

Impact of E-Commerce in Industry

A Rizaldi^{1*}, Z Madany²

¹Departemen Manajemen, Universitas Komputer Indonesia, Indonesia

²Departemen Sistem Informasi, Universitas Komputer Indonesia, Indonesia

Email: *arjuna@email.unikom.ac.id

Abstract. E-Commerce is a buying and selling activity, where the activities of sellers and buyers are carried out through the internet. This study aims to illustrate the impact of using E-Commerce, especially for the benefits of E-Commerce for business strategies. There are several ways to develop business both manually and computers. But in this era of the global economy, not only is the work process computerized, but the sales process also utilizes these facilities. The goal is to use e-commerce to attract more consumers because it can reach wider consumers. This research uses descriptive qualitative method and literature study based on previous research. So is it enough to make E-Commerce an industry that will experience an increase in sales results? Of course not, but the more quality E-Commerce that is created will further increase profits for the company.

1. Introduction

E-commerce is a strategy for rapid growth [1]. E-commerce can be defined as the use of the Internet to conduct business transactions nationally or internationally [2]. The use of information systems in the field of E-Commerce at this time is quite promising, especially because it can reach a broad range of consumers. But before companies choose the use of E-Commerce in the company, it is necessary to consider the scale of the company itself, small businesses conducting E-Commerce sometimes not be as effective and efficient as large companies. E-Commerce itself is usually developed on two bases, namely the Web and online applications. A system product, method, equipment, and computer program to provide location-based functions and cellular e-commerce which consists of a central processing unit including processor, storage device, and programming stored in storage devices, display devices, etc. are required to run the basics of e-commerce [3].

Fan stated that E-commerce can be interpreted as buying and selling products via the internet, also every transaction that is completed only through electronic steps is considered as e-commerce [4]. Whereas Thompson explained that the use of internet technology can provide great benefits to the competitive business world. With e-commerce, ordering goods can be done from various regions by consumers. In the current technological era, consumers do not have to bother to be able to make purchases in E-Commerce [5]. Many consumers also use social networks to sell products. there are clear differences in the goals of online social networking and E-Commerce sites. The purpose of online social networking is to support and

create social relationships, while e-commerce uses internet technology for the buying and selling process. However, despite these differences, we must recognize that economic activity is an important part of life, thereby complementing social activities. Therefore, we can argue that dividing social interactions from economic and business transactions is a unity [6].

The company's approach to e-commerce management must fit into the overall business strategy. To be effective, such e-commerce management must take into account the importance of advertising in modern business and must understand the similarities and differences that have become clear through the analysis of offline and online advertising. While companies with established offline brands must ensure that their online offerings are consistent with existing communication, it is very important that online advertising must be adapted to the specific media used to communicate [7]. Based on the results of the discussion above can be concluded as follows:

- a) The use of technology is expected to provide great benefits to the competitive business world.
- b) With e-commerce companies can get benefits that are used as an alternative source of competitive advantage.
- c) Some factors that encourage companies to use e-commerce include helping faster communication with customers, satisfying customers.
- d) The benefits of using e-commerce for companies are increasing sales profits, increasing the number of customers, expanding business reach, means of promotion, opening new business opportunities, ease of relationships with customers and customer satisfaction [8].

This study aims to illustrate the impact of using E-Commerce, especially for the benefits of E-Commerce for business strategies. This research uses descriptive qualitative method and literature study based on previous research.

2. Method

This study used descriptive qualitative method in the form of a literature review, which is taking data that refers to the theory or similar previous research results in the form of research articles, scientific journals, theses, books, and others.

3. Results and Discussion

Before the author describes what are the benefits of E-Commerce for business strategies, the author will give a few examples of the interface of one company that has used E-Commerce to market products and make E-Commerce as a sales tool online (see Figure 1).

