

ELECTRONIC COMMERCE AN ALTERNATIVE TO THE LABOR MARKET**Ciobanu Dumitru**PhD Student,
University of Craiova
ciobanubedumitru@yahoo.com**Dinuță Elena Claudia**Associate Lecturer PhD,
„Constantin Brâncuși” University of Târgu Jiu
claudia.dinuca@yahoo.com

Abstract: *The technological revolution of recent years about the spectacular development of the Internet has made its presence felt in the economy. Electronic commerce is already a major component of the economy and thus influences the labor market. In this article, we present electronic commerce as an alternative to increase the number of employees. Given that only 6% of Romanian currently use electronic commerce, its growth potential is huge and in terms of thoughtful strategies it can be achieved their guidance to specific regions. Attracting companies operating on the Internet in a given region can be done by providing incentives and beneficial effects will be felt not only through the number of employees but also through the services used by these companies.*

Key Words: *economic opportunities, electronic commerce, labor market.*

JEL Classification: *J49, L81.*

1. Introduction

If we refer to numbers, in Romania e-commerce is growing lightning fast currently having transactions worth hundreds of millions of euros per year. However, there is much skepticism about virtual stores, and sometimes they are judged wrong - like the idea of fraud. A possible reason for these biases is the ease with which they are launched online stores in general the low budget ones. Statistics say that for every two online stores open one closing.

The main reason that Romanians prefer shopping on the internet is the convenience with a share of 90%. The remaining 10 percent are divided among other reasons such as better pricing, reliability, etc.

Electronic commerce in Romania comes with a very interesting feature half of all online stores in the country are located in Bucharest - remaining percentages fall modestly between Cluj, Brasov, Timis, Iasi, etc. - all with percentages below 5%.

In terms of advantages offered by online shops across the country it seems that Romanians have different views: the vast majority of them, namely 90%, buy just because it is lighter, 87% are aware of the time and say it is faster and effective, 65% prefer that the prices are better and there is a greater variety of products.

Only 53% of customers believe that a good reason why you should buy online is the information provided on the products sold. We emphasize here that the Internet is ideal for information and offers advantages that no offline store can provide.

Electronic commerce works closely with courier companies through which products are sent to buyers.

Among the companies that carry products to Romanians distinguish Romanian Post and Fan Courier that hold monopoly with 40% respectively 33% of orders. Other carriers operating on the Romanian market are Cargus 7%, Urgent Courier 6% and Nemo 5%.

E-business is actually a new way of doing business, a new way of using technology as a way to create new companies. The Internet has revolutionized the business world that is constantly trying to adapt to the changing needs of the digital market.

Since the Internet has become an integral part of society of developed countries, this new medium could not escape the attention of traders. Internet was originally created to exchange information and email, while becoming the most dynamic business environment. In a few years, e-business concept has become a reality and works for everyone: customers, business, government. Today, large companies rethink their business using the internet to improve business (Dinuță, 2013).

Businesses run on the Web provide the opportunity of presenting to potential customers or partners products and specify where the company can be found. Company's web presence through a website has several advantages over the existence of a physical headquarters of the company.

2. Advantages and disadvantages of e-commerce

Among the most important advantages of development of electronic business for companies are:

- Ability to sell and make known their products globally; geographical constraints are removed, the number of customers may increase significantly;
- Communication with suppliers and customers to do business more quickly, implying a low cost and is more efficient, thus satisfying their requirements and expectations;
- Compared to a traditional business, starting an online business successful requires minimal investment;
- Help companies to save time and effort;
- Organizations can use electronic chat as a means of technical support and customer support;
- Ability to quickly launch new business while keeping old customers;
- Reduced costs for staff;
- Easing inventory operation;
- Elimination of time constraints, the work is non-stop;
- Improved image for company.

The benefits for consumers are numerous, among which the most important are:

- The possibility of permanent transactions;
- Give consumers a multiple choice;
- Lowest price for a product or service can be determined easily;
- Delivery of products or services can be done quickly in some cases;
- Relevant informations for consumers are transmitted in a short time. It take a few seconds, not days or weeks as with traditional businesses;
- Ability to participate in virtual auctions;
- Facilitates competition, leading to lower prices of products and services;
- Allows consumer interaction with other clients through virtual communities, which allow you to change impressions and compare experiences;

There are also disadvantages for business conducted on the Internet. We remember the following disadvantages for companies (Dinucă, 2011):

- Computer attacks by viruses that can cripple business;
- Attempts to fraud;
- The need to decrease the maximum prices of products or services which results in a lower profit.

Customers can hit the following problems (Dinucă, 2011):

- It can be quite difficult, especially for those less familiar with using the internet to find the best deal;
- There are many websites out of date;
- Sites that are trying to find out the person accounts for fraud.

