

A Review on Prospect & Problem of Electronic Commerce's Service in India

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ABSTRACT

As part of data technologies & revolutions, electronic commerce has been extensively utilized in global trade general & Indian economy in particular. Changes in business transactions technique have been occurred as result of technological advance. India, as quick learner, is keeping up with present state of an electronic data exchange & has been embraced e-commerce. E-commerce stands for electronic commerce & refer to exchanging of products & services via internet. In field of ecommerce, India is exploding. One of reasons for this is cheap cost of PC & the increasing usage of Internet. In India, business community is becoming more conscious of possibilities provided by e-commerce. Textile sector is country's second biggest industry, accounting for 14% of GDP. India has seen significant development because to e-commerce & technological automation applications. E-commerce is linking rural India for commercial purposes, resulting in development of village economies. In India, ecommerce seems to have bright future. E-commerce not only expands commercial possibilities, but it also expands educational & intellectual opportunities. It addresses important consumer concerns about e-commerce, such as ethical problems, risk perceptions in e-service interactions, & difficulties for e-business education & the legal system. Backbone of industry development is new innovative technologies in electronic & IT applications. This can only happen if E-commerce supports & complements engineering industries growth & very large scale qualities manufacturing in India. To grow rural India, India has to encourage E-commerce Company by creating better communication to map value of products created & make goods & services accessible to customers at cheap cost. textile garment industry has benefited greatly from E-commerce through online web portals, but consumers in rural India must be given trust via educational programs.

Keywords

Electronic, Services, Ethical Issues, Perceptions, Legal System.

1. INTRODUCTION

Due to its fast & efficient method of trading products & regional & worldwide services, e-commerce has grown in popularity dramatically over past several decades. Huge opportunity for the e-commerce in India, with 12 percent increase in e-commerce retail sales in 2010-2011 fiscal year. Current research is conceptual survey that is exploratory as well as descriptive. It tries describe idea of ecommerce, e-commerce business models, & distinctions between conventional & digital commerce, benefits & limits of digital commerce, & problems. It finds that e-commerce provides number of advantages to different stakeholders. However, there are many restrictions, legal & technological obstacles growth in India at this time, may vanish in next year. As

result, people must prepare themselves to embrace electronic commerce, which is an apparent result of globalization & technological development across world [1,2].

E-commerce, in its most basic form, is buying as well as selling of goods & services via Internet by companies & customers. Internet sale are fast growing like customers take benefit of wholesalers' reduced pricing when they retail their goods. As online sites handle customer security & privacy concerns, this trend is expected to continue. Due to fast & easy method of trading products & services both locally & internationally, e-commerce has grown in popularity dramatically over past decade. It has now evolved into world's virtual main street. E-commerce has evolved into multibillion-dollar business. According to study performed Internet & Online Association of India, total value of E-commerce operations surpassed Rupees 05.700 billion. Goals of this paper are to examine present state, to forecast, investigate difficulties that digital business participants face in India. Current research are an abstract survey that is both tentative & expressive. Secondary data may be found in variety of publications, on internet, & in books [3,4].

2. MEANING OF E-COMMERCE

In basic terms, E-commerce is taking activities that your business currently does in person, through mail, or over phone & transferring them to location. It also refer to any kind of commercial activity that takes place via Internet. This may include e-commerce, business-to-business, online advertising, intranets & extranets, & it's simply online presence kind that utilizes communications. Reduced by internet surfing fees, internets technological advancements such as more bandwidth, faster speeds, & greater dependability have made e commerce accessible to significant number developing markets customers.

The India has over 0137.0001 million internet user as June 2012. E-business access restricted in comparison to markets such as United States & United Kingdom, it is growing at a far faster rates, with larger numbers of a new entrant. The cash on delivery is unique characteristic of India & widely used methods of payment. Because India has robust cash economy, cash on delivery accounts for over 80% of Indian e-commerce. E-commerce in India is still its early stages, but has enormous promise in the developing country. Due to its crowded urban area with the high literacy rate, big rural populations with the fast growing rate of literacy, constantly developing progress & acceptability, & other factor, India is an ideal site for e-business operators. Furthermore, cheap cost of personal computers, rising installed base of Internet users, & an increasingly competitive Internet Service Provider (ISP) market have all supported growth of e-commerce in Asia's second most populous nation. In India, e-business industry is growing & expanding at rapid pace [5-7].

