
IMPACT OF ONLINE SELLING ON PHYSICAL RETAIL IN INDIA

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With the advent of time and technology, Internet has groomed as a new electronic retail channel for various transactions. Customers are more being attracted towards online shopping in comparison to traditional physical shopping. The purpose of this study is to review the impact of online selling on physical retail in India. The study also intends to review various factors that are affecting customers who are purchasing products online. To do this research, a survey was conducted amongst 420 customers, using online facility through Google forms. The responses have been analyzed by statistical methods such as frequency distribution, mean and graphical analysis. The survey results have been analyzed on the basis of various factors and factors and parameters such as age and gender of customers, modes of purchasing a product, most preferred online website, kinds of products purchased etc.

Keywords: online shopping, traditional shopping, internet.

1. INTRODUCTION

With the passage of time, Internet has gained huge popularity in computer world. Internet has become bread and butter of many. The facility of online shopping on Internet has made the life of people to be easy. People no more have to visit market physically for purchase. They can simply place order and purchase a product by just one click, sitting at their place. In this research, trends of various online shopping sites are tried to be studied. Online shopping websites, such as- Amazon, Myntra, Flipkart, Snapdeal and eBay are mainly focused.

In this research, an online survey was conducted. The responses from survey are gathered, filtered and analyzed. On the basis of the survey, different factors are considered which affects the online shopping. Some factors such as – gender, different age groups, mode of purchase, mode of payment and genuineness of the product are studied and analyzed that affects the online shopping. These factors are of utmost concern as they may increase the affinity of customers towards online shopping or may ruin it. Frequent visits on eBay, customer satisfaction and most preferred website are also studied in this paper.

The paper finally concludes that online shopping is gaining high attention of customers day by day but on the other side traditional shopping has also not been vanished. Traditional shopping still has its own place and relevance. Traditional shopping is still liked by people as it indulges them in social activities, change of mood, exposure and fun. Moreover, online shopping is advantageous for those who are well acquainted with computer world.

2. LITERATURE REVIEW

In developed nations, retail industry has shown a growing trend in online shopping. Based on the statistics, the shoppers purchasing online has increased rapidly and as well as the quality of their purchases has given an additional advantage (Monswé et al., 2004). The change has started in 1990 when an internet and e-commerce propelled up suddenly and transformed the environment of retail sector (Chen & Chang, 2003). The online industry has complemented and substitute to online shopping (Rezaei et al., 2014). The consumers are using internet for not only online purchases of goods and services but also achieve knowledge for prospective buyers.

2.1 ONLINE SHOPPING EXPERIENCE

The authors (Demangeot & Broderick, 2006), says that when a customer shops online, he is not only a consumer but also a computer user. They also describe that the online shopping depends upon customer's shopping goals, their expectations and motivations. To attract users, the website interface must have colourful themes, fonts, photos, graphics, logos etc. Other factors such as low pricing, good customer services, easy navigation, return and replace policies, also affect the likes and dislikes of online shopping websites.

Huang (2003) states, that the online shopping is very user interactive. It is necessary that the content on website must be accurate and relevant as it affects the websites' aspect ratio. The design of website must also be highly friendly and attractive for successful clientage.

The experience of online customers can be improved by collecting a feedback about the problems they face while online shopping. The major problem that customers face is safety. Companies should strive to take action and improve their services. They also should work to prove themselves to be more reliable in terms of delivering good quality products within the stipulated time, giving product's correct information, after delivery services and making their websites more safe and secured.

2.2 Perception of Online Shopping

Perception is another factor which affects online shopping. If customers get more than as expected, they become loyal to that particular online website. On the contrary some customers prefer to shop traditionally by visiting market physically because they perceive traditional shopping as change in mood and fun (Chen & Chang, 2003). Other factors such as- exposure to market, market ambiguity, position of competitors in the market, also affects and changes the perception of online shopping.

