



## E-Commerce

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### **Abstract:**

*E-commerce (electronic commerce) refers to commercial behavior including the electronic buying or selling products and services which are conducted on online platforms or over the Internet. E-commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automatic data compilation systems. E-commerce is the largest sector of the electronics industry and is in turn determined by the technological advances of the semiconductor industry. The term was coined and first employed by Robert Jacobson. Electronic Commerce Act, carried by the late Committee Chairwoman Gwen Moore (D-L.A.) and enacted in 1984. E-commerce classically uses the web for at least a part of a transaction's life series although it may also use other technologies such as e-mail. Typical e-commerce transactions include the buy of products or services. There are three areas of e-commerce: online retailing, electronic markets, and online sale. E-commerce is supported by electronic business. The survival value of e-commerce is to allow consumers to shop online and pay online through the Internet, saving the time and space of customers and enterprise, really humanizing transaction competence, especially for busy office workers, and also saving a lot of precious time. Online shopping for retail sales direct to consumers via web sites and mobile apps, conversational commerce using live chat, chat bots, and voice assistants. Providing or participating in online marketplaces, which process third-party business-to-consumer (B2C) or consumer-to-consumer (C2C) sales; Business-to-business (B2B) buying and selling. Gathering and using demographic data through web contacts and social media B2B electronic data interchange. Marketing to prospective and established customers by e-mail or fax. Attractive in pretrial for launching new products and services. Online financial exchanges for currency exchanges or trading purposes.*

*There are five essential categories of E-commerce: Business to Business, Business to Consumer, Business to Government, Consumer to Business, Consumer to Consumer. E-commerce has become an important tool for small and large businesses worldwide, not only to sell to customers, but also to engage them. Consumer to Consumer E-commerce has become an important tool for small and large businesses worldwide, not only to sell to customers, but also to engage them. Cross-border e-Commerce is also an necessary field for e-Commerce businesses. It has responded to the trend of globalization. It shows that many firms have opened up new businesses, expanded new markets, and overcome trade barriers; more and more enterprises have started exploring the cross-border cooperation field. In addition, compared with traditional cross-border trade, the information on cross-border e-commerce is more hidden. In the period of globalization, cross-border e-commerce for inter-firm companies means the activities, interactions, or social relations of two or more e-commerce enterprises. However, the success of cross-border e-commerce promotes the development of small and medium-sized firms, and it has finally become a new transaction mode. SMES (small and medium enterprises) can also precisely match the demand and supply in the market, having the industrial chain memorization and creating more revenues for companies.*

**Keywords:** E-Commerce, Marketing Strategy, Consumer Segmentation, Collection of Comments from Consumers, Business Analysis.

**Introduction:**

In 2012, e-commerce sales topped \$1 trillion for the first time in history. Mobile devices are playing an increasing role in the mix of e-commerce, this is also commonly called mobile commerce, or m-commerce. In 2014, one approximation saying purchases made on mobile devices making up 25% of the market by 2017. For traditional businesses, one research stated that information technology and cross-border e-commerce is a good opportunity for the fast development and growth of enterprises. Many companies have invested an enormous volume of investment in mobile applications. There is no limit of time and space, there are more opportunities to reach out to customers around the world, and to cut down unnecessary middle links, thereby reducing the cost price, and can benefit from one on one large customer data analysis, to achieve a high degree of personal customization strategic plan, in order to fully enhance the core competitiveness of the products in the company. Modern 3D graphic technologies, such as Facebook 3D Posts, are considered by some social media marketers and advertisers as a preferable way to promote consumer goods than static photos, and some brands like Sony are already paving the way for augmented reality commerce. Wayfair now lets you inspect a 3D version of its furniture in a home setting before buying. Despite investments, the chain struggled to win market share in the age of digital commerce. E-commerce markets are growing at noticeable rates. The online market is expected to grow by 56% in 2015–2020. In 2017, retail e-commerce

