

Evolution of eCommerce and Future Aspects

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Abstract:- The term eCommerce also known as Electronics commerce refers to selling products via websites or social media over the internet. eCommerce is basically based on Electronic Data Exchange (EDI), Online fund transfer, mobile commerce and automated data collection system. Ecommerce is also categorized into three types: Consumer to consumer (C2C), Business to Consumer (B2C) and Business to Business (B2B) in form of buying and selling products. The promotion of products is done by online marketing such as email or newsletters. In this paper the evolution of eCommerce is studied referring the conclusion of various online websites reports.

Keywords: eCommerce Website, Online Selling, B2B, B2C eCommerce.

I. Introduction

The term electronics commerce was originally conceived to describe the way of place order of desired product online and conduct the transaction online via Debit/Credit card or any other payment method. This process is also known as Electronic Fund Transfer (EDI). Such kind of technology initially introduced in late 1970's which allow user to exchange information or data and execution of EDI. Then the transaction is made between Business. The Boston computer exchange, a market place for used computer equipment started in 1982, was one of the first known examples of eCommerce. Then after seeing success report of

such strategy other business parties also started to follow the same and started to put other products online also[1].

Electronics commerce refers to the buying or selling of used/unused goods and services online via a website over the Internet. According to the Pew Internet & American Life Project, 66 percent of the adults online have purchased something over the Internet, whether it's books, shoes or a Caribbean cruise. But if you extend e-commerce's definition to include researching products and services online without buying anything, or bidding on an online auction but not winning, then the number of adults who participate in e-commerce jumps to 93 percent [source: Pew Internet & American Life Project]. That's just about all of us.[2]

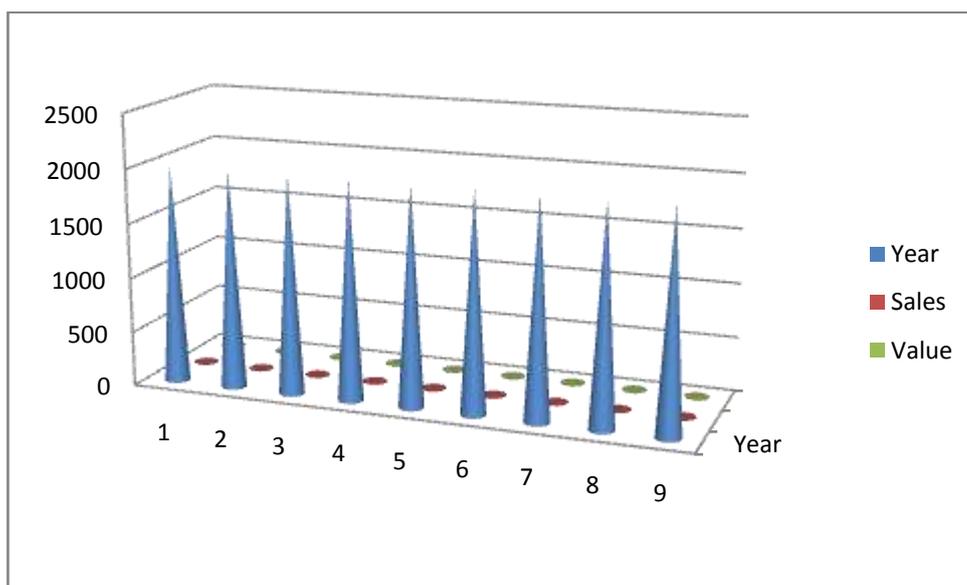


Figure 1. Estimated U.S. Regal Ecommerce Sales as a percent of Total Retail Sales. Year wise Estimated sales of a website [3]

II. Working of eCommerce

Presently eCommerce is in approachable range of every person even if the person is not very much familiar with internet. Ecommerce is now available on computers as well as mobile phones also E-commerce businesses via websites or mobile apps have numerous advantages over offline retail locations and catalog operators. Consumer can browse

desired product online in various stores. Even the product price compared with other retailer products also. Once the consumer is satisfied with product price then either product can be add to its cart or he can directly place order. Payment will be made via Debit/Credit Card or netbanking. Once order is confirmed the supplier will ship order according to the address mentioned by the consumer. The eCommerce shopping process is shown in the figure below:



Figure 2: Ecommerce Shopping and placing order process cycle

Consumers browsing online stores can easily search to find exactly what they are looking for while shopping and can easily comparison shop with just a few clicks of the mouse.

