IMPORTANCE OF E COMMERCE IN NEAR FUTURE FOR SME'S WITH REFERNCE TO A CASE STUDY OF MENSA'S BRAND

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Abstract
Customers find it convenient to do shopping even when they are on the move. The future of e-Commerce in India is enormous, and the ever-increasing penetration of smart phones will only add impetus to the growth. As the e-commerce industry sees increased traction, it is expected to increase to reach a market size of US$ 188 billion by 2025. The growth of the e-commerce industry is mainly due to the growth of stalwarts. However, several smaller players are gradually carving out a niche for themselves too. The industry is quick to adapt to new technologies too. The future prospect of ecommerce moreover depends upon the fast uptake of latest technologies, their convenience in usage and cost. In this article, we will discuss the technologies that can help in e-commerce growth. The e-commerce industry is bound to see exceptional growth over the years. The growth is bound to be led by the industry stalwarts like Flipkart and Amazon. Increasing industry investments, M&As, and government policies are other reasons for the development of this industry. The current COVID-19 pandemic situation has also led to an impetus for the industry. Most of the growth will be seen in beauty and wellness, food and grocery, electronics trade, and apparel sectors. The industry has also seen remarkable investments by Facebook, Google, and Reliance Retail.

Key Words: business, electronic commerce, goods, growth, industry, market, network, trade

Introduction
Commerce is basically an economic activity involving trading or the buying and selling of goods.
1. "E-Commerce or Electronic Commerce, a subset of E-Business, is the purchasing, selling and exchanging of goods and services over computer networks (such as Internet) through which transactions are performed".
2. "E-Commerce can be defined as a modern business methodology that addresses the needs of organizations, merchants and consumers to cut costs while improving the quality of goods and services and increasing the speed of service delivery by using Internet".
3. E-Commerce takes place between companies, between companies and their customers, or between companies and public administration.
4. The example of e-commerce is electronic funds transfer. This allows financial institutions to transfer funds between one another in a secure and efficient manner.
5. Later, electronic data interchange (EDI) was introduced to facilitate inter-business transactions.
6. Amazon.com, an online bookstore started in 1995 grew its revenue to more than 600$ million in 1998.

E-Business: "e-Business is the conduct of business on the Internet, not only buying and selling but also servicing customers and collaborating with business partners".

e-Business enables organizations to accomplish the following goals:-
1. Reach new markets.
2. Create new products or services.
3. Build customer loyalty
4. Make the best use of existing and emerging technologies.

5. Achieve market leadership and competitive advantage.
6. Enrich human capital.
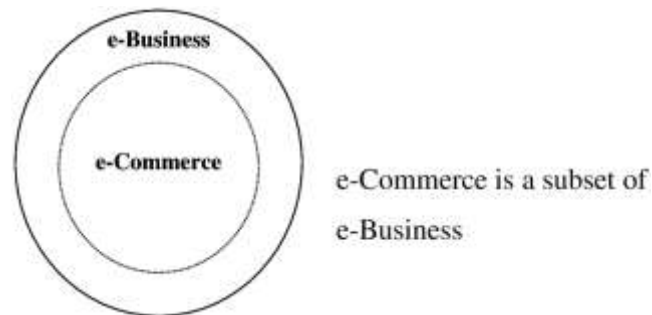
Forms of E-commerce
1. Pure E-commerce
2. Partial E-commerce
Pure E-commerce means information , delivery and payment will be made in digital form only between the buyer and seller.
Partial E-commerce refers to either delivery or payment will be made in the form of physical between the buyer and seller.

Types of E-Commerce/ E-Commerce Market Models
There are five types of E-Commerce:-
1. Business To Business (B2B)
2. Business To Consumer (B2C)
3. Consumer To Business (C2B)
4. Consumer To Consumer (C2C)
5. Business To Government (B2G)

Business To Business (B2B):- Business to Business or B2B refers to e-commerce activities between businesses. An E-Commerce company can be dealing with suppliers or distributers or agents. These transactions are usually carried out through Electronic Data Interchange (EDI). EDI is an automated format of exchanging information between businesses over private networks.
 For e.g. manufacturers and wholesalers are B2B Companies.
By processing payments electronically, companies are able to lower the number of clerical errors and increase the speed of processing invoices, which result in lowered transaction fees.
In general, B2Bs require higher security needs than B2Cs.
With the help of B2B E-commerce, companies are able to improve the efficiency of several common business   functions,   including supplier   management, inventory   management and payment management.

