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1. Ecommerce in Nepal:

As we all know business is a dynamic and a profitable activity operated with an aim to earn certain revenue along with the customer satisfaction by providing high quality products and services.

The world has now become a global village to live in. Or simply we can say a house with many rooms representing different countries of the worldwide. People in one corner of the world can have an easy communication with the people living on the other corner of the same world. This drastic stage of development has all become possible through development of basic infrastructures and well-equipped technologies. Internet, the connection of computers worldwide via different channels forming a web structure is the backbone of e-commerce development.

Electronic Commerce or e-commerce is business transactions that take place by communication networks. It is a process of buying and selling products, services, and information over computer network. E-commerce is a set of dynamic technologies, applications and business process that link organizations, customers, suppliers and communities through electronic transactions and the electronic exchange of information products and services.

2. Muncha As one of the leading Ecommerce website in Nepal:

2.1 Introduction:

Muncha House is one of the oldest and leading departmental stores in Nepal, located in New Road, the heart of the capital. It has served its customers consistently for over eight decades by retailing, wholesaling and also supplying business organizations with their daily necessities. Although there are many e-commerce sites like thamel.com, Harilo.com, E-jhola.com, Hatbazar.com, etc which are serving people with different products and services online, www.shop.muncha.com still have good

impact on people in and outside of Nepal. It is launched with the good concept of ecommerce in Nepal as it has been already succeed in facilitating the people with online concept of selling and providing services. It is also updating with the latest technology and business concepts so that people feel more easy and safe to use www.shop.muncha.com. For e.g.: Users can even use the facebook, one of the social network used by most of the internet users, to inform the reliability of the services provided by muncha.com.

Muncha.com: Send gifts to Nepal, Send money to Nepal, Online shopping Nepal, Online shopping ma - Windows Internet Explorer m http://www.shop.muncha.com/ ▼ 🔯 👣 🗶 👂 Google 🍦 🕍 🌄 Suggested Sites 🔻 👂 Amazon 🏿 eBay 🗗 Get More Add-ons 🔻 🎉 WildTangent Games 🔓 + 🔝 + 🖃 🚔 + 📴+ 💇+ 🚳+ 🝇 🔑 🔊 🖁 🕶 🏉 Facebook # Muncha.com: Send gift... X SHOPPING CENTER MONEY TRANSFERS BAZAR New MUSIC Email / UserID Send Gifts. Shop Online. Buy & Sell Your Products. Download Nepali Music Send Money to Nepal Shop By Merchants For 24-7 Customer Service, Call: Password: 3 1-859-215-0093 (USA) 353 (0)1 657 1584 1-888-357-6348 (USA, toll free) 44 0207 078 7349 (UK) 33 (0)1 7666 0612 (France) 353 (0)1 657 1584 Abhinandan (Ireland) 34 91 829 5220 (Spain) 977-1-4226223, 4257549 (Nepal: 8AM - 8PM) Login Anil Emporium Aromes New User Currency: Nepalese Rupees ▼ Forgot Password Arts Shop Baseman FEATURED PRODUCT Benetton Follow Muncha.com Bossini Facebook Twitter Fossil Ladies Dress Watch(ES2675) Braun Case Material - Stainless Steel Chahat The Boutique Case finish/plating - Shiny
Case shape - North/South Rectangle Chaitanya Case thickness - 8.5 mm Shop By Categories Send Gifts % Pokhara Price: Rs.7.990.00 🗉 🗀 Arts Products **■** 🛅 Baby Items More like this More from Watch and See Bags ⊕ Beverages PRODUCTS ON SALE

The snapshot for www.shop. muncha.com is shown below:

Fig: website of www.shop.muncha.com

2.2 History

⊞ ☐ Flectronics

www.muncha.com is modeled after a regular departmental store "Muncha House". Muncha House originated at Balkumari, Ason and went by the name of Moti Man Ratna Man back then. It was only after the shop moved to New Road in the 1930s that it came to be known by the name of Muncha House, a name it has retained to this day.

Muncha House is one of the oldest and leading departmental stores in Nepal, located in New Road, the heart of the capital. It has served its customers consistently for over eight decades by retailing, wholesaling and also supplying business organizations with their daily necessities.

With the sole motto of reaching out extensively to its customers around the globe, Muncha House launched Muncha Internet Ventures through which www.munchahouse.com went live in April 2000. This was done taking in view the advent of the internet which raised the possibility of serving the Nepalese people in ways which were before thought of to be impossible. In the long run, it has changed to "MUNCHA.COM" for brevity reasons, but its services remain the same and it always strives to improve its services to its valued customers.

