

EFFECT OF E-COMMERCE ON CONSUMERS AND COUNTRY'S ECONOMY

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ABSTRACT

Electronic Commerce is the process of doing business with the help of internet or computer network. Unlike a traditional commerce that is carried out physically with effort of a person to go and get product, Electronic Commerce has made it easier for human to reduce physical work and save time. Moreover, E-Commerce has significantly influencing on consumer as well as the country's economy. The current research has understood to describe the scenario of e-commerce and analyze the type or models of e-commerce.

Keywords: E-Commerce, Internet, Technology.

INTRODUCTION

E-Commerce is the process of buying and selling of goods and services in online means with the help of Internet in order to earn the profits. In which, the data and money is transferring electronically. In e-commerce "E" means Electronic- Commerce is also called as the internet commerce and Electronic Commerce. The primary objective of The E-Commerce is highly reach ability and high conversion with the help of using World Wide Web.

OBJECTIVES

1. To understand the present status and Trends of e-commerce.
2. To understand the significance and limitations of e-commerce.

TYPES OF E-COMMERCE

E-Commerce takes several forms. However, there are four types of e-commerce that describe the electronic transactions that can be takes place over the internet.

1. Business to Customer (B2C)

B2C commerce is the most popular E-Commerce model, which involves Companies selling their products or services directly to the end user, the consumer who needs it. The consumer can browse their website, and look at a product, pictures and the reviews and by product like purchase of pen from the online retailer. **Examples:** Amazon, Flipkart.

2. Business to Business (B2B)

The transactions take place in between one Business to another business. The final consumer is not entering in transaction. The transactions through online involve the manufacturer wholesalers, retailers etc. **Example:** The wholesaler company can sell car parts to factories is B2B business.

3. Consumer to Consumer (C2C)

In this model the goods and services exchanging in between the consumers directly. C2C commerce allows consumers to buy and sell goods and services directly to each other.

Examples: eBay, Etsy, olx.

4. Consumer to Business (C2B)

C2B Electronic Commerce is when the consumer sells their product or service to the business through internet.

ADVANTAGES OF ELECTRONIC COMMERCE:

The following are the advantages of e- commerce which are mentioned below:

1. In E-commerce there is a high opportunity for global reach.

Global reach is the major benefit of the E-commerce. With the help of internet, the seller can products throughout the world without having any geographical disturbances. Consumer can buy products anywhere without having any physical meet. Like this facility is not available in case of traditional business. In which they can sell their products in a particular geographical area only.

2. E-Commerce has lower cost than traditional commerce that is low of operational cost.

E-business has no physical existence like traditional business. In E- business there is a need of preparation of physical infrastructure like store, tables and good environment for selling etc. and there is need of appointment of labours and employees to do the work. Which leads to increase the operational cost. But like this facility are not needed in case of E-business, which helps to avoid the cost of operations of the business.

3. E-Commerce highly focusing on customer satisfaction.

E-commerce mainly focusing on customer satisfaction by providing qualitative goods and services. It earns profit more and more by providing goods and services according to the needs and wants of the customer.

4. The consumer can easily make the comparison of products which are there in website.

In E-commerce consumers can buy products as per their want and wish. In website all type of products available and consumer can make comparison the products with the different company's products. And the consumer will purchase the goods and services when they satisfied with the quality, price, warranty, guarantee and features of the products.

5. E-Commerce can reach high audience.

As compare to the traditional business, E-commence reach high audience. Without the hindrance of place, business can supply products anywhere throughout the world.

6. Shopping can be from home more convenient for consumer.

E-commerce providing the products to the door of the consumer. The consumer can order any product in website and get it where they want. But like this facility is not giving by the traditional business. In traditional business consumer has to physically visit stores or shops and buy products, which leads to wastage of time and energy of the consumer.

LIMITATIONS OF ELECTRONIC COMMERCE:

Along with the advantages E-Commerce has some limitations also, which are as below:

1. Inability to see the products before buying.

E-commerce doing its activities with the help of internet. Through the internet, buying and selling activities takes place. Before buying the product in online, the consumer cannot see it before getting it. Just by seeing in website, have to purchase goods or services.

