EMERGING TRENDS OF E-COMMERCE IN INDIA:REASONS AND GROWTH

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Abstract
E-commerce is business communication through electronic resources, including the internet, televisions, telephones, and computers. By the rapid growth of e-commerce we can assume that it may be the fast growing way to complete business transactions. In e-commerce any person can perches goods from any place without keeping the time constraint i.e. business hours. It is a win-win situation for the consumer and the product/service provider. Since 1991, after economic reforms explicitly took place in India as a result of opening-up of the economy with a view to integrate itself with the global economy, the need to facilitate international trade both through policy and procedure reforms has become the foundation stone of India's trade and fiscal policies.

Electronic commerce (e-commerce) as part of the information technology revolution became widely used in the world trade in general and Indian economy in particular. With advancements in technology, there have been changes in the methodology for business transactions. India, being a rapid adaptor of technology is apace with the current scenario of electronic data exchanges and has taken to e-commerce. The role of government should be to provide a legal framework for e -commerce so that while domestic and international trade are allowed to expand their horizons, basic rights such as privacy, intellectual property, prevention of fraud, consumer protection etc are all taken care of. In 2015 our Prime Minister Mr. Narendra Modi has been also innovate the idea of "DIGITAL INDIA".

Keywords: E-Commerce, Internet, Business, Growth, Online, Digital Signature.

Introduction

Over last few decades the popularity of e-commerce has tremendously increased due to its quick and convenient way of exchanging goods and regional and global services. India will be booming ground for e-commerce business models; the country already reported 12% growth in e-commerce retail business year in 2016-2017. The present study is conceptual survey with exploratory cum descriptive nature. It attempts to explain the concept of ecommerce, business models for e-commerce, differences between traditional commerce and electronic commerce, merits and limitations of e-commerce, various trends in e-commerce and challenges before e-commerce. It concludes that e-commerce offers several benefits to the various stakeholders. However, at present juncture it has several limitations, legal and technical barriers in the development of e-commerce in India which could fade away in years to come. Hence we should equip ourselves to give worm welcome to e-commerce which is an obvious outcome of globalization and technological revolution around the globe.
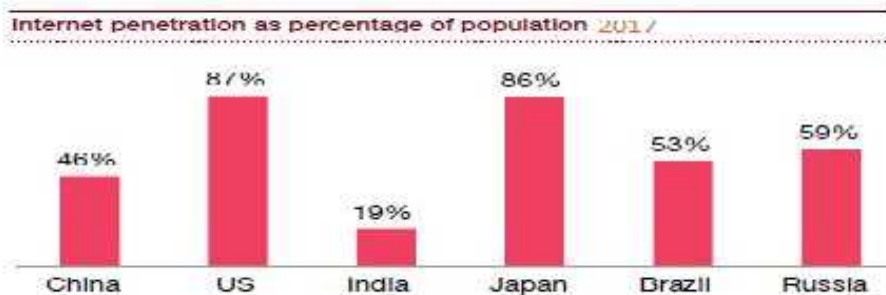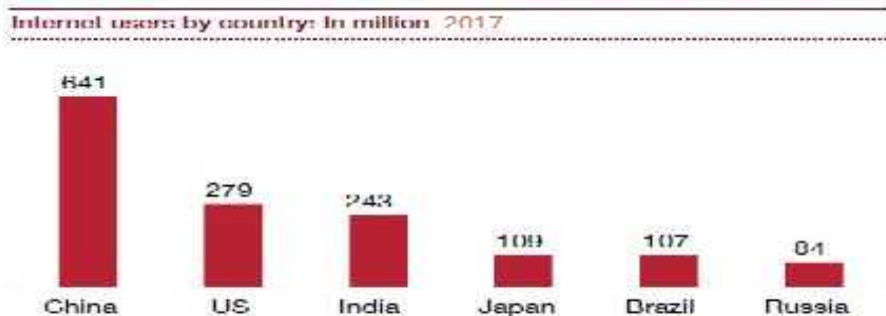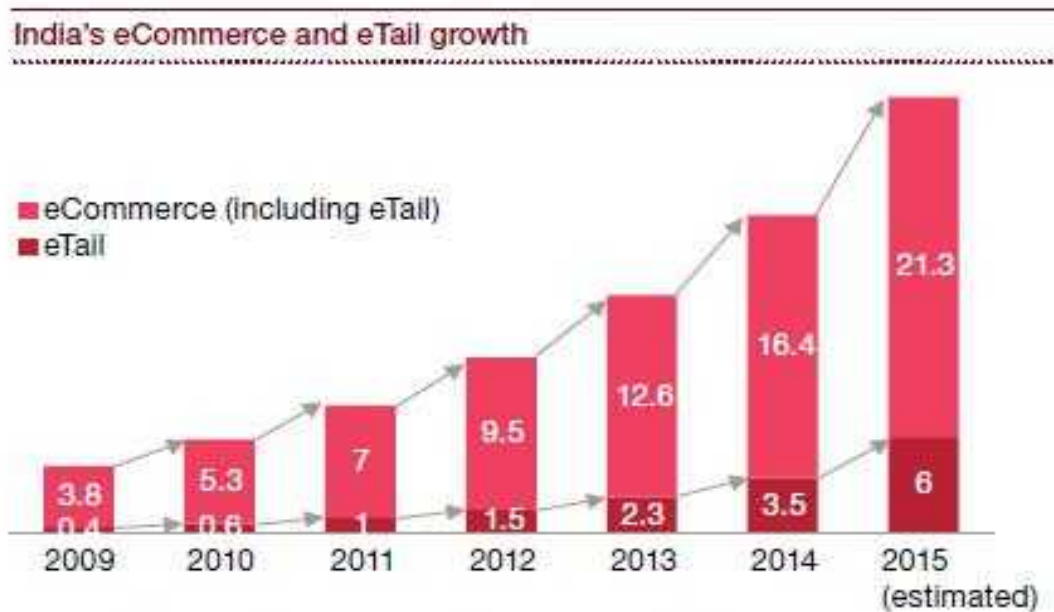
Meaning of E-Commerce
 "E-Commerce deals with the buying and selling of information, products and services through computer networks."
"E-Commerce can also be defined as a new way of conducting managing and executing business transactions using computer and telecommunication networks."