There is no doubt about the need for a website to generate sales alongside traditional business.

With new online payment systems recently adopted by banks, the chances of the consumer to be defrauded online are lower than the risks posed by moving to a traditional store.

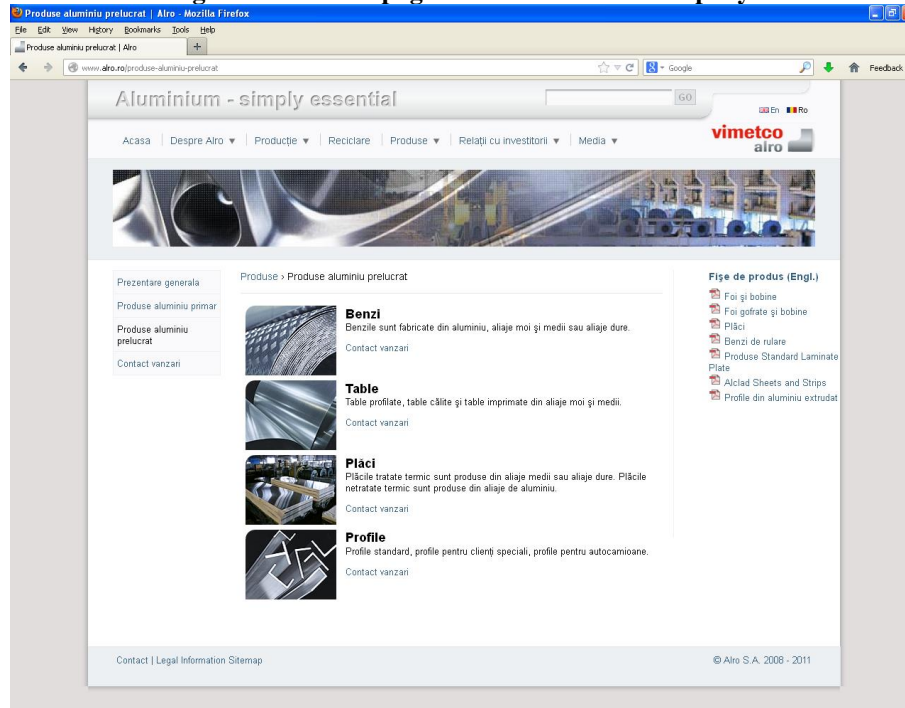
Area online has become very competitive, but there is always room for new visions, and more than that, in Romania, the online market is not in the state of maturity which means that the market can still be easily penetrated compared to other countries.

At this time, e-commerce offers a high potential for success for almost any type of business.

3. Examples of electronic business in the development area southwest Oltenia

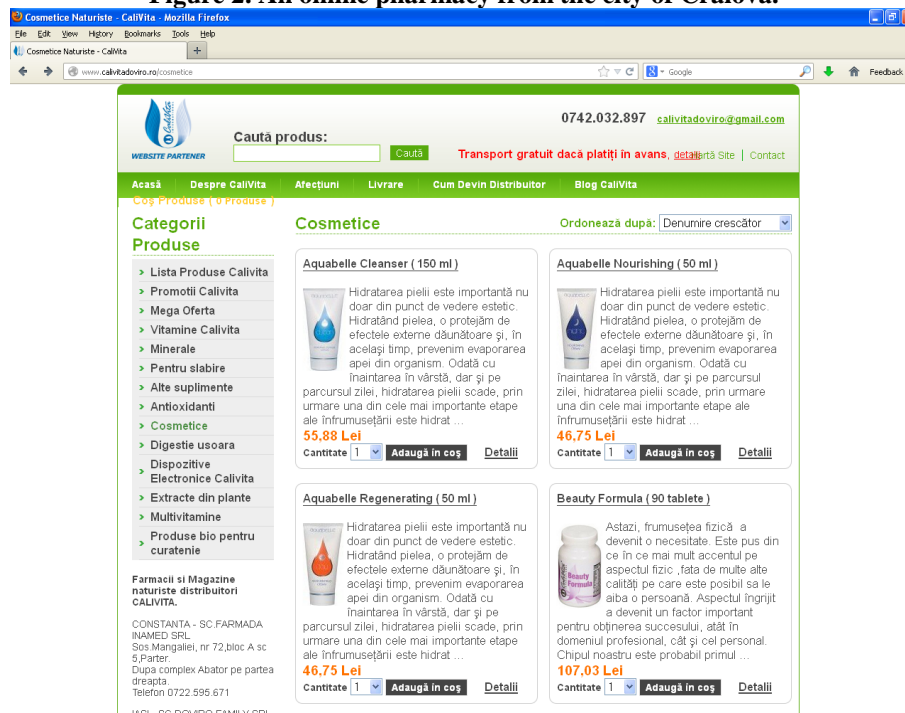
Electronic business can be stand alone or just one component of a traditional business. Figure 1 displays the presentation page for products of ALRO Slatina Company.

