



Prospects of Growth in E-Commerce in India and Security Framework

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Abstract

The growth and various sectors of digital trade (e-trade) in India are examined in this article. Non-native investors are investing in the e-trade sector because it is one of the fastest growing industries in India and provides a successful demand scenario for investments. The analysis comes to the conclusion that there may be a potential boom for e-trade in India if the government establishes a legal framework and shield for it and India's international trading partners are authorized to expand their basic rights such as intellectual property (IP), sequestration, preventing fraud, client protection, etc.

Key Words: *Govt. intervention, Internet security, E-Retail and E-trade, Growth, Market Composition, IP.*

PAPER/ARTICLE INFO

RECEIVED ON: 14/11/2022

ACCEPTED ON: 10/12/2022

Reference to this paper should be made as follows:

Negi, Vijay Singh (2022), "Prospects of Growth in E-Commerce in India and Security Framework", *International Journal of Trade and Commerce-IIARTC*, Vol. 11, No. 2, pp: 493-499.

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DOI: 10.46333/ijtc/11/2/15

1. INTRODUCTION

The cutting edge of exchange nowadays can be online commerce. It implies mercantilism when it comes to goods and services obtained online and through technology. It refers to a website of the merchant who, using a digital go-cart or digital hand basket system, offers goods or services directly to customers from the portal and accepts payments via credit card, debit card, or electronic fund transfers. E-business is the practice of conducting business using the internet and data technologies like electronic information sharing. Additionally, E-Commerce refers to the migration of business to the World Wide Web. E-commerce has almost completely taken over as the most popular online activity. E-commerce isn't exactly defined in a single way, although it generally refers to any marketable activity that is carried out, connected to, or assisted by electronic communication. Consumer service and new product design are only two examples of the completely various business sectors presently visible in e-commerce products. It enables new types of data-driven business strategies for working with and communicating with customers, such as online order taking, online marketing, and online customer service. The internet is now used by E-trade as at least one aspect of the sale lifecycle. Additionally, it can lower costs associated with managing orders and communicating with a wide range of suppliers and trading partners—areas that traditionally add significant costs to the price of goods and services. E-commerce has a substantial opportunity for developing countries like India. Even though it is still in its early stages in India, even the most gloomy predictions point to a boom. The number of businesses engaging in international trade has increased over the most recent period. Important Indian gate sites have also changed their focus from focusing on marketing earnings to e-commerce. Currently, many locations offer a wide range of services and goods, including food, digital widgets, laptops, and other items, in addition to beverages, chat cards, and movie tickets. The time for true e-commerce in India has therefore come with the launch of inventory exchanges.

2. REVIEW OF LITERATURE

Rao, M. (2006) while analysing the “Factors affecting increase of e-trade in India” concluded that there became a near affiliation among on-line buy and availability of data approximately the vendors, hence, recommended that greater data will increase respondents’ consolation stage for on-line trade.

Gnana (2006) came to the conclusion that many businesses are now using e-trade as a substitute or additional route, while the cost of doing so varies in different industries. For instance, a typical business in India selling cars is not yet ready to engage in significant e-trade.

Gupta (2014) provides a thorough explanation of electronic business while distancing it from e-business in her essay "E-Commerce: The Role of E-Commerce in Today's Business." The paper explains the several internet businesses models, such as B2B, B2C, B2G, and C2C, while narratively delving into the specifics of each.

3. OBJECTIVES OF RESEARCH

[i] To describe the current status and e-support commerce's systems in India. Since e-commerce is new to many segments and has a lot of potential, there is a need for a lot of facilitation.

- [ii] Assess the existing and future developments in Indian e-commerce, i.e., where we are now and where we are going in terms of growth and development.
- [iii] To classify the challenges that Indian retailers experience at the early stages and peak levels of e-commerce.

4. RESEARCH METHODOLOGY

Both primary and secondary sources are taken into account when conducting this investigation. The sections that followed introduced these collections of knowledge. Primary data was acquired by purposefully pre-arranged online surveys from consumers to conduct quantifiable inquiries. A survey was designed containing age, orientation, educational capacity, and information regarding the respondents' preferences.

In terms of the secondary data, supplementary data have been acquired from various publications, journals, theses, and websites. This study is based on secondary data that was gathered from a variety of online resources, including academic papers, www.statista.com, government publications from India's Ministry of Commerce, etc.

5. ANALYSIS

Table 1: Present Market Segments of E-commerce

Category	Specification
Digital Population as of January 2020	687.6 million
E-Commerce Market Size by 2027	200 Billion USD
Active E-commerce Penetration	74%
E-commerce Share in Retail	7 %
Share of online shoppers who Prefer Mobile Wallets	32%
Category of online retail with the Highest Penetration Rate	Electronics
Flipkart Revenue	436.15 Billion INR
Most popular E-Payment Service	Paytm

Source: Statista.com 2020

Table 2: share of E-Commerce to GDP

Year	GDP
2016	0.71
2017	0.76
2018	0.90

Source: Statista.com 2020

Table 3: Number of Internet Users in India from 2016 to 2018 with a forecast until 2023

