

04-12-2023

Introduction to E-commerce :

- E-commerce stands for Electronic commerce.
- E-commerce is the electronic activity of buying or selling end products on online services over the internet.
- E-commerce is the buying and selling and good services over the internet.
- Electronic commerce depends on technology such as Mobile commerce, Electronic Fund Transfer [EFT], Supply chain management [SCM] and internet marketing; in the inventory management system and automatic data collection.
- Example of e-commerce :
 - (1) online shopping
 - (2) Internet Banking
 - (3) online Ticket booking
 - (4) Purchase Book on the internet.

(5) Online payment.

(6) Online Auction.

(7) An individual withdraws funds from Automated teller machine (ATM).

Electronic Data Interchange (EDI)

05-12-2023

⇒ Pure vs Partial E-commerce

Pure E-commerce:

→ It refers to a situation where business transaction activity is a purely online process.

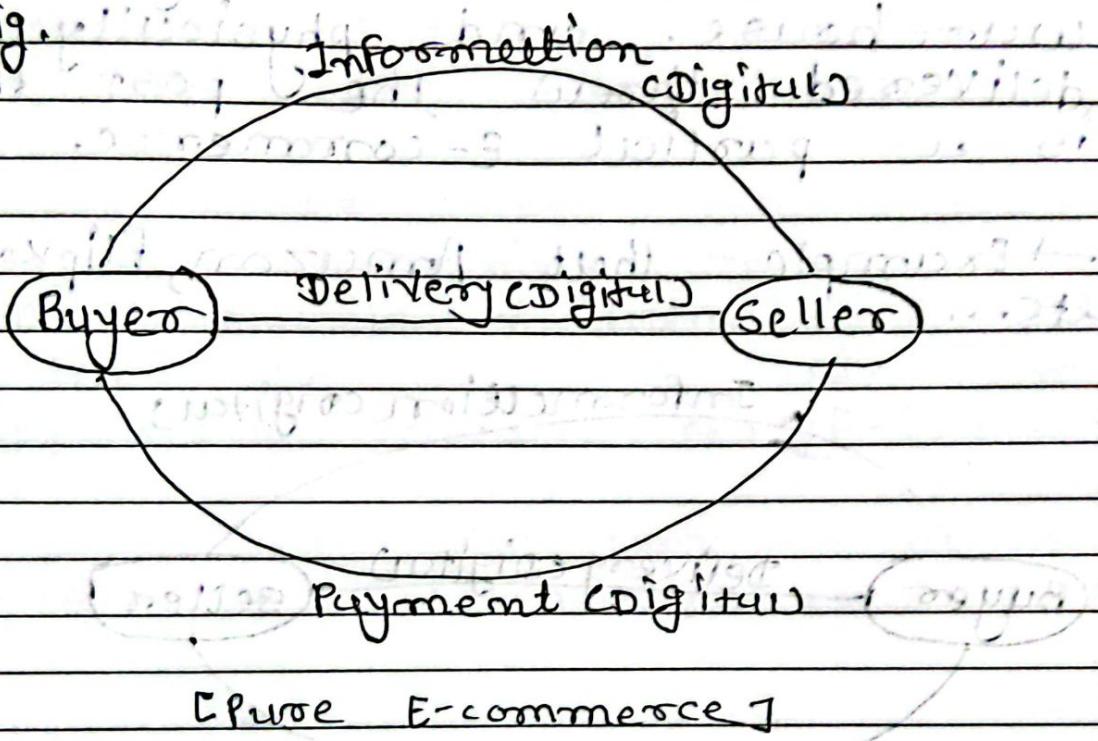
→ The goods or services should not have any physical presence.

→ Purely e-commerce business transaction are largely carry out on the internet.

→ for example that your favourite commercial website publish music. You can written members of the public. You can feel the music.

listening to it using your credit card, and download it for yourself or done on the internet show this is pure e-commerce.

Fig.



[Pure E-commerce]

Partial E-commerce:

→ On the other hand refers to a slightly opposite situation where business has an online presence.. but still has a physical location for the goods and services it sells.

