UNIT 1: INTRODUCTION TO ELECTRIC COMMERCE

ECOMMERCE

Electronic + Commerce (The activity of buying and selling)

What is Ecommerce?

Essentially, ecommerce (or electronic commerce) is the buying and selling of goods (or services) on the internet.

From mobile shopping to online payment encryption and beyond, ecommerce encompasses a wide variety of data, systems, and tools for both online buyers and sellers.

Most businesses with an ecommerce presence use an ecommerce store and/or an ecommerce platform to conduct both online marketing and sales activities and to oversee logistics and fulfillment.

Keep in mind that ecommerce has a few different spelling variations. All of these are synonymous and correct — their use is largely preference-based.

- E-Commerce
- eCommerce
- Ecommerce
- e-commerce and so. on.

Introduction

E-commerce is a modern business methodology that addresses the needs of organizations, suppliers and consumer to cut costs while improving the quality of goods and services and increasing the speed of service delivery. It applies to the use of computer networks to search and retrieve information in support of human and corporate decision making.

Electronic commerce (e-commerce) remains a relatively new, emerging and constantly changing area of business management and information technology. E-commerce is digitally enabled commercial transactions between and among organizations and individuals. *Digitally enabled transactions* include all transactions mediated by digital technology e.g. Internet. For the most part, this means transactions that occur over the Internet and the Web. *Commercial transactions* involve the exchange of value (e.g., money) across organizational or individual boundaries in return for products and services. Exchange of value is important for understanding the limits of e-commerce. Without an exchange of value, no commerce occurs.

Some of the definitions of e-commerce often hard and found in publications and the media are:

- Electronic Commerce (EC) is where business transaction take place via telecommunication networks, especially the internet.
- Electric commerce describes the buying and selling of products, services and information via computer networks including the internet.
- Electronic commerce is about doing business electronically.
- E-commerce is defined as the conduct of a financial transaction by electronic means.

Advantages of Ecommerce:

- Faster buying/selling procedure, as well as easy to find products.
- Buying/selling 24/7.
- More reach to customers, there is no theoretical geographic limitations.
- Low operational costs and better quality of services.
- No need of physical company set-ups.
- Easy to start and manage a business.
- Customers can easily select products from different providers without moving around physically.

Disadvantages of ecommerce:

- Any one, good or bad, can easily start a business. And there are many bad sites which eat up customers' money.
- There is no guarantee of product quality.
- As there is minimum chance of direct customer to company interactions, customer loyalty is always on a check.
- There are many hackers who look for opportunities, and thus an ecommerce site, service, payment gateways, all are always prone to attack.

History of Ecommerce?

Assignment

Prepared by: Mr. Gokul Ghimire

What are the best ecommerce platforms?

Shopify

Here are some Shopify facts:

- Shopify powers over **2,921,565 websites** around the globe.
- Shopify has **21% of the ecommerce market share.**

A popular choice among many SMBs, Shopify allows clients to build effective online stores and scale their business. Created with a user-friendly and intuitive interface, as well as tons of templates, this platform offers flexible shipping rates, automatic taxes, and over 100 payment gateways. Shopify enables social media integrations, is packed with built-in SEO features, and is fully hosted.

Best for: Small businesses looking for an all-in-one ecommerce solution.

Amazon

Here are some Amazon facts:

- Statistics show that Amazon is the largest ecommerce seller in the United States **with $280.5 billion net sales made in 2019.**
- The ecommerce giant has around **101 million US based Amazon prime members** which on average spend $1,400 a year on online purchases.

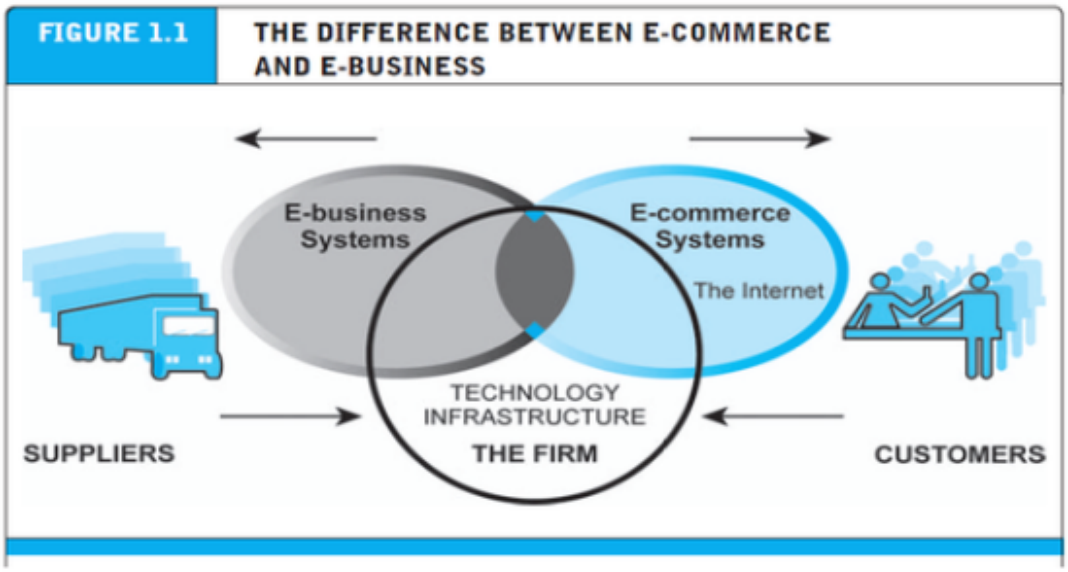
A company that needs no introduction, **Amazon** is one of the biggest online marketplace in the world. It offers customers a wide selection of products from retailers around the globe and enables businesses to reach a large audience.

