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### RESEARCH ARTICLE

#### IMPACT OF E-COMMERCE ON EMERGING START-UPS

Mr. Lakshmi pathi K.N<sup>1</sup> and Dr. Pradeep Kumar S.V<sup>2</sup>

1. Head, Department of Commerce, Swami Vivekananda First Grade College, Mallur and Research Scholar, Presidency University, Bangalore.
2. Assistant Professor School of Commerce Presidency University. Bangalore.

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#### Abstract

After the 1991, Indian economy witnessed to a change in marketing conditions which are benefit to the development of economy. E-commerce is one of the aspects of changing policies of LPG, Start-ups also another emerging aspect of new policy. The purpose of this research is to understand how e-commerce as sectors brought revolutionary changes in the preference of start-ups. Now a day's most of the companies providing services through online, hence it made most of the start-ups to go online because of consumer behaviour is not constant. The study was conducted by collection of primary data as well as secondary data with the help of questionnaires sent through mail among 50 respondents across India. With all background and age grouped into various profession and organisation people. The findings revealed that using e-commerce platform by start-ups are increasing in the last 6 years. Start-ups are trying to shift their trade and services from offline to online system, which means they are using e-commerce websites rather than traditional retail marketing. Time and wide reaching of goods and services are some other factors to using e-commerce to be considered. Start-ups are getting more advantages with e-commerce. I near future e-commerce impact on start-ups are positively increasing not only profit but also countries GDP.

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#### Introduction:-

Ecommerce start-ups are fast gaining grounds and changing the way of doing business. The major dimension of e-commerce comprises doing business on the online and comprises: B2B (Business to Business) the transaction conducted between two business organization or retailer. B2C (Business to Consumer) the transaction between business organization and consumer. The growth of internet commerce, also known as electronic commerce (e-commerce), is unprecedented. The marketing, promotion, buying, and selling of goods and services over the Internet is known as e-commerce. Organizations use the Web in a variety of ways, including collaborating and communicating information. (Williams, 1999).

Ecommerce has affected start-up positively and negatively. On the one side, ecommerce makes it easier for start-ups to reach a much wider audience at less expense. With ecommerce, there is no requirement of many resources. With the help of ecommerce, you can develop a unique product or service and bring to a remote area location and still advertise and sell them worldwide. While the cost of developing a good website may be substantial, it is much

**Corresponding Author:- Mr. Lakshmi pathi K.N**

Address:- Head, Department of Commerce, Swami Vivekananda First Grade College, Mallur and Research Scholar, Presidency University, Bangalore.

cheaper than letting expensive to operation. Additionally, these operations reach wide range customers across the globe. The next thing is to ensure that you have access to appropriate means of setting your business.

On the other hand, already established firms are finding it difficult to retain in the market. More elastic opponents are arriving into the market creating more competition than earlier. To remain relevant, established companies must update their ideas alongside of the competition and incur capital expenditure in developing new capabilities. Flip kart, a leading online seller in the world had enjoyed many years of success. However, Amazon, an ecommerce based firm entered the market and took away a considerable market share from Flip kart which was forced to readopt its business model to offer ecommerce services or redefine its business activity.

The percentage of small businesses using the Internet (for e-commerce and other purposes) has increased from 10% in 1996 to around 75% today, with an expected increase to 85% by 2002. (Song, 2000). However, only 28% of small businesses currently sell goods and services online (Maxwell, 2000). A slightly different picture emerges when looking at businesses with fewer than ten employees. E-commerce was used by about 15% of the 7.5 million small businesses in the United States in 1999. (Business Week e.biz, 1999). By the year 2001, this figure is expected to rise to 20%. Despite the fact that these figures show that smaller businesses are now engaging in e-commerce, large businesses still account for the majority of e-commerce activity in the United States. These figures also don't say whether selling online is a better option for small businesses.

### **Review Of Literature:-**

Researchers have worked in the area of e-commerce sector and start-ups independently. Very few scholars combined these two. This section gives the review of the past studies conducted on the said topic. It will also help to find out the research gap.

