



## Impact of E-Commerce in India: Issues & Challenges

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**Abstract:** - Commercial center is quick transforming into e-commercial center now. Right from needle to ship, everything can be purchased on the web. With new and new players coming in, it is yet common for the current players and new contestants to think of creative systems to offer their merchandise and services. Electronic commerce is more than simply one more approach to support or improve existing businesses. Or maybe, e-commerce has brought revolutionary changes in the marketplace. It is a problematic invention that is drastically changing the conventional method of doing business. Ecommerce is paving way for huge business development in our nation. Expanding web clients have further added to its development. Ecommerce has made online travel industry grow through numerous methods and included another business boulevard through online retail industry in our nation. The current study has been attempted to portray the present scenario and facilitators of E-Commerce in India, dissect the present patterns of E-Commerce and look at the obstructions of E-Commerce in India.

**Keywords:** *E-commerce, India, E-market*

### I. INTRODUCTION

E-Commerce means electronic commerce which alludes to an extensive variety of online business exercises for various products and services. It implies managing the merchandise and services through the electronic media and web. It refers to the site of the seller on the web, who offers items or services directly to the client from the gateway with the help of a digital shopping cart or digital shopping basket system and permits payment through internet banking or credit/debit cards. E-commerce or E-business includes carrying on a business with the assistance of the web and by utilizing the various information technology means. Basically, E-Commerce is the development of business on the internet. E-Commerce has overnight turned into the prevailing online activity [Saini, 2014].

### II. REASONS BEHIND THE GROWTH OF E –COMMERCE

- **Busy Lifestyle**  
The life of individuals is so fast to the point that they can't go to the swarmed markets each time for shopping. Also people want to shop in a relaxed environment.

- **High Disposable Income**  
With increased employment opportunities the income has become higher and thus giving more spending power to individuals. Thus they are energetically ready to pay for the items on internet.

- **Awareness of Products**  
These days' people are much more of the new products, their specifications, costs etc through the assistance of media like TV, radio, news paper etc. So they shop online with confidence.

- **Rising Computer Educational Level**  
Because of the endeavors of Government and Educational Institutions in India, computer education is getting to new skylines. Individuals have more knowledge of the tools and applications of computers. Not just students of urban zones, in fact students of rural zones, house wives and professionals are likewise attracted to the developments like e-commerce and e-business. So there is consequently an incredible interest in purchasing and utilizing new items [Jain and Kapoor, 2012].

- **Increased Usage of Internet-**  
The count of internet users is more than 100 million now. Moreover, in the course of recent years, sophisticated online travel operators began transforming these underlying Web users into Web clients thus boosting the dominance of e-commerce.

### III. OPPORTUNITIES FOR E-COMMERCE

Reports show that the internet development in the 20<sup>th</sup> century[Choi & Suh,2005]gave birth to the electronic marketplace also known as e-market place, which is now the seed of electronic commerce (e-commerce). An e- market place is an artificial space where traders and consumers make

exchanges with each other like traditional market place. Different types of economic transactions, exchange of goods and services, as well as exchanges of information, take place in e-market places.

E-commerce centers have turned into an optional place for trade. Finally, an e-commerce center can act as an information specialist that furnishes purchasers and traders with information on items and different members in the business sector. [Hariharaputhiran, 2012]. These characteristics have been giving new shape the economy by influencing the conduct of purchasers and merchants. E-businesses influence the entire business whether online or traditional. It empowers a considerably more coordinated level of joint effort between the various parts of a value chain than ever before. Opting e-Business additionally permits organizations to lessen costs and enhance client reaction.

Organizations which update their business methods gain advantages from multitudinous new conceivable outcomes achieved by technology. E-commerce is a wide term which may vary from placing orders on the web through online conveyance of paid substance, to monetary exchanges, for example, exchange of cash between bank accounts. One region where there are some positive signs of e-commerce is financial services. Online stock exchange saw supported development all through the time of broadband diffusion.

## IV. CHALLENGES FOR E COMMERCE

Although Web based e-business has numerous advantages but it has also postured threats on account of its being what is prominently called faceless and borderless. A few cases of moral issues have risen as a consequence of electronic business. Stead and Gilbert reported the accompanying ethical issues identified with e-commerce [Stead and Gilbert, 2001].