→ Partial e-commerce on the other hand business in which a large part of the transaction

take place in the offline real world.

→ Amazon for instance will sell you books online but this must be stored in large warehouse, and physically delivered through the post sheet is a practical e-commerce.

→ Example that Amazon, Flipkart etc... →

fig. 1

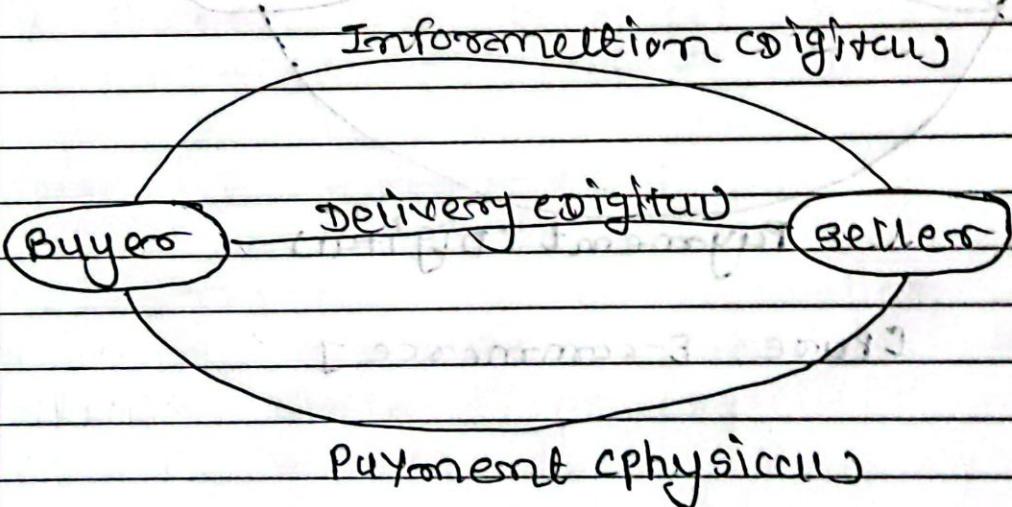
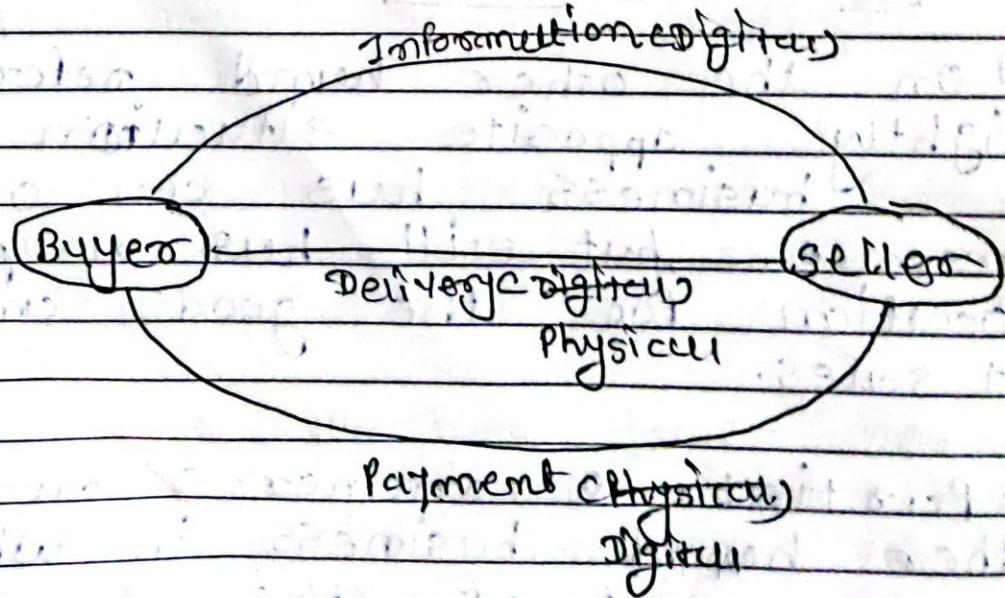


fig. 2



06-12-2023

⇒ History and Development in E-Commerce

→ E-commerce is a form of doing business that is performed online or over the internet.