"E-Commerce is a concept covering any form of business transactions or information exchange executed using information and communication technology between companies and public administration."

In simple words, E-commerce just means taking things that your company is already doing in person, through the mail, or over the telephone, and doing those things in a new place on the Internet. It also refers to all forms of business activities conducted across the Internet. This can be e-tailing, B2B, intranets and extranets, online advertising, and simply online presences of any form that are used for some type of communication (e.g. customer service).Currently, more than 30.2% of the world has an access to the internet, and hence e-commerce. Reduced internet surfing charges, internet technology development covering expanded bandwidth, and increased speeds and reliability has made e-commerce available to a large pool of emerging market consumers.

India's eCommerce and eTail growth

eCommerce (including eTail): 3.8 (2009), 5.3 (2010), 7 (2011), 9.5 (2012), 12.6 (2013), 16.4 (2014), 21.3 (2015 estimated)
eTail: 0.4 (2009), 0.6 (2010), 1 (2011), 1.5 (2012), 2.3 (2013), 3.5 (2014), 6 (2015 estimated)

Source: IAMAI, CRISIL, Gartner, PwC analysis and industry experts

Need of E-Commerce
Today, in every aspect of our day to day life internet has become undivided part of our life. Every day the bank system online checks mail online every day. So it's only so it only makes sense that on line shopping has become an increasingly integral part of our society, exceeding $200 billion in sales in 2017 alone. The internet economy is booming E –commerce sales are expanding by leaps and bounds at a rate of 20% and 25% growth each year, indicating a momentous shift in customer spending habit of human beings.

Shoppers are tuning to the internet rather than phone directories for convenience product reviews and up to date information. A business owner simply cannot rely on an advertisement in phone book. in fact customers are fifteen times more likely to look on the internet than they are to flip through a phone book to call a company . Every business is different, even each business differs but the requirement of power is same for all but today is important to live in internet to stay competitive. In the long run the net operating cost of a website becomes insignificant compared to the return on the investment that the advertisement delivers.

