

# Effectiveness and Potential of E- Commerce in Rural area of Sonipat

Rahul Singh\*

Qualified NET in Commerce in Dec 2018

**Abstract-** E-commerce is increasingly playing a significant role in India's economy. This essay aims to demonstrate the current state & trend of e-commerce in India's rural areas. Information for this study was gathered from secondary sources, such as articles, journals, books, newspapers, etc., that were written in the relevant fields. The study looks at the rising investment in rural e-commerce and how consumers can benefit from online shopping by having access to more options, reduced prices, and time savings. Online businesses use computer networks & internet to manage the buying and selling of labor & goods. This essay makes an effort to highlight the numerous challenges faced by E-trade in India, appreciate the essential development components required for E-business, and convey the country's prosperity & retail E-Commerce commerce. Digital progress is evident in the rise in internet & mobile users, but it is unclear how the government & online merchants will turn this into productive internet utilization that boosts the economy. A few suggestions were made in this research study to address the problems, challenges, and barriers to the growth & development of e-commerce in rural and distant areas.

**Keywords-** E-commerce, Rural areas, trends, Growth, Challenges

-----X-----

## INTRODUCTION

To many, Commerce is defined as the exchange or buying and selling of commodities on a large scale involving transportation from place to place. When all this is done electronically, it is known as "e-commerce". E-Commerce means electronic commerce. E-commerce is an emerging concept that describes the process of buying, selling and exchanging of goods or products, services, and information via computer networks including the internet. E-commerce is part of e-business. It involves the use of Information and Communication Technology (ICT) and Electronic Funds Transfer (EFT) in making commerce between consumers and organizations, organization and organization or consumer and consumer. With the huge success of commerce on the Internet, e-commerce usually refers to shopping at online stores on the World Wide Web, also known as e-commerce Web sites.

Airline and travel tickets, banking services, books, clothing, computer hardware, software, and other electronics, flowers and gifts are some popular products and services that can be purchased online. Several successful e-businesses have established their business models around selling these products and services. E-commerce has the potential to generate revenue and reduce costs for businesses and entities. Marketing, retailers, banks, insurance, government, training, online publishing, travel industries are some of the main recipients of e-

commerce. For instance, banks use the Web for diverse business practices and customer service.

## LITERATURE REVIEW

**Lobel Trong Thuy Tran (2021)** This study proposes a systematic approach to analyze the relationship between consumer perceptions of the perceived economic benefits of e-commerce platforms (PEEP) & sustainable consumption in light of the significant effects of the Covid-19 epidemic on company activities. The conceptual model used in this study was based on the uses & gratification theory with the border condition of pandemic dread included. A quantitative survey & analysis is the main method of research used in this study. This study reveals a positive moderating influence of pandemic anxiety on the interactions among PEEP, economic advantages, and sustainable consumption utilizing sample of 617 online users & PLS analysis technique. This study makes a contribution by looking at how economic advantage mediates the relationship between PEEP & sustainable consumption, which depends on the severity of pandemic anxiety. The idea and implications for managers are also examined.

**Saurabh Pratap et al. (2021)** The facilitation & delivery of goods and services to clients using electronic means is referred to as e-commerce. The

quality of customer service offered by an e-commerce company's suppliers can make or destroy the company. The goal of this study is to assist e-commerce businesses in meeting the enormous challenge of the rigorous supplier evaluation & selection process. The current study integrates supplier management methods with the operational business practices of an e-commerce organization using a three-pronged strategy. Using an expert's judgment and already published supplier management literature, the first phase identifies the essential performance factors for e-commerce capable suppliers. Additionally, Data Envelopment Analysis (DEA) is used to determine each supplier's efficiency score, which allows for ranking based on multiple performance metrics. Finally, the suppliers are divided into various groups based on how effectively & efficiently they execute. The top five suppliers, namely suppliers 1, 7, 9, 11 and 17, are classified as HE under the proposed classification scheme (High Performance & Efficient). E-commerce businesses are advised to establish enduring relationships with the cited top-performing suppliers. The survey offers accurate perceptions on how well suppliers execute against many objective standards. Additionally, the current study improves an e-commerce company's efficiency and productivity overall by concurrently minimizing input costs & maximizing output quality. The findings are applicable to all e-commerce businesses. However, based on the internal capabilities of that company, the current DEA model can be further developed when used in the case of any specific e-commerce corporation. Practitioners and scholars can delve deeper into the complexities around the growth of a firm's own supply capabilities. The suggested strategy is meant to persuade decision-makers to think about employing more complex methods, like DEA, in supplier evaluation procedures. The proposed supplier classification approach is also anticipated to be very beneficial for practitioners in real-world settings as a benchmarking technique. This study's original contribution is its use of real-world data to evaluate, rank, & categorize suppliers for e-commerce businesses. The practitioners could develop innovative tactics for properly investing in supplier relationships with the use of the insights.