Best for: Big businesses that want to expand their sales channels.

And so. on

THE DIFFERNCE BETWEEN E-COMMERCE & E-BUSINESS

E-business refers primarily to the digital enablement of transactions and processes *within* a firm, involving information systems under the control of the firm as shown in figure below.



E-commerce primarily involves transactions that cross firm boundaries. E-business primarily involves the application of digital technologies to business processes within the firm.

For the most part, in our view, e-business does not include commercial transactions involving an exchange of value across organizational boundaries. For example, a company's online inventory control mechanisms are a component of e-business, but such internal processes do not directly generate revenue for the firm from outside businesses or consumers, as e- commerce, by definition, does. It is true, however, that a firm's e-business infrastructure provides support for online e-commerce exchanges; the same infrastructure and skill sets are involved in both e-business and e-commerce. E-commerce and e-business systems blur together at the business firm boundary, at the point where internal business systems link up with suppliers or customers, for instance. E-business applications turn into e-commerce precisely when an exchange of value occurs.

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BENEFITS OF ECOMMERCE

The benefits of ecommerce can be seen to affect three major stakeholders; organizations, consumers and society.

- ***Benefits of e-commerce to organizations***

  International marketplace: What used to be a single physical marketplace located in a geographical area has now become a borderless marketplace including national and international markets. By becoming e-commerce enabled, businesses now have access to people all around the world.

  Operational cost savings: The cost of creating, processing, distributing, storing and retrieving paper-based information has decreased.

  Mass customisation: E-commerce has revolutionised the way consumers buy good and services. In the past when Ford first started making motor cars, customers could have any colour so long as it was black. Now customers can configure a car according to their specifications within minutes on-line via the www.ford.com website.

  Enables reduced inventories and overheads by facilitating 'pull'-type supply chain management – this is based on collecting the customer order and then delivering through JIT (just-in-time) manufacturing. This is particularly beneficial for companies in the high technology sector, where stocks of components held could quickly become obsolete within months. For example, companies like Motorola (mobile phones), and Dell (computers) gather customer orders for a product, transmit them electronically to the manufacturing plant where they are manufactured according to the customer's specifications (like colour and features) and then sent to the customer within a few days.

  Lower telecommunications cost: The Internet is much cheaper than value added networks (VANs) which were based on leasing telephone lines for the sole use of the organisation and its authorised partners. It is also cheaper to send a fax or e-mail via the Internet than direct dialling.

  Digitisation of products and processes. Particularly in the case of software and music/video products, which can be downloaded or e-mailed directly to customers via the Internet in digital or electronic format.

  No more 24-hour-time constraints: Businesses can be contacted by or contact customers or suppliers at any time.

- ***Benefits of e-commerce to consumers***

  24/7 access: Enables customers to shop or conduct other transactions 24 hours a day, all year round from almost any location. For example, checking balances, making payments, obtaining travel and other information.

More choices: Customers not only have a whole range of products that they can choose from and customise, but also an international selection of suppliers.

Price comparisons: Customers can 'shop' around the world and conduct comparisons either directly by visiting different sites. (for example www.moneyextra.co.uk for financial products and services).

Improved delivery processes: This can range from the immediate delivery of digitised or electronic goods such as software or audio-visual files by downloading via the Internet, to the on-line tracking of the progress of packages being delivered by mail or courier.
An environment of competition where substantial discounts can be found or value added, as different retailers for customers.

- ***Benefits of e-commerce to society***

Enables more flexible working practices, which enhances the quality of life for a whole host of people in society, enabling them to work from home. It also potentially reduces environmental pollution as fewer people have to travel to work regularly.
Connects people. Enables people in developing countries and rural areas to enjoy and access products, services, information and other people which otherwise would not be so easily available to them.

Facilitates delivery of public services. For example, health services available over the Internet (on-line consultation with doctors or nurses), filing taxes over the Internet through the Inland Revenue website.

LIMITATIONS OF E-COMMERCE

There was much hype surrounding the Internet and e-commerce over the last few years of the twentieth century. Much of it promoted the Internet and e-commerce as the panacea for all ills, which raises the question, are there any limitations of e-commerce and the Internet?

Isaac Newton's 3rd Law of Motion, 'For every action there is an equal and opposite reaction' suggests that for all the benefits there are limitations to e-commerce. These again will be dealt with according to the three major stakeholders – organisations, consumers and society.

Limitations of e-commerce to organisations

Lack of sufficient system security, reliability, standards and communication protocols.
There are numerous reports of websites and databases being hacked into, and security holes in software. For example, Microsoft has over the years issued many security notices and 'patches' for their software. Several banking and other business websites, including Barclays Bank, Powergen and even the Consumers' Association in the UK, have experienced breaches in security where 'a technical oversight' or 'a fault in its systems' led to confidential client information becoming available to all.

