E-COMMERCE: A GAME CHANGER

Prof.Pushpa Hongal

Assiatant Professor,Kousali Institute of Management Studies,MBA Department,Karnatak University,Pavate Nagar,Dharwad.

Abstract
Digital revolution in India is increasing at the rapid rate. Country is shopper's paradise now. The growth was driven by rapid technology adoption led by the increasing use of devices such as smart phones and tablets, and access to the internet through broadband, 3G,4G, etc, declining broadband subscription prices, increased penetration of smart phones, which led to an increased online consumer base. Furthermore, favored demographics and a growing internet user base helped this growth. With digital device and social media, online sellers are getting unprecedented opportunity for growth and have thus become continuously more attractive for investors. Today's economy is witnessing increasing number of "netizens". The new trend has set now, not only due to raising number of "netizens" but also changing ecosystem. The e-Commerce market in India has enjoyed phenomenal growth of almost 50% in the last five years. Although the trend of e-Commerce has been making rounds in India for 15 years, the appropriate ecosystem has now started to fall in place. The number of users making online transactions has been on a rapid growth path and it is expected to grow from 11 million in 2011 to 38 million in 2015. One of the recent study shows that online shoppers in 2013 was 20 million and in 2016 it is expected to reach 40 million. As per a recent report, it is predicted that by the end of 2016 almost a third of the world's population will have access to Smartphone. All these trends show the opportunity for e-commerce in India. Today's marketer can use e-commerce platform as a game changer for his business houses. This article is based on conceptual framework, developed based on secondary data which aims to study how e-commerce can be used as a game changer strategy by the marketer. This paper also highlights few strategies and challenges the marketer is facing in digital marketing world.

Key word: Emerging trends, Game changer Strategy, Challenges, Ecosystem, Business model.

Introduction
India is in the face of digital revolution now. Due to globalization the borders between different countries are vanishing toady. Competition has become more intense in nature. Technology is offering challenge and opportunity for today's marketer. Customers today are driving the entire market force. Declining broadband subscription prices, aided by the launch of 3G and 4G services, have been driving this trend. The fast development of telecommunications technology in the past few decades is changing many aspects of our lives – how we search for information, how we travel and not at least how we buy products or services. Today internet has become an integral part of this growing population segment. The changing lifestyles of the country's urban population have also led many people relying on the internet for their shopping needs. Online players have made intensive efforts to explore this growing opportunity and brought changes in logistic and payment system, which again added sweet flavor to the growth of online market in India. Although classic shop-based retail is still preferred, e-commerce or electronic commerce, namely the buying and selling of products and services exclusively through electronic channels, is gaining ground. The most well-known form of e-commerce or electronic commerce is online shopping, also known as business to consumer e-commerce (B2C), where private customers can order various products which they then receive by courier or postal mail. Another category of e-commerce focuses on transactions between companies, such as manufacturers and a wholesalers or wholesalers and retailers and is called business to business e-commerce (B2B). The third category of e-commerce involves transactions from consumer to consumer (C2C), as in the example of eBay or other similar websites.

E-Commerce or electronic commerce, deals with the buying and selling of goods and services, or the transmitting of funds or data, over an electronic platform, mainly the internet.

E-Commerce processes are conducted using applications, such as email, fax, online catalogues and shopping carts, electronic data interchange (EDI), file transfer protocol and web services and e-newsletters to subscribers.

The largest e-Commerce sub-sector in India till today is the online travel . Nevertheless, online retail is catching up fast and is expected to match online travel revenues. To improve margins, online travel players are diversifying their offerings to include hotel reservations, along with the regular ticketing services. The online retail (e-tailing) segment has evolved and grown significantly over the past few years. Cash-on-delivery has been one of the key growth drivers and has resulted for 50% to 80% of online retail sales. Players have adopted new business models including stock-and-sell, consignment and group buying; however, concerns surrounding inventory management, location of warehouses and in-house logistics capabilities are posing teething issues. Classifieds, the earliest entrant in the e-Commerce space in India, is undergoing a shift

in operational model from vertical to horizontal offering. Players now offer a gamut of services ranging from buying/selling cars to finding domestic help.

