



Emerging Trends of E-Business Models in India

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Abstract: *"E-commerce" refers to financial transactions that take place online. E-commerce refers to the practise of doing business activities over the Internet and electronic means. Internet commerce has dramatically altered how businesses are traditionally conceived of and operated. The term "E-commerce" refers to the practise of buying and selling products or services online. This study aims to illustrate the success of E-Commerce in India and the expansion of E-Commerce sales in India's retail sector, as well as to draw attention to the various difficulties encountered by the Indian e-commerce industry. According to the research, wholesalers are the most threatened in the E-commerce world since producers may bypass them when selling directly to retailers and customers. Wholesalers may benefit from E-commerce by forming partnerships with reputable manufacturers and integrating their operations with the web. Findings from the survey also show that wholesalers, retailers, manufacturers, and individual consumers may all benefit from participating in the booming e-commerce sector.*

Keywords: *E-Commerce, Challenges, on Line Shopping, Evolution, Prosperity.*

1. INTRODUCTION

E-commerce refers to financial transactions that take place online. E-commerce, or business conducted entirely online, is also known as electronic commerce or e-commerce. E-commerce, sometimes known as "online business," is the practise of doing commercial transactions electronically via the use of networking and communication technologies such as the World Wide Web and related applications such as Electronic Data Interchange (EDI). Using a virtual shopping basket or cart and accepting payments through credit card, debit card, or electronic fund transfer, a vendor can conduct business with a customer directly through an e-commerce website. What we now call "e-commerce" is the transfer of commercial activity to the Internet (WWW). When it relates to interacting with and engaging customers, e-commerce paves the way for novel information-based business operations. Costs associated with order management and communicating with several vendors and



traders can also be reduced. Especially for emerging economies like India, the possibilities presented by the rise of online commerce are enormous.

E-commerce, or electronic commerce, encompasses many different types of buying and selling of goods and services conducted entirely online. Similarly, "any sort of economic transaction in which the parties communicate electronically rather than via engaging in physical or direct physical proximity" falls under its purview. The term "e-commerce" refers to the practise of conducting commercial dealings via the Internet, which involves the use of digital communications and digital data processing technologies to establish, modify, and enhance connections between businesses and consumers.

E-commerce is now deeply embedded in modern Indian culture. It's no longer a luxury, but a need, especially in densely populated locations, for the general public to have easy access to E-commerce platforms. There are about 3 billion internet users now, with 259.14 million internet and broadband consumers in India alone. The number of people who have access to the internet and who regularly make purchases online is growing, and so is their level of trust in doing so. As a result, the online retail industry has expanded tremendously, with more and more people signing up for online stores and making purchases via their mobile devices. In terms of potential growth and development, India's e-commerce business is in a privileged position.

The analysis estimates that the developed E-commerce markets of Japan, South Korea, and Australia would expand at compound annual rates of 11% to 12% over the next few years. These rates will be 25% and 57% in China and India, two of the world's fastest-growing economies, respectively. The paper also emphasises the rapidly expanding e-commerce sectors in adjacent China, where CAGRs of over 20% will drive the market to over \$350 billion. The Internet and Mobile Association of India (IMAI) has released a research predicting that by 2015, India's e-commerce business would be worth \$20 billion USD, up 37% from its 2012 level.

Objectives of the Study

1. To study the theory of E-commerce.
2. To investigate the present trends of E-commerce in India.
3. To learning the various challenges faced by E-business players in India.
4. To reading the prospects of E-commerce in India.

Review of Literature

1. Dr. Anukrati Sharma (2013)

Online shopping and e-commerce: issues and affect: a research This study makes an effort to examine the most up-to-date tendencies, affects, and customer preferences with regards to E-commerce and online buying and to provide ideas for the enhancement of e-commerce sites. According to the results, those between the ages of 21 and 30 make up the vast majority of consumers. Building a commerce website requires much forethought and preparation.

2. Abhijit Mitra (2013)

This article makes an effort to look at the current state of E-Commerce in India, the factors that have contributed to its growth, the direction in which it is heading, and the obstacles standing in its way. According to the research, the number of businesses engaging



in E-Commerce has increased in recent years. According to the research, the most popular Indian blogs have also begun relying more on sales than on ads to fund their operations.

3. Nisha Chanana and Sangeeta Goele (2012)

The article is about the potential of online shopping in India in the upcoming. This article makes an effort to provide a high-level overview of India's e-commerce landscape in the upcoming and explores the potential development areas of the industry there. The research uncovered a number of critical elements for the development of India's e-commerce market. Furthermore, the research concluded that in the future years, E-commerce as a whole will see explosive growth in India's growing industry.