→ In other words, where you buy or sell something online or via electronic medium and that refers to us electronic commerce popularly known as E-commerce.

→ Here is the timeline of the history of e-commerce and its evolution.

1969 : Compusolve the first significant e-commerce company is directed by Dr. John R. Goltz and Jeffery Wilkins by utilize a dial-up connection.

→ This is the first time e-commerce was introduced.

1979 : Michael Aldrich invented electronic shopping. He is also a founder or investor of E-commerce.

→ This was done by connecting transaction processing computer with a modified T.V. through Telephone connection.

→ This was done for transmission of secure data.

1982 : The continue growth of technology particularly in electronic led to the launch of the first e-commerce platform by boston computer exchange.

1992 : The 90's took the online business to the next level by introduces book store comimp by charles stack. It was one of the first online shopping site created at that time.

1994 : Nibbi browser, tool introduced by netscape navigator by Myles Anderson and ginn clark. It was used on the windows platform.

1995 : The year marked the development in the history of E-commerce as Amazon and ebay were launched. Amazon was started by Jeff Bezos while pierre omidyar launched ebay.

1998: Paypal launched the first e-commerce payment system as a tool to make money transaction.

1999: Alibaba started its online shopping platform in 1999 with more than \$25 million US capital. Eventually it turned out to be e-commerce giant.

2000: Google launched the first online advertisement tool named google Adwords as a way to help retailers to utilize the pay-per-click (PPC) context.

2005 - 2009: The four years shows the development of E-commerce in the following.

2005: Amazon prime membership was launched by Amazon to help customers to get free two day shipping at no annual fees.

→ It was launched in 2005 to enable small and medium scale retailers to sell goods online.

→ Etti Muchalwini and Mitchell Harper launched big commerce as an online store front platform.

This year experience massive development in the space in E-commerce.

2011: Google launches online wallet payment application.
→ one of the earliest moves by Facebook to launch sponsored stories for ads.

2014: Apple launched Apple pay cum online payment application.
→ jet.com was launched in 2012 giving us online shipping portal.

2017: Instagram introduce shoppable tags enabling people to sell directly from the social media platform.

2017 to present: Major reforms that have taken place in the e-commerce industry between this year are:

→ large retailers are pushed to sell online.

→ Small businesses have seen a rise in sales. Sellers now operating from social media platforms.

→ Operational cost have gone down in the B2B sector.

→ Parcel delivery cost have seen a significant rise with

growing E-commerce business industry.

→ Several e-commerce market places have more seller to sell online business.

→ Logistics have with the introduction of automation tools and Artificial Intelligence (AI).

→ Social media has become a tool to increase sales and market bound.

8-12-2023

Q Difference between Traditional commerce v/s E-commerce:

Traditional commerce

E-commerce

→ Traditional commerce → E-commerce doesn't is based around face offer the benefit of to face interaction. The face to face interaction customer has a chanceless live chats use to ask question and implemented between the the sells staff cum business and the consumer work with them to insure a satisfaction transaction.

→ In traditional commerce → e-commerce is easy.
 it is difficult to establish to - establish and maintain and maintain standard standard practices.

practices.

→ In traditional commerce → In e-commerce in-
 direct interaction through direct interaction through
 sellers and buyer is sellers and buyer occurs
 present. using electronic medium
 of internet.

→ Traditional commerce is → E-commerce is carry
 carried out by face to face, out by internet or other
 telephone lines or mail network communication
 system. technology.

→ In traditional commerce → In e-commerce processing
 processing of transaction is auto-
 action is manual. metric.

→ In traditional commerce, → In e-commerce, delivery
 delivery of goods is of goods takes time.

instant.

→ Traditional business is → E-commerce business
 open only for a limited is possible round the
 time, thus it has time clock 24x7 365 days
 limitation. services is possible.
 Thus it has no time
 limitation.

