

# A STUDY ON E –COMMERCE TRENDS AND ITS ADVANTAGES IN DIGITAL ERA

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## ABSTRACT

E-commerce stands for electronic commerce. It is doing business through online using internet. Over last few years the popularity of e-commerce has rigorously developed due to its quick and convenient way of exchanging goods. India will be booming platform for e-commerce business models; the country already reported 65% growth in e-commerce retail business year in 2015-2016. This paper exhibits the business models for e-commerce, merits of e-commerce. It also highlights various trends of e-commerce in India.

## 1.INTRODUCTION

E-Commerce is known as the form of buying and selling of product and services for the businesses and by the customer over the internet. In recent days sales through E-commerce is rapidly increasing due to low price product offered by the wholesaler or the manufacturer in the online mode. Today E-Commerce is the backbone in Indian society and it has become a part of our social life. The total value of E-Commerce transactions within India has crossed beyond Rs.5.9 billion during the year 2013-14 as per the record provided by the Online Association of India. Currently, more than 40% of the world is using internet and availing the facilities of E-Commerce in the daily life. India will be the leading ground for E-Commerce in the business model which will exceed 72% within the year 2020 by the vision of “Digital India” launched by our honorable Prime Minister, Shri Narendra Modi in the year 2016.

## 2.OBJECTIVES OF THE STUDY

- To enumerate the business model in E-Commerce.
- To know the benefits of E-Commerce.
- To study the Emerging trends in E-Commerce.

## 3. BUSINESS MODELS FOR E-COMMERCE

The most common models of E-Commerce are as follows.

- **Business-to-Business E-commerce (B2B)**

B2B refers to online buying and selling of goods and services between two companies as seen in e-commerce between manufacturer and wholesaler.

- **Business-to-Customer E-commerce (B2C)**

B2C relates to exchanging of goods and services electronically in which customers buy goods from company.

- **Customer-to-Business E-commerce (C2B)**

C2B describes company pays for goods offered by the customers by means of online transaction. For example, authors providing a link back to Amazon.com in which the authors will get return on sale of the books.

- **Customer-to-Customer E-commerce (C2C)**

C2C E-commerce involves customers selling to customers using electronic media such as online auction. Its main benefit is that there is no need of company and as a result the cost is less as compared to above other models.

## 4. MERITS OF E-COMMERCE

The merits of E-Commerce are as follows:

➤ **Lower Cost**

Doing e-business is a cost effective process, which reduces the logistic problems and creating an opportunity for the small business on a par to compete with giants like Amazon.com, Flipkart.com or General Motors. Even in commercial bank process it also proves its effectiveness by reducing cost compared to manual transaction to online transaction where the difference of amount are Re. 0.50 to Re.0.01 per transaction.

➤ **Economy**

E-Commerce can be considered a very much economical style of doing business where physical storage or manual transaction is not required. It can be only done with the support of web portal and unique innovative product offered to the customer with maintaining the economical budget of the product as per the societal need.

➤ **Higher Margins**

E-Commerce means maintaining higher margin in the business. For example, the cost of transaction in processing of an air ticket may be around Rs.5. According to the trip makers, the same ticket can be processed in Re.1 along with the higher margin, with this the business by the help of E-Commerce can generate more profit and it also controls and saves times when the manual transactions are done through electronic medium.

➤ **Better Customer Care Service**

E-Commerce means providing better and quicker service to the customer. Effective online service makes customer happier. They provide customers with its own personal account where they can opt the services as per their choice which helps by saving time and money. Nowadays many companies' product and services are on web based quantified where they are very much focus for providing effective services for the customer at any time. For an example, Homeshop.18, Flipkart, Ola cabs, Flortis medical apps and many more are very much focus on customer care delightness.

➤ **Quick Shopping Comparison**

E-Commerce provides a common platform where customers can compare their products before shopping. For an example, the online shopperstops like Flipkart , Amazon etc. where customers can compare the products before buying which increases the confident and trust level towards the product and it also generates delighted customer psychology towards the product, service and company.

➤ **Team Work**

In E-commerce, electronic mailing process is one of the best and effective example where the people can collaborate among each other by sharing various information and solution for the problem within the work place. It also creates a common platform where suppliers, vendors, business partners and customers get connected with each other for sharing thoughts, information and values for the future better result.

