

## The Advancement of Digitalization and Its Impact on The E-Commerce Trade

**Arun A.S.**

HOD of Commerce  
Bhandarkars' Arts & Science College,  
Kundapura-576201  
Udupi district, Karnataka, India

### Abstract:

*John Keats says that "Imagination is more powerful than reality" hence the e-commerce sites were first introduced, many buyer and shoppers were hesitant to use them as they could not personally see or touch the products they were buying. They had to pay in advance or cash on delivery and go through a long and tedious process of online payment. Now, with the digital transformation, the e-commerce industry has drastically changed for good and offers quick checkouts and safer online transactions. It is estimated that there will be about 2.14 billion global digital buyers in 2021. Digital technology continues to be the core of the e-commerce industry and has employed its astounding capabilities to allow sellers to connect with their customers through the web and mobile platforms.*

*Keywords: E-Commerce, Buyers, Shoppers, Online, Digital Technology and Mobile platforms.*

### The Traditional Concept of Digitalization

**H**ere I would like to set and state few examples of future concept of trade and life. These two concepts are the main key to lead life and to move from place to place ultimately human beings on the earth have started to live in a certain place by exchanging their goods and sharing their belongings gradually they have started to think to do for themselves in different ways. Here I quote the dream of America and the concept of Walmart Company. In 1931 "The Epic of America" a book written by James Truslow Adams, he coined the phrase the American dream, which is "that dream of a land in which life should be better and richer and fuller for everyone, with opportunity for each according to ability or achievement. It is a dream of social order in which each man and each woman shall be able to attain to the fullest stature of which they are innately capable, and be recognized by others for what they are, regardless of the fortuitous circumstances of birth or position". Within the whole of the American psyche, there lies an eternal hope that the nation's citizens will be afforded the opportunity for both monetary growth and social advancement. Of course, hard work and industriousness are embedded within this concept: In the traditional American mindset, any man or woman can achieve whatever he or she

wants as long as there is the drive and will to obtain it.

Indeed, "the American dream" was not used by Truslow until 1931, the concept has always been an integral part within the consciousness of Americans. In the 1776 Declaration of Independence Thomas Jefferson laid out what may be the most important and well-known reference to the American dream. The Declaration maintains that "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness." Along with the other Founding Fathers, Jefferson believed that the United States could and should be a nation giving every opportunity to individual progress and achievement. In contrast to Great Britain and its strict class structure, the United States represented to Jefferson the chance for all Americans, even those with poor economic backgrounds, to become pillars of their communities. In India in many state people think and are planning to work once in America or that is their ultimate goal to serve once in America as of thought it's their final conviction to have a chance to visit that country once in a life time period.

The one more example of Digitalization or before to this which kind of idea has been diffused to the modern world, the corporate giant or business tycoon oriented people of Walmart founder, in full

form of Walmart is Walmart, Inc., formerly Wal-Mart Stores, Inc., American operator of discount stores that was one of the world's biggest retailers and among the world's largest corporations. Company headquarters are in Bentonville, Arkansas. Wal-Mart was founded by Sam Walton in Rogers, Arkansas, in 1962 and focused its early growth in rural areas, thereby avoiding direct competition with retailing giants such as Sears and Kmart. As it grew, the company developed new retail formats, including Sam's Club discount warehouses (1983) and Wal-Mart Supercenters (1988). Within a decade of opening the combination grocery and merchandise Supercenters, Wal-Mart had become one of the largest grocers in the United States. An emphasis on customer attention (e.g., direct mail advertising), cost controls (e.g., low-cost imports), and efficiencies in its distribution networks (e.g., regional warehousing) helped Wal-Mart become the largest retailer in the United States in 1990.

It moved into international markets one year later with the opening of a store in Mexico, and growth continued, either through new stores or the acquisition of established retailers, in countries such as Canada, China, Germany, and the United Kingdom. The company experienced a decline in sales immediately following Walton's death in 1992 but rebounded with the introduction of the company's house brand Great Value in 1993. In the years after Walton's death, the company was less fiscally frugal, quickly accumulating corporate debt in order to finance such new strategies as a group of additional Wal-Mart Supercenters. The financial risk paid off: by 1995 Wal-Mart's sales had doubled, by 1999 the company had become the world's largest private employer, and by 2001 its total sales surpassed those of Exxon Mobil, ranking Wal-Mart as the largest corporation in the world.

Wal-Mart remained a global leader in the ensuing years, and in the 2010s it began to acquire numerous e-commerce businesses, including Jet.com (2016) and Moosejaw (2017). In 2018 the company changed its name to Walmart. Its extreme growth did not occur without controversy. Walmart has been criticized for contributing to urban sprawl by forcing out of business local merchandisers, many of whom were unable to compete with the company's economy of scale. Walmart has also been criticized

for perpetuating low wages; its workers make significantly less than the average retail worker, in large part because of the company's anti-union stance. Its merchandising practices are nonetheless emulated by other retailers.

### **The major concepts of e-Commerce**

E-Commerce made easy with Digital Technology, Digital transformation implies the adoption of digital tools and processes in your business to achieve strategic business goals. It is a multifaceted process that has the capability to bring a substantial cultural and organizational shift in the business. The e-Commerce industry is not untouched by this digital tide.

Innovations in digital technology have helped in reducing the relevance of distance, whether geographical or linguistic. This has eased searching products, matching the preferences of consumers to products and verifying quality and reputation. It is because of this connection that the e-commerce stores have gained their importance in consumer's life. Research studies predict that worldwide online retail sales will go beyond \$4 trillion by the end of 2020.

Without the help of advanced and sophisticated digital technology, such results would not be achieved. Let us discuss how digital technology impacts global e-Commerce.

