Exploration of E-tail business with reference to E-Customer Experience

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Abstract—In the modern era, the global retailers are establishing their business by using e-tailing and the main reason is the middle class consumers who have turned to the internet for shopping. Many budding entrepreneurs are now entering into e-tailing as a hot favorite and are confidently investing in e-tailing business. The global shoppers today are enabled with touch screen and tablets, where websites are designed to give the look and feel of an actual retail store. There is a growing trend of having digital stores that help them in seeing local deals on various websites while they are on the run. This paper discusses the few ideas from the think tank where the budding entrepreneurs keep their palm tip to make the impression in the e-world. The first level of this paper speaks about the business models in e-tailing industry; the main part is to explore the ideas for the budding entrepreneurs in the e-tailing industry. The final discussion is all about the analyses of major factors influencing e-customer experience towards e-shopping

Keywords-- E-tailing, e-business, e-customer, global entrepreneurs, e-shopping, digital store

I. INTRODUCTION

The Internet is the only communication medium that has given the “Globalized” dimension to the world, makes the world a “Global Village”. Internet has become the Universal and unique source of information for millions of people, at home, at school, and at work. According to March 2014 internet world statistics, around 40.7% of the world population are using internet. With this trend, e-tailing has shown a very exciting growth trend among travel and retail sites. The expectations are even much higher in the coming years as more users come online through easier internet access and wider mobile internet penetration. The present global e-tailing economy is offering a great opportunity for young entrepreneurs for boosting their business on a wider scale. Presently, there are millions of enthusiastic entrepreneurs who see a bright future ahead, and with growing e-tailing industry, the graph of profitability is rising at a faster pace. This is the best time to be a global e-tailing entrepreneur.

II. REVIEW OF LITERATURE

Winch and Joyce discussed about the dynamic nature in building and losing trust in business to consumer (B2C). E-Business is an effort to understand the casual nature of trust in a better way. The purpose of this paper is not to present yet another model, but to bring the awareness and better understanding of e-business to SME’s and provide the opportunities for the emerging business.

Alan and William have stated that one of the most important issues in E-lending is security. In the paper, there was a statement from Richard Biell of Tower Group: “it’s one thing to submit a credit card number online to buy a product. It’s quite another thing to put your entire personal dossier online and hope that no one intercepts it, particularly if you’re not familiar with the lender.”

Mukherjee and Nath stated that trust and commitment are the central tenets in building successful long-term relationships in the online retailing context. This paper aims to re-examine the commitment-trust theory (CTT) of relationship marketing in the online retailing context.

III. RESEARCH METHODOLOGY

The objectives of this research are three-fold:

- To describe the Business models in e-tailing industry
- To explore the ideas for the budding global entrepreneurs in the e-tailing industry.
- To analyze the major factors influencing e-customer experience towards e-shopping

A descriptive research design suits for this type of research. All the information and data presented in this paper were gathered from various sources of secondary data. The sources are from online database such as journals and extracts from newspapers, books & magazines.

IV. E-TAILING BUSINESS MODELS

There are 4 types of business models in the e-tailing industry.
Business to Consumer (B2C)
- It sells goods or services to
  the consumer, generally using
  online catalog and shopping
  cart.
- Services such as
  subscriptions to information
  sites or online data backup.
  Eg., Amazon

Business to Business (B2B)
- B2B e-commerce services are
  intranet services and Web
  meetings.
- Cisco is an example of one of
  the first B2B catalogs online.

Consumer to Business (C2B)
- Elance is an example of C2B
  where the consumer posts a
  project and businesses answer
  with bid proposals.
- Another example of C2B is
  online loan brokers.

Consumer to Consumer (C2C)
- Craig's List and e-Bay are
  examples of C2C where
  consumers can post classified
  ads or offers to sell their
  property to other consumers.
- This is the fastest growing
  segment of e-commerce
  thanks to the advent of social
  networking.

Figure 1: E-Tailing business model

V. IDEAS FOR BUDDING GLOBAL ENTREPRENEURS IN
THE E-TAILING INDUSTRY

i. Online Grocery Shopping has arrived in US, why
not in other places? Why don’t young
entrepreneurs bring?

Online grocery shopping is no longer coming, it has
arrived. Now it is the time to get into the game and
determine how the new brand can add value in new ways
across consumer touch points. It is not only a shopper’s
market, but a marketer’s market. The rate of change is
accelerating and so it the rate of opportunity for creative
and innovative marketers who embrace the digital
revolution.

