

# Issues and Challenges of E-Commerce in India

\*T.Priyanka, \*\*Dr.B.Sudha

*Ph.D (Research Scholar), Associate Professor,  
Department of commerce, Department of Banking Management,  
Alagappa University, Karaikudi*

**Abstract-** Commercial center is quick transforming into e-commercial center now. Right from needle to ship, everything can be purchased on the web. With new and new players coming in, it is yet common for the current players and new contestants to think of creative systems to offer their merchandise and services. Electronic commerce is more than simply one more approach to support or improve existing businesses. Or maybe, e-commerce has brought revolutionary changes in the marketplace. It is a problematic invention that is drastically changing the conventional method of doing business. E-commerce is paving way for huge business development in our nation. Expanding web clients have further added to its development. Ecommerce has made online travel industry grow through numerous methods and included another business boulevard through online retail industry in our nation. The current study has been attempted to portray the present scenario and facilitators of E-Commerce in India, dissect the present patterns of E-Commerce and look at the obstructions of E-Commerce in India.

**Keywords:** E-commerce, E-market

## 1. INTRODUCTION

E-Commerce means electronic commerce which alludes to an extensive variety of online business exercises for various products and services. It implies managing the merchandise and services through the electronic media and web. It refers to the site of the seller on the web, who offers items or services directly to the client from the gateway with the help of a digital shopping cart or digital shopping basket system and permits payment through internet banking or credit/debit cards E-commerce or E-business includes carrying on a business with the assistance of the web and by utilizing the various information technology means. Basically, E-Commerce is the development of business on the internet. E-Commerce has overnight turned into the prevailing online activity.

## 2. OBJECTIVE OF THE STUDY

- To Study the issues and challenges of E-commerce in India
- To analyze the present trends & opportunities of E-commerce in India.
- To examine the barriers of E-commerce in India.

## 3. METHODOLOGY

The process used to collect information & data for the purpose of making business decisions. The methodology may include publication research, surveys and other research techniques & could include both present & historical information. The researcher has used only secondary data that has been collected from

various articles, journals, books, websites etc. This has been used to study the conceptual framework, definition, present trends and some of the challenges and opportunities of E-commerce in India. All the data included is the secondary base and proper references have been given wherever necessary.

## 4. 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 through the internet.

### **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.

### **5. OPPORTUNITIES FOR E-COMMERCE**

Reports show that the internet development in the 20th century gave birth to the electronic marketplace also known as e-market place, which is now the seed of electronic commerce (e-commerce). An e-market place is an artificial space where traders and consumers make exchanges with each other like traditional market place. Different types of economic transactions, exchange of goods and services, as well as exchanges of information, take place in e-market places.

E-commerce centers have turned into an optional place for trade. Finally, an e-commerce center can act as an information specialist that furnishes purchasers and traders with information on items and different members in the business sector. These characteristics have been giving new shape the economy by influencing the conduct of purchasers and merchants. E-businesses influence the entire business whether online or traditional. It empowers a considerably more coordinated level of joint effort between the various parts of a value chain than ever before. Opting E-Business additionally permits organizations to lessen costs and enhance client reaction.

Organizations which update their business methods gain advantages from multitudinous new conceivable outcomes achieved by technology. E-commerce is a wide term which may vary from placing orders on the web through online conveyance of paid substance, to monetary exchanges, for example, exchange of cash between bank accounts. One region where there are some positive signs of e-commerce is financial services. Online stock exchange saw supported development all through the time of broadband diffusion.

### **Advantages of E-Commerce**

- Much faster transactions available 24/7.

- Products and services are easy to find.
- Easier time managing a business.
- Doesn't require much (if at all) physical space.
- No geographical limitations translates as a bigger customer reach.
- Higher quality of services and lower operational costs.

### **Challenges for E – Commerce**

E-business has numerous advantages but it has also postured threats on account of its being what is prominently called faceless and borderless. A few cases of moral issues have risen as a consequence of electronic business.

#### **1. Privacy**

Protection has been a critical issue of both present and forthcoming electronic commerce users. Following issues in this regard are generally striking, Privacy is "an alluring state regarding ownership of data by different people about him/her on the perception/seeing of him/her by different people.

#### **2. Security Concerns**

Not with standing privacy issues, other ethical issues concerned with e-commerce is the security. The Internet offers uncommon simple entry to an unfathomable exhibit to various products and services. The quickly growing field of "click and mortar" and to a great extent unregulated cyberspace have however incited worries about both privacy and information security.

#### **3. Other ethical issues:**

Manufacturers compete with Intermediaries Online have given rise to a new practice that is "Disintermediation". It is a method of wiping out the mediator. Disintermediation incorporates

### **6. BARRIERS OF E-COMMERCE IN INDIA**

Various infrastructural barriers create obstructions in the development of e-commerce in India. Some of them are listed below;

#### **Payment Collection**

At the point when get paid by net managing an account one needs to wind up giving a critical offer of income

(4% or all the more) even with a business having low profit. Frauds, cash backs and so forth all turn into trader's obligation and consequently to be represented in the business model.

### **Logistics**

You need to deliver the item safely in the hands of the right person in opportune time period. Customary post doesn't offer a satisfactory service whereas couriers charge high and have restricted span of working. At first, you may need to insure for high value delivered articles expanding the expense even further.

### **Vendor Management**

However propelled framework might be, seller will need to descend and bargain in an inefficient framework for stock management. This will back off radically. A large portion of them won't convey any computerized information for their items. No decent looking photos, no advanced information sheet, no component to check at day by day costs, accessibility to keep your site overhauled

## **7. CONCLUSION**

Electronic commerce opens new doors for business; it additionally creates new avenues in the field of education. It gives the idea that there is enormous potential for giving ecommerce training. At first, new Internet clients would be hesitant to direct any sort of business on web, referring to security reasons as their fundamental concerns. With a specific end goal to build customer appropriation of e-commerce services, the purchaser perplexity, worry and hazard should be distinguished, comprehended and mitigated. E-business gives huge benefits in various ranges however it requires watchful attention for protection of consumer rights at the same time. Development of ecommerce would likewise depend, all things considered, on successful IT security frameworks for which vital technological and legitimate arrangements should be set up and reinforced always. E-Commerce is the eventual fate of shopping. With the introduction of 3G and 4G networks, the web economy will keep on growing vigorously. In coming 4- 5 years, India will have around 70 million net users which will be at par with many of the developed nations in the world.

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