



Exploring the Impact of E-Commerce on Employment in India

Shubham¹, Vaani², Shambhavi³

MBA – Noida Institute of engineering and technology, Greater Noida

ABSTRACT

This research is a brief description about E-commerce is impacting employment. We all know that E-commerce is major business model rising nowadays which works with help of internet. E-commerce is online platform where buying and selling of goods and services had been done through internet. We are going to see how different industries like logistics, IT's employment gets impacted by E-commerce. In this research we are also going to see the socially implication of E-commerce. The main purpose of this research is to get to know how in this internet era a business model completely working on Internet is Impacting employment.

Keywords- E commerce, Employment, Start-ups, Logistics, It industries, women empowerment, etc

Introduction-

The term E-commerce stands for Electronic commerce refers to a business model that allows doing buying and selling of service and goods with the help of internet. This can be done through the entire device that has access to internet service like smartphone, tablets, and laptops. We can say everything can be buy or sell on internet while sitting at your home.

It can allow us to earn money with various online activities like sharing ideas, providing services, enhancing customer relation, etc. We can say that E-commerce had changed the face of traditional marketing to visit market physically, it reduce the physical limitation.

E-commerce operates on four segment:



In this research paper we will make sure that the reader will get the good understanding of how the modern way of marketing will impacted employment whether it is impacting negatively or positively. We will also see how they are impacting in Start-ups and also logistic sector and IT industries, we also see there are some allied industries, also gets impacted indirectly in context of employment. Beside employment we will also see how it is play a huge part in women employment and society development.

We all know that E commerce is a business model which completely working on Internet but it also created the large- scale opportunities of employment beside creating employment it also helped to provide better services to customers better interaction of customer to marketer in virtual world by reducing the physical limitation. It also helps to encourage society to do more and more start-ups of their own, encourage women to be more independent.

Headings

The phrase "E-commerce," which stands for "Electronic Commerce," refers to a business model that enables conducting service and good buying and selling with the aid of the internet. Any internet-connected device, including a smartphone, tablet, and laptop, can be used for this. We can say that anything can be purchased or sold online while seated at home.

Conceptual Framework

We all know that e-commerce is a business model that is entirely based on the Internet, but it has also greatly increased the employment opportunities available to the general public. By removing physical barriers, e-commerce has also enabled customers to interact with marketers more effectively and receive better services. Additionally, it promotes women's independence and the growth of the start-up culture in society.

We can say that these industries are the blood line of this E commerce body because they directly increase employment opportunities in some of the industries, such as logistics, IT, etc.

Startups

E- Commerce provides new opportunities to start their own business widen adoption of digital payment and increased used of social media have many entrepreneur opportunity to trade from home without investing capital in renting from office.

It is the company that is founded by one or more entrepreneurs for providing a product or service in its initial stage. We can also say that it is the initial operation of a company. **E commerce positively impacted the start-ups**, with the help of this online business model more and more entrepreneurs come with different exciting ideas to work on their start-ups. E commerce provides opportunity to entrepreneurs to work from home. **Start-ups not only mean to create your own business but a successful start-up can employ a number of people also.** Let's take the example of some start-ups that had been done in recent times like Byju's, Ola, Uber, they aren't only creating wealth for themselves but also employing a number of individuals.

DATA- STARTUP RELATED:-

With 54 unicorns in total, India has displaced the United Kingdom (UK) to bag the third top spot in list of countries with most number of such companies

India unicorn are currently worth \$ 168 billion

From 2010 to 2018, start-up launched grew by 11.2% CAGR from seed valuations.

Simply put investors valuing start-ups more and more and the start-ups market is growing more serious each day

Economic Survey 2022: At least 14,000 new startups recognised in India, up 20 times in five years

Logistics

We can say that logistics is the one of the major parts of E commerce industry, which see the transportation of products to their final destination. We can say that overall process of managing of how resources are acquired or transported to the customers. Logistics we can say that it is the biggest opportunity as well as biggest challenges in this industry because it can directly deal with order fulfillment. Logistics include warehousing, packaging delivery chain inside it. One of the major things about this industry is that its employee's individual with bare minimum qualification also, no higher qualification is mandatory.