Because of Internet-savvy urban population, online travel business is biggest segment of e-commerce industry, & it is rising. Other industries that come under umbrella. In online

travel industry, there are various commercial enterprises, such as operation. Three primary types of online classified advertisements are jobs, matrimonial, & real estate. India's e-business industry is increasing at 70 percent annual rate, according to Internet & Mobile Association of India, & has expanded. The current projection of US\$ 6.79 billion for 2010 is much higher than market size of \$1.75 billion in 2007. Factors Affecting Global E-Commerce Distribution & Forms

3. STATE OF E-COMMERCE IN INDIA

E-commerce has become synonymous with Indian culture & is necessary component of our daily lives. Various web pages provide wide range of products & services. There are also others that offer particular product as well as ancillary. Websites India provide variety of products & services. To name few, e-commerce sites provide clothes & accessories for men & women, health & beauty items, computers & peripherals, cars [8-10]. In specific area, several Indian agreements/websites exist, such as:

- Automobiles – These websites allow you to post & sell your goods online, including four-wheelers & two-wheelers, new & used cars. Car research & reviews, online evaluation, technical details, vehicle insurance, & vehicle finance are just few of options available.
- Textiles - After agriculture, textiles industry is India's second biggest, accounting for 14 percent of exports & 4 percent of GDP. Textile Industry has huge potential for growth.

Agrotech Textiles is assisting in development of agricultural performance & production. Current company is about 130 billion dollars, but it may be worth 160 billion dollars in future. India & China are major markets, with opportunities for Indian young to establish & grow new markets via e-commerce.

- Stocks & shares, as well as E-trade- In India nowadays, you may even deal in equities via e-commerce. Services available to registered users are as follows: Online stock & share purchases, stock & share sales, business information, company comparisons, & equity & mutual fund research are all available.
- Information on new & resale properties is provided by properties & E trade. One may interact directly with developer & consultant. Insurance firms, NRIs, Packers & Movers service, Housing Finance, architects & interior designer are some of other services available.
- Lifestyle & E-trade-India's, its wealthy history, has long history internet commerce, which has been important in marketing India as commodity, as well as cheering Indians & foreigners for its diverse culture & beauty. Adventure – hiking, climbing, & so on; Eco-Themes – forests, flora, & wildlife; & so on.
- Commerce- Collectibles such as paintings & sculptures, luxury products such as home curios & rugs, jewelry boxes, leather goods, perfumes, & so on, flowers, toys & games, chocolates, woodwork & metal-art are among categories of presents.
- Hobbies & E-Commerce- Since dawn of time, literature, music, & film have been most popular hobbies. Business, art, cuisine, Engineering, Children's Stories, Health, Medicine, Biographies, Horror, Home & Garden, & other subjects are covered in books.
- Marriage & E-Commerce- There are marriage portals in realm of e-commerce. On these websites, one may search for potential mate by area of residence (India or foreign nation), creed, or social group. Users who have registered may take use of following services.

- Engaged in contacting customers with suitable employment at touch of mouse. Job searchers get service for free, while companies pay small fee.

4. DISCUSSION

India is quickly growing, & how can we overlook importance of e-commerce in that development? India's internet user base may still be just 100 million, much fewer than in United States or United Kingdom, but it is growing at an alarming pace. Number of new entrants into this field is increasing on daily basis, & with growth rates at an all-time high, it's safe to assume that traditional retailers will feel compelled to go online in coming years. Insights into growing demand for internet services, improving living standards, broader product choices, lower costs, & busy lives highlight this reality more clearly, paving way for online gift certificate offers. According to statistics, India's e-commerce industry was valued \$2.5 billion in 2009. By 2011, it had risen to \$8.5 billion, indicating significant increase in previous two years. These numbers are expected to reach \$12 billion by 2012, according to Internet & Mobile Association of India (IAMAI). We may split E-commerce into three major categories to better comprehend this scenario: physical services, physical products, & virtual goods. Local commerce (couponing, yellow pages, classifieds, etc.) is another sector that is slowly gaining traction & has substantial overlaps with E-commerce. First employment is undoubtedly most important contributor, accounting for 75% of all E-commerce businesses! It also offers appealing discounts. Second category of physical products is presently attracting lot of attention, due to buzz generated by new companies & shops opening every day. Flipkart, Infibeam, Homeshop18, Indiatimes, Naaptol, Letsbuy, & others are market leaders in this category, offering anything from mobile phones to pet food. Virtual goods & gift vouchers in third & final category, such as owing to piracy concerns & Indians' social perspectives. However, owing to expansion of mobile devices & the services accessible via Internet at exceptional prices, digital downloads sector of Indian E-commerce industry is projected to expand. Certain distinctive characteristics of Indian E-commerce sector, such as cash-on-delivery payment & direct imports, which reduce costs significantly, are likely to drive rapid development in coming years. According to Forrester, prominent global research & consulting company, industry expand at highest in Asia-Pacific region between 2012 & 2016, with CAGR of over 57 percent. Together, Vikram Sehgal, & Lily Varon, released study titled "Asia Pacific Online Retail Forecast, 2011 To 2016."

