

## ROLE OF E-COMMERCE IN SUPPLY CHAIN MANAGEMENT

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### ABSTRACT

This research paper focuses on role of E- Commerce on the supply chain management and various retailers and multi-level wholesaler of different goods and services providers. In the modern era of economy the role of online marketing is playing very important task. E commerce is envisages human lives by its convenient and customer friendly reliable service without exceptional case in the field of supply chain management In recent days supply chain management is spreading g to core dynamics of various channels to compete with rest of the world. Development of e- commerce is providing a greater platform to perform, numerous activities related to supply chain management. Broad network access of online commerce is enabling acquirement of marketing information, real time based customer requirements quickly. Introduction of product, channelization, distribution and segmentation has become easier through e-commerce. Level of competitiveness of enterprises is enhancing with wide speared of development due to rapid growth in technology. It is creating competitive advantage to customers for purchase decisions. Hence it is providing management and operational tasks of supply chain backward and forward linkages made very simple and accessible in very short span.

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**KEY WORD:** E-Commerce, Marketing, Supply Chain Management, Operations.

## **INTRODUCTION**

E- Commerce is a systematic process of conducting business transactions and related communication through web based technology. Indulging in buying and selling of commodities by using electronic platform is called E- business. It can be done through making online payment by using either debit card or credit card and internet banking. The person who eagerly involves and does all kinds of allied activities in the network platform can be called an E-tailor because the virtually retailer regard as e tailor which means electronic retailer. Electronic commerce activities have to go through these e tailors it is primarily uses internet as medium for customers to carry out buying and selling activities. E-commerce stands for electronic commerce which enabled to do varieties of online business transactions. It covers all kinds of products and services. Easy accessibility of merchandise can be done instantly via internet in any part of the world by a fingertip clicks. E-commerce or E-business carry out activities based on web reliant network its provide digital shopping basket to all users where each and every customers can avail to various products and services without putting substantial time and energy. Over a period of decade E-commerce has become indispensable part of every human life in day today activities. Innovation and up gradation of technology stimulating the business organization to widening their scope of operations on daily basis. Technology made ease doing of business it is helping the entire business strata to shift over from traditional dogma of business activities to modern and sophisticated whole new level of ideologies. The improvement of information and communication technology has drastically reduced the physical task of mankind. It is also contributing to paperless work, saving of time due to this easy accessibility many traders, wholesalers, business organization have started to do their business through internet commerce. Whatever the activities they used to carry out in the physical market to improve their sales and total business revenue, same activities in fact more effectively and efficiently are taking place by using e-commerce channels and medium. It is an advance technology and virtually selling and buying place. This provides user friendly accessibility and more beneficial for customer as well as business major determinants of e-commerce is a website of traders and provided internet accessibility. Supply chain management specifically concentrates on procurement of raw materials, manufacturing, distribution of goods and services in spite of place barrier. It looks after not only delivery of goods but also post sale services to retain the customers for frequent purchases. The conventional approach of business was considered to be less technology orientation hence there were lot of hurdles to make prolific business transactions the essence of physical place and market were the period causing many

problems and hindrances to attain profit maximization. Operational cost maintenance of records, data management was used to take place manually. Earlier post cards , reminders , letters were used to have healthy relationship and exchange of information to customer but the modern era of information and communication technology has changed everything pertains to business communications with the help of improvement of ICT the emergence of E-commerce has playing a dominant role in modern business activities. ICT has transformed the business principle over a period of time. Dimensions of business activities have shifted from conventional traits to improvised standards fast, reliable communication creating more and more business opportunities and this market demand ultimately delivered and fulfilling by supply chain management by using E-commerce.

## **REVIEW OF LITERATURE**

**Abdul gaffer khan (2016)** in this research article titled Electronic commerce a study on benefits and challenges in emerging economy. In his research paper he has focus on role of e –commerce on future development. Information technology plays a vital role in the practice of e commerce with the objectives of benefits and challenges of the field. Scope of the study area on Bangladesh. The researcher has identified numerous challenges and opportunities of e commerce in the different sectors of economy.

**Snyder rell (2013)** E commerce and supply chain management this article focuses on the supply chain management, inventory management and customer satisfaction and retailer characteristics, how the e-commerce is playing paramount role in various elements of supply chain management

**Meng yang (2012)** supply chain management under e commerce environment. Article based on basic principles structure model of supply chain management under e commerce. This paper encounters on the advantages of supply chain management and its challenges and possible remedies for e commerce environment.

**Rajneesh shanjee (2016)** the impact of electronic commerce on business organization this research paper is full of conceptual study with the background of the topic has been clearly focuses objectives were constructed based on that research hypothesis have been formed and tested. Various business models as B2B B2C B2G have been studied thoroughly. The impact of e-commerce on business has got more prominence in his article with the presentation of benefits of e-commerce and its magnitude on studies.

**Yasanur kayikci (2019)** E- commerce in the logistics, supply chain management this scholarly article has done in the scope of turkey. In the beginning of the article says can logistics and supply chain process its functions. Its further continues with the trends in the logistics, supply chain mechanism with the touch of technology as cloud computing, big data, personalization of customer engagement, mobile applications, and social network. The field of channel management has given more significance as integrated commerce has been discussed equally.

## **STATEMENT OF THE PROBLEM**

The field of commerce and management have experienced lot of new innovations and technological advances therefore the emergence of e commerce would that give any shock or surprises, but the degree of impact and the magnitude of its are scope covered made to rethink of its paramount significance. The e commerce has becoming the global platform for every economic activity, without the presence of e commerce the commercial activities are incomplete. Meantime e commerce has overtaken the conventional and traditional forms of commerce and its related activities. Though e commerce made a big footprint in the modern economy it's not free from difficulties or technological problems.

