Impact of E-Commerce on the Society

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Abstract:

The introduction of e-Commerce over the past 15 to 20 years has had a major impact on society and the way business is done on a global scale. This has had many positive effects on both the business and on consumers. Additionally there are risks that have had a negative impact on both the customer and businesses. This report discusses the impact and risks associated with e-commerce to the society and the benefits to the society.

Keywords: *E-Commerce, Impact, Positive and negative effects*

1. Introduction

E-Commerce is simply the buying and selling of various products and services over the internet. Anyone with access to the internet can engage with e-commerce trading. E-commerce has two types of trading and that is business-to-customer (B2C) and business-to-business (B2B). A bricks and clicks organisations, both on the high street and online, tend to make customers feel more confident when buying online as the product can be returned in-store while giving the customer both options of where they want to purchase their product from, online or in-store. E-Commerce has become a very popular method of trading amongst businesses and organisations. Most companies today have an online presence at the very least to hold information about themselves, raising their company awareness if they are not using it to trade. people would much rather go shopping for what people are looking for online due to the time it saves when compared to going out to find the product physically, the cheaper prices and people are more than comfortable ordering online as some people can become quite intimidated and unsure about it especially when entering personal and credential information.

2. Review of Literature

Arvind Panagariya (2000) reported that access to e-commerce, which in the WTO pariance often means access to e-exports, has two components that must be distinguished sharply. Access to Internet services and access to services that can be traded electronically. The former deals with to access to Internet infrastructure while the latter relates to specific commitments in electronically tradable services. Ecommerce offers unprecedented opportunities to both developing and developed countries. In the short run, the gain are likely to be concentrated in developed countries have more to benefit. This is because, in the short run, developing countries lack the infrastructure necessary to take full advantage of Internet. For many countries, especially developing ones in these countries, most consumers do not have computers or Internet access. A likely scenario, therefore, is one in which a handful of independent entrepreneurs will receive the product by Internet, convert it into physical form such as CDs and sell the latter to consumers. But this activity may itself be costly using up real resources. Buy in the long run. They can Leapfrog, skipping some of the stages in the development of Information Technology through which developed countries have had to pass.

Elizabeth Goldsmith and Sue L.T. McGregor (2000) Analyzed the impact of e-commerce on consumers, public policy, business and education. A discussion of public policy initiatives, research questions and ideas for future research are given.

Diana Oblinger (2001) reported that one is that education and continuous learning have become so vital in all societies that the demands for distance and open learning will increase. As the availability of the Internet expands as computing devices become more affordable and a energy requirements and form factors shrink, e-learning will become more popular. In addition to the importance of life long learning, distance education and e-learning will grow in popularity because convenience and flexibility are more important decision criteria than ever before. E-learning will become widely accepted because exposure to the Internet and e-learning often begins in the primary grades, thus making more students familiar and comfortable with online learning. In fact, for many countries, distance education has been the most viable solution for providing education to hundreds of thousands of students.

Jackie Gilbert Bette Ann Stead (2001) reviewed the incredible growth of electronic commerce (e-commerce) and presented ethical issues that have emerged. Security concerns, spamming, websites that do not carry an "advertising" label, cyber squatters, online marketing to children, conflicts of interest, manufacturers competing with intermediaries online and "dinosaurs" were discussed.

Patric Barwise (2001) reported that probability 99 % of e-commerce today is done using PCs either desktops or Laptops. For B2B e-commerce this is unlikely to change for B2C e-commerce however, things will be more complex, there will be wider range of relevant media including interactive digital TV and a range of mobile and wireless service there will be huge difference between different consumer's ownership of equipment and access technology. Some will have broadband access and others have no digital communication at all.

3. Research Problem
What are the impacts of e-commerce on the society?

4. Objectives of the Study
The study has been done towards achieving following objectives
  1. To see the various impact of e-commerce on society
  2. To provide information for future research works
  3. To understand the concept of e-commerce

5. Research Methodology
The research paper is an attempt of exploratory research, based on the secondary data; Sourced from journals, magazines, articles and media reports. Looking into requirements of the objectives of the study the research design employed for the study is of descriptive type. Keeping in view of the set objectives, this research design was adopted to have greater accuracy and in depth analysis of the research study. Available secondary data was extensively used for the study. The investigator procures the required data through secondary survey method. Different news articles, Books and Web were used which were enumerated and recorded.

6. Positive Effects of E-Commerce on Society
- **Convenience**
  Shopping online can be a lot more convenient than heading out to a shopping centre to find what you want. Instead, you can simply sit at home with access to the internet and order away.
- **Disabled & Elderly**
  Those who suffer from disabilities, whether they are physical or mental, or old age can often struggle to go shopping in your regular shopping mall. This can become more of a problem when living greater distances from town centres. Online shopping allows these individuals to stay in the comfort of their own home when ordering the products and services they desire.

- **Time Saving**
Ordering an item online through an e-commerce site takes a lot less time when compared to travelling to your nearest store.

