Research Paper

E-Commerce a game changer in the Indian Marketing System: A Review

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Abstract— The goalmouth of this study is to explore the status of e-commerce in India. It also ascertains the challenges and opportunities of e-commerce in India in the perspective of the global economy. Nowadays, there are uncountable virtual stores and malls on the internet selling all types of consumer goods attracting scores of the people across the globe. Flipcart, Meesho, Mytra, Amazon are the most recognized example of these virtual markets. It dominates the B2C market. The paper has used the secondary materials extensively rather than the primary data. It divulges that the speed of growth of e-commerce in India is satisfactory in note but lower than E market giants like Korea, Taiwan, China and USA. At the same time, Indian E-Commerce business faces similar problems like poor telecom infrastructure, no strict legal sanctions, lack of good attitude towards technologies and poor academic syllabus regarding e-commerce. The paper suggests measures what proper methods to be adopted in order the overcome the problems like, update legal frameworks, developing ICT infrastructure and creating awareness of the man people for effective implementation of e-commerce for supportable economic growth.

Keywords— Virtual stores, 5G technologies, Growth of e-commerce, online banking, ICT infrastructure.

I.   INTRODUCTION

E-commerce in India is promising year by year, the situation very soft and reliable junction for customer choice and suitable with the help of internet. The seller who sells or buy products or services directly connect with the customer and allows payment through Google Pay, Phone Pay, Internet Banking, bank debit/credit cards or direct payment through online banking payment system. At this time peoples of India are most likely to buy and sell products and services over the electronic system, or in other words, we can say that now in Indian society, people are modernized using reliable and comfortable that using of e-commerce. Uses of e-commerce directly link to the customer with manufacturer, stakeholders, marketers, government, and service providers. That is called as Electronic commerce. For the buyer, it is a new and friendly channel to buy and sell products through online. The key advantage of the e-commerce portal having the most freedom, and as well as privacy for customers to use the internet and do the window shopping for products, make settlement of different models, evaluate their prices and customer satisfactory comments comparison. As well as in India most of the government organization is using electronic communications technologies to connect with the customer, to fulfill their need and for solving the raising problems day by day.

WHAT IS ELECTRONIC COMMERCE or E-COMMERCE?

Electronic commerce popularly known as e-commerce refers to companies and individuals that buy and sell goods and services over the internet. E-commerce operates in different types of market segments and can be conducted over computers, tablets, smartphones, and other smart devices. Nearly every conceivable product and service is available through e-commerce transactions, including Watches, Sarees, Dress Materials, Toys, Fashion materials, music, agricultural equipment's, plane tickets, and financial services such as stock investing and online banking..

HISTORY OF E-COMMERCE

E-commerce has a history that goes back to before the internet began. E-commerce actually goes back to the 1960s when companies used an electronic system called the Electronic Data Interchange to facilitate the

transfer of documents. It wasn't until 1994 that the very first transaction. took place. This involved the sale of a CD between friends through an online retail website called Net Market. The industry has gone through so many changes since then, resulting in a great deal of evolution. Traditional brick-and-mortar retailers were forced to embrace new technology in order to stay afloat as companies like Flipcart, Meesho, Bigbasket, Amazon, eBay, Mytra and MI virtual store have become household names. These companies created a virtual marketplace for goods and services that consumers can easily access.

HOW DOES E-COMMERCE WORK?

E-commerce is powered by the internet. Without Internet facility E-commerce market cannot be operated by anyone. Customers access an online store to browse through and place orders for products or services via their own devices like through mobiles, laptop. As the order is placed, the customer's web browser will communicate back and forth with the server hosting the e-commerce website. Data pertaining to the order will be relayed to a central computer known as the order manager. It will then be forwarded to databases that manage inventory levels; a merchant system that manages payment information, using applications such as PayPal; and a bank computer. Finally, it will circle back to the order manager. This is to make sure that store inventory and customer funds are sufficient for the order to be processed. At this point digital products may be shipped to a customer, or access to a service may be granted.

PRESENT SCENARIO OF E-COMMERCE IN INDIA

As per TRAI report, the total number of internet subscribers increased from 422.19 million at the end of Mar-17 to 431.21 million at the end of Jun 2017 with a quarterly growth rate of 2.14%. According to Rawat, (2022) ASSOCHAM Secretary General as per the survey conducted in India 75% youth, in the age of 15-34 years, using virtual market to cater their needs. India is an example of the youngest demography globally. As per given age distribution, this may expect to be a continuing tendency in coming years.

INDIAN MARKET SIZE AND GROWTH

According to a study conducted by TRAI in 2020 India's e-commerce market value was about $3.8 billion in 2009, and it's increased to $12.6 billion in 2013. As per a report in 2020, India's e-retail segment value was US$ 39 billion.