➤ **Knowledge Market**

E-commerce also provides opportunities for the new startups for showcasing their new ideas with the help of their seed money for future entrepreneurial development within the society. For an example, the Aditya Birla Group has many web portals focusing in various sectors of the retail industry providing opportunities to the new

starters by showcasing their products on their portal by maintaining many minimum margin and creating a diverged knowledge based market.

## **5. TRENDS FOR E-COMMERCE IN 2019**

E-commerce is evolving at a rapid pace. If you want to continue boosting sales and conversion rates over time, it's important to stay ahead of the latest online shopping trends.

### **1. Animation**

Motion on an otherwise static screen will always attract attention. This is one reason auto-played videos are so popular on social media platforms such as Facebook and Instagram. Use animation and movement on your website or email marketing campaigns to draw attention to specific details and engage viewers.

### **2. Social shopping and native shopping**

Popular visual platforms such as Instagram and Pinterest are continuously improving ways in which ecommerce brands can market to customers in creative, organic ways. In-app shopping modals can allow your customers to purchase products without having to leave their preferred platform, promoting a greater sense of trust and security for shoppers.

### **3. Automation**

The more tasks your business can automate, the more easily scalable your business model becomes. Many aspects of targeting, marketing, customer service and fulfillment can now be automated to take pressure off your human resources in 2019.

### **4. Influencer marketing**

While this isn't a new trend, it's continuing to become more prevalent and more profitable. Social media influencers are getting savvier, forming creative partnerships that allow burgeoning brands to connect with niche audiences and create trust through word-of-mouth marketing.

### **5. Artificial intelligence**

The rise of conversation AI (commonly known as chatbots) is one of 2019's most popular ecommerce trends helping brands interact with customers at scale. In addition to answering common customer questions, messenger bots are also able to facilitate the buying process for online shoppers.

This ecommerce trend provides massive value to busy consumers who demand immediate answers, regardless of the time of day or the platform they choose to contact a company. AI allows ecommerce businesses to support customers on all platforms simultaneously.

## 6. High-quality photos and videos

Stock photos can make it difficult to differentiate your brand. Use branded photography and videography on your website, email, and social media to create a memorable experience for shoppers. 360-degree product videos are another popular ecommerce trend in 2019.

## 7. Augmented reality and virtual reality (AR and VR)

Imagine the ability to design your home or office without having to purchase the items first. With augmented reality and virtual reality, that's becoming a common application for innovative ecommerce companies. Magnolia Market is a great example of how to convert shoppers into buyers through the use of an AR-enabled shopping experience, allowing app users to visualize home products before they buy.

## 8. One-click purchasing

In 2019, your ecommerce store must be mobile-friendly. And, of course, your checkout process should be as simple and easy as possible. But if you really want to keep up with e-commerce trends in 2019, aim for one-click ordering.

This can increase impulse buys, boost your conversion rate, and satisfy busy shoppers.

## 9. Voice search

As Google Assistant and Alexa become more popular, voice search on mobile devices is being used more often to make purchases. Optimizing your ecommerce shop for voice search can position your business to receive more traffic in 2018. For best results, be sure to mirror the language your target customers actually uses.

## 10. Image search

Search engines like eBay, Pinterest, and Google are now allowing users to search for products by taking or uploading a photo. Visual search makes it easy for users to find similar products and compare options.

## 11. Next-day delivery

How can your business compete with Amazon Prime's 2-day shipping? Offer next-day delivery. If your company is not able to fulfill orders quickly at scale, outsource shipping and fulfillment to a third-party logistics company that can accommodate fast delivery. While there are many challenges to last-mile delivery, advances in technology are helping merchants overcome them.

## 6. CONCLUSION

E-commerce is an emerging trend in Indian economy in the post economic reforms era. The revolution in the IT sector in the recent past has been instrumental in development of e-commerce. E-commerce provides various services to wholesalers who can take advantage of E-commerce and capable of establishing contractors with reputed producers and linking their business with the on-line. Nowadays, the buying and selling process through computer with internet has number of benefits such as cost effectiveness, quick comparison shopping, better customer service, information saving and knowledge market development etc. The trends in E-commerce have every day changing and advancement of technology usage in E-commerce business increasing day by day.

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