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## Discussing Prospects And Opportunities Of E-Commerce Industries With Respect To Indian Context

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### **ABSTRACT**

Transactions between people or businesses that take place entirely online are known as "e-commerce." Both consumers and businesses may benefit from E-Commerce in a number of ways, including lower prices and greater selection. The previous several years have been particularly fruitful for India's e-commerce sector, thanks to rising numbers of both internet users and mobile phone buyers. The country of India is now a prominent actor in the global economy. Researches in international business and management have begun to focus on the country as a result of its inexorable economic expansion after the reforms in 1991. This paper's goal is to examine the literature on the effects of e-commerce on Indian trade as published in leading business and management journals, so that its readers will have a better idea of which studies have had the greatest impact, which issues have been given the most attention, and which conclusions can be drawn from the existing literature, and which can serve as a basis for future studies.

**Keywords:** Growth, Demand, Market, Commerce, Business.

### **I. INTRODUCTION**

The advent of online trading marked a major change in economic paradigms. This new development is a "disruptive" innovation since it challenges the status quo and causes widespread shifts in the way business is conducted. The term "electronic commerce" refers to the practise of doing business through an electronic network, most often the Internet, rather than through traditional means. The term "e-commerce" refers to the exchange of products and services, as well as the transfer of money and data, over an electronic network such as the Internet. These deals might take place between companies, between businesses and customers, or between customers directly. When discussing the business practises involved in conducting transactions related to online shopping, the phrase "e-tail" is often

used. Email, fax, online catalogues and shopping carts, EDI, File Transfer Protocol, and Web services are just few of the many tools used in e-commerce. In some ways, it resembles more sophisticated versions of traditional catalogue mail-order. Electronic commerce (or E-Commerce) is the conduct of commercial transactions through the Internet. E-commerce is already influencing every facet of businesses, from customer service to product development. It paves the way for novel information-based business activities like online advertising and marketing, online order taking, and online customer care to connect with and serve customers.

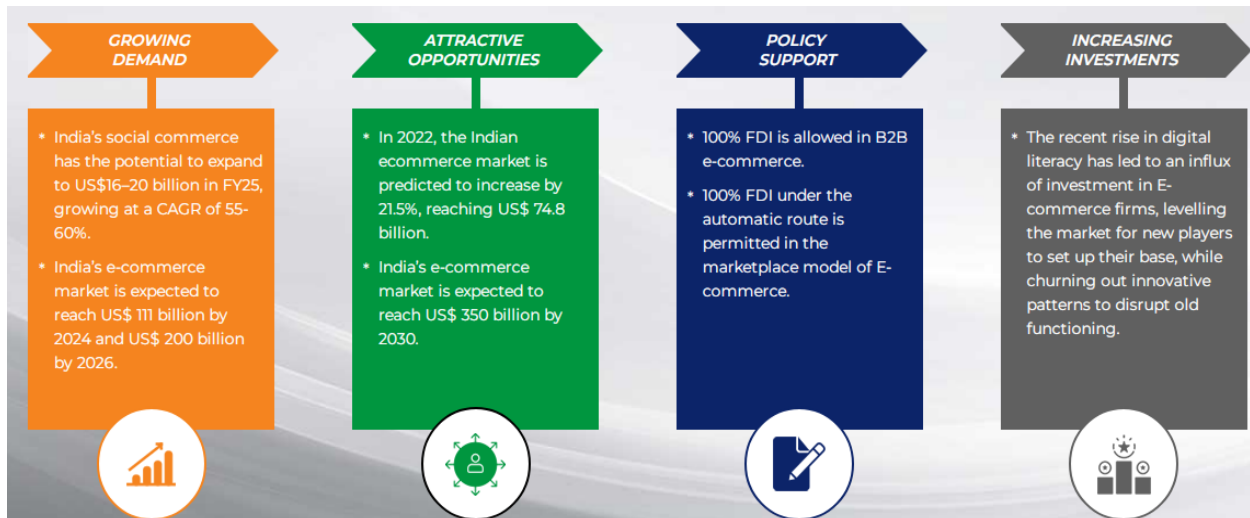
As e-commerce expands in India, more and more businesses see opportunity there. With a total population of over 1.2 billion, India is second only to China in terms of sheer numbers of inhabitants. It has taken a while for major international e-commerce platforms like Amazon, eBay, and Expedia to achieve the same level of success in Asia as they have elsewhere in the world. In addition to being late entrants and being hampered by local restrictions, Asian and Indian markets provide special difficulties for these companies because of the region's cultural diversity, linguistic complexity, and lack of investment in infrastructure. And it's not only the major companies that are having trouble breaking into the Asian market; local entrepreneurs that try to mimic the success of multinational e-commerce corporations are encountering the same problems. To what extent can E-commerce in Asia maintain its current rate of growth?