Authors (Monsuwé et al., 2004) have found in their research that almost half of the respondents spend a minimum of one hour every day on online retail websites. They also found that men's fashion has led more men to participate in online shopping. To summarize, people are accepting the new concept and phenomenon of online shopping and it is growing with time. However, it should not be ignored that traditional shopping is still an eyeball of customers and is equally relevant.

2. RESEARCH METHODOLOGY

The research methodology comprises of various steps, such as sources of data, sample size, sampling techniques, data collection techniques and data representation tools, that are discussed as under.

Sources Of Data - Primary data have been gathered through responses from people using Google forms. People were asked to fill an online survey form, comprised of questions that are relevant to the research.

Sample Size - A total of 420 responses were gathered using the online survey method.

Sampling Techniques - For convenient study, sampling technique method has been applied on the basis of suitability for the availability of information.

Data Collection Techniques - The data for the study has been collected through responses from people using Google forms.

Data Representation Tools - The collected data was analyzed statistically and is represented diagrammatically in form of charts and percentages in the paper.

2.1 RESEARCH OBJECTIVES:

Objective 1: To display the age group preference according to the online site

Objective 2: To display the mode of preference of buying behaviour according to age

Objective 3: To show number of males and females came across the counterfeit products.

Objective 4: To display the satisfaction level of customers.

3. ANALYSIS

The base for calculating the percentages of people is 420 people. A total of 420 responses were gathered using online survey method and calculations are done. The following screenshot defines the raw data which was primarily collected from the online survey.

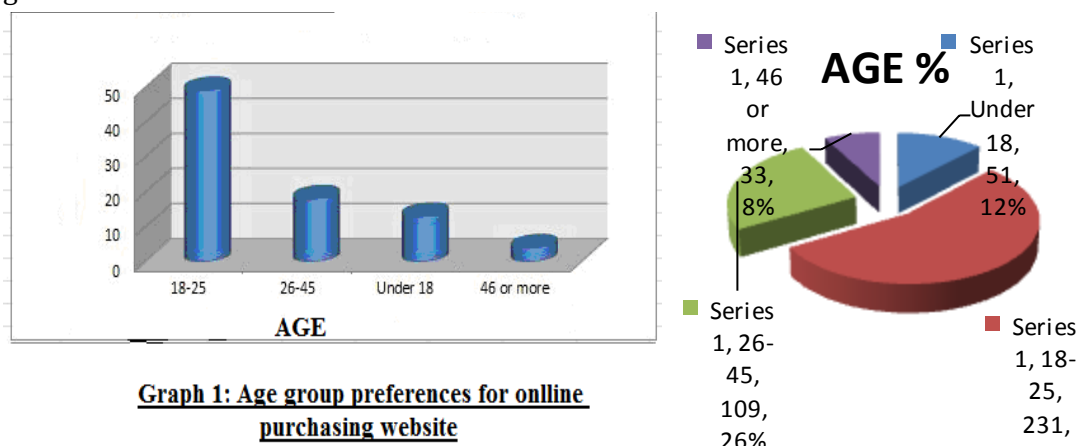
How old are you?	What is your gender?	how do you make your pu	Do you make online purc	Which online site do you	How many times in a mor	What kind of products do	Have you ever heard about	How often do you v
18-25	Female	Online	Yes	Flipkart	2-3	Apparel	Yes	
26-45	Male	Physical retail	Yes	Flipkart	10-15 times			
26-45	Male	checking online- buying a	Yes	Flipkart	10-15 times	Fashion Accessories	No	Once a month
18-25	Male	checking physical- buying a	Yes	Snapdeal		4 Electronics	No	Once a year
18-25	Male	Online	Yes	Amazon		10 Electronics	Yes	Once a month
26-45	Male	Online	Yes	Flipkart	10-15 times	Fashion Accessories	No	
18-25	Female	Online	Yes	Flipkart	4-5	Fashion Accessories	Yes	Once a year
18-25	Female	checking online- buying a	Yes	Myntra		30 Apparel	No	Never
18-25	Female	Physical retail	Yes	Amazon		Electronics	No	
18-25	Female	checking online- buying a	Yes	Myntra		6 Apparel	No	Never
18-25	Male	Online	Yes	Flipkart		10 Apparel	Yes	Once a month
18-25	Male	Online	Yes	Snapdeal	30-40 times	Fashion Accessories	Yes	Never
18-25	Female	checking online- buying a	Yes	Amazon		4 Apparel	Yes	Once a year
26-45	Male	checking physical- buying a	Yes	Amazon		4 Electronics	No	depend on discour
18-25	Male	checking online- buying a	Yes	Flipkart	thrice a month	Electronics	No	Once a year
18-25	Male	Online	Yes	Flipkart	More than 20	Electronics	Yes	Once a month
18-25	Female	Physical retail	Yes	Flipkart		15 Fashion Accessories	Yes	Once a month
Under 18	Male	Online	Yes	Snapdeal		5 Apparel	Yes	Once a month
18-25	Female	checking physical- buying a	Yes	Flipkart		3 Fashion Accessories	No	Once a year
26-45	Male	checking physical- buying a	Yes	Flipkart		6 Electronics	Yes	Once a month
18-25	Male	checking online- buying a	Yes	Amazon		3 Electronics	Yes	Once a month
Under 18	Female	checking physical- buying a	Yes	Snapdeal		5 Fashion Accessories	Yes	Once a month
18-25	Male	online	Yes	Flipkart		7 Electronics	Yes	Once a week

