

Role of E-commerce in transforming sales and distribution industry: A Descriptive Study

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Abstract

E-commerce's explosive expansion has fundamentally changed the sales and distribution sector, reshaping how companies run and how customers shop. Businesses may now easily reach a global client base because of e-commerce, which has emerged as a strong force in transforming the sales landscape. Companies can target clients in a variety of geographic locations by utilizing digital platforms and online marketplaces to reach a larger market than is possible with conventional brick-and-mortar establishments. Along with helping businesses flourish, this increased reach has given customers access to a wider selection of goods and services, promoting more competition and consumer choice. Traditional sales and distribution structures have faced difficulties because of e-commerce. Traditional retailers and distributors must adjust to shifting consumer tastes and habits as well as escalating opposition from online-only merchants. To be competitive in the shifting market, they need to make investments in digital transformation, implement omni-channel strategies, and concentrate on developing distinctive in-store experiences.

Keywords: Sales, Logistics, Globalization, Revenue, Mobile Commerce.

Introduction:

E-commerce's development has profoundly changed both the way businesses operate and how the customers shop, revolutionizing the sales and distribution sector. E-commerce describes the trade of products and services through the internet, giving businesses access to a global clientele and giving customers easy and convenient ways to shop. Significant changes to the business environment have resulted from the dramatic impact of e-commerce on the sales and distribution sector. Eliminating geographical restrictions, which is one of the main ways that e-commerce is changing the sales and distribution business, is a crucial part of this shift (**Guo et al. 2021**).

E-commerce platforms allow companies to offer goods or services to customers anywhere in the world. Since they can now access new markets and markets to a bigger customer base, organizations now have tremendous growth prospects. Additionally, e-commerce has enabled a change in consumer behavior by giving customers unmatched ease and flexibility. The limitations of conventional store hours and physical presence are removed by online shopping, which enables customers to browse and buy things at any time and from any location. Customers may quickly and easily compare prices, read reviews, and make knowledgeable decisions about the purchases. This convenience aspect has had a huge impact on customer preferences, resulting in a sharp rise in online sales and a commensurate drop in foot traffic to physical businesses (**Gupta, A. 2014**).

E-commerce plays a critical role in the sales and distribution sector by enhancing client personalization and interaction. Important user data, such as browsing history, purchasing patterns, and demographic data, is gathered by e-commerce platforms using sophisticated data analytics and tracking systems. Then, using this data, customized marketing campaigns, targeted advertisements, and personalized product recommendations are made. Understanding the distinct interests and behaviors of the customers can help businesses build personalized experiences that generate revenue and raise customer happiness (**Tolstoy et al. 2021**).

The supply chain and delivery processes have also been streamlined by e-commerce. By incorporating digital technologies, businesses may manage inventories, track shipments, and streamline logistical procedures. Real-time inventory management, made feasible by automation and web platforms, reduces

the likelihood of stockouts and overstocking. Additionally, direct communication between manufacturers, suppliers, and retailers is made feasible through e-commerce, eliminating the need for middlemen, and reducing overall distribution chain costs (**Pogorelova et al. 2016**).

Literature Review:

Consumer behavior refers to the choices, decisions, and patterns that individuals or groups make while selecting, acquiring, and using products and services. It is influenced by several things, including social, cultural, economic, and individual aspects. In recent years, there have been significant changes in consumer behavior that have an influence on conventional brick-and-mortar retailers due to changes in consumer tastes and the impact of e-commerce. Consumer behavior has changed because of e-commerce's influence and evolving consumer tastes. Traditional retailers are responding to these changes by adopting digital strategies (**Hong et al. 2019**).

E-commerce has increased competition in the sales and distribution sector. Small firms and startups with low entry barriers can create an online presence and compete with established players. Businesses of all sizes may promote the products and reach the target audience efficiently because of the simplicity of setting up an e-commerce store and numerous digital marketing tactics. Traditional brick-and-mortar retailers can only reach a certain local or regional customer base due to the physical limitations (**Li, L., & Zhang, J. 2021**).

Supply chain management includes several activities, including distribution, inventory management, production, and logistics. The goal of SCM is to streamline the flow of supplies and materials throughout the supply chain. This calls for the analysis and enhancement of transportation routes, the choice of suitable means of transportation, and the optimization of storage and distribution procedures. Companies may cut costs, shorten lead times, boost customer satisfaction, and increase overall operational efficiency by simplifying the logistics and fulfillment processes (**Prameswari et al. 2017**).

