

A Study on The Future of E-Commerce Industry in India

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ABSTRACT

The e-commerce has transformed the manner in which business is done in India. The Indian e-commerce market is expected to develop to US\$ 200 billion by 2026 from US\$ 38.5 billion starting at 2017. Much development of the industry has been triggered by increasing internet and smart phone penetration. The continuous digital transformation in the nation is expected to increase India's complete internet user base to 829 million by 2021 from 636.73 million in FY19. India's internet economy is expected to double from US\$ 125 billion as of April 2017 to US\$ 250 billion by 2020, significantly backed by E-commerce. India's E-commerce revenue is expected to bounce from US\$ 39 billion out of 2017 to US\$ 120 billion of every 2020, developing at a yearly rate of 51 per cent, the highest on the world. The current paper highlights the future of e-commerce industry in India.

KEYWORDS:

Future, E-commerce, Industry

INTRODUCTION

Propelled by rising smart-phone penetration, the launch of 4G networks and increasing consumer wealth, the Indian e-commerce market is expected to develop to US\$ 200 billion by 2026 from US\$ 38.5 billion out of 2017. Online retail sales in India are expected to develop by 31 per cent to contact US\$ 32.70 billion out of 2018, led by Flipkart, Amazon India and Paytm Mall.

During April-June quarter 2019, smart phone shipment in India grew 9.9 per cent year-on-year to 36.9 million shipments. It is expected to reach 160 million of every 2019.

During 2018, electronics is currently the biggest supporter of online retail sales in India with a share of 48 per cent, followed closely by apparel at 29 per cent.

The e-commerce industry been directly affecting the micro, small and medium enterprises (MSME) in India by giving means of financing, technology and preparing and has a favorable falling effect on other industries too. The Indian e-commerce industry has been on an upward development trajectory and is expected to outperform the US to become the second largest e-commerce market in the world by 2034.

Technology enabled advancements like digital payments, hyper-nearby logistics, investigation driven customer engagement and digital advertisements will likely help the development in the sector. The development in e-commerce sector will likewise help employment, increase revenues from export, increase charge collection by exchequers, and provide better items and services to customers in the long haul.

E-Commerce has come far since its inception. The e-Commerce industry began with a few small companies like Flipkart (presently a goliath) and has now escalated to MNC's like Amazon and Walmart. The future of e-Commerce has never looked this encouraging.

As per a report by budgetary services expert Morgan Stanley, the e-commerce sector is expected to increase by about 1200% to \$200 billion by 2026, up from \$15 million of every 2016. This makes certain to carry a positive change to the industry trusting that a miracle will pivot.

Below are a few reasons why the elements of e-Commerce are evolving:

- Digital India Campaigns: The Indian government tried hard with the "Digital India" battle to provide an enhanced online infrastructure by increasing internet connectivity in remote areas. It seems that their efforts have started paying off. The number of internet users is developing quickly. The smart phones are currently available at disposable prices, internet plans are really cheap and online users are converting into e-Commerce customers every day. This initiative of

government has ensured that e-Commerce is heading in the correct direction.

- **Streamlined Logistics:** Logistics in India is becoming considerably more streamlined than before. The courier companies are searching for smarter approaches to deliver seller's products by setting up sound logistics services. The e-Commerce companies have GPS following applications in place to tighten the noose around logistics companies. Likewise, the companies are currently deciding on courier aggregator like Ship rocket. The courier aggregator offer shipment services at lower costs with efficient following.

- **Safe Payment Gateways:** One-contact payments, moment transfers, e-wallets, and more are the latest trends that one can witness. Remembering the passwords and security answers are a relic of past times. Indian banks provide enough help to the users to make the payments more safe and streamlined.

- **Easy Returns and Exchange:** Product returns and exchanges are never again such a major problem. Massive returns and exchanges added to the logistics cost which was an extra burden for e-Commerce companies. In any case, with the advent of courier aggregator like Ship rocket, the RTO (return to starting point) rates are 10-15% less than the forward charges. This has enabled e-Commerce companies to offer better services to their customers.

FUTURE OF E-COMMERCE INDUSTRY IN INDIA

India is making a course for digital development. The way that it is a help for e-Commerce as the potential for internet users turned shoppers is tremendous. Be that as it may, losses have become an everyday standard. Every other day an e-Commerce website turns up, and they have to invest heavily to market and promote it. Undoubtedly, the Indian government is putting forth a valiant effort to develop e-Commerce in India, yet at the same time, there is far to go.

Advancement is the key to revolutionize e-Commerce in India. It will help e-Commerce companies to increase their outreach. This is one of the significant objectives that all e-Commerce companies must strive for.

For instance, users have never been partial to promotions on the websites. Indeed, they search for advertisement free content. In this way, it's time to change things for advertising altogether. The nuts and bolts need to be changed, and they ought to be made worth watching and viewing. 'Getting them hooked ready' is the idea!

By using new advertisement groups, customers can be saved from having terrible experiences with promotions.

A customer is the lord. What's more, exceptional customer service is the key on which Indian online customer thrives on. SME can learn from the large players like Amazon and Walmart to keep customer service at the fore. Customer service alongside co-operation from the government will take e-Commerce to another level in India.

Before making a purchase, customers often have certain queries and second thoughts. Therefore, e-Commerce businesses and websites have already started offering 24*7 live chat bolsters that provides moment arrangements. Chat support has become a necessity for web stores. Yet, AI-powered chat bots will be even smarter. The real-time engagement will help in generating more revenue and brand reputation.