The Indian economy has been consistently showing good signs of growth, with the average GDP growth rate at 7.5% in 2015-16. The retail sector is showing a promising trend of 11% CAGR, growing from an estimated size of USD 600 Billion now to USD 1 Trillion in 2020. Although, currently the total e-Commerce spend in India accounts for less than 2% of the total retail spending, e-Commerce has become a key driver to create new markets in erstwhile unreachable geographies. Many drivers are helping Indian e-commerce sector to grow in a rapid speed, this offers a strategic opportunity for Indian players to utilize it and can use as a game changer strategy for their business houses.

Need for Study
As penetration of internet in India is increasing at tremendous rate, the way how people think and take decision is changing a lot. The considerable rise in the number of internet users, growing acceptability of online payments, the creation of internet-enabled devices and favorable demographics are the key factors driving the growth story of online marketing in the country. Players in the marketplace are also adapting to changing ecosystem. India's overall retail opportunity is substantial. Online marketing has enjoyed unique growth of almost 50% in last five years. Revolution in telecommunication sector, especially the introduction of smart phones, launch of 4G, reduction in the prices of mobile, increasing in the penetration of mobile network etc has given boost for the development of online marketing and E-Commerce. These drivers are also given an opportunity for the development of "M-Commerce". As of 2014, India was the third-largest online market with more than 198 million internet users, ranked only behind China and the United States. Of the millions of internet users in India, 38 percent of those who use the internet at home or at work come from the 25-34 age brackets, a percentage which was higher than any other age group surveyed. Furthermore, men dominated internet usage with 61 percent to women's 39 percent. Average daily online usage in the country amounted to 5.1 hours among internet users. Total number of active internet users is 243 million and total number of active mobile internet users is 200 million. A recent study says that online shoppers in India at present accounts for 20 million and it is expected to grow to 40 million at the end of 2016. All these factors clearly show that an opportunity is existing in this sector. Many venture capitalists are also ready to invest on this sector. So, today's marketer is considering e-commerce as a strategy for him to change the game for his business. Hence it is thought fit to study about "e-commerce as a game changer "

Objective of Study & Methodology
This paper is based on the conceptual framework about E-commerce. Objective this paper is to study about present status of e-commerce in India, to know about the growth drivers for e-commerce along with challenges faced by it and to understand how today marketer is is using e-commerce as a strategy for his business. This paper is developed based on secondary data, basically referred many reports, literature survey, statistical data available in website and reports, magazines, newspapers and analysis of companies strategies.

E-Commerce trend and Indian Economy
(Source:report by CII,April 2016)
- The Indian consumers are rapidly advancing towards adopting technology. While the overall tele-density is 81.8%, the mobile tele-density is also high at 79.8% as of November, 2015.
- India beat the United States of America to become the 2nd largest market after China , for smart phones with 220 Million users – This was attributable to the availability of highly affordable smart phones and with easy-to-use features.
- Internet penetration is also significantly rising with the number of internet users at 354 Million as of September, 2015.
- Mobile internet spend has risen from 54% to 64% from 2014 to 2015. This is due to an availability of high-speed 3G & 4G internet connectivity at affordable prices which has led to an increase in transactions done via mobile.
- Online shoppers are expected to increase from 20 million in 2013 to 40 million in 2016, as an additional 200 million Indians will access the Internet in the next three years, with majority of them coming online through smart phones, indicates a new joint study by Assocham and Grant Thornton. It also predicts that the Indian e-commerce market is estimated to grow at a compounded annual growth rate (CAGR) of 63 percent to reach $8.5 billion (Rs. 54,304 crores approximately) in 2016 on the back of growth in the penetration levels of mobile and Internet and increased consumer demand.
- The e-Commerce industry is expected to form the largest part of the Indian Internet market with a value of approximately USD 100 Billion by 2020. In addition to transforming and revolutionizing the retail sector in India, it is also facilitating MSMEs to jump the evolution loop by providing means of financing, technology and training.\

Advent of technology enabled innovations such as Digital Payments, Hyper-local Logistics, and Analytics driven Customer Engagement and Digital Advertisements have enabled the e-Commerce industry to grow at a much faster rate.