**Ritu Punhani et al. (2021)** E-commerce businesses are in the spotlight now because of the enormous number of consumers in the market & variety of platforms they utilize to make purchases. In order to thrive against other competing organizations, it has become crucial for a company to segment & cluster its clients. Since there are so many possibilities, every business must meet client expectations or risk losing them to already-established alternatives in the market.

Because the digital market is expanding so quickly, it is even more crucial to give users a comprehensive experience. In order to identify all the characteristics for analysis in this work, the dataset from an e-commerce website was used. A few of these parameters are date, customer id, product category, payment method, value, time onsite, & in clicks. This article's main objective is to use the K-Mean method to analyze the database using the previously mentioned parameters. Every company in the market needs to have a successful plan to interact with customers and keep them as profitable ones in order to expand. Experiences must now be prioritized if you want to compete with your rivals because users today demand personalization. In conclusion, the article concentrates on introducing customer segmentation, outlining its fundamentals, describing why it is required in the digital market, efficiently filtering the customer data, & analysis.

**Geeta Sachdeva et al. (2018)** The current study examines the variables influencing e-commerce consumption. Data were gathered using the multistage sampling method. The important factors influencing consumers' purchasing behavior towards e-commerce were found to be Ease of use, Awareness, Facilitate Transaction, Redress of Complaints, Building and Maintaining Relationship, Reliability, & Purchase Decision. Multiple regression was used to evaluate the prediction power of six parameters. Ease of use, Awareness, Redressal of complaints, and Reliability were determined to be the most important predictors for Purchase choice out of the six predictors. As a result of these findings, it was determined that marketers will undoubtedly be able to develop a few additional e-commerce markets in the future.

**Sakshi Kuchhal (2015)** The way India does business has changed dramatically in recent years. E-commerce has rapidly expanded, and certain companies (such as Amazon.com, JD.com, ebay, Alibaba.com, and so on.) have had their equity valuations surpass the billion dollar threshold. Over the next five years, the value of the Indian e-commerce market is anticipated to surpass \$100 billion at a compound annual growth rate (CAGR) of 35%. The Indian ecommerce market was valued at roughly \$17 billion in 2014(data from ASSOCHAM advertisement, April 2015). (data from ASSOCHAM advertisement, April 2015). With such a high level of future growth, an analysis of this industry becomes vital. This fast rate of expansion would give several opportunities but also carry challenges. The present

study focuses on these challenges & highlights what this industry has in store for the citizens of India.

Ravinder Pal et al. (2012) E-Commerce has launched yet another revolution, which is transforming the way businesses buy and sell items and services. The term "e-commerce" refers to the purchasing and selling of goods & services over an electronic network. Computer networks are now a crucial component of the economic infrastructure because to recent advancements in telecommunications & computing technology. E-retailing is the latest battleground. Although a sizable portion of consumers routinely utilize the Internet to purchase, it is unclear what motivates them to do so. This study identifies key elements influencing the adoption of e-commerce in the retail sector, as well as the performance & efficiency of e-retailing websites, which may ultimately serve to direct future research in this field and be advantageous to both researchers & e-retailing businesses.

## OBJECTIVES

1. To investigate at Indian recent commerce's trends.
2. To evaluate the potentials of Indian e-commerce.

## RESEARCH METHODOLOGY

This study project relies on data that was acquired from a variety of sources, including research papers, research articles, journals, books, websites, papers, reports, and so forth. The study relies on secondary sources because the research topic is vast & data sources are dispersed across several places. In order to reach a definitive conclusion on "E-commerce Prospects & efficacy in Sonipat India," finding solutions to research questions by studying & evaluating current data will be a beneficial and successful outcome.