sales worldwide amounted to 2.3 trillion US dollars and e-retail revenues are projected to grow to 4.891 trillion US dollars in 2021. Traditional markets are only expected 2% growth during the same time. E-commerce allows customers to overcome geographical barriers and allows them to purchase products anytime and from anywhere. Online and traditional markets have different strategies for conducting business. Traditional retailers offer fewer variety of products because of shelf space where, online retailers often hold no inventory but send customer orders directly to the manufacturer. The pricing strategies are also different for traditional and online retailers. Traditional retailers base their prices on store traffic and the cost to keep inventory. Online retailers base prices on the speed of delivery. There are two ways for marketers to conduct business through e-commerce fully online or online along with a brick and mortar store. Online marketers can offer lower prices, greater product selection, and high efficiency rates. Many customers prefer online markets if the products can be delivered quickly at relatively low price. However, online retailers cannot offer the physical experience that traditional retailers can. It can be difficult to judge the quality of a product without the physical experience, which may cause customers to experience product or seller uncertainty. Another issue regarding the online market is concerns about the security of online transactions. Many customers remain loyal to well-known retailers because of this issue. Security is a primary problem for e-commerce in developed and developing countries. E-commerce security is protecting

businesses' websites and customers from unauthorized access, use, alteration, or destruction. The type of threats includes malicious codes, unwanted programs phishing, hacking, and cyber damage. E-commerce websites use different tools to turn away security threats. These tools include firewalls, encryption software, digital certificates, and passwords.

**Impact on Supply Chain Management:**

For a long time, companies had been troubled by the gap between the benefits which supply chain technology has and the solutions to deliver those benefits. However, the emergence of e-commerce has provided a more practical and effective way of delivering the benefits of the new supply chain technologies' E-commerce has the capability to integrate all inter-company and intra-company functions, meaning that the three flows of the supply chain could be also affected by e-commerce. The affections on physical flows improved the way of product and inventory movement level for companies. For the information flows, e-commerce optimized the capacity of information processing than companies used to have, and for the financial flows, e-commerce allows companies to have more efficient payment and settlement solutions. In addition, e-commerce has a more complicated level of impact on supply chains: Firstly, the performance gap will be eliminated since companies can identify gaps between different levels of supply chains by electronic means of solutions; Secondly, as a result of e-commerce appearance, new capabilities such implementing ERP systems, like SAP ERP, Xero, or Megaventory, have helped companies to manage operations with customers and

suppliers. Yet these new capabilities are still not fully broken. Thirdly, technology companies would keep investing on new e-commerce software solutions as they are expecting investment return. Fourthly, e-commerce would help to solve many aspects of issues that companies may feel difficult to cope with, such as political barriers or cross-country changes. Finally, e-commerce provides companies a more efficient and effective way to work together with each other within the supply chain.

**Impact on employment:**

E-commerce helps create new job opportunities due to information related services, software app and digital products. It also causes job losses. The areas with the greatest predicted job-loss are retail, postal, and travel agencies. The development of e-commerce will create jobs that require highly skilled workers to manage big amounts of information, customer demands, and production processes. In contrast, people with poor technical skills cannot enjoy the wages welfare. On the other hand, because e-commerce requires sufficient stocks that could be delivered to customers in time, the warehouse becomes an important constituent. Warehouse needs more staff to manage, supervise and organize, thus the condition of warehouse environment will be concerned by employees.

**Impact on customers**

E-commerce brings convenience for customers as they do not have to leave home and only need to browse websites online, especially for buying products which are not sold in nearby shops. It could help customers buy a wider range

of products and save customers' time. Consumers also gain power through online shopping. They are able to research products and compare prices among retailers. online shopping often provides sales promotion or discounts code, thus it is more price effective for customers. Moreover, e-commerce provides products' detailed information; even the in-store staff cannot offer such detailed explanation. Customers can also review and track the order history online. E-commerce technologies cut transaction costs by allowing both manufactures and consumers to skip through the intermediaries. This is achieved through by extending the search area best price deals and by group purchase. The success of e-commerce in urban and regional levels depend on how the local firms and consumers have adopted to e-commerce. However, e-commerce lacks human interaction for customers, especially who prefer face-to-face connection. Customers are also concerned with the security of online transactions and tend to remain loyal to well-known retailers. In recent years, clothing retailers such as Tommy Hilfiger have started adding Virtual Fit platforms to their e-commerce sites to reduce the risk of customers buying the wrong sized clothes, although these vary greatly in their fit for purpose. When the customer regret the purchase of a product, it involves returning goods and refunding process. This process is inconvenient as customers need to pack and post the goods. If the products are expensive, large or fragile, it refers to safety issues.

