

## Emerging Trends Of E-Business: Few Challenges And Advantages

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### **Abstract**

E-business stands for electronic commerce and pertains to trading in goods and services through the electronic medium, i.e. the Internet or phone. On the Internet, it pertains to a website, which sells products or services directly from the site using a shopping cart or shopping basket system and allows credit card payments. It involves conducting business with the help of the electronic media, making use of the information technology such as Electronic Data Interchange (EDI). In general connotation, E-business involves paperless transactions and usage of EDI (Electronic Data Interchange), electronic mail, bulletin boards, fax transmissions, and electronic fund transfers. It refers to the process of trading goods and services through an electronic medium such as the internet. With advancements in technology, there have been changes in the methodology for business transactions. India, being a rapid adaptor of technology is apace with the current scenario of electronic data exchanges and has taken to E-business. E-business is being used for purchase and sale of multiple products and there are multiple players using various portals and websites for this purpose.

**Keywords:** E-business, internet, website Electronic media,

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### **Introduction**

E-business is the buying and selling of goods and services on the Internet. Other than buying and selling, many people use Internet as a source of information to compare prices or look at the latest products on offer before making a purchase online or at a traditional store. E-business is sometimes used as another term for the same process. More often, though, it is used to define a broader process of how the Internet is changing the way companies do business, of the way they relate to their customers and suppliers, and of the way they think about such functions as marketing and logistics. For the purpose of this study E-business is taken to mean doing business electronically. (Lindsay P., 2002). Nowadays e-business is growing popular in an emerging economy. E-business began in 1995. It requires the digital goods for carrying out their transactions. E-business is rapidly transforming the way in which enterprises are interacting among each other as well as with consumers and Governments. The technologies designed to improve business

transactions using the Internet have evolved as quickly. However, we have not yet achieved an ideal world of painless and secure transactions utilizing the Internet, as unresolved privacy issues of the purchaser have impeded the further development of the technologies .

E-business has been hailed by many as an opportunity for developing countries to gain a stronger foothold in the multilateral trading system. E-business has the ability to play an instrumental role in helping developing economics benefit more from trade (WTO-2013). The growing use of the Internet, tablet devices, and smart phones coupled with larger consumer confidence will see that e-business will continue to evolve and expand. With social media growing exponentially in recent years, the conversation between businesses and consumers has become more engaging, making it easier for transactional exchanges to happen online. Internet retailers continue to strive to create better content and a realistic shopping experience with technologies like augmented reality. With mobile commerce gaining speed, more users are purchasing from the palm of their hand (Miva-2011). E-business could deliver a significant benefit to businesses in developing countries by increasing their control over its place in the supply chain, thus improving its market efficiency (Molla &Heeks, 2007). a)

The buyers gain a clear advantage when the Internet gives them access to the global market, by which they can compare prices across regions, find out whether prices vary by order fragmentation and get awareness about substitute products. Due to transparency of the market, customer can compare the services of various E-business sites easily. For instant, in case of E-business the competitors are one click away from customer. If clients are not happy with the products, prices or services offered by a particular e-business site, they are able to change much more easily than in the physical. From the Sellers' point of view, they don't need to have physical existence of shop.

### **Scope of E-Business in India**

Another significant contributor to the growth of e-business in India in the future is the e-tailing industry which largely deals in providing jewellery, apparel and kitchen appliances online. Websites like Flipkart, Myntra, Amazon, Snapdeal, Jabong, etc. are all examples of the enormous success of e-commerce in India. Due to these firms, India is one of the fastest growing e-business markets in Asia/Pacific with China investing as much. Many analysts believe that the advent of 3G/4G speed in net connectivity has been a major cog in the wheel for such a growth in this market. As India has been the heart of the e-business market in 2016 with the tremendous growth of 70%. The consumer base is expected to hit 100 million in 2017, and this ensures that any e-business venture would soon be the best business in India, as far as profits and growth are concerned.