- Across the globe the e-commerce industry is a force which continues to grow, which investors cannot afford to ignore. This is especially true in India where there are so many opportunities. For example, just focusing on B2B e-commerce, the market is both large and broad which provides the potential for amazing innovations. Prime Minister Modi's vision for India and the 'Make in India' and 'Invest India' initiatives have swayed the world's attention on the opportunities provided in the sub-continent. B2C e-commerce in India is changing the ways brands reach consumers and has made it faster and easier for them to make purchases wherever they are, not just when they are in stores. The B2B opportunities are even bigger. (Nilesh Gopali, cloudBuy, Country Head, India.

Major developments E-Commerce in 2014:
(As per the report by www.pwc.in)

- **Mobile to be the most influential aspect of E-Commerce**
  With mobile apps being developed by most ecommerce websites, smart phones are increasingly replacing PCs for online shopping. In 2013, only 10% of the mobile users used smart phones, and only 5% of the ecommerce transactions were made through a mobile device. This figure has more than doubled, and more than 13% of all ecommerce transactions today happen via mobile3. According to some industry players, over 50% of the orders are being placed through mobile apps, which is not only leading to substantial customer acquisition but also building customer loyalty for various brands. However, most mobile transactions so far are for entertainment, such as booking movie tickets and music downloads. This trend will change soon with more and more merchandise being ordered online.

- **More business coming from smaller towns**
  E-commerce is increasingly attracting customers from Tier 2 and 3 cities, where people have limited access to brands but have high aspirations. According to ecommerce companies, these cities have seen a 30% to 50% rise in transactions.

- **Enhanced shopping experience**
  Besides general online shopping, customers are also shopping online for weddings and festivals,The free and quick shipment and wider choice of products, along with the ease of shopping online as compared to in-store shopping, is also helping ecommerce gather momentum. Further, ecommerce companies are doing rapid business due to sales.

- **Exclusive partnerships with leading brands**
  Over the year or so, there has been a trend of exclusive tie-ups between etailers and established boutiques, designers, and high-end lifestyle and fashion brands. For instance, in 2014, Jabong added international fashion brands such as Dorothy Perkins, River Island, Blue saint and Miss Selfridge, along with local fashion brands through Jabong Boutiques. Similarly, Myntra benefited from exclusive tie-ups with brands such as Harvard Lifestyle, Desigual and WROGN from Virat Kohli.

- **Expanding the product basket**
  There is a recent trend of relatively newer products such as grocery, hygiene, and healthcare products being purchased online. Similarly, lingerie and Indian jewellery has also been in great demand among customers outside India. Export comprises 95% of cross-border ecommerce, with the US, UK, Australia, Canada and Germany being the major markets.

E-Commerce as Game Changer Strategy
Today many offline players have entered online and opened online store to take the advantage of e-commerce trend. Several e-Commerce companies are opening physical offline stores. Such 'Experience Centres' offer online buyers the touch-and-feel experience, thus offering an integrated shopping experience especially for products with high-price points. Companies such as FirstCry, Pepperfry, Flipkart etc. have opened physical stores to complement the online sales and experience. Similar option of click-and-collect is extended by Amazon in India by providing physical locations for customers to pick up the products at a time convenient to them. On the other hand, various offline retailers have started their online ventures or partnered with leading e-Commerce companies to attract customers at all touch points. For example, Future Group inked an exclusive deal with Amazon while Tata Group owned Croma, partnered with Snapdeal to sell private brands online. Besides the conventional services for utilities, fashion & lifestyle, electronics, etc. there is a new trend of emerging e-Commerce aggregators that are aiming to digitise several offline services and creating a convenient ecosystem for consumers. In the areas of truck booking (TruckSuvidha.com, TruckMandi.in, The Karrier. com, Fortigo.com), health care (Portea.com, Healthkart.com), real estate, laundary etc.. Which have been traditionally offline; there has been a raise of online players.

