



New sky of E-commerce

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Abstract: *The research and development in the field of communication during the last five decades has provided vast opportunities to the business world. Due to changes and progress in the field of information technology and communication, purchase and sale of commodities, payment and recovery of bills and other business activities can be performed just through internet. A person can buy vegetables, garments, electronic goods etc. of his choice from any part of the world just sitting in front of his computer. This fast progress in information technology and communication has influenced our society, economy and administrative system to a large extent. This technology has given a new facility in the form of 'E-commerce' to the world of business, trade and commerce.*

Key Words: Research, development, communication, decade, opportunities, business, technology.s

The exchange of business information among business associates, companies, customers, consumers etc. with the help of advanced information technology and computer network through electronic media is known as 'E-commerce'.

In 'E-commerce', refers to electronic and 'commerce' refers to commercial exchanges. The exchange of goods and services between two or more parties through electronic media is called 'E-commerce'.

Increasing the business efficiency to achieve business objectives with the help of advance technology, and establishing better coordination among business associates and consumers, is referred as 'E-commerce'.

In fact, purchase and sale of goods and services on internet and to communicate information of product through advertisement to customers is known as 'E-commerce'.

'E-commerce' emerged in the world in 1970 with the establishment of personal computer network by some companies to develop computer based information system. They connected business companies and other related organisation with these networks for communication informations. Afterwards it was developed in the form of Electronic Data Interchange. Standard electronic firms used this for exchange of commercial/business documents on computer network to minimise use of paper and manual errors. Electronic Data digital

Interchange (EDI) gained unprecedented success in the system and by reducing business expenses increased the commercial efficiency and capacity.

Electronic data Interchange (EDI) is the main element of 'E-commerce'. The process of exchange various trade, business, commercial informations in standard format through computer network is known as EDI. For operating 'E-commerce', we use Fax, E-mail, Electronic Bulletin Board, Fund transfer, Video Text, Online Data-base etc.

Under this system when a customer selects some product available on Website fro purchase then for payment he fills up a computerised form. In this form he records his credit card number, payment due, and receiver's name and address etc. and then the due amount gets transferred from his bank account to the bank account of the seller. A new system has been developed under EDI, in which the buyer can record his digital signature on 'net cheque'. However, the system of 'Net cheque' operates in those countries only where digital signatures have legal sanction.

'E-commerce' is based on the following assumptions:

1. Exchange of information becomes faster.
2. There is uniformity in exchange because of standardisation of commercial documents.
3. Computer can easily identify ANSI, X, 12, EDI, FACT, etc.
4. Presence of seller and buyer is unnecessary Pre



condition.

5. On understanding the information / message its utility and importance increases in running of business.

EDI is capable of accepting standard format communicated through electronic system in proper order with clear information in appropriate parts of the format. Advantage of E-Commerce classified in two:

1. Advantages to consumers:-

1. facility of choice of desired products and services.
2. Facility of electronic payment.
3. Comparative study of costs and quality of products possible.
4. Time saving as one is not needed to go to market in search of products.
5. Easy and fast determination of product of consumers choice.
6. Extension of time limit and geographical limit of market.
7. Benefit of business competition.
8. Facility to buy products and services anytime.
9. No need to keep unnecessary stock of products.
10. Benefit of information about concessions.
11. Options available.
12. No middleman.

2. Advantage to sailors/ companies:-

1. Exchange of information among producers, distributors, business Associates and thereby eye reduction in commercial expenses.
2. Purity of data.
3. Possibilities of new market and new trading.
4. Easy access to new markets and customers.
5. Proficiency to provide more and timely information about product/ services.
6. Image building of commodity brands.
7. Opportunities for improvement in services to customers satisfaction.
8. Better relations with the customers.
9. Saving in paperwork.
10. More probability of authenticity of information.
11. Faster supply of products and services.
12. Easy to include new products and services.
13. Saving of infrastructural expenses on showroom etc.
14. More time available for business.

15. Improvement in efficiency because of electronic records.

16. Reduction in postal expenses.

17. Possibility of minimum selling costs and market costs.

E-Commerce can be classified in various ways, but its main types are three As given below:

1. Consumer to business(C to B)- this type of E- e commerce is merely destination of teleshopping, mail order, telephone order etc. The business activities between seller and buyer are performed computer networks, internet. Companies selling products, show their presence on internet through E-Commerce their websites. Consumers visit these websites and by internet surfing buy by the products and services of their choice. E-Commerce thus is capable of providing various modes of payment from sellers viewpoint according to the website and the software available for it. Presently, 25 percent of total business on E-Commerce is done through O to B. amazon.com, shoppo.com etc. Are its examples.

2. Business to business(B to B) this type of E-Commerce is very efficient in running various kinds of business activities faster and also in a systematic way by creating a favourable environment. It also helps in saving expenses. Although search commercial activities existed earlier but the introduction of internet has provided various security measures and opened the gates for B to B E-Commerce. By operating various techniques like firewall, unport electronic transaction, E-cripson, virtual private network, etc. On internet the business activities have in provided with adequate security. Presently, 70 80% of total business in E-Commerce in is operated through B to B.

