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An Analysis of Literature on the Growth of E-Commerce in India

Subha Indu. S[1], Athul Krishna. C. A[2], Balaji. G[3], Richa. S[4]
[1]*Asst.Prof,* [2, 3, 4]*Student, Department of Software System, Krishna Arts and Science College, Coimbatore, Tamilnadu, India*

Abstract: ***If the Indian economy's fastest-growing sectors is e-commerce. Despite having a rapid development rate, India's e-commerce sector has lagged behind that of many established and rising nations, largely because of the country's small population of internet users. According to a 2015 research by the international management consulting firm AT Kearney, only 39 million Indians purchased goods online, which represents a very small portion of the 1.2 billion people who call India home. However, the spread of technology as well as the use of the internet and mobile devices create a favorable environment for the growth of e-commerce in India. A digital revolution is about to begin throughout the nation. the introduction of 4G services and a decrease in the cost of data plans, data cards, and USBThe cost of owning a reliable internet connection has decreased thanks to dongles.***

Keywords: E – Commerce, Electronic Commerce, Digital India, Future of Commerce, E – grocery.

I. INTRODUCTION

India offers a large market opportunity for e-commerce. According to predictions made by IBEF for 2020, India's e-commerce income would increase from USD 39 billion in 2017 to USD 120 billion in 2020, expanding at the highest yearly pace in the world—51% (IBEF, 2020). E-commerce might play a key role in the nation's road to a trillion-dollar digital economy by 2025 with increased internet availability and an exponential rise in digital payments. The government is taking strides to transform India into a digitally empowered society through programs like Digital India, E-market, Skill-India, and promotion of Unified Payments Interface (UPI) across nearly all national platforms.E-commerce, B2B, B2C, retail, and physical stores will all be impacted by changes in Post-COVID consumer behavior - 19. According to Technomic research, 52% of customers avoid crowded places, while 32% leave their homes less frequently as a result of the Corona virus. As a result of social distancing initiatives, grocery delivery services have experienced historic sales growth. Following lockdown, Big Basket saw a twofold increase in visitors and sales, and their average basket size increased by 20% compared to usual days. Grofers claimed an 80% increase in orders and a 48% increase in consumer spending (Bhattacharya, n.d.). The economic slowdown has affected the majority of e-commerce sectors, while some are anticipated to grow more rapidly than others.

A. Literature Survey

1) E.Commerce: role of online commerce in today's business" article published in 2014 by Gupta provides an extensive explanation of what is going on and separates it from the eBusiness sector. The paper lists the various e-commerce models, including B2B, B2C, B2G, and C2C, and analyzes each in narrative detail."E-commerce and its impact on operations management" by Gunasekaran, Marri, McGaughey, and Nebhwani (2002) provides a comprehensive overview of electronic commerce inside organizational systems by defining it with regard to e-trading and commenting on how it has invaded every sector of business. The report highlights the revolutionary function previous internet applications served. describes the revolutionary changes brought about by internet technologies in manufacturing, marketing, purchasing, design, production, selling and distribution, warehousing, and human resource management. These technologies include e-mail and electronic data exchange. By enabling close contact and ongoing communication, internet-based technologies have given businesses the ability to accelerate product development, purchase, and procurement cycles, maintain current product and market knowledge, significantly speed up communications, and improve the quality of customer relationships. The article thoroughly examines the role that web-based technologies play in various business processes, enhancing their effectiveness through efficient B2B e-commerce.

2) In a study, "Current Status of E Commerce in India: A Comparative Analysis of Flipkart and Amazon", Mishra & Kotkar (2015) analyse B2C e commerce history and evolution since the late 1990s when it began to take off by way of marriage and job portals.

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However, due to the weak online payment mechanisms, limited Internet accessibility and lack of knowledge, progress in this area has been very slow. India's B2C was given a boost due to the increasing popularity of Internet services, including travel and hotel booking. In the middle of the 2000s, e commerce was given a big boost. Today, such services continue to be an important source of revenue. However, despite the fact that online travel booking and hotel reservations account for a considerable share of India's e commerce market, Das & Ara (2015) note in "The growth of Indian e Commerce" that these services have declined over time as a result of its recent expansion and subsequent development. There is a great deal more investment in this sector.The amount of investment in this industry has greatly increased. Investors perceive enormous potential in the Indian market as the western e-commerce sectors reach their saturation point. As a result, many start-up businesses have obtained funding from venture capitalists and private equity groups.