Figure 1. The web page of ALRO Slatina Company.



(Source: <http://www.alro.ro/produse-aluminii-prelucrat>)

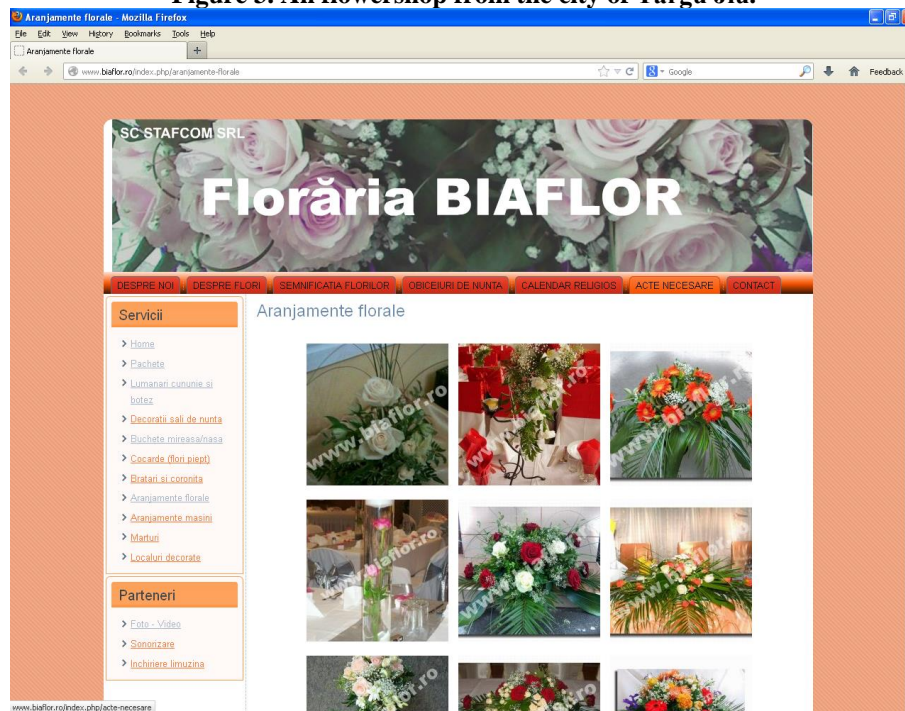
Figure 2. An online pharmacy from the city of Craiova.



(Source: <http://www.calvitadoviro.ro/blog-calivita/calivita-craiova>)

Figure 2 presents an online pharmacy based in the city of Craiova and in Figure 3 we can see the home page of an flowershop from the city of Târgu Jiu.

Figure 3. An flowershop from the city of Târgu Jiu.



(Source: <http://www.biaflor.ro/>)

Although many online businesses work with few employees in total they can reach a significant number of people involved in such activities.

4. Conclusions

Firms that operate on the internet can be attracted to certain areas by providing facilities such as exemption from building tax for a period. By attracting companies in certain areas, in addition to the jobs created the local service providers have to won.

Although online businesses require minimal investment in many cases it requires a warehouse from where the goods are delivered to customer. In this regard, local councils can attract investors by granting land concessions and / or other fiscal incentives.

Romania has the lowest level of penetration of e-commerce in the EU. Only 6% of Romanian prefers this way of buying reveals a study presented at the European Summit dedicated to consumers. Romania are followed by Bulgaria (7%) and Italia (15%). The highest percentage recorded in the UK (71%), Denmark (70%), the Netherlands (69%) and Luxembourg (65%).

This reiterates the development potential that the virtual environment it has at national level and justifies the efforts to be made to create an enabling environment for the establishment and development of online business at regional level.

References

- [1] Dinucă, C. E., *Aplicații ale tehnicilor data mining în E-Business*, Editura Revista Scrisul Românesc, ISBN 978-606-8229-73-7, Craiova, 2013.
- [2] Dinucă, C. E., *E-Business, a new way of trading in virtual environment based on information technology*, Annals of the “Ovidius” University, Economic Sciences Series Volume XI, Issue 1 /2011, ISSN 1582-9383, pp. 613-617, 2011.
- [3] *** <http://www.business24.ro/internet/comert-online/studiu-paypal-care-sunt-criteriile-romanilor-cand-cumpara-online-1524165> accessed April 2013.