In this modern world of technology, e-commerce is becoming a very significant option for many businesses as there are lots of companies that are interested in developing their online stores**.** With increasing demand for online purchasing, more and more businesses are moving to e-store from brick and mortar stores. Today, e-Commerce has revolutionized the way companies are doing business. Now, consumers can purchase almost anything online 24*7 a day and get an ultimate shopping experience. E-commerce offers flowing advantages :

- **Convenience & Easiness:** For many people in the world, e-Commerce becomes one of the preferred ways of shopping as they enjoy their online because of its easiness and convenience. They are allowed to buy products or services from their home at any time of day or night. Online payment and home delivery options have made this become easier for them.
- **Detailed product specification:** Customers can get detailed product details along with specification about the same. Thus offers helping hand for customers to make choice.
- **Huge product assortment:** It offers wide variety of products. E-commerce Helps customer to select any brands of their choice easily.
- **Attract New Customers with Search Engine Visibility:** As we all know that physical retail is run by branding and relationships. But, online retail is also driving by traffic that comes from search engines. For customers, it is not very so common to follow a link in the search engine results and land up on an ecommerce website that they never heard of.
- **Decreasing in the cost of inventory management for suppliers**: With e-commerce business, the suppliers can decrease the cost of managing their inventory of goods that they can automate the inventory management using web-based management system. Indirectly, they can save their operational costs.
- **Track consumer buying behavior:** The best thing is e-commerce retailers can easily keep a constant eye on consumers' buying habits and interests to tailors their offer suit to consumers' requirements. By satisfying their needs constantly, you can improve your ongoing relationship with them and build long-lasting relationships.
- **Low setting up cost:** Setting-up cost is extremely low as compare to expanding your business with more brick and mortar locations. Very few licenses and permits are required to start-up an online business than physical store. You can save your lots of money by using fewer employees to perform operations like billing customers, managing inventory and more.
- **Viral marketing (word –of-mouth marketing):** Allow your happy customers to sell your products. By using referral marketing or allowing your present customers to sell it to friends etc.. With lots of customers' reviews and product ratings, you can easily increase your sells as new customers find that your products are good and effective. Make sure that you mention your clients' testimonials, reviews and product ratings as such things can help your new customers to purchase your products.
- **No geographical limitation:** If you are running a physical store, it will be limited by the geographical area that you can service, but with an e-Commerce website, you can sell your products and services across the world. The entire world is your playground, where you can sell your complete range of products without any geographical limits. Moreover, the remaining limitation of geography has dissolved by m- commerce.
- **24*7/365 days:** One of the most important benefits that ecommerce merchants can enjoy is store timings are now 24/7/365 as they can run e-commerce websites all the time. By this way, they can increase their sales by boosting their number of orders. However, it is also beneficial for customers as they can purchase products whenever they want no matter whether it is early morning or mid-night.
- **Economy for marketer:** Now there is no need for marketer to invest money on infrastructure, labour, overheads, insurance etc . He just requires an unique idea and technical knowledge and low investment. So it is more economic and reasonable for marketer.
- **Boost Brand Awareness**: As like e-commerce business can help B2B organizations to get new customers, so it will be helpful for e-commerce businesses to boost their brand awareness in the market. Developing pages that can be indexed by search engines crawlers is one of the best ways to enhance your website' search engine optimization and enhance the target audience on your site.
- **Reduced Advertising & Marketing Cost:** If you opt for ecommerce, you don't have to spend your money on advertising and marketing. However, organic search engine traffic, social media traffic and pay-per-click are some of the advertising channels that are cost-effective.
- **Reduces cost of Personnel:** A complete automation of check-out, billing, inventory management, payments and other type of operational costs lower the total number of employees that you require to run your ecommerce business.