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E-Commerce - Business Models
Waghmare G.T. (2012) has defined the following models of E-Commerce:
E-Commerce business models can generally categorized in four categories i.e. Business - to - Business, Business - to - Consumer, Consumer - to - Consumer, and Consumer - to – Business.

The important features of the e-commerce business model are as follows
A. Business - to - Business: Here the seller sells its product to an intermediary who then sells the product to the final customer. For instance, a trader places an order from a company's website and after receiving the consignment, sells the end product to customers who comes to buy the product at trader's retail channel.
B. Business - to - Consumer: Under this model company sells its product directly to a customer. A customer can view products publicized on the website of the company. The customer can choose a product and order the same. Company website will send a notification to the business organization via email and organization will send the shipment to the customer.
C. Consumer - to - Consumer: It helps consumer to sell their assets like housing property, cars, motorcycles etc. or rent a room by publishing their information on the website. Website may or may not charge the consumer for its services. Another consumer may opt to buy the product of the first customer by viewing the advertisement on the website.
D. Consumer - to - Business: In this model, a consumer approaches website showing multiple business organizations for a particular service. Consumer places an estimate of amount he/she wants to spend for a particular service. For example, comparison of interest rates of personal loan/ car loan provided by various banks via website. Business organization who fulfills the consumer's requirement within specified budget approaches the customer and provides its services.
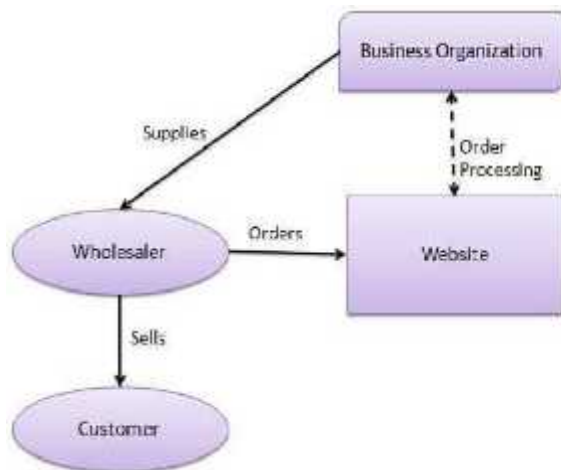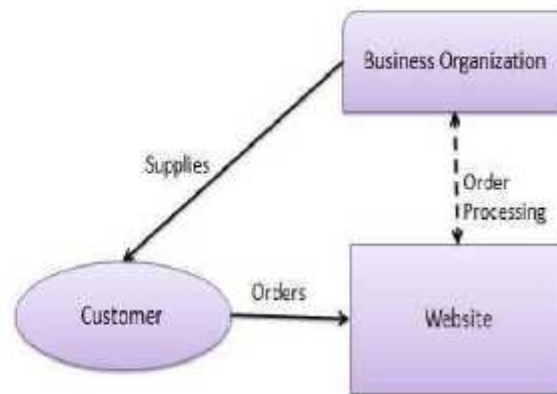

