



Inevitable E-Commerce From Feast to Funeral

KEYWORDS

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ABSTRACT

E-commerce is the core technology of knowledge economy. Developing e-commerce is an inevitable choice for the economy to enter into the world market, participate in and ultimately penetrate the global market. The growth of trade and commerce has increased the demand for internet and electronic commerce. At present the coverage of inevitable e-commerce from feast to funeral, growth and market performance. It enforces the business to carry out its commercial activities for Marketing, Selling, Delivering, Servicing and Playing the Electronic Commerce. E-Commerce provide way to exchange information between individual, companies and computer by range of process such as (EDI)Electronic Data Interchange, Electronic Mail Whats App, Facebook and Twitter etc, world wide web(WWW) and internet application in other words, e-commerce is movement of business on to the world wide web. Consumers on the other hand have the convenience of wider choice, customized of personalized products or services at lower prices.

INTRODUCTION

E-commerce (also written as e-Commerce, e- Commerce or similar variants), short for **electronic commerce**, is trading in products or services using computer networks, such as the Internet. Electronic commerce draws on technologies such as mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data collection systems. Modern electronic commerce typically uses the World Wide Web for at least one part of the transaction's life cycle, although it may also use other technologies such as e-mail.

E-commerce businesses may employ some or all of the following:

- Online shopping web sites for retail sales direct to consumers
- Providing or participating in online marketplaces, which process third-party business-to-consumer or consumer-to-consumer sales
- Business-to-business buying and selling
- Gathering and using demographic data through web contacts and social media
- Business-to-business electronic data interchange
- Marketing to prospective and established customers by e-mail or fax (for example, with newsletters)
- Engaging in retail for launching new products and services

India has an internet user base of about 354 million as of June 2015. Despite being third largest user base in world, the penetration of Internet is low compared to markets like the United States, United Kingdom or France but is growing much faster, adding around 6 million new entrants every month. The industry consensus is that growth is at an inflection point. In India, cash on delivery is the most preferred payment method, accumulating 75% of the e-retail activities Demand for international consumer products is growing much faster than in-country supply from au-

thorized distributors and e-commerce offerings. As of Q1 2015, six Indian e-commerce companies have managed to achieve billion-dollar valuation. Namely, Flipkart, Snapdeal, InMobi, Quikr, OlaCabs, and Paytm (wing of, One97).

MARKET SIZE AND GROWTH

India's e-commerce market was worth about \$3.8 billion in 2009, it went up to \$12.6 billion in 2013. In 2013, the e-retail segment was worth US\$2.3 billion. About 70% of India's e-commerce market is travel related. According to Google India, there were 35 million online shoppers in India in 2014 Q1 and is expected to cross 100 million mark by end of year 2016. CAGR vis-à-vis a global growth rate of 8–10%. Electronics and Apparel are the biggest categories in terms of sales.

Key drivers in Indian e-commerce are:

- Large percentage of population subscribed to broadband Internet, burgeoning 3G internet users, and a recent introduction of 4G across the country.
- Explosive growth of Smartphone users, soon to be world's second largest Smartphone user base.
- Rising standards of living as result of fast decline in poverty rate.
- Availability of much wider product range (including long tail and Direct Imports) compared to what is available at brick and mortar retailers.
- Competitive prices compared to brick and mortar retail driven by disintermediation and reduced inventory and real estate costs.
- Increased usage of online classified sites, with more consumer buying and selling second-hand goods

India's retail market is estimated at \$470 billion in 2011 and is expected to grow to \$675 by Bn 2016 and \$850 Bn by 2020, – estimated CAGR of 10%. According to Forrester, 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.

As per "India Goes Digital",^[13] a report by Avenues Capital, a leading Indian Investment Bank specializing in digital media and technology sector, the Indian e-commerce market is estimated at Rs 28,500 Crore (\$6.3 billion) for the year 2011. Online travel constitutes a sizable portion (87%) of this market today. Online travel market in India is expected to grow at a rate of 22% over the next 4 years and reach Rs 54,800 Crore (\$12.2 billion) in size by 2015. Indian e-tailing industry is estimated at Rs 3,600 crore (US\$800 mn) in 2011 and estimated to grow to Rs 53,000 Crore (\$11.8 billion) in 2015. Overall e-commerce market is expected to reach Rs 1,07,800 crores (US\$24 billion) by the year 2015 with both online travel and e-tailing contributing equally. Another big segment in e-commerce is mobile/DTH recharge with nearly 1 million transactions daily by operator websites.