Augmented reality also is becoming more integrated into e-Commerce. The uses of AR will prove to bridge the hole between physical and digital experiences. AR includes Chat bots. They provide a moment answer for customer problems and quickly take them through the sales funnel.

When it comes to e-Commerce, logistics is really significant. Enabling a more powerful system for shipment and following is the need of great importance. The users and sellers both need to chop down the logistics costs. The choice of courier partner significantly impacts the e-Commerce businesses. Hence, the courier recommendation engine will rule the

future. They help you locate the most appropriate courier partner by investigating them on various metrics, for example, delivery time, reverse pickups, shipping charges, etc.

With more than 100 million Internet users, the nation is beginning to achieve a minimum amount of users who know about web services. All through India's short history, the nation has been a place that is known for "haves" and "have-nots". However, with the rise of small and medium enterprises, foreign direct investment, and India's own powerful worldwide companies creating millions of new occupations, a new generation of all inclusive minded Indian consumers has been created.

One of the largest challenges to e-commerce in India is the absence of infrastructure to help new businesses. Logistics companies have been notoriously unreliable, and complex interstate regulations mean that interstate logistics and paperwork is more like international customs. Moreover, Indians have an aversion to credit cards – just an estimated 2 percent of the country has a credit card.

The number of e-commerce companies has developed, companies have started to place more emphasis on investing in the user experience. Best practices that have driven e-commerce internationally are currently a key focus of successful Internet companies, including merchandising,

customer service, user interface design, and guaranteed delivery and return arrangement. Right now to differentiate by means of user experience, the ultimate winner is the Indian online consumer.

DISCUSSION

The most challenging aspect of getting set up is item, yet in the event that you are passionate about a specific line of items — especially on the off chance that they have helped you personally — it makes it a lot easier to stroll through the process of building relationships with merchants or item sourcing. Furthermore, it's that enthusiasm that is going to drive you to take the necessary steps you need to do to fabricate a successful business.

Dominant part of online purchasing decisions are made on Social Media. Interpersonal organization like Facebook, LinkedIn, Twitter, Google+, Pinterest etc have become a medium for easy sign in and purchase. Moreover, the clients can remain updated through the posts published on this media. Further, the advertising and advancements on these social sites has increased the chances of success of generating exchanges to numerous folds.

Insights suggest the future of internet lies in mobiles. Experts state more than 580 million people in India will use the Internet by 2018, and 70-80% of them will access the Web on mobile phones. This will cause every

single significant player to change to application just model. Around 66% of its online traffic of Flipkart comes from users in small cities and towns. Flipkart's application just methodology assumes larger significance in these places where the vast majority don't claim desktop computers and have limited access to broadband.

Google is reportedly chipping away at its own "Purchase Now" style button that would permit e-shoppers search for items on Google and purchase them with a single tick, directly through Google's own search results page.

The catch will be displayed near sponsored search results beneath a "Shop on Google" heading at the highest point of the page. When users click on the Google's "Purchase Now" button, they will be re-directed to another Google page that will permit them to choose specific item details, for example, shading and size, and afterward select a delivery route. Google would then pass on order data, including the customer's name and dispatching address, to the retailer.

As the e-commerce space gets saturated, investors searching for innovative use of technology are zeroing in on companies developing man-made brainpower (AI) arrangements. Jet Airways is experimenting with one such arrangement devised by Vizury.

Not exclusively will e-commerce websites render much better on mobiles, however a larger number of mobile store owners will likewise begin

advertising their items and services on mobiles. Mobile advertising is getting more well known step by step, and branded e-commerce store owners will be among the main huge spenders on mobile advertisements. While smaller store owners may not get on board with the temporary fad yet, larger stores will make an attempt to get reach however many mobile users as could be expected under the circumstances. We will likewise see rise in video mobile advertisements that have the potential circulate around the web on informal communities.

While Google Glasses, smart watches and other wearable devices are yet to take off in a major manner, a lot more such items are set to enter the market in the future.

On the off chance that such devices become widely famous, we can expect retailers just as e-commerce stores to shower limits, advancements, offers and updates to their customers through wearable devices.

Google's red eye at third party referencing using guest blogging will push e-commerce marketers to create better and more targeted content. We will see the rise of long-structure content that is more closely related to the items and services offered by the stores.

Notwithstanding articles and blog entries, the length of videos and web recording will likewise see more takers. The easy accessibility of

investigation and information will lead to creation of more information based content.

With Google making it more hard for content marketers to benefit from third party referencing through guest blogging, more will turn towards web based life and search promotions for revenue.

Targeted online networking promotions are getting more effective, and this will drive a large PPC and CPC advertisements experiment in small and large e-commerce companies.

CONCLUSION

Online stores have been serving personalized ads to prospective users since years. Many online stores also use personalized product displays and suggestion for registered users.

As users become more comfortable with sharing some personal information with brands and trusted online stores, we will see store owners make more efforts to offer a more meaningful personalization to users.

As larger e-commerce websites offer newer facilities and features and try out new ways of attracting customers, smaller stores will turn to local base to survive.

Smaller e-commerce store owners will use traditional SEO to target customers in a limited geographic area and combine it with social media

engagement to personalize relations with local customers. Their branding and marketing strategy will revolve around points that differentiate them from large vendors.

Online shoppers are notorious for browsing around for a long time and leaving the store without buying. Personalized and targeted marketing can help turn them into paying customers.

Marketing automation has been around for a long time, and the trend of using such solutions will continue to rise. More and more steps of lead nurturing, re marketing, email personalization and analytics will be automated, helping even small online store owners get better insights and convert more customers.

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