

E-Commerce

Meaning of E-Commerce

E-commerce, also known as e-commerce or online commerce, refers to the sale and purchase of goods or services using the Internet, and the transfer of funds and data to carry out these transactions. E-commerce is often used to refer to the sale of physical products online, but it can also describe any type of business transaction that is facilitated online.

While e-business refers to all aspects of running an internet business, e-commerce specifically refers to the treatment of goods and services. Modern e-commerce typically uses the World Wide Web for at least one part of a transaction lifecycle, although it may also use other technologies such as email. Typical e-commerce transactions include online book purchases (such as Amazon) and music purchases (digital music download like iTunes store) and, to a lesser extent, custom / online alcohol store inventory services.

Nature of E- Commerce

It has also been described as "the integration of communications and computing technology to conduct business. This is the establishment and management of relationships between buyers and sellers, facilitated by an interactive and widespread electronic medium." Some of the main reasons for the increase in electronic commerce are: -

- The drive to reduce costs;
- easy access to the Internet;
- the lack of regulation on the Internet; sellers 'access to global markets;
- a larger option and possibly lower prices for buyers;
- lower inventory costs for sellers;
- The ability to enter new markets more easily.

Traditional commerce

Traditional trade began at the time of the barter system introduced in the early millions of years. The barter system determines the exchange of goods with other goods in lieu of money as money was not available during those days. This is where traditional trade began and continues to this day in the form of money exchange rather than just commodities. Nowadays traditional commerce has lost its popularity and contracted due to the introduction of e-commerce in the early twentieth century.

Comparison between E-commerce vs. Traditional commerce

Basis of comparison	E-commerce	Traditional commerce
Definition	E-commerce is a form of online shopping where users can buy goods and services from their electronic devices such as laptop, mobile phone and tablet.	Traditional trade is a traditional approach to buying goods and services personally that involves dealing face-to-face.
Usage	It is used to save precious time and money.	It is old and still in use as the digital network cannot be accessed.
Process	It is easy to use and operate if the customer has knowledge of basic digital devices.	Anyone can follow it regardless of education or knowledge.
Mode	It is in electronic or digital mode only	It can be in any form other than electronic.

Time	Available around the clock	It is available during the limited time provided by law and according to the type of work.
Purchase	Product inspection before purchase is not possible in this type.	The product can be checked before purchasing in a traditional business model.
Involvement	It only involves sharing digital tools for placing an order	It involves the engagement of a face-to-face buyer and seller
Business	Doing more can be done easily without any hassle	It is difficult to do more work on this model
Maintenance	This is easier to maintain because a single warehouse is enough to store goods.	It is cost-effective as required to display products to attract customers.