The five things to know before the entrepreneur start
online grocery shopping:
 ✓ Consumers love online grocery shopping, but it
takes time getting used to.
 ✓ Online baskets fill faster than offline baskets.
 ✓ Consumer perceptions and purchase behaviors are
  affected in important ways.
 ✓ Online shopping “levels the playing field”. Ultimately,
  price transparency, connectivity and open content favor a purely ‘rational’ market.
 ✓ Large and small brands can win online by
  combining marketing savvy with digital capabilities
to add value. With interactive websites, smartphone
  applications and social media connections,
  expanding the brands in new and innovative
directions is virtually limitless.

ii. Turning Rural Indians Into Water Entrepreneurs

“In 60 years of existence, India has always had getting
clean water to people as the last mile at the top of its list
of things to do,” says Sarvajal, CEO, Anand Shah.
Perhaps the biggest breakthrough for Sarvajal came with
the invention of the Water ATM, which enabled them to
gain even deeper penetration into decentralized rural
communities. They decided to build the ATM, a solar-
powered, off-grid tank, regulated by a smart card. They
can put this ATM in a packet of may be 50 households,
deliver water there once a day, and they can come pick
up water when they feel like it. They’ve since partnered
with Audi to develop a modified version of the ATM for
the urban slums of Delhi and Mumbai. “The reason the
ATM idea is so critical for us is that it allows us to sell
clean water that’s not in a bottle. You come to it and you
hit a button and water comes out, like the machines at
grocery stores in the U.S. We feel it’s extremely
disruptive.” CEO Shah says. Becoming a water
entrepreneur builds a lot of political capital, because of
how much people see water as a problem.

iii. Make money by burning others money

I am sure you must be wondering how we can make
money by burning other's money. But, what happens
during Diwali? It is burning of money (Firecracker).
The question is how do you make money? If you check
the size of firecracker in India, it is estimated between
1000 to 1500 crores. And it is mainly from Sivakasi.
Imagine crackers are made in Sivakasi and transpo
of small houses in Sivakasi where people make these
involved in making fireworks. Also, there are hundreds
of villages that are facing drought, you will get a
place which is sunny as well as cheap labour. If you want
to learn about the process of making crackers, you will
find hundreds of websites that provide the process
involved in making fireworks. Also, there are hundreds
of small houses in Sivakasi where people make these
crackers. You can easily, pull few people for their
knowledge.
Just make sure you get the appropriate licenses to manufacture the firecracker, manufacture it where the labour cost is cheap, get the order and payment online and deliver it through cargo. You will be making huge money by burning others money.

iv. Software Engineers, develop the Internet Security...

In an ideal world, everyone would use a random password for every website they log into. There are a wide variety of tools to make this a reality for those willing to do so. As companies and individuals strive to keep afoot with the ever expanding businesses and try to get global, security investments should be one of their core concerns. Keeping the increasing security risks in mind, businesses have to be proactive about security. No matter how strict corporate security policies are regarding passwords, users most often do the bare minimum needed to be compliant. It is human nature: if we do not understand the reason behind something, we are less likely to follow through. The report suggests that companies should take the time to educate users on how easy it is to have their personal finances spoiled by some attacker and they may develop a much greater sense of caring about their passwords. Software engineers, use the engineering knowledge potentially by innovating user friendly software and internet securities.

v. Data Outsourcing Service

One of the newest business opportunities is data outsourcing. Start a business that receives and processes data from banks, hospitals, marketing and accounting firms, and other business. The time difference in India works to an American firm's advantage: raw data sent to an Indian data service company at 5 p.m. New York time will be received at 5 a.m. Indian time, and can be processed and sent back electronically by the next morning. Transcribing medical data could be especially lucrative, as hospitals are increasingly expected to maintain electronic health records.

vi. Food website with automated calorie calculator

A common food website with recipes, videos and blogs on food with uncommon features like automated calorie calculator and converter has the potentiality to gain market shortly. The calorie calculator and converter is a tool resembling excel, where users input his/her diet (broken up into items and quantity) and it would convert the same in calorie. This tool should also work the other way around. Food related course will surely help.

vii. Medical facilities under one roof

This business provides medical facilities in a faster and convenient way. The facilities may include fixing up appointment with doctors, arranging ambulance and other transportation facilities for patients living alone or living in the outskirt of the city. To start this business, one does not have to be a doctor or nurse but experience in the healthcare sector will be an added advantage.

"With the increasing trend of corporate culture & growth of healthcare facilities in India, there will be a greater role for services and intermediaries who facilitate efficient distribution and easier access to these services. In the next 3-5 years, I expect to see a lot more innovation and interesting business models emerging in the healthcare services space," Nitin Mathur, Founder & Business Head-HealthPA.

viii. Online retail store for Eco-friendly products

An online retail store of Eco-friendly products is a viable business option for people who want to pay back to the society and earn for their livelihood. One can source the merchandise from rural areas or can tie up with several NGO’s to have the product line. A person with sound internet marketing, web designing skill can start this venture or else a competent team of web marketing professionals, designers may start the venture.