## RECENT TECHNOLOGICAL TRENDS IN RURAL AREAS

Over 46% of India's national income is generated in rural areas, which contribute significantly to the country's economy (IBEF, Nov,09,2020). Some researchers claim that in recent years, e-commerce has grown rapidly in rural areas. One of the main reasons for this is the easier access to information available online. There are now more internet users in rural India as a result of low internet costs & development of low-cost cellphones, which has also increased media & service consumption. The gradual shift of the rural population to non-agricultural sources of income has resulted in increased revenue generation for the retail sector. "A recent study by EY India found that rural residents made \$359 billion in economic contributions. This represents about 57% of

the entire retail market (Jitendra, Oct 23, 2021). The Internet has unquestionably transformed rural people's lives in the modern era. Through online efforts that have done away with middlemen, it has given farmers a number of opportunities & made the process of selling their crops simpler. "Rural individuals wasting their much time on social media unproductively," is a current trend. Male rural youth use social media largely for site surfing (100%) & fun (95%) whereas female rural youth use it mostly for talking (100%) & site browsing of employment, educational, and retail sites (Patwari, 2020). As per Economic Times survey Women make up about 41% of all internet users in rural India. Comparing shifts, 89% of rural users and 88% of those in big cities use the internet every day (BGR.news, June 13,2020). The most alarming part was the way social networking sites were used by internet users in rural India. For instance, the majority of internet users in rural India preferred TikTok to WhatsApp or Facebook. Facebook scored 47, TikTok scored 166, WhatsApp scored 37, and Facebook obtained an index of 37. (BGR.news, June 13,2020). According to the survey, rural residents engage in these useless activities more frequently than they do constructive ones. In addition, some of the most used and well-known apps in rural India at the time included Instagram, Webex, Amazon Prime, Twitter, & Zoom. However, there is still a lot of room for development in terms of social networking and online services. To capitalize on these untapped markets, e-commerce behemoths & corporations must prepare to connect these rural residents with the internet's profitable uses.

## ANALYSIS & INTERPRETATION

Many earlier studies have revealed that e-commerce is expanding year over year, however every study that looked at e-commerce or rural e-commerce also discovered some impediments. According to the researcher, two areas stand out for enabling new study approaches: first, there is a need to thoroughly investigate the impact of e-commerce on client buying behaviors; and second, to ascertain to what extent the behavior may be adjusted. As a result, research can move forward to analyze the growth of rural e-commerce both financially & physically, to evaluate the benefits that rural farmers have received from E-business, to examine the extent to which the barriers that directly hampered the growth of e-commerce have been removed, and ultimately to provide a framework & structure for effective e-commerce emergence in India's remote & rural areas.

## PERSPECTIVE OF E-COMMERCE IN INDIA

### 1) Multi Product E-Commerce:

Some online portals focus on customers of all imaginable products and services while offering nearly all product and service categories on a single page. The following websites offer labor and goods in a variety of categories: clothing & accessories for

people, health and beauty products, textbooks and magazines, PCs & peripherals, vehicles, collectibles, programs, customer gadget, household devices, jewelry, audio/video entertainment goods, gift items, land & administrations, company and openings, work, trip tickets, marriage, and so forth. .

## 2) Single Product E-Commerce:

Some Indian portals and websites offer deals in a specific industry.

- **Models:** For automobiles, visit <http://www.indiacar.com> & <http://www.automatindia.com>. At these websites, we may buy and sell both new and used four-wheeled vehicles as well as bikes. Some of the services they offer include vehicle research & surveys, online evaluation, specialized information, vehicle protection, vehicle financing, vendor locator, and others.
- The websites <http://www.equitymaster.com> & <http://www.5paisa.com> have stock and offers shown on them. A few of the services offered to enrolled people include online stock buying or managing, market analysis and exploration, organization data, organization correlation, value and common asset study, or following business area designs.
- The portals for land, such as <http://www.indiaproperties.com>. This website offers direct purchasing or rent of a property through their gateway. It works with internet land managing. They provide information on new homes much like they do for resale. Some of the partnered services include hotel finance, inside designers and engineers for insurance companies, executive advisor services for real estate, etc.
- The government of India's tourism portal, <http://www.tourismindia.com>, is a prominent player in the travel and tourism sector. The tourist destinations are organized by issues such as ecological topics relating to wildernesses, flora and fauna, Indian seashores, engineering attractions, fortifications and locations, slope resorts, experience traveling, hiking, and so on. Other services include identification & visa processing, transport and convenience information, weather information, holiday and reasonable days, shopping, visit administrators, and more. Numerous websites, including <http://www.incredibleindia.org>, which covers North East India, highlight traveler complaints about a specific region of India.
- Marriage-related websites include <http://www.jeevansathi.com> & <http://www.saadi.com>. On these websites, one can search for a compatible match based on home location, religion, or cast. Once enrolled with these entrances, they have email offices and visit rooms, allowing two or three to get to

know one another better before deciding on their course of action.

