

E-COMMERCE: SCOPE, PROSPECT AND PROBLEM

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ABSTRACT

In the current Information Technology scenario various organizations and firms everywhere the globe are relying heavily on access to information in the electronic medium. The internet is the major source of data in knowledge based societies. The last decade in India has witnessed a significant Information Technology revolution. An example growing use of Internet in an exceedingly very short span of time the utilization of computers at offices and houses has become a reality. In the industrial and banking the performance is measured in terms of processing speed and customer satisfaction with the applying of computer it's become possible to clear the recurring dues like payment for electricity bills, account, shopping bill by instructing the bank for payments from customers account online fund transfer from one account to a different account in the bank has also become possible. In the banks credit card, Debit card, ATM, E-cash, E-cheque it's become possible for purchasers and make a payment or to withdraw cash from the bank around the hour. There are many sorts of e-commerce. Business to Business, Business to Consumer, Consumer to Business and Business to Government E-commerce is "predominantly a business issue, enabled by Information Technology" the power to try to to business electronically has resulted in the development of recent business models at a rapid pace, which models will prevail remains being decided. It's up to Government to facilitate e-commerce by providing the required infrastructure, providing the fundamental communications connectivity to permit people to access the net. The article is written with object of studying and identifying the influences and the corresponding changes in management process and functional areas concerned to e-commerce, and to check the issues and prospects of Distributors, sellers and customers within the process of E-commerce.

Keywords: E-Commerce, Business, Performance, Online Transactions, Communications.

Introduction

Although the web began to advance in popularity among the public in 1994. At now the meaning of the word e-commerce was changed. People began to define the term e-commerce because the process of buying available goods and services over the net using secure connection and electronic payment services. Although the dot.com collapse in 2000 led to unfortunate results and lots of of ecommerce companies disappeared the "brick & mortar" retailers recognized the benefits of electronic commerce and started to feature such capabilities to their websites. By the top of 2001, the biggest variety of ecommerce, Business-to-Business (B2B) model had around \$700 billion in transaction. The online and its search engines provide some way to be found by customers without expensive ad campaign. During this way it'll be right to said that E-Commerce is Modern Business Methodology which addresses the wants of not only organization but also merchants and consumers to cut costs while Improving the standard of products & Services it also increases the speed of service delivery. E-Commerce is that wave of Technology which effect every face of one's lifestyle, Home further as everyone's work place in E-Commerce business Tradition Takes place in any parties electronically instead of the physical exchange of documents, Direct Meeting among officials.

Scope of e-Commerce

The electronic market place participants aren't limited only to digital product company's e.g. publishing, software and knowledge industries. Most vital significance of E-commerce is as follows.

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- Firm use technology to their lower operating costs or increase revenue. Electronic commerce has the potential to extend revenue by creating new markets for old products, creating new information based products, and establishing new service delivery channels to higher serve and interact with customers. The transaction management aspect of electronic commerce also can enable firms to cut back operating costs by enabling better coordination within the sales, production and distribution processes and to consolidate operations and reduce overhead.
- It results in simpler performance i.e. better quality, greater customer satisfaction and better corporate deciding.
- Electronic commerce endeavors to boost the execution of business transaction over various networks.
- Electronic commerce is additionally impacting business to business interactions. It facilitates the network type of organization where small flexible firms depend upon other partner, companies for component supplies and products distribution to fulfill changing customer demand more effectively. Hence, an end to finish relationship management solution may be a desirable goal that's needed to manage the chain of networks linking customers, workers, suppliers, distributors and even competitors.
- The management of "Online transactions" in the supply chain assumes a central role. We may achieve greater economic efficiency (Lower cost) and more rapid exchange (high speed, accelerated or real time interaction) with the assistance of electronic commerce.
- Electronic commerce also incorporates transaction management, which organizes, routes, processes and tracks transactions.