#### **Shameen Prashantham (2016)**

The paper title 'engaging with start-ups in emerging markets'. Most of the start-ups in developing economies are addressing the regional issues through efficient technologies and remedies. For large global companies the prospect of working with such start-ups is appealing and complicated.

#### **Ankush Mahajan (2020)**

did the relative analysis of E-commerce and start-ups and stress free method of shopping. He narrated that e-commerce industry as a new comer is bound to face certain challenges ranging from economical to technological down to the social sphere ad also he states that challenges of emerging start-ups, such as direct competition with big brands managing shipping delivery ad returns etc. Those start-ups have to face competency and readiness to take on and carry its operation with high turnover.

#### **Deepak Shetty (2020)**

Stated the problem of start-ups can be solved by scale up its performance and revive the struggling economy by supporting E-commerce platforms in India and also start-ups are getting advantages through E-commerce because of most platforms are now available in relational languages, allowing sellers to easily roll out their product nationally.

#### **Anurag Mathur (2015)**

done the work on E-commerce and emerging markets future in India. Inferred that emerging markets are levelling up year after year because of increasing income and increased internet access equates to strong growth potential for E-commerce and emerging start-ups.

Based on above literature it can be concluded that very less research work has done on this area. Most of the scholars have analysed how E-commerce effect on market, society or economy etc. Only few researchers have studied the trend and outlook of emerging start-ups pros and cons in India however, no one has tried to identify how E-commerce impact on emerging start-ups in India. In this paper an attempt has been made to find out the impact of E-commerce on emerging start-ups

### **Objektivites:-**

1. To identify the relationship between e-commerce and emerging start-ups.
2. To identify the significant impact of e-commerce on emerging start-ups.

3. To study how e-commerce remedy in the economic development of emerging countries.

**Methodlogy:-**

**Source of Data**

The present analysis has been conducted based on the primary data. It's been collected through questionnaires to know the consumer preference and to know what extent e-commerce effect on emerging start-ups. The selected sample was a group of 50 random individuals. Primary data was collected with the help of questionnaire; secondary data sources are online articles. Journal and research paper. The data collected was tabulated and discussed in the form of tables and graph.

**Statistical Tools:**

The applied mathematics tools like correlation, Chi-square test, and regression are used for the study with the assistance of the SPSS package

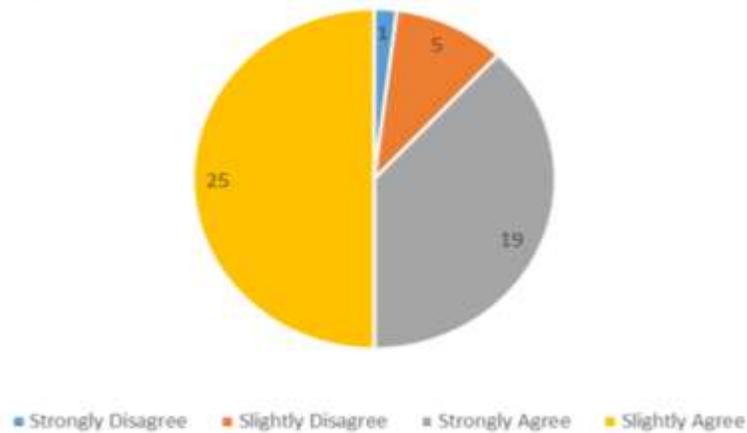
**Data Analysis And Interpretation**

Electronic commerce or e-commerce consists primarily of the distributing, buying, selling, marketing, and servicing of products or services over electronic systems such as the Internet and other computer networks. It can involve electronic funds transfer, supply chain management, e-marketing, online marketing, transaction processing. To do business and reach new markets, small businesses and entrepreneurs are flocking to the Internet. Small businesses and entrepreneurs face several challenges when using e-commerce for advertising, business-to-consumer, and business-to-business transactions.

