

E-Business: Revolutionary Change In Today's Life

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Abstract- *E-business has immensely increased economic growth in domestic welfare and changes have arisen in the market scenario too. Internet represents a new environment for extensive growth of e-trade, providing exchange of goods and services and also directing access of customer's own personal accounts online. Accessibility to e-business platforms is not a privilege but rather a necessity for most people, particularly in the urban areas. As in 21st century as internet has become most important, frequently used and most necessary device, it will surely race to achieve more growth and sales via internet. In India with the digital penetration has increased significantly, according to statistical data internet use has increased to 429.23 million User in India and is expected to reach around 830 million by year 2021. There has been significant rise of e-business in India. Before e-business buying and selling were done without internet physically in the markets but after the arrival of e-business in India life has become more convenient because of its number of advantages. Online shopping is a part of e-commerce which is done mostly by the users due to e-commerce websites in India which allows buying and selling the products according to choice at affordable price. E- Business websites have a lot of impacts on different markets and retailers. E-Business is a great platform not only to develop infrastructure but also increase employment rates in India and thus has overall impact in increasing economic and social growth in*

Indian economy. E-commerce/ business (electronic commerce or EC) is the buying and selling of goods and services or transmitting of funds or data, over an electronic network primarily the internet but also all other activities which are associated with any transaction such as delivery and payment facilitation.

Keywords- Business, E-business, Economic growth, Electronic data, Online Shopping, TraditionalCommerce, Technologies,

I. INTRODUCTION

Electronic business or e-business has been defined as the ability to perform transactions involving the exchange of goods or services between two or more parties using electronic tools and techniques (1). The explosion of E- business has

created new phenomena in our lifestyle especially in shopping activities. Consumers can easily buy products or services like magazines and airlines tickets via internet.

Besides the earlier definition by Yonah (1997) in the paper, National Office for the information Economy defines e-commerce as type of business transaction or interaction in which the participants prepare or conduct business electronically. This covers the wide range of activities ranging from use of electronic mail (e-mail) to internet based sales and transactions and web based marketing. Placing "e" in front of any process or function seemed to be the magic prescription for never ending story of success and rapid returns for enterprises. E-business, e-procurement, e-sales, e-payment, e-banking, e-CRM, e-CAD, e-delivery are just a few. Internet, for example is becoming one of the most popular medium in transmitting various data. Users can find any kind of information within a shorter time compared with conventional method that Consumes more time. E- Business is buying and selling of goods and services over the internet. Before e-business buying and selling were done without internet physically in the markets but after the arrival of e-business in India our life has become more convenient because of its number of advantages. The advantages offered by e-business are online shopping of anything at any time and at any place, customers can find the products on e-business websites which is no available in physical markets, it reduces cost and time, without stepping out from home we can get our product at home (2).

II. CHALLENGES AND OPPORTUNITIES OF E-BUSINESS IN INDIA

India is a large and rapidly growing country with a rising middle class, accelerating internet access and staggering penetration of mobile phones. India is becoming increasingly attractive to businesses, especially to e-business firms that thrive on global and scalable business models.

1. **Indian customers return much of the merchandise they purchase online.** E-business in India has many first time buyers. This means that they have not yet made up their mind about what to expect from e-

business websites. As a result, buyers sometimes fall prey to hard sell. But by the time the product is delivered, they demonstrate remorse and return the goods. Though consumer remorse is a global problem, it is all the more prevalent in a country like India, where much of the growth comes from new buyers. Returns are expensive for e-business players, as reverse logistics presents unique challenges. This becomes all the more complex in cross-border e-business.

2. **Cash on delivery is the preferred payment mode.** Low credit card penetration and low trust in online transactions has led to cash on delivery being the preferred payment option in India. Unlike electronic payments, manual cash collection is laborious, risky, and expensive.
3. **Payment gateways have a high failure rate.** As if the preference for cash on delivery was not bad enough, Indian payment gateways have an unusually high failure rate by global standards. Ebusiness companies using Indian payment gateways are losing out on business, as several customers do not reattempt payment after a transaction fails.
4. **Postal addresses are not standardized.** If you place an online order in India, you will quite likely get a call from the company to ask you about your exact location. Clearly your address is not enough. This is because there is little standardization in the way postal addresses are written.
5. **Logistics is a problem in thousands of Indian towns.** The logistics challenge in India is not just about the lack of standardization in postal addresses. Given the large size of the country, there are thousands of towns that are not easily accessible. Metropolitan cities and other major urban centers have a fairly robust logistics infrastructure. The problem with logistics is compounded by the fact that cash on delivery is the preferred payment option in India. International logistics providers, private Indian companies and the government-owned postal services are making a valiant effort to solve the logistics problem (3).

