A Study on Benefits, Challenges and Factors Obstructing the Growth of E- Commerce in Business World

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Abstract - In an expanding economy, information technology has played a critical role in the future expansion of trade sectors and business practices. The increased usage of smart mobile services and the internet as a new distribution channel for corporate transactions and international trading necessitates a greater focus on e-commerce security to reduce fraudulent activity. The advent of information and communication technology has resulted in numerous alterations in many aspects of a person's everyday life. E-commerce provides several advantages that increase consumer satisfaction by providing convenience in any location and allowing the firm to obtain a competitive edge over its competitors. This study foresees the conceptual framework of e-commerce, tools used in e-commerce platforms along its importance. In last part of the paper discussion done on the factors obstructing the growth of e-commerce which are considered potential difficulties in a developing economy. In conclusion, we found that there should be adequate market research and analysis for e-commerce. E-commerce does not go beyond the basic principles of good business planning and supply and need. E-commerce allows you to connect to the outside world.
Keywords: E-Commerce, Information Technology, Customization, Supply Chain Management

1. INTRODUCTION
Electroniccommerce(E-Commerce)isaconceptbeingusedtodescribeawiderangeoftrading activity that are facilitated by information technology and performed through an electronic system or network [7]. The internet's growth as a massivepublicnetworkwithmillionsofindividualsonlinehascreatedawholenewinteractiveglobal market for purchase and sale. For some, e-commerce simply refers to the ability to buy and sell commodities, information, and services using the internet using public networks [2]. E-Commerce involves business by electronic means which includes sales through the internet. Ine-commercebusinessdataisexchangedusingelectronicdatainterchange.[20]"E- Commerce is the processes of sharing of business information, maintaining business relationships, and conducting business transactions by means of telecommunications networks." E-commerce is a kind of business or business environment in which all the informationandfacilitiesavailableforthepurchaseandsaleofgoodsareavailable.[3] E-commerceincludestypesoftechnologywhichthecompanycanuse to modernize its business. E-commerce is the use of communication and data processing techniques to enhance the quality of transactions between business partners. According to OECD (Organisation for Economic Co-operation and Development) "All levels andprocesses of business to be carried out easily and dynamicallythrough electronic networks, from design, manufacturing, buying, selling and distribution, through e-commerce at all levels from distribution to manufacturing it also facilitates the exchange of information. It can be exchanged between two

businesses within an organization, between businesses and customers and between public and private sector segments [8]. It also means that business transactions done by businessmen through electronic means without physical and direct contact. E-commerce is generally concerned with buying and selling over the internet [9]. E-Commerce is not a new name if you have ever visited the internet. When you log on to the internet, you will feel that many commercial advertisements are waiting for your click. The advertisements you see published on various sites are actually part of E- commerce. Today the internet has become a big market where you can buy and sell goods sitting on the sofa in your house.

The efficiency of e-commerce business to be increased through data processing and data storage, thus e-commerce is connected with information related to the sale of goods, products, and services through a computer communication network [2]. Therefore, e- commerce is a form of paperless business information exchange that accelerates business through electronic funds transfer. E-commerce has given a new direction and speed to business; it is also a cheaper means than other means. There are four types of e-commerce. Business to Business(B2B), Business to Customer (B2C), Business to Government (B2G), and Government to Customer (B2C) [6].

In this paper, we will review why e-commerce is important in today's scenario and how it has changed the way of doing business for all types of organizations. We will also examine the challenges and opportunities of e-commerce. The goal of this point of view is to show how e- commerce technology has entered the business world and resulted in massive changes in the industrial environment. This point of view aims to provide a full understanding of the numerous e-commerce technologies in use, as well as their implications, difficulties, and future possibilities in the business sector.

2. E-COMMERCE - IMPORTANCE AND BENEFITS

E-Commerce Acts as an Equalizer: E-Commerce helps start-ups, small and medium sized traders in the early stage to access the global market.

E-Commerce Enables Mass Customization: E-commerce applications include an easy-to- use ordering system, with the help of which customers can search, choose and place orders according to their specifications and companies can built the products as required by their customers. Various companies which are using e-commerce strategy may produce customized products as per the customer's specification [12]. It can work even better, if this customization process of the company is of advanced type and is associated with the ordering system.

E-Commerce Allows Network Production: E-commerce allows network production by sending the production process of the company to all the contractors who are geographically scattered but are interconnected through computer networks. Network production not only helps in reducing cost but also helps to provide more strategic target marketing. In addition, it helps a company is able to sell various products in different parts of the world. With the support of network production, a company can sell additional goods and services and place its requirements to various factories around the world that specialize in that area [13].