- When looking for a job, two important portals, [www.monsterindia.com](http://www.monsterindia.com) & [www.naukri.com](http://www.naukri.com), are helpful in providing job seekers with reasonable business offices. The assistance provided to job seekers is free, but businesses are required to pay an apparent expense. Jobs in a variety of industries are available online, from land to training or from secretarial work to programming development.

## E-COMMERCE TYPES

- **Business to Business (B2B):** A B2B business model involves the exchange of leads between a minimum of two firms. The majority of the time, traditional wholesalers & manufacturers that oversee retailers are included in the channels of such trade.
- **Business to Consumer (B2C):** The business-to-consumer model of company controls the retail aspects of internet business, such as the advanced offer of goods and services to the top customer. It enables the buyer to look closely at their desired purchases before submitting a request. Following the placement of such orders, the company or expert receiving the request will then, at that point, transmit a comparative to the buyer within a beneficial time frame. Some of the businesses operating in this market include well-known names like Amazon, Flipcart, and so forth.
- **Consumer to Consumer (C2C):** This strategy is employed by a buyer when selling used goods & services to several customers via an electronic medium. This deal is carried out through a third party, such as OLX, Quikr, etc.
- **Consumer to Business (C2B):** The C2B model enables consumers to market their goods and services to businesses. The tactic is well recognized in publicly funded endeavors, and it typically entails logo planning, the provision of royalty-free images, media, and plan elements, among other things.

## E-COMMERCE FUNCTIONS

1. **Communication function-** Providing information and/or papers to assist commercial transactions is the first communication function. Consider email.
2. **Process management function** - deals with the computerization & improvement of business metrics. Consider connecting two computers over a network.
3. **Service management function-** The use of technology by the service management function to improve the nature of the service. An illustration is the Federal Express



website, which allows you to schedule & track shipments.

4. **Exchange capabilities** - enables buying and selling via the internet or other web-based services. Instance: Amazon.com.

## ROLE OF GOVERNMENT

When it comes to improving rural e-commerce, the government plays a crucial role by funding & implementing educational programs, policies, infrastructure development, & training initiatives.

- The Ministry of Rural Development has selected two-hundred items to sell via an online marketplace. [Citation needed] (Economic Times)
- Tata Trust & government have joined forces to create a charity that will aid artisans in rural areas. That's according to the Economic Times.
- Businesses operating online are obligated to detail their policies on receiving and processing returns, obtaining refunds or exchanges, providing warranties or guarantees, and arranging for delivery or shipping. (Information courtesy of the Electronic Commerce Policy 2020)
- E-Choupal, E-sewa, Gyandoot, Drashti, & E-Government are just a few of the government of India's initiatives.
- There are over 1,550,000 post offices and more than 400 online shopping portals for the Postal Service. (Thomson Reuters Foundation)
- In order to promote E-commerce in rural areas, the government of India has made a significant move toward doing so through the DIGITAL INDIA PROGRAM.
- The 'Pradhan Mantri Gramin Digital Saksharta Abhiyan' was initiated as part of the 'Digital India' initiative with the intention of bringing 6 crore people living in rural India up to speed on digital technology (IBEF, Nov, 09, 2020).
- Over one hundred million people have downloaded the government-created "Kisan Suvidha" app. The app provides useful data for farmers, including up-to-date forecasts & temperatures, market prices, sources of supply, pest and disease alerts, or recommendations for protecting crops. / (IBEF BLOG, NOV 2020)

## OBSTACLES TO RURAL E-COMMERCE

The following text classifies the obstacles into two groups.

1. Faced by e-commerce companies:

- Inefficient and incompetent internet services.
- lack of trust

- poor transport infrastructure
- methods of payment
- lack of awareness
- Personalization of product

2. Faced by rural populace:

- Concern related to online payment
- Concern related to quality of product
- Language barrier and Illiteracy
- Unfamiliarity and security issue
- Poor access of product
- Not sufficient mobile channels

## CONCLUSION

Today, online trade plays an integral part in people's everyday lives. Access to the E-commerce stage is not a perk, but a necessity, for most people, especially those still living in major urban areas. Rapid adoption of mobile devices with web connectivity, such as smartphones & tablets, has led to unprecedented growth in the realm of electronic commerce. Telecom innovation has revolutionized our way of life, professional methods, consumer habits, and more. It has far-reaching effects on how we interact with one another socially, how we go about our daily commutes, how we gain access to information, and how we buy and sell goods & services. As India's e-commerce market grows, more and more companies take notice. The advent of e-commerce has ushered in a plethora of fresh opportunities across industries & educational spheres. It would appear that the market for E-business education is massive. E-business is poised to play an increasingly significant role in the 21st century, and the new opportunities it creates will be accessible to businesses of all sizes thanks to the Internet's rapid expansion.

