

E-Commerce

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Abstract—E-Commerce is an excellent technique to establish a business without physical store. E-Commerce is a process of doing business through computer network. In this paper we present all the types of key aspect related to e-commerce. E-Commerce is basically buying and selling of goods (products) or services on the World Wide Web. For a country to be developed, E-commerce is essential because it is implemented to improving the global market and firm in developing country. E-Commerce enhances economic growth; provide business opportunity and better profit. It also plays an important role in industry structure change. This paper aims to provide knowledge about e-commerce and its influences on the traditional commerce. Recent trend of e-commerce technology is mobile-commerce. E-Commerce is a multidisciplinary area, which is developed in Information System and Technology; Marketing Management etc. E-Commerce is global accessing service and efficient for customer service.

Keywords: E-Commerce, B2B, B2C, C2C, C2B, M-Commerce, B2A, C2A.

1. INTRODUCTION

In the last decade, technology has been growing fast and we all are part of booming era all over the world. In today's competitive business world having an online presence is more important; because there are hundreds of thousands of companies and project that have website on the internet which means business trading through the internet has been around the world since mid 90's.

E-Commerce stands for Electronic-Commerce; Electronic means anything which is preceded in electronic or digital medium to carry out some specific task. According to dictionary.com, Commerce is a division of trade or production which deals with the exchange of goods and services from producer to final consumer. It comprises the trading of something of economic value such as goods, services, information or money between two or more entities.

Nowadays, most of the people are so busy in their job so they don't have much more time to do so many tasks like payment of phone bill, shopping, knowing about their product details etc. with the boom of e-commerce, everything is on their fingertip. They can do all the jobs in a single click whenever they are free. Nowadays, people can buy and selling all kinds of goods and services from many e-commerce websites by sitting at the comforts of their own homes or in office and also

in journey. The only thing that they need is a computer with Internet connection or you can also use your smart-phone w. Payments usually are made via net banking, debit cards or credit cards. Many e-commerce sites also offer facilities of 'cash on delivery' these days.

1.1 E-Commerce

It consists of buying and selling goods and services over an electronic systems such as the internet and other computer network. All the electronic movements such as promoting the demands for goods and their services and information that support revenue generation. Customer service and their satisfaction is main concern of e-commerce. E-Commerce is also known as electronic market where sellers (suppliers, or companies, or online stores) and intermediate brokers and buyers can communicate with seller through electronically and about their goods and their benefits, payment is also done by e-cards. There are many more websites available which offer e-commerce transaction like; Amazon, Flipkart, EBay, Shop Clues, Snapdeal, Jabong, Mantra, Tradus, Naaptol, etc.

1.2 History

The history of E-commerce was started over 40 years ago in hused science labs.

- In the 1960s, EDI (Electronic Data Interchange) was started for exchanging electronic data in long distances. It is used for banks and military departments for command control communication purposes.
- In the 1970s, EFT (Electronic Fund Transfer) provides commercial transaction electronically, by using the technology EDI and EFT, allowing businesses to send commercial documents like purchase orders or invoices electronically. It is used by the banking industry to exchange the account information over secured network.
- In the 1980s, the next evolution of E-Commerce was ATM (Automated Teller Machines) machines and telephone banking, E-Commerce would also emerged goods such as ERP (Enterprise Resource planning), data warehousing and data mining. So the growth and acceptance of credit cards, ATM, Telephone banking

(Bank by phone anywhere and anytime), Airline reservation System have succeed in this era.

- In the 1990's the internet commercialized and users participated in the World Wide Web on the internet, in the form of dot-coms, or internet start-ups. It provided innovative applications ranging from online direct sales to e-learning experiences. It became easy to use technology for information publishing and dissemination so the business activities diverged and cheaper to do business in economics of scale and scope.
- In the 2000's Many European and American business companies offered their services through the World Wide Web. Since then, People began to associate a world "E-Commerce".

The first internet companies which allow electronic transactions were Amazon and EBay, so history of ecommerce is incomplete without Amazon and EBay. Recently there are 5 largest and most famous internet retailers; Amazon, Dell, staples, Office Depot and Hewlett Packard.

2. RELATED BUSINESS

Traditional commerce is based on face to face interaction. The customer has a chance to ask questions and about their product and benefits the sales staffs does work with them to ensure a satisfactory transaction. For this, it needs to hire sales executives, sales manager, accountant, and other staffs. It requires location renting/purchasing, staff employment, advertising, inventory, shipping and handling all the cost which makes many people negates from starting a business entirely. On the other hand E-Commerce is emerging like a e-mail and product selection. In E-Commerce everything is in digital form, it eliminates the intermediate man so it is a direct selling relationship between company and customer. It works on 24*7 and eliminates less overhead costs; the financial transaction on the internet can actually be more secure than in traditional retail environments and speed is too fast. Through this approach we save our time.

3. PROCESS OF E-COMMERCE

Whenever any user is buying any goods in a store or online everything you do is managed around a transaction. All the process is done in certain steps.

- A consumer uses a web server that can manage an online storefront, and connect to the home page of a merchant's website on the internet.
- A database system that manages stock items (constantly updated on the orders). The consumer browses the catalog of product and select item to purchase. The selected items are placed in the electronic shopping cart.
- When the consumer is ready to complete the purchase of selected items then a bill is to be generated that contain purchase details and delivery.