E-Commerce is Helpful to the Consumer: In consumer - producer transactions, consumers are more important. They can get the goods customized according to their preferences and needs [12]. According to their availability they can also fix the date and time when the goods to be delivered to them. In e-commerce, the production process is faster and more transparent, over which customers have a lot of controls as a result, and there are more choices for the consumers [13]. Because of e-commerce, the market for products and related information is always available and more specifically pricing is more transparent, when the consumer want take decisions on the basis of price of the products, they are able to make appropriate decisions [21].

Driving Force Behind E-Commerce: Economic powers, customer and marketing interaction and technology especially multimedia are three powers which is fueling **e-commerce**. The most obvious advantage of e-commerce is economic power. The fundamental reasons for the economic potential of e-commerce are: reduction in communication costs, cheaper and faster electronic transactions with supplier, low-cost technological infrastructure, low promotional costs, and affordable customer services. Economic

integration can be external and internal. External integration means that companies, suppliers, customers and independent contractors are connected through the internet in a virtual environment. On the other hand, internal integration refers to the interlinking of departments within the company. With this important business information are stored in digital form which can be accessed anytime in electronic form [21].The best example of internal integration is the corporate internet. Procter & Gamble, I.B.M, Intel is an example of some companies whose corporate intranet is highly influential.

Market Power: E-Commerce is a very powerful feature for both small and big companies to enter and control the domestic and international market. The Internet is an important medium for customer service and support with these companies can provide detailed product information to their customers [10].

Technology Power: In the development of e-commerce, ICT (Information and Communications Technology) plays a main role, as a result, communication has become more effective, gained speed and it has become economical [15].

Connects Customers, Employees, Suppliers, Distributors and Competitors: E-commerce helps to promote organization network because smaller companies depend on partner companies for supply and distribution of their products and timely meet customer needs [8]. Organizing a network chain connecting customers, employees, suppliers, distributors and competitors requires an integrated or extended supply chain management solution [4]. Supply Chain Management (SCM) is defined as the inspection of material information and finances. It requires proper coordination and integration of these processes within and between companies because inspection runs from the supplier, the producer to the wholesaler, retailer and consumer [7]. The objective of any effective supply chain management is to inspect the goods and services at the right time and make it available to next link in the chain.

3. SHORTCOMINGS OF E-COMMERCE

The downside of e-commerce is relatively difficult to discuss because if its negative aspects were strong, then it would hardly be the nature of electronic commerce today. Nevertheless, there are some obvious negative aspects of electronic commerce which are as follows:

Failure to Understand the Interest of the Customers: Any product however elegantly presented but fails because the producer and the retailer are not being able to match expectations of customer [5].

Mistake in Understanding the Competition Situation: One has the will to build a good book e-tailing business model, but there may be a lack of how to deal with the competition.

Buyer and Seller do not see Each Other: When buyer buys any goods from seller, if anything goes wrong then the seller immediately is not able to help the buyer as sales is indirect. It neglects an important principle of the seller that if a product requires human interaction, e- commerce cannot do it in all situations and time [14].

Economic and Social Problem: The entire population will never be able to develop such technology skills for electronic commerce, nor will everyone get the resources for electronic commerce. Since less manpower is required in this type of business, it will also increase unemployment [1].

Unable to Predict Environmental Action: What will the competitors do? Will the competitor launch the brand or the competitor website? Will they supplement their services? Will they ruin a competitor's site? Will a price war break out? What will the government do? Electronic traders are unable to get the right answers to all these questions.

Victim of Organized Crime: There are many associations, who know that internet can be a big source of revenue. These associations use two main methods:

Identity Theft Technique such as Phishing, in which, by ordering the purchase of valuable items then bill to be sent to the name of an innocent person, to collect cash by selling those valuable items quickly.

Compromised Zombies use a computer to engage a victim's website through a network in such a way that it cannot do its business. Antivirus, antispam or firewall is the solution for these zombie problems.

4. FACTORS OBSTRUCTING THE GROWTH OFE-COMMERCE
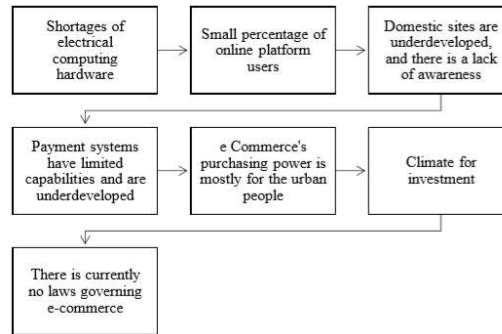
Figure 1.1: Factors obstructing the growth of E-Commerce

Creating a portal or site for electronic commerce is not the whole of electronic commerce. For this success, along with the infrastructure, the mindset of the people is also an important question. Even today people prefer to go in the shopping malls to buy products. There is a reason for this also. This includes important factors such as self-check-in satisfaction, prompt delivery. Also, the majority of India does not have internet access and those who do have internet access do not have any means of payment such as credit cards. The following are the barriers to the implementation of electronic commerce in any country:

Lack of Credit Card Users: It is natural that you cannot engage with electronic commerce when there is no means to pay for your goods or services. Therefore, it is a very powerful obstacle which hinders the growth of electronic commerce.