In order to service clients in various parts of the world, Muncha.com has also established local phone lines in the USA, UK, Australia, Spain, Italy and Ireland. Hence, customers in these countries can call directly in the respective phone numbers of their countries of residence to receive customer service. Taking into consideration the fact that its customers are spread all over the world, customer service is also provided 24 hours a day, 7 days a week.

www.muncha.com facilitates all Nepalese residing abroad to send gifts to Nepal. Even within Nepal, its coverage extends beyond Kathmandu to over 120 far flung destinations in Nepal. Moreover, MUNCHA also encourages local shopping within Nepal via MUNCHA.COM; which means even the people inside Nepal can shop electronically with Muncha by just staying at home saving time and energy and get their goods delivered to their doorstep in reasonable price.

Following the motto of providing every service possible online, Muncha.com also started providing online money transfer in 2004. This is being done through the web

site www.money.muncha.com. Initially, this service was only available to clients in the USA. However, this has now expanded to include UK, Canada, Australia and the 16 countries that use the Euro.

With the aspiration of providing for sales all products available in Nepal for its clients, Muncha.com converted its site to an online mall through which any organization in Nepal could sell their products online using the platform that Muncha.com provides. Currently, there are over 62 prominent shops in Nepal such as UFO, Benetton, and Reebok etc. selling their products through muncha.com.

In 2010, Muncha.com also started Bazaar through www.bazaar.muncha.com through which any individual could sell their products online. The products can be new, used or even not in working condition. However, the sellers need to clearly mention the condition of the products that they are selling online. With this, Muncha.com is now providing an online platform for both institutions and individuals to sell their wares online to anyone in Nepal or anyone outside Nepal wanting to sell their products to people in Nepal.

3. Overview of the products and services available - what is available online?

Muncha.com currently divides its services into four categories:

1. Shopping Center

In Muncha shopping center, we can buy products and get it delivered to almost any place to Nepal. It provides numerous merchants and their products to their customers to help them find exactly what they like. Not only that, it also provided its own products to their customers in reasonable price. The concept of shopping center, actually like a mall, emerged from the trend of gifting by the customers residing outside the country to their family, relatives, friends,... within Nepal. Later on, as this trend is flourished throughout the Nepal, Nepalese people also get engulfed in this trend.

At first muncha.com used to manage this site by getting products from different shops and put it online but now the scenario has been changed. They allow different merchant to sign up at muncha.com and let them manage their own sites. This concept has facilitated the users to use the site of muncha.com as mall with different shops at a single domain. Muncha.com also provides a common platform to the merchants where muncha.com and different merchants share the same display channel so that it can promote the new merchants through the name of muncha. Muncha.com has added this category in 2009 and named this concept as merchant mall concept. That's why different merchants are eager to enter into the market through the muncha.com. In conclusion we can say that muncha.com is able to make merchants as its strength.

Merchants such as:

> Abhinandan:

Abhinandan has been dealing exclusively in 100% authentic French sarees for the last 3 decades. All products are made of pure silk, Hence the qualities of the products are of very high standard. It has two luxury showrooms in Kathmandu valley one is in the Shopping hub of New Road in Bishal Bazaar and the another in city centre.

➤ Anil Emporium:

Anil Emporium Pvt.Ltd deals with shirting and suiting. It believes in quality tailoring. Its showroom is located at Bishal Bazar.

> Aromes:

Aromes, La Perfumerie houses a variety of original branded perfumes at the most reasonable prices.

> Arts Shop:

The arts shop: Spiny Babbler works to make positive impact on human life through the use of the arts. Enjoy our products, services, and experiences.

Baseman:

Deals in Exclusive Men's Readymade Outfits.

Not only these, there are more than 62 merchants who are currently co-working with muncha.com and in the future they are planning to involve almost all the merchants available in the market.

2. Money Transfers

Muncha Money Transfer is pleased to offer the access to a quick, secure and cost-effective way of sending money to anyone in Nepal. The entire transaction is completed online and with just a few clicks of a mouse, money is on its way to the recipient of choice, with the personalized message. There is no need to visit a bank to use this service. Muncha Money Transfer is being operated by muncha.com. Muncha.com is an ecommerce wing of Muncha House, which has a long history in Nepal as they have been operating in the retail sector of Nepal for over 50 years.

