



Outlook for Indian E-Commerce A Critical Analysis

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Abstract

One of the economic sectors in India that is expanding the fastest is e-commerce. The comparatively small number of internet users in India has meant that, despite a strong growth rate, the country's e-commerce sector has lagged behind that of many established and growing economies. According to a 2015 research by the international management consulting company AT Kearney, there were just 39 million Indian online shoppers—a negligible portion of the 1.2 billion people who call India home. Internet-based business is known as e-business. The advent of e-commerce has altered business. Electronic commerce refers to the online purchase and sale of goods and services. In addition to current trends, the study centers on the growth of e-commerce in India. This qualitative research examines the body of literature in order to understand the scope, growth, and development of e-commerce in India with regard to current trends that drive industry growth. India's e-commerce market is expected to grow rapidly, based on this analysis. E-commerce, according to these works, offers opportunities for producers, merchants, consumers, and wholesalers.

Keywords: Internet, e-commerce, trends, and industry

Introduction

The term "e-commerce" describes the promotion, selling, and provision of goods and services via electronic channels like computer networks and the Internet. Electronic commerce refers to business conducted using computers, the internet, or both. Online business transactions are referred to as e-commerce. Electronic commerce includes electronic money transfers, corporate purchasing, supply chain management, value chain integration, e-marketing, and online transaction processing. You may generate money online thanks to e-commerce. Building strong customer relationships, enhancing personalization, enhancing customer services, and other goals are all made possible by the collaboration of numerous organizations, groups, and enterprises. Information technology has transformed the way we do business. It converted traditional forms of business to electronic commerce, such as paper checks into electronic payments and paper or postal invoices into electronic invoicing.

Review of Literature

In "A Study on Current Status of E-Commerce in India: A Comparative Analysis of Flipkart and Amazon," Mishra & Kotkar (2015) explore the history and evolution of B2C e-commerce, tracing its origins to the mid-1990s with the emergence of employment and marriage websites. But the process moved very slowly because of poor online payment methods, restricted internet accessibility, and general ignorance. With the growth of online services to include travel and hotel bookings, which are still significant

contributors to the Indian B2C e-commerce business, the sector saw a significant increase in the mid-2000s. In "Growth of E-Commerce in India," Das & Ara (2015) note that while online travel and hotel reservations continue to dominate the e-commerce business, their proportion has comparatively decreased over time as a result of the recent expansion and subsequent rise of e-tailing services. The amount invested in this area has increased significantly. Due to the western e-commerce industries' saturation, investors believe that the Indian industry has enormous potential. As a result, numerous start-ups have attracted the attention of venture capitalists and private equity organizations.

Shettar, M. (2016): Shettar asserts that organizations need to understand the challenges and risks associated with the legal system in addition to having legal competence. International businesses are now taking an interest in India's growing web market. Due to the rise in SMEs, FDI, and MNCs, which increases their purchasing power, there are more job openings for clients.

Retailers need to grow globally, says Seth Wadhawan (2016), in order to remain competitive in the digital age. It is now imperative for stores to go digital, not an option. This entails switching up strategies, verifying outlandish theories, and keeping up with current developments.

Shahjee, R. Shahjee (2016) claims that traditional marketing was difficult in the past but that internet businesses have provided a platform for companies to display their wide range of products and made it easy for customers to get excellent results fast. Online businesses face hurdles due to the lack of

understanding about computers and the internet, as well as the infrastructure skills of customers, particularly those from abroad.

Objectives

- i). To give an outline of COVID-19's effects on Indian e-commerce.
- ii). In order to deliver statistical data complaints received in India regarding e-commerce.
- iii). To research Indian e-commerce's prospects.
- iv). For the purpose of highlighting Leading E-Commerce Trends

Outlook for Indian E-Commerce

India's online business market is growing quickly. While the number of Indian web users is still relatively small-400 million-in comparison to other wealthy countries, it is increasing over time. The rapid growth of Indian e-commerce

can be attributed to the pervasive usage of cellphones and the internet. In addition, favorable demographics and government initiatives to digitize India are contributing to the growth of the e-commerce sector. Two Retail is currently one of the sectors in India that is expanding the fastest, and this trend is expected to continue.