Shortage of Technically Proficient Employees: To run electronic commerce in any country, skilled workers are needed who can properly organize all the activities on electronic commerce. The introduction of innovative equipment, end-user software, and the globalisation of the telecommunications sector has resulted in a high demand for qualified IT (Information Technology) experts, as well as a corresponding shortage [11].

Poor Telecommunication Infrastructure: This is the biggest obstacle in the widespread implementation of electronic commerce today, because the backbone of the internet is the telephone line in our country. Broadband and other high-speed internet services are usually still hundreds of miles away from us. All this is due to the lack of good telecommunication infrastructure [20]. Nations owing to poor internetaccess,which is unsatisfactory owing to insecure infrastructure, expensive maintenance expenses, and a low level of ICT penetration across the nation [19].

High Cost of Computer and Hardware Equipment: Although computer and hardware are no longer very expensive compared to the last decade. But even today in low-income people, buying a computer is a difficult task [18].

Lack of Banking Infrastructure: If you sell goods, you need money for that there is a lack cordial relationship between commerce and payment. It is very difficult to implement electronic commerce in a country where the banking infrastructure is poor. For example, in our India itself, a large population does not have a bank account and those who have they do not have credit cards or other suitable means of payment and their usage. Banks are still not in a position to issue credit cards on a large scale. Local banks do not even have a credit card system and there are very few banks that accept credit card payments [16].

5. CONCLUSION

E-commerce is the online trading activities of products and services. E-commerce is primarily use electronic systems such as internet and other computer networks for distribution, purchasing, selling, marketing and servicing of products and services. There should be adequate market research and analysis for e-commerce. E-commerce does not go beyond the basic principles of good business planning and supply and need. E-commerce allows you to connect to the outside world and collect data. Information system integrates this data with internal organisational skills to turn data into information that can be used to improve product possibilities. The aim is to implement these various but relevant fields of information and

communication technology as enablers for mass customization as a more feasible organisational strategy. Consumer behaviour has altered dramatically as the country's e-commerce transactions have grown. Customers are more likely to buy retail products from online stores than from physical stores as internet usage rises. Consumer choice has increased as new markets have emerged, creating a significant challenge in ensuring consumer welfare.

The growth in electronic markets and online auctions is characteristic of this type of e- commerce. Connecting internet is very helpful in governance. This proved to be a boon for good governance. Many government departments have been connected to computer and internet in many states of India. Andhra Pradesh is a better example of such in India. Mobile Commerce or M. Commercial-free technology such as handheld devices such as cellular telephones and personal digital assistants is called buying and selling of goods and services.

Creating a portal or site for e-commerce is not complete e-commerce. The biggest obstacle to widespread e-commerce today is poor telecommunications infrastructure. The entire population will never be able to develop such technical skills for e-commerce, nor will everyone have the resources for e-commerce. Since less manpower is required in this type of business which leads to unemployment.

As a result, we feel that developing an e-commerce infrastructure is a wonderful strategy to boost brand loyalty in the digital economy, especially because it offers direct exposure and provides a connection with potential customers in a broad arena without middlemen. The necessity to build an e-commerce infrastructure necessitates an entirely new model for sales and perfect customer experience.

As a result, a variety of components that contribute to the e-commerce infrastructure must be identified: Attract all businesses involved in the sale of products and services to collaborate on the establishment of a personal web server that is accessible to all customers; The development of specialised software in which all corporate representatives who sell goods or offer services will be included. Development of software systems that allow customers to select, acquaint themselves with, and preview the product or service they are purchasing, as well as purchase discounts, promotional deals, or vouchers, and have all payment methods available, as well as be reviewed after the transaction. Both the consumer and the party who sells or delivers the service have legal protection. As previously stated, current legislation in the sphere of internet commerce necessitates point renewal and development. Because the entire market will not be able to refer to a single law, legislative models of particular industries are presented. Because each business has its own unique characteristics, the mechanisms used to regulate consumerrights are equally unique. As a result, in the realm of electronic commerce, various ambiguities must be clarified.

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