4. Sarbapriya Ray (2011)

"Emerging Trends of E-commerce in India: Some Important Problems, Options, and Limitations" is the title of an essay exploring these topics. This article aims to provide a picture of the development of E-commerce in India, outlining its historical context, defining its many categories, and describing the various types of companies engaging in E-business. The research concluded that it is the responsibility of the government to establish a legal structure for E-commerce that ensures fundamental rights like privacy, copyrights, fraud prevention, product safety, etc. are respected while still allowing domestic and foreign trade to flourish.

Concept of E-Commerce in India

1. Multi Product E-Commerce:

Some online marketplaces aim to please consumers of all stripes by stocking a seemingly endless array of products and services under one virtual roof. Indian e-commerce websites sell a wide range of products and services, including clothing and other items for both sexes, health and beauty aids, books and periodicals, computers and their accessories, automobiles, collectibles, tools, electronic goods, home appliances, jewellery, audio-visual adventure goods, gift news items, real estate and services, jobs and work prospects, transportation tickets and matrimony profiles. Instances of this include the websites www.indiayplaza.com, www.thebestofindia.com, www.khoj.com, www.sify.com, www.rediff.com, www.indiatimes.com, etc.

2. Single Product E-Commerce:

Some Indian portals / websites deal in a specialized field. Examples:

- You may purchase and sell new and used cars, motorcycles, and scooters on the websites <http://www.indiacar.com> and <http://www.automatindia.com>, respectively. They provide a variety of services, including dealer finder, auto insurance, third party insurance, vehicle financing, vehicle investigation, and specific aspects, to name a few.
- For example, if you're interested in the stock and share markets, you may check out sites like <http://www.equitymaster.com> and <http://www.5paisa.com>. Services such as online stock trading, market research, business profiles, company comparisons, equities and mutual fund analysis, trend monitoring, etc. are available to active members.
- Websites like IndiaProperties.com are portals in the real estate industry. Through this platform, users may buy or rent real estate online. Not only do they offer details about pre-owned homes, but also those that have just been put on the market. Housing finance, insurance firm interior architects and designers, building maintenance consulting services, etc. are all examples of associated services.



- The Indian government's official webpage for the travel and tourist business may be found at <http://www.tourismindia.com>. Eco-themes, which include rainforests, flora, and wildlife; beaches in India; historical landmarks; forts and locations; hill resorts; adventure-trekking; rock climbing; and so on are only some of the themes that divide the many vacation spots. Passport and visa services, transport and hotel details, weather forecasts, event calendars, fair and retail details, tour operator details, and so on are also provided. Other resources exist, such as <http://www.incredibleindia.org>, which focuses on North East India but also has information on the tourist attractions of the entire country.
- There are Indian-focused shopping sites that make it simple to choose and send the perfect present no matter the occasion. Here's an example: <http://www.indiangiftsportal.com>. The presents can be classified as either practical, such as toys and games, or luxurious, such as leather products, perfumes, jewellery cases, and sculptures and artwork.
- Reading books, listening to music, and watching movies have always been three of the most popular pastimes. More than 3,000,000 books, cassettes, VCDs, and DVDs are for sale on the Indian website <http://www.firstandsecond.com>. Books span in subject matter from business and economics to art and cooking to engineering to children's literature to health and medical. The public's demand for music and videos has resulted in their production in both English and a variety of Indian languages, with subject matter including devotional songs, old favourites, pop, etc.
- Sites like [Jeevansathi.com](http://www.jeevansathi.com) and [Saadi.com](http://www.saadi.com), which specialise in matching people for marriage, are useful resources. Marriages may have been traditionally thought of as something that happen in heaven, but in the modern world of e-commerce, they happen on marriage portals. Users may narrow their search for a life partner on these sites by demographic factors including location, language, and even caste. After signing up, the pair can communicate via e-mail and chat rooms to learn more about one another before making a permanent commitment. Services such as astrology, rituals, the law, health, and aesthetics are also available to active members.
- If you're looking for a job in India, you should check out either www.monsterindia.com or www.naukri.com, two of the most popular job search websites in the country. For those looking for work, the service is free, while employers pay a small fee. Online employment is offered in a wide variety of industries, from secretarial work to software design, from housing market to teaching.

