

# A Review Study on the Influence of E-Commerce

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**ABSTRACT:** *E-commerce (Electronic commerce) is a paradigm change that has an impact on both marketers and consumers. E-commerce, on the other hand, is more than simply another method to improve current company processes. It is driving a comprehensive transformation of the conventional business model. E-commerce is the use of electronic communications and digital information data processing in commercial transactions to generate, convert, and reframe connections for the creating value between or among organizations, as well as between individuals and organizations, according to a more comprehensive definition. This major shift in business strategy is gaining traction all across the world, and India is no exception. E-commerce has grown in popularity as a result of widespread internet use, and entrepreneurs, especially start-ups, are increasingly turning to this alternative as a distinguishing business strategy. The purpose of this study is to explain the current state of E-Commerce and to evaluate the current developments in E-Commerce. The study goes on to look at the main factors that influence the success of E-commerce business models.*

**KEYWORDS:** *E-Commerce, Internet, Marketers, Self-service, Technology.*

## 1. INTRODUCTION

An increasing number of businesses in a variety of sectors, including banking, education, commerce, and tourism, have enhanced their services by integrating technology into their service delivery processes. Although technological integration in services is becoming more prevalent, little academic study has been done to evaluate its impact. E-commerce-related problems are also on the increase, presenting a significant danger to the industry's long-term viability and necessitating proper marketing tactics on the side of marketers. If marketers want to be successful in this new business model, the study on E-commerce suggests a number of factors that must be considered. E-commerce companies must also figure out the most efficient methods to integrate online and physical relationships, with the notion that a full relationship with a consumer is incomplete until both are considered, as well as how they interact. To enable the country's substantial growth, governments should provide a fair playing field for its E-commerce companies. The focus of E-Commerce should be on providing a legal framework to ensure that fundamental rights such as consumer protection, privacy, intellectual property, fraud prevention, and so on are well safeguarded as local and international commerce expands[1].

Banks must also choose appropriate security technologies and policies to safeguard themselves and their clients. E-Commerce is a blessing for any nation; with the proper push and a conducive atmosphere, it may substantially contribute to a country's growth and development. The purpose of this study is to explain the current state of E-Commerce and to evaluate the current developments in E-Commerce[2]. The research goes on to look at the main factors that influence

the success of E-commerce marketing strategies. The website takes credit card, debit card, and EFT (Electronic Fund Transfer) payments via a digital shopping cart or internet shopping cart. It took more than a decade for India's web users to grow from 10 million to 100 million, and only three years for them to grow from 100 to 200 million. It took just a year for India's internet users to grow from 300 to 400 million. Clearly, the Internet is now commonplace in India. As more individuals use the internet, particularly via smart phones, this figure is projected to rise to 462 million by June of this year. In an online marketplace, the ecommerce company just supplies the technological platform, but the inventory is owned by the site's merchants.

### *1.1. Electronical Commerce:*

Electronic commerce is referred to as e-commerce. It refers to the exchange of products and services through digital internet and media. E-commerce is the practice of doing business utilizing the internet and information technologies such as Electronic Data Interchange (EDI). E-Commerce refers to a company's website in the World that trades goods or services with customers directly from the portal. The website employs a digital shopping cart or online purchasing basket technology that accepts credit card, debit card, and EFT (Electronic Fund Transfer) payments. Business-to-business (B2B), business-to-consumer (B2C), business-to-government (B2G), consumer-to-consumer (C2C), and mobile payment are the four major kinds of electronic commerce (m-commerce)[3].

### *1.2. Facilitators Of E-Commerce:*

#### *1.2.1. Internet:*

The widespread use of the internet has aided the development of e-commerce. The internet and smart phones have become an inseparable part of everyone's lives. The internet has evolved from a source of information to a vital tool for buying, studying, communicating, and even obtaining assistance from plumbers, carpenters, and physicians. The supply chain is also getting leaner and smarter as digital platforms assist in better connecting with consumers, reducing waste and promoting green companies.

#### *1.2.2. Social Media:*

Companies are increasingly turning to social media to promote their wares. There are many types of social media. Websites and computer applications that allow users to interact and exchange information via the internet a laptop or a mobile phone In terms of brand development and educating consumers about different offerings, social media plays a larger role. In addition, It's useful for obtaining feedback on products or services. It provides a platform for establishing a brand and growing a business. Community of trustworthy users, advertising, word-of-mouth, and so on.

