



ROLE OF ELECTRONIC COMMERCE TO REDUCING OPERATIONAL COST

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ABSTRACT:

Commerce in reducing an operational cost organisation. There are a variety of e-commerce applications that can affect organizational performance; In this research, they are classified into five different categories: electronic advertising, electronic payment systems, electronic marketing, electronic customer support services, and electronic ordering and delivery. According to the literature review, the most common types of organizational performance measures used in recent empirical research include: financial or accounting performance, operational performance, and market-based performance.

Tremendous progress has been made in business and traffic markets, companies and products, multiple and diverse sectors and the intensity of competition among these companies to gain profits has emerged as a means of modern business e-commerce, which has resulted in change. made a significant contribution. Contributed in facilitating the process of electronic buying and selling in increasing the efficiency and strengthening the competitive position of the companies and through its role in marketing the electronic products company to facilitate the access of products and services by the customers in a timely manner Gave.

And at least decrease the cost of the company's products. The benefits and challenges of electronic commerce as well as their role in decreasing the costs will be discussed. Because capital is scarce and those who have it need to enter the world of commerce, electronic commerce has opened up a realm of opportunity for them, and not just those with lots of money, as in the past. as was once the case. an opportunity has opened up. e-commerce sector for them.

For this reason, the utmost dedication to cost reduction has emerged as the focus of this study. The development of the Internet has made a lot possible for people all over the world, and the world seems to have become smaller in size. In addition to the exchange of correspondence and information, it has led to what is known as electronic commerce, the process of doing business over the Internet in its most restricted sense, and has provided businesses with a wealth of benefits.

Key words: - *E-Commerce, Reducing, Operational Cost*

INTRODUCTION :-

As e-commerce businesses developed, they face rising costs for goods and services. This can be anything from delivery fees to marketing expenses. To reduce these costs, it's important to understand the components of ecommerce and how they relate to one another. In this comprehensive guide, you'll learn about the different types of ecommerce businesses, the different ways in which costs can be reduced, and how to reduce operational costs in your own business. You'll also find tips on how to measure your progress and make changes as needed.

What is E-Commerce.

E-commerce is one of the many ways people buy and sell retail merchandise. Some companies sell products exclusively online, but for many, e-commerce is a way to distribute products that are part of a larger strategy that includes brick-and-mortar stores and other sources of revenue. In any case, eCommerce allows startups, small and large companies to sell their products at scale and reach customers all over the world. E-commerce is the process of organizing transactions between different organizations electronically to achieve organizational or personal goals. An important part of e-commerce, sometimes referred to as e-

commerce, is online advertising and the purchase of goods and services.

The success and scale of e-commerce on the web has been well documented. By successfully creating an environment in which e-commerce develops and thrives, every computer can become an open window for every major business in the world.

The electronic medium we call the Internet has the potential to dramatically reduce actual transaction time, processing time, and operational costs, as well as make information available worldwide. Internet-based e-commerce is recognized as a means of reducing operating costs and generating high potential revenue.

The ubiquity of the Web and the availability of browsers on various platforms provide a common basis for building e-commerce applications, especially in the enterprise. This shared platform minimized issues related to software distribution and software installation, promoting the distribution of e-commerce through intranets, extranets, and the Internet.

E-commerce provides new channels for the global marketing of tangible goods and opportunities to create new businesses that provide information and other knowledge-based intangible products.

E-commerce involves all kinds of interactive business transactions, facilitated through a network of computers. E-commerce is expanding due to the increasing number of businesses and individuals that can use these networks and the increasing ways in which transactions with other organizations and directly with consumers electronically at low cost can be done.

Statement of Problem:

E-commerce is a popular topic in business management, media and computer circles. Perhaps the impact will be most visible in financial services. A lot of e-commerce has happened in a short span of time. These schemes include new smart cards to facilitate e-

commerce, remote payments and e-verification, online transactions, security and related financial instruments, online banking services and e-tailing. However, its impact on the organization's reduction in operating costs was analyzed in a number of ways by comparing the organizations Tijolo and Amasa, for example, the amount received for each comparison exchange will be given by goods; It will also contribute to vendor salaries, credit card fees, showcase water, electricity, telephone, heating / refrigeration, taxes, display, repairs and maintenance. Meanwhile, the money earned for an e-commerce business pays for products, web hosting, shopping cart software, delivery, and other small things. The overall cost of managing a virtual store is less than that of a physical store.

Digital media, known as mesh networking, allows for significant reductions in turnaround time, lead time, and operational costs, while providing equal access to information for all. E-commerce is good in terms of marketing costs. At this level, it is important not to forget the recommended process for software distribution and software installation, and for setting up an e-commerce business using the Internet, extranets and networks. E-commerce opens up new opportunities for global advertising and marketing of physical products, as well as new business development that informs consumers around the world and runs non-profit organizations based on diversity. E-commerce refers to any aspect of business communication, the role of e-commerce in reducing transaction costs

Objective of Study

The following are the objectives of this study:

1. To study role of E-commerce in reducing operational cost in an organization.
2. To study other benefits accruable from E-commerce in India

Significance of study

The findings of this study will educate business managers and the general public about the role of e-commerce in reducing operating costs for business organizations.

This research contributes to the literature on the effects of personality traits on students' academic performance, building an empirical literature for future research in the subject area. Reduce Inventory Costs Regular inventory checks are essential to reduce e-commerce transaction costs. By using this process, you can ensure that you are not carrying too much product in inventory, which will unnecessarily increase your storage costs and reduce your revenue. You can combine slow-moving items with related, best-selling items for faster sales results. You can entice customers to buy your boring products by including them as a free gift with their purchase. Technological advancements not only help eliminate old inventory, but also attract buyers to new and attractive items, resulting in better sales.

E-commerce businesses must remain competitive, or they may be forced out of business. Keeping your operating costs as low as possible is critical to competing with online retailers like Amazon and maintaining a healthy, self-sustaining and growing business. When all factors are considered, there are many strategies to reduce your e-commerce activity rates. Other strategies to consider: Remember to focus on providing excellent service to reduce customer retention and acquisition costs.

E-commerce now exists at the inter-corporate and inter-organizational levels, with services aimed at individual consumers growing rapidly. The Internet is the most obvious example of this and has contributed to the spread of electronic commerce, helping to standardize for all online transactions.

However, this study focuses on the role of e-commerce in reducing operational costs in an organization. Furthermore, when offline stores

calculate operating costs, they account for uncounted business costs in addition to the actual number of transactions. The cost per transaction is higher when there are fewer transactions. On the other hand, large volumes of transactions can be stressful for employees and distributors. In e-commerce, whether it's one order or thousands, processing costs are the same across industries.

CONCLUSION :

Presented results of statistical analysis on research, warehousing, distribution, inventory, and payroll and labor costs. It was noted that the company is trying to leverage the use of e-commerce to reduce operational costs. It also showed that the community is ready to share experiences. E-commerce and efficient access to information, reduce processing errors, shorten response times and reduce service costs. He also informed that the company is all set to use e-commerce to meet the needs and demands of the customers and achieve maximum satisfaction. Companies and e-commerce companies coordinate strategies and resources to structure and maintain long-term relationships, especially for information technology-intensive institutions or companies, and provide a way to share information via electronic networks.

E-commerce businesses have to be competitive, and if they fail, they will be put out of business. To compete with online retailers and maintain a healthy, self-sustaining, growing business, it is important to keep operating costs as low as possible. When all factors are considered, there are many ways to reduce your business operating costs. Other strategies include: Remember to focus on providing high quality service to encourage customer retention and reduce acquisition costs.

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