



## FUTURE SCENARIO OF E-COMMERCE IN INDIA

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### **Abstract:-**

*There are players who made a good beginning. Their success depends on their understanding of the market and offering various types of features. This paper gives an overview of the future of E-Commerce in India and discusses the future growth segments in India's E-Commerce. This paper also find out various factors that would essential for future growth of Indian E-Commerce. And represent the various opportunities*

*For retailers, wholesalers, producers and people. In this paper we found that the Overall E-Commerce will increase exponentially in coming years in the emerging market of India. The E-Commerce market is thriving and poised for robust growth in Asia.*

**Keyword:** - E-commerce, Future Trend., Online Marketing

### **Introduction:-**

The E-Commerce market is thriving and poised for robust growth in Asia. There are players who made a good beginning. Their success depends on their understanding of the market and offering various types of features. This paper gives an overview of the future of E-Commerce in India and discusses the future growth segments in India's E-Commerce. This paper also find out various factors that would essential for future growth of Indian e-commerce. And represent the various opportunities for retailers, wholesalers, producers and people. In this paper ,we found that the Overall E-commerce will increase exponentially in coming years in the emerging market of India.

E-commerce is the transaction of buying or selling online. Electronic 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 automated data collection systems. Modern electronic commerce typically uses the World Wide Web for at least one part of the transaction's life cycle although it may also use other technologies such as e-mail.

### **Objectives of the Study:-**

- 1) To analyze the Concept of E- Commerce
- 2) To Understand Challenges in E- Commerce
- 3) To study the future trend of E-Commerce in India

### **Research Methodology**

The researcher has used the primary source, Various Books, and secondary sources journal and Websites. The researcher has used library method to collect data.

### **DEFINITIONS of E- Commerce:-**

Electronic commerce or e-commerce refers to a wide range of online business activities for products and services. It also pertains to “any form of business transaction in which the parties interact electronically rather than by physical exchanges or direct physical contact. E-commerce complete definition is: E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform, and redefine relationships for value creation between or among organizations, and between Organizations and individuals.

### **There are 6 basic types of e-commerce:**

- Business-to-Business (B2B)
- Business-to-Consumer (B2C)
- Consumer-to-Consumer (C2C)
- Consumer-to-Business (C2B).
- Business-to-Administration (B2A)
- Consumer-to-Administration (C2A)

### **E-commerce businesses Contain:-**

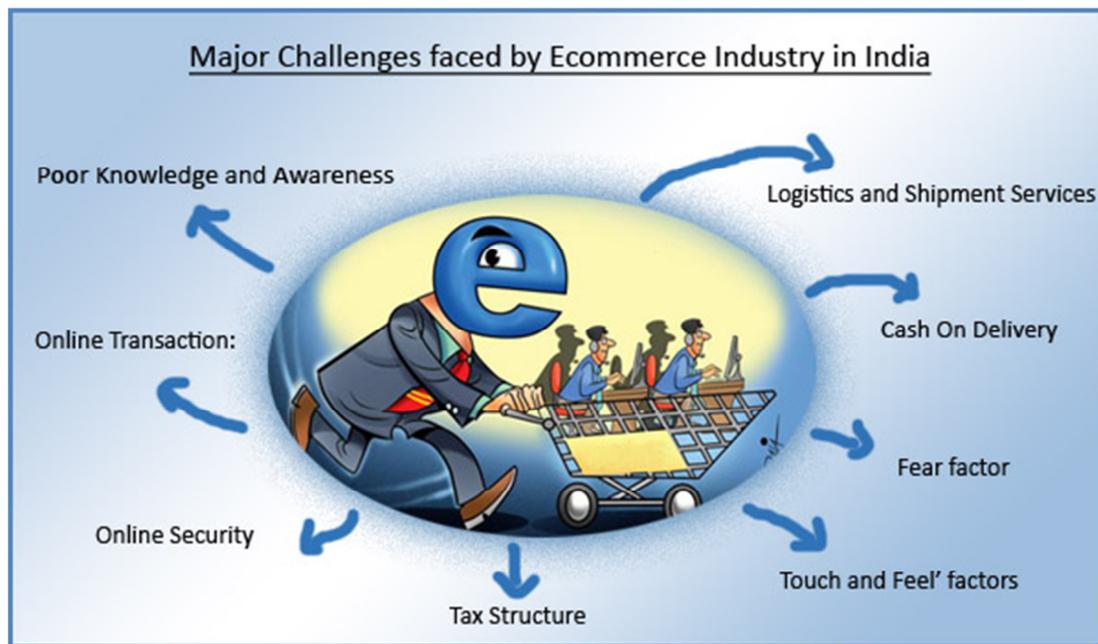
- Online shopping web sites for retail sales direct to consumers
- Providing or participating in online marketplaces, which process third-party business-to-consumer or consumer-to-consumer sales
- Business-to-business buying and selling
- Gathering and using demographic data through web contacts and social media
- Business-to-business (B2B) electronic data interchange
- Marketing to prospective and established customers by e-mail or fax (for example, with newsletters)
- Engaging in retail for launching new products and services
- Online financial exchanges for currency exchanges or trading purposes