Figure 1: Data collected through online survey

On the basis of data collected and gathered through online survey, depicted in above table, the collected responses have been summarized, analyzed and depicted as follows.

3.1 AGE OF THE PEOPLE

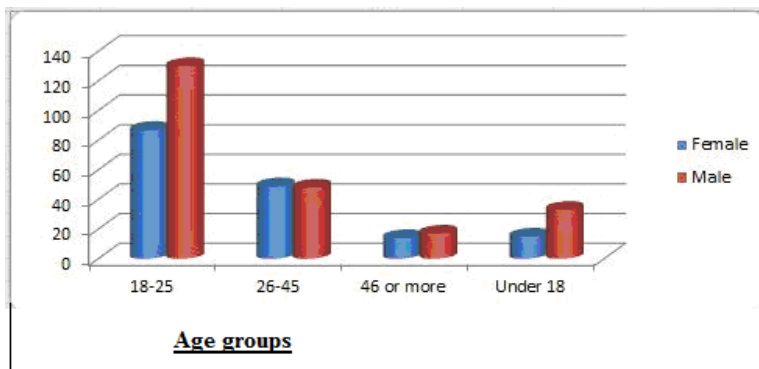
In the survey, the Age group was divided in the ranges of: Under 18, 18 – 25, 26 – 45 and 46 or more. The following pie chart shows the percentage of age group of people from whom the responses were gathered.



Graph 1: Age group preferences for online purchasing website

3.2 GENDER

Out of all the responses that were gathered 41 % of people were female and 59% male. The following pie chart shows the depiction of the percentage of the gender from those responses that were gathered.

