

Changing Landscape of E-Commerce an Effective sales strategy in Marketing

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ABSTRACT

Commerce is a division of trade or production which deals with the exchange of goods and services from producer to final consumer; it comprises the trading of something of economic value such as goods, services, information, or money between two or more entities. In order to avoid the costs associated with the commerce such as, Entry Cost, Transaction Costs, difficulty in getting Access to the global market, hurdles to secure market share, E-Commerce has been evolved. Electronic Commerce which is also referred as Electronic Marketing which consist of buying and selling goods and services over an electronic systems Such as the internet and other computer networks. Electronic commerce draws on technologies such as commerce, electronic, supply chain management, Internet marketing, online transaction processing, electronic data interchange(EDI), inventory management systems, and automated data collection systems. Economists have theorized that e-commerce ought to lead to intensified price competition, as it increases consumers' ability to gather information about products and prices. Research by four economists at the University of Chicago has found that the growth of online shopping has also affected industry structure in two areas that have seen significant growth in E-Commerce, bookshops and travel agencies. Generally, larger firms are able to use economies of scale and offer lower prices.

Keywords: Commerce, E-Commerce, Transaction costs, electronic data, Economists.

I. Introduction:

Commerce is the activity of buying and selling of goods and services, especially on a large scale. The system includes legal, economic, political, social, cultural and technological systems that are in operation in any country or internationally. Thus, commerce is a system or an environment that affects the business prospects of economies. It can also be defined as a component of business which includes all activities, functions and institutions involved in transferring goods from producers to consumers, A division of trade or production which deals with the exchange of goods and services from producer to final consumer; it comprises the trading of something of economic value such as goods, services, information, or money between two or more entities. In order to avoid the costs associated with the commerce such as, Entry Cost, Transaction Costs, difficulty in getting Access to the global market, hurdles to secure market share, E-Commerce has been evolved.

II. E-Commerce:

E-commerce is the purchasing, selling and exchanging goods and services over computer networks (internet) through which transaction or terms of sale are performed electronically. Due to the drastic shift in business, technology; lots of innovative technological adoption is the order of the day in order to face the steady competition. That is why E-commerce became popular in nationwide and gaining importance across the world. Modern electronic commerce typically uses the World for at least one part of the transaction's life cycle, although it may also use other technologies such as e-mail.

III. Evolution of E-Commerce:

- In 1970, Electronic Funds Transfer (EFT) was used by the banking industry to exchange account information over secured networks.
- In 1980s Electronic Data Interchange (EDI) for e-commerce within companies was used by businesses to transmit data from one business to another.
- In 1990s the World Wide Web on the Internet provides easy-to-use technology for information publishing and dissemination Cheaper to do business (economies of scale) Enable diverse business activities economies of scope.

IV. Types of E-Commerce:

Business-to-business (B2B)

B2B stands for Business to Business. It consists of largest form of Ecommerce. This model defines that Buyer and seller are two different entities. It is similar to manufacturer issuing goods to the retailer or wholesaler.

E.g.:-Dell deals computers and other associated accessories online but it does not make up all those products. So, in order to deal those products, first step is to purchase them from unlike businesses i.e. the producers of those products.

Business-to-consumer (B2C)

It is the model taking businesses and consumers interaction. The basic concept of this model is to sell the product online to the consumers.

B2c is the direct trade between the company and consumers. It provides direct selling through online. For example: if you want to sell goods and services to customer so that anybody can purchase any products directly from supplier's website

Business-to-Employee (B2E)

Business-to-employee (B2E) electronic commerce uses an intrabusiness network which allows companies to provide products and/or services to their employees. Typically, companies use B2E networks to automate employee-related corporate processes

Consumer-to-consumer (C2C)

There are many sites offering free classifieds, auctions, and forums where individuals can buy and sell thanks to online payment systems like PayPal where people can send and receive money online with ease. eBay's auction service is a great example of where person-to-person transactions take place every day since 1995.

V. Process of E-Commerce:

- A consumer uses Web browser to connect to the home page of a merchant's Web site on the Internet.
- The consumer browses the catalog of products featured on the site and selects items to purchase. The selected items are placed in the electronic equivalent of a shopping cart.

- When the consumer is ready to complete the purchase of selected items, she provides a bill-to and ship-to address for purchase and delivery
- When the merchant's Web server receives this information, it computes the total cost of the order--including tax, shipping, and handling charges--and then displays the total to the customer.
- The customer can now provide payment information, such as a credit card number, and then submit the order.
- When the credit card number is validated and the order is completed at the Commerce Server site, the merchant's site displays a receipt confirming the customer's purchase.
- The Commerce Server site then forwards the order to a Processing Network for payment processing and fulfillment.

VI. Effectiveness of E-Commerce:

- It helps to Gather and use demographic data through web contacts and social media.
- Online shopping web sites for all retail sales direct to consumers.
- Facilitating to shop anywhere in the world by providing with Easy access 24 hours a day. No checkout queues Wide selection to cater for all consumers.
- Providing in online marketplaces, which process third-party business-to-consumer or consumer-to-consumer sales , Business-to-business buying and selling at a Reduce prices and Business-to-business electronic data interchange.
- Marketing to prospective and established customers by e-mail or fax, and Engaging in pretail for launching new products and services.
- National and international Market expansion with low capital investment is possible Using E-Commerce, organization can easily trace the more number of customers, best suppliers, and suitable business partners across the globe.
- Through E-Commerce organization can go for cost cutting process and can simplify the business processes and make them faster and efficient.
- E-Commerce increases the productivity of the organization. It supports "pull" type supply management. In "pull" type supply management, a business process starts when a request comes from a customer and it uses just-in-time manufacturing way.

