Challenges of E-marketing in India

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Abstract- The aim of this study is to explore the challenges of e-marketing in India. Electronic commerce is a revolution that many industry and academic observer believe will transform the conduct and structure of business. This range of interesting developments and innovations that are occurring in information goods, firm business processes, electronic marketplaces, and emerging industries in the economy further increase the impetus to broaden efforts in research on electronic commerce. Shopping is one of the essential part of our daily life. Internet has brought nearly the entire world just a click away from us. The retail industry canvass has been repainted by internet and the rules of the game in retailing are fast changing. The western culture has affected each and every aspect of our Indian society. The life is becoming fast not only in the metros but also in the normal cities. The number of nuclear families is increasing and both husband and wife are working, as they have less time to go to the market for purchasing every now and then. Some other reasons like these, say shortage of time, traffic jams, late working hours, versatility of plastic money and above all the improved their service and are providing more and more convenience to the customers. From advance payment options they moved on to payment on delivery.

Keywords: Internet, Online Shopping, Delivery, Retailing, E-Marketing

I. Introduction

Indian market is dominated by unorganized players but there is a huge potential in the area of organised retail as well. Entry of bigger players such as nig bazaar, more, metro, etc., to even the rural areas has paved the way for growth in this sector (Yadav and Sharma, 2014). There has been rise in the earnings of Indian middle class due to rapid economic growth. Indians disposal income is expected to increase at an average of 8.5% per annum until 2015. The two giants of Asia i.e. India and China are leading the way (Suguna and Selladurai, 2017). India has been seen some dramatic changes in the way internet has affected the lives of the people. Though the internet using population in India is low in terms of overall percentage of total population but, in absolute numbers it is very high. This gives great opportunities for various e-commerce sites to reach this segment. The number of consumers who purchase online is expected to cross 100 million by 2017 end with e-retail market likely jumping 65% on year in 2018, an ASOCHAM-Resurgent India study said on Monday. The year 2017 will see largely scale growth in the Indian e-commerce sector with increased participation from people across the country. This industry will continue to drive more employment opportunities and contribute towards creating more entrepreneurs through the e-commerce marketplace model. Besides this, demonetization and a reduction in cash transaction, along with improvement of net banking facilities, can be opportunities for the Indian e-commerce sector. In 2016, about 69 million consumers purchased online which is expected to cross 100 million by 2017 with the rise of digital natives, better infrastructure in terms of logistics, broadband and internet-ready devices to fuel the demand in e-commerce. Indian e-marketing is expected to touch $ 17.52 billion by the end of 2018. The total sales online sales is growing at an impressive rate of 15%, registering a double digit growth figure year after year. Mobile commerce is likely to jump to 45-50% in 2017 against the current 30-35% of e-marketing. This study added that 50% sales come from mobile with majority being first time users. It also observes a surge in the number of people shopping on mobile across India. Therefore, the aim of the present study is explore the current status of online marketing in India. Also to provide SWOT analysis of e-marketing in modern era.

II. Growth of E-Marketing In India

Provision of Anywhere Anytime Services: People now-a-days find it easier shopping online, as the products get home-delivered coupled with the facility to shop 24*7. Thus, an online buyers saves precious time, extra efforts and money while buying online as compared to buying from physical stores.

Best Price with Better Bargains: E-marketing eliminates the need to maintain expensive and fancy showrooms. Instead, what attracts customer attention to online stores is the great deals, best prices, and better bargains.

Rising trend of Cyber Cities: The rising trend of internet shopping has taken off more noticeably in metropolitans such as Delhi and Mumbai where both consumers and merchants have become equally net savvy. There is also rise in online shopping in small cities such as Chandigarh, Ludhiana, Jalandhar, Pondicherry, etc.

Mobile Governance: Moreover the growth of the mobile communication i.e. mobile governance has led to the growth of the online marketing as people are more accessible to interest 24*7.

Increased Use of Online Banking/Credit Cards/Debit Cards: The electronic transactions have been made secure by the use of various technologies. The banks (RBI and others) are bringing out new guidelines (like one time passwords, security q\questions) so that the online transactions can be made safe for the consumer.

Emergence of Nuclear Family in Modern Era: In the present era, nuclear families are increasing and both husband and wife are working, as they have less time to go to the market for purchasing commodities.

Online Marketing Attraction for NRI's: Online marketing is a big attraction for the NRIs (non-resident Indian), the apparel and gifting business online has maximum NRI consumers.

Emerging Rural India: With increased internet and broadband penetration and schemes like e choupal for the convince of farmers, the rural India is awakening. If farmers have to purchase any such thing they have to come all the way to a nearby city.

Mechanism of Product Comparison: Most of the websites are providing product comparison facility wherein shopper can choose the product which exactly suits him.

Government- Online Initiatives: Online shopping trend is not just for consumer market. The government is another rising user of the online buying under the overall theme of e-commerce. A series of initiatives from the government, public sector banks and Indian Railways embracing the net, have helped to boost the confidence of users to trade online in this sector as well.

Latest Trend of Social Networking: In the age of 21st century, everyone wants to be in touch with friends and latest trends of technology by using the social networking websites.