### **21st Century is new era of Digitalized e-Commerce**

21st century has seen many changes like ups and downs in the process of digital payment advanced Payment Service or prepaid payment is new type of shopping or a way to buy products it means before we touch the goods physically by hand or to receive we have to make a payment through online by providing our credit or debit card, related account details while purchasing the goods. In India it is bit difficult to make online transaction or payment, the first thing is India is highly or more populated country moreover people are not adequate with digital transactions now gradually people have started to do digital payment but it takes time to set with it in that many people are not using this mode why because they do not have any faith in that they believe in the traditional method of payment or purchase, one more thing this people are not compatible or competent to use technology for their

purchase, of course for the unparalleled growth of the e-commerce market, fast, secure, and effective payment options are essential. Studies say that about 69% of shopping carts are abandoned on an e-commerce platform by the customers. A tedious and complicated payment procedure is one of the reasons why it happens. Hence, an e-commerce platform needs to have an efficient and easy payment procedure. The payment mode usually varies according to the region, like in Canada and the US market, credit cards are popular, but digital funds and debit cards rule the European market. Though the developing economies are largely cash-based, they are rapidly making their way towards digitalization.

The hitch in the digitalization shopping or purchasing is Misuse of debit/ credit cards / hacking the accounts of clients, providing a better customer experience is the major goal of every e-commerce company and it can be achieved through personalization. e-commerce stores get the ability to offer the products that a customer is more likely to buy based on the intelligent search history analysis but it varies what we can see on the window of the digital screen it comes to our knowledge once we receive the goods moreover there are some online sites they do cheat in the name of good company. Even in the case cards it may hack or misuse by knowing people or they may track our records and do cheat. It delivers analytics that can be used for enhancing interactions with customers through texts or voice messages these are the facilities has been provided but the question is how far is it safe to use digital mode of transaction is the question.

Effective Marketing with Social Media, It is because of social media that the customers and e-commerce platforms are closer than ever before. Social media platforms like Twitter, Facebook, and Instagram allow the customers to view e-commerce products via images and have links that direct to e-commerce platforms with a click.

The company profiles of various products also help the customers to check the reviews of the product and gauge its qualities and drawbacks, hence, giving them an option of a more informed purchase.

Online shopping can we do around the clock like 24/7 the sales is open in the digital window, As the use of mobile devices like tablets, laptops, and

smartphones has increased, they have become a crucial part of a business's day to day operations. Research says that over 90% of mobile device users keep them within their reach every time. Hence, targeting these mobile devices paves the way for the growth of the e-commerce industry. With the development of faster internet networks, digital experience has reached new heights, and the global mobile e-commerce industry is unstoppable. Customers get the ease to shop anywhere and at any time. Digitalization has provided e-commerce platforms the ability to have a 24/7 market presence and sales.

Digital Supply Chain and Data Management, for any store, e-commerce data management, and timely delivery of the products is the key factor for growth. Hence, optimizing the supply chain management of the market under spiked demands and digitizing data management is very important. Digital innovation has simplified every aspect of the supply chain including: Inventory management, port management, warehouse management, brand protection delivery and infrastructure of the market strategies plays a vital role while selling goods.

E-commerce data management software like Looker and Shopify provide a digital platform where all the industry-related data can be managed effectively. This is important as a thorough understanding of the customer data facilitates informed business decisions and helps in the growth of the company.

Forecasting based on demands; it's an anticipatory shipping is one of the most interesting ways in which digital technology has influenced the global e-commerce sector. This is a unique approach where the e-commerce store predicts their customer's next shopping list based on their purchasing trend and gets the items delivered to the nearest logistic partner before the order is made. Hence, anticipatory shipping saves a lot of time and effort for both the customers and the e-commerce store. Forecasting the demands also helps the store in inventory management and makes sure that there is always adequate stock according to the market requirement. Attracting customer interest, time has long gone when promotions were filtered out by the advance spam detectors or simply overlooked. Now, they have the power to grab the attention of the



customer's right at their home screen. Several retailers use push notifications to inform the customers about upcoming offers and events. These push notifications pop up at the mobile devices of the customers or are present at the company website and is a great way to remain in the mind of the customer.

### Conclusion

By reading the above article, we can conclude that digitalization has dramatically influenced the e-commerce industry and is expected to do so over the years to come. As digital technology is evolving, so is its impact on various industries. Technologies like artificial intelligence and automation have found their roots in the e-commerce industry and provide many benefits to it and mainly on the street vendors as well as small scale industry and its major effect to the daily wages earners finally it may take long way and days to set with system.

### References:

1. Albert H., Judd, Rivers, "Creating a winning E-Business", Wagner Course Technology Thomson Learning, 2006.
2. Amit B. and Steve M., "How to Plan E-Business Initiatives in Established Companies". 2007.
3. Aranda-M., G. and Stewart, P., "Barriers to E-Business Adoption in construction international literature review", 2005.
4. Amar. K., Sohani, "Technology and Banking Sector", ICFAI University Press, 2009.
5. David W, "E-Commerce Strategy, Technologies and Applications", Tata McGraw Hill, 2001.
6. Earl, M., "Evolving the E-Business, Business Strategy Review", 2000
7. Laudon, K. and Traver, C., " E-Commerce: Business, Technology, Society", , Prentice Hall, 2008.
8. Namita.R., "Global Journal of Enterprise Information System", 2011.
9. Poon S. and Swatman P., "An exploratory study of small business Internet commerce issues", Information and Management, 1999 .
10. P.T. Joseph, S.J., "E-Commerce An Indian Perspective", PHI, Rafiu, Oyesol. 2009.