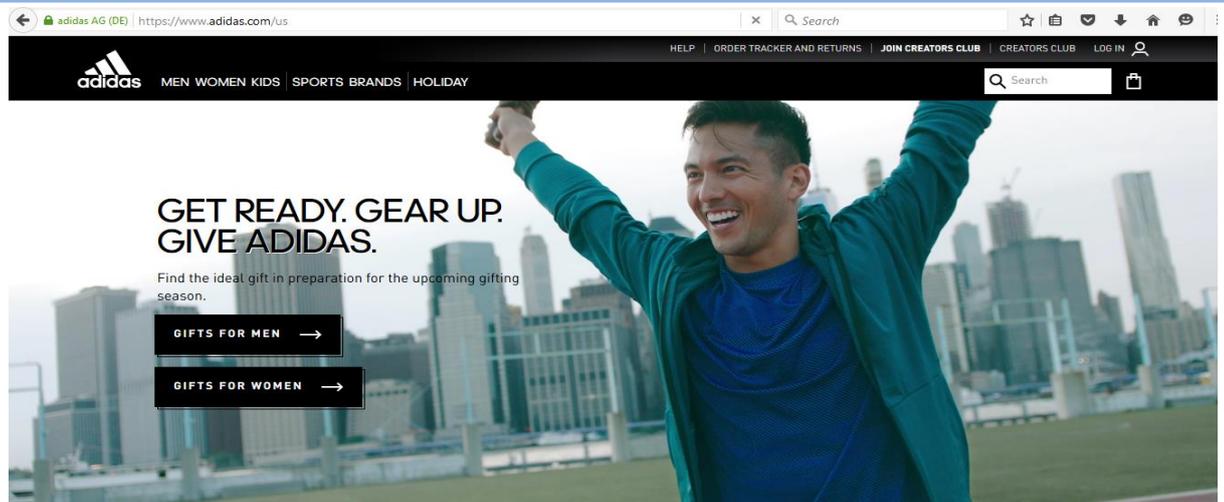


Figure 1. Initial view of the Adidas Web Store.

Above is an initial display on the Adidas web store. In building an E-Commerce, the person needs to be considered in the design so that there are points that become identity or identification on E-Commerce. As in the picture above, the selection of clear black has become an identity for this Adidas Brand, which makes it easy for users to recognize it. In addition, the menu layout makes E-Commerce look more elegant (see Figure 2).

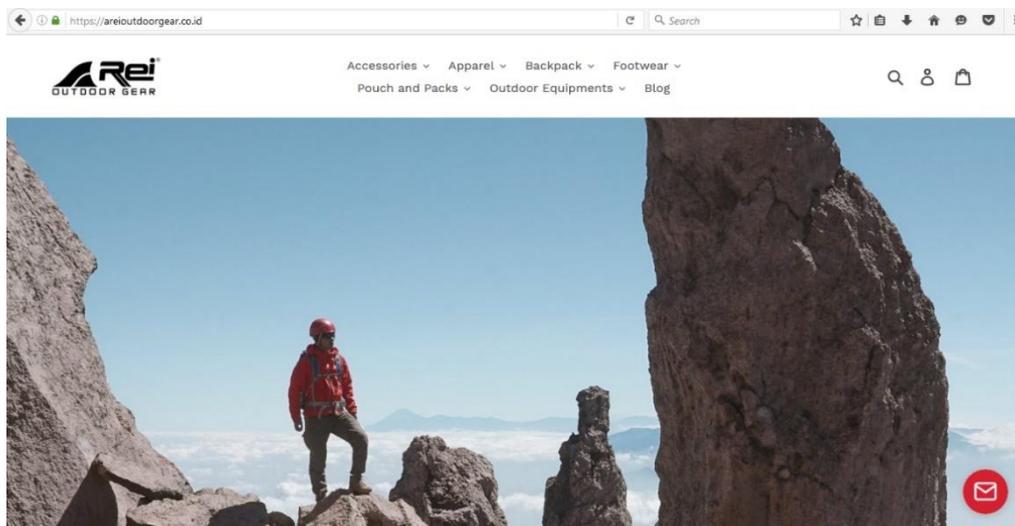


Figure 2. Main view of the ARei Web Store.

The picture above is an initial display of E-Commerce ARei, the company sells sports equipment products such as hiking and others. In the initial appearance of the company, the photos were replaced with the theme of outdoor sports which became the company's product identity (see Figure 3).

