



RESEARCH PAPER

Performance of e-Commerce business in India and China

C. Sekhar*, M. Karthikeyan¹, A. Divakaran and Zhou Deyi²

Department of Agricultural Economics, Tamil Nadu Agricultural University, Coimbatore (T.N.) India

(Email: saekarck@gmail.com)

Abstract : Cross border e-Commerce is the general term for purchases made online from businesses in other countries. It involves buying of preferred commodities via websites in other countries or through the online stores available in India. Indian e-Commerce space in this respect is widening day by day. Advent of Technology permits shrinkage of border across the nations and promote online shopping. With the increase in number of online shoppers, the strength of online shopping set to grow exponentially both in volume and value. Preference of varieties, product choices, quality of the produce and its inspection online, comparing the price at the different websites for the similar produce, comparatively lesser price in the online stores when examining the same with the produce sold in the malls or retail stores, congestion in the city traffic and the existence of fatigue among the sales personnel at the malls or business environments forced the consumer and the business personnel to go for online shopping. Around 60 per cent of the respondents have performed their shopping domestically while 35 per cent of the shoppers do shopping in both domestic and cross border e-commerce and around 5 per cent preferred only cross border shopping in the online stores abroad. Online retail sales in China has reached \$752 billion during the year 2016 representing 26.20 per cent growth when one could compare the same during the year 2015, it is almost double the growth rate of overall retail sales. When we compare the same with India, the Indian e-Commerce revenue is anticipated to move from \$ 26 billion in 2016 to \$ 103 billion in 2020 revealed that China is found to be the world leader in e-Commerce trade. But if one could compare the India's annual growth rate of e-Commerce, it is arrived at 51 per cent while the Chinese e-Commerce market is prevailing at only 18 per cent. The success was mainly attributed to the existence of e-Commerce organizations across India particularly the role played by the Flip kart, Snap Deal and U.S based Amazon. Besides the trade of non-agricultural produce, the agriculture based products and grocery shopping has become the priority produce for the Indian consumers. Compared to China, food product trade is expected to be little higher in Indian online retail. In fact, the penetration levels of online grocery shopping in India are already higher when compared to China from the year 2008-09 onwards. Continued interest in getting the produce at the doorstep of the consumers and the product quality found to be the main reasons apart from price to the city consumers. Food, feed, seed, grains, crop services, crop inputs, farm equipment, agricultural implements and machinery and their parts were found to be the main items of purchase through e-Commerce mode in India and other e-Commerce websites. Lack of Professional Research and Development Team, content based website purely for agricultural and allied produce availability is relatively small, the utilization rate of such website is also small, most of the agricultural websites are lacking professionalism of agriculture, the design and contents of the websites are less attractive are the reasons for slow pick up. Most of the agricultural websites are incapable of reflecting the agricultural information, for help analysis, decision making and the production related information are found to be dismal resulted in poor production, supply and marketing benefits through online. For that the futuristic approaches are to be prioritized with a special form on student exchange programme. In future, the agricultural products will gradually become industrialized such as industrial chain factories in the whole process become more and more standardized. Awareness creation exercises are to be

* Author for correspondence:

¹College of Economics and Management, Huazhong Agricultural University, Wuhan, China

²Department of Agricultural Economics, College of Economics and Management, Huazhong Agricultural University, Wuhan, China