Broadly speaking, electronic commerce emphasizes the generation and exploitation of recent business opportunities and to use popular phrases "generate business value" or "do more with less". Electronic commerce is enabling the customer to possess an increasing say in what products are made, how products are made and the way services are delivered movement from a slow order fulfillment process with little understanding of what's going down inside the firm, to a faster and restore open process with customers having greater control. It's facilitating an organizational model that's fundamentally different from the past. It's an effect organization to the data based organization. The emerging kinds of techno-organizational structure involve changes in managerial responsibilities, communication and data flows and work group structures. These networks are a mix of plain old phone system (POTS), cable TV, leased lines and wireless. Information based transactions are creating new ways of doing business and even new sorts of business.

Prospects of e-Commerce

- **Upward movement in Sales:** Secure real time processing increases sales on the web site by providing a method for payment that has closure available. E-commerce solutions are delivering right down to earth selling strategies to enterprises, who wish to benefit from this emerging explosive new technology. E-commerce increases sales by making it easy for patrons to try and do comparison shopping supported their specific situations and to decide on an insurance carrier. Sales are enhanced by making it much faster and simpler for purchasers to gauge their levels of need.
- **Comfort to Use:** For the web business, the benefit of use means over simplicity. The online payment services including security measures make the management of e-business easier. By using the services of website providers, one can founded in little as 15 to 20 minutes nearly and transact thousands of online business throughout the globe. It drastically reduces time-taking decisions, lengthy procedures, thus streamlining the order process entirely, this service is straightforward to use and operate.
- **Better Customer Service:** With the emergence of electronic commerce, the provision chain is shortened. It improves services given to customers; increases productivity, efficiency, access to international markets and price reduction, doing commerce over the net. It also helps companies to render improved services to their customer.
- **Cost Effectiveness:** As a brand new medium of business, the online affords rock bottom transaction costs among all other methods of doing, the planet wide web (www) helps to push services and ideas for a fraction of the price of traditional advertising and marketing. There's no printing cost and no post age cost. It's cost is effective because there's no maintenance cost, stationery and other costs.

- **Contact:** It establishes business to customer (b2c) contact, but not business to business (b2b). This eliminates the intermediaries between various businesses and customers. The competitive advantage of e-commerce from this time of view is important. Online business through the net puts business in direct contact with a large number of competitive suppliers and services and many customers. The survival of business will rely upon a way to founded shop along the knowledge super highways i.e. Internet.
- **Savings:** the complete process of e-commerce routine saves plenty of cash. The common cost for a order call is higher. The price of putting in place of shop online compared to the price of putting in place of shop ashore is cheaper. As such, online stores is founded or simply some thousand's and hosted for the financial security of Net users.
- **Security and Privacy:** Today, secure encryption technology is there following episodes of cyber crime. For example, the Secure Socket Layer (SSL) and Secure Electronic Transaction offer security. The general public key and personal key mechanisms protect sensitive payment information. Protocol securities are now available and customers are assured that their personal sensitive financial data is protected by most sophisticated systems.
- **Simple to use:** The advancement in sophisticated communication technology has revolutionized the designing of internet technology, it's easy to use and therefore the bill-me order is processed on the spot. It's easy for patrons to shop for and sell products online with fast applications web content can easily be updated. The method of e-commerce is simplified by adding products or services, product information, viewing orders, downloading orders and other administrative tasks are made easy.
- **Better Customer Service:** one more reason why enterprises' are moving towards e-commerce is to supply better service levels to their customers. E-commerce can support this business through other ways. Starting with a web catalogue for ordering goods or an easy ordering system that enables the customer to fill an internet form for services, businesses can herald more reliability in their operations; since errors may be weeded out at the purpose of information captured itself. After a slip free order has been logged and in the process of being executed the customer might want to constantly remember of the status of the order.
- **Development of New Business Models:** With e-commerce, you'll be able to create completely new business models. In order companies, there's a high cost of printing and mailing catalogues that usually find you in the trash. there's also a high cost of staffing including the order taking department that answers that phone in e-commerce, both the catalogue cost and office costs are nil, meaning it should be possible to supply products at a lower cost or products that would not be offered before the change in cost dynamics.
- **Online Purchasing:** By organizing their products or services offering into the interactive catalogue, e-stores allow customers to buy at a time i.e. convenient for them. They compare different brands and pricing outside the high sales environment and by direct dealing from the house or office.