Rapidly evolving and changing technology, so there is always a feeling of trying to 'catch up' and not be left behind.
Under pressure to innovate and develop business models to exploit the new opportunities which sometimes leads to strategies detrimental to the organisation. The ease with which business models can be copied and emulated over the Internet increase that pressure and curtail longer- term competitiveadvantage.

Facing increased competition from both national and international competitors often leads to price wars and subsequent unsustainable losses for the organisation.
Problems with compatibility of older and 'newer' technology. There are problems where older business systems cannot communicate with webbased and Internet infrastructures, leading to some organisations running almost two independent systems where data cannot be shared. This often leads to having to invest in new systems or an infrastructure, which bridges the different systems. In both cases this is both financially costly as well as disruptive to the efficient running of organisations.

Limitations of e-commerce to consumers
Computing equipment is needed for individuals to participate in the new 'digital' economy, which means an initial capital cost to customers.

A basic technical knowledge is required of both computing equipment and navigation of the Internet and the World Wide Web.

Cost of access to the Internet, whether dial-up or broadband tariffs.

Cost of computing equipment. Not just the initial cost of buying equipment but making sure that the technology is updated regularly to be compatible with the changing requirement of the Internet, websites and applications.

Lack of security and privacy of personal data. There is no real control of data that is collected over the Web or Internet. Data protection laws are not universal and so websites hosted in different countries may or may not have laws which protect privacy of personal data.
Physical contact and relationships are replaced by electronic processes. Customers are unable to touch and feel goods being sold on-line or gauge voices and reactions of human beings.

A lack of trust because they are interacting with faceless computers.

Limitations of e-commerce to society

Breakdown in human interaction. As people become more used to interacting electronically there could be an erosion(divide) of personal and social skills which might eventually be detrimental to the world we live in where people are more comfortable interacting with a screen than face to face.

Social division. There is a potential danger that there will be an increase in the social divide between technical haves and have-nots – so people who do not have technical skills become unable to secure better-paid jobs and could form an underclass with potentially dangerous implications for social stability.

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Reliance on telecommunications infrastructure, power and IT skills, which in developing countries nullifies the benefits when power, advanced telecommunications infrastructures and IT skills are unavailable or scarce or underdeveloped.

Wasted resources. As new technology dates quickly how do you dispose of all the old computers, keyboards, monitors, speakers and other hardware or software?

Facilitates Just-In-Time manufacturing. This could potentially cripple an economy in times of crisis as stocks are kept to a minimum and delivery patterns are based on pre-set levels of stock which last for days rather than weeks .

Difficulty in policing the Internet, which means that numerous crimes can be perpetrated and often go undetected. There is also an unpleasant rise in the availability and access of obscene material and ease with which paedophiles and others can entrap children by masquerading in chat rooms.

FEATURES OF E-COMMERCE TECHNOLOGY

Ubiquity: In traditional commerce, a marketplace is restricted i.e. we can be in limited physical area to buy or sell. Whereas E-Commerce is ubiquitous meaning that it is available just about everywhere, at all times. It make possible to shop from your desktop, at home, at work or even from your car, using mobile commerce. The result is called a market space - a marketplace extended beyond traditional boundaries and removed from a temporal and geographic location. From a consumer perspective, ubiquity reduces transaction costs – the costs of participating in a market. To transact, it is no longer necessary that you spend time and money traveling to a market.

Global Reach: Unlike traditional commerce, e-commerce technology permits commercial transaction to cross cultural and national boundaries far more conveniently and cost effectively. As a result, the potential market size for e-commerce merchants is roughly equal to the size of the world's online population.

Universal Standards: One strikingly unusual feature of e-commerce technologies is that the technical standards of the Internet, and therefore the technical standards for conducting e- commerce, are universal standards – they are shared by all nation around the world. In contrast, most traditional commerce technologies differ from one nation to the next. For instance, television and radio standards differ around the world, as doe's cell telephone technology. The universal technical standards of e-commerce greatly lower market entry cost –t he cost merchants must pay just to bring their goods to market.

Richness: With the use of e-commerce technology merchant can present their message in effective way. Information richness refers to the complexity and content of the message.

Interactivity: E-Commerce technologies are interactive, meaning they allow two-way communication between merchant and consumer. Television, for instant, cannot ask the viewer any questions, enter into a conversation with a viewer, or request customer information be entered into a form. In contrast, all of these activities are possible on an e-commerce Web site.

Interactivity allows an online merchant to engage a consumer in a ways similar to a face-to-face experience, but on a much more massive, global scale.