Types of E-Commerce

The major different types of E-commerce are as follows;

- **Business to Business (B2B):** To Conduct Business With Other Businesses The term "e-commerce" is used to describe any type of electronic transaction that takes place between two businesses. E-commerce between businesses (B2B) include not only product and service acquisition but also supplier and stock planning, supply chain, sales activity, payment processing, and customer support. Examples of early B2B marketplaces include Chemdex (www.chemdex.com), Fastparts (www.fastparts.com), and Free Markets (www.freemarkets.com)
- **Business to Consumer (B2C):** Direct Marketing In this context, "e-commerce" is any



transaction between a company and a user conducted via the use of electronic means. There has been shopping between businesses and consumers without any middlemen, but the rise of e-commerce has accelerated this trend.

★ **Traditional B2C model:** Manufacturer \rightleftarrows Retailer \rightleftarrows Consumer

★ **On line B2C model:** Manufacturer / Retailer \rightleftarrows Consumer

Examples: Websites like Amazon, Yahoo, and Schwab all come to mind. E-commerce, in the business-to-consumer scenario, is analogous to B2B transactions in other ways. All customer-facing actions are normally monitored nevertheless. Sales, user research, and assistance are all examples of these tasks.

- **Consumer to Consumer (C2C):** Consumer-to-consumer refers to business conducted directly between users. Sometimes, third parties are included into these deals. Historically, customers have engaged in limited commercial interactions with one another. Through the advent of the Internet, complete strangers may now engage in business transactions with one another.
- **Consumer to Business (C2B):** The consumer-to-business (C2B) paradigm of trade is relatively recent and inverted from more conventional business structures. In this scenario, customers contribute to the success of businesses by supplying them with goods and services. In a consumer-business interaction, users can join together to create a buying group and market itself to companies as such. Similar to the demand aggregator, these communities may function for monetary reasons. People engage in this form of exchange in online communities by offering feedback on products and offering suggestions for new features.
- **Business to Business to Consumer (B2B2C):** Similar to the business-to-business-to-consumer (B2B2C) model, but with an extra intermediate firm helping the first firm reach and serve the final customer. Because of the lower overhead associated with a lack of middlemen in online transactions, it stands to benefit greatly from moving to this channel. One of the most prominent online marketplaces, Flipkart allows customers to buy anything from electronics to clothing to books to music CDs.

Functions of E-Commerce

Communication function: Designed to provide paperwork and other details to the right people quickly so deals may get done. **Example:** E-Mail.

Process management function: Discusses methods of improving and automating company operations.

Example: networking two computers together.

Service management function: Use of technology to boost customer satisfaction with service.

Example: Federal Express website to track shipments and schedule.

Transaction capabilities: Allows customers to make purchases and sales over the web or other online mediums.

Example: Amazon.com.

Evolution of E-Commerce



Challenges of E-Commerce

1. External Challenges:

The growth strategy and on-site and after-sale user experience of E-commerce businesses are influenced by external factors.

Product and Market Strategy:

Companies in the e-commerce space face a number of challenges, including the need to adapt to a constantly shifting customer base and product line, as well as the need to manage multiple relationship management platforms, expand into new markets, launch new products, and contend with an intensely competitive pricing landscape.

Customer and Digital Experience:

Companies have challenges such as providing a consistent company image across platforms, managing the growth of platforms, responding to speed to price competition for potential approaches, and providing a rich, innovative, and easy consumer experience that is not focused on exploration. Recently, social media has surpassed traditional advertising as the most effective form of brand promotion.

Payments and Transactions:

Threats to data security, privacy, and the management of bogus operations are all potential problems for online merchants. Furthermore, there are limits imposed by the Reserve Bank of India (RBI) on the use of electronic wallets and other forms of prepaid payment. Backend economic and waiting tax, together with cross-border tax and regulatory concerns, can have significant effects on activities.

Fulfillment:

Businesses must determine if internet speeds impact the reliability of their rail facilities. Problems with shipping could also arise from a lack of an all-encompassing logistics platform and a forward-thinking fulfillment choice. Possible expansion obstacles include difficulties in third-party logistics relations and negative logistics operations.

2. Internal Challenges:

E-commerce businesses' ability to organise internally to create and sustain development is influenced by a variety of factors.

Organization Scaling:

E-commerce businesses must ensure that their organisational structure, administration, direction, and career progression all adapt quickly to the ever-changing company strategy. From a business expansion point of view, it is important to look for possible acquisitions, as well as assess the company's preparation to go public. From a technological standpoint, fixing

the disconnect here between enterprise's marketing, information, and services departments is crucial.