→ A traditional commerce → An online store has no
 store has capability limit, capability limits and you
 stocks are also limited. can have many clients as
 your stock can serve.

- | | |
|--|--|
| → Traditional commerce is done where digital network is not reachable. | → e-commerce is used to sale valuable time & money. |
| → Its resources focus on supply side. | → e-commerce is used to its resources focus on demand side. |
| → Its business scope is a limited physical area. | → Its business scope is worldwide as it is done through digital medium. |
| → No uniform platform for information sharing as it depends heavily on personal communication. | → E-commerce provides a universal platform to support commercial / business activity across globe. |

Advantages

1. No geographic limitations
2. Eliminate travel time & cost.
3. Remain open all the time.
4. Huge variety.
5. Least capital required
6. provide comparison shopping
7. Locate the request quicker.

1.

→ NO limitation of distance is there.
E-commerce is converted in world
into global village. Buyer and seller
meet via internet.

2.

→ It is not unusual for customer
to travel long distance to visit
these physical store.

3. E-commerce is 24x7 open business
There is no opening and closing time
for the stores.

4. Customer can easily select products
from different providers without
moving around physically.

5. High initial cost is not required
Business can be started with least
amount of capital.

6. E-commerce facilities comparison
Shopping there are online service,
there are allow customers to
because multiple e-commerce
merchants and finding the best
price.

7. E-commerce facilities comparison shopping
on an e-commerce website customers
can click through navigation buttons
use a search box use the down

product search: immediatly. Same websites. remember the customers and shopping centers used to facilities used to repeat purchase.

* Limitation / Disadvantages:

- 1) Habitute
- 2) Security
- 3) Quality
- 4) Lack of privacy
- 5) Product Suitability
- 6) High Labour cost
- 7) Fear
- 8) Tax issue

1) Habitute:

→ No doubt that e-shopping is getting popular day-by-day but still there are people that prefer store-to-store shopping because they are habitute of doing that.

2) Security:

→ The biggest drawback of e-commerce is the issue of security when making an online purchase. You have to provide at least your credit card information or Debit card info., mailing address.

→ In many cases E-commerce website

collecting other information about online behaviour and presence. This could lead to credit card fraud. Debit card fraud, identity hacking or worse...

(3) Quality:

→ Quality of product is not properly shown (provided) when making online purchase.

(4) Lack of Privacy:

→ Many websites do not use high encryption for secure online transaction so as to protect your identity.

→ Some websites illegally collect statistics of consumers without their permission.

(5) High Labour cost:

→ Highly talented and technically qualified work force is required to develop and manage the website of the organization.

(6) Product Suitability:

→ The product might not match with electronic images. People have electronic images while purchasing product. Sometimes it is different from actual delivered product.

→ So it not match needs of buyers. It prevents people from online shopping.

(7) Fear:

→ People fear to purchase online because it operates in paperless and faceless electronic world.

(8) Tax issue:

→ Sale tax is another big issue when buyer and seller are situated in different location.

→ Sale tax creates problems when the buyer or seller are in different states.

→ Another factor is that physical store will lose businesses if web purchases are free from tax.

* E-commerce Indian scenario

/ E-commerce in India:

→ E-commerce in India has its set of unique challenges.

→ E-commerce is most mature market in countries such as USA. because of its certain efficient payment, delivery mechanism which are missing in or under development in India.

1. Indian customers return much of the products they purchased online:

→ E-commerce in India has one

big problem that is first time buyers this means that they have not yet made up their mind about what to look for from E-commerce website.

→ As a result buyers sometimes come down to hard sell but by the time product is delivered they return the product.

2. Cash On Delivery is preferred payment mode:

→ Less than 21% of Indian customers own credit card and 90% of all retail transactions are conducted in cash.

→ As a result most of e-commerce websites are forced to offer COD option. In 80% out of 10 online transactions are conducted on COD basis.

→ However, as per report 45% of all COD orders are rejected at the point of delivery by customers.