#### *1.2.3. Payment Gateways:*

A payment gateway is an e-commerce application service provider service that permits credit card payments for e-businesses, online retailers, bricks and clicks, or traditional brick and mortar. The important variable of online business is the payment routes which comprises credit card, debit card, online banking payments, electronic funds transfer. The world is changing from cash to digital money and thus there is a must of payment gateways for sustainable future ecommerce[4]as.

#### 1.2.4. *Autonomous Vehicles:*

Autonomous cars are vehicles that drive themselves even without active intervention of a human operator, using artificial intelligence, sensors, and a global positioning system. The era of the self-driving vehicle is rapidly approaching. Buyers of self-driving cars will have more time to surf the web, read emails, shop for new items, and see ads all over the place. With self-driving vehicles, a wealth of digital marketing expertise will be available. These buying and searching habits may be tracked to help businesses adapt their marketing campaigns to capture this new market. Big data currently has a far broader reach, but it will become so customized and predictive in the future years that we may never have to modify anything directly again.

#### 1.2.5. *Analytics:*

Analytics is the scientific process of transforming data into insight in order to make better choices. Analytics aids companies in gathering, organizing, analyzing, and reporting on everything their consumers do. The massive growth in data volume has forced companies to concentrate on analytics in order to understand consumer behavior. To evaluate the return on online investments and improve the channel mix, retailers need real-time access to data. Basic analytics capabilities, such as average order value, basket size analysis, and conversion ratio, are easily accessible with E-commerce companies, but a deeper analytics solution for meaningful customer insights is needed[5].

#### 1.3. *India's E-Commerce Trends - A New Business Revolution:*

Consumers who purchase products and services via E-Commerce have the flexibility to shop when and where they choose, as well as the ability to study the product, the seller, and any other accessible alternatives. The availability of internet information has changed the way people shop. E-commerce may be used to purchase almost everything that can be purchased in a physical shop, including perishables such as food. Consumers all around the world have welcomed these possibilities. E-commerce's impacts are already being seen across the board, from customer support to new product development. It enables new kinds of information-based business operations such as online advertising and marketing, online order processing, and online customer support to reach and engage with consumers.

Nowadays, E-commerce makes use of the World Wide Web at some point throughout the transaction lifecycle[6]. It may also save expenses in areas like order management and dealing with a diverse set of suppliers and trade partners, which usually add substantial overhead to the cost of goods and services. Mobile commerce (m-commerce), on the other hand, is quickly expanding as a reliable and safe complement to the e-commerce sector. The ability to shop online using a smartphone is proving to be a major changer. It is estimated that mobile commerce may account for up to 70% of their entire income.

#### 1.4. *Underlying Factors in E-Commerce:*

The apparel segment grew the fastest, nearly 69.5 percent over 2014, according to the ASSOCHAM Study (2015), followed by electronic goods, which grew 62 percent, baby care products, which grew 53 percent, beauty and personal care products, which grew 52 percent, and home furnishings, which grew 49 percent. The increasing usage of smart phones is largely to blame

for India's rapid development in digital commerce. According to the research, mobile phones and mobile accessories have taken up the largest part of the internet commerce industry in India. Furthermore, cash on delivery was favored by almost 45 percent of online consumers over credit cards (16 percent) and debit cards (16 percent) (21 per cent).

Only 10% chose online banking, while only 7% preferred cash cards, digital payments, and other similar payment methods. The 18-25 year old age group has been the fastest increasing age group, with both male and female sectors contributing to user growth. According to the study, 38% of frequent customers are between the ages of 18 and 25, 52% are between the ages of 26 and 35, 8% are between the ages of 36 and 45, and 2% are between the ages of 45 and 60. Males account for almost 65 percent of internet consumers, while females account for 35 percent[7].

## 2. LITERATURE REVIEW

*S. A. Bhat et al.* studied about the Electronic commerce (E-commerce) is a paradigm change that affects both marketers and consumers. E-commerce, on the other hand, is more than simply another method to improve current company processes. It is driving a comprehensive transformation of the conventional business model. This major shift in business strategy is gaining traction all across the world, and India is no exception. E-commerce has grown in popularity as a result of widespread internet use, and entrepreneurs, especially start-ups, are increasingly turning to this alternative as a distinguishing business strategy. The purpose of this study is to explain the current state of E-Commerce and to evaluate the current developments in E-Commerce. The research goes on to look at the main factors that influence the success of E-commerce business models[8].

