

Importance of E-Commerce in Sustainable Development

Yashvinder Singh*

Abstract

Sustainable development is widely recognized as the most critical issue facing the planet today. It is a crucial concern for both developed and developing countries alike. In this context, e-commerce has emerged as a key driver in advancing sustainable development, playing a significant role in various countries, including India. The Indian e-commerce sector has experienced exponential growth, with projections indicating that it will reach US\$ 111.40 billion in 2025 and US\$ 200 billion in 2026, compared to US\$ 46.2 billion in 2020. The impact of the e-commerce industry on micro, small, and medium enterprises (MSMEs) in India is noteworthy. E-commerce platforms have provided these enterprises with much-needed access to finance, technology, and training, thereby facilitating their growth and development. Moreover, the industry has also contributed to employment generation and has increased revenue from exports, creating a positive socio-economic impact. The objective of this study is to critically examine the relationship between e-commerce and sustainability, with a specific focus on the current trends and state of the Indian e-commerce landscape. The analysis draws upon data from various sources, including annual reports, publications, and relevant institutions and agencies associated with the development sector. By investigating the nexus between e-commerce and sustainability, this study aims to shed light on the potential benefits, challenges, and opportunities presented by e-commerce in the pursuit of sustainable development. The findings will contribute to a better understanding of the role e-commerce plays in fostering sustainable practices, both in India and on a global scale.

Keywords: E-commerce, Sustainable Development, Internet, Industry, Trends.

INTRODUCTION

The buying and selling of goods and services over the Internet is referred to as "e-commerce". It has emerged as a rapidly growing business model, facilitated by the widespread availability of the internet. E-commerce is a worldwide phenomena in the modern world because it operates not only in affluent nations but also in developing nations.. E-commerce offers a wide range of business services conducted through the internet, including business-to-business, consumer-to-consumer, business-to-consumer, and consumer-to-business transactions . Its vast span includes numerous businesses and sectors.. One significant aspect of e-commerce is its contribution to sustainable development. In the digital era, the

internet plays a central role, and many countries are increasingly engaging in digital activities. India, in particular, has witnessed significant growth in e-commerce activities, ranking as the third-largest country in terms of e-commerce engagement, following China and the USA. Across the globe, countries recognize the potential of e-commerce in promoting sustainable development [8]. The internet has revolutionised business by enabling quick, paperless transactions.. Even during the COVID-19 pandemic, the internet has been instrumental in facilitating various activities such as

*Author for Correspondence

Yashvinder Singh
E-mail: vyashvinder32@gmail.com

Assistant Professor, Department of Commerce, GGSDS
College Rajpur, Palampur (H.P), India

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meetings, education, webinars, and e-payments. In India, specifically, the role of e-commerce has become increasingly significant, driving economic growth and fostering innovation. As e-commerce continues to evolve, it is poised to play an even more vital role in shaping the future of business and sustainable development. The internet's pervasive influence and the convenience it offers contribute to the growth and impact of e-commerce in various sectors and regions around the world.. According to India Brand Equity Foundation, growth of India's e-commerce market is projected US\$ 111.40 billion by 2025 & US\$200 billion by 2026. In 2020 which was US\$ 46.2 billion. E-commerce plays a crucial role in the Indian economy to boost the micro, small & medium enterprises and generate employment. The present study is concerned in sustainable development through eCommerce for this purpose boost internet services and how to educate people in remote areas [9].

Various last studies have discussed sustainability through e-commerce. But ignore the how to improve internet services and awareness in the remote area. This study is focusing on sustainability through e-commerce for this purpose mainly the requirements of the internet and awareness. How to unite both aspects in the sustainability.

This essay discusses the body of work that is based on secondary information gathered from diverse sources. This is already published and is based on a variety of materials, including books, articles, newspapers, and international and national reviews [10].

REVIEW OF LITERATURE

This studies an in-depth understanding of the subject matter by filling the gap in the literature by first discussing the development of e-commerce in India. With the help of e-commerce, we will improve the environment, society, and sustainability.

E-commerce stands for electronic commerce or doing online business this included any commercial activity that takes place directly between Businesses. With more individuals using the internet, the e-commerce sector is expanding quickly.. Some important models of e-commerce like B2B, B2C, C2C, C2B, etc. Forces behind e-commerce, market forces, economic forces, technology forces, societal and environmental forces [1].