II. Literature Review on E Commerce

Xiao, Liu, and Zhang (Citation2012) describe e-commerce as a process consisting of information, capital, business, and logistics flows. e-Commerce logistics can be briefly described as the physical flow of merchandise from the supply source to the consumer considering reverse logistics as well. Furthermore, Xiao, Liu, and Zhang (Citation2012) argue that logistics practices are important since they involve the physical flow.

Delfmann, Albers, and Gehring (Citation2002) likewise highlight the considerable importance of e-commerce logistics, calling it the 'backbone' of e-commerce operations. Retailers provide seamless consumer experience in omni-channel retailing by integrating their physical stores and online channels. The consumer might place an order online, receive the product at home, and return the product in the store. Omni-channel logistics covers the physical flow of merchandise from the supply source to the consumer as well as the reverse logistics no matter where the consumer decides to receive or pick up the product and potentially return the product.

Significant driving force of e-commerce in India are as follows:
1. Rising standards of living as result of a fast decline in the poverty rate.
2. Accessibility of much wider product range including long tail and Direct Imports) compared to what is available at brick and mortar retailers.
3. Reasonable prices compared to brick and mortar retail driven by disintermediation and reduced inventory and real estate costs.

Types of e-commerce
a. **Business-to-business (B2B)** e-commerce refers to the electronic exchange of products, services or information between businesses rather than between businesses and consumers.
b. **Business-to-consumer (B2C)** is the retail part of e-commerce on the internet. It is when businesses sell products, services or information directly to consumers.
c. **Consumer-to-consumer (C2C)** is a type of e-commerce in which consumers trade products, services and information with each other online.
d. **Mobile e-commerce** (m-commerce) refers to online sales transactions using mobile devices, such as smartphones and tablets. It includes mobile shopping, banking and payments.

RECENT TRENDS AND OPPORTUNITIES IN THE E-COMMERCE REFERENCE TO INDIAN MARKET

a.   Cost Minimizing

E-commerce can reduce inventory costs through just in time system which increases firm's ability to produce and forecast demand properly. It also helps to maintain huge inventories or expensive retail showrooms through the adoption of modern IT facilities. It can help to do marketing through various social marketing sites.

b.   Given that Better Customer Service

High-quality customer relationship is a significant tool for retaining customers in the e-commerce environment. Customer Relationship Management Solution requires e-commerce for better business and establishing a better customer relationship. It can enhance customer loyalty which is important for the company.

c.   Decreasing Distribution Cost

E-commerce reduces distribution costs since it easily conveys message through online. It can easily explain the product feature to its customer. As a result, it reduces distribution cost.

d.   Globalizing Business and increasing choice for the customers

Since e-commerce is based on internet global brands products can be availed by the customer very easily on their fingertips. Hence, the seller can reach easily to a mass customer within short time. Various social networking is using for marketing of various products under e-commerce, as a result it gains a new extent to increase its market. It helps business globalize E-commerce by minimizing costs enables companies' especially small ones to make information on its products and services available to all the potential customers spread over worldwide.

Objectives of the Study

1.   To identify the major types of E-ecommerce.
2.   To ascertain the advantages & disadvantages of ecommerce.
3.   To know the challenges and limitation in ecommerce in Bangladesh
4.   To pinpoint the motivation factors and recommendation for future development in Bangladesh for online shopping.
5.   To distinguish the present scenario of e-commerce in India.

III.   Methodology of the Study:

The e-commerce market in India is expanding and growing at an exponential rate. The study is based on primary and secondary data. Primary data is conducted after meeting the sales persons of Flipcart, Amazon and Meesho E commerce companies. Interview schedule method is used to collect information from the sales persons. Secondary data collected from the Journals, Magazines and News papers.

Challenges that e-commerce businesses are facing in India

1.   Cash on Delivery is the favored mode of payment in Rural India

In India, most consumers prefer to pay cash once they receive their package. It could be because of low credit card transmission in the country, low trust in online transactions, and people not being aware of the convenience of e-wallets. Hence, the first major and shared challenge faced by e-commerce and online retailers is the preferred mode of payment.

2.   Poor Internet Network

Only a small percentage of the total population in the country can easily and readily access the internet. Compared to the likes of western nations such as the USA, BRITAIN France, Germany, and many western countries, internet network in India is considerable weak. Even if we compare the internet speed in India to its population, the numbers are still quite low. Being rural country I India, the internet quality is not uniform in all regions of the country. In metropolitans and major cities, the internet is quite fast but in rural areas, users face a lot problem concerned to connectivity and speed.

3.   Habitual Customers Returning the products:

It is not that the retailers are sending the wrong products, it is just that first-time consumers are not aware of the product quality, size, or color due to which they opt to return them. Subsequently a lot of consumers in India are first-time buyers and not return buyers, they are not aware of what kind of products they will be getting and whether the products they are ordering will meet their expectations or not. At what time such first-time buyers buy from e-commerce websites, they fall prey to the product listing, feel regret about the product they ordered, and return the products. Returning the ordered packages are extremely expensive for online retailers, especially in cross-border online shopping.

