Development of E-Commerce in India with reference to Retail Business

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ABSTRACT: The cutting edge for business today is electronic technology and the electronic technology is phenomenally used in E-Commerce throughout the world today. Many people from all walks of life are discovering the virtual community of the internet due to exponential rise of computer use in communication. "This on line world that once almost exclusively utilized by government and educational institutions has now linked the average person to "cyberspace" with the growth of commercial online service such as "Prodigi" and "Compu Serve". Cyberspace has empowered the average person to explore and question the structure of our society and those that benefit from the way it is operated. Fundamental issues arise from the various types of cyber criminal explorations like fraud, cracking, hacking and stalking etc. We must decide how we wish to deal with these issues.

I. INTRODUCTION

A debate on the issues of cyberspace must take place. There is no need to stop the technology but we must decide what direction we want technology to take, and what rules will govern its use. We must do this now, before the technology starts dictating the rules to us, before it is too late to make changes in the basic structure of cyberspace without destroying the whole concept. As in many communities, that attracts a myriad of different personalities, the "virtual community" takes good with the bad, as the use of this technology increase, so does the abuse, and the law is finding it difficult to keep pace.

If we have access to a personal computer and can connect to the internet with a browser, we can do business online. No more worries about programming. No more searching for outdated catalogs as a customer or printing catalogs as a merchant. No more looking for phone numbers, paging long distance to connect, or keeping the store open late in the evening just get on the web, open an outline, store and watch your business grow.

We all are welcomed to the world of business, where technology, human talent and a new way of doing business makeup today's growing worldwide economy. The backbone of this electronic commerce is the internet. The wired world is not about the technology; it is about the information, decision making and communication. The wired world is changing life fore everyone, from the single household to the largest corporation, No business can afford to ignore the potential of connected economy.

II. E-COMMERCE IN INDIA

In general, Asian user's specifically Indian users, have a more purposeful attitude towards the internet as compared to their western counterparts. This attitude is reflected by more deliberate approach of both government and non government users.

The governments want to use the internet the way they use traditional media, as a form of control for national development, however that may be defined. Net access in Asia including India, therefore tends to be more planned, centralized, dominated by educational and government or government related institutions. Users want to use the internet for commerce where there is a commercial push.

India, over the recent years has shown tremendous growth in the use of mobile phone, wireless local loop (W.L.L.) technology phone, and cable networks etc; all these will bring a lot of changes in the transaction of business. We find that computers, information technology, and networking have combined to replace labor intensive business activities across the industries and in the government as well.

For example, doing any business deal on Internet, the payment transactions are done through banks, a lot of change has been seen in the widespread use of Automated Teller Machines (ATMs), credit cards, debit cards, smart cards, internet banking and internet lending. This type of computer based deals that may involve bank to bank, bank to consumer transactional and information exchange for a successful business deal is what electronic commerce is all about.

According to a European Union website (Esprit, 1997) Electronic commerce is generally a concept covering any form of business transaction or information exchange, executed using information and communication technology (ICT) between companies, between companies and their customers or between companies and public administrations.

In nut shell, E-Commerce is the buying and selling of goods and services on the internet, especially the worldwide web. IBM defines e-business as a "secure flexible and integrated approach to delivering different business values by combining the systems and processes that run core business operations with simplicity, where the search followed by a business deal is made possible by internet technology. E-Commerce is just an aspect of e-business like E-franchising E-mailing, E-marketing etc. The E-business means connecting critical business systems directly to critical constituencies, customers, vendors, and suppliers, via the Internet, extra net, and internets.

It goes beyond a website on the internet to affect all aspects of business, from strategy and process to trading partners and ultimate consumer. It combines the resources or traditional information systems with the global search of the web.

All most all the Major companies are using web to buy parts and supplies from other companies to collaborate on sale promotions and to do joint research etc. Retail business or retailing includes all the activities involved in selling goods or services to the final consumers. A retailer or a retail store is any business enterprise and the whole sale volume comes primarily from retailing.

In mature retail markets of the world, the websites of most of the retailers enable them to do their business online. The reasons for the emergence of electronic retailing (e-tailing) as a viable source of business stems from the fact that it can offer a large basket to the consumers. India has very bright future in e-retailing (e-tailing) business as India has the lowest broadband prices worldwide (only $5 approx. monthly) and is seeing one of the world's fastest growing mobile revolutions.

III. INDIA's PROSPECTS IN E-COMMERCE:

While the future of web-based e-commerce in developed areas appears bright, consumers in developing countries, such as India, faces a number of obstacles that may affect their view of e-commerce with reference to retail business. Consumers and merchants in India and other developing countries face a number of barriers for a successful retail business through E-commerce, including less reliable telecommunication, infrastructures and power supplies, less access to online payment mechanisms, relatively high costs for personal computers and Internet access. These problems may cause consumers in India and other developing countries to view E-commerce and E-retailing differently than the consumer in developed countries. Some of the problems are as follows:-

- How should managers in charge of E-commerce and E-retailing prepare for a global implementation?
- What can they do to reach out to the consumers in developing countries like India?
- What factors influence the adoption of consumer-oriented E-commerce and E-retailing in various countries?

