

A Contemporary Model of Business: E-entrepreneurship and its Prospects, Constraints, and Prerequisites in the Indian Perspective

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Abstract - In the current era, entrepreneurship is the key driver of the global economy. It is a significant generator of jobs, economic growth, and competitiveness. At present, a new form of entrepreneurship has been originated from information technology called e-entrepreneurship. E-entrepreneurship is a new phenomenon that is still in its early phases of growth. It is an understudied concept till now. That is why it remains the focus of the study by many research scholars. Now the young entrepreneurs are inclined to this novel concept of business which favors technology, service, information, and intelligence as the primary source of entrepreneurship. In recent times, e-entrepreneurship is occupying a big proportion of business in both developed and developing countries. But e-entrepreneurship is very crucial and significant in developing countries like India because of having limited capital, lack of other production resources, high population, and unemployment. This research aims to analyze the rising potential of e-entrepreneurship in India. According to the IAMAI-IMRB (2013) Report on Digital-Commerce, India's e-commerce market grew from US\$ 3.8 billion in 2009 to US\$ 9.5 billion in 2012. According to industry sources, this rise can be sustained for a longer length of time as e-entrepreneurship expands into new countries and markets. Previous studies have shown that India has a lot of potential for e-business. So there is a severe need to explore key issues and challenges facing e-entrepreneurship in the present scenario as the other face of the coin. In addition, this proposed research article attempts to review the main necessities of internet entrepreneurship, as well as its key characteristics when compared to non-technological entrepreneurial initiatives. To analysis, the emerging opportunities, challenges, and requirements of e-entrepreneurship, some of the previous research findings will be used.

Key Words: Entrepreneurship, Information Technology, E-Commerce, Developing Countries, Cyberspace

1. INTRODUCTION

One of the most important variables that accelerate the pace of economic development is entrepreneurship, which encourages people to engage in risky activities. Entrepreneurship must be able to sustain the drive and

energy required to form something new and to manage the new enterprise. It is widely accepted that the reasons for the poor form of entrepreneurship are limited capital, skills, and technology. As a result, entrepreneurial development is receiving a lot of attention in many developing countries. The success of an enterprise is determined by imagination, vision, innovativeness, and risk-taking, according to the definition of entrepreneurship. The production is possible due to the cooperation of the various factors of production, popularly known as land, labor, capital, market, management, and entrepreneurship. Entrepreneurship is a risk-taking factor in the sense of profit or loss in the business.

The e-entrepreneurship is using information technology as a platform to do business activities. E-Entrepreneurship describes entrepreneurship in e-business. In developing, running, and managing e-business, the e-dimension of entrepreneurship combines all of the key aspects of entrepreneurship, including risk-taking, proactivity, and creativity. E-entrepreneurship is not confined to tiny e-businesses; it also encompasses corporate e-intrapreneurship which is embedded in establishing e-infrastructure to do e-business in large organizations. E-business operates in a fast-moving, highly uncertain, unknowable, and unpredictable context, and as such entrepreneurship in e-business by necessity exceeds the traditional concepts of entrepreneurship (Steinberg, 2003, 2004). In the view of the entrepreneurs surveyed, entrepreneurship in e-business was different from classic entrepreneurship. In terms of skills and knowledge, e-entrepreneurship requires not only basic business skills and expert knowledge but also the social skills necessary to be able to relate to other disciplines and sectors. Alibaba.com, Amazon.com, Walmart, Apple, Dell, e-bay, Mercadolibre Inc., Rakuten Inc., Crate & Barrel, Symantec, Autozone, Microsoft, Gap, Nike, Disney shops, HP, ASOS PLC, Blue Nile Inc., and others are major global e-commerce enterprises be successful, one must have a solid company concept as well as first-rate customer service. India has a population of about 50 million internet users. According to industry consensus, growth is at an inflection point due to rising broadband

Internet and 3G penetration, increasing living standards, an upwardly mobile middle class with high disposable incomes, the availability of a considerably broader product selection (including online purchases from overseas shops and direct imports), and busy lives are all contributing factors. (Sources: Wikipedia, Internet & Mobile Association of India).

2. LITERATURE REVIEW-

To gather the existing theories about it and to examine the existing requirements of e-entrepreneurship, a review of primary and contemporary literature was done. The initial step in the emergence and construction of a new firm was thought to be the entrepreneurial intention (Lee and Wong, 2004). Dholakia et al. also regard the Internet as opening the way for a new 'infrastructure revolution,' which has resulted in the creation of new markets and the transformation of old ones, as well as a change in marketing strategies and concepts (2005, p. 31). Jackson et al., on the other hand, take a more measured approach, arguing that the hoopla surrounding e-commerce does not meet cold hard economic reality, highlighting the modest contribution of e-commerce to industrialized countries' overall Gross Domestic Product (Jackson, Harris, & Eckersley, 2003, p. 19).

