

The Impact\Effects of e-Commerce on Society

By:Kalpa N R

What is E-Commerce

- ▶ E-Commerce has become a very popular method of trading amongst businesses and organizations.
- ▶ The introduction of e-Commerce over the past 15 to 20 years has had a major impact on society and the way business is done on a global scale. This has had many positive effects on both the business and on consumers. Additionally there are risks that have had a negative impact on both the customer and businesses.
- ▶ E-Commerce is simply the buying and selling of various products and services over the internet. Anyone with access to the internet can engage with e-commerce trading. E-commerce has two types of trading and that is business-to-customer (B2C) and business-to-business (B2B).

E-Commerce for me

- ▶ Being rather IT literate myself, I would much rather go shopping for what I am looking for online due to the time it saves when compared to going out to find the product physically, the cheaper prices and I am more than comfortable ordering online as some people can become quite intimidated and unsure about it especially when entering personal and credential information.

Positive Effects of E-Commerce on Society

▶ *Convenience*

- ▶ Shopping online can be a lot more convenient than heading out to a shopping Centre to find what you want. Instead, you can simply sit at home with access to the internet and order away.

▶ *Disabled & Elderly*

- ▶ Those who suffer from disabilities, whether they are physical or mental, or old age can often struggle to go shopping in your regular shopping mall. This can become more of a problem when living greater distances from town centers. Online shopping allows these individuals to stay in the comfort of their own home when ordering the products and services they desire.

▶ *Time Saving*

- ▶ Ordering an item online through an e-commerce site takes a lot less time when compared to travelling to your nearest store.

Positive Effects of E-Commerce on Society

▶ *Information Availability & Price Comparison*

- ▶ The internet is filled with information and with the use of search engines like Google almost anything can be found out rather quickly. When you involve online shopping with these abilities you can easily find the best price for the product you are searching for without having to travel from retailer to retailer. Google Shopping is an example of a product search engine that finds the best price at the selling stores.

▶ *Jobs*

- ▶ In order to have an online presence and trade online you will need a website that is capable of selling your products or services with acceptable methods of payment. Smaller businesses are likely to hire an external company that specializes in setting up this kind of thing but larger companies on the other hand are likely to employ their own web developers, marketing analysts and search engine optimization specialists.

Positive Effects of E-Commerce on Society

▶ *24/7*

- ▶ Website's that run online are constantly available at all hours providing there are no technical difficulties. This is a great advantage for those who finish work late and don't have the time to run down to their nearest outlet to find the product they desire as they can now simply order online

▶ *Greater Choice*

- ▶ When going out shopping you usually only have the availability of the products that are there. This differs when compared to shopping online. Firstly, it is highly likely that you can find the product you want to from multiple different sites. Also, when purchasing from a bricks and clicks organization it is possible that the product you are after isn't available at your nearest store but instead it can be delivered from a store based elsewhere.

Positive Effects of E-Commerce on Society

► *Pre-orders*

- Most high demanded products online today tend to have the option to be pre-ordered. This is a process that involves you paying for the product before it is released but in return having it delivered to your door on the release day. This is a very popular process with most entertainment products such as computer games.

► *Advertising Online*

- The internet today is a very popular place and this makes it ideal for advertising. Businesses who run their own e-commerce site often advertise for other non-competitors while generating additional revenue and building a partnership with that business which could do both companies a great of good.

Negative Effects of E-Commerce on Society

► *Unemployment*

- Some organizations or businesses move from being a brick organization, where they are based in a store, and move to become an online, more globally available company and therefore have no need for the staff they have employed in their stores.

► *Uncertainty*

- As there are some websites out there with the purpose to scam some people are afraid of entering their credentials online and they can't be blamed. There are trusted sites out there and there are multiple ways to detect whether they are official sites or not. PayPal is an online payment method that people can use that keeps your credential information private from the trader. The online trade will then work with PayPal meaning that none of your payment details are shared with the company you are buying from.

Negative Effects of E-Commerce on Society

▶ *Security Issues & Customer Trust*

- ▶ It is important to provide a safe and secure online shop for a customer when their trying to buy products from you. This helps create a greater customer trust and ensure them that they can place an order without any worries to help encourage additional business with that customer in the future. The business will need to make sure that a safe gateway is available and that the information is secured when the customer makes the payment

▶ *Returns & Complaints*

- ▶ If there is a product malfunction then the customer is going to want a replacement or refund giving that it was not their fault, if it arrived damaged for example. With a business that is solely based online it can be a lot of hassle for the customer to sort out a return or a refund as they can't simply walk into their nearest corresponding store. This can also create a bad experience for the customer and it is likely they will not be coming back to your shop again.

Negative Effects of E-Commerce on Society

▶ *Direct Communication & Product Experience*

- ▶ When you order a product online the customer will have no face-to-face contact with the salesperson and no hands-on experience with the product. Instead, the product will usually have a few images to get an idea of the product along with a product description. Sometimes these images and descriptions can be misleading and the customer could end up ordering an item that is not exactly what they want

▶ *Delivery*

- ▶ When you order a product or service online you have to wait for the product to arrive. Usually these e-commerce sites offer different options for delivery which will range from faster delivery times at a higher price to slower delivery times at a lower price or in some cases free. But sometimes the product can take a good duration to come due to many issues and this can cause problems if the product or service you ordered is for an event that is coming up, like a birthday or Christmas present.

Understand the effects of e-commerce on society

- ▶ The use of passwords is what a customer will use to secure their data on the website that no one else should know, although their data can still be found by finding out what their password is.
- ▶ A customer should not use a password that is related to them because it is easier for a hacker to work out their password. This can be a problem for an e-commerce business because the customers are still scared to put their sensitive information onto the internet because of hackers gaining access via their password.
- ▶ The potential risks that could be caused by hacking is the data that is forbidden to be accessed by outside the organization. An example of this is for a school if their database

THE END.....