Problems or Disadvantages of e-Commerce

- **Credit or Debit Cards Frauds:** In India, distribution channels are the part of the matter associated with e-payments. The larger problem is that of security. In fact, there are some unconfirmed reports of a multi-national bank refusing to approve credit card transactions dispensed by an outsized Indian portal.
- **Lack of Trust:** The people in India still show hesitancy in buying through the online. Lack of quality products, timely delivery of products as a number of them tend to travel out of stock, lack of solutions security are the potential reasons for not developing e-commerce. People don't understand this new way of shopping for and selling products. i.e. the services in a very digital environment which are available online.
- **Lack of Proper Facilities:** E-commerce infrastructure development is at its infancy stage in India. This unsatisfactory development is one more major bottleneck for successful net business in India.
- **Cyber Competition:** it's becoming clearer that cyber structure isn't enough to support cyber growth. Such a rate needs a correct planning and world class global supply chain parameters. The profit strapped, not - struck cyber entrepreneurs haven't any vision and invest money on this. One mustn't dump low entry barriers, and as a result, cyber competition is probably more fierce. It's an excellent task of pacifying angry live customers and so think how difficult it's to e-reassure a lost one. This suggests again more investment and more capitalization which is farther from breakeven.

- **Increased use of Foreign Sites:** web shoppers in India don't prefer Indian websites to an outsized extent and like US and other foreign websites. There are many reasons for this as they supply better selection, prices, stock, quality products, shipping, payment process security, customer service and wide range of websites among other things.
- **Lack of Skills and Expertise:** Lack of skilled and trained personnel impedes the expansion of implementation of IT related e-commerce. The utilization of the web for trade requires a posh Introduction of servers, browser software and knowledge of web design, hosting, promotion and plenty of more skills. It requires understanding many new things. Many Indian businesses aren't prepared to approach electronic commerce. For several business houses that commerce over internet might not work, would take plenty of efforts for each little return.
- **Lack of Actual Strength:** The presence on the online alone won't always ensure successful e-commerce. Having an internet site or dotcom is not any longer a novelty and merely fitting an internet site won't help companies in increasing the quantity of business. They need to accept actuality strength of this new electronic medium of business and its potential for improving efficiency in extending services to the consumers. There are many people who are connected to the net but cannot browse the online and that they are only availing the e-mail facility for communication.
- **Internet Outrage:** Failures in Networks and therefore the Net itself can play havoc. The IT industry isn't yet attempting to enhance network reliability to stop these outrages. Reliability may be a major issue in net business that must be attended. There also are reported evidences of enforcing new censorship regimes to stop cyber crimes.

Conclusion

In the controlling process responsibility of the business increases tremendously because online orders are to be processed properly and only after confirmation of the receipt of the cash goods are to be dispatched correctly. E-commerce charges entire procedure of selling management because the attractive presentation of the products on the web site and one operator on the corporate computer is enough to hold on the transaction and he's sufficient to effect sales. In the organization a totally new technique of electronic i.e. internet is to be introduced. The utilization of E-commerce has changed the whole procedure of business in E-commerce because the computers, internet connection, attractive and informative websites are the new additions in any business. It's changed the whole transaction procedure in banking industry, cheque system and system in E-commerce. It's been observed that the managements lack the correct ability to elucidate their strategy well to their employees leading to miscommunication and ignorance of objectives. Major customers don't have any correct information about the utilization of internet and operating websites for commercial purpose. Producers and dealers don't understand correct habits, expectations and motivations of the purchasers. To finish we recommend that Specific strategies and programmes should be undertaken so as to make confidence in people so they will freely make use of E-commerce.

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