3. Payment gateways have high failure rate:

→ As if the presence for cash on delivery was not bad, Indian payment gateway usually have high failure rate due to compromised to global standards.

→ E-commerce company using indien payment gateway are loosing out on business as several customers do not re-attempts payment after a transaction fails.

4. Internet Connection is low!

→ Internet connection in india is still a slower compared to what you find in several other countries.

→ The quality of connectivity is poor in several regions but both the problems are quickly disappearing.

→ The day is not far when the connectivity issue would not featured in a list of challenges in e-comm. in india.

5. Few customers not have smartphones

→ Though the total number of mobile phone users in india is very high a significant majority still uses feature phone not smartphone.

→ So these customers group is unable to make e-commerce shopping online.

6. Postal address ~~is~~ is not make consist

→ If you place an online order in india, you will likely get a call from the company to ask you about your location.

→ clearly, your address is known. This is because there is little consistency in the way postal address are returned. Last mile issue add to e-commerce managing problems.

M. IMP

Various Technologies of E-commerce

→ The various technologies are used in e-commerce as given below:-

1) mobile commerce:

→ Mobile commerce also called as m-commerce. It includes the transaction completed using a mobile device. It is advancement of e-commerce. We buy and sell goods & services from almost anywhere by simply using a mobile phone or tablet device.

→ But mobile commerce is more than just a simple evolution of e-commerce. There are different types of mobile commerce such as the mobile shopping, m-banking, mobile payments.

2) EFT (Electronic Fund Transfer):

→ It is very popular electronic payment method to transfer money from one bank account to another bank account. Account can be same bank account or different bank account. Fund transfer can be done using UPI, ATM or using computer devices.

3) SCM (Supply chain Management):

→ SCM is a range of activities needs to plan, coordinate, schedule and control the ~~free~~ production of delivery of product to customers.

→ SCM is a base of e-commerce and is a very key component for its growth.

4) Internet ~~Banking~~ marketing:

→ Internet marketing is the process of promoting a business or brand and its products or services over the internet.

→ Internet marketing brand team that includes a range of marketing strategies including their ~~contact~~ contact, email, search, media and more devices.

5) Online Transaction Processing:-

→ Online transaction processing - is a class of software programs that capable of supporting transactions oriented base of application on the internet.

→ Many online transaction processing, online banking, online shopping center and even in-store to shopping.

6) EDI (Electronic Data Interchange):-

→ EDI is the electronic interchanges of business information using a standardized format.

A process which allow one company to send information to another company electronically rather than them with papers.

→ Business entities conducting business entities electronically are called trading partners.

7) Inventory Management System:-

→ An e-commerce inventory management system tells you where every product is in stores. You to when products are low in stock.

→ An inventory management system also provides deep visibility into multiple warehouses making it easier to manage warehouses near or far from each other.

8) Automated data collection system:

→ Automated data collection system is a system in which a set of equipment including hardware and software for recognizing data records reading and recording desired information using one of the automatic identification techniques.

* Future of E-commerce:

- In the banking there is a good future of e-commerce; Then one of the best maintain the online booking Sector holds the potential to be e-commerce leader in India.
- As of now today only ICICI Bank, Times Bank, City Bank have gone online seriously, reasons: low credit score, Account eligibility, ~~in the~~ to make the easy transactions.
- over the 2500 banks have a presence on the web but only 500 are offering account services online.
- A result study conducts that the cost of an average transaction on the internet could be as low as it cost.
- Also internet banking helps banks to reduces branch load the power of attract visual computing.

→ The biggest challenges before the Indian banking industry is that of challenging these mindset in the term with internet.

→

→ E-commerce offers many advantages to the banking sector and its consumers to provide all the benefits and reduce the load of them.

→ In the current scenario, the e-commerce has the bright future because on the internet, the consumers gets all the details of all services and good and they better to analysis.

→ The internet with the use of e-commerce many organization performed their work ~~in~~ well manner and able to reach to each consumer and client.

→ E-commerce has the good future and very well scenario in India.