Year	No. of Internet Users
2023	660
2022	634
2021	601



2020	564.5
2019	525
2018	483
2017	437.4
2016	295.39

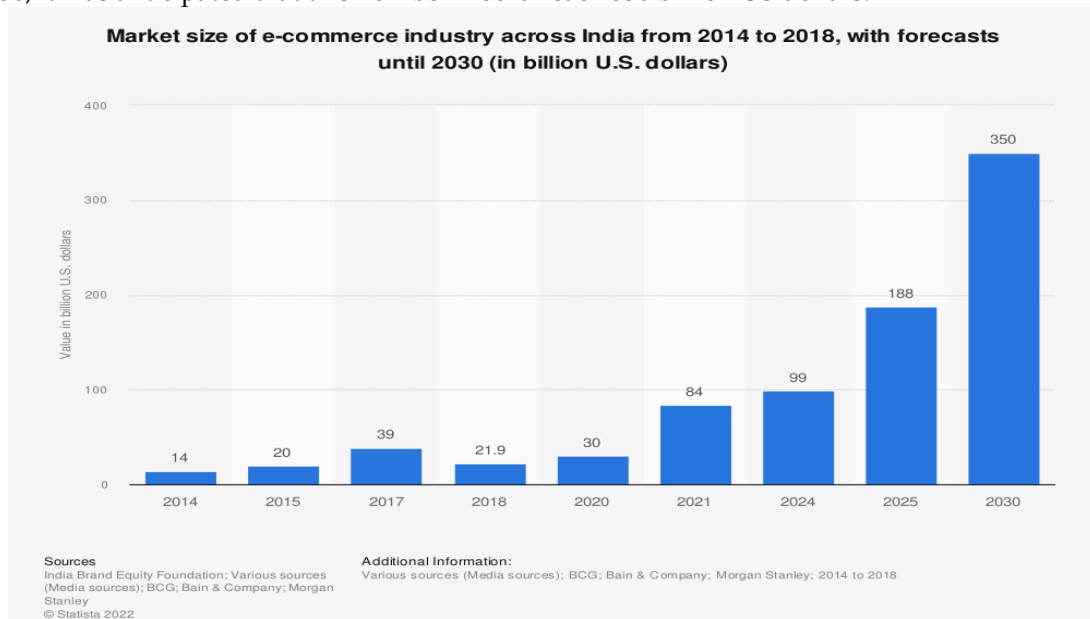
Source: Statista.com 2020

Table 4: Digital Buyers in India 2014-20 (In Millions)

Year	No. of Buyers
2014	54.1
2015	93.4
2016	130.4
2017	180.1
2018	224.1
2019	273.6
2020	330

6. FUTURE TRENDS OF E-COMMERCE IN INDIA

India has several capabilities in the e-trade sector due to the country's expanding internet user base and favourable market circumstances. The market value of the Indian e-trade industry, which has been expanding exponentially, reached roughly 22 billion dollars in 2018. By the year 2030, it was anticipated that this number would reach 350 billion US dollars.



7. E-BUSINESS WEBSITES IN INDIA

In India's e-commerce market, there is tremendous competition. The market is crowded with local and international companies competing for the largest market share. With more than 500 million dollars in sales as of April 2017, Amazon India had overtaken other online marketplaces in the USA. The prominent players in the neighbouring market have been Flipkart and Myntra. The majority of respondents agreed in a poll conducted in May 2020 to roughly allow e-trade structures to offer goods in India after the coronavirus lockdown.

8. INCREASING ANALYSIS OF E-COMMERCE IN INDIA

A few reasons are cited for the growing surge in the e-commerce industry. A few of the numerous factors that contributed to the rise in virtual income in India include the digitization of the financial system and the availability of cheap internet to people. In India, it was anticipated that e-commerce revenue will increase by 25% in 2018. However, it was anticipated that the growth rate would experience a slight decline in 2022. As a result, the possibility for increasing sales has also expanded. In India, the average retail e-commerce sales generated per consumer in 2018 were more than 50 US dollars. It was anticipated to make a 75 U. S. dollar profit by the year 2024.

9. GOVERNMENT INITIATIVES

The Indian government is working hard to make the country's online economy worth \$1 trillion by 2025. Below is a list of some of the significant government initiatives that are enabling the swift growth of e-business in the nation.

- Focus on government e-business (Gem) Digital India
- Bharat Net and Digital India
- Draft e-business technique and encouraging FDI guidelines.

10. FINDINGS

With case examples to back them up, we have discussed many facets of e-commerce in this essay. In order to further expand the marketability of the E-business region in India, it can be determined that numerous game plans interventions are necessary.

- Due to high challenge, unsuitable structure, slight edges, and high utilitarian expenses, a substantial portion of players in the E-exchange region of India have yet to reap the benefits.
- International companies such as Walmart, Alibaba, and others are keen to break into the Indian e-commerce business, and their investment might genuinely strengthen the sector's infrastructure and supply chain.
- Although web transactions and online commerce have been surpassed by the United Payments Interface (UPI) framework and the Digital India initiatives.
- To manage the growing E-exchange interest, India has to show more attention in improving its technical infrastructure. To build a solid E-exchange system, stockrooms, sortation facilities, and a successful last-mile assignment network are required.

11. CONCLUSION

Although the first phase of the development of e-trade in India was characterized by low internet penetration, a small on-line purchasing customer base, slow internet speed, low consumer appeal of online purchasing, and insufficient logistics infrastructure, the e-trade in India has the ability to adorn its growth within the second phase given the current business environment. The main factors that increased e-trade in the second segment are the LCCs' access to the Indian aviation market, the development of OTAs, online price tag booking programs, the launch of multiple online retail websites, building a strong market presence, utilizing social media for branding purposes, connecting with customers for feedback, and promoting new product launches, among other things. After looking at business trends as a whole, it is clear that e-commerce is becoming an important tool to verify the explosive growth of the Indian economy. It has the potential to lead India toward becoming an economic giant. E-trade presents an alluring option for the retailers to expand given the fast growing internet usage. In order to do this, additional funds must be invested in India's infrastructure, revolution, and recreational activities.

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