Business-to-business (B2B), business-to-customer (B2C), consumer-to-business (C2B), and consumer-to-consumer are the four broad categories used to describe the industry (C2C).

## **II. INDIA'S PROSPECTS IN E-COMMERCE:**

**THE OPPORTUNITY FOR RETAILERS:** A store owner may ensure his company's survival by establishing a relationship with the on-line distribution system. This will allow them to provide their customers with access to a wealth of new information, accept electronic orders, and maintain constant communication. To this end, doing business online is a promising prospect.

**OPPORTUNITY FOR WHOLESALERS/DISTRIBUTORS:** In the age of e-commerce, wholesalers face the biggest threat to their continued existence since producers can bypass them when selling directly to retailers and end users. Those wholesalers can benefit from E-Commerce in this scenario if they are able to set up contracts with reputable producers and integrate their operations with the web..



**Figure 1: Scenario of E-commerce in India**

**OPPORTUNITY FOR PRODUCERS:** Producers may benefit from e-commerce by establishing an online presence, enhancing the information available about their products, and establishing a recognisable brand.

**OPPORTUNITY FOR PEOPLE:** As more individuals become involved in E-commerce, there will be a greater need for public places that offer internet access, such as cyber cafes. So, those who want to take advantage of it can set up shop online and reap the rewards.

### III. RESEARCH METHODOLOGY

Methodology in research refers to the specific set of steps taken to collect, sort, and evaluate data in order to draw conclusions about a subject. The methodology part of a research article is where the reader is given the opportunity to assess the study's overall validity and dependability.

Primary data is information that has been recently gathered to answer specific questions. Consumers' true thoughts and feelings may be gleaned through primary data.

The term "secondary data" is used to describe information that has previously been gathered and is publicly available. This information might come from sources such as newspapers, academic journals, or government reports. To acquire reliable findings, we used both primary and secondary sources in our investigation.

For this work, the author relied only on secondary data gleaned from a wide range of sources (such as scholarly publications, books, websites, etc.) to examine the history, current state, and potential future developments of Ecommerce in India. All information provided is derived from secondary sources, and appropriate citations have been provided.

#### **IV. THE TRENDS AND OPPORTUNITIES IN INDIAN E-COMMERCE**

To a layman, E-commerce is buying and selling goods online whereas statistics and current fashion suggests that e-commerce in India is growing rapidly due to rising disposable incomes and shifting urban patterns. According to ASSOCHAM, the Indian sector will grow from 2015's sales of US\$23 billion to US\$38 billion in 2016. The fast expansion of online trade in India has brought with it a wealth of new job possibilities. A discussion of current market tendencies and openings follows.

Many businesses have come to recognize the potential customer base in Tier 2 and Tier 3 cities as a result of the rising popularity of social media networking. Customers are impressed by social media counsel, which results in a great conversion rate. More than 50 million people worldwide use social networking sites like Twitter, YouTube, and Facebook, and among these people, Indians devote a disproportionate amount of their time to these platforms, as shown in a recent Nielsen poll. Therefore, a career in digital marketing is one to look forward to as it offers unrivalled prospects for development and innovation.

By the end of 2016, India will have 204.1 million active smartphone users, surpassing the numbers of the United States, Japan, and Russia combined, according to a study conducted by a research group located in the United States. As more people are using their smartphones to purchase online and access the internet, there has been a corresponding rise in demand for efficient mobile applications. The need for skilled app developers is consistently strong due to the expanding prevalence of mobile apps and related services. Between 2012 and 2022, its growth is predicted to average 22% annually.

