

Role of E-Commerce in Digital Marketing

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Abstract: Marketing is a wide term that refers to different promotional techniques deployed to reach customers via digital technologies. Internet has led to the birth and evolution of e-commerce. Web based technologies play a critical role in managing new marketing opportunities. E-Commerce commonly known as electronic communication is the trading or facilitation of trading in products or services using computer networks such as internet. The paper explains how e-commerce helps in explaining new marketing opportunities.

Keywords: *e-commerce, Digital Marketing Channels, Present day trend of e-commerce, dynamic growth.*

INTRODUCTION:

As the internet and in turn e-commerce has developed, it is vital that any organization by using web-based technologies concerns all forms of managing relationship with consumer by exploring new marketing opportunities with the new emerging concept i.e. e-commerce.

OBJECTIVES OF THE STUDY:

- To know the concept of Digital marketing and e-commerce.
- To explain the present scenario and status of e-commerce in India.

- To know about the digital marketing channels.
- To explain the role of e-commerce in business application.
- To study the impact of digital and e-commerce.

RESEARCH METHODOLOGY:

Research methodology shows the various means of data collection for the present study. The study is carried out by using secondary data. The present study is done to define emerging horizons of e-commerce in marketing and to discuss the challenges and its application in business. To find answers to such questions

descriptive research is done. The data of the study were obtained from the secondary sources such as various websites, journals, magazines and books. We have adopted analytical, descriptive and comparative methodology for the study.

E-commerce Player in India & Its Growth:

Flipkart.com: (www.flipkart.com/)

Snapdeal.com: (www.snapdeal.com/)

Fashionandyou.com:
(www.fashionandyou.com/fashionandyou-client-http-shop/shop)

Myntra.com: (www.myntra.com/)

Inkfruit.com: (www.inkfruit.com/)

Dealsandyou.com:
(www.dealsandyou.com/index)

eBay: (www.ebay.in/)

Homeshop18: (www.homeshop18.com/)

Infibeam.com: (www.infibeam.com/)

99labels.com:
(www.99labels.com/v1/index.aspx)

Rediff Shopping:
(shopping.rediff.com/shopping/index.html#!)

Yebhi.com: (www.yebhi.com/index.aspx)

Zoomin: (www.zoomin.com/)

Naaptol: (www.naaptol.com/)

Amazon: (www.amazon.in/)

India has the third largest user base in the world, with more than 300 million users, of which more than 50% are mobile-only internet users. Mobile internet users in

India expected to double by 2017. The India digital commerce market is expected to reach \$128 billion in 2017 from current status \$42 billion. E-commerce technology made online shopping easy and convenient. One market place and unlimited choices offered to public. Internet contributes 1.6% to India's GDP, expected to go up to 5.6% by 2020.

DIGITAL MARKETING CHANNELS:

Digital marketing is facilitated by e-commerce. There are multiple on-line marketing channels available like social marketing, e-marketing, social media and content marketing etc.

- Social marketing: It is the type of internet marketing which is related to searching process about the product.
- E-marketing: it is a marketing strategy in which commercial message is sent to a group of people.
- Social media: social media is used for the collection of community based input, interaction, content sharing and collaboration.
- Content marketing: It is one of the marketing in which creation and sharing of media in order to attract and retain the customers.

E-COMMERCE AND MARKET RELATIONSHIPS

| Ways of E-Commerce | Nature of Market Relationships |
|-----------------------------|--|
| B2B Business to Business | Businesses focus on selling to other businesses. |
| B2C Business to Consumer | Online businesses attempt to reach individual consumers in market. |
| P2P Peer to Peer | Peer to peer technology helps internet users to share files and resources without central web server. |
| C2C Consumer to Consumer | Provides a way for consumers to sell to each other with the help of an online market maker such as eBay. |
| M-Commerce | Use of wireless digital devices to enable transactions on the web. |

