A STUDY ON E-COMMERCE ADOPTION IN INDIA

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Abstract; The e-commerce has transformed the way business is done in India. The Indian e-commerce market is expected to grow to US$ 200 billion by 2026 from US$ 38.5 billion as of 2017. Much growth of the industry has been triggered by increasing internet and smartphone penetration. The on-going digital transformation in the country is expected to increase India's total 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, majorly backed by ecommerce. India's E-commerce revenue is expected to jump from US$ 39 billion in 2017 to US$ 120 billion in 2020, growing at an annual rate of 51 per cent, the highest in the world.

Introduction: Electronic commerce or e-commerce (sometimes written as ecommerce) is a business model that lets firms and individuals buy and sell things over the internet. E-commerce operates in all four of the following major market segment Business to business, Business to consumer, Consumer to consumer, Consumer to business. Conducting business online. Selling goods, in the traditional sense, is possible to do electronically because of certain software programs that run the main functions of an e-commerce Web site, including product display, online ordering, and inventory management. The software resides on a commerce server and works in conjunction with online payment systems to process payments. Since these servers and data lines make up the backbone of the Internet, in a broad sense, e-commerce means doing business over interconnected networks. E-commerce, which can be conducted over computers, tablets, or smartphones, may be thought of like a digital version of mail-order catalogue shopping. Nearly every imaginable product and service is available through e-commerce transactions, including books, music, plane tickets, and financial services such as stock investing and online banking. As such, it is considered a very disruptive technology.

Objectives of the Study:
- To study the recent developments in the e-commerce business in India
- To study the share of e-commerce in the Start-ups India

Start Up Scenario: The outlook for India's economy may be gloomy for now, but one sector looks set to boom: online retail. As more and more Indians use the internet, revenues of e-commerce companies could triple over the next three years to 504 billion rupees ($8.13 billion). It's not just Flip kart, Amazon or Jabong anymore, ecommerce has extended its roots to various sectors of retail, and there are now above three hundred such websites in India. Over the last few years, dozens of websites have been launched in India to sell everything from books and appliances, to baby care products and flight tickets. As of last year, online retail sites have acquired a whopping 138 billion rupees as revenue. With social media at the forefront ecommerce is backed to be a massive revolution in marketing and sales.

The most amazing aspect of e-commerce is its ability to impact sales and marketing efforts immediately. By going online, suddenly a neighbourhood bakery or a home-based consulting service expands its reach to a national or even international base of potential customers. Web-based sales know no international boundaries

In the age of ecommerce, it is almost criminal for a business to not sell online. If an online store can be compared to an independent retail store, a marketplace is more like a virtual mall. Marketplaces provide

an established platform for sellers to sell their products online but give lower margins in profit as compared to selling from an independent online store.

Government Initiatives: Since 2014, the Government of India has announced various initiatives namely, Digital India, Make in India, Start-up India, Skill India and Innovation Fund. The timely and effective implementation of such programs will likely support the e-commerce growth in the country. Some of the major initiatives taken by the government to promote the e-commerce sector in India are as follows:

- Government e-Marketplace (GeM) signed a Memorandum of Understanding (MoU) with Union Bank of India to facilitate a cashless, paperless and transparent payment system for an array of services in October 2019.
- In February 2019, the Government of India released the Draft National e-Commerce Policy which encourages FDI in the marketplace model of e-commerce
- In order to increase the participation of foreign players in the e-commerce field, the Indian Government hiked the limit of foreign direct investment (FDI) in the E-commerce marketplace model for up to 100 per cent (in B2B models).
- The heavy investment of Government of India in rolling out the fibre network for 5G will help boost ecommerce in India
- In the Union Budget of 2018-19, government has allocated Rs 8,000 crore (US$ 1.24 billion) to Bharat Net Project, to provide broadband services to 150,000 gram panchayats
- As of August 2018, the government is working on the second draft of e-commerce policy, incorporating inputs from various industry stakeholders.

Indian Start-ups Already Tapping Into Online Commerce: The Indian start-ups taking the growth of online commerce to next level include names such as

HotStar: Digital and mobile entertainment platform Hotstar is building a large user base with a freemium model and complementing it with a membership-based model. The company is capitalising on its strong growth — it saw 1 Mn downloads within six days of its launch in 2015, boasted a subscriber base of 350 Mn as of February 2018, and 100,000+ hours of TV content and movies across nine languages at present.

BookMyShow: Online movie and events ticketing service BookMyShow provides a clear customer proposition — convenience — and is now charging for it. It changed the face of the ticketing system in India and has recently spread its event ticketing business to the international market. The company currently boasts 50 Mn+ app downloads and sells 15 Mn+ tickets per month, holding an 80% share of online entertainment ticketing in India. It offers tickets for 5,000+ screens in 650+ towns and cities in five countries.

BYJU'S: India's largest edtech company BYJU'S integrates offline and online education channels with personalised solutions and content creation as levers. With 90% annual renewals, 700K paid subscribers, 15 Mn downloads, and a presence in 1700+ towns and cities, BYJU'S is the most trusted interactive learning mobile app in the country, as per the report.