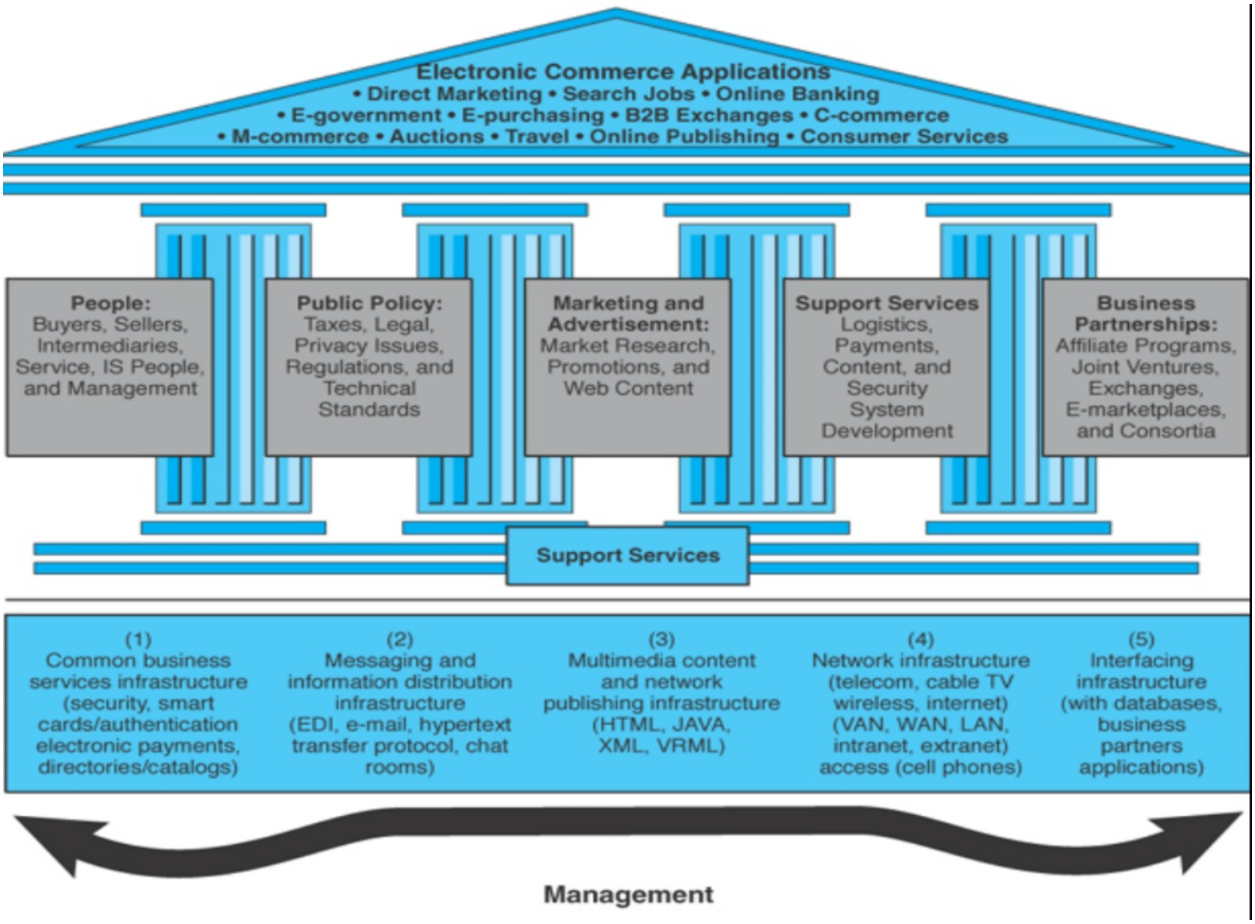
Information density: The Internet and the Web vastly increase information density – the total amount and quality of the information available to all market participants, consumers and merchants alike.

E-commerce technologies reduce information collection, storage, processing and communication costs. At the same time, these technologies increase greatly the accuracy and timeliness of information – making information more useful and important than ever. As a result, information becomes more plentiful, cheaper and of higher quality.

Personalization/Customization: E-commerce technologies permit personalization: Merchants can target their marketing message to specific individuals by adjusting the message. The technology also permits customization – changing the delivered product or service based on a user's preference or prior behavior.

E-Commerce Framework

E-Commerce applications will be built on the existing technology infrastructure - a myriad of computers, communication networks, and communication software forming the Information Superhighway. The **technology infrastructure** of the Internet is both an enabler and a driver of change. An infrastructure is defined as "*the foundation of a system*." In this case, the technological foundation of the Internet, simply put, enables the running of the e-commerce enterprises. The hardware backbone of computers, routers, servers, fiber optics, cables, modems, and other network technologies provides half of the technology equation. The other half includes the soft-ware and communications standards that run on top of the hardware, including the core protocols for the Web. Understanding technology infrastructure— and therefore understanding what is and is not achievable—is essential to formulating a company's vision and strategy.



The framework for e-Commerce consists of three parts as shown in below figure.

1. The first part consists of a *variety of electronic commerce applications* including both inter- and intra-organizational and electronic market examples such as Supply Chain Management, Video-on-Demand, Procurement and purchasing, On-line marketing and advertising, Home shopping etc.
2. The second part of the building blocks of the infrastructure consists of:

    - **Common business services,** for facilitating the buying and selling process.
    - **Messaging and information distribution,** as a means of sending and retrieving information (example: EDI, email, P2P file transfer)
    - **Multimedia and information distribution,** for creating a product and a means to communicate about it.
    - **Information superhighway infrastructure,** consisting of telecommunication, cable operator, ISPs, Wireless technologies and Internet.

3. The third part consists of the *public policy* and *technical standards* necessary to support the applications and the infrastructure.

