



A Perspective of Electronic Commerce

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ABSTRACT:

The global economy is going through a change. Through web technology, all businesses are turned into information-based enterprises. Modern electronic commerce is causing enormous changes in the economic environment and influencing all business sectors since the rate of technological advancement is so exponential. The Web has broadened the reach of businesses. The large amount of business data made available by the worldwide network, making it easier for businesses, corporations, their clients, and other company divisions to share information, is growing dramatically. Any corporation cannot ignore information-based virtual value chains from an operational or strategic standpoint. This review article covered several facets of electronic commerce, such as its significance, enablers, advantages, problems, and potential in the Indian market.

Keywords: Business, E-commerce, Internet, Market strategy.

INTRODUCTION

Information technology (IT) and globalization both alter how enterprises conduct business. The IT system is installed and integrated into practically all businesses heavily invested in IT infrastructure for future business growth. The concern is growing over using e-commerce (EC) for business-related transactions. It has been a top concern for many businesses. Businesses can connect "Just in Time" production and "Just in Time" to their trade partners through EC, strengthening their global strategic capabilities. EC's description is not universally accepted. From the communications perspective, EC can be viewed as information, services, goods, or online payments sent through phone lines, computer networks, or other channels. From a business process standpoint, EC employs technology to automate corporate transactions and workflows. From the service perspective, EC is a technique to reduce service costs while improving product efficiency and hastening service delivery, which meets the needs of the industry, consumers, and management. From an online perspective, EC facilitates online shopping and delivers items and information for the Internet and other online services. The popularity and rapid development of the Internet and network technologies have made the electronic industry a crucial sector for modern businesses. Today, many business processes are done online. Online marketplaces are used to sell and buy goods and services, and some transactions would be impossible without an internet infrastructure.

This review article gives a general overview of electronic commerce, particularly emphasizing what it is and why it is significant for the current market. The many forms of internet commerce domains and their facilitators were also covered. Along with the advantages that e-commerce provides, there are a few drawbacks, which are covered in the following sections. The last part will cover the state and prospects of electronic trade in India.

E-Commerce and Its Importance

Electronic commerce is also known as e-commerce. It refers to using the Internet and electronic media to transact products and services. E-commerce requires a business to use IT and the Internet, such as electronic data exchange (EDI). E-commerce directly sells products or services to customers via the Internet through a vendor's website. The gateway accepts payments made by credit card, debit card, or electronic fund transfer using a wireless shopping cart or a shopping basket (EFT). Additional details are as follows: To develop, change, and redefine value-generating relationships between companies and individuals and between them, business transactions leverage electronic communications and digital information processes.

With the fast expansion of ICTs, particularly the Internet, the business world is moving quickly towards e-commerce (Business-to-Business). The Internet allows customers to participate in the global economy, which allows them to compare costs between locations, learn how prices fluctuate based on requests and become aware of substitutes. The purchasers benefit significantly. Consumers may easily evaluate other websites' e-commerce offers because of the industry's openness. If the business is electronic, the competitors are just one click away from the customer. Consumers can shift even more swiftly than in conventional terms if they don't like specific e-goods, content's cost, or services. From the sellers' perspective, they don't require a physical store.

Facilitators of e-commerce

Internet:

Thanks to the Internet's extensive use, e-commerce has expanded. Every life now practically includes the Internet and clever mobile phones. Although the Internet is no longer a reliable source of intelligence, it is still useful for service providers like doctors, carpenters, and riders to buy, read, and interact. Because digital networks can instantly connect to clients, the supply chain is lean and intelligent, dramatically reducing pollution and supporting green enterprises. The ICT revolution has given the economy an unheard-of boost during the last 15 years. With significant technical improvements, the Internet and its services have assisted in the growth of new markets. Until 1994, when the number of test users began to rise, there was a tiny but consistent population of internet users in the 1980s. With the introduction of the World Wide Web and later the growth of multimedia material, the population of network users has dramatically increased. Similarly, the Internet has advanced more quickly than any other preceding media.

Payment Gateway:

The payment transfer is an e-commerce application service provider that enables credit card payments for e-commerce, online stores, brick-and-clicks, and conventional brick-and-mortar locations. The primary determinants of internet transactions include payment methods, such as credit cards, debit cards, online banking purchases, and electronic monies transfers. Payment gateways are necessary when the economy moves from using cash to using digital money in the future.

Analytics helps businesses gather, organize, review, and remark on their customers. Analytics is the empirical process of translating data into decision-making information. Organizations currently rely on research to understand the behaviour of their customers because of the enormous increase in data volume. Knowledge must be available in real-time for retailers to calculate returns on online investments and a channel blend. E-commerce players have access to basic data; nevertheless, average order volume, basket size measurement, conversion ratios, and a deeper analytical approach are necessary for consumer insight.

Social media:

Businesses frequently utilize social media to market their products. Social media includes blogs and computer programmes that let users interact and exchange information online via a computer or a mobile device. Social networking plays a bigger role in product development, reminding customers about various promotions. It's also helpful to get feedback on the goods or services. It offers a tool for constructing brands to develop a reliable customer base, publications, word-of-mouth, etc.