### **Challenges:-**

E-Commerce, in spite of the opportunities, it has poses certain challenges which are sometimes too much to handle for start-ups:

- **E-Infrastructural Issues:** Internet is the backbone of e-commerce. Unfortunately, in India internet penetration is so far dismally low at 0.5 per cent of the population, penetration of personal computer (PC) as low as 3.5 per thousand of population and penetration of telephone only 2.1 per cent of population, **e-commerce remains far away from the common man.**
- **Branding & Marketing:** To get people come on an e-Commerce site and make a purchase involves heavy cost due to branding and marketing. This cost is significant and can be brought down to cost per customer, if the volumes permit to do so. **Experts say that the average figure for this metric in the current e-Commerce ecosystem is between INR 500 – 1000 customer**, which isn't sustainable for even medium sized companies, let alone early stage ones.
- **Declining Margins:** With the introduction of a large number of players in the already competitive e-commerce market, **the customer is pampered by offering huge discounts, offers, taking returns etc. resulting in razor-thin margins.**
- **Logistics & Supply Chain:** **Logistics failure in any area can mean detrimental damage to a startup's future** and can hurt the brand overall. Add to this the need for a guaranteed return policy. Getting this right is a challenge.

- **Tax related issues:** Tax rate system of Indian market is another factor for lesser growth rate of eCommerce in India in comparison to other developed countries like USA and UK. In those countries, tax rate is uniform for all sectors whereas **tax structure of India varies from sector to sector**. This factor creates accounting problems for the Indian online business companies.
- **Touch and Feel:** Indian customers are more comfortable in buying products physically. Companies dealing with products like apparel, handicrafts, jewelry have to face challenges to sell their products as the **buyers want to see and touch before they buy these stuffs**.