- **Public policies** govern issues like universal access, privacy, and information pricing. The public policy infrastructure affects not only the specific business but also direct and indirect competitors. It should take into consideration of:

  - **Cost of accessing information**
  - **Regulation to protect consumers from fraud and protect their right to privacy**
  - **Policies to global information traffic to detect information pirating and obscene sites.**

- **Technical Standards** governs issues like technology for communication and as well as for Internet

Fig: Generic Framework of Electronic Commerce

E-COMMERCE SUCCESS FACTORS

- **Selection and Value**
  - ⇒ Attractive product selections, competitive prices, satisfaction guarantees, and customer support after the sale
- **Performance and service**
  - ⇒ Fast, easy navigation, shopping, and purchasing, and prompt shipping and delivery
- **Look and Feel**
  - ⇒ Attractive web storefront, website shipping areas, multimedia product catalog pages and shopping features.
- **Advertising and Incentives**
  - ⇒ Targeted web page advertisement and email promotions, discounts and special offers, including advertising at affiliate sites.
- **Personal Attention**
  - ⇒ Personal web pages, personalized product recommendations, web advertising and email notices and interactive support for all customers.
- **Community Relationships**
  - ⇒ Virtual communities of customers, suppliers, company representatives and others via newsgroup, chat rooms and links to related sites.
- **Security and Reliability**
  - ⇒ Security of customer information and website transactions, trustworthy product information and reliable order fulfillment.

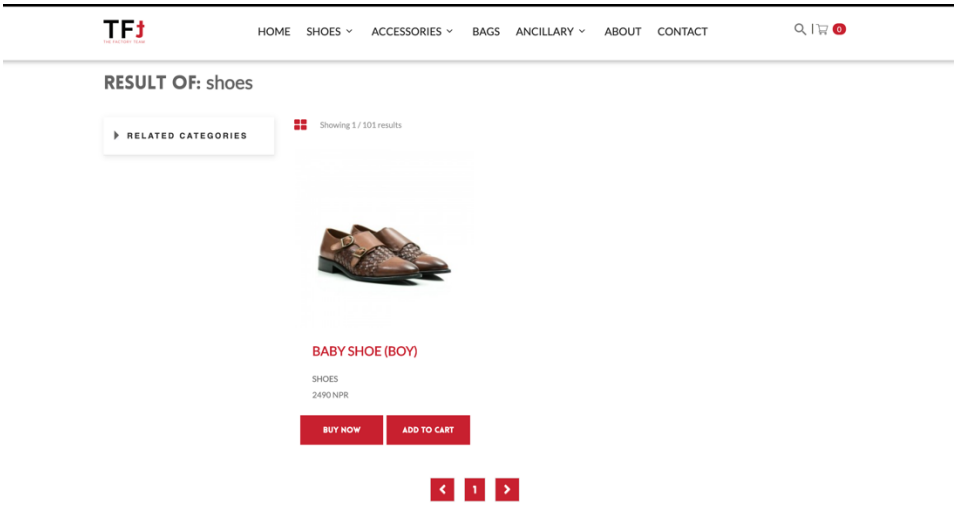
Types of ecommerce business:

There are many ways to classify ecommerce business, we can categorize them according to the product or services that they sell, the parties that they transact with, or even the platform on which they operate.

Of which they can be as:

- **Classifying ecommerce business according to what they sell:**

1. **Stores that sells physical goods**
   These are your typical online retailers. Clothing, furniture, tools, and accessories are all examples of physical goods. Shoppers can buy physical goods through online stores by visiting the stores' websites, adding items in their shopping cart, and making a purchase.
   Once the shopper has made a purchase, the store delivers the item(s) right at their doorstep. There are also online stores where customers can make an online purchase but go to the store themselves to pick up the product.