Business to Customer (B2C):-
Business to Customer or B2C refers to E-Commerce activities that are focused on consumers rather than on businesses.
For instance, a book retailer would be a B2C company such as Amazon.com. Other examples could also be purchasing services from an insurance company, conducting on-line banking and employing travel services.

Customer to Business (C2B):-
Customer to Business or C2B refers to E-Commerce activities which use reverse pricing models where the customer determines the prices of the product or services.
In this case, the focus shifts from selling to buying. There is an increased emphasis on customer empowerment.
In this type of E-Commerce, consumers get a choice of a wide variety of commodities and services, along with the opportunity to specify the range of prices they can afford or are willing to pay for a particular item, service or commodity.

Customer to Customer (C2C):-
Customer to Customer or C2C refers to E-commerce activities, which use an auction style model. This model consists of a person-to-person transaction that completely excludes businesses from the equation.
Customers are also a part of the business and C2C enables customers to directly deal with each other. An example of this is peer auction giant ebay.

Business to Government (B2G):- It is a new trend in E-Commerce. This type of E-Commerce is used by the government departments to directly reach to the citizens by setting up the websites.
These websites have government policies, rules and regulations related to the respective departments. Any citizen may interact with these websites to know the various details. This helps the people to know the facts without going to the respective departments.
This also saves time of the employees as well as the citizens.

Key Drivers
It is important to identify the key drivers of e-commerce to allow a comparison between different countries. It is often claimed that e-commerce is more advanced in the USA than in Europe.
These key drivers can be measured by a number of criteria that can highlight the stages of advancement of e-commerce in each of the respective countries. The criteria that can determine the level of advancement of e-commerce are summarised as follows:
 1 **Technological factors**: The degree of advancement of the telecommunications infrastructure which provides access to the new technology for business and consumers.
 2 **Political factors**: Includes the role of government in creating government legislation, initiatives and funding to support the use and development of e-commerce and information technology.
 3 **Social factors**: Incorporates the level and advancement in IT education and training which will enable both potential buyers and the workforce to understand and use the new technology.
 4 **Economic factors**: Includes the general wealth and commercial health of the nation and the elements that contribute to it. Since a distinction has been made in this book between e-commerce and e-business for consistency, the key drivers of e-business are also identified.

These are mainly at the level of the firm and are influenced by the macro-environment and e-commerce, which include:
1. Organisational culture – attitudes to research and development (R&D); its willingness to innovate and use technology to achieve objectives.

2. Commercial benefits – in terms of cost savings and improved efficiency that impact on the financial performance of the firm.
3. Skilled and committed workforce – that understands, is willing and able to implement new technologies and processes.
4. Requirements of customers and suppliers – in terms of product and service demand and supply.
5. Competition – ensuring the organisation stays ahead of or at least keeps up with competitors and industry leaders.

Impact of Electronic Commerce

E-commerce and e-business are not solely the Internet, websites or dot com companies. It is about a new business concept that incorporates all previous business management and economic concepts. As such, e-business and e-commerce impact on many areas of business and disciplines of business management studies.
For example:

1. **Marketing** – issues of on-line advertising, marketing strategies and consumer behaviour and cultures. One of the areas in which it impacts particularly is direct marketing. In the past this was mainly door-todoor, home parties (like the Tupperware parties) and mail order using catalogues or leaflets. This moved to telemarketing and television technology and finally developed into e-marketing spawning 'eCRM' (customer relationship management) data mining and the like by creating new channels for direct sales and promotion.
2. **Computer sciences** – development of different network and computing technologies and languages to support e-commerce and e-business, for example linking front and back office legacy systems with the 'webbased' technology.
3. **Finance and accounting** – on-line banking; issues of transaction costs; accounting and auditing implications where 'intangible' assets and human capital must be tangibly valued in an increasingly knowledge based economy.
4. **Economics** – the impact of e-commerce on local and global economies; understanding the concepts of a digital and knowledge-based economy and how this fits into economic theory.
5. **Production and operations management** – the impact of on-line processing has led to reduced cycle times. It takes seconds to deliver digitized products and services electronically; similarly the time for processing orders can be reduced by more than 90 per cent from days to minutes. Production systems are integrated with finance marketing and other functional systems as well as with business partners and customers.
6. **Management information systems** – analysis, design and implementation of e-business systems within an organisation; issues of integration of front-end and back-end systems.
7. **Human resource management** – issues of on-line recruiting, home working and 'entrepreneurs' working on a project by project basis replacing permanent employees.
8. **Business law and ethics** – the different legal and ethical issues that have arisen as a result of a global 'virtual' market. Issues such as copyright laws, privacy of customer information, legality of electronic contracts, etc.

Benefits of e-Commerce

The benefits of e-commerce can be seen to affect three major stakeholders: organisations, consumers and society.

Benefits of e-commerce to organisations International marketplace

What used to be a single physical marketplace located in a geographical area has now become a borderless marketplace including national and international markets. By becoming e-commerce enabled, businesses now have access to people all around the world. In effect all e-commerce businesses have become virtual multinational corporations. Operational cost savings. The cost of creating, processing, distributing, storing and retrieving paper-based information has decreased. E-

commerce has revolutionised the way consumers buy good and services. The pull-type processing allows for products and services to be customised to the customer's requirements. In the past when Ford first started making motor cars, customers could have any colour so long as it was black. Now customers can configure a car according to their specifications within minutes on-line via the www.ford.com website. Enables reduced inventories and overheads by facilitating 'pull'-type supply chain management – this is based on collecting the customer order and then delivering through JIT (just-in-time) manufacturing. This is particularly beneficial for companies in the high technology sector, where stocks of components held could quickly become obsolete within months. For example, companies like Motorola (mobile phones), and Dell (computers) gather customer orders for a product, transmit them electronically to the manufacturing plant where they are manufactured according to the customer's specifications (like colour and features) and then sent to the customer within a few days. Lower telecommunications cost. The Internet is much cheaper than value added networks (VANs) which were based on leasing telephone lines for the sole use of the organisation and its authorised partners. It is also cheaper to send a fax or e-mail via the Internet than direct dialling. Digitisation of products and processes is easy particularly in the case of software and music/video products, which can be downloaded or e-mailed directly to customers via the Internet in digital or electronic format. No more 24-hour-time constraints. Businesses can be contacted by or contact customers or suppliers at any time.

Benefits of e-commerce to consumers 24/7 access
Enables customers to shop or conduct other transactions 24 hours a day, all year round from almost any location.
For example: checking balances, making payments, obtaining travel and other information.

In one case a pop star set up web cameras in every room in his house, so that he could check the status of his home by logging onto the Internet when he was away from home on tour. Customers not only have a whole range of products that they can choose from and customise, but also an international selection of suppliers. Customers can 'shop' around the world and conduct comparisons either directly by visiting different sites, or by visiting a single site where prices are aggregated from a number of providers. This can range from the immediate delivery of digitised or electronic goods such as software or audio-visual files by downloading via the Internet, to the on-line tracking of the progress of packages being delivered by mail or courier. An environment of competition where substantial discounts can be found or value added, as different retailers vie for customers. It also allows many individual customers to aggregate their orders together into a single order presented to wholesalers or manufacturers and obtain a more competitive price (aggregate buying).

