

S-Commerce: An Innovative Dimension of E-Commerce

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ABSTRACT

Social commerce is a new era of electronic commerce that involves using social media, online media that supports social interaction and user contributions, to assist in the online buying and selling of products and services. It is also concerns about the customised products and services according to need of customer online. There are players who made a good beginning. Their success depends on their understanding of the market and offering various types of features. This paper gives an overview of the future of s-Commerce in India and discusses the future growth segments of E-Commerce. Also find out various factors that would be essential for future growth of Indian E-commerce. And represent the various opportunities for retailers, wholesalers, producers and for people. In this paper we found that the S-Commerce will increase exponentially in coming years in the emerging market of India. Mouth publicity and other electronic references are also playing a significant roles to promote s-commerce here in India.

Keywords: E-commerce, we-commerce, m-commerce, s-commerce, f-commerce.

Introduction

Social commerce, sometimes abbreviated as "S-ecommerce," is one of the most innovative practices of online retail marketing strategies that incorporate established social networks and/or peer-to-peer communication to drive sales. This is achieved by social media optimization, social applications and social advertisement. The aim of s-commerce is to help companies to engage customers with their brands according to the customers' social behaviors and provide an incentive for customers to return to their website through a platform to talk about their brand on their website. Where customers can research, compare, and ultimately. It is a Community-based marketplaces, or bazaars, where individuals communicate and sell directly to other individuals. Today, the range of social commerce has been expanded to include social media tools and content used in the context of e-commerce such as social customer ratings, reviews, users' recommendation and referrals. A number of social outlets and communities such as Social News and bookmarking, RRS feeds, Twitter, Blogs and other social networking sites are being used to increase the awareness of a product, services, brand or event.

S-Commerce

Electronic commerce is a shopping innovation by internet and advancement on the related technologies. The same shopping innovation when initiated through the Social Network and executed in any existing methods of supply-chain management then it becomes S-Commerce So, Social Commerce brings a modern kind of shopping. In November 2005, Yahoo introduced Social Commerce term which describes a set of online collaborative shopping tools that enables online shoppers and increases the customer's trust in one retailer to another.

Social Commerce Objectives:

1. Helps companies engage customers with their brands according to the customers' social behaviors.
2. It provides an incentive for customers to return to their website.
3. It provides customers with a platform to talk about their brand on their website.

4. It provides all the information customers need to research, compare, and finally choose product over competitor, thus purchasing from specific and not others.

Social Commerce Examples:

- Customer ratings and reviews, user recommendations and referral.
- Social shopping tools (sharing the act of shopping online), forums and communities, social media optimization, social applications and social advertising.
- Technologies such as Augmented Reality have also been integrated with social commerce, allowing shoppers to visualize apparel items on themselves and solicit feedback through social media tools.

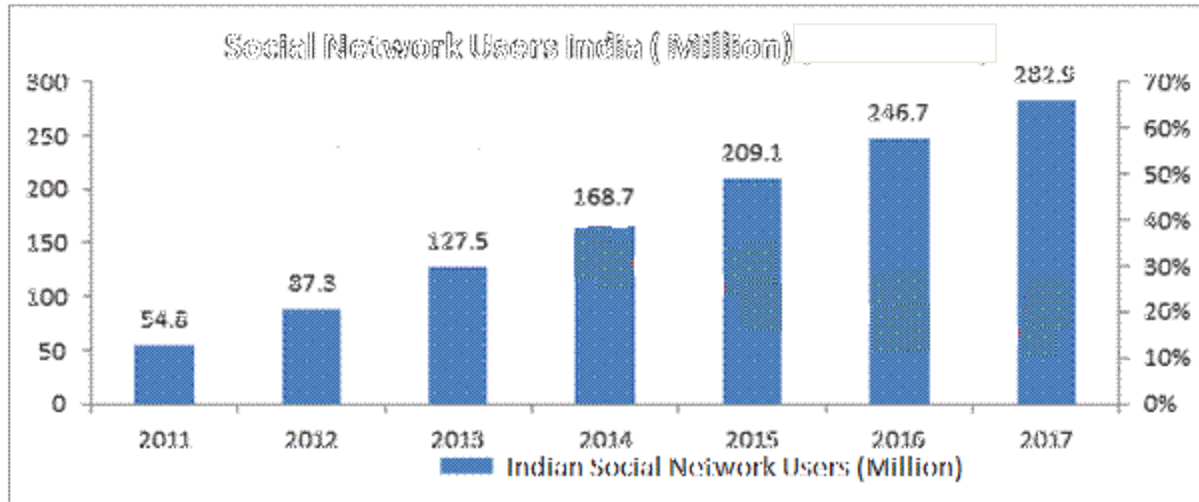
Psychology of social shopping:

www.redwing-asia.com report says 6 factors-

1. Exclusivity: Position products as exceptional
2. Authority: Build confidence
3. Consistency: Provide continuity
4. Popularity: Make shopping effective and risk free
5. Reciprocity: Promote sharing and exchange behavior
6. Affinity: Sense of community



Figure 1: S-Commerce Physiology



Source: socialmediacases.blogspot.com

As the bar chart shows that the population of social users is increasing significantly it is good sign for s-commerce. It can be observed that the no of internet users is increase by 59% in 2012 as compared to 2011. According to internet and Mobile Association of India (IAMAI) it seems that till 2017 the population of user will be about 283 million which is a tremendous growth that leads the bright future of s-commerce definitely.

Social commerce redefines traditional e-commerce:

Many pioneering e-commerce facing set of operating problems:

- High customer acquisitions costs, driven by the use of traditional media channels.
- Low customer retention levels, whereby many buyers make one-time purchases only.
- High upfront investment in product inventory.
- Pro-active word-of-mouth promotion among affinity groups ultimately reduces the costs of acquiring new consumers for merchants.
- Peer-to-peer endorsements and recommendations stimulate both impulse and repeat purchase behavior, thus enhancing the lifetime value of customers.
- Smart analysis by merchants of social commerce transactions can create a better understanding of segment behavior and preferences.

E-commerce: We-commerce

- Social commerce can connect with e-commerce to enable consumers to shop interactively with their friends and family members.

- ‘Going shopping’ is being replaced by ‘a moment to shop’, whereby consumers are able to find richer offers more quickly in the 7×24 online environment.
- Social commerce allows brands and retailers to sell where customers spend their time; and today that typically means on social media platforms.

Indian Scenario

The top 500 retailers earned \$3.3 billion from social shopping in 2014, up 26% from 2013, according to the Internet Retailer's Social Media 500 (businessinsider.in). India has been one of the major consumers when it combined with social media, brands in India today are much aware and value that social media can deliver them as compared to other channels. The mobile penetration of active internet users is 220 Million. It is of paramount importance to make your sites, pages mobile optimized. There are total 92+ Million active social media users via their mobile, which is almost 41% of the total mobile internet users.

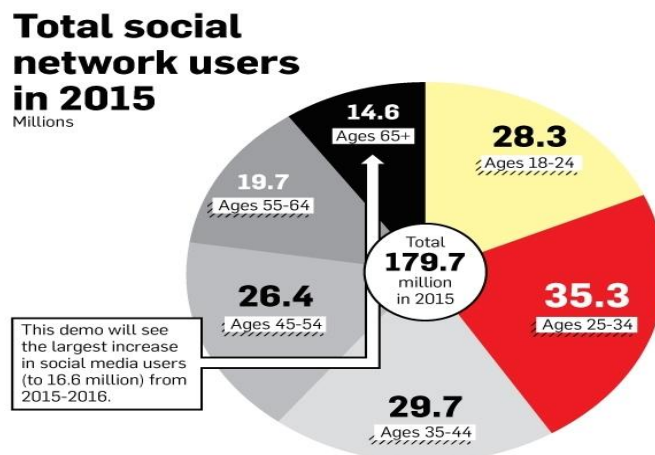


1.4 billion People in the world were surfing social networking site in 2012. 74 per cent of online adults use social networking sites, and these numbers will grow higher and higher. Over the last three or four years, this evolution has allowed the e-commerce industry to capitalize on social networking trends.