3. Internal Bank type of E-Commerce is operated by multinational companies and the companies which operate globally for internal buying among various departments and sister concerns. Processing/ building off sale aadas/ money e transfers and such other related activities are performed on internet to save expenses. Most of the companies are caring on their commercial activities by connecting there enterprise resource planning



with websites. The main objective of these companies is to make internal commercial activities automatic beyond that limits of business concerns. E-Commerce establishment does not require much investment or labour as is required in the establishment of traditional business practices. In fact, by taking the advantage of business work plan, working capacity and business experience, maximum profit can be earned in a certain. Minimum possible investment. It is not necessary that you should have complete infrastructure of internet to to construct E-Commerce website.

The website can be made with the help of internet service provider. The registration of business units do men on internet can be done by the sponsored registrars. After registration you can design and develop your website with the help of suitable softwares keeping in view your business objectives. In addition, you may be required to make the framework of your business activities. Today, many E-Commerce software companies have designed and developed commercial software as per requirements of various companies and they are easily available.

As the internet is designed for the benefit of general public, it is completely transparent. Internet is accessible to each and very person without any contract or restriction. But, as we know that in business activities money transfer takes place on large scale and therefore, utmost secrecy and credibility is required in this work. A survey of 1600 information technology professionals belonging to 50 two countries revealed that 73 percent of total companies have filed reports regarding breach security.

* several modes of payments are allowed in E-Commerce in, but E-Commerce ports must have the knowledge of customers identity and his capacity to pay. E-Commerce ports our website mostly allow the traditional modes of payment like credit card, debit card, electronic etc. Presently cybercash and electronic wallet are also being encouraged.

* secured socket letter developed by netscape company are secure electronic transaction technique of E-Commerce port are used mostly for confidentiality of data and information.

* Now-a-days companies open a special type of bank account for e-payment which is essential for online trade.

Presently, 'Digital certificates' are used for identity of customer or seller. In the system, 'Public Key' is connected with 'Private Key' to ensure the security of commercial exchanges. Just like Passports, these signatures are issued by some legal and reliable institutions.

For making payments, in addition to Credit Card (for both E-cash and E-credit) bank account has to opened in such a company or bank which provides E-cash, whenever you buy some product from an 'Online store', then the confidentiality of information of your credit card becomes mandatory. E-Commerce is presently in its primary stage. There are number of obstacles in its development and expansion. Some of them are as follows :

1. The major obstacle is the path of E-commerce is related to making payments. There are various modes of payments available on electronic medium, but they are still not completely immune from fraud and hacking.
2. E-commerce is totally dependent on telephone lines. There are many areas which are devoid of telephone facilities and, therefore, it is not possible to operate E-commerce in these areas.
3. Presently, 'digital signatures' and 'digital certificates' are not having legal sanction in all the countries and, therefore, it is not possible to check the authenticity of messages/ information.
4. The absence of suitable infrastructure for E-commerce is an obstacle to its development/ expansion.
5. E-commerce activity is totally dependent on internet service, and still a large geographical area is devoid of Internet Services. Thus, it is clear that there are many obstacles and difficulties in the development/ expansion of E-commerce, and these are supposed to be removed to make possible the development/ expansion of E-Commerce.

Today India is known for its excellence in the field of Information Technology throughout the world, but in the field of E-commerce India has not yet achieve the desired success. Its main cause is that the basic infra-structure of internet is still not well



developed. Moreover, computer has not reached the common man, and there is lack of appropriate laws and policy decisions.

In India, Information Technology Act 2000 age chapter from 18th October, 2000. India is one of those few countries where 'Cyber Act' age in application. This has created a favourable environment for E-commerce. Because of Cyber Act electronic commercial documents have the legal sanction and they are accepted as evidence in the court of law. So also, electronic records/ electronic correspondence/ digital signatures and digital certificates have the legal sanction. These things will certainly help in the further progress of E-commerce.

Cyber Act has a provision to check cyber crimes. Any person misusing the database through computer network or commits electronics fraud is punishable under the Act.

During last three years most of the Indian companies have started commercial activities through E-commerce and are selling gifts, books, cassettes etc. through E-commerce. Looking to the success of 'Burn & Noble', and 'amazon.com.' B.P.P. Publication in India has established Online Kitab Ghar on internet.

E-commerce is enjoying and important place in Indian banking system. ICICI Bank has started E-Commerce service in the name of 'ICICI

Direct' and has opened new vistas for E-trade.

National Association of Software and Service Companies (NASSCOM) has revealed, on the basis of their survey with regards to status and possibilities of E-commerce in India, that E-Commerce is fast developing in India. E-commerce total business of Rs. 131 crore in 1998-99 increased to Rs. 1500 crore in 2001-2002. According to NASSCOM estimates, India's E-commerce business will be about 15 billion dollars in 2004 and will reach 100 billion dollars in 2008.

The application of 'E-commerce' has made our business and commercial activities very efficient with the help of information technology and advanced computer network. 'E-commerce' has performed a very ambitious task of replacing the paper based reliable system of communication through computer network.

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