Tax and Regulatory Structuring:

Suboptimal warehouse tax planning, a lack of effective entity controls, inadequate holding of intellectual property rights or organisation structure, and global tax inefficiencies are all problems that businesses will need to solve. The new Companies Act, the policy on minority interest activity pricing, and the lack of clarity around the GST road map all pose potential problems in the future.

Risk Fraud and Cyber Security

From a security standpoint, online retailers may have problems with brand risk, threat actors, and internet uptime. Companies are at risk for financial penalties as a result of vendor nexus issues, extortion, and fraud. The potential for malicious actors to abuse a page is another area of worry when it comes to cyber privacy.

Compliance Framework:

Many rules governing the conduct of online businesses are in a constant state of flux. Compliance with cyber laws, an ineffective anti-corruption structure, legal risk in contracts or transactions, and rules and laws pertaining to indirect and direct taxation all have the potential to be problematic. Problems may arise from the lack of clarity on VAT effects between states due to the wide variety of corporate structures in use.



Figure 1: E-Commerce Drivers and Challenges

Snapshot of E-Commerce Retail Revenues in India

Table 1: Indian Online Retail Revenues

Year	Forrester Research Online Retail Forecast
2012	US \$ 1.6 billion
2016	US \$ 8.8 billion

Source: Forrester Research

According to the data supplied by Forrester Research, as shown in Table 1 below, E-Commerce is being driven by customers in India's major cities, who are most likely to use the internet to book flights, buy consumer electronics, and read books online. Forrester Research predicts that by 2016, India's e-commerce market would generate \$8.8 billion in revenue, up from \$1.6 billion in 2012.

Prosperity of E-Commerce in India

The Associated Chambers of Industry and Commerce of India conducted a survey and found



that the size of India's e-commerce business increased from \$2.5 billion in 2009 to \$8.5 billion in 2012 and from there to \$ 16 billion in 2013. Internet penetration is mostly driven by mobile phones, with some of the cheapest but also most basic hand sets already giving access to the internet. India is rapidly becoming the country with the biggest number of literate population in the world.

Table 2: Internet Population in India

Year	Internet Population (In Millions)
2012	137
2013	239
2014	286
2015	347

Source: Telecom Regulatory Authority of India

Table 2 shows that in 2013, there were 239 million internet users in India, according to data from the Telecom Regulatory Authority of India (TRAI). E-commerce sites in India have seen fast growth in popularity among Indian consumers as a result of the country's widespread access to the internet and the convenience and conveniences they provide.

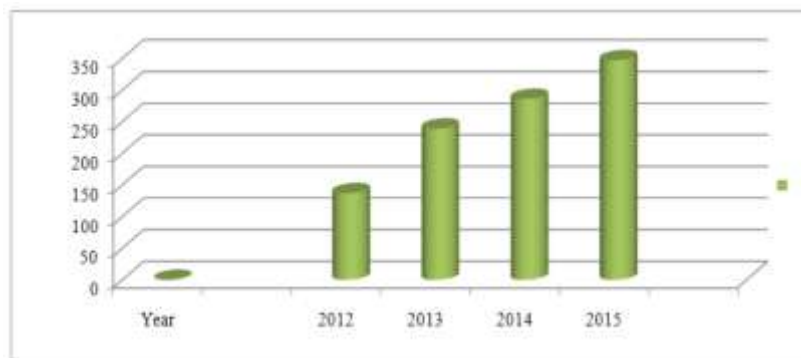
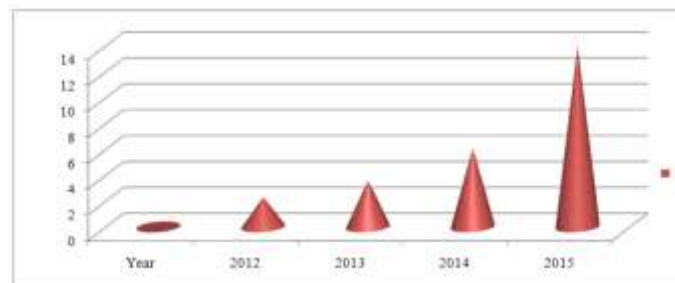


Table 3: Retail E-Commerce Sales in India

Year	Retail E-commerce Sales in India (In Billion U.S. dollars)
2012	2.31
2013	3.59
2014	6.1
2015	14





Some of The E-Commerce Companies in India

- | | | | |
|------------------|----------------|----------------|----------------|
| 1) American Swan | 6) Health Kart | 11) Ola Cabs | 16) Carat lane |
| 2) Bata Shoes | 7) IRCTC | 12) Pay tm | 17) Tradus |
| 3) Bro4u | 8) Instamojo | 13) Snap deal | 18) Jabong |
| 4) Flipkart | 9) Myntra | 14) Shop Clues | 19) HomeShop |
| 5) Ebay India | 10) MobiKwik | 15) Zomato | 20) Naaptol |