**Electronic Commerce Boost
Business Applications:**

E-commerce has now become a key component of many organizations in the daily running of their business. E-commerce provide organization advance and improve internet technology and infrastructure. E-commerce facilitates organization technology planning and management. E-commerce made extension of organization capabilities through technology and network. E-commerce decreases the cost of creating, processing, distributing, storing and retrieving paper based information. E-commerce reduces time between the outlay of capital and the receipt of product and services. E-

commerce initiate business processes re-engineering projects. E-commerce expands the market place to national and international market. With minimal capital outlay a company can easily and quickly locate more customer, best suppliers and most suitable business partners worldwide. It also helps in e-mail, instant messaging, online shopping and order tracking, online banking, shopping cart-software, electronic ticket and much more, business firm mainly. Integrated developed e-commerce framework with the traditional 4 P's model and provides a more comprehensive strategic approach to exploiting opportunity offered by e-commerce.

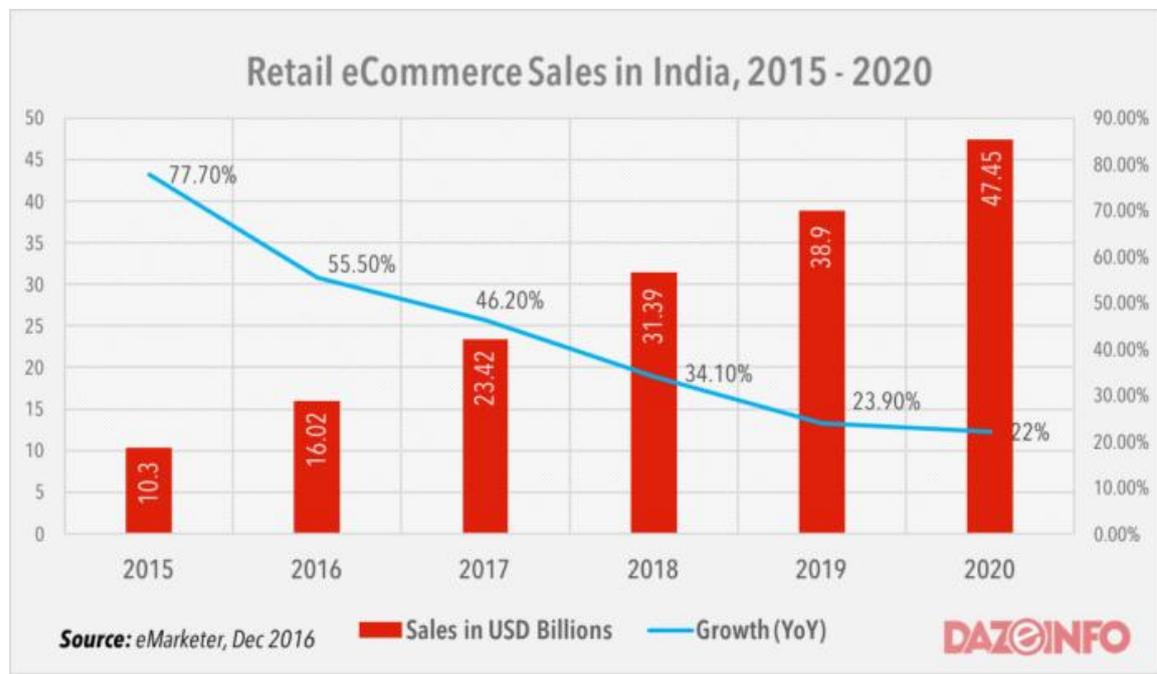
- **E-commerce framework + Traditional 4 P's Model = Integrated Business Model.**

E-commerce as %age of GDP in India 2008 to 2018

| E- Commerce as %age of GDP in India 2008to2018 | | |
|--|------|--------------|
| S.No. | Year | % age of GDP |
| 1 | 2009 | 0.13 |
| 2 | 2010 | 0.12 |
| 3 | 2011 | 0.14 |
| 4 | 2012 | 0.15 |
| 5 | 2013 | 0.16 |
| 6 | 2014 | 0.18 |
| 7 | 2015 | 0.18 |
| 8 | 2016 | 0.20 |
| 9 | 2017 | 0.21 |
| 10 | 2018 | 0.22 |

