

E-Commerce: A New Form of Market

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Introduction

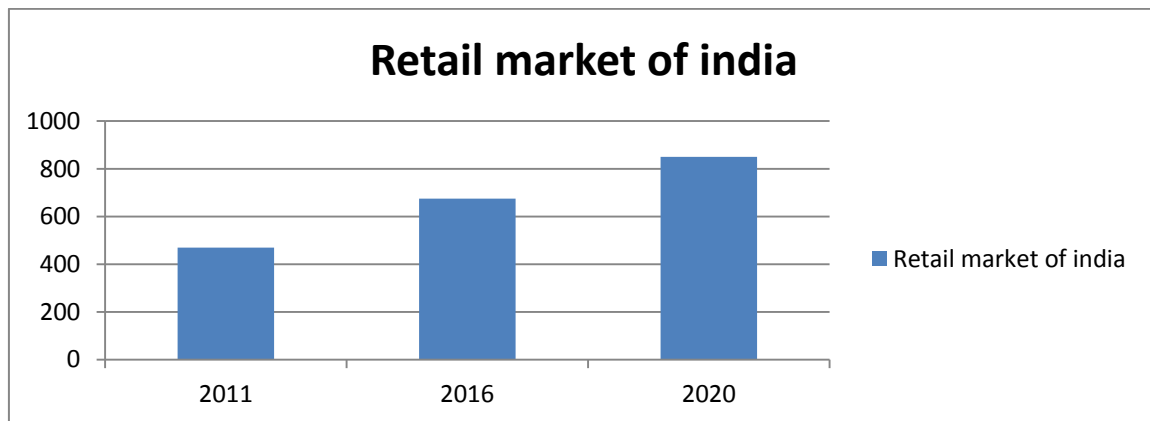
Commerce has evolved over the centuries. Prior to the evolution of money it was the simple “barter process” where things could be exchanged, say milk for grains. The evolution of money brought with it, the concept of a “marketplace”. In a marketplace, Commerce is a function of the 4 P’s – Product, Price, Place and Promotions. All these four components play a vital role in a transaction to take place. Different combinations of 4Ps determine different forms of Commerce. Once the marketplace came into existence, a few pioneers realized that people would be ready to pay extra if they could deliver products at the customer’s doorstep. A slight modification on Price and Place led to the convenience of getting products at their homes. This concept delighted the customers and thus, the concept of “Street Vendors” was born. When the Postal System came into being the sellers decided to cash in on the new opportunity and started using mailers giving a description of their products. It led to the concept of “Mail Order

Cataloguing”. From here, the evolution of the “Tele shopping” networks was thus inevitable in the development of media vehicles. The latest generation of commerce is one that can be done over the internet. The internet provides a virtual platform where sellers and buyers can come in contact for the sale and purchase of goods and services. They can be thousands of miles apart, may belong to different parts of the world, and might speak different languages, “E-Commerce emerged as the boundary-less trade medium in the era of globalization.

Future trend of e-commerce in India

India's retail market is estimated at \$470 billion in 2011 and is expected to grow to \$675 Ban by 2016 and \$850 Ban by 2020, – estimated CAGR of 7%.