CURRENT SCENARIO

E-Commerce Market in India 2014 captures the current scenario prevailing within the e-Commerce market in India. The market is mainly dominated by the online travel segment, while the online retail segment is witnessing the fastest rate of growth. Versatile shopping experience and rapid development of transaction facilities is further boosting opportunities for the remaining market segments. Even though the market is witnessing staggering growth rates, majority of the players are still facing dire shortage of funds. Raising capital funds to support daily business operations and online advertising expenses have become a major challenge for such players. Online retail operators, especially the inventory based players, are suffering from cost stack ups and charges incurred against customers opting for 'Cash on Delivery' mode of payment. In an attempt to tackle these problems, players are now constantly focusing on gaining customer loyalty and trust. Some of the most prominent trends in the market in this regard include a host of loyalty schemes, promotional offers and high rate of discounts. Additionally, tweaking business models and turning into mainstream online retailers, opening up of 'Brick and Mortar' stores to tap the 'offline' customer base, opting for a 'market place' approach, consolidation and self owned brands are some other major trends observed so far in the market.

Scope of the study

Developing e-commerce is an inevitable choice for the economy to enter into the world market, participate in

and ultimately penetrate the global market. The growth of trade and commerce has increased the demand for internet and electronic commerce. At present the coverage of inevitable e-commerce from feast to funeral, growth and market performance.

Objectives

- To study the e-commerce growth and market performance .
- To study the how e-commerce has modified our life.

Research Methodology

Data Collection

The study is based on secondary data taken from the annual reports of selected company and development of industries have been collected mainly from the books and magazine relating to the published paper, report, article and from the various newspapers research reports published by industry and various websites.

**FROM FEAST TO FUNERAL
HOW E COMMERCE HAS MODIFIED OUR LIFE**

No business in India in recent years has attracted as much hype around it as e-commerce. It is growing at a blink-and-you'll-miss-it pace. There are pots of venture capital money chasing boatloads of startups (despite doubts over valuations) the number are staggering: 500-plus startups and Rs.70,000 crore in risky venture money. Companies have realized selling online is the smartest way to reach consumer rapidly. That's the business side of things. What about us consumers? We have embraced shopping by Smartphone with both hands. About 125 million shoppers' spent \$7 billion in 2014, buying things as diverse as flight tickets and razor blades online. If someone had said a few years ago that Indians would one day buy things like lingerie and furniture without visiting a store, they would have been mocked. E-commerce of course is not just shopping. Far from it. You can now fix appointments with doctors, trade in shares, bank plan, and retirement and holidays online, e-commerce caters to every need one can think of, right from the time of birth to death. Yes you read it right. Even death. Here is the big picture of how e-commerce has pervaded every aspect of your life.

**Table-1
FROM FEAST TO FUNERAL
HOW E COMMERCE HAS MODIFIED OUR LIFE**

S.No	Name of Business	Products	Money Raised	Key Player	Investor	Adoption	Any Other Sources
1	Pregnancy, Birth & Early Childhood	Diapers, Rattles, Baby Food Etc...	About \$100 Million	Babyoye.Com, Hoopos.Com, Firstcry.Com, Hopscotch	Tiger Global, Accel Partners, Hellion Ventures	About 2500 daily shipments	Online baby care is less than 10% of the \$10 billion market for maternity accessories
2	Education, learning & skilling	Books Etc...	\$25 Million	Avagmah, Acadgild, Hello Class, Vedantu, Ed Tec, Culture Alley	Mainly Angel Investors	Culture alley is the leading English learning app on Google play store with over 3 lakh downloads	The focus is on tutoring, entrance exam preparation, skill development and language learning, rather than formal education. Barring tiger global, none of the venture firms has shown interest in education. But it's a \$100-billion market and booming in the last decade, student population rose 38% million, according to recent data released by the government. However, lack of success stories and corporate governance issues faced by a few listed players in the space have resulted in a lukewarm response.