Sending money to Nepal through Muncha Money Transfer is easy:

- Simply login to the money transfer site
- Enter payment details, including amount to be sent in US dollars
- Enter the name and physical mail address of the person to whom you are sending the money
- Add your message to the recipient to be sent along with the money
- Confirm the transaction
- You will receive an e-mail shortly confirming details of your transaction and a tracking number you can use to check the status of your transaction online
- Within as little as 48 hours of receiving your payment, your recipient will be informed to pick up the funds in our office (if delivery area is within Kathmandu) or a draft (payable in rupees) will be couriered to the recipient (If delivery area is outside Kathmandu).
- Remember the best time to complete your transaction is before 8 PM (EST) for Internet Checks and 4 PM (EST) for Credit Cards on any business day

A nominal fee is charged for providing this service. Many comparable services charge higher fees and could take much longer to deliver the money. Customer can send money directly from their checking or savings account.

The following forms of payment are accepted for this service:

- Credit cards (Visa and MasterCard)
- Debit cards
- Funds withdrawn directly from your bank account.

The site uses 128-bit SSL encryption to protect all personal identification information that customer submits, including their name, address, e-mail address, login ID and password, credit card and bank account details. Payment details for each transaction are encrypted and stored for their convenience. No unauthorized person can ever see details of their transaction. In addition, they have the security of knowing that their funds are handled by an FDIC-insured bank in the United States and outside of the United States are held by Bank of Kathmandu, one of the reputable banking institutions in Nepal.

If the delivery area is within Kathmandu, the recipient will be contacted within 2 business days after customer complete the transaction to come to muncha.com office to collect the funds. However, if the delivery area is outside Kathmandu, a demand draft/payorder is sent to the designated recipient by courier within 2 business days after they complete the transaction online.

Online tracking is available for customers to follow the progress of their money. This gives them confidence that 24 hours a day, 7 days a week they can know exactly where their money is. In addition, they can even track the delivery status of their check and know who signed for it. All of this information is accessible to them with a simple click of mouse button!

To secure the registration and login process, all remitters signing up with Muncha Money Transfer Services have to go through a <u>Sub-Dollar Verification</u> process and all existing users have to go through a <u>Multi Factor Authentication</u> process in order to login to their Muncha Money Transfer Services account. These security measures have been put into place to give their users a heightened sense of security throughout the entire remittance process.

Customers can choose any of the links below for the money transfer service:

<u>US, UK or Canada</u> Here, customer can use Credit/Debit Cards (VISA/MasterCard), Internet Check or ACH (Automated Clearing House)

<u>Australia</u> Here, customer can use a bank account in Australia to send money to Nepal. <u>16 European Countries</u> Here, customer can use your bank A/C to send money to Nepal from the following 16 countries: Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia and Spain.

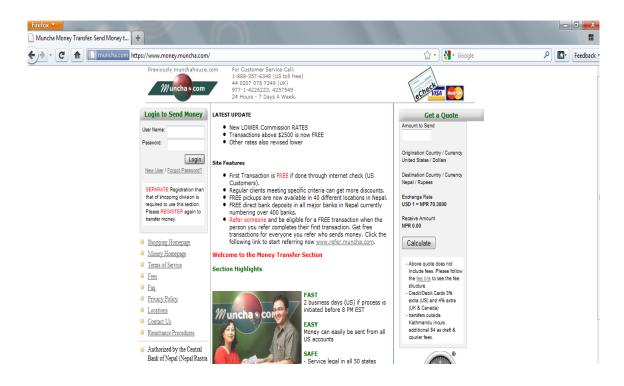


Fig: Snapshot of www.money.muncha.com

3. Bazar

Bazar enables individuals or companies to sell a wide variety of new, second-hand or reconditioned products online. Given the nature of the service, customer will usually be able to buy the products at prices cheaper than the market as these are products that individuals are selling and most of the times will be used. Bazar has implemented the principle of C2C i. e. customer to customer through ecommerce. Here an individual is act as merchant and even for the single product they can use the www.bazar.com. This is like a service that muncha.com is providing to its customers since muncha.com does not take any commission.

In 2010, Muncha.com also started Bazar through www.bazar.com.np through which any individual could sell their products online. The products can be new, used or even not in working condition. However, the sellers need to clearly mention the condition of the products that they are selling online. With this, Muncha.com is now providing an online platform for both institutions and individuals to sell their wares online to anyone in Nepal or anyone outside Nepal wanting to sell their products to people in Nepal.

