

# Development of e-commerce in the electronic industry of india

[Business](#), [Industries](#)



## **Industry**

### **Introduction**

“ Ecommerce (or electric commerce) refers to the buying and selling of goods and services via electronic channels, primarily the Internet. Online retail is decidedly convenient due to its 24-hour availability, global reach and generally efficient customer service.” E-commerce is one of the sectors that have seen a rapid growth in previous years. If we talk especially about 2014, the growth of the sector has been unprecedented. If we want to name the major factor that has brought such development we would name technology among top. All the adoptions that led to this development are definitely by the technology itself.

It is known that increasing use of electronic devices and their easy accessibility is responsible for this change. Devices such as smart phones and tablets are in every educated hand. This is not limited to the urban areas only these devices are being used by the rural people as well. They are using internet regularly. They are active on social media as well. Most of the people using internet has their online profile. And this is possible with the access to the all because of internet. We use Internet through broadband and 3G, 2G connections.

Many studies tell that online consumer base is increasing. Demography is also changing. People’s preferences are also changing. Their demand as a consumer is changing with the time. They are very active in selection. They are choosy. Consumer behavior is also changing. The market has changed completely. We have seen different patterns and trends of market though

this would be a very rigid to think about the barter system. From then the human civilization and their market has reached on touch keypad now. Such terms of highlights and the unprecedented growth resulted by indigenous players. We don't even need to name them. They have become synonymous to e-commerce. First few most successful names are- Flipkart and Snapdeal.

According to an article, the companies attract huge investor interest.

Because of this these companies are displaying great potential in the market. If we talk about some international giants, there are some big names such as Amazon and Alibaba. Though they are trying to compete with the indigenous players but they have not arrived at that level as the Flipkart has made its place in the Indian market. We will discuss more aspects of e-commerce in India in detail in next points.

International players came with deep pockets and the patience to drive the Indian ecommerce market. This is common to know that they already have strong domain knowledge and great experience in international business practices. With their international experiences they have been gaining additional profits and orientations. Indian companies have realized this thing. Therefore Indian companies are setting a goal to continue their orientation majorly on expanding their sellers and picking and using their own platforms. They are using innovative ideas on multiple consumer touching elements. They are also providing faster delivery services direct to home. These E-commerce companies are experimenting with different ways to attract customers and simultaneously increase online traffic.

**Major Developments in last year**

In this regard, Indian government's ambitious Digital India program playing a very vital role. With this the modernization of India Post will also affect the ecommerce sector. Digital India is an initiative of Government of India to integrate the government departments and the people of India. It aims at ensuring that the government services are made available to citizens electronically by reducing paperwork. The initiative also includes plan to connect rural areas with high-speed internet networks. Digital India has three core components. The project is slated for completion by 2019.

The Public-Private-Partnership model is being adopted for this project. The Digital India project aims to offer a one-stop shop for government services that will have the mobile phone as the backbone of its delivery mechanism. The program is also giving a strong boost to the ecommerce market as bringing the internet and broadband to remote corners of the country. For India Post, the government is interested in developing its distribution channel. With this distribution channel other ecommerce related services as a major revenue model is also going ahead. A report tells that India Post transacted business is worth of 280 crore INR in the cash-on-delivery (CoD) segment. This is only for the firms such as Flipkart, Snapdeal and Amazon. Both these developments will have significant impact on increasing the reach of ecommerce players to generally non-serviceable areas. Hence the expected growth is no more a vision only. India is leading towards it.

Another report says that India's overall retail opportunity is substantial, and coupled with a demographic dividend. The major target in this segment is

young population. India is the youngest country in the world. They are also raising standards of living. The upward mobile middle class and its rising internet penetration is one of the factors that can bring smile on the faces of every interested business giant of this particular sector. Everywhere it is being said that strong growth in ecommerce sector is expected. From an investment perspective, the market is a primarily minority stake market, with maximum traction in early-stage deals. With such strong market prospects and equally upbeat investors, we look forward to many more ecommerce companies from India entering the coveted billion-dollar club.