**Table 1:-** Relation relationship between e-commerce and emerging start-ups.

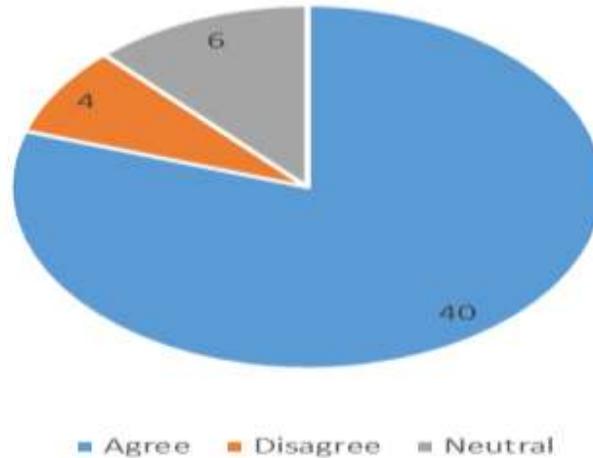
Relation	Frequency	Percent
Strongly Disagree	1	2.0
Slightly Disagree	5	10.0
Strongly Agree	19	38.0
Slightly Agree	25	50.0
Total	50	100.0

Source: Researchers Compilation



**Analysis:**

It can be inferred from the above data that the start-ups are having progressing relation with e-commerce over the years. Most of the respondents (50%) slightly agree the relationship between e-commerce and start-ups and 38% of respondents strongly agree with statement. Only 2% of respondents disagree of these two relations.



**Table 2:-** The significant impact of e-commerce on emerging start-ups.

Opinion	Frequency	Percent
Agree	40	80.0
Disagree	4	8.0
Neutral	6	12.0
Total	50	100.0

**Source:** Researchers Compilation

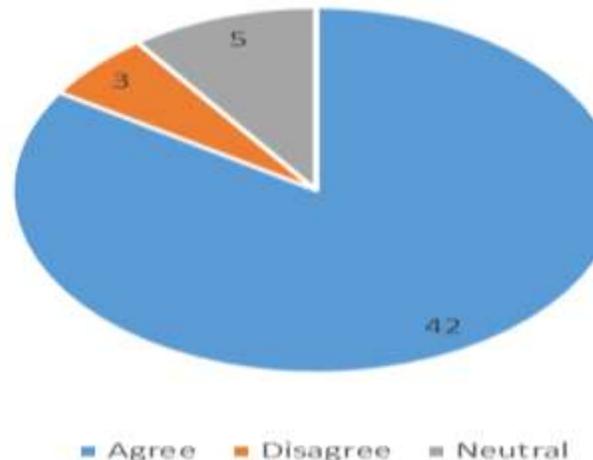
**Analysis:**

A majority of respondents (80%) strongly agree that there is significant impact of e-commerce over on emerging start-ups. Very few (8%) respondents have been disagreeing of the impact and only 12% Of respondents consider that they don't know the impact of e-commerce. Based on this it is clear that e commerce directly or indirectly influence the performance of emerging start-ups in India.

**Table 3:-** E-commerce remedy in the economic development of emerging countries.

Opinion	Frequency	Percent
Agree	42	84.0
Disagree	3	6.0
Neutral	5	10.0
Total	50	100.0

**Source:** Researchers Compilation



**Analysis:**

The analysis of the data shown in table 3. Most of the respondents signify that e commerce support directly or indirectly in countries economic development. 84% of the respondents were agreeing with the e-commerce will help

in development of countries economy but 6% of respondents against to this statement. Only 10% of respondent's neutral regarding the opinion.

**Hypothesis:**

**H0:** There is no association between Gender wise challenges in implementation of start-ups through E-commerce in India

**H1:** There is association between Gender wise challenges in implementation of start-ups through E-commerce in India

**Table 4:-** Gender wise challenges in implementation of start-ups through E-commerce in India.

Challenges	Slow Penetration of Internet	Security Concern	Lack of trust	Consumer awareness is low	Political and legal policies	Other	Total
Male	7	2	13	5	4	1	32
Female	0	2	11	5	0	0	18
Total	7	4	24	10	4	1	50

**Source:** Researchers Compilation

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	8.948a	5	.111
Likelihood Ratio	12.829	5	.025
Linear-by-Linear Association	.235	1	.628
N of Valid Cases	50		

a. 9 cells (75.0%) have expected count less than 5. The minimum expected count is .36.