Currently, India is the fourth largest market for smart phones (GSMA) with more than 117 million users

According to a 2013 Ericsson report penetration will reach 45 per cent by 2020 with a whopping 520 million devices. Eventually, users will start using their smart phones to access the internet, as well as, apps that'll allow them to shop through their smart phones.

With such exponential growth in all these markets, it's no wonder that India's coming up with its own variety of social commerce platforms.



Source:socialmedialondon.co.uk

There are 179.7 million users of internet in India, out of them 93.3 million users belong to age group 18-44 yrs. which is about more than half of the total users. The buying potential of this group is extremely higher than any

other because of their involvement in market trend, desire and awareness. This leads to a bright future of s-commerce. Here are eight of many popular social commerce websites ruling the roost in India:

- **Voonik**
- **Klip**
- **Wooplr**
- **Limeroad**
- **Memoirs**
- **Violetstreet**
- **Promon**
- **etailone**

Jabong founder Praveen Sinha says while e-commerce players like him can use social commerce platforms to sell, selling on social networks is likely to benefit smaller businesses. The intent of the user on social media is not to buy, but it can definitely be a channel to sell things like T-shirts or event tickets. For small business owners, like say, someone selling pickles from home, it will be simpler to create a platform to sell online," says Sinha.

Pragya Singh of Techno-park says that social commerce will help improve experience of social platforms, make more people comfortable with making in app purchases, and help businesses drive sales.

Methodology

Social Commerce is executed directly from the Social Commerce site or Social Commerce application site or integrated Social Plug-in in Social Network like Facebook, Twitter Google+ etc. Once the product order is placed via Social Commerce Platform like Groupon, the logistics and other delivery process are executed just like in any other standard E-Commerce business process.

Success Factors:

- Richness of electronic shopping, easiness of S-Commerce Platform and great UX.
- Number of internet and social media subscriber-base.
- Transform the social visitors into Social Customers at higher conversion ratio. Fast growing Smart-phone and Tablet user-base is directly facilitating the the success of S-Commerce and its fast growing success.
- Good security mechanism for Social Commerce to make it safe on internet for all financial transactions.
- Smart phones users from Rural-Areas of India will contribute a lot towards the business opportunity on S-Commerce.

It contributes a ton of data by the integration of Big Data Analytics into F-Commerce, T-Commerce and S-Commerce, Social-Search.

The Future of Social Commerce (in General)

According to recent research by Internet Retailer, social commerce increased approximately 25% from last year and continues to grow. One of the major ways social commerce provide cut down on the interchange (or credit card swipe) fees by providing these services for free or at a discounted rate to acquire more data about their users. Another evolving tactic in social commerce is the presence of the "Buy" button on social networks that enables direct purchases on a network. This functionality is currently a staple on niche social networks such as

Wanelo. The continued concurrent development of both social network and e-Commerce presence will enable social commerce opportunities, especially on mobile devices.

Conclusion

This paper introduced the existence of s-commerce in retail industry. Therefore, we made a brief description of s-commerce and its future scope is quite prosperous and bright in India. The Richness of electronic shopping, easiness of S-Commerce Platform makes available the product to the users and transform the social visitors into Social Customers. Smart phones make it possible to connect Remote Areas of India and will contribute a lot towards the business opportunity on S-Commerce. As the no of users is increasing tremendously country wide and social media are gaining popularity among them, it is very clear that the s-commerce will emerge as a major segment of E-commerce in India

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