



# On Line Shopping Consumer Dispute Redressal Vol. I: Evolution

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**Abstract:** *Although the Internet provides a useful venue for conducting business, consumers face a number of challenges when making purchases on it. These include a lack of information about products and services, the online business and transaction process, and avenues for recourse. There was a rise in Internet-related fraud complaints filed with the Consumer Coordination Council, the Consumer Court, and the Consumer Redressal Forum in India, all of which operate under the Consumer Protection Act of 1986. Because of this, e-consumer confidence has been eroded, and the adoption of e-retailing has been slowed. Despite this, despite substantial study of other areas of e-retail, the nature and efficacy of e-consumer protection have not been explored. In this paper, we take a look at how well informed Indian respondents are about the existing policy framework for addressing consumer safety in online purchasing and (ii) how those who have and have not experienced problems with online purchases behave. Almost half of those polled were unaware of the following organizations involved in e-consumer protection: (ii) government regulations and guidelines; (iii) industry codes of conduct; (iv) self-regulatory approaches adopted by businesses; and (v) consumer associations' activities to protect consumers in the online marketplace. The results also suggest that, if they were dissatisfied with an online purchase, the vast majority of respondents would try to get their money back if they understood how to do so, and that the vast majority of respondents would prefer to resolve complaints directly with the online shops. Furthermore, customers who had issues while making an online purchase were more likely to keep using the medium in the future. This indicates that respondents believe the benefits of online shopping outweigh any potential drawbacks.*

**Key Words:** conducting business, consumers face, purchases, transaction process, recourse, complaints.

Electronic commerce (e-commerce) has evolved exponentially. Interestingly, globalisation and e-commerce have emerged at about the same time as making it convenient to overcome spatial barriers in the global market. Through its pervasive scope, the modern marketplace system offers a competitive and interactive forum for enterprises and customers. This has contributed to greater rivalry and reduced costs. Consumers may select from a wide variety of products and services all around the globe, from everywhere and at any time. Businesses are continually innovating in emerging technology to respond to emerging and changing e-commerce problems. One of the key factors of e-commerce development is the increase in the amount of

individuals utilising Information and Communication Technology (ICT) as a trading forum.

From an economic point of view, all companies and people profit from e-commerce. Businesses prefer to offer their goods and services online so they obtain entry to the world consumer without much interference from conventional industry intermediaries. This, in essence, allows customers to enter a range of products and services at affordable rates. Also through financial distress, companies are able to make their products and services accessible on the foreign market at comparatively low prices. Customers should ask about their order status by pressing the mouse around the clock. E-commerce also provides better



access to information, enabling consumers to discriminate between the various goods and services available. Consumer security on domestic markets is certainly a well-established principle. Because it does not carry the same issue in the foreign domain: The Organization for Economic Co-operation and Growth (OECD) has correctly defined e-commerce as 'inherently foreign in essence' in its guidance concerning the Consumer Safety Guidelines for Electronic Transactions introduced in 1999. That being the case, the digital network climate threatens each country's capacity to overcome customer security hurdles in an acceptable manner. The pervasive scope of information technology has expanded market processes and the amount of commerce has grown quite rapidly, contributing to a proportionate rise in the amount of customer frauds.

**EVOLUTION OF ONLINE SHOPPING IN INDIA-** Web based shopping had a somewhat moderate and tumultuous excursion in India, "it has not gotten as much as it ought to have essentially because of the way that web infiltration itself was very low and also (and critically) the clients didn't know about it too: Also the clients are not prepared to face the challenge of purchasing an item without seeing it truly. Customarily, Indians are traditionalist in their way to deal with shopping. They need to contact and feel the items and test its highlights before purchasing anything.

Web based shopping began from the get-go in 1995 by the presentation of web in India. Web based shopping got famous during the Internet blast in 1999-2000 with the surely understand sell off webpage know as bazee.com. Before long amazon.com, the online book shop established by Jeff Bezos, made history by turning into the main book shop with a presence just on the Internet. Later on following the achievement of Amazon, numerous different book shops with a physical presence additionally made an online presence on the Internet. From that point in 2005 bazee.com was taken up by ebay. The pattern of internet shopping took a decent movement and numerous new entryways began like

amazon, flipkart, snapdeal, yebhi, gadgetsguru, myntra, iBibo, makemytrip, yatra; craftsvilla, etc. Many home entrances, for example, Yahoo.com, Indiatirnes.com and Rediff.com thought of web-based shopping choices for the Indian purchaser.

