OPEN ACCESS   Crossref   Crossref DOI Prefix 10.46523

E-Business: An Introductory Aspects

Dr. Muhammad Nayyar Hasan
Assistant Professor, Department of Commerce, Shia PG College, Lucknow

Dr. Shabi Raza,

Associate Professor, Department of Commerce, Shia PG College, Lucknow

Dr. Raza Shabbir,

Assistant Professor, Department of Commerce, Shia PG College, Lucknow

Dr. Farha Talat
Assistant Professor, Department of Commerce, Shia PG College, Lucknow

Introduction

Initially known as Internet commerce, e-commerce is a phenomenon that is revolutionizing business practices and reshaping traditional means of conducting business. E-business presents one of the greatest opportunities and challenges in retail. Changes in technology, the rise of the Internet and the critical need to attract, train and retaining talent make the job one of the most challenging in retail today. The nature of retailing is changing. Years of fierce competition on the high street means that to be successful, retailers has to examine every aspect of their business to ensure a profitable return on investment.

The cutting edge for business today is e-commerce. Most people think e-commerce means online shopping. But web shopping is only a small part of the picture. The term also refers to online stock, bond transactions, buying and downloading software without ever going to a store. In addition, e-commerce includes business to business connections that make purchasing easier for big corporations.

The proliferation of electronic commerce throughout business organizations is having profound effects on business strategies. "The rules of competition are being re-written and redefined as the technological revolution continues, particularly in the area of world-wide commerce." Electronic commerce has evolved from a high-tech marvel to a corporate initiative. Electronic commerce can no longer be ignored or thought of only as an I.T. project. Electronic commerce projects must now be intertwined with the firm's strategic plans. The most notable strategic effects at the business-unit level: are value added, differentiation, cost leadership, focus, and business growth strategies.

For many businesses, electronic commerce means using the Internet as a distribution channel to market and sell goods and services to the consumer. This narrow definition really defines only Internet commerce. Electronic commerce is much broader in what it

90

encompasses. According to Malcolm Frank, V. P. Marketing, Cambridge Technology Partners, electronic commerce is the electronic exchange of information, goods, services, and payments and includes the creation and maintenance of Web-based relations. Therefore, E.C. includes, but is not limited to, the Internet, intranets, extranets, electronic data interchange (EDI), and others. Examples of electronic commerce include transaction processing with electronic

Traditional jewellery retail is essentially characterized by commoditized selling with "price" being the selling point in most cases. As 94-96% % of the retail is unorganised it is a great challenge to address the collective problems of a fragmented industry with a very traditional and sometimes change –resistant mindset. The good part is that India is now beginning to move towards branded jewellery and the consumers have accepted the modern retail formats. It is expected that this would act as a catalyst for change and may impact the traditional players, who would need to upgrade themselves in line with the changing market. However it is believe that the traditional players would coexist with the modern players - this is in fact the trend in international markets where the independents still hold significant share of the market.

The term E-business was initially crafted in a thematic campaign by IBM in 1997 and subsequently defined as "a secure, flexible, and integrated approach to delivering differentiated business value by combining the systems and processes that run core business operations with the simplicity and reach made possible by Internet technology". Prior to the offering of this definition, the term E-business and E- commerce were often referred to interchangeably. The offering of this formal definition marked the coming of age of the adoption of the Internet and its technology to go beyond the function of E-commerce and encompass other functionalities such as e-marketing, e- franchising, e-mailing and many more.

It is recognized that in the Information Age Internet commerce is a powerful tool in the economic growth of developing countries. E-commerce is generally considered to be the sales aspect of E-business. It is time for the traditional brick and mortar entrepreneur to examine how the Internet changes the traditional process of exchange to become more efficient and in the process redefine the entire concept of value. Internet e-commerce uses various internet components to communicate with various associates in export business. E-commerce has given rise in turn to e-purchasing and e-marketing. In the e-purchasing; companies decide to purchase goods, services, and information from various online suppliers while in e-marketing; companies endeavor to inform, communicate, promote, and sell their products over the Internet.

E-commerce is more relevant for export business as the internet provides global reach to both the exporters and importers. In practice, e-business is more than just e-commerce. E-

business refers to more strategic focus with an emphasis on the functions that occur using electronic capabilities. Various applications of e-commerce are continually affecting trends and prospects for business over the Internet. A more developed and mature e-banking environment plays an important role in ecommerce by encouraging a shift from traditional modes of payment (i.e., cash, checks or any form of paper-based legal tender) to electronic alternatives (such as e-payment systems), thereby closing the e-commerce loop. An electronic payment system (EPS) is a system of financial exchange between buyers and sellers in the online environment that is facilitated by a digital financial instrument (such as encrypted credit card numbers, electronic checks, or digital cash) backed by a bank, an intermediary, or by legal tender.

E-business has emerged as a mainstream way to facilitate business transactions around the world. It includes any process that a business organization (either a for-profit, governmental or non-profit entity) conducts over a computer-mediated network.