Autonomous Vehicles:

Autonomous automobiles are motor vehicles that can function without direct human-operator interaction using artificial intelligence, sensors, and the global positioning system. The day of the personal automobile is rapidly approaching. Autonomous customers will have plenty of time to browse the Internet, check their emails, buy new things, and watch adjacent advertising. Autonomous cars benefit from very broad digital media skills. Firms may avoid this new sector by adjusting their marketing approach with the help of these purchasing and search patterns. Although big data are now much more diverse, they will become so adaptive and predictive in the next years that nothing can be changed manually once more.

3D printing

Creating a three-dimensional digital model on a 3D printer, a type of electronic equipment. The "additive manufacturing" process is an overlay that closely matches how ink from an ink-jet printer would successfully be laid out on a flat piece of paper. Similar to how the Industrial Revolution at the beginning of the 19th century upended rural life, 3D printing may one day completely alter how people produce things. Prototypes made using 3D printing are either intended for consumer printing or are connected to a maker by the designer. The concept and a printing licence are sold, not the actual product. Promising artists reveal their printing designs in obscure online spaces at home or the office.

Types of E-Commerce Businesses

Business-to-Business (B2B):

Online trading: All electronic goods or services transactions between businesses are considered B2B. For electronic trade, manufacturers and conventional industrial wholesalers generally employ this strategy.

Commercial-to-Consumer (B2C):

Electronic business connections between an organization and its end users. The area for online shopping is where most traditional retail transactions take place. These collaboration models might be more straightforward, intricate, sporadic, or abandoned. Several online stores and centres now provide clients with items, including computers, electronics, books, accessories, automobiles, food, financial materials, and digital publications. This company type has grown significantly as a result of the development of the Internet. Contrary to retail sales in traditional trade, the buyer typically has more knowledge about the available insightful content. Generally, you can buy it for less without compromising a similarly individualized customer experience or promising easy processing and distribution.

Consumer-to-consumer (C2C) e-commerce:

Type C2C e-commerce includes all electronic exchange of products or services between customers. Usually, a third party that provides an online transaction forum conducts this trade.

Consumer-to-business (C2B):

In C2B, the typical setting of a commodities trade is inverted. E-commerce businesses that rely on crowdsourcing frequently adopt this technique. Individuals also offer their services or products to businesses that specifically target particular categories of goods or services. These occasions include when designers solicit multiple logo choices, but only one is ultimately chosen and bought. The markets where images, media, and design components are sold without requiring any royalties are another well-liked medium in this industry.

Business-to-administration (B2A):

All online transactions between businesses and the government fall under this category. This includes a wide range of various programmes, particularly in the fields of taxes, social assistance, healthcare, legal records, and so on. Spending on e-government has recently led to a major expansion of these service delivery channels.

Consumer-to-administration (C2A):

All electronic transactions between businesses and citizens are included in the C2A paradigm.

Highlights of the application include:

Education: information dissemination, online learning, etc.

Social Security: via providing information, processing payments, etc.

Paying taxes, submitting tax returns, etc.

Health: consultations, disease information, payment for medical treatments, etc.

The Market's Potential for E-Commerce

The Internet and World Wide Web (WWW) have reduced the number of trading locations in the global economy. By speeding up the process of buying and exporting commodities, South Pacific countries have been closer to the rest of the globe in terms of shorter trading cycles and reduced transaction costs. The South Pacific will ostensibly have access to fresh markets. Considering the recent bankruptcy of numerous dot-com companies and the hype surrounding internet commerce, it presents viable opportunities for small enterprises in developing countries. They could provide opportunities for direct online sales and presenting images of their products to artists who make items like tapa clothing. Although electronic business appears very promising for small-scale manufacturers, who have difficulty entering overseas markets, it remains to be seen if a decrease in transaction costs brought about by the Internet is sufficient to drive a wide-ranging transformation within the global economy.

In contrast to how it started, the new trend in the e-commerce sector has now spread in numerous ways. As e-commerce has evolved from being quite local to incorporating artificial intelligence and offering even intangible products and services like GST compliance and short-term loans, today's marketplace is more than just an online platform for individuals to buy and sell. The possible view of customers is on the cusp of a complete transformation due to the advent of technologies that are developing at the speed of light. For the future generation of e-commerce patterns, it will focus on customer services improved across the Internet of Things (IoT), data processing, logistics, artificial intelligence, customization, and hyper-local area. Examine some of the offerings in e-commerce in developed and developing economies to gain momentum in the upcoming years.

E-Commerce Advantages

From the customer's perspective, the largest benefit is that it drastically improves, saves much time, and is easy to access anywhere globally. The consumer can place the order whenever they like. The main benefits of online shopping for customers are:

- Lower trade commissions for stock exchange participants.
- Greater flexibility: Purchases may be made whenever it suits the buyer, without physically interacting with the business.
- Save time: Consumers may buy or sell any goods online.
- The consumer may quickly and continually access information by clicking the button to search data across several pages.
- Buyers should be able to conduct business from the convenience of their home or business.
- If the business's operations are subpar, switching to other firms and consumers is still simple.
- Customers may have access to a greater product than they previously had, thanks to a product unavailable on the local or national market.