3	Grocery	Grocery (Pepper, Vegetable Etc....)	\$175-200 Million	Big Basket, Grofers, Pepper Tap	Accent Capital Partners, Bessmer Ventures, Helion Ventures, Sequoia, Tiger Global	About \$1 million people order groceries via apps every day and this is growing at 30% every month	All the three big players have raised money to expand operations. The largest, BigBasket, processes about 20,000 order day and has a team of 2000. grocery is among the largest ecommerce segments and also the toughest of the \$500-billion retail market in india \$290 billion is grocery. Needs deep domain expertise, strong wholesale market linkages and robust cold chains to ensure fresh supplies. The challenge is to cut delivery time to minutes as apps compete with neighborhood vendors who now take orders on phone.
4	Home services	Home Plumber, Electricians, Laundry Beauty, Fitness Mobile Repair Etc...	\$50 Million	Timesaverz, Housejoy, Urbanclap, Localoye, Urbanpro, Taskbob +60 Others	Matrix Partners, Saif Partners, Tiger Global	About 100 services are on offer from startups and 20,000 people look for home service providers via apps daily in the top 5 metros	According to industry tracker Tracxn, 69 startups ventured into home services in 2014. Fragmented market pegged at \$100 million. The startups aim to develop an "Uber" for home services. Challenges include timely delivery of services and trained manpower
5	shopping	All Materials	\$8.5-9 Million	Amoazon.In, Flipkart, Snapdeal, Paytm, Ebay, In, Shopclues +50 Others	Alibaba, Foxconn, Tiger, Global, Nexus Ventures & Other	The top ecommerce players do more than 1lakh shipments a day to about 25,000 pin codes across india	Top player are diversified managed marketplaces (barring eBay and Snap deal), providing a platform to connect buyers and sellers and shipping from their warehouse. Retail is 500 million business, and less than 2% has gone online. It means there is plenty of room for growth. But competition has resulted in heavy discounting and companies are unable to make profits.
6	Taxi booking	Courier Services	\$1 Billion+	Uber, Ola, Meru, Carzonrent, Zoomcar +50 Others	DST Global, Softbank, Tiger Global, Steadview Capital, GIC, Falcon Edge Capital	Around 1million users can book cabs every day via apps in 100+ cities	Passengers hail taxis via apps. The taxi-hailing business is a \$10-billion market. Brutal competition among two leading local players led to Ola buying out rival Taxi for sure. Players such as Uber and Ola are disrupting the market with new offerings-cab services and now courier delivery as well
7	Furniture and Home Decor	Furniture, Electronic Products Etc..	\$300-\$350 Million	Urbanlader, Pepperfry, Fabfurnish, Livspace, Homelane	Goldman Sachs, Sequoia Capital, Tr Capital, Steadview Capital, Kalaari Capital	Average ticket size is Rs.18,000 by 2018, online furniture sales will be about \$1 billion	Offer high margins of 60-70% and not as susceptible to discounting as electronics products. Both Urban Lander and pepper fry recently raised fresh funding from existing and new investors. The domestic furniture and home products market is pegged at \$32 million and poised to grow to \$70 billion by 2010. Less than 1% is online.
8	Travel & entertainment	Railway, Air Line, Bus, Hotal Etc..	\$60-80 Million	Makemy Trip.Com, IRCTC, Redbus, Bookmyshow, Kyozaonga	Saif Partner, Accel Partners	40% of the railway booking happens via the IRCTC site	E- Ticketing is one of the most penetrated ecommerce businesses, with 40% of the ticket sales of railways happening via the IRCTC site. Hotels and airline tickets are increasingly being booked online. While the opportunity is huge, startups need to connect with more partners and tie up with wallet players to make payment easy.

