



A CONCEPTUAL STUDY ON ELECTRONIC RETAILING WITH SPECIAL REFERENCE TO INDIA

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ABSTRACT

Electronic retailing is the sale of goods and services through the internet. Electronic retailing, or e-tailing, can include business-to-business (B2B) and business-to-consumer (B2C) sales of products and services, through subscriptions to website content, or through advertising. Electronic Data Interchange, e-mail, bulletin board systems, electronic catalogues and forms, smart cards, etc. used for the e-commerce. Discusses the benefits and disadvantages of buying over the Internet resulted as an outcome of informed buying. Highlights the trading over the Internet with predictions and select examples. Also, discusses e-commerce scenarios in the Indian context. Concludes that organizations need to orient their businesses to this new market paradigm to tap potential customers. It is only a matter of time before the waves of this change wash on Indian shores. The article also discussed the measures to be taken by the government in order to encourage online retailing.

Key words: B2B, B2C, E- retailing, Government.

1. Introduction

In the coming years about 70% of the world growth is likely to come from India and China. One of the biggest opportunities and challenges that characterize the Indian retail sector is its structure as it is matured over the years. According to KMPG analysis 2019 the increase in the internet penetration in India online retailing is expected to reach USD 1.7 billion at a CAGR of 10% growth over next 3 years. E- Commerce as a retail channel has seen phenomenal growth over the last decades over the last couple years due to increase in the usage of smart phones and broadband connections.

Review of Literature

According to Sharma et al (2019), at least for next two to three decades the retailing industry in India experiences constant growth and it accounting for approximately 10 percent of India Gross Domestic Product and eight percent of the employment. The supply chain management, maintaining variety of products, home delivery, and adoption of new e-commerce technology are the major challenges for retailers.

Wel etal (2012) found 7 factors for retail store selection by the customers i.e. location, reference group, variety, quality of the product, ambience of the store and store employees, convenience, merchandize selection and promotional programs of the store.

Benefits of electronic Retailing



1. These stores are opened for customers in 24/7 basis customers can shop from their workplace or from the home.
2. Customers need not travel distance kilometers for shopping which will save time and money of the customers
3. In retailers point of view there is a chance of elimination of the intermediaries i.e. the manufacturer himself can sell the merchandise to the customer directly
4. Merchandise can be sold to the customers for best prices as there is no need of maintaining big shopping space.

Disadvantages of electronic retailing

1. There is no personal experience to the shopper i.e. he cannot verify the product before the purchase
2. Sometimes there is a problem of cheating by the electronic retailer i.e. there is a difference in the product which is shown in the website and which is received by the customer
3. There is a chance of delay in delivering goods.
4. This type of shopping is possible only for the urban customers and that to literates.

2. OBJECTIVES

- To understand the concept electronic retailing
- To know how electronic retail happens in India.

3. RESEARCH METHODOLOGY

The present study is mainly based on the secondary data i.e. Journals, news papers, websites and reports

E-Tailing in India Indian online retail is hampered by poor infrastructure, low Internet penetration and difficulties with basic enablers like online payments. Regulation presents another hurdle, especially to foreign entrants who cannot sell directly but can invest in marketplace-driven ventures, which host and fulfil for domestic third-party sellers. The number of Internet connections is estimated by the IAMAI at 243 million, a large number in itself, but less than a quarter of the population, although the number grew by 31% year on year in 2013. More significant is the rapid growth in mobile Internet users, opening the door for mobile commerce (m-commerce). Reliable estimates of mobile Internet users are not available since most consumers continue to access the Internet through WiFi. But the number of 3G subscribers in India is expected to have grown to 88 million in 2014, from 56 million in 2013, and the number of smart phone users to 116 million in 2014 from 67 million the year before. Nasscomm, an industry association, estimates that e-commerce sales in India will reach US\$100 billion by 2020, creating up to 50,000 jobs in the process—although global tech consultancy Forrester Research has set a more modest forecast of US\$16 billion for online retail by 2018. Expectations have led to a host of firms—domestic and foreign—expanding aggressively to ensure they are well placed when the market takes off.

Major Electronic players in India are

1. Flipkart
2. Snapdeal
3. Myntra
4. TATA Cliq
5. Amazon
6. E Bay

Snapdeal and Flipkart, the two largest domestic players, both have ambitious goals. Snapdeal, a marketplace seller which boasts 25 million registered users, hopes to emulate Alibaba's success and has set an annual transaction target of US\$1 billion on its platforms by the end of 2019. Flipkart, which merged with fashion portal Myntra in May, sees apparel retail as the next area of growth, targeting a 60-70% share of Indian online fashion.

4. FINDINGS AND CONCLUSIONS

1. Electronic retail will make ease of shopping which protects the time and money of the customer and which will helps the seller to supply merchandize to the customer for less price as there will not be infrastructural and maintenance cost.
2. In a country like India where there is more penetration of Internet in almost all the areas i.e. urban, suburban and rural areas there is every chance for development in electronic retailing which is already proved to be successful.

Conclusion

Electronic retailing will be successful if more number of population in the country are literates and if there is a support from the government i.e. any country should take measures to create favorable conditions in the economy for utilization of the digitalization. At this juncture the government should encourage digital India by offering tax exemptions on the online purchase and should enter in to MoU's with the PoS machines manufacturers for supply of such machines for less price or it should be distributed by the government authorities on subsidy basis for encouraging digital marketing.

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