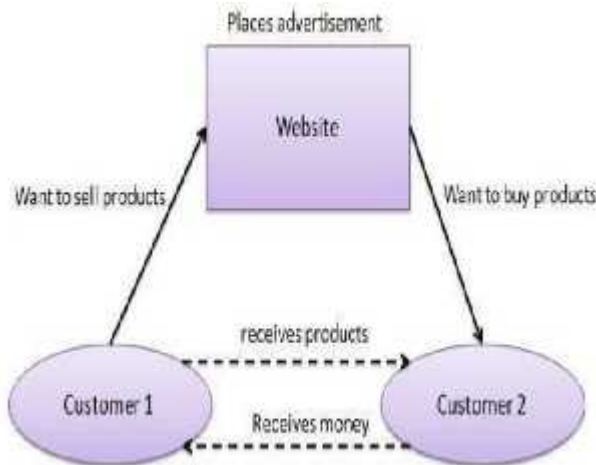**Figure 1: Business - to - Business**

Figure 2: Business - to – Consumer

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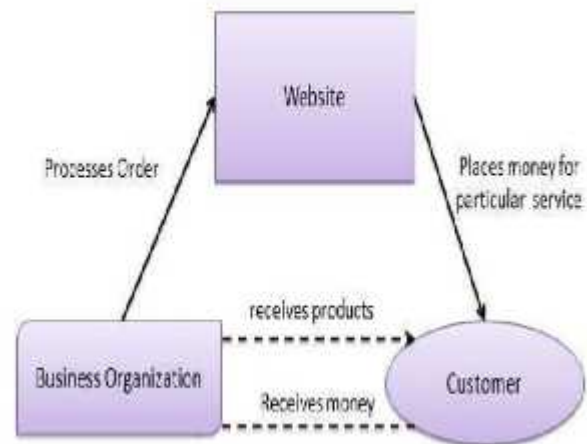
Figure 3: Consumer - to - Consumer

Figure 4: Consumer - to – Business

Research Methodology
The methodology for this research paper is based on secondary research, which is based on different journals, books and web-site resources. Secondary research also includes international magazines which highlights the issues of adoption of e-commerce. The information is collected from various sources in order to make it more concrete. The nature of the study mentioned here is descriptive.

E-commerce in India
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. It is believed that low cost of personal computers, a 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.

Leading e-commerce portals
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 a reach engine, e- commerce and web solution services. The past few years have seen a rise in the number of companies enabling e-commerce technologies and the internet in India. Major Indian portal sites have also shifted towards e-commerce instead of depending on advertising revenues. It includes flipkart.com, amazon.com, futurebazaar.com, ebay.in, homeshop18.com, snapdeal.com, indiaplaza.com, starcj.com, amazon.com, fashionandyou.com, rediffshopping.com, inkfruit.com, myntra.com, futurebazaar.com, yebhi.com, zoomin.com and hushbabies.com.

| E-Commerce Site RANK (India)	Website URL	Domain Age	Alexa Global Rank	Alexa India Rank	Google Page Rank	Daily Unique Visitors	Website IP	Remark
1	Flipkart.Com	2007	87	6	6	319,557,683	163.53.76.55	
2	Amazon.In	2013	111	8	8	262,104,622	54.239.34.40	
3	Indiatimes.Com	1998	102	12	7	288,437,275	223.165.27.13	News + E-Commerce
4	Snapdeal.Com	2001	157	14	5	154,380,137	122.248.250.132	
5	Jabong.Com	2001	236	19	5	44,854,905	23.37.146.81	
6	Rediff.Com	1998	291	25	7	38,446,465	23.74.9.40	News + E-Commerce
7	Ebay.In	2005	360	27	6	31,222,406	66.211.181.235	
8	Paytm.Com	2001	456	29	5	19,221,146	54.169.22.84	
9	Shopclues.Com	2012	514	49	3	14,028,980	180.179.168.163	
10	Myntra.Com	2007	486	55	5	15,725,633	180.179.147.10	

5. Growth of E-commerce in India
According to Internet and Mobile Association of India (IAMAI), these figures would reach up to $12 billion by 2017. To understand this scenario, we can divide E-commerce into three broad categories which include physical services, physical goods and virtual goods. Another category that is gradually making its mark is the local commerce (couponing, yellow pages, classifieds etc.) which offers significant overlaps with E-commerce.

1. The 1st category of physical services is definitely the major contributor which includes travel ticketing, jobs, matrimonial and event management websites with travel sites accounting for 75% of all E-commerce industries.
2. The 2nd category of physical goods is the one currently gaining considerable attention, thanks to the hype created by new startups/stores being launched daily. Leaders in this division are Flipkart, Infibeam, Homeshop18, Indiatimes, Naaptol, Letsbuyetc. each of which offers everything from mobile phones to pet food.
3. The 3rd and final category of virtual goods and gift vouchers like online music, software's, movies, games, Taj Hotel gift vouchers, Reebok gift vouchers, Pizza Hut gift vouchers etc. have been relatively lagging behind in India as compared to Europe and America, primarily due to piracy concerns and the social perspective of Indians. But the scenario is expected to change with the digital downloads segment expected to grow in the Indian E-commerce market due to the explosion of mobile devices and the services available over the Internet at special discounts.