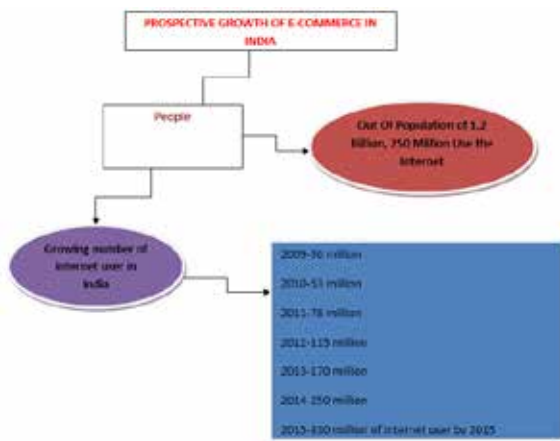
9	Eating out	Foods...	\$500-\$700 Million	Zomato, Foodpanda, Tiny Owl Swiggy	Goldman Sachs, Temasek, Vy Capital, Info Edge, Rocket Internet	Indian player service up to 10,000 orders daily	Appa connect customers to restaurants much like Uber connects taxis to passengers Zomato is a global player present in 22 countries. Food ordering (on phone) is a \$ 15 billion a year business. Apps plan to capture this market. They are literally giving food for free as they chase customers to create stickiness and change user behavior to start ordering from apps.
10	Wallet & bill payment	Bill Payment Etc...	\$ 1 Billion (By Startups)	Paytm, Payu, Mobikwik, Freecharge, Oxygen, Airtel, Vodafone +Bank Appa	Alibaba, Sequoia Capital, Beenos, Tree Line Asia, Cisco Investment	Paytm, the largest wallet player has 100 million user and average wallet size is Rs 350	Makes payments easy for user. Recently, the reserve bank of India issued payment bank licenses to 11 companies, including paytm and fino PayTech. Snap deal acquired free charge for \$ 400 million early this year. According to a study by research firm RNCOS, the market size for mobile wallet is Rs 350 crore and estimated to grow to Rs 1,200 crore by 2019.
11	Buying assets: property & cars	All Assets	\$1.2-1.5 Billion	Housing.Com, India-homes, Magic Bricks, 99 Acres.Com. Proptiger, Common Floor, Droom, Cartrade, Cardekho.Com, Car Wale.Com + 30 Others	Soft Bank, Google Capital, Accel Partners, Warburg Pincus, Hillhouse Capital, Tiger Global	Recently, A Tata Housing Apartment Valued At Rs 1.1 Crore Was Sold On Snapdeal. In 2014, Tat Housing Sold Flats Worth Rs.50 Crore Online	Buy, rent and sell research starts via apps, for new cars, buyers still flock to showrooms, but for used inventory, apps offer a single-window access, besides auto reviews. On the other hand, property is an overcrowded space, with more than 50 "me too" sites and apps competing for buyer attention. In both property and automobiles the opportunity is huge
12	Refurbished & used goods		\$500 - \$ 700 Million	Olx, Quikr, Greendust, Ebay.In+Others	Tiger Global, Kinnevik, Steadview Capital	The classified platforms enable about 2 million transactions a month with approximate gross merchandise volume of \$ 4 billion	Platform for cross- category classifieds. The used and refurbished goods market is estimated at about \$ 15 billion.
13	Social Networking & Jobs	All Jobs Only	Listed Companies	Facebook, Twiter, Whatsapp, LinkedIn	Most Of Them Are Global, Public Companies.	Facebook more than 110 million users in India	Must have for all. Many users have actually come online due to social networking. India has the second largest user base for almost all social networking platforms. At 350 million internet users, India still has a long way to go to take internet penetration to 100%. For jobs, LinkedIn has become an alternate platform to jobs only portals.
14	Health care	Medical Items(Tablets, Surb Etc)	\$ 200 Million	Practo, Health Kart, Ziffi, Angels Health & Others	Sequoia, Google Capital, Altimeter Capital, Matrix Partners, Yuri Milner	Every month over 20 million user book 20,000+ appointments via apps	Startups connect doctors to patients much like uber connects user to cabs. Practo is the largest doctor discovery platform, which recently expanded into diagnostics centre discovery as well. Diagnostics alone is a \$ 15- billion market and the overall healthcare is \$100 billion. While the opportunity is huge, their presence remains mostly limited to large cities
15	Insurance & retirement planning	Insurance	\$100-\$120 Million	Policy Bazaar, Cover Fox, Bank Bazaar	Tiger Global, Info Edge, Invntus Capital, Rabbit Capital, PremjilInvest	Policy bazaar sells about 40,000 new policy every month	Online term products are cheaper than offline by almost 35% as they cut out the middleman. User benefit by doing research on multiple policies on a single platform. Only 2% of the business has gone online and offers plenty of room for growth.

