E-COMMERCE: OPPURTUNITIES AND CHALLENGES

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Abstract
E-commerce is the common term for any kind of commercial transaction that takes place purely through the internet. This transaction may be between a consumer and an online-only store, on the website of a big-box store chain, or even a business to business transaction. This paper attempts to highlight the different opportunities and challenges faced by e-commerce in India.

Keyword - E-Commerce, Business, Challenges.

Introduction
E-Commerce is the trading or facilitation of trading in products or services using computer networks, such as the Internet or online social networks. Electronic commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection systems. Modern electronic commerce typically uses the World Wide Web for at least one part of the transaction's life cycle although it may also use other technologies such as e-mail.

E-commerce provides platform by which retailers sales and advertise their product and share information on the internet using the information technology like EDI (Electronic Data Interchange) by which more and more customers can attract get to it. E-commerce relates to website of the vendor, who sells products or services directly to the customer from portal using digital shopping cart E-mail is one example of how people collaborate to exchange information and work on solution. Today E-commerce is a backbone in Indian society and it has become integral part of our society life.

It facilitates on-line purchase of products and services. Almost everything such as groceries, electronic goods, computers, laptops, mobile sets, apparels, jewelries can be purchased online. Besides products, people can avail of online services such as train / air ticket booking, insurance premium payment, etc. Consultants, businessmen, lawyers, retailers, manufacturers and service providers are using this alternate channel for offering their services to potential clients. For customers it is a new enticing channel available to transact online. Moreover, there is enough freedom as well as privacy in online shopping.

Opportunities for E-Commerce
- Internet, burgeoning 3G internet users, and a recent introduction of 4G across the country.
- Explosive growth of Smartphone users, soon to be world's second largest Smartphone user base.
- Rising standards of living as result of fast decline in poverty rate.
- Availability of much wider product range (including long tail and Direct Imports) compared to what is
- Available at brick and mortar retailers.
- Competitive prices compared to brick and mortar retail driven by disintermediation and reduced inventory and real estate costs.
- Increased usage of online classified sites, with more consumers buying and selling second-hand goods.
- Evolution of Million-Dollar startups like Jabong.com, Saavn, Makem

Challenges of E-Commerce in India
The Following are the major challenges slowing growth of e-commerce in India.
- **Poor Infrastructure Facility:** Infrastructure is the biggest bottleneck in India. There are many states and districts deficient in infrastructure facilities such as transport, electricity supply, roads, etc.

- **Lack in Technology:** Many states are lagging behind in technology. Many people in rural areas are illiterate. They don't have knowledge about e-commerce. It is very difficult to make them aware about the importance of E-commerce. Due to illiteracy they are not able to do transactions through internet.

- **Logistics:** Logistics is a concern for both buyers and sellers. Sellers have to deliver the product safe and secure to the right person and in right time frame. Regular postal services does not offer an acceptable level of service,

couriers charge high rates and have limited reach. Insurance for high value articles leads to higher cost. Similarly, low value articles will have significant shipping cost which will make them costly.

- **Risk in online shopping and quality assurance:** There is inherent risk in online shopping as regards the authenticity of the web sites. Fraudsters may imitate web sites and hoodwink customers.

- **Collection of payment and transfer of payment:** It is still difficult to make payments through internet in India due to unstable internet connections and nascent legal structure.

- **Delivery problem:** Even when customers placed order for the goods or products through internet there is no guarantee that same products will delivered.

- **Expensive Broadband:** Though many payment options are available, broadband is still expensive.

- **Computer Illiteracy:** Only computer literate person can handle computer and internet. People have to secure their password which is a weakest link and exposes them to risk of theft, etc.

- **Poor Internet Connectivity:** Connectivity is a major issue faced by individuals as well as companies. Internet connections are still largely volatile and unreliable making online shopping nightmarish experience many times.

Conclusion
As increase in population, rising living standard, changing lifestyle, rapid growth in ICT, availability of broadband, 3G, 4G technologies, etc. are opportunities for increasing e-commerce in India. But, the economic disparity, poor transport and telecommunication infrastructure, social and cultural attitudes to e-commerce, lack of e-commerce legal framework, etc. factors inhibit the growth of e-commerce in the quality education in India. E-commerce has still not taken deep roots in Indian education system unlike in America, Europe and China. But it is growing at a fast pace in recent times.

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