Cloud computing is a rapidly developing trend in online retail. Cloud computing is projected to reach \$3 billion by the end of the year, according to a forecast by Gartner. The e-commerce industry may reap several benefits from this. Infrastructure and operational expenses are reduced. Business analysts, operations managers, information technology managers, etc. are just few of the e-commerce professionals who straddle the divide between the business and IT worlds.

The management and promotion of a company's brand is a potent tool for achieving commercial success. A powerful communications strategy may do wonders for an e-commerce business operating in an environment with plenty of stiff competition. The success of business-to-business and business-to-consumer interactions depends on providing useful information to the target market. As a result, PR and advertising for brands have had to adapt to the new landscape of public relations and media. Brand Managers and PR professionals are responsible for distributing relevant material and shaping the reputation of their companies' brands. Career-wise, the e-commerce industry is fertile

ground for the imaginative and perceptive, since these people have a head start in recognizing what customers want and how to give it to them.

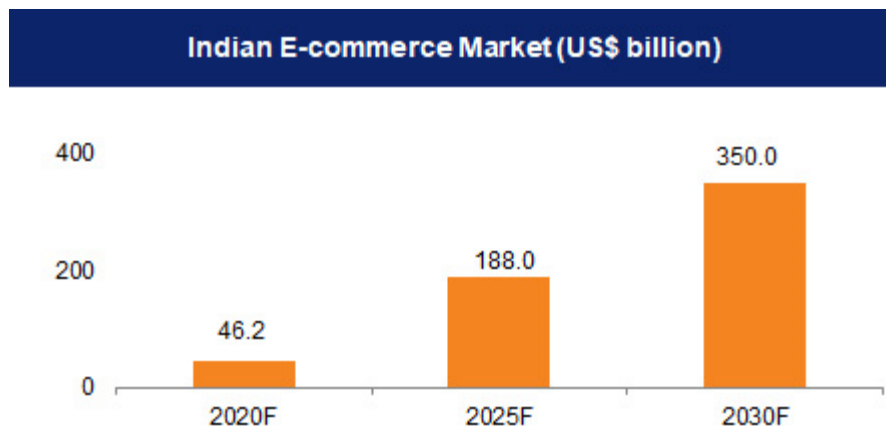
Therefore, in order to make the most of the chances given across a variety of dimensions, the Indian ecommerce sector trends call for the development of appropriate skills, knowledge, and creativity.

## **V. PRESENT STATUS OF INDIAN E-COMMERCE MARKET**

The number of people with access to the internet and mobile phones in India has skyrocketed in recent years. As a result of the "Digital India" initiative, the number of internet users in 2021 soared to 830 million. Almost all (97%) of all internet connections were wireless, with 55% of all connections being in metropolitan areas. The number of people who own smartphones is rapidly growing and is projected to hit 1 billion by 2026. As a result, the digital economy in India is booming, and by 2030, its projected value is at US\$ 1 trillion. India's e-commerce market has expanded thanks to the country's rapidly expanding middle class and the widespread use of smartphones among its citizens. Business in India has been revolutionised by the rise of the country's thriving e-commerce industry, which now spans B2B, D2C, C2C, and C2B transactions (C2B). Both business-to-consumer (B2C) and business-to-business (B2B) are major markets that have seen tremendous expansion in recent years. The direct-to-consumer (D2C) industry in India is projected to hit \$60 billion by the end of the fiscal year (20FY27). It is projected that by 2030, the global e-commerce sector would be worth US\$ 350 billion, having grown by 21.5% in 2022 to reach US\$ 74.8 billion.

From an estimated US\$ 537.5 billion in 2020, the Indian consumer digital economy is projected to rise to an estimated US\$ 1 trillion by 2030 on the strength of rising demand for e-commerce and educational technology. Grant Thornton predicts that by 2025, e-commerce in India would be valued US\$188 billion.

As of 2020, India's e-commerce business was worth \$50 billion, making it the eighth largest in the world, behind only France and ahead of Canada.



**Figure 2: Market of Indian e-commerce**

The Indian e-commerce sector is predicted to increase from its 2017 value of \$38.5 billion to reach \$200 billion by 2026 thanks to factors such as the proliferation of smartphones, the advent of the 4G network, and increased consumer income.

In FY21, India's online shopper base was third biggest, after China and the US, with 150 million; by FY26, that number is projected to grow to 350 million.