Internet Shopping Portal For E-marketing: Internet shopping portal are also responsible for incremental growth of e-marketing industry. Numerous portal for e-marketing such as www. amazon.com; www.asos.com; www.ebay.in; www.futurebazaar.com; www.hindustanlink.com, www.quikr.com; www.flipkart.com, etc.

III. Challenges of E-Marketing

Competitors: Competition is enhancing day by day big companies have already entered in this field. They are making people habitual at the cost of their companies. The threat from online competitors is leading more traditional retailers to consider embracing even seemingly outlandish technologies.

Change in Environment, Law and Regulations: Change in trends and fashions can distress e-retail side by side change in law and regulations can also affect. Government policies can also hinder e-retail businesses by imposing regulations that enhance costs, such as requiring the development and integration of new systems or procedures.

Innovation: Customers now a days are always in a search of innovative products. Innovation can be either in product, place, promotion and even price. If e-retailer does not innovate, its survival is at stake. innovation in leveraging technology that needs updated or replaced. Technology and system capabilities are changing and innovative solutions leave IT department scratching their heads as to how to keep up.

Fraud: Persons using unfair means to operate e-commerce can damage the confidence and faith of common people. E-retail so heavily on the internet, may fraud examiners are consulted for fraud information.

Security: Security matter confuses customers especially about the integrity of the payment process. In an electronic environment where market needs, technology requirements and security challenges change very rapidly, proactive risk-handling is essential. Unfortunately, no matter how strong your extranet defenses are, it is always possible that a new exploit could defeat your best efforts to secure the web.

Fake Websites: Fake websites cannot only disgrace e-retail but bring bad name to e-commerce also. Fraud: concern about misuse of financial and personal data is a great weakness in e-retail.

Long Delivery Timing: Delivery time can be in days or weeks which one cannot wait for. Supplier selection is extremely important in purchasing management to enhance quality, reduce delivery time, and to curtail purchasing cost.

More Shipping Cost: Shipping cost increases if we order online. E-marketing makes buying a more convenient experience but did not fully appreciate how much of an effect shipping charges can have on their bottom line.

Customers' Satisfaction: There is no interaction between customer and the seller. Therefore the scope of convincing the customer does not exist. Many times customers prefer to buy the product by reaching personally to the market rather than purchasing through internet.

Convenience: E-marketing are moving towards increasing the convenience factor and thus attracting the shoppers to use this channel. Moreover the growth of the mobile communication has led to the growth of the e-marketing as people are more accessible 125 to internet 24*7.

Time Saving: A shopper saves a good amount of time by shopping online. In the metros and even in the smaller towns which are growing fast, the life of an average person has become very fast. he has very little time after his routine office schedule to go to the market and purchase eve the daily needed items.

Price/product Comparison: Helps consumers to compare prices and product without having to move from one shop to another for comparing the benefits of the product, the shopper gets the benefit of comparing the features and cost analysis at one place. Most of the sites are providing this facility where in shopper can choose the product which exactly suits him.

Cost effective: Reduces logistical problems and puts a small business on a par with giants. Lowers transaction cost can be automated in a well implemented online store. If an online download facility is avail\able, then distribution cost can be cut off.

Improved Customer Interaction: Quick feedback and comment forms are main features to interact with customers. Establishing a functional interaction between the e-consumer and e-retailers to attract attention, assess and experience and also to provide enough confidence for a purchasing transaction at a distance.

Simple and Easier Exchange of Information: Improves information sharing among e-retailers and e-customers and enables prompt quick just in time deliveries. Expanded models see e-retail as an opportunity to expand its line of business to target consumers previously out of reach.

Easy Transaction: Financial transactions through electronic fund transfer are very fast and can be done from any part of the world. E-marketing puts the need for paperwork at minimum as most procedures are done electronically and also saves time for both e-retailer and e-consumers as it reduces manual business transaction.

Niche Product: Almost everything can be sold on internet. Even if products targeted to smaller markets the buyer will be somewhere on net. E-retail is ideal for niche products. Customers for these products are usually few. However, niche products could generate viable. When starting out, most online business owners find it infinitely easier to sell products that cater to a small niche market.

Changing Trend: E-marketing is fast and effective even financial transactions can be made from any part of the world. People of tomorrow will feel more comfortable to buy products through internet only.

New Technologies: Daily number of internet users are increasing. People feel more comfortable to shop online. Due to the rapid growth of the e-retail and consequently an increase of the competence, a special interest adopting and upgrading new technologies play an important role.

Global Expansion: Online business can be operated anywhere, anytime without any interruption. The fast technological development and the sustained revenue growth in emerging markets are likely to be critical to the future expansion of e-marketing in the global market.

High Availability (24*7): Along with each and every click of the mouse business is in operation.

Wide Business Growth: E-marketing has wide scope and broader vision to grow.

Cut Down on Local Competition: Online customer services is a competitive advantage for the company. E-retailer can cut down on local competition through discounted pricing and through local e-retail acquisition.

IV. Conclusion

Online trading is here to stay and will be extremely used in future. Leading online retail traders are finding out the ways to retain profitability and long term sustainable development. Globally also the challenges are similar in nature. Indian entrepreneurs said this latest focus on business fundamentals points to grow maturity of the local market (Khan and Sagar, 2015). In past, everyone was looking at who the leaders will be. Now the market leaders are emerging and no one doubts the viability of e-commerce (Liangtao and gang, 2011)

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