## **Advantages of E-Business**

### **1. Removes location and availability restrictions**

The internet reaches across the world and spans all time zones. That means that when businesses take their operations online, they have the same capabilities. With a physical store, customers are limited by how close the store is and its hours of operation. Ebusinesses, on the other hand, are accessible from any area with internet access and are open 24 hours a day. Additionally, with mcommerce on the rise, ebusiness has yet another advantage: being accessible to anyone with a mobile device. Customers are only limited by their mobile network coverage, which goes practically everywhere.

### **2. Reduces time and money spent**

With bills for rent, electricity, phones, and general office upkeep, expenses for physical locations can start to pile up. By taking your business online, you reduce or eliminate a lot of these overhead costs. Plus, things get a lot easier from a logistical standpoint, since one person can do the work of several people. Take mass communicating with customers, for example. Sending a bulk email to a list of customers is easier than sending out 100 direct mailings (paper, postage, staff, etc.). In addition to customer-facing processes, inside processes also become friendlier on the pocketbook when going online. For example, transaction costs are lessened, since there's no need to hire a cashier when shopping cart software lets customers check out themselves. And if that's not enough, ebusiness marketing is often more affordable too, as online advertising tends to cost less than traditional marketing channels.

### **3. Expedites customer service**

When customers contact you, they want answers fast. Thanks to email and live chat software, e-businesses have no trouble fulfilling that need. Plus, these flexible forms of customer service can extend past a physical store's hours of operation. E-businesses also offer the convenience of delivering products straight to a customer's front door number need to brave traffic.

### **4. Shows you how to improve**

When it comes to learning more about your customers, a physical store is no match for an ebusiness. With tools like Google Analytics, it's much easier to access information on your sales and customers at no extra cost. Want to know how a product has fared over the past three months? What about how many returning customers you've had? Unless you're doing some extreme record-keeping, you don't have easy access to

this kind of data with a brick-and-mortar store. This data gives insight into your customers' buying behaviors and interests, which is invaluable to improving your business.

## **5. Keeps your business relevant**

The internet is a big part of our lives, and isn't leaving anytime soon. Opening an e-business keeps you in touch with what's current: it levels the playing field and gives you the resources needed to compete in today's increasingly digital marketplace. For example, having an online presence on social media is a big part of getting your name out there. To stay relevant, businesses need to consistently post content on these outlets that interest their consumers.

## **Challenges in E-business**

### **1. Cybersecurity**

"Small businesses that focus their attention in the E-business space need policies and procedures to create a solid cybersecurity framework for the organization. In the case of a cyberattack, a small business cannot afford to have downtime in operations and sales, because every transaction is a marginal financial success that the business depends on," said Congionti. Because a small business depends on that income, Congionti said business owners need the proper cybersecurity framework to keep data safe and secure while helping employees at the company feel empowered and safe to implement policies and tech to combat cyberattacks. Businesses, added Congionti, must have an incident response plan in place that establishes what to do in the event of a cyberattack. "In the case of a ransomware attack, the organization might not be able to access files and data that is necessary in providing service to customers (such as inventory reports). Having a response plan can help the business reduce downtime in operations and continue providing service to clients through other means (such as phone sales)," Congionti said.

### **2. Competition**

Competition comes in many forms for small businesses, especially in the E-business space. You have to keep up with competitive pricing, products and service. "As a small business, you can overcome price competition by having a very clear company value proposition that consumers can't get elsewhere," said Calloway Cook, founder of Illuminate Labs. The E-business space has become so saturated that standing out from other E-business businesses is really difficult, through no fault of your own. "Distinguishing yourself from your competitors is crucial to standing out and attracting new customers for your business. This can be accomplished by making sure your website looks professional and is optimized correctly to suit today's

Google algorithm," said Harsha Reddy, co-founder of Small Biz Genius. "Also, by providing a unique product or service, you can focus on a smaller demographic, making it easier for you to increase your domain authority."