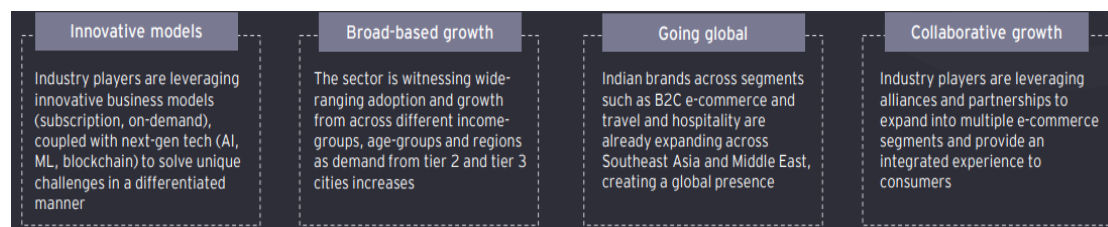
Despite delays in the introduction of 5G mobile broadband in India, people there are already buying up 5G handsets in large numbers. The number of smartphones shipped in 2021 was 169 million, with 5G shipments increasing by 555% year over year. The next generation of mobile broadband technology is not yet available in India, but people there are already buying 5G devices in large numbers. High customer demand after the shutdown caused smartphone shipments to surge to 150 million units in 2020, with 5G smartphone shipments surpassing 4 million. A research by IAMAI and Kantar Research predicts that by 2025, India will have 900 million internet users, up from an estimated 622 million in 2020. This is a compound annual growth rate (CAGR) of 45%.

Gross Merchandise Value (GMV) on Indian e-commerce platforms reached \$9.2 billion during the 2021 festive season, up 23% from the \$7.4 billion GMV in the previous year.

## **VI. THE FUTURE OF INDIAN E-COMMERCE AND INTERNET WILL BE DRIVEN BY INNOVATION AND EXPANSION**

While certain subsectors, including business-to-consumer e-commerce, payments, and hyper local, are reaching maturity, others, like agri-tech and social commerce, are fast expanding. A new wave of entrepreneurs is creating innovative platforms and products that can compete on a global scale, which is helping to fuel the industry's expansion. The Government of India is providing substantial backing for these endeavors through

programmes like Startup India, Digital India, and Aatmanirbhar Bharat, and by focusing on creating a conducive regulatory environment. The combined effect of these factors is anticipated to propel the Indian e-commerce and consumer internet sector to robust double-digit growth. As consumption patterns shift, we may anticipate that companies will continue to employ novel approaches of reaching customers with their wares. The Indian e-commerce and consumer internet industry is not only trying to fuel widespread expansion at home, but is also branching out into overseas markets and developing into global brands. To better serve clients in emerging regions, businesses are pooling resources to develop a "digital ecosystem," or a set of interconnected, user-friendly tools.



**Figure 3: Future growth engines for E-commerce and Consumer Internet in India**

India is well positioned to become one of the world's most important e-commerce and consumer Internet marketplaces in the next years, both as a major importer of Internet-based goods and services and a major exporter of businesses that serve this market.

## VII. CONCLUSION

E-commerce expansion relies heavily on robust information technology security systems, which necessitate the ongoing implementation and improvement of appropriate legal and technological safeguards. Many Indian businesses, nonprofits, and neighbourhoods are beginning to reap the benefits of e-commerce, but significant obstacles must first be solved before it can really serve the masses. Due to the proliferation of mobile internet access via devices like smartphones and tablets, millions of customers are making purchases online, providing businesses with an opportunity to digitally promote their brands and increase productivity if they implement the appropriate rules.

Considering the size of the internet's user base and the rapid development of related technologies, E-Commerce businesses have enormous growth potential. However, there will be difficulties in the areas of operation, regulation, and technology. Success or failure will depend on how well an organization is prepared to deal with these difficulties.

The market size and scope of online shopping in India are only expected to increase. This is because, so long as a consumer has access to the internet, they can place an order and pay for it from virtually any location. Every consumer is important, thus e-commerce service

providers should make their experience as simple as possible, offer many payment methods, and provide a wide range of useful features. The availability of more products and the ability to contact more people are further advantages. However, there are several obstacles that stand in the way of an e-commerce company's success. In order to solve the concerns and problems that arise while trying to build customer trust in online commerce, further study is required.

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