- **Information Availability & Price Comparison**
The internet is filled with information and with the use of search engines like Google almost anything can be found out rather quickly. When you involve online shopping with these abilities you can easily find the best price for the product you are searching for without having to travel from retailer to retailer. Google Shopping is an example of a product search engine that finds the best price at the selling stores.

- **New Businesses**
When starting off a new business it can be mega-expensive to get it all up and running if you are planning on being a brick organisation. The start-up and running costs for having your business start with an online presence is much cheaper than getting a shop and a place for product storage.

- **Jobs**
In order to have an online presence and trade online you will need a website that is capable of selling your products or services with acceptable methods of payment. Smaller businesses are likely to hire an external company that specialises in setting up this kind of thing but larger companies on the other hand are likely to employ their own web developers, marketing analysts and search engine optimisation specialists.

- **24/7**
Website's that run online are constantly available at all hours providing there are no technical difficulties. This is a great advantage for those who finish work late and don't have the time to run down to their nearest outlet to find the product they desire as they can know simply order online

- **Greater Choice**
When going out shopping you usually only have the availability of the products that are there. This differs when compared to shopping online. Firstly, it is highly likely that you can find the product you want to from multiple different sites. Also, when purchasing from a bricks and clicks organisation it is possible that the product you are after isn't available at your nearest store but instead it can be delivered from a store based elsewhere.

- **Global Marketplace**
The internet spreads across the world and anyone with access to it can see what is up there. Therefore if you have a website up and running anyone around the world can get access to your website. This gives you a global marketplace but it also brings a much greater competition as you are competing with everyone else who has the same purpose as you with an online presence.

- **Pre-orders**
Most high demanded products online today tend to have the option to be pre-ordered. This is a process that involves you paying for the product before it is released but in return having it delivered to your door on the release day. This is a very popular process with most entertainment products such as computer games.

- **New Marketing Models**
Due to how online shopping has taken off in the recent years additional features have been developed alongside them. These include things like review forums where users can read up on what other people thought about a particular product. Advertising has also become a big part online as popular websites tend to display advert banners or sometimes the annoying pop-ups in order to attract in customers. PPC adverts have become a popular way of advertising and this works on a pay-per-click basis where the company hosting the advert will receive payment by the amount of clicks on that ad. Mailshots and customer loyalty schemes have also moved along with the introduction of e-commerce websites.

- **Advertising Online**
The internet today is a very popular place and this makes it ideal for advertising. Businesses who run their own e-commerce site often advertise for other non-competitors while generating

additional revenue and building a partnership with that business which could do both companies a great of good.

7. Negative Effects of E-Commerce on Society

- **Unemployment**

  Some organisations or businesses move from being a brick organisation, where they are based in a store, and move to become an online, more globally available company and therefore have no need for the staff they have employed in their stores.

- **Uncertainty**

  As there are some websites out there with the purpose to scam some people are afraid of entering their credentials online and they can't be blamed. There are trusted sites out there and there are multiple ways to detect whether they are official sites or not. PayPal is an online payment method that people can use that keeps your credential information private from the trader. The online trade will then work with PayPal meaning that none of your payment details are shared with the company you a buying from.

- **Security Issues & Customer Trust**

  It is important to provide a safe and secure online shop for a customer when their trying to buy products from you. This helps create a greater customer trust and ensure them that they can place an order without any worries to help encourage additional business with that customer in the future. The business will need to make sure that a safe gateway is available and that the information is secured when the customer makes the payment

- **Returns & Complaints**

  If there is a product malfunction then the customer is going to want a replacement or refund giving that it was not their fault, if it arrived damaged for example. With a business that is solely based online it can be a lot of hassle for the customer to sort out a return or a refund as they can't simply walk into their nearest corresponding store. This can also create a bad experience for the customer and it is likely they will not be coming back to your shop again.

- **Direct Communication & Product Experience**

  When you order a product online the customer will have no face-to-face contact with the salesperson and no hands-on experience with the product. Instead, the product will usually have a few images to get an idea of the product along with a product description. Sometimes these images and descriptions can be misleading and the customer could end up ordering an item that is not exactly what they want.

- **Delivery**

  When you order a product or service online you have to wait for the product to arrive. Usually these e-commerce sites offer different options for delivery which will range from faster delivery times at a higher price to slower delivery times at a lower price or in some cases free. But sometimes the product can take a good duration to come due to many issues and this can cause problems if the product or service you ordered is for an event that is coming up, like a birthday or Christmas present.

8. Conclusion

People prefer to order all their products and things they want online under most circumstances. people find it much easier and to have a lot less hassle than searching through the shops in their local shopping centre to find the item that they want to later find out they could of had it cheaper online or that they don't have it in their size in that store. The downside of this is that item ordered can take up to five days for it to arrive depending on the type of delivery selected but it is seen that people had very less bad experience with delivery delays as of yet.

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