Overall logistics transportation, warehousing and packaging sector employees over 16.74 million people and is estimated to enjoy more than 28.4 million by 2022.
According to a report by NSDC

IT industries

The industry that works on producing software, hardware, provides internet services is known as IT industry. It is also the major aspect of E commerce because we all are aware that E commerce is completely based on Internet, transaction, works maximum of the process of E commerce is dependent on these industries because of the capability of dealing with software's. So, these industries are directly impacted in positive ways in employment parameter because of E commerce. This led to demand for IT and IT's professional – ranging from high end skills, live product developer analytics, data mining many more.

The IT industry which employs 10 million workforces currently are witnessing a growth of 9% Y-0-Y as compared to last year.
KPMG report

Allied industries that also gets affected by E-commerce in context of Employment

2.4.(a) Advertising Industries

E-Commerce plans are spending heavily on **advertising** and marketing be it TV, print, social media, etc. For which human resource is needed. Let's take scenario where Flipkart or Amazon had announced a sale for certain period, then how these announcements will get to public, they have to do advertisement this advertisement will done through print media, digital media and social media which will indirectly employs people in that sector. So indirectly e-commerce also helps in generating employment.

2.4.(b) Payment wallet segmentation in India has worth USD 9.2 billion in 2015 with 13.5 million users, the value of India's mobile wallet transaction reach USD 11.5 billion in 2020. This segments growth is partially impacting manpower requirement.

Literature Review

1.1 Achyuta Ghosh Head- Research NASSCOM

Any industry experiences employment growth that is about equal to the pace of revenue growth during the early stages of expansion. The e-commerce sector is predicted to create a number of job possibilities over the next 5–6 years because to the industry's high projected revenue development and the support of participants in the IT/ITeS sector, such as BPO companies. Due to labour arbitrage, the IT/ITeS industry has flourished to serve the services export market. However, an expanding portion of the domestic technology services and product market is being driven by the e-commerce sector. In future, we will see the Indian IT/ITeS industry boost global aspirations of e-commerce players in India, and help them grow in other emerging markets like Africa.

1.2 Ketan Kulkarni Head- Marketing, Corporate Communications and Sustainability Blue Dart

Even though only 8–10 cities fit into this category, metro areas have large cargo densities. For a similar cargo volume, and with between 300 and 400 tier I, II, and III cities, outreach becomes a significant problem and difference. In order to foster an atmosphere that promotes equitable employment possibilities, the logistics players must employ a sizable work force in these locations. Eighty percent of our total workforce is devoted to delivering last-mile connectivity.

1.3 Jaideep Ghosh Partner and Head Transport, Leisure and Sports KPMG in India

Due to shifting consumer demands and expanding company scope, the e-commerce sector is constantly

evolving. The e-commerce sector is constantly evolving as a result of shifting consumer demands and growing scale of business. Therefore, the impact on employment in e-tail logistics is two fold– firstly, increasing the numbers of workforce to meet the growing demand, and at the same time getting skilled professionals to fulfil the changing requirements. Hence, we have observed a high amount of recruitment from the top tier B-School for logistics related corporate roles, along with better policies and pay-outs for ground level operational roles for warehousing, last miles delivery etc.

3.4. Sreedhar Prasad Partner E-Commerce and Start-ups KPMG in India

The appeal of e-commerce businesses in the job market today is that they expose potential employees to a start-up environment very early on in their careers. The new hire is better equipped to think quickly on their feet every time they are exposed to the pace and quick decision-making processes.

E-commerce businesses offer a setting where speed and creativity can triumph over tradition and wisdom. This explains why the e-commerce industry employs a large number of young individuals in senior management positions. Thus, the mindset adjustment is a given for those pursuing careers in this field.