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- **Eliminate Travel Cost:** Now, customers do not have to travel long distances to reach their desired stores as ecommerce allows them to visit the e-store anytime without traveling. With few mouse clicks, customers can make their purchase and have wonderful shopping experience.
- **Analytics:** We can say that business 2 business offers an excellent platform to organizations to launch their complete range of analytics campaign. Through ecommerce, organizations can easily calculate and evaluate sales effectiveness, customer effectiveness, marketing campaigns, product mix, customer engagement and more.
- **Expand Market for Niche Products:** It is difficult for buyers and sellers to find each other in the physical world, but it becomes very easy for them with the inception of e-store. Customers can search their required products on the web and can purchase it from any corner of the world. No matter what kind of product customers are looking,
- **Scalability**: With effective ecommerce solution, you and your organization grow and scale easily to meet market demand as well as customer requirements by introducing different sales channels and reaching market segments.
- **Ability of Multi-site**: With ecommerce platform, it becomes easy for businesses to launch channel specific and particular brand ecommerce website. This ability enables you to provide co-branded websites for your specific customers and allows for websites catering to specific international spectators.
- **Offer Huge Information:** One of the best benefits of ecommerce for customers is they can get huge information that is not possible in a physical store. We all know that it is quite difficult to equip employees to respond to customers who are looking for information on different product lines. But ecommerce websites offer additional information to their customers without any hassle. All the given information is provided by vendors so that their customers find it easy to purchase products with information.

Challenges of E-Commerce
E-commerce offers several benefits for both marketer and customers; it is not free from challenges. Few challenges have been listed below:
- In India separate legal rules for e-commerce has not set up yet. It follows Indian contract act, IT Act, etc.. Laws regulating e-Commerce in India are still evolving and lack clarity. This poses a challenge for potential entrants and existing players. Furthermore, the lack of law firms or lawyers specializing in e-Commerce laws compounds the problem.
- The rapid growth of the e-Commerce sector is attracting new players. The initial investment required to start an online venture is as low as a US$10,000–20,000. This enables new companies to easily replicate the existing business models and, thereby, increases competition in the sector
- As business model is changing constantly, players in the e-Commerce space need to adapt to changing business models and innovate constantly to sustain their businesses
- The inadequacy of vernacular content on e-Commerce websites is one of the reasons for low penetration in rural areas.
- Though, internet literacy is increasing in India, still in many rural areas , people are not used to online buying due to low penetration of net, low connectivity etc.
- Due to hyper competition, e-marketer faces a problem of coming up with new product, new innovation etc.
- Customers are not exposed to "touch-and-feel "experience.
- In e-commerce there is no direct interaction of customer and the seller. That's why bargaining does not exist.
- People prefer to buy physically compared to online.
- E-commerce companies may face issues around security and privacy breach and controlling fictitious transactions. Further, RBI restrictions for prepaid instruments or E-Wallets act as impediments
- Shortage of skilled manpower is also one of the great challenges for marketer.
- Online players offer huge discounts to attract people to shop online. However, since Indian Consumer looks for the lowest price before making a purchase, the cost of customer acquisition is high for these companies.
- Customer's lifetime value is low. This poses a challenge for players in their effort to develop sound strategies to attract and generate repeat customers
- Many customers don't trust web companies and may hesitate to provide information.   When companies that collect data are exposed to scammers and spammers, this is especially.
- In general, identity theft, Spam, intrusive advertising and technological glitches have left many mistrusting of marketing in ecommerce.

Conclusion
Today's marketer is banking upon internet growth history in India. The fact that an average Online user is spending more time online gives these players the opportunity to draw more users to their websites through innovative marketing strategies

such as those revolving around social media. Even marketer is utilizing growing opportunities of M-Commerce to develop his business E-commerce players need to tackle the problem of low penetration of debit and credit card in India. There is a need to develop a competitive and sustainable business model for developing e-commerce strategies. However, this sector is not free from of challenges, be it operational, regulatory, or digital. Players are coping with changes and following different strategies to tackle those challenges and building a competitive advantage.

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