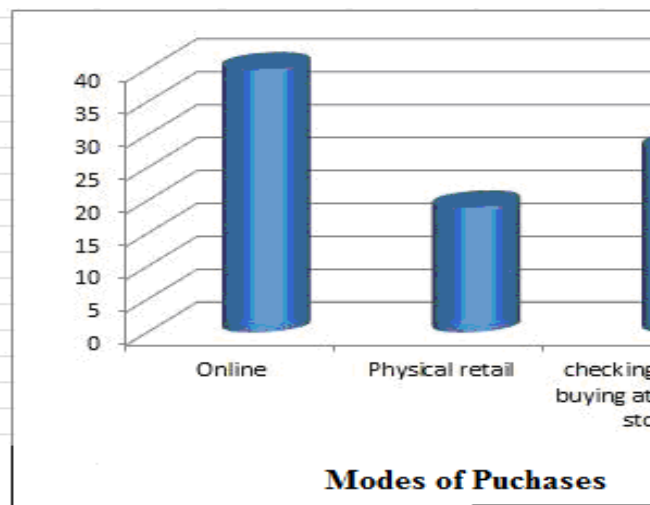


Graph 4: No. of males and females according to different age groups

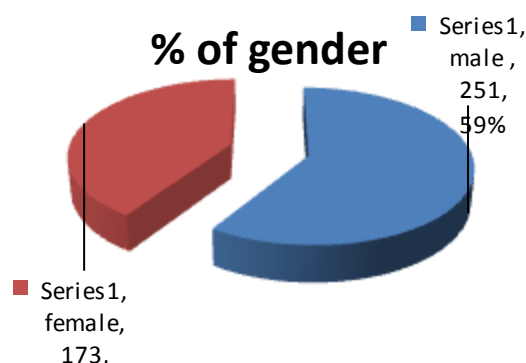
3.3MODE OF PURCHASE

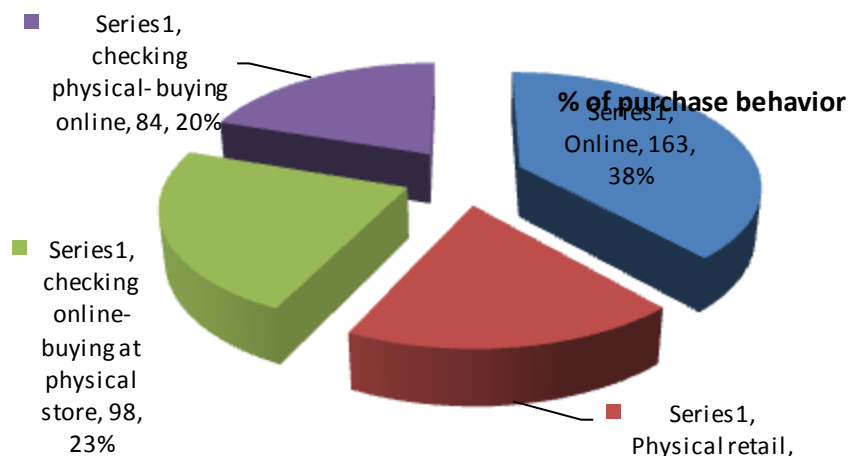
The following pie chart shows the percentage of people preferring different modes of purchasing. The purchase modes are categorized in four categories. They are- Online purchase mode, Physical retail purchase mode, Checking online- buying at physical store purchase mode and Checking physical-buying online purchase mode.

Out of these four purchases mode options, the maximum percentage (38%) of people prefer buying there stuff online.