- Before making a final purchase, a customer will provide feedback on a product to see what others buy or to read other customers' review remarks.
- From the perspective of sellers, the main benefit of e-commerce is increased revenues and lower operating and maintenance expenses through the Internet. Consist of the following:
 - It assists in generating income and greatly lowers operating and maintenance costs,
 - reducing the expenses associated with procurement and buying.
 - It increases both consumer retention and loyalty.
 - Significantly lower money spent on product transportation
 - It helps accelerate the selling process to improve and grow the supplier and client relationship.
 - Improve both internal and external communication. It enhances the reputation of any organization and brand.

E-commerce-related difficulties

Electronic commerce (E-commerce) has the same difficulties as previous technologies. These difficulties are mostly experienced by buyers and sellers who conduct business online. Here are some of these difficulties that are discussed:

Private and public businesses are not growing at the same rate as the internet commerce market. Collaboration between the public and private sectors is necessary to grow the electronic commerce sector. Through collaborative efforts, people may gain the credibility they need to thrive in internet commerce.

System security, dependability, unique specifications, and some communication protocols don't exist. If the e-commerce website is compromised, the consumer loses his money. Cybersecurity is the most frequent issue for e-commerce websites.

Financial intermediaries and institutions: As of now, banks and financial institutions are hesitant to promote the e-commerce business in industrialized nations actively. However, to increase e-commerce and attractiveness and reduce theft and potential losses due to credit card fraud, shops require the support of banks. Banks and other financial service intermediaries are in danger outside of their payment card strategy in places where there aren't any standard credit card alternatives for making secure and effective internet transactions.

It is customary in industrialized nations to haggle over prices with suppliers, making it difficult for poorer countries to implement e-commerce due to a lack of infrastructure.

The rising cost of the Internet is one of the main obstacles. The regulators are attempting to keep bandwidth prices under check. However, because of expensive network delivery and maintenance expenses, internet usage does not stay low.

Trust in electronic payments is the most important element. A standard document on Baseline Laws and Rules may cover the correctness and validity of e-commerce transactions. The impartiality of electronic transactions and current legal frameworks are the foundations of confidence in the industrialized world. Although e-commerce-based transactions are not explicitly regulated by law and the court system, they are negatively impacted, whether in reality or perception. Since checks and credit cards are not widely accepted, cash delivery is still the most common method in many wealthy countries.

The legal description, permission, and authorization are required for contemporary transaction processes, new instruments, and new service providers. Determining what constitutes an electronic signature and what a handwritten signature means. The concept of a domestic border and the new statutory definitions and permissions might be studied.

The following issues that certain developing nations' rising economies experienced in addition to those mentioned above are covered:

- Inadequate Education
- Diverse traditional and cultural
- Inadequate internet marketing structure
- reduced advertising and promotion
- Political concerns
- High prices for goods and services in comparison to the traditional market
- Fewer people using the internet
- The nation's communication is chaotic.
- Less trustworthy companies, businesses, and enterprises.
- There is no direct encounter between the buyer and seller.

Indian E-Commerce Trends

When buying goods and services online, customers may choose when and where to buy and research the product, the seller, and other options. The capacity to access information online has transformed the purchasing process. Almost anything that can be purchased at a store may also be purchased online, including perishable goods like food. And clients from all around the world have seized these chances. The effect of e-commerce is already seen in many business areas, from customer services to new product creation. It provides new ways for businesses to interact and connect with customers, including online marketing and advertising, order fulfilment, and customer support. At least some e-commerce is still carried out over the World Wide Web. It may also reduce order processing expenses and communication costs with several suppliers and business partners, which often significantly increase the price of goods and services. E-commerce offers developing nations like India fantastic opportunities. Even the most pessimistic predictions for India's economy point to a boom. There has been an increase in electronic commerce groups in recent years. Big Indian websites have gone towards e-commerce instead of ad revenue.

CONCLUSION

The field of electronic business will see a rise in the importance of the electronic commerce industry in the years to come. The electronic commerce revolution has had a hugely favorable influence on the transaction sector by opening up new markets quickly and bridging boundaries. It significantly impacted the global conventional market system and made it feasible to enhance people's lives. E-commerce benefits buyers and sellers while posing challenges to the sustainability of traditional enterprises. Compared to emerging nations, developing countries face various obstacles to the efficient conduct of e-commerce. When Internet costs are low, e-commerce booms and many businesses are often depleted. One of the main benefits of internet commerce for customers is convenience, which boosts client loyalty. This is so that customers may place orders from anywhere in the world using an internet connection. Any client should consider a company's e-commerce providing a simple process and various payment options crucial and should provide additional features available online. Expansion of the product line and improved regional coverage are further benefits. The rise of e-commerce businesses, however, is fraught with difficulties.

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