2. No direct interaction and interpersonal relationship between buyer and seller.

All activities of the business are happening in E-commerce only in online by having internet. There is no physical meeting at the time of buying and selling of products. Which leads to avoid the interaction and relationship among buyer and seller?

3. There is an inconvenience in case of returning of products are damaged.

There is no direct touch between the seller and final consumer. When a consumer purchases a product, if seller get broken product, leakage product or mismatched product, or consumer is not satisfied with any product, in that time, it is not easy to return product to the seller within a short period. It is because of lack of personal touch among them.

4. Lack of security due to hacking Mal practises and data stolen etc.

Comparing with the traditional business, E-business is not much secure, because some time unethical activities like hacking data, and stolen of data can be made by the hackers. Which will be harmful to the consumer who are buying products.

5. There is a need of knowledge regarding mobile internet laptop computer etc.

Normally, E-commerce can be useful for who has knowledge regarding internet and who know, how to operate mobiles and laptops. Normally illiterate people enable to do online shopping.

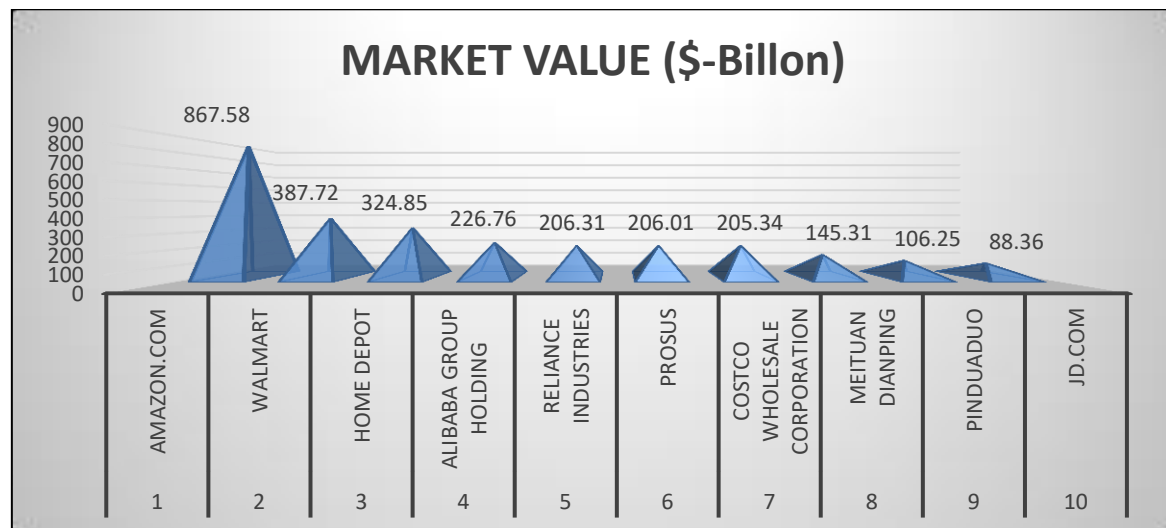
Top E-Commerce companies by market value in the year of 2022

The top E-Commerce companies by market value in the year of 2022 which is shown as below table:

Top E-Commerce companies by market value in the year of 2022

SL.NO.	NAME OF THE COMPANY	MARKET VALUE
1	Amazon.com	\$ 867.58 Billion
2	Walmart	\$ 387.72 Billion
3	Home Depot	\$ 324.85 Billion
4	Alibaba Group Holding	\$ 226.76 Billion

5	Reliance Industries	\$ 206.31 Billion
6	Prosus	\$ 206.01 Billion
7	Costco Wholesale Corporation	\$ 205.34 Billion
8	MeituanDianping	\$ 145.31 Billion
9	Pinduaduo	\$ 106.25 Billion
10	JD.com	\$ 88.36 Billion



CONCLUSION

E-Commerce has grown significantly during the past 12 years. E-Commerce has not only changed the way of consumer views their purchasing power but also help development of economy. E-Commerce has some negative consequences in volatile business environment. It may create rapid Savings and so the manager must develop suitable strategies to deal with such issues. Believed that E-Commerce May result in widening the gap between developing and developed countries. Totally E-Commerce playing important and vital role for development of economy and country.