Year	Growth
2011	470\$ billion
2016	675\$ billion
2020	850\$ billion

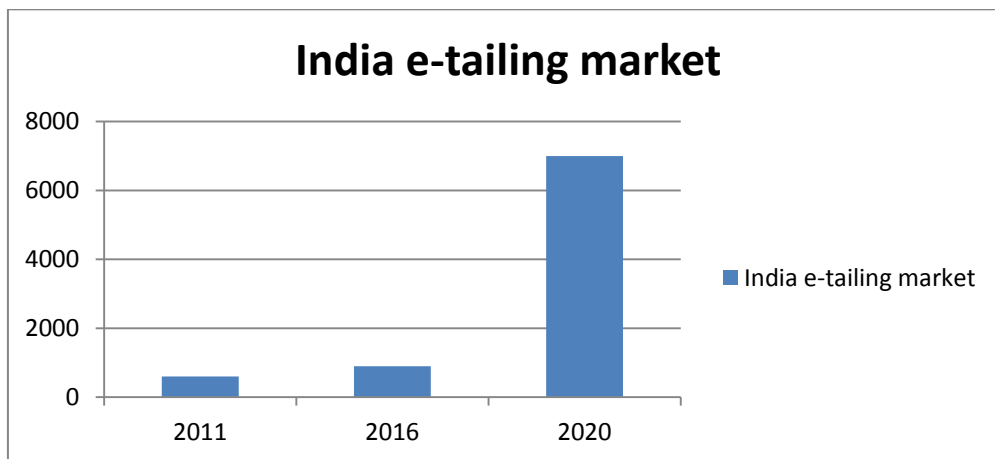


(Source: Wikipedia retrieved on 25/08/2015)

According to Forrester, the e-commerce market in India is set to grow the fastest within the Asia-Pacific Region at a CAGR of over 57% between 2012–16. India's e-tailing market in 2011 was about \$600 Man and expected to touch \$9 Ban by 2016 and \$70 Ban by 2020 – estimated CAGR of 61%.

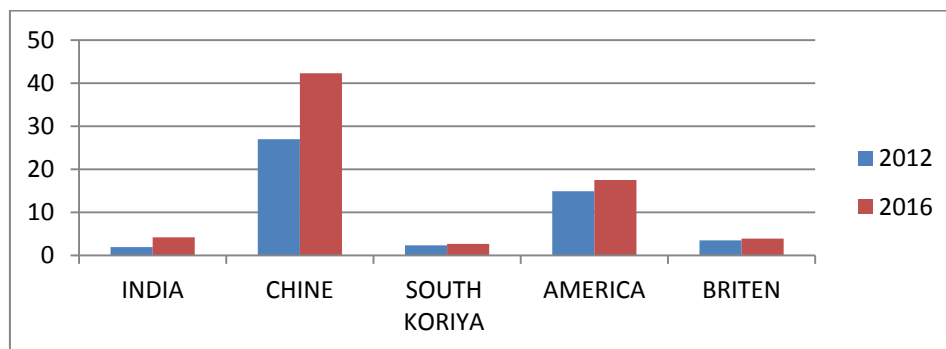
Year	Growth
2011	600\$mn
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Online shopping in India compared to other countries.



(Source: E-markter.com, Deink Bhasker, 25/08/2015)

Problem statement

After independence India economy is growing much with a higher rate. New and latest technology is adopted by the Indians as a result Indian economy is moving on the side of modernization. The income of the people is increasing year to year in India that's why the lifestyle of the people is moving traditional to modern style that's why the style of the trade has totally changed. Now companies as well as literate people are trading and shopping through internet. India has 137 million internet users and year to year new people are connected to the internet technology. Now a day's internet uses not only for a particular purpose. Internet has the wider use that's why a new form of market take place name of that market is electronic market. The electronic marketplace participants are not limited only to digital product companies' e. g. Publishing, software and information industries. The digital age and the digital revolution affect all by virtue of their process innovations: Web-TV and digital television are going to affect TV news and entertainment programs. Changes in telecommunication will affect the way the information is received, product announcements,

orders etc. It is clear that's India have a large number of internet users but still hear a small number of e-commerce user. Now a day's India has 13 core internet user but only 2 crore use the online shop. Every year 5 crore new customer joins the internet but only 15 lacs new people join the online shopping-commerce is the demand if the modern age but still it's facing so many problems.

A brief review of literature

Praveen Kaur, Dr. Mukesh M Josh (2012)-The amount of trade conducted electronically has grown dramatically since the spread of the Internet. A wide variety of commerce is conducted in this way, spurring and drawing on innovations in electronic funds transfer, supply chain management, Internet marketing, online transaction processing, Electronic Data Interchange (EDI), automated inventory management systems, and automated data collection systems. In this paper, we have discussed the structure of E-Commerce along with its advantages and challenges.