Impact of E Commerce on Society

Beside generating employment E commerce had also impacted society in several ways like

E commerce drives women empowerment- As we had seen that E commerce is encouraging more and more entrepreneurs to come with more exciting ideas to start their business in this online business model sector, it also drives women to become independent and start and grow their own business, by just being at home also.

Thousands of women gained financial independent by selling product across different categories such as fashion apparels, jewelry etc. Women are able to work from home, which help them to meet demand of the home and their carrier. For example, upon getting an order on any E commerce sites a notification arises on smartphone of user they just had to pack that product and schedule the pick up on their phone, courier boy will come and collect that product at your doorstep.

Revival of traditional art forms

For many of the traditional artist and cluster E-commerce has led to provide them a platform, where they reach with access to regional and global market, to see their product directly to the customer for better profit measurement.

E-Commerce helps to link the rural area and government.

Helps the government to deliver public service such as health care, education etc. in reduced cost and improved manner E-commerce has enabled rural access to access service and products which aren't available to them prior

Objective

We all know that E commerce is completely working on Internet. The main objective of this research paper.

- To know the impact of E commerce on Employment.
- To analyze how some of the different industries gets affected by Ecommerce.
- To get the idea of how E commerce enhanced the Start-ups.
- To know how E commerce impacted society

Scope

- One of the scope of this study is to make people aware about how the virtual mode is promoting the employment.
- Another thing is to know how the various parts of this virtual model is generating employment
- This research also tells us about how women get empowered in this virtual era, how they overcome physical limitation era.
- This research also tells us about how E commerce helps the society.

Research Methodology

The research challenge can be approached methodically using research methodology. Researchers need to understand the assumptions underlying various techniques and they need to know the criteria by which they can decide that certain techniques and procedures will be applicable to certain problems.

Sample Size

The sample size is a term used in market research for defining the number of subjects included in a sample size. By sample size, we understand a group of subjects that are selected from the general population and are considered a representative of the real population for that specific study. In this I have chosen 100 sample units, for making this research report. With these 100 respondents we get to know about various aspects related to this topic. Mode of analysis: The instrument used for the data collection was in the form of questionnaire that is primary data. The questionnaire was used as it facilitates the tabulation and analysis of the data to be collected.

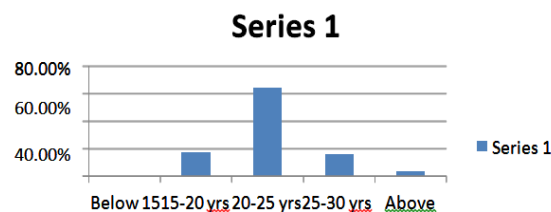
Action Of plan

7.2.(a) Primary Research- Primary data is a type of information that is gathered by researchers directly from primary sources using methods including tests, questionnaires, and interviews. The greatest type of data for study is primary data, which is typically gathered from the source—where the data initially originates from. The sources of primary data are frequently deliberately chosen and adapted to fulfill the criteria or specifications of a particular research project. Prior to selecting a data collection source, it is important to determine the research's goal and its target audience.

7.2.(b) Secondary research- Data that has previously been gathered from primary sources and made easily accessible for academics to use for their own research is known as secondary data. It is a category of information that has previously been gathered. The information may have been gathered by one researcher for a specific study and then made available for use by another researcher. As in the case of the national census, the information may also have been gathered for general use without a specified study goal.

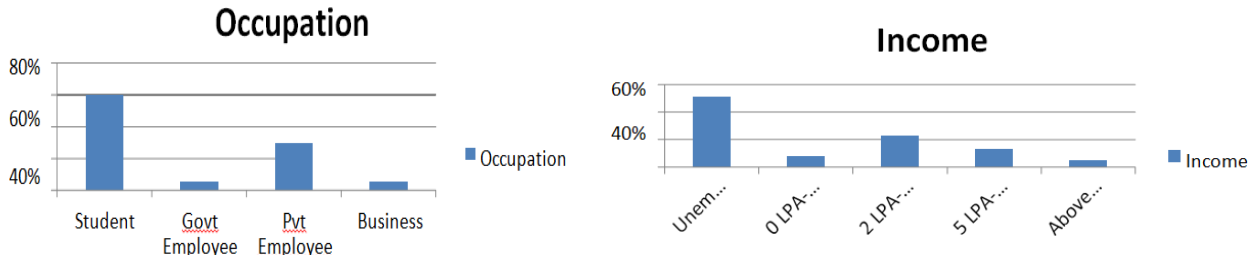
Sources -: Books, Magazines, Articles, Newspaper, Internet, etc.