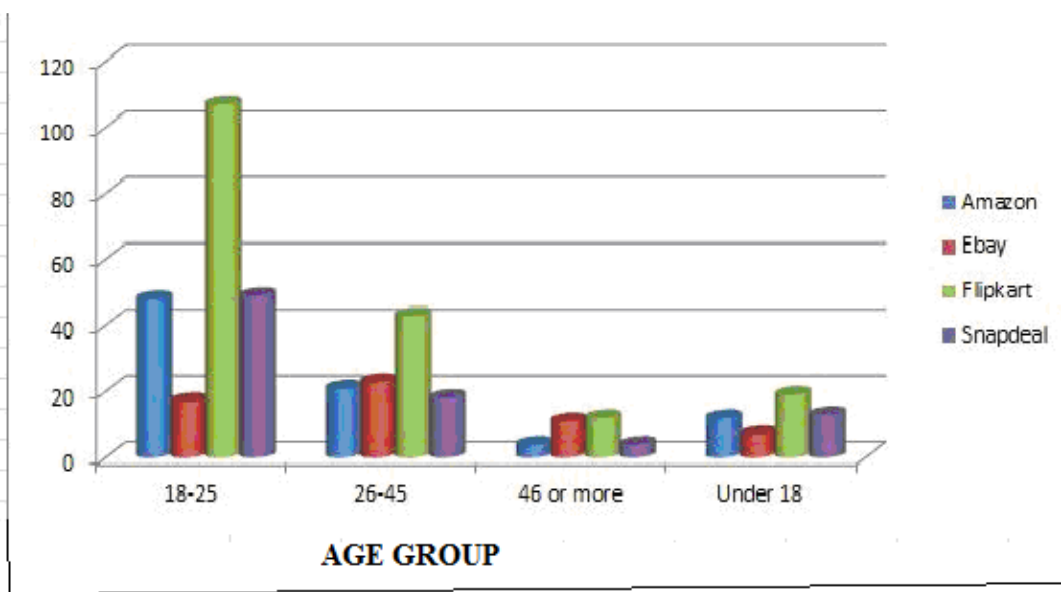
Graph 3: No. of users opting for vario



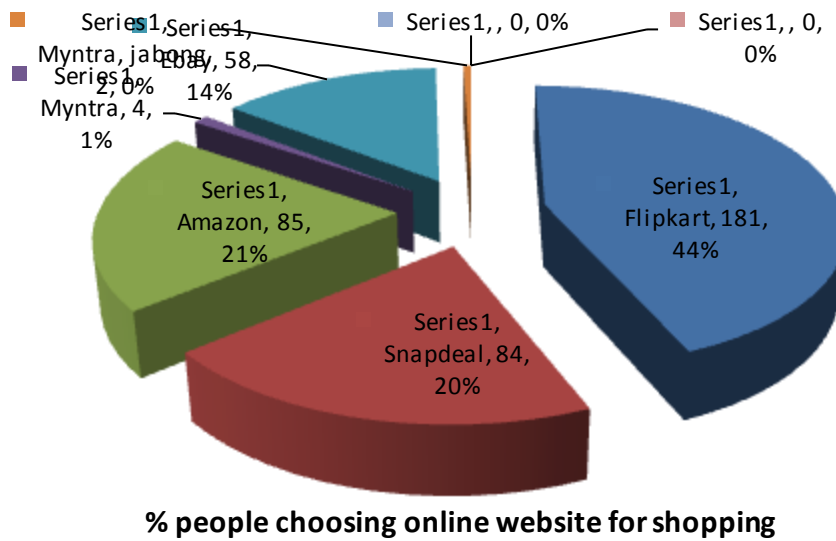


3.4 MOST PREFERRED ONLINE SITE

The following pie chart shows the percentage of people preferring various online sites for making their purchases. The survey reveals that maximum percentage of people (44%) prefer buying from online website Flipkart, in comparison to other surveyed websites, that are- Myntra, Snapdeal, eBay and Amazon.