Source: <http://www.statistics.com/statistics/324599/bsc-e-commerce-percentage-of-gdp-india/>

Present day Trend of E-commerce in India:



The e-Commerce industry in India has a huge potential for growth, but the market is showing signs of a slowdown. Earlier this year, e-Marketer predicted that **retail e-Commerce sales in India** would grow by more than 75.8% to reach \$23.39 billion in 2016. E-Marketer, however, has revised its previous estimate; now the total retail e-Commerce sales are expected

to increase 55.5% to reach \$16.02 billion by the end of 2016. The growth rate has been cut down by a roughly 20% point from the previous estimate. However, e-Commerce industry in India continues to grow and contribute largely to the retail e-Commerce sales with 65.3% share reaching \$10.46 billion in 2016. Between 2016 and 2020, retail e-Commerce sales in

India estimated to increase 3x, reaching \$47.45 billion. While the YoY growth will slow down to 22% by 2020, the retail e-Commerce industry in India is expected to account a sizable share of total retail sales.

The fall in the expected growth figures came in as a result of recent demonetization in India banning large

denominations of the currency. The initiative has led to cash crunch across the country, forcing the e-Commerce players on temporarily banning and limiting the cash on delivery option (COD) up to INR. 1000. This has led to decrease in retail sales in India since a majority of the consumers prefer COD over other online payment methods in India.

E-commerce revenue in India as compared to other countries:

Retail Ecommerce Sales in Select Countries in Asia-Pacific and Worldwide, 2014-2018
billions

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| China* | \$472.91 | \$672.01 | \$911.25 | \$1,208.31 | \$1,568.39 |
| Japan | \$78.55 | \$89.55 | \$100.30 | \$111.33 | \$122.46 |
| South Korea | \$35.01 | \$38.86 | \$42.75 | \$46.59 | \$50.55 |
| Australia | \$17.40 | \$19.02 | \$20.66 | \$22.31 | \$23.94 |
| India | \$6.10 | \$14.00 | \$24.61 | \$39.45 | \$55.26 |
| Indonesia | \$1.94 | \$3.22 | \$5.29 | \$8.21 | \$10.92 |
| Other | \$35.00 | \$40.95 | \$47.37 | \$52.22 | \$60.55 |
| Asia-Pacific | \$646.92 | \$877.61 | \$1,152.21 | \$1,488.42 | \$1,892.07 |
| Worldwide | \$1,336.16 | \$1,670.99 | \$2,050.36 | \$2,498.48 | \$3,015.15 |

Note: includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment; excludes travel and event tickets; *excludes Hong Kong
Source: eMarketer, Dec 2015

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www.eMarketer.com

Impact of Digital India Program:

- E-commerce offers consumers a wide range of new opportunities to do direct shopping and banking using the convenience of a home computer or other communication devices.
- Digital India has drawn investment with Rs.4.5 crore and will create 18

lakh jobs.

- To move ahead from IT enabled services to IT enable society.
- E-commerce is going to change into m-govt. to mobile governance.
- BSNL already has 55 next generation network in place to replace 3 years old exchanges, their number will grow to 683 by year end 2017. BSNL also has wi-fi

hotspots working in HR Trimax 49-Aps 264) HFCL 75 (AP 122) by March 2017.

- Govt. is launching apps for **Swachh Bharat** mission, Pay Govt. and My Govt. and setting up National center for flexible electronic and National Institute for IOT(Internet of thing.)
- E-commerce consumers will have a wider and direct access to producers of goods and services without intermediaries.

Conclusion:

Digital India and E-Commerce is a latest concept which aims to transform India into a digitally empowered society by facilitating new marketing opportunities and promotional techniques deployed to reach customers via digital techniques which leads to dynamic growth of India.

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