16	Others (Niche Players)	Jewelry, Vintage Products	Around \$ 100 Million	Lenskart(Eyewear), Zivame, Clovia, Pretty Secrets (Lingetie), Caralane, Blue Stone (Jewelry), Phantomhands (Vintage Products), Trulymadly, Easydate, Stepout.Com (Marriage & Dating)	Unilazer Ventures, Lalaari Capital, IDC Ventures, TR Capital	Lingerie worth nearly \$30 million is sold online: Lenskart ships over 1000 spectacles a day	They compete with large diversification players: but claim a better understanding of the market and customer needs. The domestic gems and jewellery market is Rs. 1.2 lakh and lingerie market Rs4, 000 crore. However, less than 1% has gone online. Building scale and getting repeat buyers are challenges.
17	funeral services	Funeral Services	\$2-3 Million	Indiafuneral.Com, Moksh-Shil & A Few Crematoriums	NA	Early days as yet, adoption limited to location of the startups.	Provides online access to funeral services for those who can't attend the last rites of their near and dear ones themselves. Services offered include last rites, prayer meetings, placing obituaries in newspapers and obtaining death certificates.

Source :(i).Industry. Note: list of companies is not exhaustive

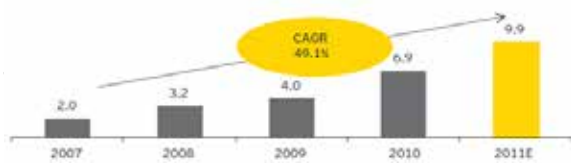
(ii) www.economic times.com

PROSPECTIVE GROWTH OF E-COMMERCE IN INDIA
TABLE-2



Size of the e-Commerce market in India

India's consumer-facing e-Commerce market (B2C-C2C) grew at a whopping CAGR of 49.1% from 2007 to 2011 to reach a market size of US\$9.9 billion. Online travel, the largest domestic B2C e-Commerce segment, accounted for 81% revenues in 2011.



Challenges for the e-Commerce sector in India

The phenomenal growth of the e-Commerce sector is accompanied by certain challenges:

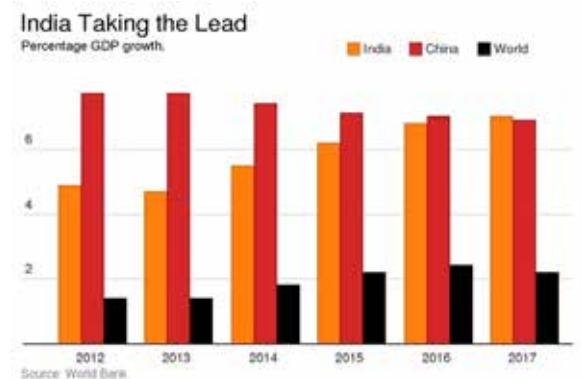
- Absence of e-Commerce laws
- Low entry barriers leading to reduced competitive advantages
- Rapidly changing business models
- Urban phenomenon
- Shortage of manpower
- Customer loyalty

TABLE-4
DIGITAL E-COMMERCE



The latest numbers from Ministry of Statistics have shown India is to take a lead in terms of the fastest growing economy, beating out China next year. Economic status of the country is evolving and, as a result, e-commerce industry is heading north without any traces of slowing down.

TABLE-5
GDP GROWTH IN WORLD



Investors are preferring eCommerce companies in India to invest their money. In the food retail industry, BigBasket, a leading grocery retail store received \$32.7 million in September 2014 from Helion Ventures, Ascent Capital, Zodius Capital and Lionrock Capital. In order to maintain their grounds, big daddy's of e-commerce are indulging into acquisitions. For instance, leading fashion retailer, Myntra that reportedly has 60% of its sales happening from mobiles, got acquired by Flipkart in 2014. Similarly, baby care retailer BabyOye, that had acquired its competitor Hoopos in late 2013, itself got acquired by Mahindra groups in February 2015. However, with Flipkart, Amazon taking up the maximum market, most of the player in baby care section has faded with time. Currently, only

Hopscotch and FirstCry have managed to survive. One of the recent investments to happen in 2015 is that of Quikr. Quikr, an online classifieds platform has very recently entered the billion dollar club after it received a funding of \$150 million from new investor Steadview Capital along with existing investors Tiger Global and eBay. The startup is now valued at \$1 billion, according to the reports.

CONCLUSION

E-Commerce is investable commerce irrespective of levels of e-commerce opportunities for the consumers and service providers or numerous and continuous. Technology in used e commerce are also friendly in spite of all the advantages many consumers are expatiated consumers are lose their money in short time. They lose their card earned money by clicking bokues websites.

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