Growth in e-commerce is displayed from 2014 to 2026. Sales through e-commerce are rising, as seen by a table and graph. 13.36 billion in 2014 compared to 15.48 billion in 2015. An growth is anticipated in the years to come. It is projected to increase to 81.48 billion dollars in 2026, more than four times its 2014 value. As of July 2019, 475 million people in India used the internet, or 45% of the nation's total population. India's leading e-commerce platforms in 2016 were Snapdeal, Amazon, Myntra, Paytm, Flipkart, and Myntra. 2019 saw Amazon overtake Flipkart to take the top spot as India's most prosperous online retailer.

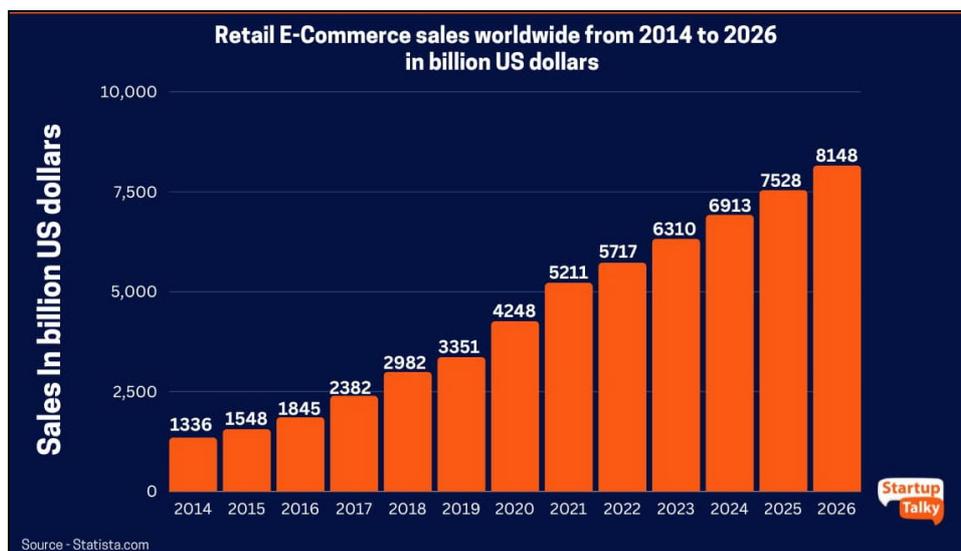


Fig 1: Retail E-Commerce sales worldwide from 2014 to 2026

The world of online commerce evolved from traditional trading. Businesses that operate online have fully taken over the business sector. It is creating a new economy with boundless promise and changing the way firms operate. Here, we examine online retail trends. E-commerce trends are investigated. They are mentioned in the list below.

2022 is expected to see a rise in web-based businesses and an international upsurge in online retailers. Online retailers have an enormous pool of prospective clients with 1.92 billion people purchasing online. It's a successful venture. Often referred to as wireless or mobile commerce, M-Commerce E-commerce encompasses any type of financial transaction done via a mobile device, such as buying products and services. AI should be used in e-commerce to provide a personalized experience and increase conversion rates. AI has the ability to personalize all client and specialty data. Computerizing customer service can enhance stock control.

The current online store must be available around-the-clock on multiple platforms. Online businesses can save costs, save labor, and save time by automating customer care. If there aren't frequent inquiries, staff members can focus on more challenging tasks. Conversational bots or computer-based assistants can record all questions. Customers and local small businesses come together in the Hyperlocal Marketplace. The coronavirus outbreak right now. Lockdowns during crises left a lot of individuals without a way to take care of their homes.

Rapidly expanding hyperlocal administrations catered to a sizable clientele worldwide. Hyperlocal administrations facilitate prompt requirements fulfillment.

COVID-19's Effect on Indian E-Commerce

Because of the coronavirus pandemic, people now purchase and utilize online services in different ways. The normalization of lockout laws and consumers' reluctance to make purchases overseas are driving India's trend toward internet shopping. As consumers went from buying generic items to branded commodities, they moved from brick-and-mortar establishments to online portals. Social segregation is expected to begin in 2020, and e-commerce is expected to grow rapidly. Websites for online purchasing are overrun by new users (FTUs).

With the coronavirus, things have never been this awful. Many folks were able to stay at home during the global shutdown and yet get what they needed delivered thanks to online commerce.

Consumers prefer to stay indoors until absolutely necessary. Gopal Pillai, vice president of seller services at Amazon India, said, "We are helping customers who are stuck in that situation, and we are able to play a small part in helping (cater) to their needs."

