerce the business scale of traditional shops are declined as many customers have started buying online this leads to loss to local businesses.

- In Developing countries like India the renowned e commerce websites or platform are owned by foreigners they brought huge profits to their countries.
- Many of e commerce sites have made fraud this leads to situation of fake,no believe among customers.
- Sometimes e commerce sites are blocked, crashed in such a situation none of orders are processed as well as money is blocked too.
- Customers feel lack of personal touch of product.
- Can't get the product immediately as in traditional market go and take product home in this have to wait for some days
- There is lack of security, reliability of confidential information about credit, debit cards as well as about personal information that can put to wrong use.
- Initial start-up cost is high and most of the costs are fixed can't be ignored.
- Although E-commerce is growing at fast pace but it is still in infant stage.
- In developing countries people are habitual to but a product by negotiating price but it is not possible in e commerce.
- High Price of Internet people from village or backward areas or low income group can't afford Internet.
- Due to lack of education people are unknown to buying procedure or doing transaction online.
- It lacks personal relation, experience of direct meet with customer.

## 7. Opportunities

- Customers save time and easily purchase a product any time in the world.
- Customer is given credit and finance facilities with EMI option.
- Product description is given in deal whether innermost someone want to purchase a product or not, he can get information free of cost.
- Consumer Can sell or buy a product or service anytime when he want to from any website or e commerce platform.
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## 8. Conclusion

A developing country can be modernized, if they adopt and implement E-commerce effectively and efficiently. It will enhance its output in terms of GDP and will lead to its competitive advantage. The E-commerce revolution has changed the methodology of doing business and has introduced new opportunities. No doubt, it has also strongly

impacted business, but it also has created new way of doing business and has made life easier.

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