### **3. Order fulfillment**

Not everything has to fall on the back of the small business owner. You could be inundated with more orders than you are prepared to handle on your own. "Order fulfillment should be outsourced to a third-party fulfillment company whenever possible for increased efficiency," Cook said.

### **4. Customer experience**

As a primarily E-business business, or a business that has an E-business site as a secondary means of selling its products, figuring out how to offer your customers the same experience they would get in a brick-and-mortar store can be challenging. "One of the most overlooked areas of the customer experience in moving to E-business is pricing and customer segmentation. Customer experience is especially important when launching an E-business initiative, because customers expect to be treated as well or better online as they are face to face," said George Dunham, CEO of epaCUBE. Dunham said that companies struggle to meet these new demands because it requires very precise handling of pricing, analytics and customer segmentation. Successful experiences in the E-business space require the same, if not greater, clarity in product offerings, pricing and more, as is required in a face-to-face buying process.

### **5. Return/refund policy**

Having a good return/refund policy could be the difference between success and failure. That sounds extreme, but it's true. "If you want your brand to stand tall, then customer satisfaction should be the first priority, and whatever you're selling should be the same as what's advertised," said Syed Ali Hasan, digital marketing manager at Film Jackets. In an ideal world, yes, there would never be an issue with the product you're selling, but that's not always the case. Sometimes the purchaser has buyer's remorse, or it wasn't what they thought it would be. "Be transparent and create a smooth, fast and easy return policy. Make it easy to understand and not too strict so the customer won't have to go through hassles [to return an item]," Hassan said. "When a site says 'no returns or refunds,' it makes the customer much more likely to think it's a risky purchase, or worse, a scam, since online businesses can be less known," said Rubright.

### **6. Finding the right market**

"The first step of any business is to find product/market fit, and E-business is no different," said Rubright. "Product-market fit is the degree to which a product satisfies market demand. The easiest way to find that fit quickly is to build a product that solves a problem you have." Finding the right market for your product isn't the easiest task, though. Rubright offered insight into how to make it easier. "If you haven't figured out your ideal customer yet, I recommend making some assumptions as to what your target market is and running Facebook ads to this audience. When you finally do make a sale, try and understand everything you can about who bought your product and find more of those people by any means necessary," Rubright said. "Once you have product-market fit figured out, then you can figure out the best way to reach your ideal customers."

## **7. Making/increasing sales**

Once you have your products figured out, your website set up and your marketing set, the next step is making sales! It seems like a no-brainer; however, it's not always that straight forward. "To increase sales, E-business SMBs need to have the right product at the right price and ensure they are top of mind when the customer is ready to make a purchase," Tan said. "This traffic can be hard to get; to drive sales, it's important a brand endears themselves to their customers." Aside from customers already having you in mind when they need something and feeling positive about your product, your website plays a big part in how many sales you'll make. E-business has completely changed the way we buy. You've probably experienced some advantages of e-business as a consumer, but if you're thinking about starting your own online business, you might be wondering what the benefits of e-business are. Below, we list five advantages of having an e-business.

## **Conclusion**

The rapid pace of e-commerce development has generally left the legal system struggling to keep up and gasping for breath. In much the same way as companies doing ecommerce must invent new business procedures and rules, the legal system is trying to adapt existing laws to fit new settings where it is simply unclear how these laws will apply. In the midst of this legal turmoil, India is one of the few countries across the globe that has enacted an e-commerce legislation. However, much more is needed to effectively regulate the tangled web. Effective risk management strategies coupled with adequate legal documentation will go a long way in protecting e-commerce companies. Although the Internet is a goldmine, without adequate legal protection, it could become a landmine. Nevertheless, with the rapid expansion of internet, e-commerce is set to play a very important role in the 21st century, the new opportunities that will be thrown open, will be accessible to both large corporations and small companies.

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