Benefits of e-commerce to society Enables more flexible working practices, which enhances the quality of life for a whole host of people in society, enabling them to work from home. Not only is this more convenient and provides happier and less stressful working environments, it also potentially reduces environmental pollution as fewer people have to travel to work regularly. Enables people in developing countries and rural areas to enjoy and access products, services, information and other people which otherwise would not be so easily available to them. It facilitates delivery of public services. For example, health services available over the Internet (on-line consultation with doctors or nurses), filing taxes over the Internet through the Inland Revenue website.

Limitations
These again will be dealt with according to the three major stakeholders – organisations, consumers and society.
Limitations of e-commerce to organisations Lack of sufficient system security, reliability, standards and communication protocols. There are numerous reports of websites and databases being

hacked into, and security holes in software. For example, Microsoft has over the years issued many security notices and 'patches' for their software. Several banking and other business websites, including Barclays Bank, Powergen and even the Consumers' Association in the UK, have experienced breaches in security where 'a technical oversight' or 'a fault in its systems' led to confidential client information becoming available to all. Rapidly evolving and changing technology, so there is always a feeling of trying to 'catch up' and not be left behind. Under pressure to innovate and develop business models to exploit the new opportunities which sometimes leads to strategies detrimental to the organisation. The ease with which business models can be copied and emulated over the Internet increase that pressure and curtail longer-term competitive advantage. Facing increased competition from both national and international competitors often leads to price wars and subsequent unsustainable losses for the organisation.

Problems with compatibility of older and 'newer' technology:
There are problems where older business systems cannot communicate with webbased and Internet infrastructures, leading to some organisations running almost two independent systems where data cannot be shared. This often leads to having to invest in new systems or an infrastructure, which bridges the different systems. In both cases this is both financially costly as well as disruptive to the efficient running of organisations.

Limitations of e-commerce to consumers
Computing equipment is needed for individuals to participate in the new 'digital' economy, which means an initial capital cost to customers. A basic technical knowledge is required of both computing equipment and navigation of the Internet and the World Wide Web. Cost of access to the Internet, whether dial-up or broadband tariffs. Cost of computing equipment. Not just the initial cost of buying equipment but making sure that the technology is updated regularly to be compatible with the changing requirement of the Internet, websites and applications.

Lack of security and privacy of personal data
There is no real control of data that is collected over the Web or Internet. Data protection laws are not universal and so websites hosted in different countries may or may not have laws which protect privacy of personal data. Physical contact and relationships are replaced by electronic processes. Customers are unable to touch and feel goods being sold on-line or gauge voices and reactions of human beings. A lack of trust because they are interacting with faceless computers.

Limitations of e-commerce to society
Breakdown in human interaction can be seen as people become more used to interacting electronically there could be an erosion of personal and social skills which might eventually be detrimental to the world we live in where people are more comfortable interacting with a screen than face to face. Social division is a potential danger that there will be an increase in the social divide between technical haves and have-nots – so people who do not have technical skills become unable to secure better-paid jobs and could form an underclass with potentially dangerous implications for social stability.

Reliance on telecommunications infrastructure, power and IT skills, which in developing countries nullifies the benefits when power, advanced telecommunications infrastructures and IT skills are unavailable or scarce or underdeveloped. Wasted resources as new technology dates quickly how do you dispose of all the old computers, keyboards, monitors, speakers and other hardware or software? Facilitates Just-In-Time manufacturing. This could potentially cripple an economy in times of crisis as stocks are kept to a minimum and delivery patterns are based on pre-set levels of stock which last for days rather than weeks (see Case Study). In September 2000 in the UK, protestors demonstrating over the high price of petrol blocked petrol depots, preventing the delivery

of petrol to petrol stations. Within days this led to petrol shortages throughout the UK. The knock-on effects were disruption in public transport, hospital services (with cancellation of non-emergency operations), school closures, shortages in food as supermarkets reported panic buying and some warned supplies could run out 'in days rather than weeks'. Petrol and other essential supplies such as bread and milk were rationed. Even after the blockade was lifted, it took two to three weeks for supplies to get back to normal. Difficulty in policing the Internet, which means that numerous crimes can be perpetrated and often go undetected. There is also an unpleasant rise in the availability and access of obscene material and ease with which paedophiles and others can entrap children by masquerading in chat rooms.

