Chapter 6
An Epigrammatic View of E-Retailing in India: Prospects and Retrospects

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ABSTRACT
The Internet has changed the way many consumers shop, not just in the digital domain, but also in the physical world. E-tailing is a subset of e-commerce, which encapsulates all “commerce” conducted via the Internet. It refers to that part of e-commerce which entails the sale of product merchandise and does not include sale of services viz. Railway tickets, airlines tickets, job portals, etc. In 2012, the size of India’s e-commerce market was USD 10 billion, while that of the e-tailing market was USD 0.6 billion. The current small size of e-tailing has led to it rarely being assessed on standalone basis. It is either clubbed with e-commerce or with brick & mortar retail, which, while not incorrect, does not allow for e-tailing’s evaluation on its own merit. Consumer’s perception regarding shopping has been changed with the introduction of internet media. Retail industry has witnessed major revolution in the changing technology oriented business scenario of the twenty-first century in India. Internet has shrunk the entire World. The rules of the game in retailing are fast changing with the introduction of Information Technology. The e-Retailing website is the front door of the online store that interacts between the e-retailer and consumers. The electronic retailing (e-Tailing, e-Retailing, internet retailing etc.) is the model of selling of retail goods using electronic media, in particular, the internet. In this research paper the authors propose to explore the factors contributing to the growth of e-Retailing in India and to investigate conceptually the issues and challenges involved in e-Retailing. An attempt in this paper will also be made to study the present scenarios of e-tailing opportunities, its market, the viabilities and trends.

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INTRODUCTION

The Internet is just one of a range of e-commerce technologies to facilitate information exchange. The benefits of setting up an Internet presence are cost reduction, new capability, competitive advantage, communications improvement, improved control and customer service improvement. However, these benefits have yet to be fully realised as firms continue to search for the best strategies and business models on which to base their commerce activities. In India, e-tailing has the potential to grow more than hundred-fold in the next eight years to reach a value of 76 billion dollars by the year 2021. This would be possible if more number of rural people brought under the fold of internet accessing and trained to use the sophisticated way of shopping. The e-retailers should also bring confidence among the online customers by prompt delivery of goods; allowing discounts for bulk purchases, reducing delivery charges etc. Subsequently, the Indian market will attain a different outlook. E-Retailing is part of e-commerce, a term that has gained immense popularity since the advent of internet revolution, throughout the world. While e-commerce usually stands for commercial transactions or interaction among the organizations and individuals virtually, e-retailing is focused primarily on selling of goods over the internet. E-retailers intend to take advantage on it in spite of impediment and escalated competition of e-tailers. Tomorrow’s high-performing businesses will use technology to strengthen their relationships with customers, leverage their data, optimize and secure their critical systems, and enable their workforces with leading tools. Technology is also enabling customers to take more control of their shopping experiences, and new approaches to shopping and fulfilment are opening the doors to competition that would not have been viable just a few years ago and it’s all changing at great speed. In this chapter the authors throw a light on the current status of Indian E-tailing market and also to study positive influencing factors responsible for online shopping in India.

When a main street store builds a website, they open up opportunities to expand their market beyond geographical boundaries. The chances of losing sales from the physical shop are slight, but the potential to increase sales through their website could be enormous (Tiernan, 2000). E-Retailers have developed many innovative promotions to lure customers and there by growing the market. As one of the market trends, e-Retailing has been widely used in retail industry and growth is increasing day by day in today’s scenario. E-Retailing is can be described as retailing conducted online, over the internet. The vocabulary electronic retailing that used in internet discussions as early as 1995, the term look like an almost in evitable addition to e-mail, e-business and e-Commerce, etc.

It started out way back in the year 1997 when Dell Computer got multimillion dollars of orders on the website. E-Retailing is synonymous with business- to- consumer (B2C) transaction model of e-Commerce. E-Commerce is the master field defining the e-Retailing operation. E-Commerce is a huge domain on conducting business over internet and e-Retailing is a part of it. Ecommerce means marketing, purchasing, selling, distribution and servicing with the help of electronic media like internet and other networks aided by www, email, databases etc. with the goal of commercial transactions and facilities like many alternative options, Anytime and anywhere shopping, attractive customized informative business portals, cheap and best deals, comparative analysis of attributes and prices of different available online products and services and many more. E-tailing is another name of online retailing, which mainly aims at e-shopping by online users. Singla et al. explained e-shopping where consumers perform an exchange through a computer based interface while buyer’s computer interact with digital retailer to buy anything over internet. E-retailing is still at very early stage in India and still is an unorganized sector with the third party business model and without proper big brand based e-retail market.
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