**Impact on the Environment:**

Only 35 percent of North American cardboard manufacturing

capacity is from recycled content. The recycling rate in Europe is 80 percent and Asia is 93 percent. Amazon, the largest user of boxes, has a strategy to cut back on packing material and has reduced packaging material used by 19 percent by weight since 2016. Amazon is requiring retailers to manufacture their product packaging in a way that does not need additional shipping packaging. Amazon also has an 85-person team researching behavior to decrease and improve their packaging and shipping materials. Accelerated movement of packages around the world includes accelerated movement of living things, with all its attendant risks. Weeds, pests, and diseases all sometimes travel in packages of seeds. Some of these packages are part of brushing manipulation of e-commerce reviews.

**Impact on Traditional Retail:**

E-commerce has been cited as a major force for the failure of major U.S. retailers in a trend frequently referred to as a "retail apocalypse." The rise of e-commerce outlets like Amazon has made it harder for traditional retailers to attract customers to their stores and forced companies to change their sales strategies. Many companies have turned to sales promotions and increased digital efforts to lure shoppers while shutting down element and-mortar locations. The trend has forced some traditional retailers to shutter its brick and mortar operations.

**E-commerce during COVID-19:**

Further information: Economic impact of the COVID-19 pandemic In March 2020, global retail website traffic hit 14.3 billion visits signifying an

extraordinary growth of e-commerce during the lockdown of 2020. Later studies show that online sales increased by 25% and online grocery shopping increased by over 100% during the crisis in the United States. Meanwhile, as many as 29% of surveyed shoppers state that they will never go back to shopping in person again; in the UK, 43% of consumers state that they expect to keep on shopping the same way even after the lockdown is over.

**Benefits of E-Commerce to Consumers:**

24/7 access, Enables customers to shop or conduct other transactions 24 hours a day, all year round from almost any location. For example, checking balances, making payments, obtaining travel and other information. In one case a explosion star up web camera as in every room in his house, so that he could check the status of his home by classification on to the Internet when he was away from home on tour. More choices. Customers not only have a whole range of products that they can choose from and customize, but also an international selection of suppliers. Price comparisons. Customers can 'shop' around the world and conduct comparisons either directly by visiting different sites, or by a visiting a single site where prices are aggregated from a number of providers and compared Improved delivery processes. This can range from the immediate delivery of digitized or electronic goods such as software or audio-visual files by downloading via the Internet, to the on-line tracking of the progress of packages being delivered by mail or courier. An environment of competition where substantial discounts can be found or

value added, as different retailers vie for customers. It also allows many individual customers to aggregate their orders together into a single order presented to wholesalers or manufactures and obtain a more spirited price.

**Benefits of E-Commerce to Society:**

Enables more flexible working practices, which enhances the quality of life for a whole host of people in society, enabling them to work from home. Not only in this more convenient and provides happier and less stressful working environments, it also potentially reduces environmental pollution as fewer people have to travel to work regularly. Connects people. Enables people in developing countries and rural areas to enjoy and access products, services, information and other people which otherwise would not be so easily available them. Facilities delivery of public services. filling taxes over the Internet through the Inland Revenue website.

**Conclusion:**

E-commerce still represents one of the business methods that take advantage if done the right way, even if the stock market and commodities fell, but E-Commerce still able to survive and receive high transaction. E-commerce has a tremendous opportunity in the course of or business in Malaysia. In addition, it is also to introducing new techniques and styles in a transaction. Use the extensive E-Commerce in the Internet world is actually much better to bring the goodness of the individual or the state. E-Commerce has undeniably become an important part of our society. The successful companies of the future will be

those that take E-Commerce seriously, dedicating sufficient resources to its development. E-Commerce is not an IT issue but a whole business undertaking. Companies that use it as a reason for completely re-designing their business processes are likely to reap the greatest benefits. Moreover, E-Commerce is a helpful technology that gives the consumer access to business and companies all over the world. There is no one commonly agreed definition of e-commerce or e-business. Thus, there is a need to clarify terms being used and explain the context in which they are being applied. E-commerce has an impact on three major stakeholders, namely society, organizations and customers (or consumers). There are a number of advantages, which include cost savings, increased efficiency, customization and global marketplaces. There are also limitations arising from e-commerce which apply to each of the stakeholders. These include information overload, reliability and security issues, cost of access, social divisions and difficulties in policing the Internet. Successful e-commerce involves understanding the limitations and minimizing the negative impact while at the same time maximizing the benefits.

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