### A. Privacy

Protection has been a critical issue of both present and forthcoming electronic commerce users. Following issues in this regard are generally striking:

- Not being meddled with, having the ability to prohibit; singular Privacy is an ethical right of every individual.
- Privacy is "an alluring state regarding ownership of data by different people about him/herself on the perception/seeing of him/herself by different people"

### B. Security Concerns

Notwithstanding privacy issues, other ethical issues concerned with e-commerce is the security. The Internet offers uncommon simple entry to an unfathomable exhibit to various products and services. The quickly growing field of "click and mortar" and to a great extent unregulated cyberspace have however incited worries about both privacy and information security.

## C. Other Ethical Issues

Manufacturers compete with Intermediaries Online have given rise to a new practice that is "Disintermediation". It is a method of wiping out the mediator. Disintermediation incorporates

- Music being downloaded straightforwardly from producers' websites.
- Authors distributing their work by creating their own sites

## V. BARRIERS OF E-COMMERCE IN INDIA

Various infrastructural barriers create obstructions in the development of ecommerce in India. Some of them are listed below:

### A. Payment Collection

At the point when get paid by net managing an account one needs to wind up giving a critical offer of income (4% or all the more) even with a business having low profit. Frauds, cash backs and so forth all turn into trader's obligation and consequently to be represented in the business model.

### B. Logistics

You need to deliver the item safely in the hands of the right person in opportune time period. Customary post doesn't offer a satisfactory service whereas couriers charge high and have restricted span of working. At first, you may need to insure for high value delivered articles expanding the expense even further.

### C. Vendor Management

However propelled framework might be, seller will need to descend and bargain in an inefficient framework for stock management. This will back off radically. A large portion of them won't convey any computerized information for their items. No decent looking photos, no advanced information sheet, no component to check at day by day costs, accessibility to keep your site overhauled.

### D. Taxation

Octroi, entry tax, VAT and loads of state specific tax structures go on with them which can create chaos.

## VI. ADVANTAGES OF E-COMMERCE

Electronic commerce gives various advantages to the buyers in type of accessibility of products at lower cost, more choices and also saves their time. Individuals can purchase merchandise with a tick of mouse without moving out of their home or office. Also online services, for example, money transfer, e-ticketing, hotel bookings, payments and so on have been of huge advantage for the clients. The Indian e-gift portals and shopping sites additionally give merchandise and in an

assortment of classes like clothing and accessories for males and females, home use products, books and magazines, PC and peripherals, vehicles, electronic gadgets, gems & stones, sound and recordings.

## VII. FACILITATORS OF E-COMMERCE IN INDIA

### A. Information Directories

Websites like <http://www.trade-india.com/> and <http://trade.indiamart.com/> update directories which provide details of trade of every type.

### B. Banks

- Net Banking: Online banking facility is provided by all banks to their savings account as well as current account holders. Various common net banking services provided by banks are:  
Demat accounts  
Foreign Exchanges  
Instant bill payment etc.
- Credit/Debit Cards: Banks encourage E-commerce by providing Credit or Debit Card, without which E-trade would be inconceivable.

## VIII. CONCLUSION

Electronic commerce opens new doors for business; it additionally creates new avenues in the field of education. It gives the idea that there is enormous potential for giving e-commerce training. At first, new Internet clients would be hesitant to direct any sort of business on web, referring to security reasons as their fundamental concerns. With a specific

end goal to build customer appropriation of e-commerce services, the purchaser perplexity, worry and hazard should be distinguished, comprehended and mitigated. E-business gives huge benefits in various ranges however it requires watchful attention for protection of consumer rights at the same time. Development of e-commerce would likewise depend, all things considered, on successful IT security frameworks for which vital technological and legitimate arrangements should be set up and reinforced always. E-Commerce is the eventual fate of shopping. With the introduction of 3G and 4G networks, the web economy will keep on growing vigorously. In coming 4- 5 years, India will have around 70 million net users which will be at par with many of the developed nations in the world.

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