One of the biggest barriers to e-commerce is the privacy and security concerns with online purchases. Online shoppers are concerned about the protection of personal and financial data. Data breaches, identity theft, and online fraud are just a few of the risks that pose a severe threat to trust in e-commerce systems. By addressing e-commerce security and privacy concerns, businesses can differentiate themselves from their rivals. E-commerce companies can make significant security investments in areas like secure payment gateways, encryption systems, and robust authentication methods to protect client data (**Žurek, J. 2015**).

Businesses may increase customer satisfaction and loyalty by prioritizing security and privacy, which will lead to higher sales. In the incredibly cutthroat e-commerce sector, companies strive to set themselves apart. Given the prevalence of online marketplaces and the ease with which one can launch an e-commerce business, it may be difficult for businesses to attract and retain clients due to market saturation. Due to rivalry from both established companies and recent newcomers, the battle for market share grows more severe (**Gregory et al. 2019**).

E-commerce presents a variety of options for firms, despite its difficulties. There are specialized markets and untapped market niches as the online market expands. Businesses can carve themselves a niche in the market by creating a special value proposition and focusing on consumer segments. Furthermore, technology developments like AI-driven personalization, social commerce, and mobile purchasing present chances to engage customers in novel ways and set yourself apart from rivals. It might be difficult for SMEs to compete with bigger e-commerce businesses because of resource shortages, tight spending restrictions, and a lack of brand recognition. In a crowded market, they might find it difficult to stand out and entice clients, which would limit the ability to expand (**Ali, A., & Bhasin, J. 2019**).

AR and VR technologies are expected to revolutionize e-commerce by allowing immersive and interactive shopping experiences. Customers can use smartphones or other specialized devices to view products in actual places thanks to augmented reality (AR). For example, they can try on items virtually, experiment with different furniture placements in the homes, or see how a new paint color will look on the walls. As a result, clients will be happier, and shopping will be a better experience (**Li et al. 2019**).

With the popularity of smart speakers and virtual assistants like Apple's Siri, Google Assistant, and Amazon's Alexa growing, voice-activated shopping is also gaining ground. Customers may place orders, track deliveries, and do product searches using voice commands. Future growth is anticipated for this easy and hands-free purchasing experience. Customers are more aware of sustainability and eco-friendly practices as consumer awareness of the environment grows. E-commerce companies are embracing sustainable practices across the supply chain in response. This entails creating energy-efficient warehousing and distribution systems, employing environmentally friendly packaging materials, and reducing carbon emissions from transportation routes (Geng et al. 2020).

Objective:

To measure the role of E-commerce in transforming sales and distribution industry

Research Methodology:

The nature of the study is empirical. 175 respondents were targeted to share their viewpoints on the role of E-commerce in transforming sales and distribution industry. After the data collection it was examined through frequency distribution technique and therefore pie charts were used to present the data.

Data Analysis and Interpretation:

Table 1 Target large number of customers

Particulars	Agree	Disagree	Can't Say	Total
No of Respondents	158	11	6	175
% age	80.0	6.0	4.0	100

Table 1 shows the data of the statement **target large number of customers**, and 90.0% of total respondents comply with the statement.

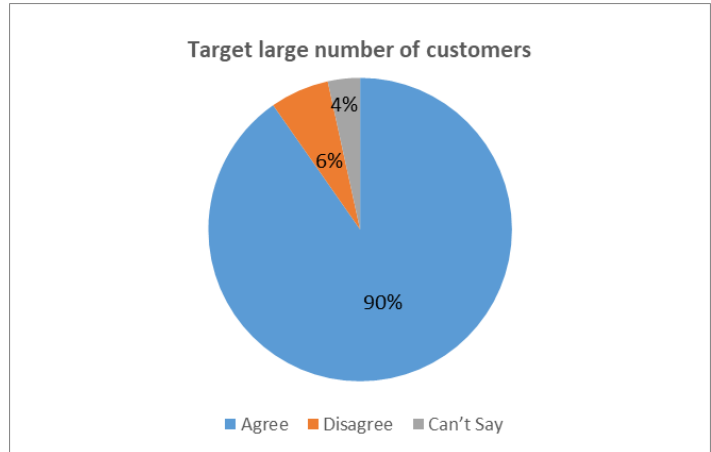


Figure 1 Target large number of customers

Table 2 Wider reach

Particulars	Agree	Disagree	Can't Say	Total
No of Respondents	164	6	5	175
% age	94.0	3.0	3.0	100

Table 2 shows the data of the statement **wider reach**, and 94.0% of total respondents comply with the statement.