It has been said that what is the future of e-commerce in India and what is the representative opportunity for the retailer, wholesaler, producer, and people. And also discussion about the sale of e-commerce in India by various companies [2].

The focus of the study is concerned with the 3 dimensions are environmental, economic, and economic. All people should be aware of the three dimensions when they use e-commerce and how they can maintain sustainable development [3].

E-commerce trends in business are using online transactions buy and sell of goods and services. For this purpose, every business used information technology. E-commerce sector most important sector for the development of a country. The main focus of the study is the development of e-commerce with the help of the internet [4].

In this essay, the author discusses the creation and evolution of e-commerce in India as well as the most recent trends. E-commerce is rapidly continuous growing in India and it gave many opportunities to retailers, producers, and people [5].

The Author said about 8 steps in E-commerce are necessary for sustainability, update brand of the business, implementation of sustainable shipping, create recycling policies, reduce packaging and reduce energy waste products that support sustainability, consider an E-commerce market place to resell used merchandise. With the help of these steps, we can achieve the three pillars (environmental, social, and economic) of sustainability in our business [6].

THE OBJECTIVE OF THE PRESENT STUDY

The main objective of the present study is sustainable development through e-commerce.

RESEARCH METHODOLOGY

This paper reviews the literature on basis of various secondary data which are collected from the newspaper, national, international journal, and references, govt., non-govt. publication etc. which already exists in published.

THE ROLE OF E-COMMERCE IN INDIA

E-commerce is crucial for sustainable development. It provides various transaction online business, online education which helps for sustainability. During the covid-19 various activities were conducted through the e-commerce with help of the internet like education, webinars, business, and other necessary activities which are conducted through the internet.

Sustainable development is how the coming generation can meet their needs without any compromising. In the present scenario sustainable development is a more necessary part of our life because all those things which we have to need for living like healthy environment so it is very necessary to maintain sustainability. With help of e-commerce, we can improve many things to make a healthy environment like reducing the use of packaging, increasing the brand so every people know about the product, add support sustainable product, e-commerce is a marketplace where resell the used product, reduce energy waste, etc. The role of e-commerce in India for micro, small and medium enterprises (MSMEs) has significant advantages in the point of view of growth, increase revenues, marketing, customer acquisition employment, etc. India's e-commerce sector is projected to be US\$ 80 billion by 2021 and US\$ 300 billion by 2030. The various step was taken by e-commerce company for Micro, small and medium enterprises (MSMEs) in India like SAMARTH by Flipkart, MSME Accelerate by Amazon, Collateral-free loans by Paytm, Atmanirbhar Section by Shopclues [7].