*Vivian Khoo et al.* studied this article thoroughly analyzes the identified research that have been done in the context of e-commerce adoption, based on a survey of the accessible literature sources. From Elsevier's Scopus database, seventy-three (73) articles were retrieved. The distribution of publications, the scope demographics, the research strategy and research technique, and the adapted theory or conceptual framework were all examined. According to the findings of the survey, e-commerce research papers peaked in 2015. The majority of e-commerce adoption studies (26 percent) were conducted in Southeast Asia, with determining factors of e-commerce adoption being the most common topic throughout the region. Despite its popularity, the results were ambiguous in terms of particular factors that contributed substantially to e-commerce adoption. Variables from the organizational context, on the other hand, are discovered to be important[9].

E-commerce in India began to acquire popularity as the number of internet and mobile phone sales increased. However, although e-commerce has grown in popularity among approximately 30% of the population residing in cities over the years, sales via e-commerce have not increased at a quicker rate owing to a lack of product diversity and uniformity[10]. Because of the restricted variety and to reassure consumers that their purchases are cost-effective, only branded goods are on sale, with the caveat that e-commerce guarantees end service and quality of products. Financial literacy, quality of living, type of habitation, payment method (digital vs. cash) and, most significantly, up-scaling of manufacturing businesses are all variables that influence e-commerce development. Daily used goods seem to be the least popular in the e-commerce mode, with only the most branded and personalized products with uniformity being more popular.

## 3. DISCUSSION

The external environment has a major impact on e-commerce development. The majority of research (71.2 percent) favored a quantitative approach, particularly when using questionnaire techniques. The results of the theory analysis show that the TOE framework was the most often used conceptual structure, whereas many research (24.7%) did not utilize a particular conceptual model. Only a few researchers (11%) utilized a self-developed theoretical foundation rather to one that was already in place. The bulk of the research focused on the variables that promote ecommerce adoption in terms of breadth. Such a narrow area of research might only offer a sliver of insight into the dissemination process.

Future study will go further into the e-commerce post-adoption phases. Due to the limitations of a centralized database and terms, a larger number of papers in the research may not be retrieved. Most E-commerce businesses have call centers to interact with consumers; however, as the number of sellers in a marketplace grows, the effort to build up contact centers to deal solely with merchants will become the next battleground in E-Commerce. A dedicated contact center should be available 24 hours a day, seven days a week. Participants in the e-commerce sector must also be aware of and solve cultural problems that are specific to the target nation and relate to off-site transactional processes; otherwise, large-scale adoption and success will be hampered. E-commerce companies must also figure out the most efficient methods to integrate online and physical relationships, with the notion that a full relationship with a consumer is incomplete until both are considered, as well as how they connect.

#### **4. CONCLUSION**

If a developing nation implements e-commerce successfully and efficiently, it may be able to modernize. It will boost its production and provide it a competitive edge. Ecommerce has benefited from advances in information technology (IT). It is now much easier to join a new market, and marketers can quickly assess the success of their product and business. Consistency of money transfer steps, consistency of Web site design, replacement guarantee, M-Commerce services, consistency of promotions, consistency of in-stock manifestations, consistency of product diversity, position services, multiple payment options, right content, and shipment should be focused on as factors that will significantly contribute to the success of the E-Commerce industry.

Privacy is an essential element in ecommerce, as it improves not only competitive advantage but also consumer trust. According to the studies, the consumer age range of 18-35 is promising and should be addressed regardless of gender for better outcomes. Although social media has been a boon for marketers and advertisers wanting to reach target buyers without spending a lot of money on conventional media, premium brands have recently found it difficult as unapproved sellers have gained traction on platforms like Facebook, Instagram, Twitter, and WhatsApp, luring purchasers with discounts of up to 50%-70 percent. Firms must keep a careful eye on such accounts and invest in legal checks and controls. In a marketplace model, the ecommerce company just supplies the technological platform, but the inventory is owned by the site's merchants. Most E-commerce businesses have call centers to interact with consumers; however, as the number of sellers in a marketplace grows, the effort to build up contact centers to deal solely with merchants becomes the next battleground in E-Commerce. A dedicated contact center should be available 24 hours a day, seven days a week. Participants in the e-commerce sector must also be aware of and solve

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