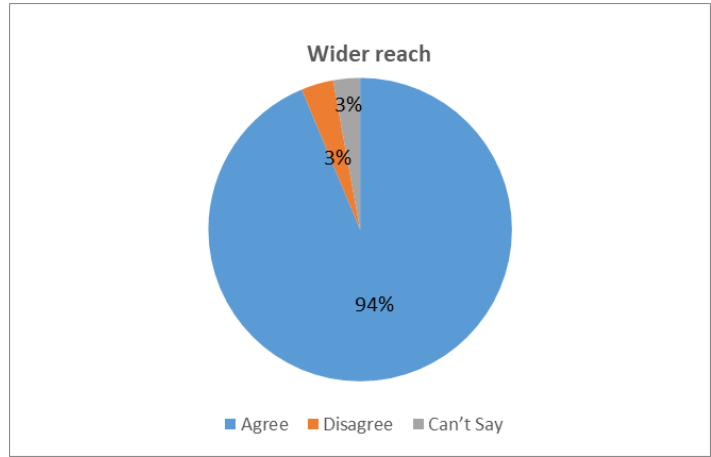


Figure 2 Wider reach

Table 3 Promote more competition

Particulars	Agree	Disagree	Can't Say	Total
No of Respondents	148	18	9	175
% age	85.0	10.0	5.0	100

Table 3 shows the data of the statement **promote more competition**, and 85.0% of total respondents comply with the statement.

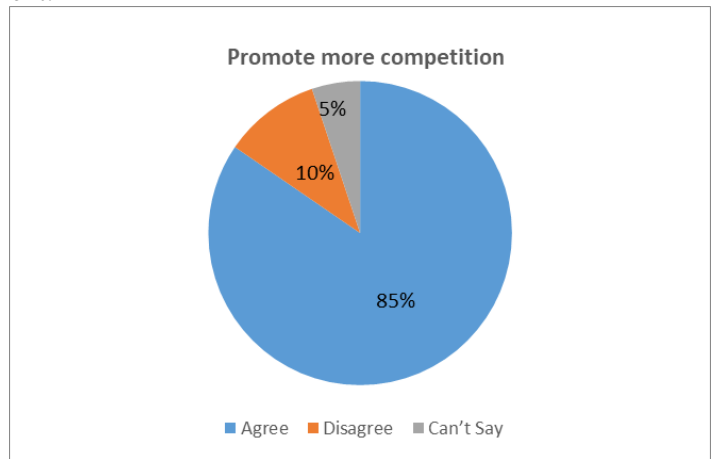


Figure 3 Promote more competition

Table 4 Wider selection of goods and services

Particulars	Agree	Disagree	Can't Say	Total
No of Respondents	153	16	6	175
% age	88.0	9.0	3.0	100

Table 4 shows the data of the statement **wider selection of goods and services**, and 88.0% of total respondents comply with the statement. Keeping in mind all the feedback of the statements, it was found that to a good percentage, the respondents have agreed that E-commerce plays an important role in transforming sales and distribution industry.

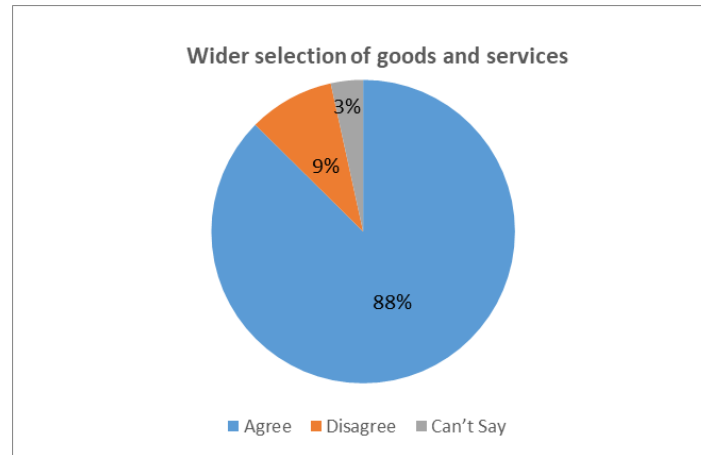


Figure 4 Wider selection of goods and services

Conclusion:

In conclusion, e-commerce has played a significant and ongoing role in the rapid transformation of the sales and distribution sector. E-commerce has completely changed how companies' market and distribute the goods and services, providing both consumers and businesses with a number of benefits and opportunities. It's crucial to remember that while e-commerce has many advantages, there are drawbacks as well. Businesses must safeguard online transactions, safeguard client data, and deal with fraud and cybersecurity concerns, for example. The sales and distribution sector has undergone a radical change because of e-commerce. It has improved efficiency, opened new company opportunities, broadened the market, and improved the shopping experience for customers. E-commerce will undoubtedly continue to influence the future of sales and distribution as customer preferences and technological advancements change, presenting opportunities and difficulties for companies in a variety of industries.

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