Ecommerce importance with reference to Mensa's Brand
For many businesses, new technologies that digitally exchange text and monetary information are effective tools to serve traditional business goal of streamlining services of developing new markets and creating innovative opportunities. In this process they develop types of services that are innovate and distinct from traditional marketing. E-commerce Growth is tied directly to these socio technological changes. The more entrenched the medium becomes the more users are drawn to it. An increase in use increases market as markets expand more businesses are attracted which in turn drives the development of stable and secure technology to facilitate e-commerce. A stable and secure environment for exchanging mission – Critical and monitory information only draws more businesses and consumers to the internet. All these related factors contribute to burgeoning e-commerce marketplace that should continue to grow well into the new millennium.

With e-commerce prospects continuing to improve, most large corporations have already developed preliminary e-commerce strategies. Although many SME's are not following this trend of large corporations, others have found that a modest investment in a simple website can develop into a commitment to e-commerce as a major component of the business plan. E commerce is dynamic, allowing users to interact with the commercial site, send comments and even define the scope of document. Unlike person to person commerce, e commerce allows for a controlled interaction between vendor and potential purchaser, where the vendor may strategically direct the customer through a series of options processes. It also differs from traditional commerce by its boundless relation to its time and space. Interaction is not restricted to normal working hours or geographical borders. There is potential to conduct business with other merchants and consumers around the world in a different time zone.

A case study regarding small SME's using e-Commerce as a major sale promotion aspect and converting from saturation point to profits.
MENSA'S BRANDS
Mensa's brands becomes India's fastest unicorn in just 6 months and acquired 12 consumer brands like Villan,Karigari etc in the month of October. Mensa's has raised over $300MN in equity and debt in 6 months Mensa's has claimed to become profitable within these 6 months
India's fastest start up to hit $ billion dollar status is already profitable says founder of Mensa's brand, Anantha Narayanan (CEO) He also state that the fastest unicorn is not just an aggregator but an accelerator of brands, Trying to build a 'Constellation of stars' where each of our brands is a star.

Concept of Mensa's
Mensa's is an investment for that partner's with entrepreneurs to build digital brands and scale them. Mensa's Integrates with the SME'S to optimize the organizations performance and increases the scale of the brand while Integrating with any organization Mensa's first service the gaps to understand the market That are to be capitalised upon. After that they survey to find small scaled companies that have a digital first approach. Then they will start the strategy of going to acquire the small scale organisations on the basis of observing that which SME's are using digitalisation first,

quality founder, Loyal customers, Annual revenue etc in to consideration. This means that the companies build largely themselves on digital eco system then after identifying great product with immense potential they start negotiating to acquire these brands (SME'S).

Mensa's uses marketing strategy of widely using,

-digital marketing

-sales channel

-supply chain expertise

These three elements were used to scale the brands both domestically and overseas. This includes organisation and optimisation of all other inventories on all popular markets and in their official website. Once the foundation is set they invest heavily in to product innovation and to launch new product line within the canopy of brand.

Mensa's integrates with three categories namely, Fashion, Home, Beauty and personal care.

To the economic times, CEO Anantha Narayanan of MENSA'S says that the majority of the brands are so far are growing at 100% year on year since their integration with Mensa's in next 5 years intense increase in brands 1000%. This is how MENSA'S is working through digital marketing. The company is planning to partner with as many as 30 additional brands in the next 1 year said naayanan.30% of MENSA'S revenue already comes from overseas that clearly states Mensa's is no Creating brand for India but also world itself.

In this way MENSA'S established by integrating with small organizations assisting the brands to optimize their scales, Capitals, expertise, extensive, digital marketing, and most importantly by strategically investing into efficient supply chain management.

Conclusion

In this way we can observe that in nearby future e commerce is going to play an important role in scaling the brands (SME's). By using Omni channels in social media, social media strategies(SEO,SAO,SMM etc), customer targeting, etc SME's can survive in the competitive market and can handle saturation point of the organisation.

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