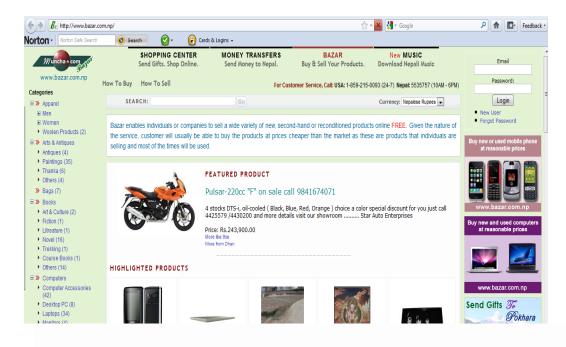


Fig: Snapshot for www.bazar.com.np

4. New Music

Music store at Muncha.com is a new service through which customer can download legal DRM free MP3 Nepali music. It's like a media center where customer can even get eBooks, videos, audios, etc. Recently, this is new service added so as to facilitate its customers.

www.music.muncha.com is a site through which you will be able to purchase music downloads. This site has come into operation in coordination with the music companies of Nepal and hence provides its customers with a legal music download service that comes with the flexibility of DRM free MP3 songs that can be played in a wide variety of media players including the iPod. Muncha.com would encourage you to support the Nepali artists by purchasing only legal song downloads which will enable them to be compensated for their efforts and hence will encourage them to produce even higher quality material in the future. This in turn will be beneficial to you as you will also be able to enjoy higher quality Nepali music.

In order to provide the customers with the best possible price for music downloads, muncha.com have implemented Ipay system through which you will need to fund your Ipay account at Ipay.com.np to purchase songs even if it is just one.

[Note: Ipay is an online payment gateway which allows you to process payments for products purchased online; bill payments and online money transfer (ACH) from the website in real time. It is an easy to expand technology not only to process credit card payment but also allows its customers to process their payment through debit card, internet banking and mobile payment options.



Fig: Snapshot for www.music .muncha.com

4. How does muncha.com satisfy customer need???

Muncha.com is providing lots of options to the customers like Shopping mall. They want customer should have better options. So not only they provide products by themselves, they allow different merchants to serve their products online in order to cover more options.

Different type of products are provided online like Electronics, Computers, Beverages, Food item, Books, Jewellery, Health & beauty, Furniture & Décor, Greeting card, Bags, Arts products, Flowers, Footwear, Music, Movies, Online Puja, Special Gift Items Sports Paintings etc.

Among these products, their focus products are gift items. Not only this, they are offering services by taking in mind different festivals like mother's day, dashain, tihar, etc. they also used to put the different kinds of discount offers to motivate their customers to use their products.



Fig: snapshot of one of the discount offer provided to the customers

4.1 Ordering and payment procedures:

i. Registration

In order to purchase an item, it needs to be a registered user. If you are not registered, you can do so free of cost at home page of munch.com. The registration option appears in the top right side of the homepage, just click on "New User" and complete the registration. If you are already registered with muncha.com enter your "user name" and "password" to login. Once you have registered with muncha.com you are liable to use the site without registration the second time onwards. A registered user can have an address book of one's whom the user has sent or would want to send gifts. Muncha.com also has a feature through which even after adding items to your shopping cart you can buy it later. So make sure you remember your id and password so that you can always see what items you added in your shopping cart but could not purchase. Even if you forget your password, click "forgot password" option and muncha.com will send you a new password in the email address provided to muncha.com during registration.

You don't need to be logged in to just browse through the various items the site have. However, you will be prompted to register when you select any item to be added to your cart.

ii. Selection of item

Muncha.com homepage features special occasion gifts and if you want to see more of them, just click 'More like this'. The homepage also features deals of the day. it has a wide range of items which are categorized in the left side of their home page and if there is something specific you're looking for, you can 'search' the item by just selecting the category to be searched in and typing your item. If you want to see more details of a particular item, you need to click on the image of the item or click on 'Details'. This will take you to a page where you can see a bigger picture of the item and product details. In case, the product does not match your requirement you can select other types of related items. You can also see wholesale

prices of the item if you want to purchase this item in bulk. Item specifics can be seen on the right side of the screen like delivery charges of the item in different destinations. You can also add accessories/related items to your product by just checking the check boxes which are automatically added in your cart. When you want to purchase the specific item, you have to click on "Add to cart" link which is right next to the item. This will put the item in your virtual shopping cart and you will be notified of the contents of the cart by a popup screen. After this, you can go on adding other items of your choice to your shopping cart in the same way. Adding items to your shopping cart does not necessarily mean you have to buy them all. You can always remove items in final phase or keep the items in your cart to buy it later.

iii. Pricing:

The pricing of the items are both in Nepalese Rupees as well as US Dollars. Muncha.com has even put up wholesale prices for people who want to purchase a certain item in bulk. In this, the wholesale price as well as the quantity needed to qualify for that price is specified.