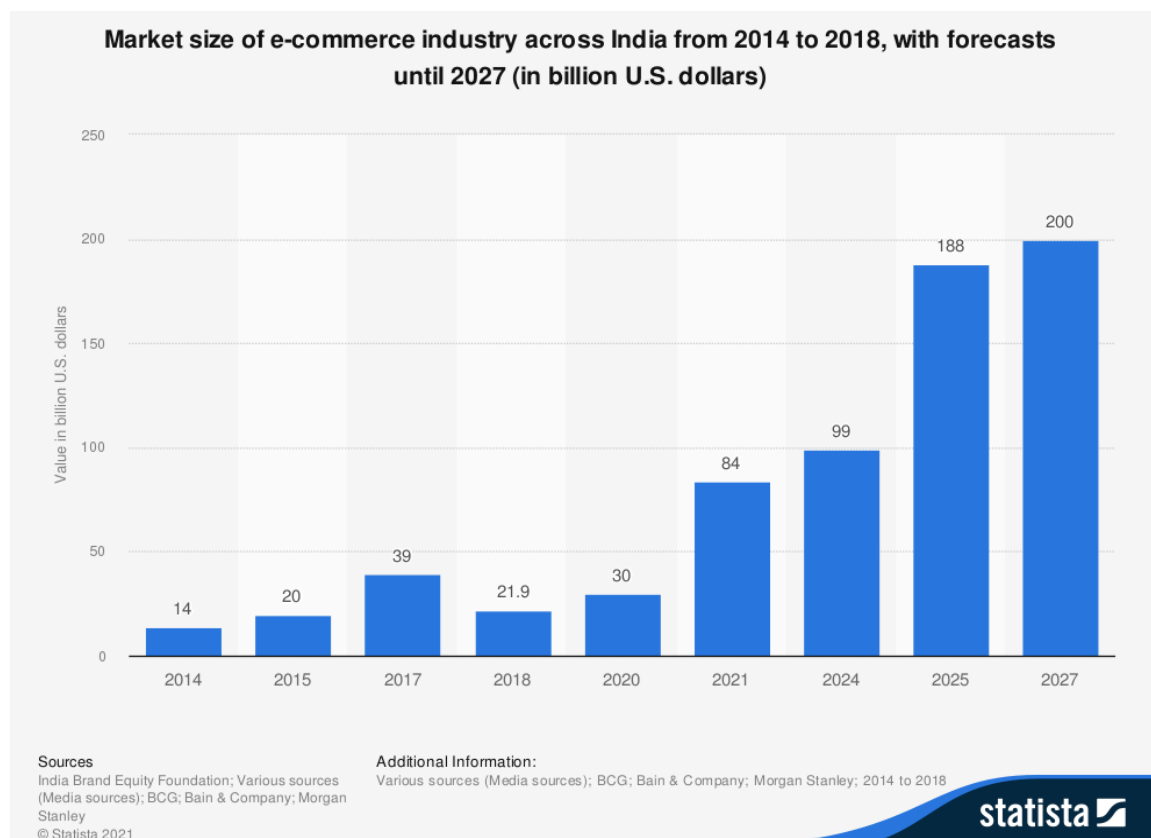


Figure 1. Market Share of e-commerce in India.

Figure 1 The market size of India is growing yearly, and the Indian market is very favourable for internet users and the market. India has potential in the industry of eCommerce. The market size of India's e-commerce sector, which is expanding rapidly, was anticipated to be 22 billion US dollars in 2018; by 2027, it was expected to reach 200 billion.

Figure 2 Internet penetration rate increase 45% in 2021 which was 4% in 2007. Some figures seem low in India nearly half the population 1.37 billion people use the internet in the year 2021. But also here is the fluctuation in rate the users in the years.