Data Analysis and Interpretation 8.1. Which age group respondents belong?



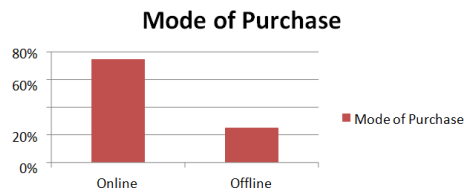
Interpretation- The highest number of respondents were those who fall between the age group 20-25 yrs

8.2 What is your occupation and your Income?



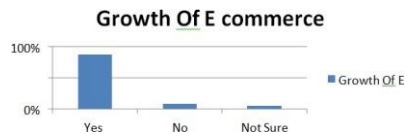
Interpretation:- Maximum of respondents are student followed by pvt employee. If we talk about the income group then maximum respondents were unemployed whether approx. 20% were those who comes under category of 2 LPA – 5 LPA

8.3 .What is the mode you like to purchase any product?



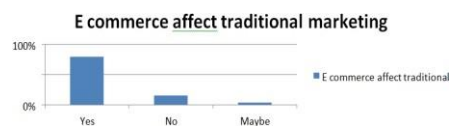
Interpretation-With the conducted survey we found the greater difference in online purchase and offline purchase, where we found that that people will feel engaged with online purchasing then there should be requirement of employees which automatically generate employment

Will E commerce market grow in future?



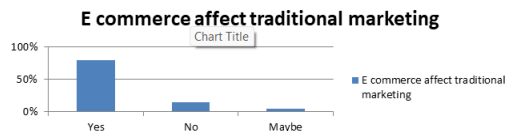
Interpretation-; Clearly seen here that people think that the E commerce market will grow in upcoming years which directly leads to generation of Employment.

Does E commerce affect the traditional marketing.



Interpretation -: From maximum of respondents we found that E Commerce will affect traditional marketing.

How frequently you purchase the product online.

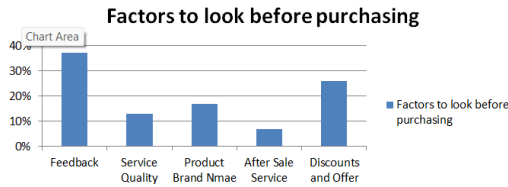


Interpretation -: From maximum of respondents we found that E Commerce will affect traditional marketing.

How frequently you purchase the product online

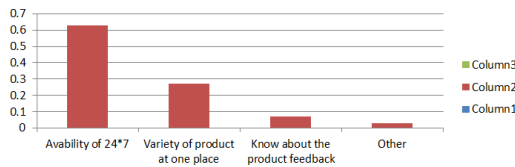


Interpretation:- On monthly basis we found that approximately 50% purchasing had been done by them while 20- 25 % on weekly and 15 day basis. What are the factors before purchasing any product.



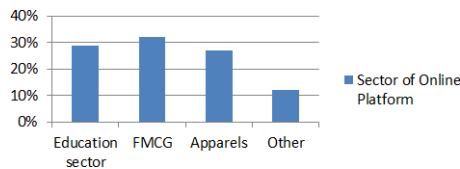
Interpretation:- Customer mainly see the feedback of the product before purchasing any product.

What is the thing that provide mainly advantage of online over offline marketing.



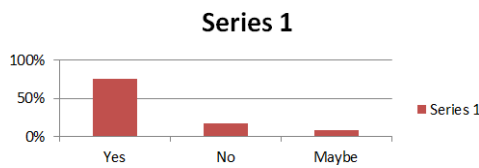
Interpretation:- The main thing that leads to the growth of E commerce is their availability of 24*7 which thrives customer to be engaged with it, which leads to growth in this market in near future.

