Review Article

E- Trading: Opportunity and Challenges

Surendra Mishra*
Institute of Engineering, Jiwaji University, Gwalior, MP.

Abstract

Much more awareness is needed on e-commerce and its benefits. It is important to establish appropriate communication strategies to broaden awareness of e-commerce between businesses by emphasizing benefits and eliminating possible misunderstandings. Top producers, such as CM, should work with governments and governments to train people in decision-making positions in Indian organizations. IT education will be an important driving force in the development, adoption and growth of e-commerce in India.

Keywords: E-Commerce, Domestic Companies, E-Business, Transactions.

Introduction

Electronic trading, sometimes referred to as foreign currency or electronic financial derivative instruments (e.g. stocks, bonds, etc.), securities trading, electronic trading. Through the use of information technology virtual marketplace, buyers are called by network vendors to create an electronic trading platform(1).

They can include a variety of exchange-based systems, such as Nasdaq additions, NYSE Arcoa and Globaks, as well as other types of trading platforms, such as electronic communications networks (ECN), alternative trading systems, cross-networks and "dark pools". Electronic transactions are taking place in the world securities market at a faster pace than human business. While e-business has many advantages over older business and telephone businesses, there are still competition and cancellations(2).

Impact of E- Trading

The increase in e-commerce has produced significant results.

Reduced Transaction Costs:

Costs are reduced by automating as many processes as possible (often called straight-through or STP). The goal is to keep incremental trade costs as close as possible so that volumes do not increase significantly. This has been translated to investors at a lower cost.
Greater liquidity - electronic systems enable different companies to trade easily wherever they are. This leads to greater liquidity (i.e., more buyers and sellers) to increase market efficiency (3).

**Fierce Competition**

Although e-commerce has not necessarily reduced the cost of access to the financial services industry, the industry's barriers have been eliminated and have had a competitive impact on globalization. For example, traders can trade with EASEX, Globex or LIFFE and button gift buttons. He does not have to pass through a broker or place an order with a merchant at a trading site (4).

**Increased Transparency**

E-commerce has made the market less opaque. When this information flows electronically around the world, you can easily find the price of securities. Rapid spread - The "spread" of an instrument is the difference between the best selling price and the selling price. This means market interest. The increase in liquidity, competition and transparency means that the spread is sharpened (5).

**E-commerce: the Fundamental of E-Trading**

The most noted and well-accepted ecommerce feature is the taste around the world. Likewise, e-commerce has real potential in India. First, e-commerce solutions in India are gesogte merchandise worldwide. E-commerce-based companies leave their unique markets with technologically competitive businesses and entrepreneurship. Indeed, it can be an important opportunity for India. This acquires e-commerce and domestic companies' e-business transactions and the duality of tremendous opportunities for exporting other country software quickly connect to e-commerce (6).

Indian double assets (software industry is quickly considered a restructuring industry).

- As of September 2011, there are 15 million PCs installed.
- Over 80% of PCs sold in the last two years were driven by the need to access the Internet.
- 90% of India's web sites were established overseas.
- Internet access is one of the most common groups between the ages of 18-24. However, all age groups have seen major access improvements over the last 18 months. An important development is that nearly 11% of people over 40 years of age now have access to the Internet (7).
- More than 77% of male females and 23% are 23%. But this has increased from the 82:18 ratio of June 1999.
- The Internet and e-commerce industries employ approximately 82,000 people. This includes web developers, web designers, system analysts, ISP infrastructure providers, marketing staff, and electronic software experts. The Internet and e-commerce industries are expected to employ over 400,000 employees by March 2006.
- India has about 1.6 million households connected to the Internet (8).
- On average, Internet users can access the Internet for six hours a week.
The profile of Internet users in India is dominated by:

- Professional / business sector, which accounts for approximately 43% of Internet usage.
- Nearly the student community is represented by schools and college students. This sector accounts for about 38% of Internet surfers.
- More than half (59.2%) use the Internet as an information source, 11.3% uses it as an educational tool, and 8.2% use it for entertainment.
- 73.4% of respondents were e-mailed, 77% were search engines, and 23% were downloading / uploading software.

About 20% of total Internet users own their credit cards and about 14% own mobile phones. According to the NASSCOM survey, e-commerce in India will be an important leap forward in the next three years, given the government's growing interest in market growth.

Based on these preliminary findings, experts concluded that penetration of Internet and e-commerce in India will increase through leaps. By 2010, the Indian industry is expected to reach 5% of online penetration. Revenue flows must be more and more consistent with expected emerging global models. This means that most of the revenue comes from the transaction, and the ad revenue comes from the transaction, while the smaller amount comes from the ad revenue. In 2010, more than 75 percent of revenue from the Internet business to the consumer business is expected to come from the transaction. Ad revenue is about 8% of total business spend.