B. Literary Analysis

E-commerce, as a sign of globalization, symbolizes the cutting edge of success in this digital age, according to Ray (2011), and it has transformed and is continuously changing how business is conducted globally. E-commerce is quickly emerging as the new norm because to advancements in internet and web-based technologies that have reduced the disparities between traditional and e-marketplaces. With all of its intrinsic benefits, including cost savings, access to global markets, improved relationship management, and information openness, e-commerce has a bright future and many growth potential, particularly in the e-retail industry. "The size of the eretail sector is projected to be between 10 and 20 billion USD by 2020 according to a report from ASSOCHAM." However, this is to give impetus to the expected growth It is essential that e-commerce companies pay appropriate attention to several important areas. Future developments in the development of e-commerce include.

II. OMNICHANNELS

The future of retail is not one where internet businesses completely replace brick and mortar stores; rather, it is one where offline establishments are perfectly complemented by their online equivalents. 2005's Numberger & Renhank. As there are more and more online sellers offering comparable goods and services, buyers are getting more and more erratic in their tastes and frequently visit websites with more deals and discounts. In this situation, surviving becomes challenging and can only be maintained by increasing the quantity of consumer interactions in order to raise the seller's profile. Myntra, the leading fashion portal in India, had to restart its desktop website in June 2016 after ceasing to operate as one. Due to client churn, June 2016. As a result, the convergence of bricks and clicks envisions an ecology that is more sustainable.

III. NICHE BUSINESSES

A Deloitte research titled "Future of e-commerce: Uncovering Innovation" highlights the growing trend of start-ups that concentrate on specialized industries and typically cater to consumers' everyday needs. Firms like Bluestone, Lenskart, Pepperfry, UrbanClap, OlaCabs, and others target a niche market in the age of massive marketplaces like Amazon and Flipkart, which concentrate on adding more products to its current basket.

IV. MERGERS & ACQUISITIONS

Another rising trend in the e-commerce industry is the market leaders buying up smaller businesses, which helps to reduce competition and guarantees the strongest survive. Significant acquisitions in recent years have allowed companies like Flipkart, Snapdeal, Ola, and others to grow through inorganic means. WeRead, Letsbuy.com, and Myntra are a few of the companies that Flipkart has bought. Since its founding, Snapdeal has acquired 12 different companies. Similarly, in order to strengthen their market position, lesser known players in the same product category have been acquired by Ola Cabs, BookMyShow, Pepperfry, etc.

V. FOCUS ON SERVICES

Services will give businesses the competitive advantage they need to raise their performance metrics in light of the growing number of e-commerce companies developing identical products. Services can serve as a differentiating feature for businesses, allowing them to capitalize on the potential of growing their customer base by providing superior customer service to rivals. While social media is a crucial data source and marketing channel for e-commerce businesses, it also gives customers a place to express their annoyance when they have a negative purchasing experience, which may be damaging to the reputation of the online vendor or marketplace. Firms can prevent this by guaranteeing continuous order and delivery updates, prompt resolution of complaints, and high-quality products.

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VI. INTERNET MARKETING

Internet marketing is crucial in delivering a better customer experience, increasing website traffic, and keeping that visitors there. The consolidation of a company in the e-commerce sector will largely depend on the website's attractive design and usability. Companies utilize search engine marketing (SEM), a type of online advertising, to advertise their goods and services on search engine results pages.2013 (Gangeshwer). SEM, which displays advertisements on search engine result pages, is developing as a crucial method of attracting new clients. Similar to this, businesses may utilize efficient SEO (Search Engine Optimization) to raise their online presence and hence improve traffic.

VII. TAPPING RURAL MARKETS

Rural markets' promise cannot be realized as a result of smartphone penetration (via inexpensive devices) unless network services are also adopted there. The proportion of rural Internet users will rise in 2018, predicts the BCG and IAMAI report "India@Digital.Bharat". According to estimates, the number of rural internet users will rise from 60 million in 2014 to 280 million in 2018, expanding at a rate of 40% annually. Based on these predictions, businesses can start creating content in regional languages to take advantage of the prospects in rural markets while also enhancing their logistics capabilities to guarantee last-mile connectivity.

VIII. BETTER INFRASTRUCTURE

Since a big percentage of online traffic is shifting from desktop to mobile, ecommerce businesses must develop apps that use less data and light mobile websites that give their customers a smooth online buying experience.