4.   Incomplete Delivery Addresses

The problem of delivering the product is normally faced mostly by delivery companies & couriers and not e-commerce retailers. Though, it is a big problem as many times consumers forget or fail to mention their complete postal addresses with pin code, due to which it can be difficult for delivery boys to deliver the order to the exact

location, which is why the product orders customers usually get a call from the company asking about the exact location.

5.   Using of keypad phones rather than Smart Phones:
The major chuck of the people who own keypad phones are the ones who are not able to make purchases from their mobile phones. The good news regarding this challenge is that the number of smartphone users is rising in the country. Even though the number of mobile phone users in India is high, a huge number of people still use feature phones instead of smartphones. The number of mobile phone users in India is extremely high and most might think that it is a good thing as most people can access the internet and order from the internet but that's not the case. Many foreign manufacturers have started smartphone production in India. India is capable of manufacturing highly powerful smartphones at affordable prices, which means that soon this problem will also disappear and the demand for online shopping will increase at all-time high shortly.

6.   Problem of timely delivery of the product:
Timely delivery is a problem in the country because of incomplete address, bumpy roads, digging by the electric or water boards, roadblocks, and remote locations which can lead to consumers becoming angry & frustrated and canceling the order. Hence, the question of timely Delivery still persists in the rural India.   Even after the e-commerce industry became so popular if the product is not delivered in time, it may have annoyed and frustrate the customer. Many a time the frustrated customer may cancel the product if they product is not delivered in time.

MEASURES TO INCREASE THE TREND OF E-COMMERCE
1. Increase Customer Service:
Customer service is the primary factor that affects consumers' trust levels. After a negative experience, 89% of consumers switch to a competitor. It's relatively simple to give outstanding service, and the financial advantages are substantial. Following a positive encounter, 52% of people make another purchase. Be courteous, prompt in responding, and knowledgeable about the customer's buying history. Provide support across a variety of methods, including phone, live chat on your website, SMS, and email. Support representatives should also manage social media channels and build a quick response practice.

2. Writing and publishing Blogs

Writing and publishing compelling material on your blog has the potential to significantly increase your organic traffic – but only if done right. A few posts every few months will not be enough. Unfortunately, many business owners overlook the effectiveness of this method since it requires time and work and does not produce immediate benefits. It's a long-term strategy that succeeds only when there is a focus on quality and consistency.

3. Presence of Lively Social Media
YouTube, Facebook and Instagram are important for publicizing product promotions and special deals; therefore, you must have a strong presence on these platforms via a business page. Again, you should avoid simply posting offers and product information on social media — this might isolate consumers. Along with your product or service, you should provide authentic, valuable information. forms and can be a great tool to reach your audience.

4. Brand your ecommerce business mobile-friendly
Enhancing your e-commerce business to make it mobile friendly and giving your customers a seamless mobile experience can go a long way. Your website should be adaptable, and the content should be displayed suitably. Autofill suggestions, easy clicks and fast processing can lead to an increase in online sales.

5. Associations & Collaborations with other sellers
One of the most significant advantages of collaboration is the possibility to learn from one another. In fact, every interaction you have with someone who is not a member of your company can provide you with helpful information. Most successful collaborations are formed between two professionals who have quite distinct skill sets, views, and talents to offer the other party. When this occurs, you can be confident that your business will be surrounded by opportunities.

7. Identify your target audience
To run a fruitful e-commerce business, one must first identify and understand their target audience. The better you understand your target audience, the better you will be able to cater to them, and the more likely it is that they will choose your company. The result will be the development of a strong digital strategy, as well as an increase in online sales for your company. Even basic market research, on the other hand, will provide you with a wealth of information on the types of customers you will be serving.

8. Take your e Commerce business global
If you own a traditional store, you are severely restricted to having a clientele base in the immediate vicinity of your establishment. The only way to grow your customer base (apart from implementing some form of e Commerce extension) is to open additional branches, which will be extremely expensive. The majority of e Commerce businesses, on the other hand, cater to a global audience.

IV.   CONCLUSION

Indian E-Commerce business faces similar problems like poor telecom infrastructure, no strict legal sanctions, lack of good attitude towards technologies and poor academic syllabus regarding e-commerce. E-commerce as an alternative marketing channel is making slow but steady progress in India. With the spread of education and increasing number of people becoming technology friendly, they are slowly gaining confidence in online services. Infrastructural bottlenecks, economic disparity, vulnerabilities of the payment gateway systems, inadequate legal framework are challenges that need to be addressed by all stakeholders to promote e-commerce in the country.

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