4.2 Payment methods:

Local Orders:

Muncha.com has seven methods to accept payment locally.

- i. *Cash on Delivery*: This payment method is valid only for Kathmandu based orders as payment is accepted in cash when the ordered items are delivered.
- ii. Credit Card: This payment method is also valid only for Kathmandu based orders as even though the client submits his credit card number, the cardholder's signature is mandatory when the goods are delivered. The cards accepted are VISA, MasterCard and Himalayan Bank Card.

- iii. *Internet Banking:* This payment method is valid for the clients who have access to Internet Banking facility of their bank account. Currently Internet Banking users of Laxmi Bank, Kumari Bank and Nepal Investment Bank can use this payment option.
- iv. *PayBill:* This payment method is valid for the clients who have registered their mobile number and partner bank account information at PayBill (The First Mobile Payment Service in Nepal). PayBill is a mobile payment service through SMS.
- v. *SCT-Network:* This payment method is valid for the clients who have ATM cards with 6 digits security PIN Code issued by SCT-Network Pvt. Limited. Now Nepal Bank Limited has been fully integrated their debit card system with SCT-Network.
- vi. *eSewa Nepal:* This payment method is valid for the clients who have account at eSewa Nepal(Online Payment Gateway). Now eBanking customers of Kumari Bank Ltd., Laxmi Bank Ltd., and Global Bank Ltd. can also recharge thier eSewa account through eBanking.
- vii. *Pay Way:* This payment method is valid for the clients who have account at Pay Way (Merchant Payment Gateway Nepal). Now eBanking customers of Nepal Investment Bank can also recharge thier Pay Way account through eBanking.
- ➤ International Orders (Orders from outside Nepal to be delivered within Nepal): Credit Card is the default payment method to accept payment from clients outside Nepal.

Credit Card: muncha.com accepts VISA, MasterCard, American Express and Discover Card. Its payment processing company is Authorize.net on whose secure server you will be transferred to when you select the credit card payment option. All transactions are processed securely in their server itself. Hence, you won't have to worry about your credit card number being hacked.

5. Target market/audience: who uses the services?

There is not any focus products as they provide platform to different merchants with their products allowing them to manage their own site on www.shop.muncha.com. Even from their effort, they are providing like pencil, eraser... to different electronic goods. So the main thing we found is- they are targeting to all people to use their site. So we can conclude that they are focusing to B2B, and B2C as well as C2C-Bazar.com.

As we know, e-commerce business within Nepal has not been flourished yet, muncha.com as one of the E-commerce site in Nepal mainly targets the Nepalese customers of abroad countries. In the present context, above 90% of the regular customer of muncha are Nepalese outside Nepal. According to the study, the maximum login users are from USA and Australia. The customer services are also being provided for the customers of UK, France, Spain, and Ireland.

Muncha.com provides the platform from where many customers within Nepal and outside the Nepal are benefitted. Any customers who want to send the gift items or other products to their relatives, family, or friends from Nepal or outside the Nepal, muncha is providing services for them. To get those services, customers need not to be worry about it, just they need is to login to the site of muncha.com and simply need to order the desire products. All the payments and delivery issues are handled by the muncha itself. Although for the payment and security, muncha prefers the Authorize.net as its payment gateway, it is planning to establish its own payment gateway.

Muncha.com has been providing all the goods and services according to the reasonable market price of Nepal so that many customers may find it affordable. It provides the prices of products in both US dollar and Nepalese currency so that the customers may find it easier to deal with the products.

To promote the ecommerce within Nepal, muncha extends its services from valley to different areas of Nepal.