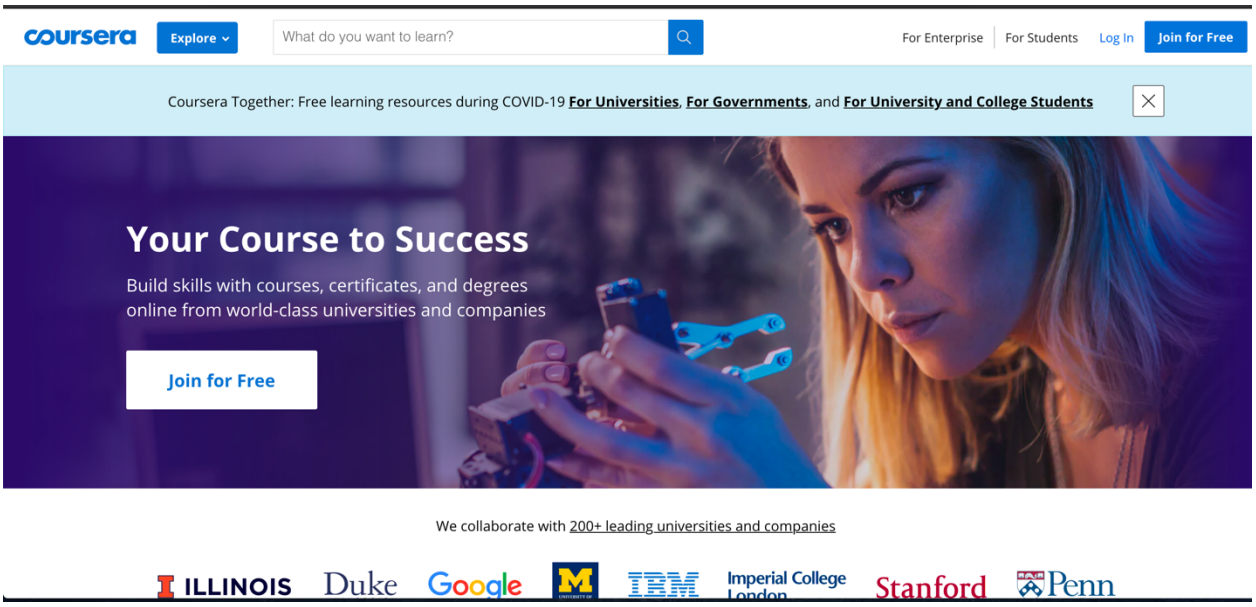


2. Service based e-tailers

Aside from products, services can also be purchased online. Everytime you hire educators, freelancers, and consultants through online platforms, you're doing business with service-based e-tailers. (An **e-tailer** is a retailer that primarily uses the Internet as a medium for customers to shop for goods and/or services provided)

3. **Digital products**

Ecommerce transactions are conducted via the internet which is why, in the ecommerce realm, products are usually referred as "e-goods". The term digital products refers to all items that are in a digital format including ebooks, online courses, software, graphics, and virtual goods.Examples of retailers that sell digital products **Coursera** (a platform for online learning) and **Audiobooks** (a website where you can buy audio books).



- Classifying ecommerce on the basis of parties involved or **the six main model** of ecommerce of which the businesses are categorized into:

    1) B2C
    2) B2B
    3) C2C
    4) C2B
    5) B2G
    6) G2B
    7) C2G

Let's look at these in detail:

1) B2C (Business to Consumer)
   B2C ecommerce encompasses transactions made between a business and a consumer.This is one of the most widely used sales models in the ecommerce context. When you buy shoes from an online shoe retailer, it is a business-to-consumer transaction. Some of the examples are Amazon.com, SastoDeal and soon.

2) B2B (Business to Business)
   In the B2B ecommerce model both parties involved are businesses. In this type of a transaction, one business provides the other with products and/or services.
   B2B e-commerce is simply defined as ecommerce between companies., This is the type of ecommerce that deals with relationship between and among businesses.
   B2B is all about transactions between one organization and their partners, mostly B2B applications are in the areas of supplier management, inventory management, distribution management an payment management.
   Slack, a platform for communication between remote business and Xero, a cloud-based accounting software for businesses, are some of the examples of B2B business model.
   Alibaba is also an example.

3) C2C (Consumer to Consumer)
   C2C ecommerce happens when the two parties involved are consumers that trade with one another or C2C is simply commerce between private individuals or consumers.
   HamroBazar is an example of online market place where individuals buy and sell products to each other.

4) C2B (Consumer to Business)
   The C2B business model represents a transaction in which individuals create value for businesses, unlike the traditional business-to-consumer model where companies are the ones that deliver value. Consumers provide companies with products and/or services, co-operate on projects, and ultimately help businesses increase their profits.
   An example of this would be a business model like iStockPhoto, in which stock photos are available online for purchase directly from different photographers.

5) B2G (Business to Government)
   The B2G model refers to companies and businesses that provide goods and services for the government. For example, **OpenGov** is a company that offers governments cloud-based platforms for communication, reporting, and budgeting

6) G2B (Government to Business)
   The G2B ecommerce models happen when the government provides companies with goods and services. Government procurement, data centres, and e-learning are all examples of G2B ecommerce.

7) C2G (Consumer to Government)
   Every time consumers pay taxes, health insurance, electronic bills, or request information concerning the public sector, they're engaging in C2G. Make note that we've included all these sections to give you a general idea of ecommerce classification, although models like G2C or C2G are part of ecommerce only in its loosest definition. 80% of the time, when we're talking about ecommerce, we're talking about the B2C or the B2B model.

M-Commerce

• M-commerce (mobile commerce) is the buying and selling of goods and services through wireless handheld devices such as cellular telephone and personal digital assistants (PDAs). Known as next-generation e-commerce, m-commerce enables users to access the Internet without needing to find a place to plug in.

• "Mobile Business", signifies an "anytime and anywhere access" to business processes managed by computer-mediated networks.

• As content delivery over wireless devices becomes faster, more secure, and scalable, there is wide speculation that m-commerce will surpass wire line e-commerce as the method of choice for digital commerce transactions.

The industries affected by m-commerce include:

⇒ Financial services, which includes mobile banking (when customers use their handheld devices to access their accounts and pay their bills) as well as brokerage services, in which stock quotes can be displayed and trading conducted from the same handheld device
⇒ Telecommunications, in which service changes, bill payment and account reviews can all be conducted from the same handheld device
⇒ Service/retail, as consumers are given the ability to place and pay for orders on-the-fly
⇒ Information services, which include the delivery of financial news, sports figures and traffic updates to a single mobile device

- Mobile commerce was born in 1997 when the first two mobile phone enabled Coca Cola vending machines were installed in the Helsinki area in Finland. They used SMS text messages to send the payment to the vending machines.
- In 1997 also the first mobile phone based banking service was launched by Merita bank of Finland also using SMS.