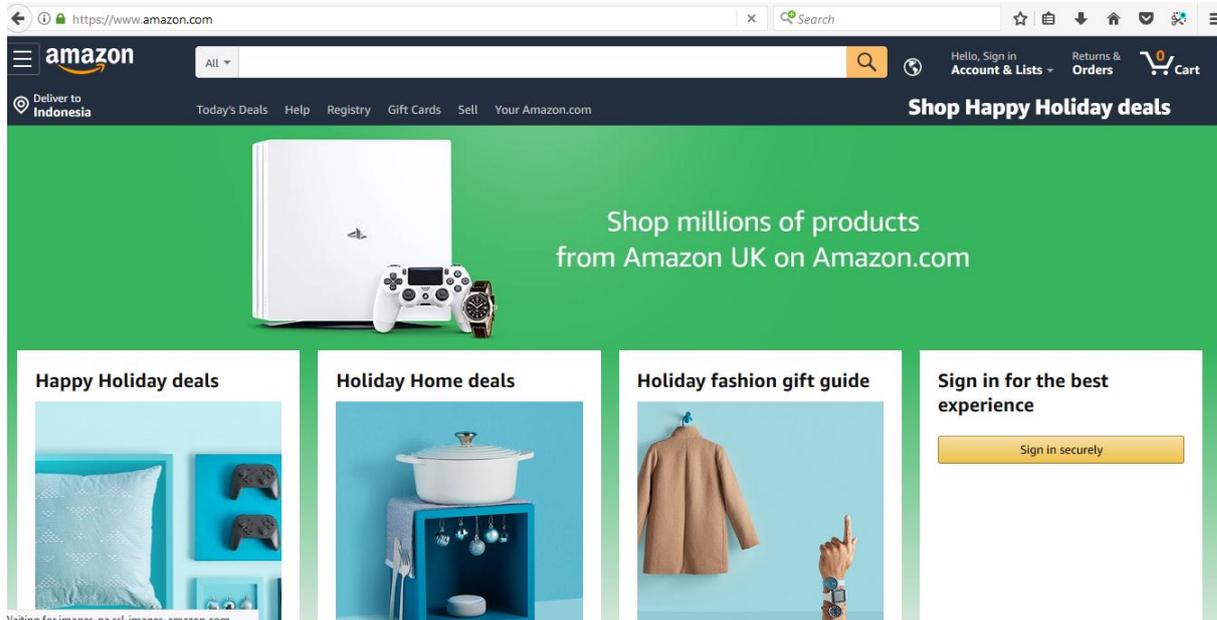


Figure 3. The main page of the Amazon Web Store.

Unlike the previous pictures, this E-Commerce does not sell its products but a platform for online shops to sell their products. After paying attention to the examples of e-commerce that have been circulating, several benefits are not only obtained by consumers but also by companies or businesses. The following are the benefits of using E-Commerce for business strategies:

1. Reducing costs [9]

If a company only relies on offline stores, it will require a lot of costs to create outlets in several branches, moreover the uneven income generated from each outlet. Therefore, if a company uses E-Commerce for marketing, it will reduce costs a lot because it only needs to pay for creating E-Commerce and should not worry about bankruptcy or decreased income from each outlet in the branch.

2. Increased profits

With the reduced cost of expenditure, the benefits obtained are even greater, especially because E-Commerce can reach broader consumer. Which makes E-Commerce be the right solution for stores that are in remote places.

3. Increase market share

In addition to increased profits, it also provide benefits to the E-Commerce platform, thereby increasing market share because the system that runs is online so that all users or consumers anywhere can make transactions through E-Commerce.

4. Improve customer service

In E-Commerce, a product that is marketed will be given detailed information, making it easier for users or consumers to choose and sort the products to be purchased. The availability of customer service that also makes it easy for consumers to ask things that are stil unclear.

5. Get customers through search sites

Using E-Commerce also related to search sites, in short, ordinary consumers search for a product on the internet which leads to the possibility that consumers open the E-Commerce that the company makes.

Some things need to be considered in building an E-Commerce, the following things must be considered in building an E-Commerce:

1. Selection of products to be marketed

Determination of products to be marketed does not seem important because some people think that all products can be sold or marketed through E-Commerce. In fact, several products are indeed difficult to market through E-Commerce. For example, products that requires appropriate and serious handling. For example, fried rice, the product is difficult to be marketed through E-Commerce because of the durability of the product and the taste will change.

2. Research on the selling potential

After the above stage, the next step is to conduct research and check the selling potential. Research conducted by looking at competitors and the products they make then do innovation from these products so that there are differences from the products sold and ensure that the products to be marketed are superior to those of competitors.

3. Determination of business rules

Before everything is done well as a businessman pays attention and learns the rules that exist in the business, so the result is the company gets profits and stability in product sales. Not biased when only relying on an E-Commerce for profit but also the business processes carried out must be following the standards.

4. Determination of payment methods in E-Commerce

In E-Commerce, there are payment methods to complete the transaction process. The choice of payment method must also be highly considered for the sake of transaction security as well as the selection of payment partners that do not harm consumers because of the administrative costs obtained.

Judging from the difference in business activities, E-Commerce is divided into several categories, namely: (C2C), (B2C), (B2B), (C2B), (C2G), (B2G), (G2C) [10].

In addition to the benefits for the company, E-Commerce also has benefits for consumers, the following are the benefits of E-Commerce for consumers:

1. Service without a time limit of 1 x 24 hours

E-Commerce has no time limit in service, which is a benefit for consumers. Consumers can buy products without having to worry about closing time stores such as when making purchases offline.

2. Able to provide choices and speed in delivery

In E-Commerce there is a method of shipping goods. Usually, some web stores provide several options for shipping services as well as price adjustments for these shipping services. To make it easier for ordinary web storage customers to provide fast shipping where goods can be received within the same day, but limited by transaction distance.

3. With so many choices customers can compare prices with one another

E-Commerce provides several products from different stores; thus, consumers can choose the product first to compare the best price before making a transaction. The process of comparison between products becomes faster compared to offline purchases.

4. Can review product-related comments

After making a purchase, consumers can fill in the comments column to provide input regarding products that have been purchased, including customer satisfaction or dissatisfaction with the product. It can be a comparison for other consumers before making a purchase.

5. Can provide information faster

Each product is usually filled with a description of the product, consumers are expected to read well so that no mistakes occur and minimize dissatisfaction after making a purchase.

4. Conclusion

The existence of E-Commerce in a company can bring benefits, the main benefit of E-Commerce is that it can reach consumers with broader scope and reduce the expenditure of excess costs. A number of things that need to be considered in building E-Commerce is the adjustment of the scale of the company-owned also learn the rules in doing business.

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