1. Abukhaireni	41. Fikal	81. Letang
2. Amlekhgunj	42. Gaidakot	82. Madhumalla
3. Baglung	43. Gaighat	83. Magdi
4. Banepa	44. Garuda	84. Mahendranagar
5. Barathawa	45. Gaur	85. Malangawa
6. Bardaghat	46. Gauradh	86. Manigram
7. Bardiya	47. Gauriganj	87. Matihani
8. Basantpur	48. Golbazar	88. Narayanghat
9. Belbari	49. Gorkha	89. Nawalparashi
10. Beltar	50. Gwalduba	90. Nepalgunj
11. Beni	51. Hetauda	91. Palpa
12. Bhadrapur	52. Hile	92. Parsha Bazar
13. Bhairahawa	53. Ilam	93. Pashupatinagar
14. Bhaktapur	54. Inaruwa	94. Pathari
15. Biratnagar	55. Itahari	95. Phidim
16. Birgunj	56. Jaleshwor	96. Pokhara
17. Birtamod	57. Janakpur	97. Pyuthan
18. Budhabare	58. Jhumka	98. Rajapur
19. Butwal	59. Jogbani	99. Rajbiraj
20. Chanauta	60. Jumla	100. Rangeli
21. Chandragadi	61. Kakarvitta	101. Ranke
22. Chandranigahpur	62. Kalaiya	102. Rasuwa
23. Charali	63. Kalingpong	103. Salyan

24. Charikot	64. Kanchanpur	104. Sanischare
25. Choharwa	65. Katari	105. Sati
26. Dadeldhura	66. Kathmandu	106. Siliguri
27. Damak	67. Khadbari	107. Simra
28. Damauli	68. Khajura	108. Sindhuli
29. Dang	69. Kirtipur	109. Siraha
30. Darjeeling	70. Kohalpur	110. Sunauli
31. Dhading	71. Korsyang	111. Surkhet
32. Dhangadi	72. Krishnanagar	112. Surunga
33. Dhankuta	73. Kusma	113. Syangja
34. Dharan	74. Lahan	114. Tandi
35. Dhulabari	75. Lalbandi	115. Tarahara
36. Dipayal	76. Lalitpur	116. Taulihawa
37. Doti	77. Lamahi	117. Tikapur
38. Duhabi	78. Lamjung	118. Trisuli
39. Dumre	79. Lamki	119. Tulshipur
40. Fattepur	80. Lashune	120. Urlabari

6. Revenue model: where does the money come from?

"Actually Muncha.com is the best example to collect money". First of all they use existing shops called merchant from whom they get commission that means it earn money from B2B transaction. In addition, they earned by managing their own site by hiring products from different companies. For e.g.: shop by categories. Although merchants and customers, both are customers for muncha.com, they put the end customers in higher priority than merchants.

7. Competitive environment: who else is competing in this market, or who might enter the market and threaten this company's position?

Since muncha.com has been implementing the concept of merchant mall, it is having fewer challenges. One of the proofs is that even the establishment of merchant mall has crossed more than 2 years; no other ecommerce business in Nepal has adopted the merchant mall concept. People will try to introduce the new system when they need. Muncha.com is providing even C2c service through bazaar.com which minimizes the rate of emerging of new ecommerce sites which also minimizes the possible challenges.

Even though other ecommerce sites of Nepal including PriceNepal.com, hamrobazar.com, thamel.com are providing the online services, they are not being able to stand as competitor for muncha.com, to threaten is the far thing.

8. Challenges faced in the implementation of E-commerce:

The scope of e-commerce today is such that, 8.6 percent of the total sales in the world will be electronically processed in 2004 as projected by Forrester Research Inc., and Nepal cannot afford to sit back and watch this opportunity go by. However, development of e-commerce rests on the e-readiness of the country. E-readiness refers to a country's ability to take advantage of the Internet as an engine of economic growth and human development. The scope of e-commerce today is such that, 8.6 percent of the total sales in the world will be electronically processed in 2004 as projected by Forrester Research Inc., and Nepal cannot afford to sit back and watch this opportunity go by. However, development of e-commerce rests on the e-readiness of the country. E-readiness refers to a country's ability to take advantage of the Internet as an engine of economic growth and human development.

Now let's talk on what challenges the muncha.com is facing in the current environment:

Country's present sluggish business environment and bleak socio cultural environment with poor e-literacy, has not contributed much to the e-readiness of the country. This affects Internet business, which depends on technical skills of the workforce since it involves risk taking.