Attributes of M-Commerce and Its Economic Advantages

- **Mobility**: -users carry cell phones or other mobile devices
- **Broad reach**:-people can be reached at any time
- **Ubiquity**:-easier information access in real-time
- **Convenience**:-devices that store data and have Internet, intranet, extranet connections\
- **Instant connectivity**:-easy and quick connection to Internet, intranets, other mobile devices,
- **Databases Personalization**:-preparation of information for individual consumers
- **Localization of products and services:-**knowing where the user is located at any given time and match service to them

Limitations of M-Commerce

- Usability Problem: Small size of mobile devices (screens, keyboards, etc)
- limited storage capacity of devices
- insufficient bandwidth
- Speed
- Cost
- Accessibility

U-COMMERCE

U-commerce extends traditional commerce to a world of ubiquitous networks and universal devices, a world in which users can access networks at any time from any place, using a range of devices to invoke unique and personalized services. Specifically, four constructs are discussed that form the fundamental dimensions of u-commerce: ubiquity, uniqueness, universality, and unison. It is proposed that future developments of information systems will be framed by these constructs.

- Ubiquitous = represents the ability to be connect at any time and in any place as well as the integration of human-computer interaction into most devices and processes, e.g. household objects = Ultimate form of (Reachability + Accessibility + Portability)
- Uniqueness = stands for the unique identification of each customer or user regarding his identity, current context, needs and location resulting in an individual service. = Ultimate form of (Localization + Identification + Portability)
- Universal = is related to everyone's devices which can be used multifunctional and as well as universal –you will always be connected no matter of your place. = Ultimate form of (Mobile Networks + Mobile Devices)
- Unison = constitutes the data integration across applications and devices to provide users consistent and fully access to required information independent of device and location. The term unison also relates to fully synchronised devices at any time. = Ultimate merge of (Mobile Applications + Data Synchronization)

Social E-Commerce:

Social ecommerce is when social media platforms are used to make a more personalized and targeted in-app experience shopping experience for customers. Simply put, it brings ecommerce functionality directly into social media platforms.
When customers are satisfied with your business, social media makes it easy for them to share and recommend your brand. Because of it's very nature, social media is a place where content goes viral. These channels therefore play a very important role in your word-of-mouth marketing.

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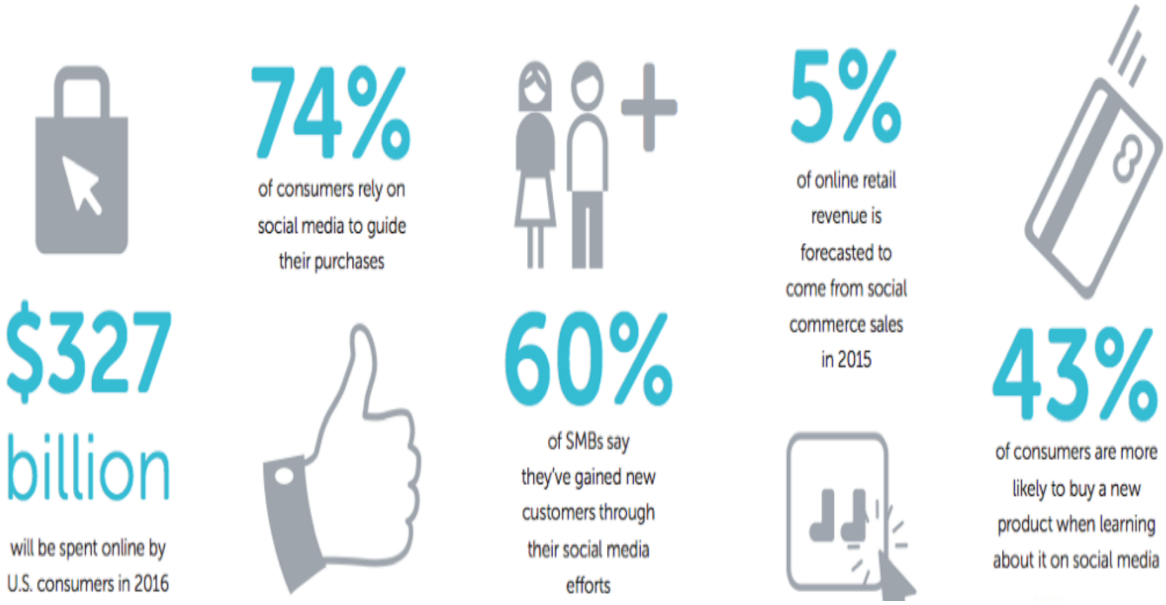
Examples of social commerce platforms and social commerce sites include Facebook business retail store pages where users can browse and shop without leaving the platform, or buy buttons on Twitter and Pinterest.

Many people wonder if social e-commerce will work for their business. In fact, it offers a myriad of business benefits for your brand. From increasing sales to driving traffic, to increasing customer engagement and website traffic.



What is Local E-Commerce?

Local ecommerce (also known as hyper-local commerce) falls under the umbrella of Offline-to-Online commerce (O2O). O2O means that retailers with physical stores can (should) offer their inventory and sell to local online shoppers in the same way online pure plays sell to online shoppers. The terms don't actually make sense any more because even a physical store is now online and there are really no "offline" stores but we'll use it since it's a recognized term. Actually P2O or Physical-Online is more accurate.