- A dispatch system connected to a warehouse for knowing the information, the web server receives information and compute total cost including tax, shipping and hand ling charges and the display the total amount to the customer.
- Payment is done by consumer by e-cards.
- The commerce server site then forwards the order to a processing network.

4. TYPES OF E-COMMERCE

The type of E-commerce has been categorized into 3 approaches.

- Based on licensing models
 - On-premise e-commerce
 - Software as a service (SaaS) E-commerce
 - Open source E-commerce
- Based on Sales Scenario
 - Business-to-Consumer (B2C)
 - Consumer-to-Business (C2B)
 - Consumer-to-Consumer (C2C)
 - Business-to-Business (B2B)
 - Business-to-Administration (B2A)
 - Consumer-to-Administration (C2A)
 - Mobile Commerce(M-Commerce)
- Based on Data Exchange
 - Integrated E-commerce
 - Interfaced E-commerce

There are different types of E-Commerce but our main interest is based on Sales Scenario.

- Business-to-Consumer (B2C)-It is the commerce between companies and the consumer, involves consumers gathering information, purchasing physical goods or receiving products over an electronic network.
Example: you purchase a book from flipkart.
- Consumer-to-Business (C2B)- It is a commerce between consumer and companies , consumers generally post their products details or services online after that on that post companies can post their bids. It is based on price expectations.
- Consumer-to-Consumer (C2C) – All electronic transaction of goods or services conducted between two consumers are done by C2C.It is done by a third party which provide the online platform where the transactions are performed.

Example: EBay, Paypal where person to person transaction takes place every day since 1995.

- Business-to-Business (B2B) - The transaction which is done between companies without the involvement of the consumer is carried out in B2B. In most B2B transaction a log in id is required to entering the web shop.

Example: - Intel sells microprocessor to Dell, Producers and traditional commerce wholesaler.

- Business-to-Administration (B2A)-All the transactions conducted online between companies and public administration is done through B2A e-commerce. It involves variety of services, like social security, employment, legal documents and registers, etc. This type of services has emerged in recent years with investment made in e-government.

Example: - Sell goods or services to government agency.

- Consumer-to-Administration (C2A)-All electronic transactions conducted between consumer and public administration is carried out by C2A.

Example:-Taxes (filing tax returns, payments, etc.),

- Mobile-Commerce (M-Commerce):- All the transaction i.e. buying or selling the goods or services carried out through wireless technology is under taken by M-Commerce.

Example: - Mobile Banking, Information

Services, Mobile Ticketing etc.

5. BENEFITS OF E-COMMERCE

To consumer-

- More choices are available in cyber market and you can shop anywhere in the world. It is open for the consumer 24*7 everyday of the year.
- Due to wide scale choices consumers can compare products feature and their prices and also look up their review. All the transaction will be electronically so it reduces the price
- The entire financial transactions are in electronic form, no need of a physical store so no checkout queue and it will reduce prices.
- Fast services and delivery of product and services are main concern of consumer and receive delivery right to the door step. It saves time and money both.

To Suppliers-

- By adopting just-in-time (JIT) system it minimizes inventory cost because there is no need to maintain huge inventory or expensive retail showrooms.
- Customer services are the most factor of e-commerce so it becomes necessary for company to enhance customer loyalty otherwise customer have full of choices.
- It helps to globalize the business and it covers all over the world. Companies can bring product and services to market more quickly.

6. DRAWBACK OF E-COMMERCE-

- Security is main concern for E-Commerce services; there is minimum chance for direct customer to company interaction.

- There are many hackers who always looking for an opportunity so e-commerce sites, payment gateway and services all are always prone to attack.
- There is no guarantee for product services any one could start a business rather it is good or bad.
- Without internet connection, it is meaningless.

7. FUTURE OF E-COMMERCE IN INDIA

Growth of E-commerce was slow earlier but in the last decade it is growing faster with extraordinary pace. It is to be estimated that e-shopping will become basic phenomena among buyers in arriving years. Flipkart, EBay, Snapdeal, Jabong, Home Shop 18, Yebhi, Myntra, Naaptol, Tradusin, Fashionandyou, Alexa, ShopClue, are the top e-commerce website in India.

In recent years, many e-commerce websites giving tough competition to one another with striking deals like free shipping, coupons, free gifts, easy return policy, discount and many more. M-Commerce is emerged as a milestone of booming era, everyone is connected with Smartphone and do best utilization of M-Commerce on their finger tip.

8. MOBILE-COMMERCE

Mobile-Commerce was originally developed by 1997 by Kevin Duffey at the launch of Global Mobile Commerce forum. It is growing trend of network interface with wireless device i.e. handheld devices such as cellular telephones, laptops and personal digital assistant (PDA).

The M-Commerce product and services are available like Mobile money transfer, Mobile ATM, Mobile Ticketing, Mobile Vouchers, Coupon, loyalty cards, Mobile Banking, Mobile Marketing, Mobile Payment, Purchase and delivery etc. The rapid growth rate of m-commerce depends on some positive factors like the demand for applications from an increasing mobile customer ad consumer base, the rapid adoption on online commerce and security issues etc.

9. CONCLUSION

E-Commerce becomes an important part of our society. Everyday more and more people are connecting with internet and grow increasing and perform digital transaction.

Business will be more improved in next upcoming years. The future of successful company depends upon quality of product and services means it's the time to take e-commerce seriously, E-commerce is not an IT issue but a whole business undertaking so the company redesign their business and process time to time and take greatest benefits.

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