- Cost: E-commerce requires sophisticated, distributed systems based on new technologies that can touch many of a company's core business processes. As with all major business systems, e-commerce systems require significant investments in hardware, software, staffing, and training. Businesses need comprehensive solutions that are easy to use and thus help enable cost-effective deployment.
- Value: Businesses want to know that their investments in e-commerce systems will produce a return. They deploy e-commerce systems to achieve business objectives such as lead generation, business process automation, and cost reduction. They want to ensure that these objectives are met. Businesses also need flexible solutions so that they can easily adapt a system to meet changing business conditions.
- Security. Because the Internet provides almost universal access, a company's assets must be protected against misuse, whether accidental or malicious. At the same time, that protection should not compromise a site's usability or performance nor make its development too complex. There is an additional security issue: Because e-commerce systems enable the collection and usage of sensitive information about individual customers, companies also need to protect the privacy of their customers.

Existing Systems: Companies need to be able to harness the functionality of

existing applications into e-commerce systems. Most companies new to e-

commerce already use information technology to conduct business in non-

Internet environments— in existing marketing, order management, billing,

inventory, distribution, and customer service systems. The Internet represents an

alternative and complementary way to do business. It's imperative that Internet e-

commerce systems integrate existing systems in a manner that avoids duplicate

function and maintains usability, performance, and reliability.

Interoperability: Interoperability here means the linking of trading partners'

applications in order to exchange business documents. These systems must work

together well in order to achieve business objectives. For example, the order-

management application of a business partner must interoperate with the

inventory applications of its suppliers. Interoperation between businesses reduces

costs and improves performance. It enables the implementation of more dynamic

value chains

9. Market Overview:

Registered user in muncha.com:

Total registered user: 20,000

Nepal: 20%

USA: 40%

Australia: 20%

UK: 10%

Others: 10%

21

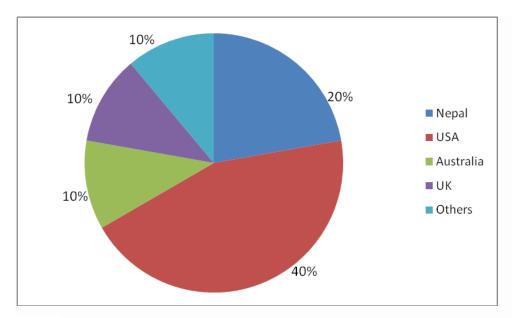


Fig: Total registered users in Percentage

Market value from April 10, 2011- May 10 2011:

i. **Shopping center:** (www.shop.muncha.com)

Site Usage:

39,690 visits

239,777 pageviews

6.04 pages/visit

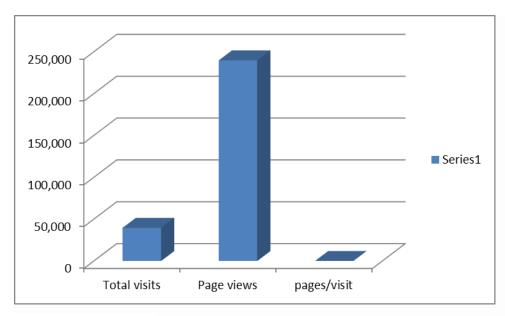


Fig: Site Usage

Bounce rate: 44.60%

Average time on site: 00:05:56

New visits: 62.32%

Traffic Source Overview:

Direct: 43.78%

Search Engine: 41.22%

Reffering site: 15% (5,954.00)

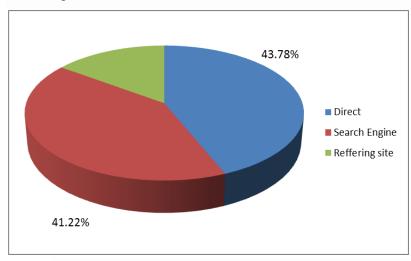


Fig: Traffic source overview

Visitors:

27, 866 visitors

US: 12,220

Nepal: 10,967

Australia: 3,432

India: 2,444

UK: 2189

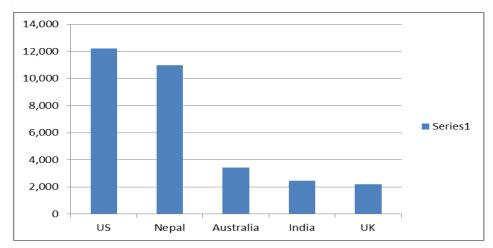


Fig: No. of Visitors from different countries

ii. Bazar (www.bazar.com.np)

Site Usage:

6,763 visits

35,398: page views

5.23: pages/visit

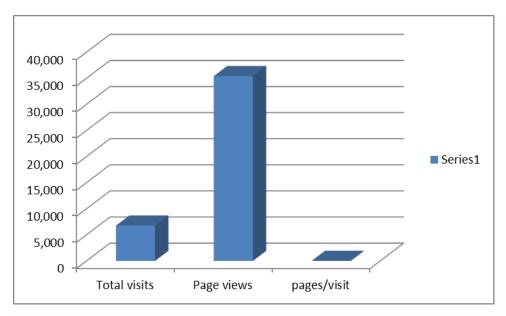


Fig: site usage

Bounce rate: 44.06%

Average Time on Site: 00:06:57

New visits: 69.35%

Traffic source overview: Referring site: 41.93% Search Engine: 36.02% Direct traffic: 22.05%

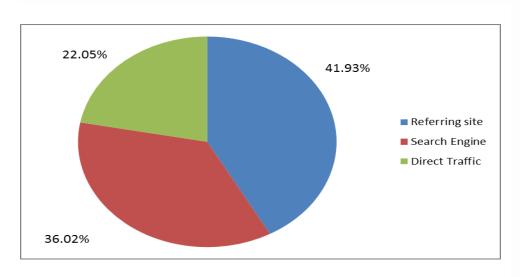


Fig: source overview

Visitors:

6,763 visitors from 119 countries

Nepal: 4,264 visits

India: 443 visits

US: 413 visits

Australia: 156 visits

UK: 106 visits

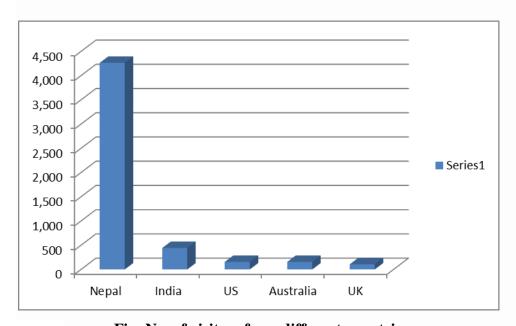


Fig: No. of visitors from different countries

iii. Money Transfer (www.money.muncha.com)

Site Usage:

455 visits

1513 page views

3.33 page/visit

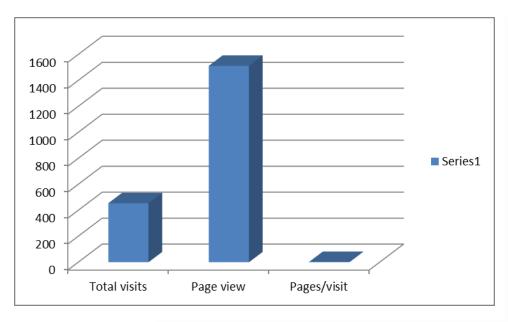


Fig: Site Usage

iv. Music:(www.music.muncha.com)

Site Usage:

- 2,303 visits
- 6, 828 page views
- 2.96 Pages/visit

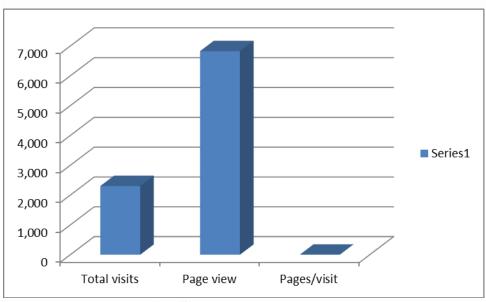


Fig: Site Usage

10. Conclusion:

Nepal is a developing country and Information technology is playing its important role in development of the country. So where is Nepal in relation to e-commerce? By ecommerce we mean "buying and selling of products or services over electronic systems such as the Internet and other computer networks". So have you ever tried paying your bills through electronic medium? In truth in Nepal we have very less ways to pay our bills online or trade online. But that does not mean we cannot. There are new players on nepali ground like paybill and esewa who wants to revolutionize the way nepali ecommerce field is taken. With launch of these services many new startups can easily sell their products and services online. These services has lots of potential and we hope it will succeed and bring a change in the nepali ecommerce field.

There are big and old player like muncha.com in nepal which is already popular for it's money transfer and online shops. It has improved from time to time and we hope it will be a destination like ebay for all nepali. Nepal is developing and it will surely take some time. but it has very long way to go. We hope some day we can pay all our utility bills online without hassle of waiting on line for hours.