#### **FUTURE SCENARIO OF E-COMMERCE IN INDIA:-**

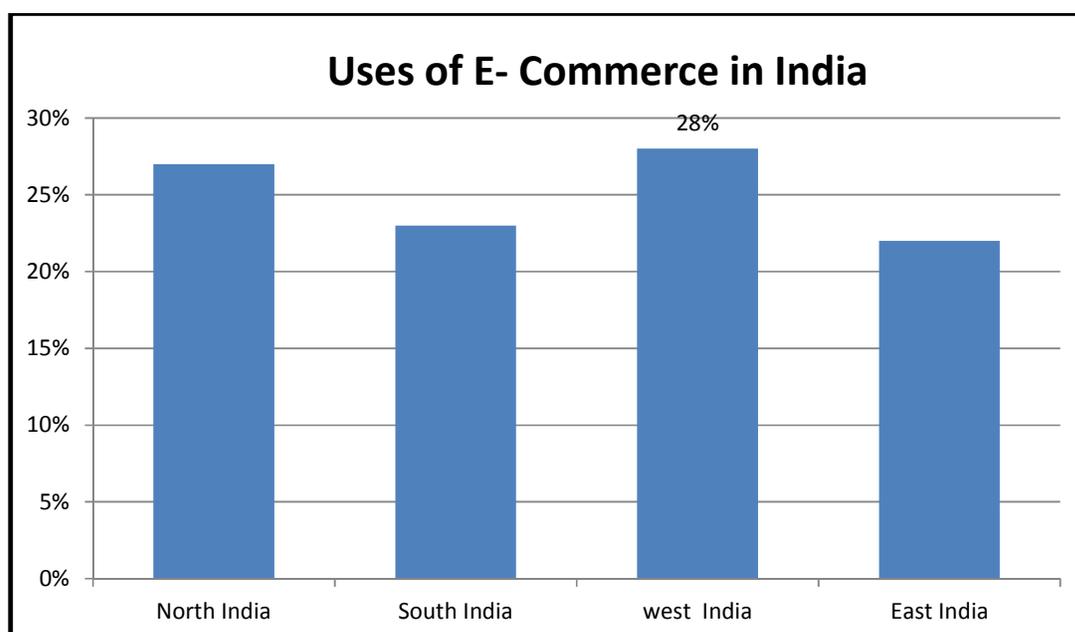
It is believed that low cost of personal computers, growing installed base for Internet use, and an increasingly competitive Internet Service Provider (ISP) market will help fuel e-commerce growth in Asia's second most populous nation. The first e-commerce site in India was rediff.com. It was one of the most trafficked portals for both Indian and non-residents Indians. It provided a wealth of Indian-related business news, reach engine, e-commerce and web solution services. The past two years have seen a rise in the number of companies enabling e-commerce technologies and the internet in India. The major Indian portal sites have also shifted towards e-commerce instead of depending on advertising revenues.

The web communities built around these portal sites with content have been effectively targeted to sell everything from event and mouse tickets the grocery and computers. The major in this services being Rediff,command the net and Indian plaza with started a shopping.

- The section, In spite of RBI regulation low internet usage e-commerce sites have popped up everywhere hawking things like groceries, bakery items, gifts, books, audio and video cassettes, computer etc. none of the major players have been deterred by the low PC penetration and credit card
- For developing countries like India, e-commerce offers considerable opportunity. E-commerce in India is still in growing stage, but even the most-pessimistic projections indicate a boom.
- **Social Media: Majority of online buying decisions are made on Social Media.** Social media like Facebook, LinkedIn, Twitter, Google+, Pinterest etc have become a medium for easy log-in and purchase. Moreover, the clients can stay updated via the posts published on this media. Further, the advertising & promotions on these social sites has increased the chances of success of generating transactions to many folds.

**Drone Delivery:** Companies have been working their way around to innovate the delivery process to shorten human effort as well as time. The answer to these problems is Delivery by Drones. DGCA is now fast tracking the process of issuing guidelines for the use of drones for civil purposes in India. If everything goes as per the plan, **then India might become the first country in the world to allow the use of drones for civil purposes**

When we study of India that time understand 80% population used of E-Commerce in India On the basis of some data



As per above chart , India's future trends are very different ,that is 100% people are used this Internet.

#### **Conclusion:-**

The future Scenario of E-Commerce is difficult to predict. There are various segments that would grow in the future like: Travel and Tourism, electronic appliances, hardware products and apparel. There are also some essential factors which will significantly contribute to the boom of the E-Commerce industry in Indianite. replacement guarantee, M-Commerce services, location based services, multiple payment option, right content, shipment option, legal requirement of generating invoices for online transactions, quick Services, T & C should be clear & realistic, the product quality should be same as shown on the portal, dedicated 24/7 customer care center should be there. We found various types of opportunities for retailers, wholesalers/distributors, producers and also for people. Retailers meet electronic orders and should be in touch with the consumers all the time. Wholesalers can take advantage of E-Commerce, who is capable of establishing contractors with reputed producers and linking their business with the on-line. Producers can also linking themselves with on-line, by giving better information about their products to the other links in the business chain and by having a brand identity. As more people are getting linked with E-commerce, the demand for center providing internet facility or cyber cafe is also increasing.

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