It is useful, faster and sometimes also more affordable than the ordinary buying. Presently a day's purchasing train ticket, transport ticket, air ticket every one of them have experienced on line choice also. Instead of remaining in a long line and trusting that your turn will buy a ticket, individuals are thinking that its less complex to sign on to a site and get it. In certain cases, you may need to pay a premium for an online buy yet it is as yet favored on the grounds that the comfort factor is a lot higher. For instance, on the off chance that you need to purchase film tickets online you may need to pay an additional sum over the real cost of the ticket but since of its accommodation, individuals are settling on it. Purchasing or submitting, a request online is likewise helpful when you have to send a blessing to a companion who is remaining in an alternate city or nation. For instance, you can send roses, cake, and chocolates to your companion in New York on his/her birthday by putting in a request for it on the Internet from your home in Mumbai.

**EVOLUTION OF E-COMMERCE-** The year 1991 was noted as another section throughout the entire existence of the online reality where web based business turned into a hot decision among the business utilization of the web. Later in 1995 online business began in India. Around then no one would have even idea that the purchasing and selling on the web or state the web based exchanging or administrations that we appreciate today will turn into a standard pattern on the planet and India will likewise share a decent extent of this achievement.

India originally came into association with the on line E-Commerce by means of the IRCTC. The administration of India stepped up to the plate and tested this on line methodology to make it helpful for its public to book the train tickets on the web. Due to this activity travelers were first time



experienced with the online ticket booking from anyplace whenever. This was an extraordinary shelter to the average person as now they don't need to sit tight for long in line, no issues for wastage of time during inaccessibility of the trains, no weight on the ticket bookers, and some more. With the headways in innovation as the years passed on have been likewise found in the IRCTC Online framework as now one can book tickets (tatkal, typical, and so forth) on one go, simple installments can check the status of the ticket and accessibility of the train too. Also, you can see there are part numerous things are accessible on the IRCTC site like inn booking, arranging your visit objective, flight booking, taxi booking, best arrangements and limits in mydala site, you can make installments utilizing Paytm just as booking tickets utilizing money down office and every one of these things you can work through your cell phone too. This is an extremely huge accomplishment throughout the entire existence of India in the field of online E-Commerce." In both the depictions, you can perceive how the site was in 2002 and how ;t shows up in 2015.

**ELECTRONIC COMMERCE-** Meaning of Electronic Commerce Put simply, electronic commerce involves buying- and selling of goods and services through electronic means. Black's Law Dictionary defines Electronic Commerce as "business conducted without the exchange of paper-based documents through the use of electronic and/or online devices. It includes activities such a procurement<sup>1</sup>, order entry, transaction processing, payment, authentication and nomepudiation, inventory control, order fulfillment, and customer support. The general public participates in ecommerce, almost unknowingly these days. Ecommerce devices include computers, telephones, fax machines, barcode readers, credit cards, automated teller machines (ATM) or other electronic appliances, whether or not using the internet." The WTO Work Programme on Electronic Commerce defined "electronic commerce" to mean "the production, distribution, marketing, sale or delivery of goods and services by

electronic means". The Committee further stated that "a commercial transaction can be divided into three main stages: the advertising and searching stage, the ordering and payment stage and the delivery stage. Any or all of these may be carried out electronically and may therefore be covered by the concept of "electronic commerce".

The OECD, when discussing the Economic and Social Effects of Electronic Commerce in 1999, stated: "In order to examine and quantify the socio-economic impacts of electronic commerce, it is necessary to identify electronic commerce. As for several new programmes, this is not a straightforward issue, as the meanings provided by different sources vary considerably. Which cover both financial and business transactions that take place electronically, including electronic data exchange (EDI), electronic funds transfers (EFT) and other credit / debit card operations. Others restrict electronic trading to online purchases and customers for which transfers and payments are rendered on transparent networks such as the Internet. The first category refers to types of electronic commerce that have existed for decades and result in trillions of dollars consisting of the Model Law on Electronic Commerce "(MLEC) adopted by the United Nations Commission on International Trade Law (UNCITRAL) in 1999 to allow and promote electronic commerce by supplying national legislatures with a collection of globally agreed instruments. "The basic values of, non-discrimination, technical independence and substantive equivalence implemented by the Model Legislation render it generally recognised as the foundational elements of contemporary electronic commerce legislation.