## **SCOPE OF THE STUDY**

E-commerce is not only buying and selling of products online modern E-commerce typically uses the World Wide Web in at least one point of transpiration life cycle. In the global economy E-commerce and internet business has increasingly became necessary component of business strategies and a strong flat form for conducting new business activities with easy accessibility. To talk about the area which is covered by the E-commerce is very vast it has encircled all the segments of businesses if any one

ignores the contribution of E-commerce to be global economy it indicates that he/she is considered to be less than half educated. Hence E-commerce is very much significant and it has paramount value.

### **NEED FOR THE STUDY**

At the present business practices E-commerce is the vastest and popular segment because of the main attributes such as high reach ability conversations customer satisfactions effective communication and lot more. The essence of E-commerce is much needed in the modern days of economy from purchasing desiccations and post selling services all kinds of activities is taking case through e channels only the need and requirement of E-commerce is as important as life blood to industries and over all commercial enterprises it is very difficult to imagine the business sectors with the usage and applicability of electronic or internet commerce.

### **OBJECTIVES OF THE STUDY**

- To understand the impact of E-Commerce in supply chain management
- To know the present scenario of E-commerce in supply mechanism
- To evaluate the effects and impacts in supply chain management.

### **RESEARCH METHODOLOGY**

This research paper is focusing to meet the requirement for set objectives of the study. The researcher designed this paper in such a way to employ for descriptive study needs. With keeping the need of given objectives, the researcher has done in depth study and extensive research survey on available secondary sources of data. The resources have been used to prepare this article as a base such as books, journals articles, web based information, published reports, theses and discussion with many scholars, researchers to comply with the article. No primary data have been collected and used for the purpose of study, it is purely descriptive study based on secondary and existed sources of information.



**Fig . 1** Supply Chain Management

**source:** role of supply chain management in e-commerce.

Supply chain management and its process are completely relying upon E-commerce channels, where customer wants to make purchase with little or no time span. If the service provider does not provide it faster than the customer will not prefer to buy through that web site again chances are very high that they may lose customer and business will be greatly affected. ICT and E-commerce plays a very important role in merging all activities and integrating of supply chain dynamics in one platform. E commerce has become new retailer of virtual world. It impacts the various business models and sectors substantially. Supply chain management is a process of combining all dynamics of supply elements to attain business revenue and profit maximization. The important key element of supply chain management has been discussed in the above diagram. Supply chain planning and strategy provides how the supplier should think and act according to the market conditions in the light of competitors to attain market demand with the amount of aggregate supply for this supplier has to depend on supply chain applications and models. Procurement of commodities is the basic step of involved in supply chain management because without having the required amount of stock of goods suppliers cannot fulfill the supply forward linkages demands. According to Laudon (2012) article denotes that information from supply chain management systems help firms to:

- Production decision
- Communication channels or medium

- Tracing system
- Inventory availability checking system
- Status of shipment
- Demand based production
- Awareness towards changes of attributes of products

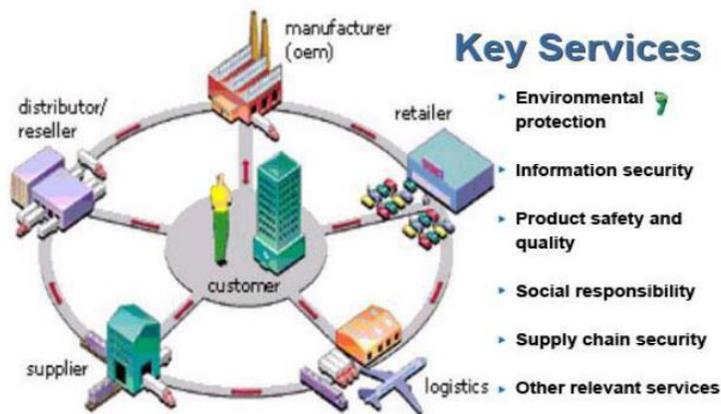


Fig.2 Supply Chain Services

Source: article of Snyder rell (2013)

Key services of supply chain management are associated with many factors such as manufactures, retailors, logistics department, suppliers, distribution channels and retailors. The circular process of this cycle to reach ultimate customer for consumption there supply chain services ends. Reaching the target customers by using effective business to business or business to customer models are contributing to undertake purchase and allied services to customers very quickly. Due to the popularity and ease doing of business many physical retailors have started to establish online mode of business where it facilitates direct relationship one to one basis with customers and various dynamics of supply chain management. There is a great amount of opportunities to develop in online marketing in recent years the development and influence of E-commerce is remarkable.

### **LIMITATIONS OF THE STUDY**

This present paper has encountered some limitations that are mentioned below

- Collected only secondary data
- Study focuses E-commerce alone
- Covering only recent past year data
- Time boundaries

### **CONCLUSION**

E-commerce industry is the leader with popularity in online business world. The revolution of e-commerce has fundamentally changed the business and transformed from conventional to sophisticated nature. Numerous opportunities have been created domestically; transactions are taking place beyond the international boundaries. The importance of supply chain management is discussed as customers and business depends on internet applications and process needs to constantly reassess. Large number of retailers seems to have an advantage over small retailers. Large retailers have access to more financial resources to implement online mode of transactions so they don't always need a third party or operator to perform supply chain management oriented tasks.

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