The above problems are captured in the general research question that guided this study. How consumers in developed and developing countries differ in their views of e-commerce? The main background of the above problems is that information technology (IT) literature focuses on developed countries to much of the extent. Above problems are mainly due to local conditions and differences in national cultures.

The scope of the study of evaluation of development and implementation of E-commerce in India with reference to the retail business will be; the effective use of E-commerce with modern technologies like ERP, EDI, CAD/CAE, OMS and SMS etc. for example all those Companies, who are using e-commerce and e-retailing for doing the retail business in India.

Main objectives of this Research are:
- To establish and evaluate an integrated solution as the system resource in the form of Enterprise Management System (EMS).
- To develop a market network system for E-commerce, Retail business and electronic retailing in India Specifically in RIL (Reliance Industries Limited).
- Evaluation and improvement in implementation of E-commerce and retail business in India.
- To find out the problems of E-commerce in India and to suggest the remedial actions for rapid development of E-commerce including retail business and E-retailing.
- Evaluation of overall development and implementation of E-commerce in India with reference to retail business and E-retailing.
- To create awareness amongst consumers about the benefits of E-commerce with lower costs and prices and promoting the use of E-commerce in daily life.

IV. RESEARCH METHODOLOGY

(a) Tools: The tools utilized in this research work will be as under:-
- Microprocessor – 80 GB Pentium
- RAM – 256 MB
- Windows – XP

- Oracle data base language
- SQL Server
- Language - C & C++

(b) Hypothesis: Diffusion of innovation (DOI) theory is concerned with the manner in which innovations spread through social system (Rogers, 1995). Looking at the difference in local conditions, the dimensions of national culture, and D.O.I. theory, we hypothesize the subjects of development and implementation of E-commerce in India and developed countries like U.S.A. with reference to retail business; differ in their perceptions of e-commerce.

Here we provide hypothesis for each innovation characteristic of interest:

H_1 Development and implementation of E-commerce in India with reference to retail business is taking pace with better speed as compared to other developing countries and is ready to compete with developed countries like U.S.A. in near future.

H_2 And also we hypothesize that the Indian consumers perceive web-based purchasing (i.e. retail e-commerce) to have less relative advantage, to be less easy to use, less compatible, lower in result demonstrability, more image enhancing then do American consumers. Indian consumers perceive web merchants to be less trustworthy than American consumers.

(c) Sampling: Throughout the research process, most of the raw data is collected directly from the fields and on site observations done in the form of primary data.

Extensive literature survey has also been done for collecting-data, besides this electronic media, print media, Internet and Communication Technology (ICT) and worldwide web etc are used as secondary data. The raw data thus collected is processed further to prepare the sample design by using modern database languages like oracle, by categorizing the raw data and converting it in the form of tables for the purpose of analysis and editing of data. The system software like MS Windows 2000 or MS Windows XP platform is used for executing this research work. SQL server has also been used for different types of queries as per our requirements.

The whole research work is divided into various topics dealing with introduction to E-commerce and retail business, integrated solution to E-commerce, E-commerce in Indian perspective dealing with E-marketing, E-advertising etc, online business, network infrastructure and technology for E-commerce, Internet & world wide web, mobile computing, virtual banks, emerging financial instruments, developing market network system, and retail business of different household commodities etc. by the multinational companies (MNCs) like Reliance Industries Limited (RIL), Tata Group, and overall evaluation and improvement in the development and implementation of E-commerce in India with reference to retail business.

The important points, always to be kept in mind as learnt from this study of E-commerce with reference to retail business are e.g. the main requirements of the consumers as of day to day life, Retailing and the purchase process, determinants of retailers success or failure, consumers in focus, store clientele, point of purchase materials, location based retailing, value oriented retailers, the shopping malls, direct marketing, purchase behavior, consumer resources, money and time budgets, communicating with consumers, ERP (Enterprise Resource Planning) etc. has all been taken into consideration.

Primary data has been collected from the answers given to the questionnaire and in-depth interviews of consumers.

Appropriate sampling methods like random sampling, purposive sampling, cluster sampling, area sampling, systematic sampling etc. have been used during this research study.

(d) Modeling: Different process operations like editing, coding, classification according to attributes classification according to class intervals and tabulation etc. have been used for modeling of the samples in this research study. Different statistical methods like measures of dispersion i.e. range, standard deviation, measures of Asymmetry e.g. Kurtosis, correlation and regression has been used in this research study and finally different statistical testing methods are used to test the hypothesis.

Tabulation of primary data is done and this data is analyzed and tests are applied and the conclusions are derived for the future enhancements and improvements in the E-commerce and E-retailing in India.

V. OUTCOME OF THE RESEARCH WORK

The outcome of this study has been the overall evaluation of development and implementation of E-commerce in India with reference to retail business. There are still a lot of problems in implementing E-commerce in retail business in India, there are problems in implementing and development of E-commerce and E-retailing in the MNCs and the same has been dealt with in this research study and the appropriate improvements and solutions to these problems are suggested in this research work.

VI. CONCLUSIONS

Web-based E-commerce in retail business is continuously growing popularity in India and all the barriers to the global E-commerce in the retail business will be gradually removed in India and India will be able to use E-commerce in retail business very effectively and intensively in the near future.

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