

E-Commerce: Challenges and solution

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ABSTRACT

Electronic commerce also known as e-commerce or e-comm, refers to the buying and selling of products or services over electronic systems like as the net and other computer networks. But, the term refers to more than just buying and selling products online. It also includes the entire online process of marketing, developing, selling, delivering, and paying for products and services. The amount of trade conducted has grown extremely with general net usage. The use of commerce is conducted in the way, spurring and drawing in electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), and inventory management systems. Modern electronic commerce characteristically uses the World Wide Web at least at one point in the transaction's life-cycle, although it may include a wider range of technologies such as e-mail, mobile devices and telephones as well. A large proportion of electronic commerce is conducted in electronic form for virtual items like access to premium content on a website, but mostly electronic commerce involve the transportation of physical items in some way. Online retailers are sometimes known as e-tailers and online retail is sometimes known as e-tail. Almost all big retailers are now electronically present on the World Wide Web Electronic commerce is generally considered to be the sales aspect of e-business.

1. INTRODUCTION

Many well-established businesses have been selling on-line for years. For example, Dell Computers Corp., has been selling computers directly to end-users for years. Currently, Dell is selling excessive of 1 million dollars worth of computers everyday on the World Wide Web (WWW). When a business has included an e-commerce solution, the business will practice a lower operation cost while at the same time increasing its revenue. The e-commerce solution will allow businesses to remove pointless paperwork. All paperwork and data can be malformed into an electronic format. Thus, it will remove valuable shelf space and data can searched and accessed in seconds. E-commerce will also automate the sales process. Customers can "point & click" on the products they wish to buy, fill out the client information, and the product will be shipped and received in a matter of days. The management department does not have to fill out any paperwork because the customer had done it already. Thus, the effectiveness will be really better. With an e-commerce solution, the business will be open 24 hours a day, 7 days a week. People from anywhere in the world with an net access will be able to access the site at any time. They will not be limited to the "normal" business hours. With an e-commerce solution, business will not be restricted to a geographical restriction, rather it opens itself to the global on-line market.

I chose the net as my key research medium because e-commerce is still a new technology. Since it is technology related, the Internet will present the most recent data available. Some of the e-commerce web sites that are into E-Commerce Times are, eRetail, and eMarketer. The statistical research firms include Forrester Research and Jupiter Communication. Both firms provided precious statistical data that shows the increase of consumers shopping on-line and the predicted amount that will be spent.

2. METHODS

In conducting my study, I completed the following jobs:

I searched widely on the net for sites that are e-commerce related. On visiting the sites, I evaluated each sites for the information, thoroughness, and objectiveness. There are hundreds of sites that are dedicated to e-commerce.

3. RESULTS

From my research, I have developed twenty reasons why every business should fit in an e-commerce solution into the business operation:

3.1. To Establish a Presence

There are around 70 million people worldwide that have access to the World Wide Web (WWW). No matter what industry or business, one can not overlook 70 million people. To be part of that on-line community, one would need to be on the WWW for them.

3.2. To Network

Passing out one's business card is part of every good meeting and every business person can tell more than one story how a chance meeting turned into the big deal.

3.3. To Make Business Information Available

What is basic business information? Think of a Yellow Pages ad. What are one's business hours? What does one do? How can someone contact the business? What method of payment does one take? Where is the business located at? Now think of a Yellow Pages ad where one can have instant communication. What is today's special? Today's interest rate? Next week's parking lot sale information? If one could keep one's customer informed of every reason why they should do business with them, doesn't one think one could do more business? One can on the WWW.

Dipti Bahuguna et al.

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3.4. To Serve the Customers

Making business information accessible is one of the most important ways to serve the customers. But if one looks at serving the customer, one will find even more ways to use WWW technology. Record one's customer is looking for, without tying up one's staff on the phone to take down the information. Allow the customer to hit in sizes and check it against a database that tells him what color of jacket is available in one's store. All this can be done by WWW.

3.5. To Heighten Public Interest

One won't get Newsweek magazine to write up about one's local store opening, but one might get them to write up one's Web Page address if it is something new and interesting. Even if Newsweek would write about one's local store opening, one would not benefit from someone in a distant city reading about it, unless of course, they were coming to one's town sometime soon. With Web page information, anybody anywhere who can access the internet and hears about one's site is a potential visitor to one's Web site and a potential customer for one's information there.

3.6. To Release Time Sensitive Material

What if one's materials need to be released no earlier than midnight? The quarterly earnings statement, the grand prize winner, the press kit for the much anticipated film, the merger news? Well, one sent out the materials to the press with "The-do-not-release-before-such-and-such-time" statement and hope for the best. Now the information can be made available at midnight or any time one specifies, with all related materials such as photographs, bios, etc. released at exactly the same time. Imagine the anticipation of "All materials will be made available on our Web site at 12:01 AM". The scoop goes to those that wait for the information to be posted, not the one who releases one's information early.