E-entrepreneurship has been found to have a critical function in offering a platform for the young generation to explore and earn additional revenue for undergraduates (Nizam, Arokiasamy, and Hamidah, 2011). New technologies have permitted both new business vehicles and new forms of company, while also making global commercial ventures more accessible to anybody with a computer and internet access. Every new business initiative today has to incorporate technological issues and instruments, particularly internet instruments (Paliulis et al, 2007). The most accessible form of the business appears to be cyberspace entrepreneurship. Intelligence, according to Lee and Whang (2002), is the future of e-business. They believe that the next trend of e-business is intelligence at the supply chain level. Intelligence refers to the capacity for processing, accessing, controlling, and managing information and knowledge. To enhance the intelligence will be the main business line and the focus of e-entrepreneurial businesses.

3. OPPORTUNITIES-

On both sides of the encounter, cyberspace also provides unmatched access to information. The Internet is well-known as a virtually endless source of knowledge that may be accessed for a modest fee or no fee at all. It allows consumers to learn about products and services

while also allowing them to compare alternative options from the comfort of their own homes. It also enables the gathering of customer data, the easy sharing of positive and negative experiences, and the strengthening of consumer power for collective purchases. On the opposite side of the conversation, the internet provides a wealth of information about and from your customers. Cookies, beacons, user browsing, and purchase history, and social network disclosures are all examples of modern internet browsing technologies that enable targeted advertising and sales based on the requirements and characteristics of a specific individual (Chaffey et al, 2009).

In the case of e-marketplaces, it appears that a pattern has emerged in which extremely successful mega e-marketplaces such as Amazon.com, eBay, and other e-marketplaces are increasingly driving smaller businesses out of the market and restricting competition, transforming them into oligopolies (Murtaza, 2008). et al., 2004). However, the ubiquity of the Internet is and will continue to be a strong counterforce to the formation of oligopolies as there are no barriers to market entry in the cyber world and the Internet provides constant opportunities to engineer new types of entrepreneurial business and innovation. To provide superior value to clients, future e-marketplaces will require a wide range of high-quality services, new products, and strategic relationships. Thus, deals based only on price will be obsolete in future e-marketplaces.

Cyberspace also abolished most physical constraints in the corporate world, such as high-street locations, storage and exhibition spaces, limited company hours, and reliance on sales personnel performance. Although some preconceptions about cyber-business (such as insecurity of online transactions) linger in less technologically responsive nations or due to the digital divide, early restrictions of cyberspace commerce, such as inadequate payments and delivery infrastructures, are mostly irrelevant now. Both businesses and consumers are affected by the actual location's insignificance. The offer is the same for consumers in rural areas as it is for city dwellers. Similarly, rather than maintaining storefronts in urban areas, a successful firm might be conducted from a remote and low-cost location. A widespread misunderstanding among new entrepreneurs is that individuals who operate outside of or near big urban hubs and markets are significantly disadvantaged. While proximity to urban and knowledge hubs has some advantages in terms of leveraging network effects (Silicon Valley is the most well-known example of location leveraged network effects (Saxenian, 1994).

4. CHALLENGES-

A new technology-based economy has allowed money, talent, capital, and things to move freely across national borders. Even though numerous reasons favor the expansion of e-commerce in India, the budding industry faces enormous infrastructure, governance, and regulatory challenges. Entrepreneurs have tremendous obstacles due to a lack of time, money, and know-how that may be allocated and applied to e-commerce activities. The low internet penetration rate of 11% stymies e-commerce growth by limiting internet access to a larger segment of the population. Due to missing linkages in supply chain infrastructure, access to far-flung places where a substantial section of the population resides is restricted. Payment gateway dropout rates of 25-30%, a lack of consumer trust, and delayed acceptance of online payments are forcing e-commerce businesses to rely on more payment methods. In addition, there are numerous other issues and challenges confronting e-entrepreneurship today, such as the fact that today's e-business. Due to the lack of obstacles to new entrants and competitors, maintaining a competitive edge is almost difficult. Imitation and degradation are continual threats to innovation. The benefits of first movers in the e-business industry have been discussed in many ways in the literature. In a similar vein, many new e-company owners attempted to establish an e-marketplace but chose imitation over innovation as a business strategy. According to this author, many e-industry imitators have failed to owe to a lack of a combination of invention and entrepreneurship skills.