III. E-Commerce Advantages

There are unlimited benefits selling products online. Even small retailers can sell products online and can get big products. Rather than goods a user can also provides services via online. There are a number of tracking scripts available allows e-commerce sites to track consumer preferences and deliver highly individualized marketing to their entire customer base. The major advantages of eCommerce is shown in the figure below:



Figure 3: Advantages of Ecommerce

As the popularity of e-commerce businesses continues to grow, the technology will only continue to improve, making it even easier to open and operate a virtual online store with or without a brick-and-mortar presence. While e-commerce is still relatively new found territory, it certainly offers plenty of opportunity for entrepreneurs of all types.

In fact, sales data shows that from 1999 until 2008 e-commerce sales have risen steadily and now account for nearly 4% of total sales worldwide.

IV. Disadvantages of E-Commerce

Although there are many advantages of shopping online via eCommerce there are also many disadvantages. Many fraud cases are seen in the past. So a consumer should be careful also before giving his/her credit/debit card detail to an eCommerce website. It is strongly recommended to buy only from trusted websites. Else hackers can misuse the information entered while placing an order.

V. Evaluating e-Commerce Platform

Earlier in the 70s and 80s only selected services were exchanged between business parties and transactions were made in the form of Electronic Funds Transfer (EDI). Rather than services, used electronics parts are also used to sell online.

A brief history of eCommerce evolution is given below:

- 1979- Michael Aldridge is credited with inventing online shopping by connecting a modified domestic TV to a real-time transaction processing computer via a domestic telephone line.
- 1982- Minitel was introduced in France and was used for online ordering.
- 1994- Netscape releases the Navigator browser. Pizza Hut offers online ordering on its Web page and the first online bank opens.
- 1998- PayPal comes into existence.
- 2002- Ebay acquires PayPal for \$1.5 billion and changes the scope of online shopping forever.
- 2003- After eight years, Amazon posts its first yearly profit.
- 2012- US Ecommerce and online retail sales are projected to reach \$226 billion (an increase of 12% over 2011) [5].

However, that's the future. In the beginning, the Internet was characterized by slow dial-up connections and online billboards. Netscape came on the scene in 1994 with its point-and-click Web browser that opened the door to the billion-dollar revenues e-tailers enjoy today. Two of the first online purveyors were, of course, eBay and Amazon.com. Looking at Amazon's evolution offers a pretty clear picture of the evolution of e-commerce, according to Nielsen//Netratings senior retail analyst Heather Daugherty. "Amazon has been around since almost day one," Daugherty said. "They were the first ones to offer one-click ordering that people now expect to find. Although Amazon certainly had a lot of skepticism from the street as to when it was going to become profitable, the company kept at it." Perseverance paid off. Amazon finally posted its first net profit two years ago, marking one of the most important milestones for e-commerce. This past holiday season, its 10th, was its busiest ever. Amazon set a single-day record with more than 2.8 million units ordered, or 32 items per second, worldwide during the holiday season[6].

VI. Future of E commerce

According to the latest research by Forrester, a leading global research and advisory firm, the e-commerce market in India is set to grow the fastest within the Asia-Pacific Region at a CAGR of over 57% between 2012-16. The report, titled "Asia Pacific Online Retail Forecast, 2011 To 2016," has been issued by Forrester Research Inc. Analyst Zia Daniell Wigder, with Steven Noble, Vikram Sehgal and Lily Varon [7].

Table 1: E commerce sales in India [7]

Country	Sales in \$ Billion	
	2012	2016
India	1.6	8.8
Australia	23.2	35.4
Japan	63.9	97.6
China	169.4	356.1

Source: Forrester

Industry studies by IAMA [8] indicate that online travel dominates the e-commerce industry with an estimated 70% of the market share. However, e-retail in both its forms; online retail and market place, has become the fastest-growing segment, increasing its share from 10% in 2009 to an estimated 18% in 2013. Calculations based on industry benchmarks estimate that the number of parcel check-outs in e-commerce portals exceeded 100 million in 2013. However, this share represents a miniscule proportion (less than 1%) of India's total retail market, but is poised for continued growth in the coming years [9].

VII. Conclusion

After this study it can be concluded that eCommerce is one of the finest way to buy or sell products online. Even such strategy is much safer and time saving. After seeing great interest of consumer in ecommerce more better service and technologies can appear to make the process more easier. eCommerce made possible to order anything via internet from anywhere in the world.

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