



## SWOT ANALYSIS OF E-COMMERCE IN INDIA

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### ABSTRACT

India launched its market oriented economic reforms in India in 1991. E-commerce is presently an indispensable ingredient of India's trade facilitation policy. E-commerce consists of the buying, selling, marketing and service of product or service over computer network. The information technology industry might see it as an electronic business application aimed at commercial transactions. E-commerce refers to the use of an electronic medium to carry out commercial transactions such as Internet marketing, online transactions, electronic data interchange, electronic fund transfer, mobile commerce etc. These are three areas of E-commerce i.e. customer to business, business to business and intra organizational.

**KEYWORDS:** market oriented economic , organizational , commercial transactions.

### I) INTRODUCTION: -

In this modern days every business units want to join e-business because of increasing ratio of internet users in India. E-commerce in India is still in growing stage with offers considerable opportunities. The country's growing internet habituated consumer base, which will comprise 180 million broadband users by 2020, along with a burgeoning class of mobile internet users, will drive the e-tailing story. Today we are living in competitive age, so we have found competition in E-commerce also. The SWOT analysis was the essential aspects of survival, growth and development of E-commerce. So this research paper will try to determining the SWOT analysis of E-commerce. This study paper is mainly divided into four parts as strength, weaknesses, opportunities and threats of E-commerce.

### II) OBJECTIVES OF THE STUDY: -

- 1) To study the strength and weaknesses of E-commerce.
- 2) To find out the opportunities and threats of E-commerce

### III) METHODOLOGY OF THE STUDY: -

The present study of SWOT analysis of E-commerce is based on secondary data. The data has been collected from books, periodicals, research articles, magazines, government publications and internet have been used for references.

### IV) SWOT ANALYSIS OF E-COMMERCE: -

SWOT analysis is one of the modern techniques of strategic management used in modern management. It is divided into four parts Viz. Strength, weaknesses, opportunities and threats. Out of that four parts strength and weaknesses of the E-commerce shows the present scenario and the opportunities and threats helps to plan for the future competitive spirit and performance.



**A) Strengths: -**

- 1) International market place (No Boundaries).
- 2) Paperless work, not need to keep any file.
- 3) Provide secure business transactions.
- 4) The minimum cost of product as compare to retail business
- 5) Reach prospective and established customers by email.
- 6) Consumer have a wider choice on the E-commerce market.
- 7) 24 hours wider access to assistance and to advice from experts and peers.
- 8) Saving time because of fast services and home delivery.

**B) Weaknesses: -**

- 1) Lack of system security and some communication protocols.
- 2) There is insufficient telecommunication bandwidth.
- 3) It is difficult to integrate the internet and EC software with some existing application.
- 4) Day by day software developing process is going on and every day it changing rapidly.
- 5) It will be need to special web servers for venders.
- 6) Security and privacy is one of the weak factor in E-commerce.
- 7) There are so many legal issues are as yet unresolved. There is no specific E-commerce law in India.
- 8) Lack of touch and feel online is also one of the weak point of E-commerce.

**C) Opportunities: -**

- 1) To give the better price rate by reduce the cost of other expenditure.
- 2) to create required capability to stand effectively in global market by appointment of well qualified employers and officers.
- 3) The rural areas have the large purchasing power at their disposal and this is an additional opportunity to increase E-business.
- 4) Improve customers self service through online and mobile banking.
- 5) Some consumers are still worried about security so you have to tried best for increasing security.
- 6) To develop the business of E-commerce there has a opportunity to open their branches in villages as well as urban areas.
- 7) Every new technology has some problems at the starting phase, so some time people avoid changing which are rapidly changed. As they are habituated to buy products from E-commerce.

**D) Threats: -**

- 1) Those customers are not received better benefit under E-commerce, they may not be in the position to enjoy the benefits of E-transactions.
- 2) The E-commerce sector is faced with multiple challenges such is increased competition, rising customers expectations etc.
- 3) E-commerce is crowded & there are so many similar stors that are selling the same products. With discounts drying up and prices stabilizing between stores, the key to success likes in simplifying buying experience.
- 4) The rapid growth of the E-commerce sector is attracting new players, so their was a another risk of low entry barriers leading to reduce the competitive advantages.
- 5) Rapidly changing business models in the E-commerce increase heightened competition and the inability of players to sustain high costs.
- 6) The E-commerce sector is growing very fast, but limitation of trained manpower is threatening to slow down this growth.
- 7) Privacy has been and continues to be a significant issue of concern for both current and prospective E-commerce customers.

- 8) Cash on delivery is also one of the threat in E-commerce, more than 90% transactions are conducted through cash on delivery.
- 9) In India, still internet connectivity is under the dark room, still broadband connection is not accessible at many places in India. Also 3G & 4G networks are not available at so many states.

#### 5) CONCLUSION: -

In view of some of short coming observed in the SWOT analysis no doubt to say E-commerce become an important part of our society. The world wide web is and will have a large part in our daily lives. It will be changing the way of buying and selling of product and services in India. E-commerce is future of shopping. E-commerce reduce the gap between manufacture and consumer, but there is a need to customer centered organizations has to built up, whose ultimate goal is to "Own" a customers. For that purpose weaknesses are converted into strength by proper analysis and proper planning in E-commerce. There is a need of constant innovation in E-Commerce because only 19% people in India are using E-commerce for selling and buying goods & services, so remaining wide percentage we can considered the opportunity in E-commerce in Indian market.

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\* Note: - E-commerce = Electronic commerce