According to IBEF, the Indian internet business sector is expected to reach \$200 billion by 2026, up from \$30 billion in

2017. According to the poll, India's internet business sector is predicted to surpass that of the US by 2034, making it the

second largest in the world.

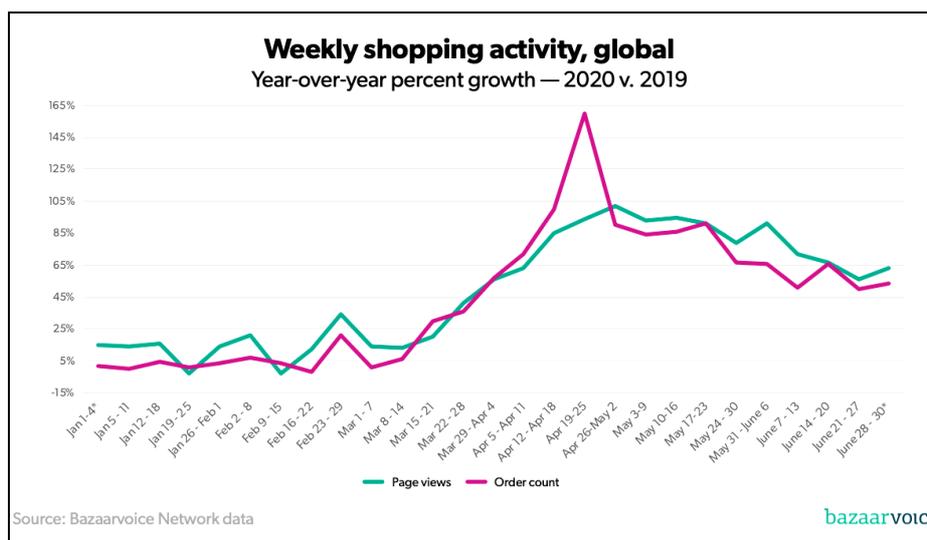


Fig 2: The Impact of COVID-19 on E-commerce in India

E-commerce Developments

- i). Comments left by viewers on videos: There is no going back from the fact that video is the most effective medium for customer interaction in 2019. Making videos for your website is an excellent way to promote your goods or services and engage with clients quickly.
- ii). Subscriptions are what retain customers: Contemporary memberships entice customers with enticing advantages. Businesses can prepare for deals and inventory with the help of membership management.
- iii). Businesses and consumers alike are become increasingly conscious of the environment. Customers are now more aware of where they shop and how their purchases impact the environment as a result. Less bundling was favored by 75% of respondents, while more approachable designs were desired by 50%. A lot of companies are recycling their waste, switching to biodegradable packaging, and eliminating paper whenever they can.
- iv). There will be more vocal searches. People utilize smart speakers and voice assistants for everyday tasks. According to Circle Adventures, 75% of American families will have smart speakers by 2025. More people will use voice search to order takeout, make online purchases, and plan their life as more houses get smart speakers. Voice search has freed up keywords and material for websites.
- v). AI learns about its clients: Intelligent automation and artificial intelligence (AI) provide automated, customized shopping. Simulated intelligence collects data about a consumer's preferences for certain products, how they shop, and what they hope to achieve. It's a genuinely innovative invention.
- vi). Optimization of digital strategies with conversion in mind A website's visitors are one thing, but converting them to paying clients is quite another. In 2020, businesses plan to improve item pages in order to increase conversion rates. Another tactic to increase conversions is multi-channel selling, whether on Facebook or Google Shopping.

Conclusion

Many novel advancements are being made in e-commerce. We will always be looking toward the future since e-

commerce unites everything and because innovation and people are continually changing. Online buying has become more convenient. Despite these challenges, the e-commerce industry in India is growing swiftly. Right now, one of India's industries with the quickest rate of growth is e-commerce. Ecommerce sales are expected to grow by almost four times what they did in 2015. This is predicted to occur by 2021. The remarkable growth in e-commerce can be attributed to various factors such as the increasing number of smart phone and internet users, the availability of 3G/4G internet connections, public awareness of digitalization activities, sophisticated shipping and payment choices, and the emergence of multinational e-business operators. In order to minimize obstacles to the expansion of e-commerce, the government should act to provide an appropriate legal environment.

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