III. E- BUSINESS IN DAY TO DAY LIFE

It is an electronic business application and involves electronic fund transfer, supply chain management, online transaction processing, e-marketing, corporate purchasing, value chain integrations etc. with the onset of information technology the way we do business has changed. It replaced from paper cheque or money to electronic payment system, from paper or postal invoice to electronic invoice and from

traditional commerce to electronic commerce etc. (4). Flipkart.com and myntra.com were the most preferred choice of online retailers mentioned by the students to shop from the online stores. Tickets, electronic goods accessories, apparels, books, electronic goods, footwear, instant recharge of cell phone, gifting items were the major categories of products / services bought by most of the students. Cash on delivery was the most preferred mode of payment stated by the students while doing online shopping (5). In study conducted in India on “Antecedents of Online Shopping Behavior in India: An Examination” found that Indian student’s intention to purchase online is influenced by utilitarian value, attitude toward online shopping, availability of information and hedonic values (6). Satisfaction, trust and commitment were found to have significant impact on student loyalty towards online shopping in the study carried out in Indonesia (7).

INFLUENCE OF E- BUSINESS IN ACCOUNTING OPERATIONS

Given the e-business process in most of the cases are found these specific types of income and expenses: Revenue from sale customers, mailing services revenues, incomes from bank interests, expenses for procurement of Information systems, expenses for creating a website presentation, expenditure on goods, expenditure on packaging, advertising expenses, expenses for electronic payment protocol, expenses for obtaining electronic signatures (8). It is a system that includes the transactions that focus on the purchase and sale of goods but also transactions underlying income generation such as creating demand for those goods and services and facilitating communication between business partners. The expansion of e- business has generated a series of problems and risks regarding taxation and other accounting of such operations (9). Another study analyzed the potential development of e- business examining the influence of product type on consumer behavior in internet shopping partners (10).

INFLUENCE OF E- BUSINESS ON EMPLOYMENT

In developed countries new generations are growing buying goods online and they are moving in their prime spending years. In developing and less developed countries, incomes are rising and the spread of mobile phones will likely bring more consumers online. What are the effects on employment? Is online retailing creating enough jobs to offset the job losses in the traditional retail sector? Different positions arise. According to Michael Mandel of the Progressive Policy Institute between 2007 and 2017 the number of retail jobs shrank by 140,000 while those in e-commerce and warehousing rose by about 400,000 (11).

Martin Ford points out in his book three major forces will shape unemployment in the retail sector such as the disruption of the industry by online retailers (e.g. Amazon, ebay, Netflix), the growth of fully automated self- service retail sector (intelligent vending machines and kiosk), the introduction of increased automation and robotics into stores (and warehouses). These forces will create jobs and trigger a shift in the employment from traditional retail jobs warehouses, delivery, programming and technical maintenance.

However, this is not straight forward; workers may not have the competences or skills to adapt to these changes (12).

INFLUENCE OF E- BUSINESS ON TRADE

E-business is changing manufacturing systems from mass production to demand-driven and possibly customized, just-in-time manufacturing. Furthermore, the production systems are integrated with finance, marketing and other functional systems as well as with business partners and customers. Using web-based ERP systems, orders that are taken from customers can be directed to designers and to the production floor within seconds. Production cycle time is cut by 50 per cent or more in many cases, especially when production is done in a different country from where the designers and engineers are located. Companies like IBM, General Motors, are assembling products for which the components are manufactured in many locations (13). Sub-assemblers gather materials and parts from their vendors and they may use one or more tiers of manufacturers. Communication, collaboration and coordination become critical in such multitier systems. Using electronic bidding, assemblers get sub-assemblies 15 per cent to 20 per cent cheaper than before and 80 per cent faster (14).

E-business and online shopping in India is getting a noticeable growth as more usage of internet facilities, high educational standards, changing life style and economical growth of the country reasons in the demand of e-business techniques and tools. Versatile shopping experience and rapid development of transaction facilities is further boosting opportunities for the remaining market segments. The biggest advantage of e-business is the ability to provide secure shopping transactions via internet and coupled with almost instant verification and validation of credit card transactions (15). E- business also enables consumers and companies to gain access to worldwide markets and also to improve the level of customer service, speed the flow of goods and information, reduce transaction costs etc. the developing countries face a number of challenges in utilizing the benefits

in raising incomes and trade flows in the area of e- business (3).

IV. CONCLUSION

From the above discussion we can easily put-forth that commerce has gone through revolutionary changes to keep pace with changing world. In this wake, it has traveled phase of traditional commerce to e-commerce. E-business had played game changing role for businesses around the world. According to survey after demonetization, role of cashless economy in India has increased significantly, thus the role of internet also likewise other such government policies have also had a major impact. A lot have been done and a lot has to be done when it comes to e-commerce industry in India. It provides convenience to customers and allows the enterprise to expand their business over internet. E-business has good impact on markets like reduce the cost of advertisements as many customers can attract through internet, new brands can be developed, can maintain a good relationship with customers and can make customized products according to customer's needs. But e-business has bad impact on offline retailers because customers buys on low price from online shops due to which they also have to lower their price and does not get any profit, retailers cannot maintain a large stock like online shops have stores because it will cost a huge loss to them. They have to spend more money in offline advertisements to attract customers. Along with the impacts e-commerce also offers some limitations in terms of markets and retailers that is website cost, to create and maintain a website a lot of money is required; infrastructure cost, to fulfill the orders online retailers have to maintain a large stock in a big warehouse which costs a lot; security and fraud, due to popularity of online shops criminal elements are also attracted to them who can hack the personal information and can misuse them; customer trust, it is difficult for customers to trust a new brand without looking, touching and face-to-face interaction.

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