Sweat Sharma, Sugandha Mitta (2013)-The future does look very bright for e-commerce in India with even the stock exchanges coming online providing an online stock portfolio and status with a fifteen minute delay in prices. . In the next 3 to 5 years, India will have 30 to 70 million Internet users which will equal, if not surpass, many of the developed countries.

Objectives

- To understand the situation of e-commerce in India.
- To check why people giving more preference of online market.
- To check why people don't feel too secure in online marketing.

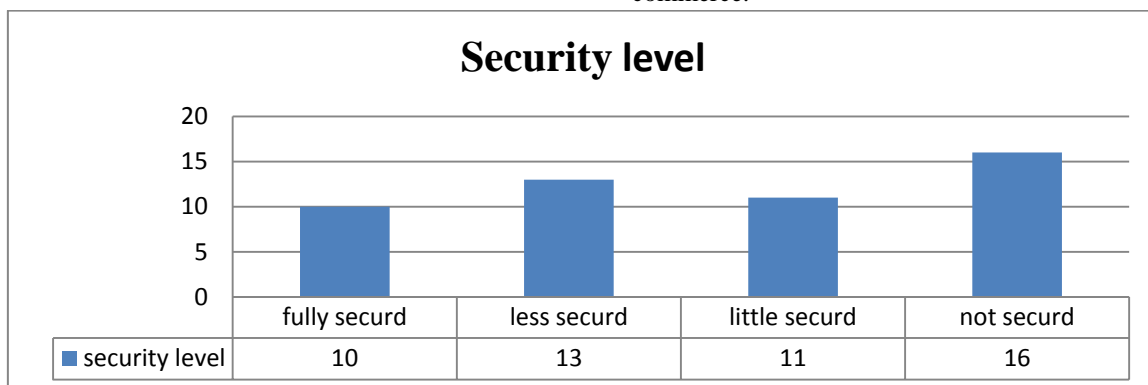
Research Design

The research design implemented in this research his exploratory in nature, as it seeks to discover facts, ideas, insight & to bring out new relationships among the data items already existing.

Research design is flexible enough to provide opportunity for considering different aspects of problems under. Primary data can collect through personal interview, questionnaire etc. to support the secondary data. It consumes time and needs trained researchers. There are different ways for collecting secondary data are newspapers, magazines, generals, editorials, company's official documents etc. In this research project, the researcher collected secondary data from the, the published report & the official website of e-commerce. The data collected from the above-mentioned sources will be processed, analyzed, interpreted, and presented in the study.

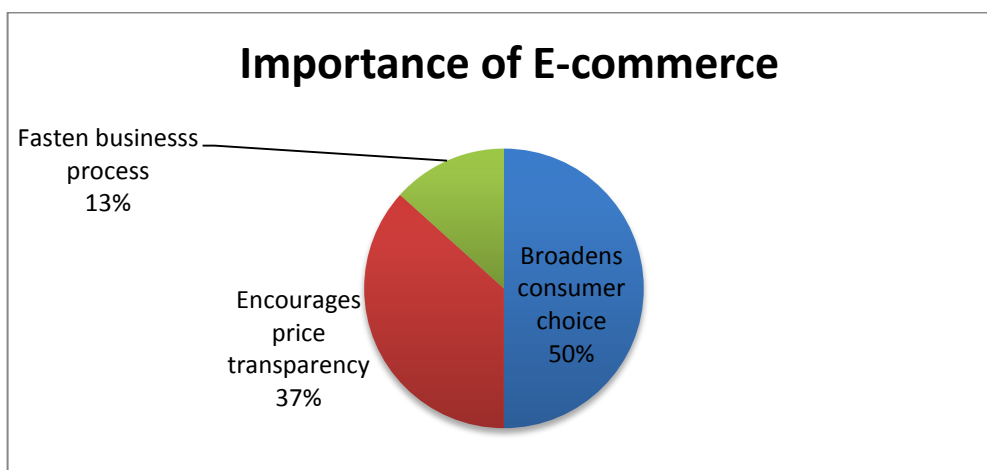
Analysis

As per the diagram only 10 out of 50 people are feeling secure in the mode of the payment and 16 people feel insecure and some of them feel less secure in the term of funds. This shows that people have the problem of security of the funds that's why people don't show much interest in e-commerce.



