



E-COMMERCE INDUSTRY IN DIGITAL MARKETING: AN OVERVIEW OF CONSUMERS PERSPECTIVES

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INTRODUCTION

E-commerce (electronic commerce) is the activity of electronically buying or selling of products on online services or over the Internet. Electronic commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection systems. E-commerce is in turn driven by the technological advances of the semiconductor industry, and is the largest sector of the electronics industry.

Modern electronic commerce typically uses the World Wide Web for at least one part of the transaction's life cycle although it may also use other technologies such as e-mail. Typical e-commerce transactions include the purchase of online books (such as Amazon) and music purchases (music download in the form of digital distribution such as iTunes Store), and to a less extent, customized/personalized online liquor store inventory services.

There are three areas of e-commerce: online retailing, electronic markets, and online auctions. E-commerce is supported by electronic business.



OBJECTIVES

The major objectives of this paper on E-commerce industry are: -

- To understand about E-commerce and its role in the economy
- To understand the types of E-commerce and its functioning
- To understand the influence of the after coronavirus pandemic on the E-Commerce Industry with respect to the consumers perspective.
- To understand major academic disciplines contributing to e-commerce research
- To understand about the growth prospects of E-commerce

CHALLENGES

There were few challenges that were been faced during the project work on the E-commerce Industry: -

- One of the major challenges during the analysis was the collection of primary data (original data) related to the study.
- Searching the accurate data related to the study was another challenge.
- Knowing the appropriate perspective and the preparation of questionnaire was also one of the challenges.

METHODOLOGY



This paper used a survey of 67 people on their perspective as a consumer involved in online shopping. 9 Questions were asked to them for a clearer picture of the viewpoint changes of consumer during the period from 2023 to 2024 towards E-Commerce.

Post-Covid provided E-Commerce with a new environment so as to expand their footprints with quite a few challenges to overcome like productivity or the supply chain effectiveness. Social distancing gave a positive impact on the E-commerce industries growth.

The following Table 1 shows the revenue earned by the companies in the Quarter 1 of the previous and current year that is 2023 and 2024 has witness an increase even though the economy is facing a downfall.

TABLE-1

S.No.	Company	Revenue 2023 (Q1)	Revenue 2024	Increase
1	Amazon (USA)	59.7 Billion US dollars	75.45 Billion US dollars	15.75 Billion US dollars
2	Alibaba (China)	93,498 Million Yuan	1,14,314 Million Yuan	20,816 Million Yuan
3	Rakuten (Japan)	113.9 Billion Yen	140 Billion Yen	26.1 Billion Yen



The paper studied the perspective of 67 people out of which 70.1% are females and 29.9% males. 11.9% people are below the age of 20 years, 41.8% between 20-30 years, 28.4% between 30-40 years and 17.9% are above 40 years. The survey had 17.9% Respondents of business class, 20.9% of service sector, 44.8% students and 16.4% home makers. According to the family income of the respondents 1.5% had below 10k, 10.4% between 10k-20k, 16.4% between 20k-30k, 22.4% between 30k-40k and 49.3% above 40k.

The following Table 2 shows the first two questions asked to the respondents according to which 73.1% people prefer online shopping and 46.3% people faced problems while shopping online during the year of 2023 and 2024

TABLE-2

S,No.	Question	Yes	No
1	Do you Prefer Online shopping?	73.1%	26.9%
2	Did You face any problem with respect to the supply of the products while shopping online during covid-19?	46.3%	53.7%

FINDINGS

E-retail market is expected to continue its strong growth - it registered a CAGR of over 35% to reach Rs. 1.8 trillion (US\$ 25.75 billion) in FY20. Over the next five years, the Indian e-retail industry is projected to exceed ~300-350 million shoppers, propelling the online Gross Merchandise Value (GMV) to US\$ 100-120 billion by 2025.

According to Bain & Company report, India's social commerce gross merchandise value (GMV) stood at ~US\$ 2 billion in 2020. By 2025, it is expected



to reach US\$ 20 billion, with a potentially monumental jump to US\$ 70 billion by 2030, owing to high mobile usage.

Suggestions

- ✓ Foster e-commerce participation by the most vulnerable, for example by introducing community-based delivery programmes for elderly and reserved delivery slots. Ensure that vulnerable consumers are protected from unfair business practices and unsafe products.
- ✓ Ensure that SMEs can participate in e-commerce, for example by providing policy, regulatory or financial incentives for sales diversification and establishing a level playing for SMEs relying on the services of online platforms.
- ✓ Reduce bottlenecks in the enabling environment for e-commerce, including areas such as connectivity, trade, logistics and postal services.

CONCLUSION

Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second largest E-commerce market in the world by 2034. Technology enabled innovations like digital payments, hyper-local logistics, analytics driven customer engagement and digital advertisements will likely support the growth in the sector.

The growth in E-commerce sector will also boost employment, increase revenues from export, increase tax collection by ex-chequers, and provide better products and services to customers in the long-term. Rise in smartphone usage is expected to rise 84% to reach 859 million by 2025.

Close existing digital divides among individuals, for example by expanding affordable and quality broadband to rural and underserved areas, enhancing financial inclusion, and fostering trust and the acquisition of skills to



participate in e-commerce. E-Commerce industry is that force which cannot be ignored by any element of the economy. After Coronavirus pandemic proved that one of the major tools that can help consumers during crisis is e-commerce. In order to maintain social distancing and self-quarantine the consumers have become more reliable on the e-commerce industry.

References

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