- About 23% of India's top 500 companies have already started e-commerce. This is facilitated by upgrading existing IT systems or new installations, configurations or e-commerce.

Government Initiatives To Push E-Commerce Activity

The government has taken an important initiative in recent years to create an environment that promotes e-commerce. This includes:

- Announcement of Information Technology Act 2000 establishing cyber law in the country
- November 1998 Announces ISP policy for access to private ISPs.
- The right of private operators to establish international gateways. Allow Internet access through cable TV infrastructure
- Initialization of the National Internet Backbone
- Announce long-distance telephone service outside the service area to private operators.
- On August 15, 2000, the non-proprietary submarine fiber optic connection for the ISP was completed.
- Free Road Role facilities have access to providers that provide fiber optic networks along state highways and other roads at no cost, cash or any other kind.
- Public and private user groups (CUG) Grants for interconnections in the network.
- Establishment of Public Telecommunication Information Center (PTIC) with multimedia capability is allowed.
• 100% foreign direct investment in B2B e-commerce is allowed(13).

**Initiatives for E-Commerce Capacity-Building of Small and Medium Enterprises**

To catch up with changing software and hardware scenarios, you should develop high-quality programs that highlight the latest IT trends and provide training and education on the latest topics. New, more effective and effective ways of delivering education are evolving. This will complement traditional teaching methods in books, lectures and written examinations. Focuses on computer-based training using text, audio, images, and animations in interactive and stand-alone modes using the latest technologies such as multimedia, online training, and testing. IT training can be encouraged by facilitating the organization that conducts the training through, for example, educational incentives(14).

Governments can work with business houses to establish IT training and training centers. Currently, 40% of the Indian population is illiterate and only 20% speak English. Much of the content and applications cannot access much of the Indian population because most of the content is on the Internet in English or other foreign languages. To overcome these challenges, creative solutions must be considered.

On the one hand, local language content and applications need to be developed, but voice applications on the Internet need to be accessed via regular mobile phones. Society as a whole must oppose the emergence of the digital divide. Some of the population with the Internet gap has a big advantage over other regions(15).

**Challenges of E-Commerce In India**

Participation in the private sector must be explored in electronic development initiatives to ensure long-term sustainability. There are several B2B players. The most used steel industry is made up of eax.com (auto exchange) together with Steel Exchange and Car Companies. Perhaps the biggest ‘internal B2B’ player, Maruti has already made a lot of online parts of the online supply chain supply chain. Other successful issues include Hindustan Lever Ltd., General Motors and Godrej(16).

The best-known B2B e-commerce technology, such as i2 technology and Commerce One, has not yet been adopted by Indian Corporate. These technologies are now expensive and cannot lead to return on investment because there are no other infrastructure and services such as national third parties and logistics. There are still many things the government can do, starting with resolving interbank payment standards to enable online payments. The following may be strengthening your communications infrastructure (especially at the last mile). Another important fact is to acknowledge online contracts currently being conducted in India(17).

Some of the barriers to adopting e-commerce in India include:
• Limited Internet access between customers and small businesses (current Internet usage levels between company and user)
• Communication and infrastructure failures for reliable connections (slow Internet connections, high access costs, and unreliable connections)
• Multiple gaps in the current legal and regulatory framework (18).
• Problems with the lack of credit and payment gateways (privacy of personal and business data over the Internet, non-security, security and confidentiality of un-entered data)

Conclusion
Developing countries can be industrialized and modernized if they can apply IT extensively to increase productivity and international competitiveness and develop e-commerce and electronic governance applications. An information society or knowledge-based society consists of IT products, social IT applications and the economy as a whole. Many Asian countries utilize e-commerce through economic openness, which is essential for opening competition and spreading Internet technology.

The Internet improves efficiency and increases market integration in developing countries. Developed countries have long been leaders in developing countries in telecommunications infrastructure. The world average tele density is 15%, compared to 55 ~ 60% of the average of developed countries. The number of PCs, Internet connections, and Internet hosts is the same. As you can see above, all the traditional indicators for India are still small. However, the total number of Internet connections is absolutely high. It is large enough to have between 10 million and 20 million users that can affect e-commerce and electronic governance. Over the next three to five years, India will have between 30 and 70 million Internet users, which will be the same in many developed countries. The Internet economy will be more useful in India. The number of e-transactions must be large enough to sustain the Internet economy.

Reference