Which segment will become more beneficial for online platform?



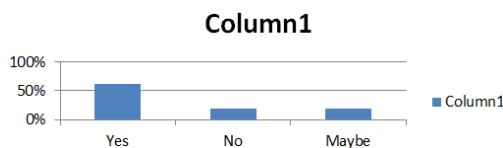
Interpretation:- According to respondents we found that approx. every segment is beneficial for online platform so there is good chances of employment in all of them. As they grow they have requirements of employees.

Did E commerce affect Employment ?



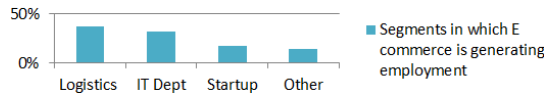
Interpretation:- It's certainly true that E commerce is generating employment.

Does Startups will get affected by E commerce ?



Interpretation:- It tells that approximate 60% respondents states that startups will get affected by E Commerce. Which is the segment in which E commerce generating employment?

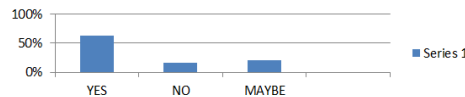
Segments in which E commerce is generating employment



Interpretation:- Logistics and IT dept both are the two things in which Employment had been generated at a very good scale.

What will you say if I say ' E commerce is not only provide employment but in indirect way also like . It makes IT industries stronger which increase the employment chances, etc.

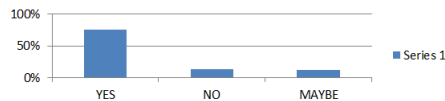
Series 1



Interpretation:- E commerce not only providing employment, but also generating in indirect way in context of allied industries like allied industries, payment wallet segmentation.

8.15 Did E commerce affect Society

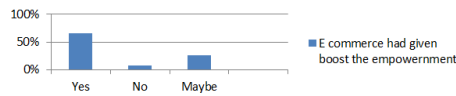
Series 1



Interpretation :- E commerce had certainly affected the society in positive way, which ensures society development like women empowerment, linkage of village with govt scheme etc

8.16. Did E commerce had given boost the women empowerment?

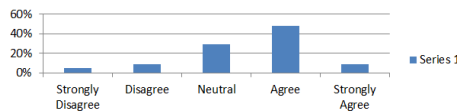
E commerce had given boost the empowerment



Interpretation :- E Commerce had certainly boosted the women empowerment which makes them stand their ownfeet, not only this but women are also being entrepreneur and providing employment.

8.17. Will E commerce is going to play major role in increasing employment ?

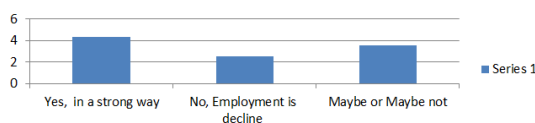
Series 1



Interpretation:- E commerce had played very important role in generating employment in various parts like logistics sector, warehousing, packaging etc

8.18. Did Employment generated by E commerce is affected by covid ?

Series 1



Interpretation- Covid the phase where many industries had been disturbed, but E commerce is the platform that had been gained a massive boost in this scenario, which overcome physical boundation.

8.19

Secondary Data

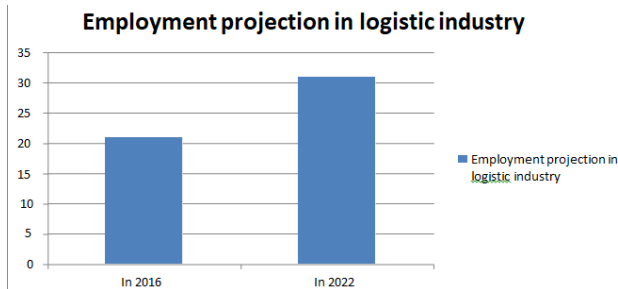
• **Impact of E commerce on employment**