IX. THE INCREASE IN THE SHARE OF DIGITAL PAYMENTS

Because of convenience and privacy concerns, Cash on Delivery has always been the preferred method of payment for the majority of buyers. Although COD has been a significant factor in increasing sales, it has also had a negative impact on retailers by raising costs and encouraging reverse logistics. By charging a delivery fee and providing additional discounts for using digital payments, businesses have attempted to reduce the usage of COD, but the adoption of digital payments has been hampered by consumers' hesitation to give information due to security concerns. The culture of cashless payments is expected to grow as a result of demonetisation, which the Indian government enforced in November 2016. This is demonstrated by the fact that several e-commerce companies reported a fall in the share of COD orders. Many customers have been compelled to convert to credit/debit cards, net banking, or mobile wallets as a result of demonetisation; this habit may be maintained by guaranteeing a safe payments infrastructure.

X. CONCLUSION

The paper offers insight into the development of e-commerce in India while comprehending the specifics of its various aspects, with a focus on B2C e-commerce, which has experienced tremendous growth in recent years as a result of rising consumer awareness, investor confidence, and technological advancement. The goal was to analyze the literature on e-commerce in order to trace its development in the Indian economy and identify its pertinent benefits and drawbacks. The report also identified some patterns and elements that will fuel the Indian e-commerce market's further expansion. Promoting m-commerce and e-commerce as supplements to traditional business rather than competitors would be a sustainable business strategy. The collaborations between physical and internet firms will increase productivity and produce more secure state of being. The forecast for the future also includes a surge in specialty enterprises, as well as mergers and acquisitions that will allow organizations to grow inorganically. To attract and keep a larger audience, businesses must dedicate themselves to the provision of services and the use of online marketing. Opportunities are growing in rural markets due to mobile adoption, but they cannot be taken advantage of without network expansion, improved mobile app infrastructure, content creation in local languages, and last-mile connection. Additionally, it is anticipated that as a result of demonetization, a greater percentage of transactions will be made digitally, necessitating the development of more secure payment infrastructure by businesses.

XI. FUTURES

The future of e-commerce is continually evolving, driven by technological advancements, changing consumer behavior, and market trends. Existing developments and emerging technologies are shaping the future of e-commerce in several key ways:

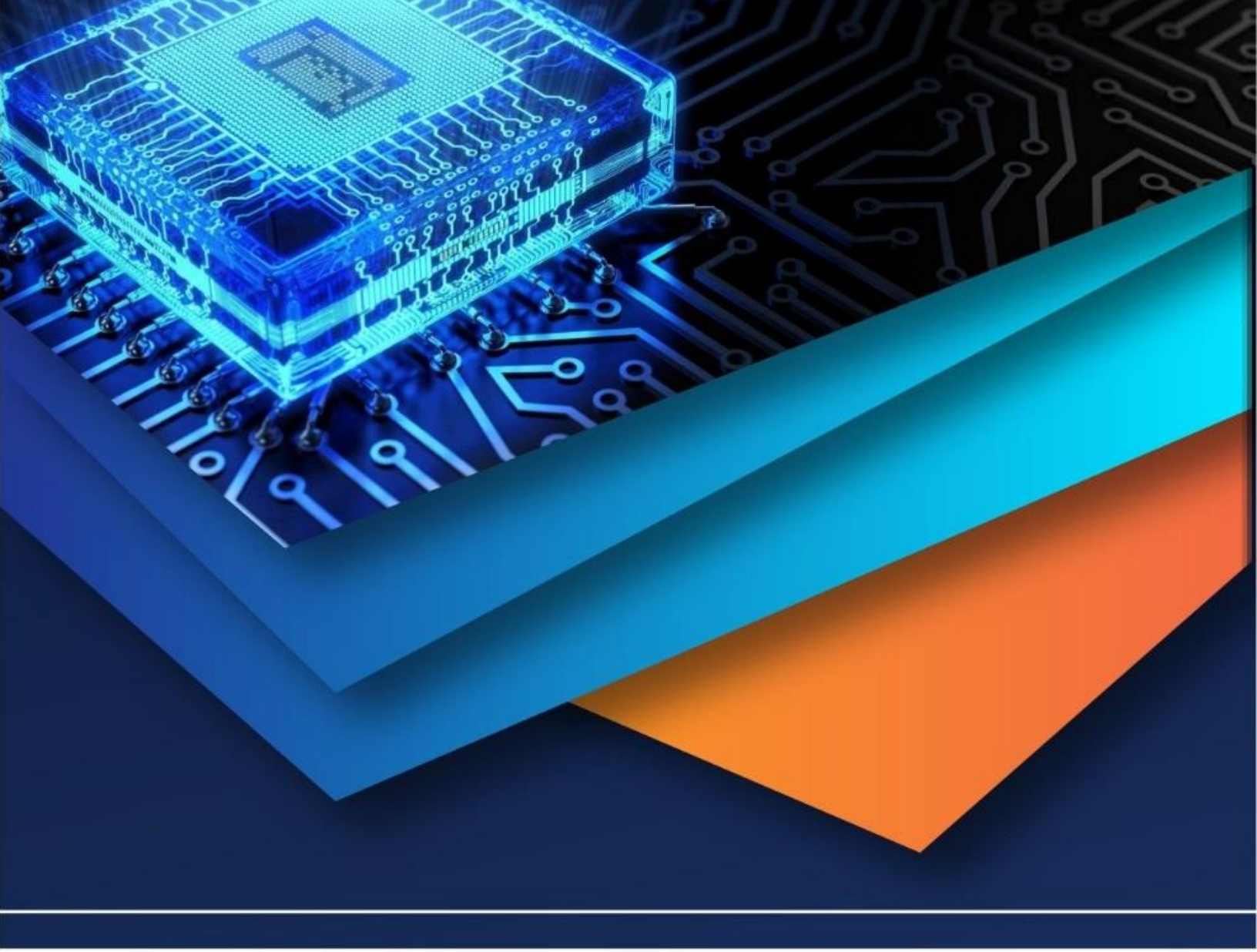
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1) AI and Machine Learning: AI-powered algorithms are being used for personalized shopping experiences, product recommendations, chatbots for customer support, and fraud detection. As AI continues to improve, it will enhance customer engagement and streamline operations.
2) Augmented Reality (AR) and Virtual Reality (VR): AR and VR are transforming the way consumers shop online. Virtual try-ons, 3D product views, and immersive shopping experiences are becoming more common, helping consumers make more informed purchase decisions.
3) Mobile Commerce: The dominance of mobile devices for online shopping is likely to continue. Optimizing e-commerce websites and apps for mobile devices and leveraging features like mobile wallets and contactless payments will be crucial.
4) Voice Commerce: Voice-activated devices like smart speakers are becoming more integrated with e-commerce. Voice search and voice commands for shopping are gaining popularity, and businesses are adapting to this trend.
5) Sustainability: Eco-conscious consumers are driving the demand for sustainable and ethical products. E-commerce companies are focusing on eco-friendly packaging, carbon-neutral shipping, and promoting sustainable practices.
6) Blockchain Technology: Blockchain is being used to enhance transparency and security in e-commerce. It can help with supply chain management, tracking the authenticity of products, and ensuring secure transactions.
7) Subscription Services: Subscription-based e-commerce models are growing, offering convenience and predictability for consumers while providing businesses with recurring revenue streams.
8) Social Commerce: Social media platforms are increasingly integrating shopping features, enabling users to buy products directly from posts and ads. This blurs the lines between social media and e-commerce.
9) Global Expansion: E-commerce is expanding globally, with more businesses looking to tap into international markets. Cross-border e-commerce will continue to grow, driving opportunities and challenges related to logistics and regulation.
10) Same-Day and Last-Mile Delivery: Faster and more efficient delivery options are becoming a competitive advantage. Companies are investing in logistics and last-mile delivery solutions to meet customer expectations.
11) Customer Data and Privacy: As data regulations become more stringent, e-commerce businesses must focus on data privacy and security. Customers expect their data to be protected, and businesses that excel in this area will build trust.
12) Marketplaces and D2C: Marketplaces like Amazon and Alibaba will continue to dominate, but there is also a rise in Direct-to-Consumer (D2C) brands, allowing businesses to have more control over the customer experience and data.
13) Personalization: Tailoring the online shopping experience to individual preferences will remain a priority. Customer data will be used to create highly personalized shopping journeys.
14) AI-Driven Customer Service: AI-powered chatbots and virtual assistants will become more sophisticated, providing instant and efficient customer support 24/7.

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