



# Usage and Effectiveness of E-Commerce Tool among Business-To-Consumer

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## Abstract:

Information Technology has been playing a vital role in the future development of financial sectors and the way of doing business in an emerging economy like India. The advancement of Information and Communication technology has brought a lot of changes in all spheres of daily life of human being. E-commerce has a lot of benefits which add value to customer's satisfaction in terms of customer convenience in any place and enables the company to gain more competitive advantage over the other competitors. In this article we found positive views and benefits of e-commerce.

**Key words:** benefits, e-commerce, need, views

## I. INTRODUCTION

E-commerce has so many advantages in our life because it makes convenient in daily life of the people. E-commerce could deliver a significant benefit to businesses in developing countries by increasing their control over its place in the supply chain, thus improving its market efficiency [1]. E-commerce has the ability to play an instrumental role in helping developing economics benefit more from trade [2]. Electronic commerce is an emerging concept that describes the process of buying and selling or exchanging of products, services and information via computer networks including internet. The Internet provides an open global network and access to this network is relatively cheap. Internet-based B2B e-commerce should help producers in developing countries obtain better information on global markets and give them direct access to new customers. Most of this is business-to-business, with some companies attempting to use email and fax for unsolicited ads (usually viewed as spam) to consumers and other business prospects, as well as to send out e-newsletters to subscribers [3,4]. With mobile commerce gaining speed, more users are purchasing from the palm of their hand [5]. However, the research also shows that firms are using a variety of Internet applications in their businesses. Even if there has been no massive shift to on-line trading, the Internet is increasingly important for firms doing business internationally. Recognition of the excesses of the e-commerce bubble should not blind policy makers to the increasing use of the Internet in the management of inter-firm relationships in the global economy. The past 2 years have seen a rise in the number of companies enabling e-commerce technologies and the internet in India. Major Indian portal sites have also shifted towards e-commerce instead of depending on advertising revenues. Lower telecommunications cost the Internet is much cheaper than value added networks (VANs) [6]. [7] pointed out that nowadays e-commerce industries have increasingly become a necessary component of business strategy and a strong catalyst for

economic development. In view of this, a study was carried out for the following objectives:

1. To get views of respondent on use of E-commerce in India.
2. To identify the benefits of E-commerce.

## II. MATERIAL AND METHOD

A survey has been made to get the real position of use of e-commerce in the insurance business RLIC (Reliance Life Insurance Company) with views of 250 total respondents for the following:

### Essential factors for growth of E-Commerce

- Physical presence not required
- Saving of time
- Clarity of transactions
- Comparative study of products is easy
- Easy settlement of claims
- Availability of messaging procedure

The study participants resided and worked in different regions and for different types of organizations, and had different educational levels, professions, and gender. We asked our study participants about their Internet usage to identify their familiarity with technology and their access to Internet, and their e-commerce participation to determine their ability to pay for e-commerce.

## III. RESULT AND DISCUSSION

It is clear from the table-I that out of 250 policyholders, only 75 policyholders (30%) enquired for the purchase of policies on internet. 46 policyholders chose agency channel. 41 the broker channel and 51 policyholders made contact to the nearest branch offices. It means that e-commerce has been fairly adopted by the people in Agra region of western Uttar Pradesh. As the insurance products are both old and new, the figure of internet users is encouraging. Most of the policy holders replied at the time of

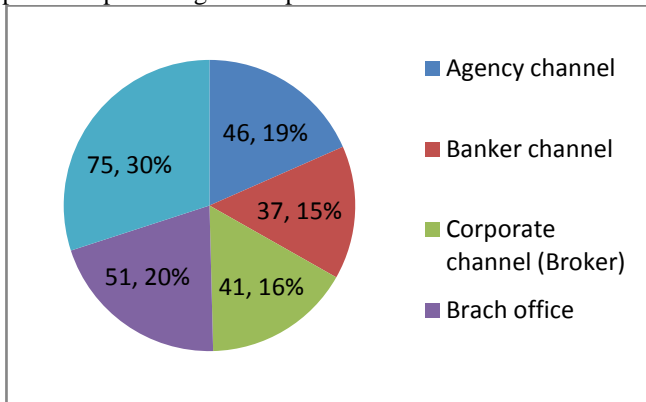
direct interview that before 2004 the internet processing was not easy and commonly available to all. For the comfortable use of internet the policyholder should be well known to use of internet devices. Hence, it is clear that online trend of searching and

purchasing of various products is on increase because of number of reasons. It is well applicable to the insurance sector also, and so online services are gaining importance in the insurance sector more frequently.

**Table .I. Policyholders Enquired for Purchase of Policies through Various Channels**

Particulars	Agency channel	Banker channel	Corporate channel (Broker)	Brach office	On Internet	Total
Traditional Policies	25	22	14	29	41	131
ULIP Policies	12	8	22	8	23	73
Health Plan	9	7	5	14	11	46
Total	46	37	41	51	75	250

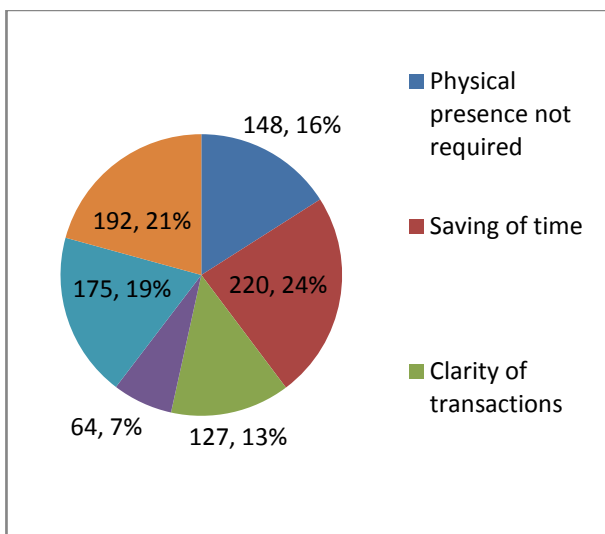
The above result is best represented through pie chart with purchase percentage of respondents.



- The above pie chart clearly shows the use of internet is popularizing among people. Some basic reasons were found more realistic as suggested by the policyholders for increasing use of e-commerce in the insurance business. It has been presented with the help of table – II. The Table-II clearly indicates that there is positive response for all essential factors for which study was carried out i.e.
- Physical presence not required
- Saving of time
- Clarity of transactions
- Comparative study of products is easy
- Easy settlement of claims
- Availability of messaging procedure

**Table.2. Reason Of Increasing Online Insurance Business: Views Of The Policyholders**

Insurance company	No. of total respondents	Physical presence not required	Saving of time	Clarity of transactions	Comparitive study of products is easy	Easy settlement of claims	Availability of messaging procedure
RLIC	250	148	220	127	64	175	192



**IV. CONCLUSIONS**

The e-commerce revolution has fundamentally changed the business of transaction by giving new opportunities and

breaking borders easily. In India it has strongly impacted the traditional business system and changing the life of people by making it easier. Since their launching they have experienced a significant growth and are today the largest online marketplace in India. The benefits of e-commerce include it's the speed of access, a wider selection of goods and services, accessibility, and international reach.

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