The key policy objectives for e-commerce can be divided into three main groups:

\* creating a framework for electronic settlements and payments: Optimal payment systems provide a way of transferring value between different parties in the economy and facilitate transactions at minimal costs.

\* Reducing barriers to e-commerce: This



involves identifying the obstacles that inhibit the growth of businesses engaging in e-commerce or that prevent users from adopting services.

\* Promoting e-commerce adoption: This entails developing initiatives to promote the use of e-commerce among administrations, businesses and consumers. Tools for measurement and analysis for the LAC region.

**Consumer protection-** Politicians should be consulted and directed by evidence where appropriate in order to create and enforce reasonable customer protection policies. Various data points help the implementation of consumer safety strategies, including complaints, polls," industry tracking, in-depth business observation and customer risk evaluations.

The most widely used method to define customer concerns and to assess the severity and degree and efficacy of policy interventions is the knowledge on user complaints. Computer complaints The details given in customer disputes is highly reliant on this. Claims can play an important role in policy making by offering a tentative indicator of issues, even though they also have substantial limitations. For eg, grievances may be baseless-and/or represent big distortions.

Kinds of E-commerce

A . B2B - Business-To-Business - In order to effectively handle their business operations, E-commerce has helped corporations to interact with other corporations. In this regard, corporations also utilise the Internet in order to incorporate the value-added chain from the raw material source to the end customer. Indiamart.com is a marketplace like B2B that offers a forum for companies to find rival suppliers.<sup>4</sup>

b. B2C - Business-To-Consumer - The distribution channel usually begins with a seller in a Business to Consumer (B2C) deal and goes through a wholesaler / distributor to a supplier communicating with the end-customer. In spite of the expenditures to the vendor the B2C ecommerce model is cost-effective and provides buyers with cheaper goods.

c. C2C - Consumer-To-Consumer - Individuals are marketing products and services through way of facebook, social media and cell telephone via their personal 'website, e-mail, auction pages, mobile telephone text messages and platforms' offering classified advertisement services. Portals like eBay, OLX and Quikr enable customers to exchange with other consumers, for example.

d. B2B2C - The B2B2C concept or the B2B2C intermediary sale concept is an expanded B2, which is widely used in e-commerce. Here, the first organisation to transact with the end users is sponsored by another intermediary. This approach is cost-effective for the producer who can obtain its goods / services via the consumer process at remote locations. For example, Flipkart, one of the world's most popular e-commerce websites, offers the customers a forum to buy a broad range of items like books, music, clothes and electronics. This is rising the concept has been demonstrated by the increase in the amount of e-commerce players that have recently embraced this concept - to mention a few Amazon, Jabong and Snapdeal." These web portals link to payment gateways providers that offer a forum for payment processing or who offer cash for distribution, where the customer pays for the deliveries.

#### MODES OF E-COMMERCE-

**Teleshopping-** Advertisements extolling the virtues of body slimming gadgets, magical skin creams and cleaning equipment with extensive demos on the television is a common phenomenon today. There are channels such as tele brands and homeshop18, which are exclusively dedicated to telemarketing. Teleshopping also consists of slots containing culture, news and more on numerous kinds of outlets. Generally speaking, these commercials show free lines so that customers can position their order and provide simple payment choices. On the computer are also the price and code (if any) of thy goods and the telephone number of the sellers. An vital aspect of teleshopping is that it is an established entity many future customers who are geographically



widespread will reach from one location.

**Telemarketing-** Telemarketing is a method of selling goods or services using telecommunication devices such as Mobile phones, landlines, satellite phones and voice over: Internet protocol (VoIP). It can be done from the seller's place of business or from a call centre or even from home. It is a form of distance selling where the business can reach far and wide without much effort and expense. For instance, while the mother company is in UK, the call centre is located in India. The consumer will get a call from India about a product, which is in UK. It is important in such forms of distance selling, that the telemarketer should make adequate and proper disclosure of the goods or services to the customers,

**Internet Shopping-** Internet shopping or commonly called online shopping is now one of the most convenient and quick modes of e-commerce to which consumers have adopted. Here the consumer browses the online catalogue on the product or service he desires to purchase and places an order.

