
Future of E-commerce Business in India": 'A move towards our economy

Dr. Isarar Khan¹

¹Commerce, Government Girls Degree College Nagwa, Baliya, Uttar Pradesh

Received: 12 Jan 2020, Accepted: 19 Jan 2020, Published on line: 31 Jan 2020

Abstract

E-Commerce is a wide field and has enable organisation across the world to work in an efficient manner, it play a very important role in effective management and running of a business. The use of internet in organisation is inevitable, be it any type of company like manufacturing or medicinal sector. It has contribute largely to the process advancement in organisations. E-Commerce is an essential part of every business today. Like accounting and legal, every business to invest in technology to complete. Technology is both a caste of doing business and an opportunity to do more business. More recently, it is the use of e-commerce to improve the sale of business that has led to technological changes. Since technology is so fast changing, it has important implication in business. Manufacturing business my make use of servers and databases to store their vast data and display their products online by designing their own website and listing their product on various e-commerce website which result in more turnover without giving less commission to inter media forces. 1.

The buying and selling a product and services by business and customers or transmitting a funds are data, over an electronic network, primarily the internet is known as electronic commerce or in short written as e-commerce. The internet has provide a platform for retailer, wholesaler, supplier and customer to communicate and transact their business better, faster, cheaper and has also provide a wide range of market. These business transaction occur either as business to business (B2B) business to customer (B2C) customer to customer (C2C), or customer to business (C2B). Moreover e-commerce has also empowered the customer by giving the access at anytime and at the same time a wider choice of product and services than before. Due to the popularity of e-commerce, there is tremendous interchange of goods and services both regionally and globally. Now a days it has become the main street of the world. 2.

Introduction

One of the first to use the term was IBM, in October 1997, when it launch a campaign built around e-business. Today major corporations are rethinking their businesses in term of the internet and its new culture and capabilities and this is what some see as e-business. E-Business is the conduct of business on the internet, not only buying and selling but also servicing customers and collaborating with business partners. E-business include customer service (e-service) and intra business tasks. 3

The future of e-commerce in India is poised for massive growth, projected to reach US 345 billion by 2030 and potentially US 550 billions by 2035, driven by a 15- 18% CAGR, rising internet uses, and smartphone penetration. Key shifts include AI-driver personalition, rura marke expansion, and 100% FDI in B2B.

Key Trends and Future Outlook:--

Market expansion:-- India is expected to become the third largest consumer market by 230, with e-commerce contributing significantly to this growth.

Technological integration:-- The adaptation of artificial intelligence (AI), matching, learning and augmented reality (AR) will create more personalization and immersive shopping experience.

Rural penetration :-Increased digital literacy and internet connectivity in rural areas are enabling new ,vast consumer base to access online shopping.

Mobile commerce(M- commerce):- With over 1. 2 billion mobile phone users, mobile commerce is a major drive, making shopping more accessible.

Logistic and payment:- The growth of Advanced shipping,logistics, and digital payment option is making the supply chain more efficient.

Economic and business impact: -- Job creation and GDP growth:- The e-commerce sector is a key driver of economic growth, with its contribution aspected to increase significantly as the digital economy expands.

Shift in Business models:- Offline retailers are increasingly adopting online channels,driving a hybrid or Omnichannel, retail model .

sustainability :- e-commerce is an average 17% more carbon-efficient than traditional retail,due to reduced reliance on physical store front.

Challenges:- Despite the growth, the sector faces challenges regarding infrastructure development, particularly rural areas and intense competition among major players. 4

Key Drivers : --

Digital infrastructure:- Expansion of 4G/5G network is rapidly increasing internet access approach the country.

Government initiatives :- Government initiative towards digitalization such as digital India support the growth of the digital economy.

Direct to customer(D2C) :- Many brands are adopting direct to customer models,reducing reliance on intermediaries and increasin efficiency

The industry's growth expected to continue to transform the Indian retail landscape, making it a critical component of the national economy.5

Opportunities and Benefits of E-Commerce :- The expansional growth of India's internet economy, projected to reach 1 trillion dollar 230, presents vast opportunities for business and customer alike. E-commerce is at the forefront of this growth, with projections indicating a market size of 325 billion dollar by 230. For business, e-commerce provides a gateway to reach a broader customer base, utilise cost-effective marketing channels and explore opportunities for expansion in various categories and geographical regions. For customers e-commerce brin unparalleled convenience and accessibility. With a few clicks, customer can compare prices,browse a diverse range of product,and purchase from the comfort of their homes.Additionally e-commerce platform often offer competitive pricing, discount and deals enableing consumer to save money on their purchase.Cyber securty threats and regulatory intricacies. Similarly initiative to enhance digital literacy and customer awarenesse can also build trust and confidence in online transactions.

E -Commerce impacting traditional retail : --

E-Commerce's ability to reach customer beyond geographical boundaries is also prompting traditional retailers to innovate and adopt. Some are integrating online channels into their business model, leveraging, omnichannels, strategies to enhance customer experience and remain competitive. Others are focusing on providing unique in store experiences and personalized services to different themselves from their e-commerce counterparts. Overall, while-commerce presents challenges to traditional retail it also drive innovation and evolution with within the sector.

Prospect and predictions:- The future of e-commerce in India is promising with projections indicating annual growth rates of 18% through 2025. By 2013 India anticipated to emerge as the third largest consumer market globally, underlying the vast opportunities and potential that lie ahead of the e-commerce sector in the country. The rise up emerging technologies like augmented reality, Artificial Intelligence (AI) and machine learning will revolutionize the way customer interact with e-commerce platforms, leading to more personalized and immersive shopping experiences. Additionally as the Indian Economy continues to grow and customers spending power increases, coupled with the facilitation of 100% FDI in B2B, e-commerce and marketplace, India's e-commerce ecosystem is poised for sustained growth and innovation.⁶

Conclusion :--E-Commerce in India is not just a marketplace, it's a catalyst for economic growth, innovation and inclusivity. Several factors are propelling the growth of e-commerce in India. Firstly the rapid expansion of internet connectivity, specially in rural areas is broadening the potential customer base. Additionally, the proliferation of smartphone and affordable data plans has facilitated easy access to online shopping platforms. The increasing digitisation of payment through platforms like UPI has simplified transactions, fastening trust and convenience among users. Moreover the emergence of e-commerce marketplaces offering a wide range of products at competitive prices and regular sales has attracted customers from diverse demographics. By addressing challenges, fastening innovation and embracing opportunities, India can harness the full potential of e-commerce to drive prosperity and empowerment across the nation.

Sources:--

- 1 <https://www.isb.edu/content/dam/sites/isb/research-thought-leadership/research-institute/ids/ISB-Ecom-Report.pdf>
- 2 <https://pib.gov.in/PressReleaseDetail.aspx?PRID=2016631>.
- 3 <https://resources.ondc.org/success-stories> .
- 4 <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1984081>.
- 5 <https://pib.gov.in/PressReleasePage.aspx?PRID=1894929>.
- 6 <https://www.weforum.org/press/2019/01/challenges-and-deloitte/113183>