<u>Industries</u>	<u>IN 2016</u>	<u>IN 2022</u>
<u>Logistic</u>	<u>21 million</u>	<u>31 million</u>

Estimation projection of Logistic skill council

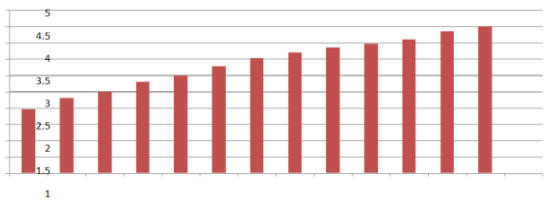
<u>Industries</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>IT Industries</u>	3.97 millions	4.1 millions	4.36 millions	4.5 millions
<u>Start-ups creating jobs</u>	93,527	1,42,646	1,69,724	1,92,427

8.19.(a) Logistics Industry



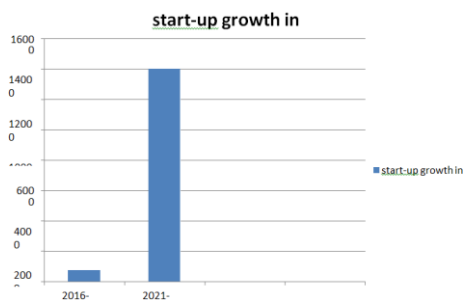
This is the projection data of LSC logistic sector council, in which they stated that there increment in total workforce in 2016 to 2022 from 21 million to 31 million across all the models road freight industry, railway warehousing industry etc

8.19.(b). IT Industries



This data had been taken from the report by Shangliao Sun , published in Aug 11 2021 in which we get to know that employment had been increasing annually from fiscal year 2009 to fiscal year 2021.

8.19.(c) Start-Up



According to ET survey, Department for promotion of Industry and Internal Trade(DPIIT) recognised 733 startups in 2016-2017 and 14000 in 2021-2022.

So, here we conclude that the startups has been increasing year by increasing and till 2021 -2022 the startups has been increased 20 times in comparison of 2016- 2017 start-ups , we can say that E commerce is just encouraging more and more entrepreneurs to come and enhance their thinking skills and also providing a platform for new ventures.

Findings

From this research report we found that

- E commerce is positively impacting the employment.
- E commerce is generating the employment in different sector.
- E commerce is also indirectly impacting allied industries to generate employment.
- Beside generating employment It's also impacted society in several ways like empowering women, revival of traditional art form etc

Conclusion

- The purpose of this research was to identify how E commerce is affecting Employment.
- We had seen that E commerce is generating employment in massive way in different- different sector.
- We also seen that Employment by E commerce had gain a boom in past covid period.
- It has some social implications also like empowering women, linking government to rural sector etc
- We also conducted survey for this report and got the response that online purchases are more popular because of being easy to manage.
- We also seen it will grow in coming future and as it's grow the Employment will generate more and more.

REFERENCE

1. KPMG media report
2. E-commerce websites
3. Youtube videos: - <https://youtu.be/cCyMxss5me0>
4. <https://www.wix.com/blog/ecommerce/2021/05/what-is-ecommerce> <https://www.bigcommerce.com/articles/ecommerce/types-of-business-models/#:~:text=There%20are%20four%20traditional%20types,oft en%20lumped%20in%20with%20B2B.>
5. DPIIT report
6. IT- BPM industry (Shangliao)
7. Money control (Prashant K Nanda)
8. India today article
9. Authored article by Shraddha Joshi Sharma, Vice Chairman and Managing Director, MAVIM
10. Role of E commerce in Women empowerment (by Ayesha Sabrina)
11. Logistic skill council report.
12. PITCS report.
13. Future of e commerce in India (Bhojraj yashwant shewale april 2021)
14. Express news service (By Bismah Malik 29 Dec 2020)
15. https://docs.google.com/forms/d/e/1FAIpQLSfXyFqJuN2MfCFokvL63TCeOdPY5zG6kTgXDIdZar8Af1l4IA/viewform?usp=sf_link