Payment is made by using some safe online payment modes. On receiving the order, the supplier or seller delivers the goods at the consumer's place through postal service or courier. Thus, internet shopping enables one to visit a world market, make best choice of goods at communication on the World Wide Web may take place either through a common server or through intermediate/multiple servers. In case of communications carried via common server, the parties communicate with each other using a common server, irrespective of the fact that the parties may be in different jurisdictions. All communications take place on this server. In case of Communication through intermediate servers/ multiple servers, the network includes servers located in different jurisdictions and the message is relayed to any one or several servers before it is auctioned. Electronic Commerce on the World Wide Web is a virtual market place, where the websites are sited on servers which host pages or services offered by several commercial concerns which in effect represent a form of virtual marketplace, 'where businesses have their

information accessed by customers. The topographies in turn have an effect on the analyses of three important questions of if, where and when.

**Mobile commerce-** Mobile commerce (m-commerce) has also created immense platform for e-commerce transactions today. The phrase mobile commerce was originally coined 1997 to mean "the delivery of electronic commerce capabilities directly into the consumer's hand, anywhere, via wireless technology." Mobile money transfers to mobile ATMs, mobile ticketing, mobile vouchers and coupons, sale of ring-tones, wallpapers, and games for mobile phones, information such as news, stock market etc. are some of the common transactions for which mobile commerce is extensively used. Likewise, with several online shopping portals providing mobile applications for purchase of goods and services, mobile commerce has been the most convenient mode for a consumer to purchase goods and services, without even using a computer or laptop.

**Social media shopping-** Social media is an electronic commerce subset which involves the use of social media in e-commerce transactions, such as Face Book , Twitter and YouTube. Social network trading is growing since it promotes mutual engagement and consumer contributes to the purchasing and distribution of goods and services online. It contains evaluations and feedback of users, usage suggestions and connexions that draw buyers."

**E-commerce Trends in India-** Indeed, e-business has emerged as India's greatest potential. Buyers from small towns and cities now buy digitally in large numbers with the tremendous proliferation of cell telecommunications networks and the introduction of 3 G in the world. It is real that the internet has removed the element of segregation between small towns and big towns that allows consumers from small communities to purchase the same advertised brands and premium items that used to be the luxury of big town consumers. In December 2012, the McKinsey study presents seven main



findings on the effect and opportunities on Internet in India in the sense of the Indian Internet environment.

India is actually the third biggest pool with nearly 120 million Internet users in the world. India, with 330 million to 370 million Internet users in 2015, is likely to have the world's second highest consumer base and the biggest development base. The study also indicates that in the next three years, India is expected to raise its economic output from 1,6 to 2,8 to 3,3 per cent of GDP by 2015.

It has been reported that approximately 1 million big and small retailers use their online marketplaces to meet consumers through the Internet and Smartphone Association of India (IAMAI). These online stores are very versatile in appliances, comics, clothing, shoes, boots, jewellery, etc. In order to turn the nation into a digitally activated society and information economy, the 'Digital India' initiative was approved by Prime Minister Narendra Modi in August 2014.

The initiative intends to provide high-speed Internet connectivity to all Grama Panchayat levels among the fields of vision for telecommunications." The initiative also seeks to educate people digitally and highlights the need for universal digital literacy. Further, the 'Make in India' initiative of the Government of India, which encourages domestic and multi-national companies manufacture their products in India, can benefit greatly through the use of electronic commerce technology. Emerging ecommerce market is also being perceived as a huge business opportunity by the department of Posts.

India Post being one of the world's largest postal networks, covering rural, semi-urban and urban parts of India, is being seen as a potential delivery service provider to the ecommerce portals. Several ecommerce companies offering online shopping, such as Flipkart, Snapdeal, Shopclues etc. have tied up -with India Post to provide distribution

of products based on Cash on Delivery. The department is also in process of developing a pilot to provide on line sale facilities for rural artisans.

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