Preface

“Information technology and business are becoming inextricably interwoven. I don’t think anybody can talk meaningfully about one without the talking about the other” - Bill Gates

The pervasiveness of information and communication technologies (especially Internet and its enabled technologies) in the last few years has revolutionized almost every aspect of our lives by making the things easier, faster, cheaper and more efficient than the past. It is not only changing the way of life, but also changing the face of business worldwide. The growth of Electronic Commerce (popularly known as E-Commerce) as a business technology in last decade is the result of such IT driven development, which is revolutionizing the business world. E-Commerce has produced a revolutionary new way for businesses to communicate and interact with the customers (B2C). E-Commerce technologies are also driving increase interactions among customers (C2C), businesses (B2B) and between customers and businesses (C2B). It has power to expand the businesses beyond the global boundaries by giving them a competitive edge in the global marketplace. Businesses around the world are embracing this technology with great zeal as they realize the potential it offers. The result has led to the emergence of e-commerce as a major business strategy.

No industry in the world history has achieved a rapid growth in as short time as e-commerce. Though only a few years old, e-commerce has taken off at an unprecedented speed despite much skepticism and some initial hesitation. It is universally accepted that world is in the grip of an e-commerce revolution. But, the hyper growth of e-commerce is still an American and European Countries phenomenon and e-commerce has not taken off in other parts of the globe, although some countries like Japan, Australia, Canada, New Zealand etc. are rapidly joining the bandwagon. India is one of the countries where this trend seems to be catching on. Indian companies are fast jumping into the e-commerce boom, and adopting e-commerce as a business technology in the same manner as in other parts of the world. The dawn of new era has already begun in India and the driving engine is information technology.

In India, history of e-commerce is just a decade old. First initiative was taken by Ministry of Commerce in 1994, by setting up of EDI (Electronic Data Interchange) Council. The EDI Council has promoted the introduction of EDI and e-commerce in the trade processes of various vital trading partners responsible for the regulation and facilitation of international trade. But, a revolution came in the Indian history of e-commerce when VSNL (Videsh Sanchar Nigam Limited) launched India’s first dial up Internet access service in August 1995. But, Internet and e-commerce age did not really dawn in India till 1997. A landmark came in the Indian history of e-commerce, when, in November 1998, the government ended VSNL’s monopoly and allowed provisioning of Internet services by private operators; and then Indian Parliament passed the Information Technology Act, 2000 to boost e-commerce and e-governance. By then, the net had changed everything. Indian companies started realizing the applications of ICTs and Internet and using these technologies as a part of their business strategy. Year 1999 and 2000 can be considered as a boom period of the Indian e-commerce and dotcom companies. During this period many Indian companies went online and many launched
their website to play pure electronic game. And, today almost every Indian company has web presence. As a result e-commerce has registered rapid growth in India within a few years. Further, the studies revealed that e-commerce has very bright future in India. In India, most revenue from e-commerce transactions is generated by B2B and B2C models of e-commerce. Thus, the new business philosophy is here to stay and it is evolving rapidly, creating a wave of change for the Indian businesses and organizations. Therefore, the present topic (E-Commerce: Business Applications, Strategies, Challenges and Opportunities in India) is quite interesting to study because of its relative newness and exploding growth rate in India.

In the present study, the researcher has attempted to cover mainly the application aspect of e-commerce technology, and present it in a manner suitable for awareness generation among the companies, management, customers, employees and other concerned parties, as well as to provide the basic building block of e-commerce implementation. The present study has been divided into 7 chapters and four Appendices. Although, there is a logical sequence, each chapter contents are fairly independent of the knowledge presented in the previous chapters. Each chapter addresses the concept as well as its applications. At the end of every chapter concluding remarks have been given. A title description of each chapter is given as under:

Chapter 1: E-Commerce and Its Business Applications in India
Chapter 2: Review of Related Literature and Research Methodology
Chapter 3: Electronic Payment and Security Systems
Chapter 4: Economic and Social Implications of E-Commerce
Chapter 5: Survey of Firms and Online Customers
Chapter 6: Discussion of Survey Results
Chapter 7: Summary, Conclusion and Suggestions

Further Readings and Research & Appendices

Thus, the present study provides a comprehensive overview of e-commerce. It represents an innovative application framework of e-commerce technology that guides the migration from traditional business models to e-commerce business models. The study provides a clear picture of opportunities and challenges that Indian e-commerce industry face. It also explains the various strategies used by Indian firms to implement e-commerce in their organization. Further this study tries to meld information technology with different perspectives to create an integrative overview of the field. At the end it also focuses on the business architecture that managers must build in order to achieve success in implementation of e-commerce. It is hoped that the present study will prove to be beneficial for academicians, managers, entrepreneurs, consultants and researchers who have been discussing and reading about e-commerce and who are interested in knowing how they can capitalize on the next wave of business innovation.