The above table reveals that, Gender wise challenges in implementation of start-ups through E-commerce in India. Out 32 male respondents, 7, 2, 13, 5 and 4 were facing the challenges of Slow Penetration of Internet, Security Concern, Lack of trust, Consumer awareness is low and Political and legal policies respectively. It is also observed that, out of 18 female respondents, 2, 11 and 5 Penetration of Internet, Security Concern and Lack of trust respectively. It is notice that, most of the respondents expressed Lack of trust is a major concern now days. This challenge is because of data leakage and other fraudulent actives. A lack of trust can make someone feel hopeless, depressed, and even consider self-harm or suicide. People who lack trust frequently have low self-esteem and lack confidence. These people are also more likely to keep their emotions bottled up because they believe they can't confide in others. Since the p-value is greater than our chosen significance level ( $\alpha = 0.05$ ), we do not reject the null hypothesis. Rather, we conclude that there is not enough evidence to suggest an association between gender and challenges in implementation of start-ups through E-commerce in India.

**Hypothesis:**

**H01:** There is no association between Gender Wise measures would you recommend for the promotion E-commerce in India

**H1:** There is association between Gender Wise measures would you recommend for the promotion E-commerce in India

**Table 5:-** Gender Wise measures would you recommend for the promotion E-commerce in India.

Measures	Promotion of Internet	To Increase the Awareness level of people	An Integrated promotional approach	Other approach	Total
Male	6	17	8	1	32
Female	5	11	0	2	18
Total	11	28	8	3	50

**Source:** Researchers Compilation.

Chi-Square Tests			
	Value	df	Asymptotic

			Significance (2-sided)
Pearson Chi-Square	6.283 <sup>a</sup>	3	.099
Likelihood Ratio	8.844	3	.031
Linear-by-Linear Association	.597	1	.440
N of Valid Cases	50		

a. 4 cells (50.0%) have expected count less than 5. The minimum expected count is 1.08.

The above table reveals that, Gender Wise measures would you recommend for the promotion E-commerce in India Out 32 male respondents, 6, 17 and 8 were recommended the Promotion of Internet, to Increase the Awareness level of people and an Integrated promotional approach respectively. It is also observed that, out of 18 female respondents 5 and 11 Promotion of Internet and an Integrated promotional approach respectively. It is notice that, most of the respondents recommended to Increase the Awareness level of people. E-commerce service has turned to be one of the most important applications of the Internet and www. In all aspects of human life, especially in business activity, the application of ICT is so strong that in near future, the world will witness inevitability of this technology in most of the daily issues. The increased level of awareness and the security culture of the cyberspace application enhance relative peace of an individual while being in the virtual space or in the process of e-commerce. The resulting comfort helps a person to identify and belief in the capabilities of the opposite side or system and their adherence to the commercial, behavioral, legal and technical principles connected to right deals. Since the p-value is greater than our chosen significance level ( $\alpha = 0.05$ ), we do not reject the null hypothesis. Rather, we conclude that there is not enough evidence to suggest an association between Gender Wise measures would you recommend for the promotion E-commerce in India.

### Fidings

1. E-commerce using start-ups are consistently increasing in India from 2016-2020
2. The association between e-commerce and start-ups shows higher level of positive connection.
3. E-commerce are directly or indirectly affecting on the performance of start-ups.
4. A positive relation between e-commerce and start-ups boost up the profit level of company.
5. A positive relationship between e-commerce and start-ups significantly effect on economic development of emerging countries.

### Conclusion:-

This research has completely focused on how e-commerce has affected on the emerging start-ups during the last 6 years and made a contribution towards development of start-ups as well as economy of India. Dated back to 2010s there was no concept of start-ups which can do business through online. Most of the start-ups were traded with offline or directly with the help of agents. After 2014 where digitalisation brought enamours changes in Indian markets. The research explores how e-commerce supporting start-ups to promote goods and services over the years developed and brought consumer benefits. The study also reveals the significance of e-commerce for the start-ups and talks about future growth. E-commerce has brought a massive change to the start-ups and it is responsible for growth and offering employment opportunities as well.

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