India's internet users seem to be increasingly ready to make purchases via Internet. E-commerce sector as whole is on verge of seeing rapid development in next years. Online travel sector led Indian e-commerce market with an 80 percent market share, followed by electronic retail (E-Tailing) with 6.48 percent market share. E-commerce & digital downloads are anticipated to expand at quicker pace, while online travel is likely to continue to dominate industry. E-Tailing has grown steadily as result of increasing ecommerce efforts & brand recognition. "The total online transactions in India were rupees 7080 crores (approx. \$1.75 billion) in year 2006-2007, & it grew by 30% to rupees 9210 crores (approx. \$2.15 billion) by year 2007-2008," in 2009, India's e-commerce industry valued at billion, rising to \$6.3 billion in 2011 & \$14 billion in 2012. Approximately 75% of this is due to travel (airline tickets, railway tickets, hotel bookings, online mobile recharge etc.). Online retail accounts for about 12.5 percent (\$300 million in 2009). India has over 10 million online consumers & is expanding at 30 percent AGR, compared to an 8-10 percent worldwide growth rate. In terms of sales, most popular categories are electronics & apparel. According

to Avendus Capital's study "India Goes Digital," India is becoming more digital.

According to digital media & technology investment bank, Indian ecommerce industry was valued at Rs 28,500 crore (\$6.3 billion) in 2011. Today, online travel accounts for significant part of market (87 percent). By 2015, India's online travel industry is projected to be worth Rs 54,800 crore (\$12.2 billion). In 2015, Indian e-commerce sector is expected to expand to Rs 53,000 crore (\$11.8 billion).

5. CONCLUSION

Industry would expand at CAGR of more than 57 percent between 2012&2016, making it fastest in Asia-Pacific. Increase of Internet use (which is rising at rate of 20% per year) & 3G penetration, as well as availability of Internet on mobile phones, are driving this development. In India, there are now 27 million mobile Internet users, with 4 percent of them purchasing goods through mobile. India's e-commerce industry is projected to expand at rapid pace through 2020, because to rising customer knowledge about product quality, changing consumer attitudes, & changing purchasing patterns. Businesses are being encouraged to innovate & provide diverse range of goods & services online as number of high-speed internet customers grows. With substantial advances in payment structure in e-commerce industry over past few years, Indian customers are progressively moving towards online arena & abandoning their perception that online buying is hazardous. market sectors with most potential include consumer electronics, internet travel,& clothing & accessories. Internet grocery shops are also joining country's online sector, with possibility of same-day delivery. According to TechSci Research report "India E-commerce Market Forecast & Opportunities, 2020," country's e-commerce market is expected to grow at CAGR of over 36% from 2015 to 2020, owing to an expanding smartphone user base, huge discounts & offers extended to customers by e-commerce companies, rising per capita disposable income,& growing youth population. Due to growing online travel industry, which is developing as most popular medium for planning vacations, making hotel reservations & purchasing tickets for travel by different modes including air, bus ,& train, India's e-commerce business is dominated by e-services category. "Young customers, who have less time to go out & buy at traditional brick & mortar shops, make up majority of India's workforce. In market as large as India, such situation offers enormous potential for internet commerce. Furthermore, excellent deals & discounts from major e-commerce companies boost customer interest in goods." Mr. Karan Chechi, Research Director of TechSci Research, worldwide management consulting company focused on research, agreed. E-commerce may assist improve quality production by incorporating electronic gadgets & IT into large-scale manufacturing.

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