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It make logical sense to sell to local customers before going out into the whole world. Many stores make the mistake of trying to sell online to the entire world before maximizing the local part. Local is typically your 50 mile radius around the location of your store — the distance where a shopper may actually drive or local delivery can be quickly provided. The radius depends on the population density around your store location so for example in Manhattan Local might be a 5 mile radius and in rural Idaho it might be 100 miles.

Local E-Commerce Strategy:

- Bring your real-world experience to your online shopping.
- Videos can boost e-commerce and in-store sales and
- Fish where the fish are

Challenges in E-Commerce:

- Finding the right products to sell
- Attracting the perfect customers
- Generating targeted traffic
- Converting shoppers into paying customers
- Retaining Customers
- Achieving profitable long-term growth
- Choosing the right technology and partners
- Attracting and hiring right people to make it all happen

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Status of E-commerce in Nepal:

Let's look at the global status first:

If we look at the status of E-Commerce Industry globally, the rate of using E-Commerce is increasing rapidly. If we look at the Report Published by United Nation Conference on Trade and Development. Global e-commerce sales grew 13% in 2017, hitting an estimated $29 trillion. and the rate is increasing rapidly. For more information please have a look at https://unctad.org/en/pages/PressRelease.aspx?OriginalVersionID=505.
The following table shows the list of Top Ten countries by E-commerce sales, 2017. and in the later years the figure is increasing.

Table 1: Top ten countries by E-commerce sales, 2017

Rank	Economy	Total ($ billion)	As a share (%) of GDP	B2B ($ billion)	Share (%) of all e-commerce	B2C ($ billion)	Annual average spent per online shopper ($)
1	United States	8,883	46	8,129	90	753	3,851
2	Japan	2,975	61	2,828	95	147	3,248
3	China	1,931	16	869	49	1,062	2,574
4	Germany	1,503	41	1,414	92	88	1,668
5	Korea (Rep.)	1,290	84	1,220	95	69	2,983
6	United Kingdom	755	29	548	74	206	4,658
7	France	734	28	642	87	92	2,577
8	Canada	512	31	452	90	60	3,130
9	India	400	15	369	91	31	1,130
10	Italy	333	17	310	93	23	1,493
	Top 10 Total	**19,315**	**36**	**16,782**	**87**	**2,533**	**2,904**
	World	**29,367**		**25,516**		**3,851**	

Source: UNCTAD.

Now in the context of Nepal:

Now, talking about Status of E-Commerce in Nepal, as the popularity of E-Commerce is Increasing globally, so is in Nepal. Today, As of 2019, there are 31 private ISP's In Nepal with nearly 16.67 million internet users nationwide. And According to export.gov roughly 40% of these accounts are commercial. Online E-Commerce Activities is mainly concentrated on Kathmandu Valley and some major cities. However with the increase of internet penetration the number of mobile users are increasing in rural areas and so is online activities. Today there are many E-Commerce Websites that are providing e-commerce in Nepal along with delivery service. Below is the list of some of the top E-Commerce websites in Nepal.

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List of Ecommerce website in Nepal:

Daraz: Daraz was founded in 2012 in Pakistan by a German Venture Capital Company, Rocket Internet as a fashion retailer . However, in 2015 daraz started operating with general marketplace strategy and business model in 2015, which means now, daraz was not only selling fashion products but also other general items Online. Daraz Started its service in Nepal after Daraz group acquired Kaymu, which was consumer-to-consumer online marketplace in South Asia. Later, in May 2018, Daraz group announced that it had been acquired by Alibaba Group for an undisclosed amount. Along with Nepal, Today Daraz is providing its logistic services in Pakistan, Bangladesh, Srilanka and Myanmar. With daraz you can order your favorite products along with the facility of delivery system. for more information please have a look at https://www.daraz.com.np . daraz.com.np has an Alexa Ranking of 46.6K among all the websites ranked globally.

HamroBazar: HamroBazar is another most popular Online E-Commerce Website. It is based on Consumer to Consumer(C2C) Business Model which means we can not only buy items but also sell our items. It enables individuals as well as companies to list wide varieties of new or used product online. It has Alexa Ranking of 60.4K. It was founded by Prabal Saakha who is also the Director of Saakha Group.

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Overview of Electronic Transaction Act of Nepal

ETA (Electronic Transaction Act) which deals with issues related to cybercrime and also help in making and implementing laws over cybercrime. It has made different requirements so that if anyone found having cybercrime, he/she will be punished according to the scene of the crime. He /she can be jailed for minimum from 6 months to a maximum of 3 years and has to pay the penalty according to the offense. However, the cybercrime has been overgrowing in Nepal because of an inadequate tracking system and the advancement needs still to build like in other developed countries. The lack of proper updates of ETA, the hackers again hacks the governmental confidentiality which is an embracing to tell.ETA yet hasn't adequately addressed Online payment, due to which we still don't have a fast and reliable online payment system too.

The most substantial challenge in the field of cyberlaw in Nepal is a challenge to implement cyber laws. For the implementation of the law, people over the internet in Nepal should have proper knowledge about the cybercrime and its consequences. Without an understanding of cyber crimes and regulation, people will have no awareness of them. Maintaining privacy in the cyberspace, creating strong passwords, updating the security software, updating password are some of the techniques to keep secure him /her.

Research More at:

http://www.lawcommission.gov.np/

Share your findings with the class.

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