E-commerce in India to explode in 2020, Indian e-shoppers will have a good time getting great deals and services online. A recent pan-India report released by Com Score Inc reveals that online shopping in India has touched a growth rate of 18 per cent and is only likely to grow further. The report found that nearly 60 per cent of citizens in India visited a retail site in November 2016, with the number of online shoppers increasing by 18 per cent in the past year. E-commerce can became an integral part of sales strategy while it is one of the cheapest medium to reach out the new markets, if implemented successfully, it offer a smart way of expansion & doing e-commerce attribute to the successful implementation to carefully understanding the products & services, customers and the business process, easy to use system to extend the business on the web.

The digital commerce market in India has grown steadily from $4.4 billion in 2010 to $13.6 billion in 2014. As per industry estimates, the digital commerce market in India is expected to reach $16 billion by the end of 2019 on the back of growing Internet population and increased online shoppers. Online travel accounts for nearly 61% of e-commerce business while e-tailing contributes about 29%. 3 Visa India spend data showed 53% growth in the number of e-commerce transactions in 2017.
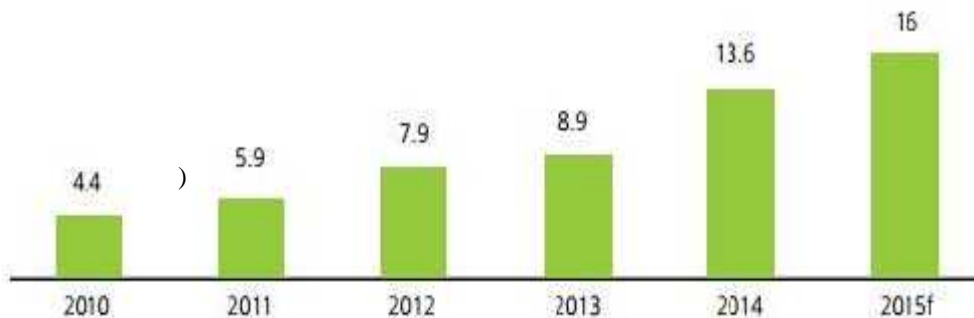
Source: IAMAI, Deloitte Analysis

Figure - Online Retail in India- Market size ($) billion

The e-Marketer report had predicted that the business-to-consumer (B2C) e-commerce sales worldwide will reach $1.5 trillion in 2019, increasing nearly 20% over 2016. As the e-Commerce players from the US, Europe and Japan are seeing slower growth in home markets, they are increasingly looking to enter developing economies of India, Brazil and China which have forecasted growth rates of more than 20% over coming years. Most popular e-commerce categories are non-consumable durables and entertainment related products.

