



IMPACT OF E COMMERCE ASPECT OF E BUSINESS

* Lakshmana Naik R and **Dr. Krishna Dubey

¹Research Scholar, Department of Commerce, SunRise University, Alwar, Rajasthan (India)

²Assistant Professor, Department of Commerce, SunRise University, Alwar, Rajasthan (India)

Email: naiklakshmana78@gmail.com

Abstract: Indian economic policy has been more open to international investment in recent years, thanks in part to an expansion of the country's Foreign Direct Investment (FDI) policy. For the total influx of foreign investment, FDI policy rules, and controls. The government is contemplating legalizing foreign direct investment in multi-brand retailing to increase India's attractiveness to investors from outside. Government approval is needed before the DIPP can go forward with the plan, which is now in the discussion phase. In multibrand retail, foreign direct investment (FDI) liberalization is becoming closer.

Keywords: E Commerce, Business, world, CAPITAL MARKET

Introduction: From the standpoint of economic strength, the retail segment is one of the essential commercial sectors for any nation. The core notion of business may be characterized as an economic system or commercial organization in which either services or products, or both, are traded for some consideration, which might be a product of business, a service of business, or money, according to different definitions of the word. As a result, the transfer of products or services from the producer or service provider to the customer is critical. To make profits, any firm needs some type of investment as well as clients/consumers to whom its product may be sold regularly. When we look at the product distribution cycle, we can see that there is one maker of that product who has his production plant in one area from which he serves numerous clients in different locations via retail outlets. There are around 6-7 tiers between the producer and the end-customer, which include retailers, wholesalers, dealers, distributors, c&f agents, and a large organization that advertises a product and educates customers about new products in the market. Customers and manufacturers are the most significant organizations in this distribution cycle, although they get the least gain from the transaction. The product's MRP is paid in full by the customer. A portion of the MRP is distributed to other organizations in the distribution chain, while the manufacturer receives 100 – X percent. This X varies with each product; however, it accounts for a major portion of the MRP. As a result, the manufacturer receives a relatively little sum, which covers both his production costs and profit margin. The money that is allocated across the distribution cycle's channel entities adds cost to the product rather than adding value. In the quest for profit maximization, two key tendencies emerged throughout time, considering that consumers and producers are essential entities, but the distribution route might be reduced. The first was the rise of the retail sector, and the most recent is the rise of Ecommerce.

E Commerce

E-commerce (electronic commerce) is the purchasing and selling of products and services, or the transfer of payments or data, through an electronic network, such as the internet. Whether it's a company-to-business, business-to-consumer, consumer-toconsumer, or consumer-to-business transaction, these commercial transactions take place. It's common to hear people use the words "e-commerce" and "e-business." Transactional procedures that makeup online retail shopping may also be referred to as e-tail. Online shopping has seen significant growth in the recent decade because of the widespread usage of e-commerce platforms like Amazon and eBay. Online retail sales were just 5.1 percent of overall retail sales in 2007, but they now account for 16.0 percent of total retail sales in 2019. In e-commerce, clients can visit an online shop and purchase items or services using their own devices. The customer's browser will connect with the server that hosts the online shop website when the order is placed. As soon as this information reaches a central computer known as the order manager, it is sent out to databases that track inventory levels, a merchant system that handles payment information (using apps such as PayPal), and a bank computer before returning to the order manager. Make sure there is enough money and inventory in your business to complete this order. Upon the order manager receiving confirmation that an order has been verified, the store's web server will send an email to the customer telling them that their purchase has been completed. The warehouse or fulfillment department will get the order data from the order manager, and the goods or service will be sent to the client. At this moment, a consumer may get actual or digital goods, or they may be provided access to a service. Customers may sign up for online marketplaces like Amazon.com, SaaS tools that enable them to "rent" online shop infrastructures, or open-source tools that firms can utilize inhouse development to administer their online store infrastructures.



IMPACT OF E-COMMERCE ON THE WORLD TODAY

In today's business environment, e-commerce is developing to the point where it is almost amazing; some believe it has already reached a higher level. Purchasing, selling, and business operations as a whole have evolved since the early days of e-commerce. For a business to thrive in today's world, an online presence is a need. Flipkart and Amazon have already established themselves as major players in the industry, therefore retail stores have no motivation to go online. Digitization has made it very difficult to prosper in the field. A company with a physical location can no longer be trusted by its real consumers who shop online to be truthful. The year 2018 is a year of digital growth. Smart phones have played a significant role in this transition. People actively utilizing a mobile phone outnumber those actively using a laptop by a wide margin thanks to digitization's influence. Using a Smartphone allows for a wide range of activities, and one of them is M-Commerce, which is essentially e-commerce through a mobile phone. Amazon is a well-known example. Although it was launched in a garage, it has now grown into one of the most popular internet enterprises. Amazon connects to the worldwide market and gives individuals a wide range of products, from clothing to household appliances, all in one place. This is the ultimate goal that every company strives to reach in its operations. Businesses of all sizes, from little boutiques to the world's largest corporations, are hurrying to take advantage of the e-commerce revolution. E-commerce is the ideal option for enterprises that are just starting. Low initial outlay, no promises of profit, but a top-notch learning opportunity. E-commerce provides the appropriate platform on which to invest for the majority of new businesses because of the cheap initial expenditure required. Typical stores demand a large initial investment, and then have to be abandoned mid-way and at the end of the process. Many of the costs associated with running the business, such as renting a storefront, purchasing goods from wholesalers, and advertising, are significant. People used to wait in line to buy branded goods before the advent of digital commerce. People may now shop from anywhere in the globe, therefore this is no longer necessary. While there is a cost on this comportment and affluence, online shopping has brought more than just ease.

Organized Retailing

Retailers that have registered for sales tax and income tax are included in this category. An organized retailing system in India can be defined as a chain of retail outlets (not just a single store) that is professionally managed (even if it is run by a family), that has accounting transparency (by using MIS and accounting standards properly), and that has an organized supply chain management system with centralized quality control and sourcing (part of the sourcing can be locally made). There is a relatively little percentage of organized retail in overall retail sales in India's extremely fragmented retail market. A huge chain like Walmart Sears or McDonald's led to the fast expansion of organized retail and industry consolidation in industrialized nations at the beginning of the 20th century despite the retail sector being extremely fragmented at that time. The westward expansion of organized retail is being fueled by growing income levels and lifestyle changes. India's middle class has grown in recent years, and the country's buying power has risen as a result. As a result, India's organized retail sector is poised for fast expansion. Shoppers' Stop, Lifestyle, and Westside are just a few of the huge organized retail chains that have emerged in recent years. Retail malls are likewise expanding throughout the nation. Since retailing in India is on the cusp of a big shift, there will be more possibilities in the retail business in India. In the next two years, the largest number of large-format malls and branded retail outlets will open in South India, followed by the North, West, and East. Large development potential in the retail industry is making towns in the Tier II category like Noida, Amritsar, Kochi, and Gurgaon popular choices for retailers. There will be an additional US\$ 503.2 million invested in the industry this year. After four to five years, this might reach \$1.26 billion, thanks to a CAGR of 40%. A slew of new clothing labels, including Indicted SA's Zara, Topshop, and the Marc Ecko line pushed by US entrepreneur Marc Ecko, as well as the Japanese casual wear brand Uniqlo, are planning to build India-based stores.

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