ix. Landscape Solutions

As a landscape irrigation business owner, one can irrigate a certain area of land within the stipulated time period according to the client’s horticulture plan. The technical knowledge of designing and calculating water flow, water friction rate, pipe line size, pump capacity, route of water line, location of control gate valves, selection of irrigation devices like sprinklers, micro sprinklers, drip lines and dripper nozzles will help.

x. Food Information and Logistics

There is a huge demand for web-available information for restaurants around several cities in the country. Become an end-to-end food service provider by starting the own website and acquiring a logistics team. The purpose is basically to catering to all the customer needs: detailed information of restaurants, food ratings and reviews, bookings and reservations, buffet reviews and most importantly food delivery. The skills required to start this business are strong marketing skills to convince restaurants, acquiring strong local logistics team and technology knowledge to start the website.
Tasty Khana evolved to become a huge success, even though the entrepreneurs behind the idea did not have any food related background, because of the keen interest they took in organizing parties and lunches during their corporate lives. It started as an information site which gave listings of restaurants around the city and over time it grew over time to become an end-to-end food service provider by starting delivery services from its associated restaurants to its customers.

xi. Vending Machines

A business that allows dealing with anything from pre-packed beverages, snacks, newspapers to mobile talk-time recharges, tickets etc. Vending machines are definitely one of the easiest ways to make money where all the owner has to do is choose the right location. Economic growth, development of cities, lifestyle and eating & drinking habit has opened a huge market for these machines cater to peoples’ needs directly. Mostly the revenue comes from sale of the products in the machine. Advertising also has some scope in the setting up of the machine. It can be done by displaying products in the front-glass machines or by putting ads on the machines themselves.

xii. Online Gaming Business

The online gaming business seems to be the flavor of the era. Individuals love to indulge in gaming activities after the day's work and have fun. The online gaming business owner will have a website to launch his own gaming software.

Otherwise, one just can make the gaming software and sell them to distributors. In both the cases, the profit potential is huge. The business owner needs to be any one or all of the three-a good game designer, artist or programmer. But these are not necessary skills. One can start the business by hiring these professionals.

Alok Kejriwal, the founder & CEO of games2win (an online gaming company) can be best described as a serial entrepreneur. His previous start up - Mobile2win was acquired by The Walt Disney Company (China division) and Norwest Venture Partners (India division). Games2win India is his fourth new media venture and is among global top 20 online games company as per comScore. Alok launched games2win in the year 2005.

G2w operates portals such as games2win.com, gangofigamers.com and chimpoo.com. It also owns the world’s 2nd largest in-game ad network www.inviziads.com.

xiii. Heritage Tourism

Heritage tourism contributes well over 60 percent to the overall share of tourists in India, both domestic and foreigners.

With greater awareness among entrepreneurs and tourists, demand for sightseeing heritage monuments in under-explored areas is rising, be it tour operation, transport, restaurants, hotels, and airlines. Good marketing skills, historical knowledge of the particular heritage monuments, very good guides and reliable tie-ups are required to start up this business.

VI. MAJOR FACTORS INFLUENCING E-CUSTOMER TOWARDS E-SHOPPING

E-consumers take greater care in what they buy, where they buy, and how much they will pay. Although hardly a sufficient silver lining, researchers now have the opportunity to examine more thoroughly many of the issues needs to be discussed in a new light.

Before the budding entrepreneurs start the e-business, they have to find the solutions for the following questions. How do consumers react to difference in e-shopping cost, website design, website information, e-security and delivery? Can e-tailers take certain actions to increase patronage, before, during and after a shopping experience? Does e-consumer cherry picking change when consumers buy online? How should e-tailers alter their assortments in websites? Should they continue to experiment with new categories that previously appeared only in stores with different retail formats? Will price elasticity for substitute and complementary purchases differ during economic downturns? What innovative strategies might multi-channel and online retailers use to gain greater shares of wallet? And how might e-tailers adjust their global sourcing strategies and the way they work with and develop relationships with their global vendors? These questions and many more depend on the major factors influencing e-customers towards e-tailing discussed as follows.
Why don’t the budding managers think out of the box, to stand on top of the world?

VII. CONCLUSION

The budding entrepreneurs has to concentrate on the factors like conceptualizing a sellable idea, creative, effective, clear plan, willingness to take nominal risks, smart work and self-motivation. Skills alone do not make a successful man and there is no one perfect way to succeed when trying something new. The study of the successful case studies shows “A single man’s idea in the beginning irrelevant to the fact how large it has grown today after years”. Most of the success stories are interesting and show the different and difficult paths they took to convert the one-man act into an Empire it is today. The energy and enthusiasm after reading this article should motivate the reader to keep your first step ahead in e-tailing world. It is not necessary to keep your foot step, but don’t hesitate or forget to press your palm step in the palm top. With more and more people going for online shopping, budding entrepreneurs can also looking forward for the opportunities to invest in e-tailing business. Keeping one step ahead today takes you miles to reach the sky in the e-tailing journey.

REFERENCES