## REFERENCES

1. Anooja, A. (2015). Digital India with e-commerce revolution in rural India transforms Indiadigitally and economically. *Engineering International*, 3(2), 57-64.
2. Bansal, R. (2013). Prospects of electronic commerce in India. *Journal of Asian Business Strategy*, 3(1), 11-20..
3. <http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=IN>
4. <http://ignited.in/l/a/200753>
5. <http://www.businessworld.in/article/Key-Trends-That-Will-Revolutionize-Rural-E-commerce-In-2019/16-02-2019-167134/>
6. <https://inc42.com/buzz/rural-india-laps-up-youtube-facebook-and-netflix-as-internet-usagespikes-in-villages/>
7. <https://scholar.google.com/>
8. [https://scholar.google.com/scholar?hl=en&as\\_sdt=0%2C5&q=Devendra+agarwal+&btnG=&o=deve](https://scholar.google.com/scholar?hl=en&as_sdt=0%2C5&q=Devendra+agarwal+&btnG=&o=deve)

9. <https://www.bgr.in/news/tiktok-beats-whatsapp-and-facebook-in-usage-in-rural-india-report897619/>
10. <https://www.ibef.org/blogs/rural-india-digitization-a-box-of-opportunities>
11. Kabango, C. M., &Asa, A. R. (2015). Factors influencing e-commerce development: Implications for the developing countries. *International Journal of Innovation and Economic Development*, 1(1), 64-72.
12. Karine, H. A. J. I. (2021). E-commerce development in rural and remote areas of BRICS countries. *Journal of Integrative Agriculture*, 20(4), 979-997.
13. Kuchhal, S. (2015). E-commerce in India: Sector Analysis. *International Journal of Information Research and Review* Vol. 2, Issue, 07, pp. 832-835, July, 2015
14. Mukherjee, S., & Michael, H. (2016). Modern Trends, Challenges and Opportunity of E-commerce in India—An Overview. *Challenges and Opportunity of E-commerce in India—An Overview* (June 29, 2016).
15. Pal, R., &Khurana, A. FACTORS AFFECTING E-COMMERCE ADOPTION IN RETAIL SECTOR: A REVIEW. *JOURNAL OF GLOBAL RESEARCH & ANALYSIS*, (A Multi-Disciplinary Refereed Research Journal) volume 1, ISSN – 2278-6775
16. Patwari, I. (2020). Use of Social Media by Rural Youth in India: A Boon or a Bane. Available at SSRN 3624680.
17. Pawan, R. D. Rural Area Issues and Challenges of E-commerce in India.
18. Pratap, S., Daultani, Y., Dwivedi, A., & Zhou, F. (2021). Supplier selection and evaluation in e-commerce enterprises: a data envelopment analysis approach. *Benchmarking: An International Journal*, 29(1), 325-341.
19. Punhani, R., Arora, V. S., Sabitha, S., & Shukla, V. K. (2021, March). Application of clustering algorithm for effective customer segmentation in E-commerce. In 2021 International Conference on Computational Intelligence and Knowledge Economy (ICCIKE) (pp. 149-154). IEEE.
20. Sachdeva, G., Narwal, M., & Kant, R. (2018). Factors Affecting Usage of E-Commerce: A Study of Haryana Region. *ANWESH: International Journal of Management and Information Technology* 3 (2), September 2018, 17-26  
<http://www.publishingindia.com/anwesh>
21. Tran, L. T. T. (2021). Managing the effectiveness of e-commerce platforms in a pandemic. *Journal of Retailing and Consumer Services*, 58, 102287.
22. Vyas, A., & Gupta, S. (2017). Challenges assessment for the e-commerce industry in india: areview (with special reference to flipkart v/s snapdeal). *Journal of Global Information Management (JGIM)*, 25(4), 16-31.
23. [www.iamwire.com](http://www.iamwire.com)
24. [www.internetworldstats.com](http://www.internetworldstats.com)
25. [www.tradingeconomics.com](http://www.tradingeconomics.com)
26. [www.trai.gov.in](http://www.trai.gov.in)

---

### Corresponding Author

**Rahul Singh\***

Qualified NET in Commerce in Dec 2018