Electronic Commerce Industry and Industrial Economy of India

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Abstract

This paper has the main objective of identifying the role of E-Commerce industry in the economy. The transactions performed in this industry are very easy. Business people can perform all the business activities from their home without meeting at the certain place. This industry is very economical due to less or not any expenditure on various unnecessary transactions. This industry uses the paper less transactions. This industry includes the business operation through electronic media. This industry uses the Internet media. Organization should maintain its credibility while marketing its products through the electronic way.

Key Words: E-Commerce, Gross Domestic Product (GDP), Internet, World Wide Web.

Results and Discussion

Electronic commerce industry has been growing at the speedy track. India has the third highest number of internet users in the world. Telecom industry is going to catch four generation era which certainly increase the mobile network coverage. According to the report of Microsoft in India, it is expected that there will be 700 million internet users by 2025. This trend will enhance the scope of e-commerce industry in the upcoming years. This industry will be a boon for the industrial development of the country in the upcoming years.

Methodology and Design

The present paper is designed to study the impact of E-Commerce industry on the industrial economy of India. The beginning part of the paper includes the results and discussion section. A brief industrial profile of the E-commerce industry has been discussed in the middle section and in the ending part the concluding talk has been presented. Secondary data have been considered for the statistical view which has been obtained from the online and other sources.

Objectives

The prime objective of this study is to highlight the contribution of Electronic Industry in the development of industrial economy of India. To discuss the role of the industry, the market size and employment creation by the industry has been considered on the priority basis.

Industry Profile

Industries are the key factor for the development of any economy. Underdeveloped economies need industrial development urgently. Industries support the growth of the industrial economy by
contributing in the Gross Domestic Product (GDP) in the following Ways:

**Figure 1: Contribution of the Industries in the Economic Growth**

![Diagram showing the contribution of industries in economic growth](image)

The prime contribution of the industries in the economic growth of the nation is the manufacturing of goods and delivery of services to the Government and society. Employment creation is the second main trait of industries. Trade is facilitated at domestic and international level by the industrial sector. In this way industries promote the industrial growth of the economy in the systematic manner.

Electronic Commerce industry has attained the significant position all over the world. This industry is also called E-Commerce Industry or EC Industry. This industry includes the business operation through electronic media. This industry uses the Internet media. Internet can be understood as the electronic cloud encircling the earth. Internet media includes two types of media for this purpose as computer based commerce, mobile based commerce. E-commerce industry includes the buying and selling the products and services through the internet media. All the transactions like business enquiry, business orders, documentations, data and information transfer and fund transfers are performed via internet in this industry. Various tools are used for performing the business operations in E-Commerce industry like E-mail, Fax, Website links through SMS and other social
networking sites like Facebook and Whatsapp etc.

E-Commerce industry uses network access system for dealing with the customers. This network system is called World Wide Web which is used all over the world. This system has facilitated the trade and business all over the world. The particular trait of this industrial process is that the customer and the industrialists need not to meet at any specified place for the business meeting. One can perform the business transaction even from his bedroom. Business deals as well as other formalities are completed through the internet.

According to the report of ASSOCHAM, the Electronic Commerce industry will cross $38 billion mark in the year 2016. The report also highlighted that this industry is expected to attain the growth by 67 % in 2016 which is very high growth in this business. This industrial sector is expected to attain the growth rate of 50 to 55 % in the coming years. This industry is providing employment to the 3.5 lakh people. The employment in the industry is expected to grow at the rate of 60 to 65 % by providing about 2.5 lakh jobs in the year 2016.

Employment creation is the main feature of this industrial sector. This sector provides the jobs to the people in many ways. Diversified employment structure is provided by this sector. The demand of various posts is arising in this sector. There is great scope for the post of logistics manager, category manager, digital marketer, website maintenance engineer, information security professional, web designer and copywriter etc.

**Conclusion**

E-Commerce industry is encouraging the industrial development by contributing in the systematic way. The industry is creating employment opportunities along with creating the modern concept of marketing. An advanced technique of entrepreneurship has taken place in the country through the E-commerce industry. For making this industry more competitive certain measures are required in the practice. Some problems can affect the industry badly. For example, in this business the customers cannot see the product physical on internet. Thus the role of credibility of the consumers is urgent in this industry. Organization should maintain its credibility while marketing its products through the electronic way. These types of problems are too small as compared to the contribution of the industry in the development of industrial economy of India.

**References**