Some of The E-Commerce Websites in India

- | | | | |
|------------------------------------|----------------------|-----------------------------|----------------------|
| 1) Flipkart.com | 13) Smartshoppers.in | 25) Themobilestore.in | 37) Egully.com |
| 2) Infbeam.com | 14) Homeshop18.com | 26) Adexmart.com | 38) Bitfang.com |
| 3) Ebay.in | 15) Yebhi.com | 27) Zoomin.com | 39) Bigemobiles.in |
| 4) Theiwares.com | 16) Univercell.in | 28) Ratetag.com | 40) Seventymm.com |
| 5) Futurebazaar.com | 17) Mediahome.in | 29) Deltapage.com | 41) JMehta.com/shop/ |
| 6) Lynx-india.com | 18) Primeabgb.com | 30) Ezoneonline.in | 42) Indiaplaza.com |
| 7) Tintara.com | 19) Next.co.in | 31) Gadgets guru.com | 43) Theitdepot.com |
| 8) Shopping.rediff.com | 20) Royalimages.in | 32) Machpowertools.com | 44) Gndgets.in |
| 9) Edigiworld.com | 21) Cromaretail.com | 33) SMCinternational.in | 45) Bigadda.com |
| 10) Letshop.in | 22) Rightshopping.in | 34) Smartshoppers.in | 46) Tradus.com |
| 11) Buytheprice.com | 23) Pristinote.com | 35) Storeji.com | 47) Vijayasales.com |
| 12) Shopbychoice.com | 24) Theelectro.com | 36) Zapstore.com | 48) Buytheprice.com |
| 49) Computerwarehousepricelist.com | | 50) Shopping.indiatimes.com | |

Findings of the Study

1. One of the biggest problems with the rise of e-commerce is that producers may bypass distributors and go straight to clients and retailers. Wholesalers may benefit from E-commerce by forming partnerships with reputable manufacturers and integrating their operations with the web.
2. The retailer's only hope for survival is to establish a relationship with the internet distribution network. A retailer's ability to stay in constant contact with its customers, fulfil their electronic orders, and offer them with useful supplementary information is greatly enhanced by modern communications technologies. Therefore, doing business online is a promising prospect.
3. Producers can benefit from E-commerce if they establish an online presence, provide details about their goods to the other members of the supply chain, and promote a distinct brand image.
4. The need for public places with access to the internet is rising as more individuals join the world of electronic business. Those who want to stay ahead of it can set up shop online and reap the rewards.
5. E-commerce provides several possibilities to wholesalers, retailers, manufacturers, and consumers alike. Businesses must be responsive to customers' electronic orders and inquiries at all times.
6. With the aid of media like television, newspapers, websites, etc., consumers may quickly learn about a product's pricing, availability, and other details.

Suggestions

1. The success of E-commerce firms requires an in-depth knowledge of the legal regime and the potential challenges that an E-commerce business might encounter, as well as appropriate risk management measures.
2. Users have found new ways to circumvent Intellectual Property Rights (IPR) in e-commerce transactions, allowing them to not only simply copy material but also deceive



other users. This means that a lot more intellectual property rights are required to adequately control the complex web.

3. Increased market demand thanks to higher education standardisation.
4. The widespread use of social media platforms like Facebook has resulted in an increase in the frequency with which customers post details about the products they enjoy.
5. With the expansion of SMEs, FDI, and MNCs, millions of new employment have been created, and a consumer usually with a global perspective has emerged. Customers are more likely to make online purchases now that the job market is improving.
6. The language used on the online store's website should be simple to read. When developing websites, it is important that the language used be straightforward.

2. CONCLUSION

These days, it's impossible to imagine life without online shopping. Having easy access to an online marketplace is no longer a luxury but a need for many, especially those living in densely populated urban regions. Due to the widespread availability of mobile internet devices, such as smartphones and tablets, E-commerce has expanded at an unprecedented rate. Our lifestyles, modes of interaction, purchasing habits, and more have all been revolutionised by advances in telecommunications technology. The ways in which we interact with one another, with the world at large, and with the knowledge and goods that we purchase and sell are profoundly altered as a result. Foreign businesses are taking notice of India because of the country's rapidly expanding e-commerce market. In the same way that e-commerce opens up new doors for commercial enterprises, it also does the same for the research world. Evidently, there is a huge market for E-business courses.

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