50% people use e-commerce because they found multi choice on e-commerce and 37% use it because they think that e-commerce have the transparency of the price and some of them think

that e-commerce is the fasten business process. This shows that several people have several views regarding use of e-commerce.



Preference of online market.

- Increasing broadband Internet (growing at 20%MoM) and 3G penetration.
- Rising standards of living and a burgeoning, upwardly mobile middle class with high disposable incomes
- Availability of much wider product range (including long tail and Direct Imports) compared to what is available at brick and mortar retailers
- Busy lifestyles, urban traffic congestion and lack of time for offline shopping
- Lower prices compared to brick and mortar retail driven by disintermediation and reduced inventory and real estate costs.
- Increased usage of online classified sites, with more consumers buying and selling second-hand goods.
- Evolution of the online marketplace model with sites like eBay, Infibeam, and Tradus.

Findings

1. E-commerce is much popular in metro cities in the comparison of other small cities or backward cities because in metro cities people are much literate they will know about the e-commerce and its use.
2. Internet access one of the part of e-commerce without the internet there is no meaning of e-commerce so now a day's internet is available on all sides of the country.
3. Products Bought Online Electronics goods (34%) clothes and accessories (30%) books (15%) beauty product (10%) home decorators (6%) health care (3%) and 2% are one baby products.
4. Slow penetration of the internet, worried about the security concern, lack of trust, knowledge of e-commerce and some other reason are responsible for the backwardness of e-commerce in backward areas.

Suggestions

As per the above data we found that there are so many reasons behind the e-commerce. E-commerce is performed in India but very slow there is not a single factor responsible for it so many factors are responsible for it. And if we can remove these factors we can change the performance of the e-commerce in Indian market these are some below:-

- ❖ When we talk about the e-commerce then we say that only those people can use the e-commerce those are literate. But it's not true e-commerce can use only those people those are

it literate .So if we want to increase the size of e-commerce than we should focus on the skill.

- ❖ The main reason of the little growth of e-commerce is the internet. Here people don't know about the e-commerce they don't have the availability of internet. Normally we found that in small or backward city's internet facilities is not there. As soon as internet access will increase the size of e-commerce will increase.
- ❖ There are so many7 fraud cases with online customer that's why they don't want to again use e-commerce and one more thing some time they confused what we should do and where we should do they complain. So to remove all the problem government should issue the clear guideline regarding this.
- ❖ Security of the funds also of the main reason of the behind the e-commerce .Some time online customer faces the problem of the refund of the funds. So government as well as facilitators of the e-commerce should make the clear guideline regarding this
- ❖ In rural areas or small cities people don't about the benefit of the e-commerce. So banks and others e-commerce companies should tell about the e-commerce and its advantage that's why people can use it and take the advantage of the e-commerce.
- ❖ Security is the one of the major issues with the e-commerce. India has so many controlling authorities regarding e-commerce in India still people feel less secure with e-commerce. So government should more clear the security regarding the e-commerce.

Conclusion

This survey shows that the application of e-commerce and the Internet in particular, extend beyond marketing to all aspects of the supply chain. It also shows that the technical aspects are no longer as important as the integration of business processes and the resulting need to re-engineer them across the organization. Both companies are approaching these developments piecemeal. If companies are to make profitable use of e-commerce, then, its champions must make their cases heard at the highest levels. This is an opportunity for the InfoTech and marketing departments make their Board aware of the effect of e-commerce not just from the technical point of view, but also in terms of its impact on the bottom line

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