Udaan: Udaan connects SME manufacturers and wholesalers with retailers online, provide logistics, payment, and technology support. It is empowering small businesses to connect with retailers online. It currently delivers to 500+ cities across India and has sellers in 80+ cities. It further claims to have strong commercial momentum: customers purchase ~7 times a month with a conversion rate of up to 40%.

DailyHunt: A news and local language content application, Daily Hunt targets the mobile audience. It uses machine learning and deep learning technologies for smart curation of content defined by language, location, interests, and other demographic variables. With 155 Millions app installs and 50 Millions users, it offers 100K news articles in 14 languages licensed from 800+ publication partners every day. It has also launched Newzly, a news-in-brief app for Android users.

Pratilipi: This is a platform to discover, read, and share stories, poems and books in local languages. It is operational in eight local languages. With 1Millon downloads on Play Store, it has 150K+ content pieces published by 22K+ authors. Also, it has a large penetration among women, with 71% of the readers and 40% of the writers being women.

Analysis &interpretation

Internet Penetration in India:
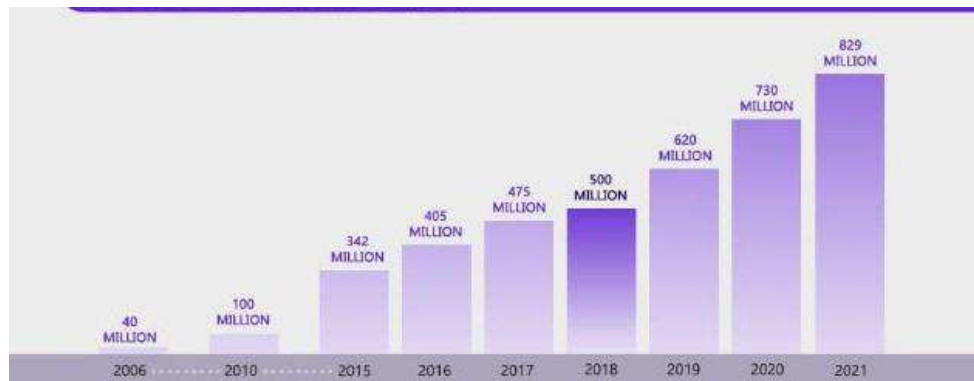
Source: www.statastia.com

The share of internet user was increasing in India based on several aspects of the Indian government initiatives & pull off through DIGITAL INDIA & adoption of 3G in 2008 helps in gaining 100 million mile stone & 4G in 2012 contributes the growth in internet penetration & 5G is expected to be introduced in 2020 boosted the expectation of reaching the 829 million

Sector Wise Composition in the E-commerce Retail Users:
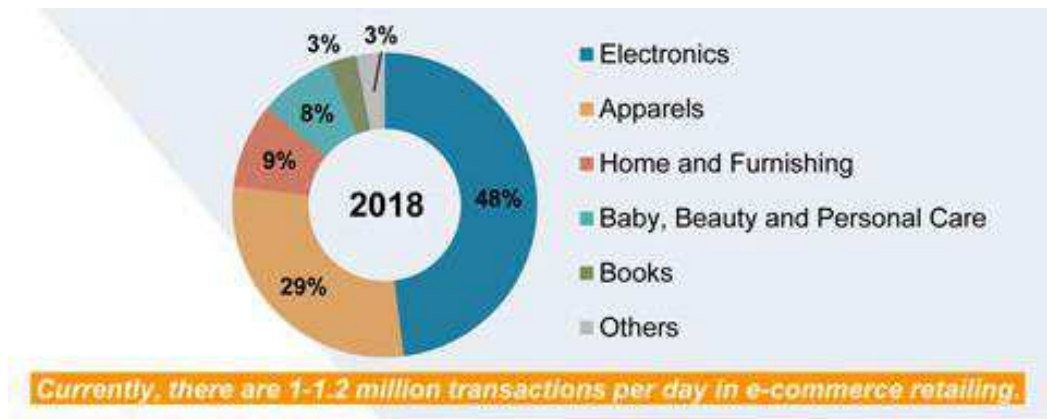
Source: www.ibef.org

Electronics occupy the majority share in the Transactions of the e commerce business holders where Apparels (Clothing & dressing) stood second followed by home furnishings baby beauty personal care books & others.

Findings:
- The increase in the users of internet were boosting the e-commerce industry
- The Start-up India & Digital India schemes had been supporting the young entrepreneur's having ideas in the e-commerce
- A wide variety of start-ups in India has brought an inclusion of all the products needed by the stake holders
- E-commerce has been emerged as the primary industry to execute the new ideas of emerging entrepreneurs
- Suggestions
- The basic internet infrastructure for the users will be needed to develop among villages & small town across the nation

- An integrated system of ranking & awards must be provided for the new comers of the industry similar to the credit score for an individual
- Proper Execution of the budget allocation for the provisions of Broadband facilities to villages
- The startup companies in Ecommerce must be focused more on local markets for quality & brand improvement

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