VII. Challenges for E-Commerce:

There are numerous challenges that ecommerce sites in India are facing, and some of them include bad logistics, fewer payment gateways, and lack of ecommerce knowledge.

- The main challenge for E-Commerce is difficulty in examining the products personally which may negatively influence the customers and they may prefer to shop personally rather than picture based shopping, touch and feel experience of shopping would be more joyful than online shopping.
- It may not be accessible by every sections of the society especially to a rural section because everyone is not connected to the Internet
- There is the possibility of credit card number theft and hacking of account details and people may fear to disclose information about their personal and bank account details.
- On average only 1/9th of stock is available on the net and in that huge numbers of products are with only slight variations and they are very similar.
- Customers have a tendency of returning the products at first sight later it becomes a habit for them to take e commerce casually and order and reject the product whenever they want, the customers have not at made up their mind about what to expect from E-Commerce Returns are expensive for ecommerce players, as reverse logistics presents unique challenges.
- Customers prefer cash on delivery as a preferred payment mode as there is no trust in online transaction and low credit card penetration. As manual cash collection is laborious, risky and expensive so it is the major challenge faced by E-Commerce players.
- If Postal address and contact details are not standardised and routs are not up to the mark it may generate logistics problems for the e-commerce.

VIII. Changing landscape of E-commerce:

The expectation of the consumer who shop in stores and online changes as the technological landscape changes .Social networking and due to the advancement in mobile technology have also aided in changing the shopping experience of customers.

Shift on Consumer preference to online sales. Consumers are more attracted towards online sales. This saves much of their time and energy as there is drastic changes in the life style of people ,working spouses, nuclear families and people have money but time is precious such customers are flooding into online purchase . Perceived convenience is one of the reason why more consumers are taking their

shopping online, Shoppers younger than 40 years show the greatest likelihood of online shopping, Age defiantly make a difference as well.

Shared information with preferred retailers are opted by the Customers Retailers with an e Commerce focus are pulling out all the stops to communicate with their target audience at every opportunity. With communication comes knowledge, and consumers are letting it be known that when it comes to the communications they receive from the retailer, it better be personal and meaningful.

They're also opening up to their preferred retailers – letting them know their social media tastes, mobile contact preferences and their location. This doesn't mean shoppers are totally letting down their guard.

Retailers Concentration of the Best Service to the Customers to maintain a very good Customer Relationship Management.

Retailers provides excellent online and in-store services to meet the needs of more consumers Improved inventory, empowered employees and seamless experience are paramount for positive experiences for customers Shoppers want their experience with retailers to be seamless and personal, both in-store and online. Furthermore, they expect to know exactly what items will be available to them online and at the nearest brick-and-mortar location. In this age of information, shoppers are less willing than ever to visit a store without prior knowledge that the item they want is in stock, which is something more retailers should be working to improve in their ecommerce channels.

The landscape has changed from “what can you tell me about this Product,” to “What can you do for me “?”

Navigating the ecommerce landscape requires a deep knowledge of the customer's wants and needs. This can take more than excellent communication skills and marketing know-how; it can also take the right technology that improves the interaction you have with your target audience. E-Commerce development services that will improve the online shopping experience.

Behavioural Marketing

When customer's accounts or their online activities are tracked it gives an idea regarding the preferences of the customers and their priorities. This will become more prominent as retail

sites optimize their sites so that you're being introduced to the products you're interested in. The more you visit a site, the more refined the suggestions become, but the only catch to this is that not all users will be willing to let you track your site activity, so sites will have to notify the user when they're doing this.

Real-Time Data Gathering

Seeing how consumers explore and view your site in real-time can produce a lot of useful data. By studying patterns and where consumers leave the site, retailers can test out different offers and methods to see what the best. So if you have a situation where consumers tend to leave halfway through the transaction process, you could optimise the site so that when this happens, a special offer appears convincing them to complete the transaction.

Mobile

The one trend that is definitely going to happen, no matter what way you're phrasing it. It's predicted that more than [half of all handsets will be Smartphone's by 2013](#).

And with companies like Square, PayPal and Google pushing the boundaries of mobile payments, the next few months will be very exciting indeed. The biggest retailers have their own apps available, but medium to smaller businesses will optimize their sites to suit mobile users who will become more prominent as time goes on.

IX. Conclusion:

As more businesses want to offer consumers the option to purchase goods directly from their site, but mightn't have the time or resources to develop a solution itself, third-party providers will come into play, offering a simple way of setting up E-commerce functionality.

There are a number of start-ups and businesses which provide such services, the most popular would be Shopify, for retailers who don't have the technical know-how or the resources to properly implement such features onto their site, these services will only grow in popularity.

In this world of new technology, businesses need to accommodate to the new types of customer needs, preferences and trends because it will prove to be vital to their business's success and survival. That is why we should understand this concept because in long run in may affect all of us. E-Commerce is continuously progressing and is becoming more and more important to business as technology continues to advance and is something that should be taken advantage of and implemented.

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