The key of e-entrepreneurship is to bring a fresh idea to market, not to copy a new idea without considering the specific needs of local markets, and being proactive in responding to environmental changes by releasing a new product, process, service, or adopting a unique business model. Another challenge is related to legal issues of e-commerce in India which are generally ignored by e-commerce websites. This may change shortly as foreign companies and e-commerce portals would be required to register in India and comply with Indian laws (Source: "Foreign Companies And E-Commerce Portals Would Be Required To Register In India And Comply With Indian Laws". e-retailing laws and regulations in India, 5 June 2014). India has a thriving cash economy, which explains why Cash on Delivery accounts for 80% of Indian e-commerce. However, cash on delivery may harm e-commerce business in India in the long run and there is a need to make a shift towards online payment mechanisms. The e-commerce market in India is estimated to grow from \$10 billion every year to between \$ 70 - 260 billion by 2025. (Source: "Cash on delivery may harm e-commerce in India". e-retailing laws and regulations in India, March 2012. Retrieved 19 August 2014).

5. REQUIREMENTS-

Although the concept is as old as the manufacturing process, quality management will gain momentum in e-business management. The failure of many e-businesses and the dot-com crash have been caused by poor quality customer services and support, website security and technology issues, as well as a lack of change management (Janenko, 2003). The success of e-entrepreneurship depends upon some of the crucial factors like customer focus, continuous improvement, and measurement to achieve customer satisfaction, gaining an understanding of customers and markets. All stakeholders should benefit from mutual respect, trust, and benefit. In addition, in all areas of the organization, there should be constant and exact execution to high standards, thriving for excellence through benchmarking, measurement of quality using data and tools, improving quality and efficiency of decision-making, better use of resources to achieve effectiveness and efficiency, results in focus, management by facts and processes, effective leadership and team commitment, team building, and collaboration, valuing employees, human and intellectual capital. Some external factors that may stymie large-scale adoption of e-commerce among entrepreneurs are defined by Rodriguez-Ardura (and Meseguer-Artola & Vilaseca-Requena, 2008), such as the degree of government and regulatory involvement in developing legal, financial, and marketing frameworks for e-commerce development. These dynamic components surely provide essential guidelines for the quality operations of e-entrepreneurial businesses. It is a widespread fallacy that a good quality website design and a high volume of clicks are high-quality indicators and will lead to e-business success instantly (Janenko, 2003, Ross, 2003).

6. RECOMMENDATIONS-

As we know that e-commerce is an upcoming model for both entrepreneurs and consumers. Consumers across the country are finding online shopping more appealing and convenient as their earnings rise and the choice of goods and services available expands. This research paper emphasizes the requirement of adapting some of the measures to promote and maintain an ethical business environment on the internet. The need for a strong foundation for e-entrepreneurship is critical. The e-entrepreneurs should be very well qualified in terms of information technology and trained to initiate the business online and able to face and handle all the existing issues and challenges of this field. Our education system should be structured in such a manner that many e-entrepreneurs could be prepared academically and technologically both. Further, the legal

requirements for undertaking e-commerce in India should also be laid down seriously by the Indian government.

This proposed study suggests that there is a severe need to enhance security measures and making transactions safer by reducing fraud and risk. As it is shown in the paper that India has a growing market share in e-business, it becomes essential to handle this platform of business very carefully to utilize this source of the business stream for the growth of the economic health of the country.

7. CONCLUSIONS

Information technology has changed business in many ways. Information technology, particularly cyberspace technologies, has profoundly altered the start-up of new enterprises and entrepreneurial processes over the previous two decades. For entrepreneurs and their businesses, the e-business platform is creating an extremely difficult situation. Technology's rapid advancement and widespread availability are forming a new economy with a variety of distribution, marketing, and selling methods. The collapse of barriers between enterprises, suppliers, customers, and competitors is one of the characteristics of this economy. Cyberspace has several direct consequences on new products and services, even if it isn't dependent on technology developments. These include physical independence, new forms of human communication, unparalleled access to information, and decreased entry barriers. Indirectly, the internet has fueled globalization's self-perpetuation, increased network effects, and encroached on most social processes. The business structures and value-generating approaches of cyberspace ventures are progressively distinguishing. Cyberspace has aided the lean startup method, as well as passive and virtual startups. Furthermore, cyber-startups are increasingly deriving value from their strategic partnerships with users, and some even allow users to directly affect the venture's worth. As a result, it warrants its scientific inquiry. It is also desirable to incorporate specialist courses on online entrepreneurship into the university curriculum across the country. Further research into the unique cyberspace entrepreneurial phenomena mentioned in this study will be required to fully comprehend them, accelerate the adoption of cyberspace entrepreneurship, and devise specific public policies to deal with and facilitate online entrepreneurship. More research is needed to trace changes in e-entrepreneurship and the upcoming requirements of this business model. The phenomenon of e-entrepreneurship needs to be studied more in detail in the fast-changing business psychology of e-entrepreneurs.

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BIOGRAPHIES



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