ROLE OF E-COMMERCE IN CHANGING BUSINESS ENVIRONMENT

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ABSTRACT

E-Commerce is a revolution in modern business. It is a way to boost up business growth and replacing traditional business practices with modern and innovative techniques. It brings business at hand tips of customers and traders through which trading process becomes convenient. It makes huge changes in the economic, social and cultural aspects. Commercial exchange through paper documentation has now been changed with transfer of electronic information. Now many websites and applications are available like oyo, ebay, olx, amazon, flipkart, droom, zomato etc. through which we can do trading not only in home country but in abroad also therefore it is economical in terms of time, money and effort. This paper focuses on the benefits of E-Commerce in competitive business environment. The current research has been undertaken to describe the scope of E-Commerce and also analyzes the trends of E-Commerce in this competitive business environment.

Keywords: E-Commerce, Electronic Information, Applications, Websites, Business Environment.

Introduction

The concept of e-commerce was introduced in late 1960s, through electronic data interchange the buying and selling of goods was made possible. In the past few years e-commerce has transformed the way of exchanging the goods and services in the society. E-commerce has become one of the most prominent methods of making money online and provides an attractive platform to buyers and sellers. For those interested in trading through e-commerce this research paper provides an introduction to e-commerce, covering its advantages and benefits in dynamic business environment.

Importance

From business organisations and entrepreneurs’ point of view:

- **Low Operating Cost**: lot of saving is there in terms of Setup costs and ongoing operational costs such as rent, heating, electricity, warehousing etc which reduces overall cost of the product and in turn increases the profit.
- **Global Brand Recognition**: with global market, and operating through online business removes the time restriction moreover business is no longer limited to a single outlet and also helps the in product expansion
- **Economical Marketing of Product**: business website becomes the most important marketing tool and developing the business website increases the probability of being searched by people in search engines
- **Diversification of Business**: to expand business entrepreneur can diversify the product range and e-commerce gives us the facility to add more product lines and choice in the payment options

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Customer Feedback through Email Communication: online business facilitates us obtain customer feedback by making them fill an online survey and it helps to find out customer preferences and changes in taste and habits so that the product could be modified accordingly and enables to grab new business opportunities.

From society and consumers point of view:

Professional Medical Assistance: health care and medical counselling can be availed just at the finger tips by sitting anywhere.

Increases Employment Opportunities: skilled human assets are required to operate the website of business although business becomes automated but talented human resources are required to solve customer queries and doubts. Therefore lots of call centres are established which increases employment.

Growth of Economy: e-commerce helps us to create a wide customer base and customers demand the product all around and availability of services. This ultimately results in increasing the growth of the economy.

Objectives of the Research Study

Different business activities have different objectives. To cover up the role of e-commerce in changing business environment the following are the main objectives:

- To study the role, importance and concept of E-Commerce.
- To study the E-Commerce Models of Business.
- To study the impact of E-Commerce on changing Business environment.
- To study the benefits of E-Commerce to various business Organizations, entrepreneurs, customers and Society.

Research Methodology

The said research paper is based on the secondary data and such data have been collected from various reference books on E-Commerce, E-Business, Marketing Management, Marketing Research, Mobile Commerce, Internet Marketing, Electronic Advertising, Economics, Commerce, Management, Banking etc. Some of the secondary data have also been collected from the various concerned websites and National and International Research Books and Journals, articles and case studies which are related to E-Commerce, Internet, Commerce, Banking, Management and Information Technology.

Hypothesis of the Research Study

Electronic Commerce (EC) is where business is carried on through telecommunications networks, various applications and websites i.e. through Internet. Electronic commerce provides a platform for exchanging of goods and services and information via computer networks i.e. through Internet. It is a way of conducting financial transaction by electronic means. Keeping in view the following hypothesis, the present study has been carried on:-

- E-Commerce shortens the time between the outlay of funds (financial resources) and the receipt of goods and services.
- Day by day there has been increasing use of internet for business marketing of goods and services.
- The impact of E -Commerce shows a positive effect on business environment.

Ecommerce can be divided into four main models of e-commerce: B2B, B2C, C2B, and C2C

- Business to Business (b2b): monetary and commercial transactions between traders, manufacturers and between retailers. It comprises of trading of goods and services among two or more corporate organisations. All parties perform deal by way of electronic networks. This type of model is most commonly used for electronic human resource management and e procurement.
- Business to Consumer (b2c): It comprises of performing the transaction directly between company and customers and those consumers are final users of product and services .It is related with online selling of goods and services through websites and is also known as retailing. These days many traditional businessmen are taking their business to an online platform to stay competitive in market.
Consumer to Consumer (c2c): this model provides platform to customers to interact with each other and this model transactions are facilitates between consumers through a third party. In this model websites act as an intermediary only to match consumer needs. For e.g OLX, car dekho etc are some of the popular examples of c2c model.

Consumer to Business (c2b): this model is contrary to traditional business model in this model customer sell goods and services to the business organisations that are willing to purchase them.

Impact of e Commerce on Business Environment

E-Commerce provides a new business concept that comprises of all previous business management and economic concepts. E-Commerce has impact on many areas and disciplines of business, therefore some of the points have been discussed showing the impact of e-commerce on dynamic business environment;

Business Ethics: With global market expansion and growth of online businesses now days have given rise to many issues like customer privacy, validity of electronic contracts and confidentiality of customer information.

Recruitment of Human Assets: Human resources are now recruited online. Human resources which are considered as most important assets of organisation. Now days permanent entrepreneurs are replaced by home working entrepreneurs.

Modern Marketing: Online marketing has become one of the most popularly used tools for advertising a product and gradually it is replacing traditional direct marketing.

Improvement in Operational Management: Digitized products are now delivered within no time and moreover the duration of the processing the orders have now decreased to a larger extent.

Development of Economy: The impact of e-commerce has shown a positive impact on local and global economies; because through digitalisation lots of saving is there in terms of various resources which ultimately results in growth of economy.

Accounting and Finance: After demonetisation, mostly transactions are done online or we can say that there has been an increasing trend of On-line banking which saves our lots of time , energy and efforts.

Conclusion

Growth of e-commerce mainly depends on effective implementation of IT security systems for which strict legal laws and provisions should be enforced and strengthened constantly so that cases like hacking and copying information illegally should be stopped. If these challenges will be overcome then e-commerce will become a powerful asset for common people, society, entrepreneurs and many business organisations.

Through e-commerce any business transaction can be conducted online. Many techniques, applications and websites have been developed in recent years and are expected to flourish more than this. This research paper comprises to undertake a study about the difficulties to find the product service by customer which matches his interest perfectly which is the biggest problem and this problem can overcome through e-commerce which provides global platform to consumers to find a product as per his interest and compare the prices of the same all around through net. By e-commerce, trading of goods, exchange of information for transportation of goods with less efforts and exchange between banks and customers becomes easier and faster.

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