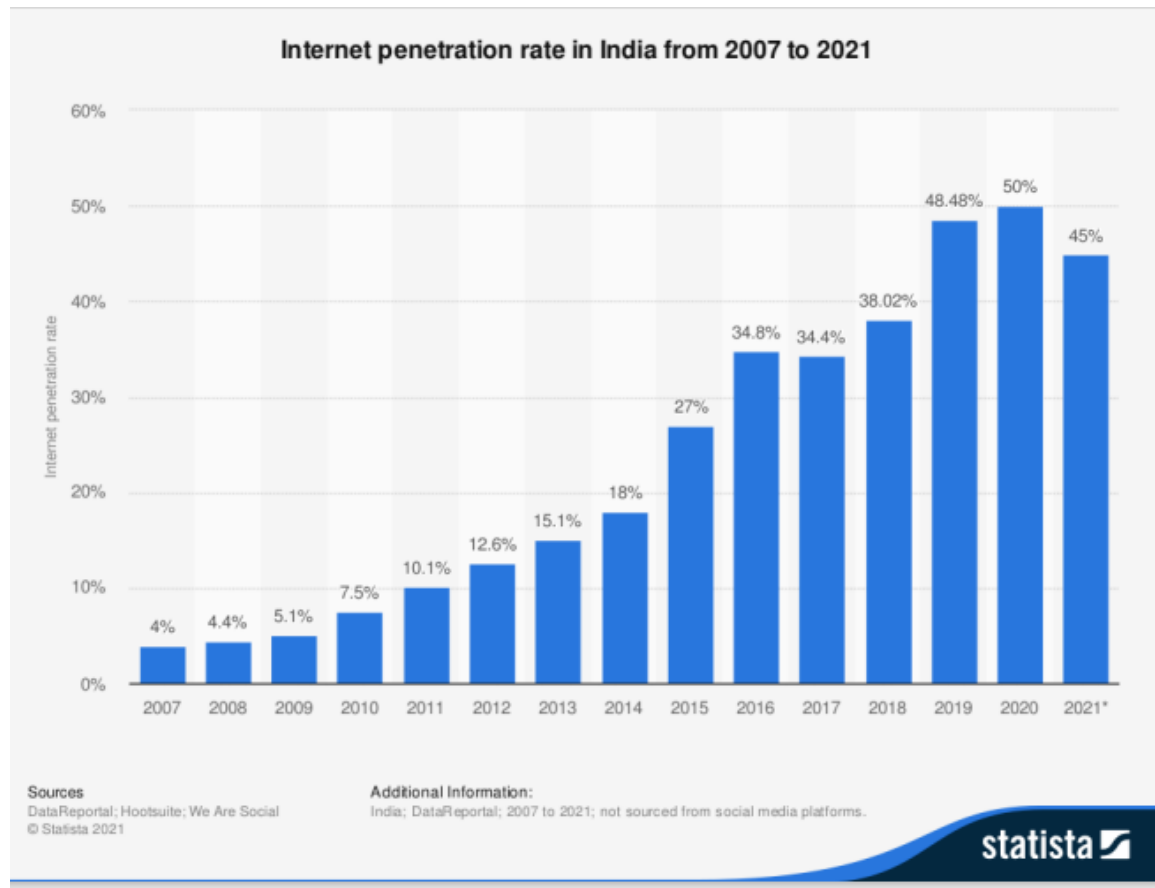


Figure 2. In India the Penetration Rate of Internet.

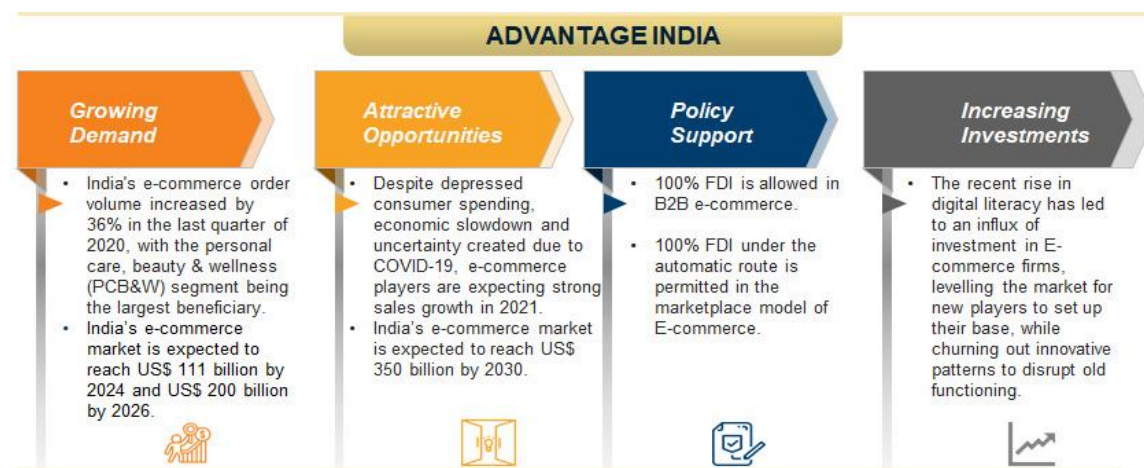


Figure 3. Growth rate of the E-commerce sector in the India's Economy.

Figure 3 India's e-commerce sector is expected to expand to US\$111.40 billion by 2025 and US\$200 billion by 2026. In 2020 which was US\$ 46.2 billion. In India The growth rate of e-commerce in India increase, day by day and have more opportunity. Indian government make supportive policy for increasing the investment through 100% FDI allowed in the B2B e-commerce.

IN INDIA CURRENT TRENDS OF E-COMMERCE

- Growth in global mobile commerce transaction.
- Social media advertising: number of users in millions.
- Mobile shopping is continuously growing.
- Increasing numbers of internet users in India.
- Online market, online education, webinars (national/international).

CONCLUSION

The growth of various sectors such as e-retailing, e-education, e-marketing, e-finance, e-payment, e-tourism, and e-stock marketing through e-commerce has contributed significantly to sustainable development. These activities are conducted via the internet, leading to improvements in internet services and raising awareness among people in remote areas about the benefits of e-commerce. This growth in e-commerce activities has had a positive impact on India's Gross Domestic Product (GDP) and has increased the country's market share globally. The holistic approach of e-commerce not only focuses on economic gains but also considers environmental and social factors, contributing to overall sustainability. E-commerce has emerged as a popular sector within the field of information technology, creating numerous employment opportunities and fostering GDP growth. It is crucial to prioritize efforts to expand internet services and enhance people's knowledge and understanding of e-commerce. By doing so, we can promote inclusive growth and ensure that the benefits of e-commerce reach all sections of society. This emphasis on improving internet access and promoting digital literacy aligns with the broader goals of sustainable development, enabling individuals and businesses to harness the potential of e-commerce for socio-economic progress. By leveraging e-commerce's transformative power, we can drive economic growth, enhance environmental sustainability, and promote social well-being.

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