E-commerce has become a buzzword for businesses over the past few years, with increased awareness about the use of computer and communications technologies to simplify business procedures and increase efficiency. The increase in the PC and internet penetration along with the growing preference of Indian consumers to shop online has given a tremendousboost to e-tailing-the online version of retail shopping. An estimated 10 per cent of the total e-commerce market is accounted by e-tailing. With today's, net-savvy Indians making online purchases like never before, both the number and variety of products sold online has grown exponentially.

E-commerce offers a number of advantages with respect to implementation of marketing strategy. E-marketing strategy is the design of marketing strategy that capitalizes on the organization's electronic or information technology capabilities to reach specified objectives. There are number of ways with which e-business can promote itself online. They are:- Domain names- The initial step in defining a Web presence is the registration of a relevantdomain name. While the rules of picking a good domain name are similar to those of pickinga good brand name in the physical world.

The best designed website will be useless if the target audience cannot find it or does not visit the same. An increasingly difficult task for a Web business is to be able to gain visibility and traffic. A basic strategy to enhance the potential of exposure and visibility are: registrations with Web search engines and online directories.

An e-business website is a virtual storefront with worldwide exposure. The websites are available anytime to anyone, anywhere in the world with access to the internet. The primary overriding issue in the legal aspects of e-business concerns jurisdiction. The

Parliament of India passed its first Cyberlaw on the 17th of October 2000, the Information Technology (IT) Act, 2000 which provides the legal infrastructure for e-commerce in India. The implementation of this Act has started a new era of e-governance and will have a lot of impact on the way people do business in India and will also open up opportunities for e-business.

Recently Govt. approve changes to IT Act, 2000. The Information technology Act 2000 amendment Bill 2006 has since been passed by the Indian Parliament on December 23, 2008. The Government of India has proposed major amendments to ITA-2000 in form of the Information Technology (Amendment) Bill, 2006 which have been passed by the Cabinet Committee of the Government of India and are ready for being placed before the Indian Parliament for discussion. The Bill has since been passed in the Parliament on December 23, 2008. The Bill has now been renamed as Information Technology (Amendment) Bill, 2008. The laws for the IT sector are being amended with new sections being added and some of the existing ones changed to tighten data protection and privacy of information about customers. The original purpose of the Information Technology Act, enacted in 2000, was to boost e-commerce and create an enabling environment for e-governance. It also provides a legal framework for transactions carried out using computers and Internet technologies. It was recently felt that a fresh look into the technology driven law should be given after concerns were raised regarding inadequacy of legislation pertaining to data protection and privacy. The amendments would prescribe the security practices and procedures to be followed by corporates and organisations.

This thesis makes an attempt to analyze the current position of Exporters' online business and to identify opportunities to increase the sales performance by exploring the link between buyer and seller, and by studying the factors that motivate buyers to make online purchases. It is also required to understand the ongoing efforts undertaken by the organizations.

E-commerce is becoming established very quickly in all the areas of the business world. It is believed that the results will be imminent and the dramatic changes, not only in the conduct of business but in the society and the economy at large. The current study could help companies understand consumers' level of satisfaction with their online shopping programme. The coming years will witness the new heights in the online gems and jewellery sales, and such revolutionary changes would dramatically alter the shape of retailing in the future.

References

1.   Aggarwal, S. (1994), "Marketing Research", Global Business Press.

2.   Bajaj, Kamlesh K. (1999), "E-Commerce: The Cutting Edge Of Business",   Tata McGraw Hill, New Delhi.

3.   Chaffey D (2007), "E-Business and E-Commerce Management", Prentice Hall   Inc.

4.   Dhawan, Nidhi (2010), "Introduction to E-Commerce", International Book   House P. Ltd.

5.   Driscoll, J.W. (1978), "Trust and Participation in Organizational Decision   Making   as Predictors of Satisfaction", Academy of Management Journal, 21   (1), 44-56.

6.   Jarvenpaa, Srikka L., Joam Tractinsky, and L.Saarinen (1999), "Consumer   Trust   in   an Internet Store: A Cross-cultural Validation", Journal of Computer   Mediated   Communication, 5 (2).

7.   Judy Strauss, Adel El-Ansary and Raymond Frost (2007), "E- Marketing",   Prentice Hall, Inc.

8.   Kalakota, Ravi and Andrew B.Whinston (1997), "Electronic Commerce: A   Manager's Guide" Addison Wesley Longman, Inc.

9.   Kalakota, R and Robinson M (1999), "E-Business: Roadmap for Success"   Addison Wesley Longman, Inc.

10.   Lee, M.K.O. and Turban, E., "A trust model for consumer internet   shopping," International Journal of Electronic Commerce (6:1), 2001, pp. 75-   91.

11.   Obaidat S. Mohammad, Boudriga Noureddine (2007), "Security of E-   systems   and Computer Networks", Cambridge University Press.

12.   Wolfinbarger, M. and Gilly, M.C. (2003) "ETailQ: Dimensionalising,   Measuring and Predicting E-Tail Quality", Journal of Retailing 79(3): 183-98.

13.   "Youths rule Internet, but elderly making gains: Study" (29   Jan   2009) 'economictimes.com

94