As per statistics portal Statista 2016, retail e-commerce sales in India between 2012 and 2015 and provides a forecast until 2019. In 2015, retail e-commerce sales amounted to 14 billion US dollars and are projected to grow to 55.26 billion US dollars in 2018.
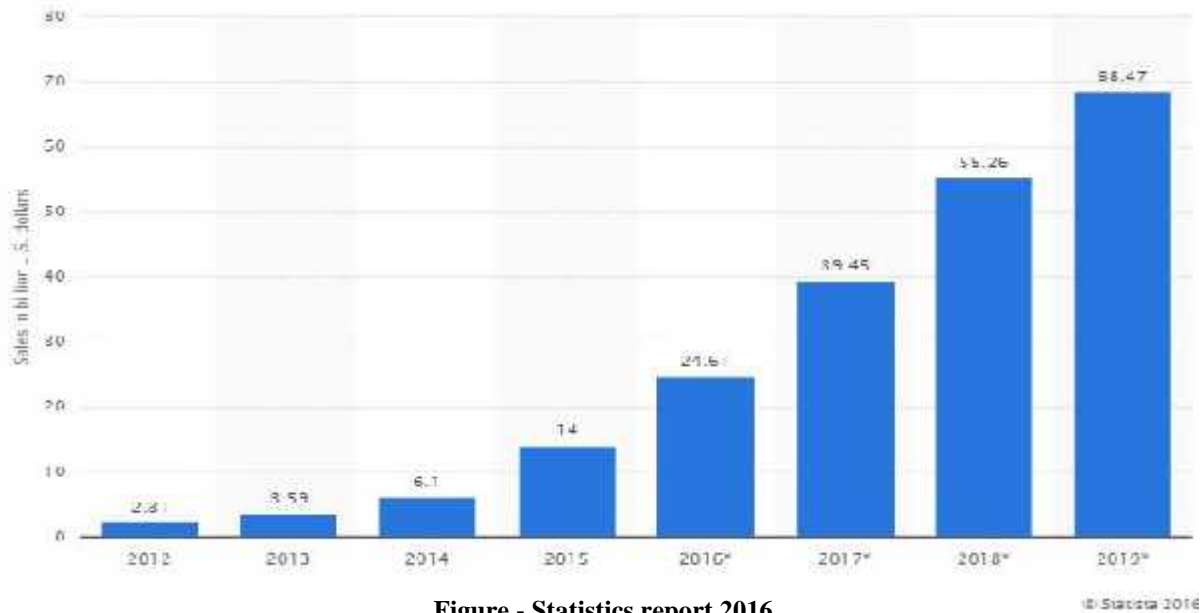
Figure - Statistics report 2016

India is one of the world's emerging markets in terms of e-commerce. The recent past has seen online sales improve in a number of ways. Increased internet availability means more people are logging on and choosing internet retailers to supply their needs. The number of digital buyers in India, aged 14 or older, is a huge factor in this growing market. In 2011 were estimated at 14.5 million nationwide. This number rose to 19.2 million in 2012 and forecasts predict that the number will exceed 40 million by 2016.

A new report by the Boston Consulting Group (BCG) says online retail in India could be $84-billion industry by 2017 more than 10 times its worth in 2010 and will account for 4.5 per cent of total retail. The e-commerce platforms maximize its reach to the potential customers and provide them with a convenient, satisfying & secure shopping experience.

Reasons Behind The Growth of E –Commerce
- **Busy Lifestyle**

The life of individuals is so fast to the point that they can't go to the swarmed markets each time for shopping. Also people want to shop in a relaxed environment.

- **High Disposable Income**

With increased employment opportunities the income has become higher and thus giving more spending power to individuals. Thus they are energetically ready to pay for the items on internet.

- **Awareness of Products**

These days' people are much more of the new products, their specifications, costs etc through the assistance of media like TV, radio, news paper etc. So they shop online with confidence.

- **Rising Computer Educational Level**

Because of the endeavors of Government and Educational Institutions in India, computer education is getting to new skylines. Individuals have more knowledge of the tools and applications of computers. Not just students of urban zones, in fact students of rural zones, house wives and professionals are likewise attracted to the developments like e -commerce and e-business. So there is consequently an incredible interest in purchasing and utilizing new items [Jain and Kapoor, 2012].

- **Increased Usage of Internet**

The count of internet users is more than 100 million now. Moreover, in the course of recent years, sophisticated online travel operators began transforming these underlying Web users into Web clients thus boosting the dominance of e-commerce.

Conclusion

Today, we are talking about e-commerce progress level of India, the seventh-largest by geographical area, the second most populated country, and the most populous democracy in the world. Indian E-commerce space percentage is getting higher as more and more online retailers enter the market. The greater adoption of Internet and smart phones is the biggest driver of e-commerce in India. Internet penetration is rapidly increasing with around 300 million users in 2017. The smart phone is steadily growing and consists of 35% of the overall mobile phones market in the country. The research reveals the significance of adoption of e-commerce India. The major finding of this research confirmed that growth of e-commerce shows acceptance with latest technologies. E-commerce has a significant impact on customer loyalty and acts as an intermediary for each part of the quality of the user interface and data quality, and customer satisfaction. However, consumer confidence in e-commerce affects the purchasing decisions. The user interface and the quality of information on e-commerce sites were observed indirectly affect consumer loyalty.

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