3.7. To Sell Things

Many people think that this is the number one thing to do with the World Wide Web. However, I have made it number seven to make it clear that I think one should consider selling things on the Internet and the World Wide Web after one has done all the things above. Why? Well, the answer is complex but the best way to put it is, does one consider the telephone the best place to sell things? Probably not. One probably considers the telephone as a tool that allows one to communicate with one's customer, which in turn helps one sell things. Well, that's how I think one should consider the WWW. The technology is different, but before people decide to become customers, they want to know about one, what one does and what one can do for them. Which one can do easily and inexpensively on the WWW. Then one might be able to turn them into customers.

3.8. To make picture, sound and video available

A picture is worth a thousand words, but one does not have the space for a thousand words. The WWW allows one to add sound, pictures and short movie files to one's company's info if that will serve one's potential customers.

3.9. To Reach a Highly Desirable Demographic Market

The demographic of the WWW user is probably the highest mass-market demographic available. Usually they are college-educated or being college educated, making a high salary or soon to make a high salary. It is no wonder that Wired magazine, the magazine of choice to the Internet community, has no problem getting Lexus and other high-end marketer's advertising. Even with the addition of the commercial on-line community, the demographic will remain high for many years to come.

3.10. To Answer Frequently Asked Questions

Post questions on WWW page and one will have removed another barrier to doing business with one and freed up some time for that harried phone operator.

3.11. To Stay in Contact with Salespeople

One's employees on the road may need up-to-the-minute information that will help them make the sale or pull together the deal. If one knows what that information is, one can keep it posted in complete privacy on the WWW. A quick local phone call can keep one's staff supplied with the most detailed information, without long distance phone bills and tying up the staff at the home office.

3.12. To Open International Market

One may not be able to make sense of the mail, phone and regulation systems in all the potential international markets, but with a e-commerce solution, one can open up a dialogue with international markets as easily as with the company across the street. As a matter-of-fact, before one goes onto the Web, one should decide how one wants to handle the international business that will come one's way, because one's postings are certain to bring international opportunities to one's way, whether it is part of one's plan or not. Another added benefit; if one's company has offices overseas, they can access the home offices information for the price of a local phone call.

3.13. To Create a 24 Hour Service

Not all businesses are on the same schedule. However, Web pages serve the client, customer and partner 24 hours a day, seven days a week. It can customize information to match needs and collect important information that will put one ahead of the competition, even before they get into the office.

3.14. To Make Changing Information Available Quickly

Sometimes, information changes before it gets off the tradition. Now one has a stack of expensive, worthless paper. Electronic publishing changes with one's needs. One can even attach one's web page to a database which customizes the page's output to a database one can change as many times in a day as one needs.

3.15. To Allow Feedback from Customers

One passes out the brochure, the catalog, the booklet. But it doesn't work. No sales, no calls, no leads. What went wrong? Wrong color, wrong price, and wrong market? Keep testing, the marketing books say, and one will eventually find out what went wrong. That's great for the big boys with deep pockets, but who is paying the bills? One is and one doesn't have the time nor the money to wait for the answer. With a Web page, one can ask for feedback and get it instantaneously with no extra cost. An instant e-mail response can be built into Web pages and can get the answer while its fresh in one's customers mind, without the cost and lack of response of business reply mail.

3.16. To Test Market New Services and Products

Once one has been on the Web and know what to expect from those who are seeing one's page, they are the least expensive market for one to reach. They will also let one knows what they think of one's product faster, easier and much less expensively than any other market one may reach. For the cost of a page or two of Web programming, one can have a crystal ball into where to position one's product or service in the marketplace.

3.17. To Reach the Media

Every business needs the experience that the media can bring, , but what if one's business is reaching the media, as a newswire, a publicist or a public policy group. The media is the most wired profession today, since their main product is information and they can get it more quickly, cheaply and easily .Digital images can be put in place without the stripping and shooting of the old pressrooms and digital text can be edited and outputted on tight deadlines. All these can be made available on an e-commerce solution.

3.18. To Reach the Education and Youth Market

If one's market is education, that analyse most universities offering net accesses to their students. Books, study courses, youth fashion and others that would want to reach these markets need to be on the WWW. Even with the coming of the commercial on-line services there will be nothing but growth in the percentage of the under 25 market that will be on-line.

3.19. To Reach the Specialized Market

One may think that the net is not a good place to be. But, think again. The net isn't just for computer science students anymore. With the 70 million and growing users of the WWW, even the most scarcely defined interest group will be represented in large numbers. Since the Web has many good search programs, one's interest group will be able to find company and competitors.

3.20. To Serve One's Local Market

If one is situated in San Francisco Bay Area, the Raleigh NC area, Boston or New York, there is sufficient local customers with net access to make it worth one's while to consider Web marketing. A local Palo Alto, CA restaurant even takes lunch orders through the Internet! But no matter where one is, if the big client has Internet access, one should be there too.

4. CONCLUSION

After analyzing and studying of the effects and turnover of an e-commerce solution to an existing business, it is clear that an e-commerce solution will benefit the business in every aspect giving higher efficiency in every field.

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