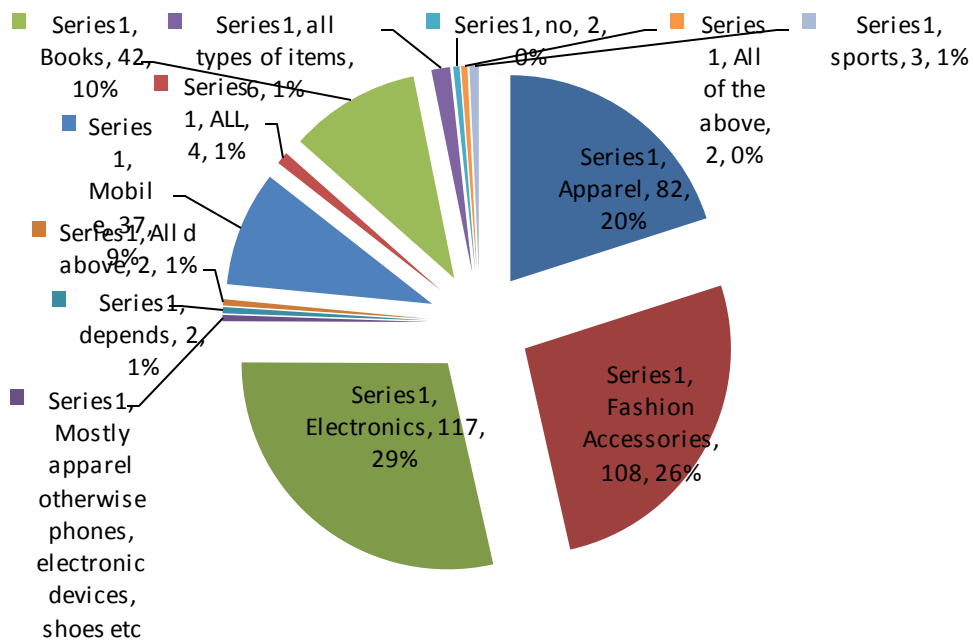


Graph 2: No. of customers using different online websites according to various age groups



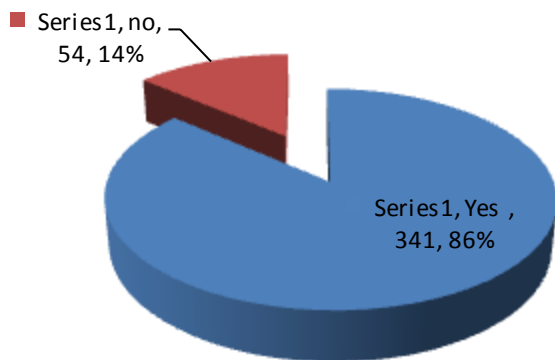
3.5 KIND OF PRODUCTS PURCHASED ONLINE

The following pie chart shows the percentage of people buying different kinds of products online. The maximum percentage of people (29%) buys electronic products through online mode.



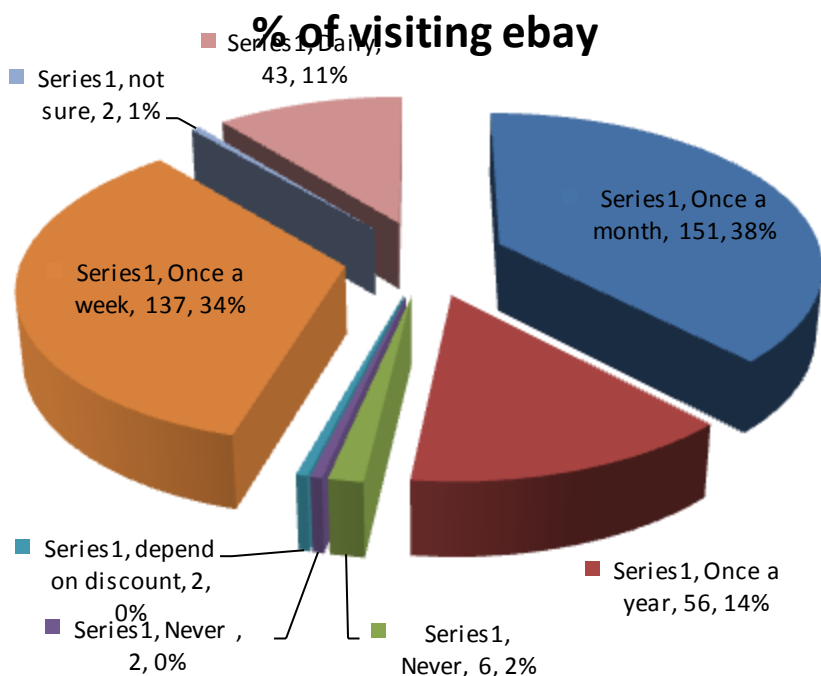
3.6 PURCHASE ON EBAY

86% of all the people who were surveyed, had heard of the online site, Ebay and had placed orders on it while 14% of the people had not even heard of Ebay.



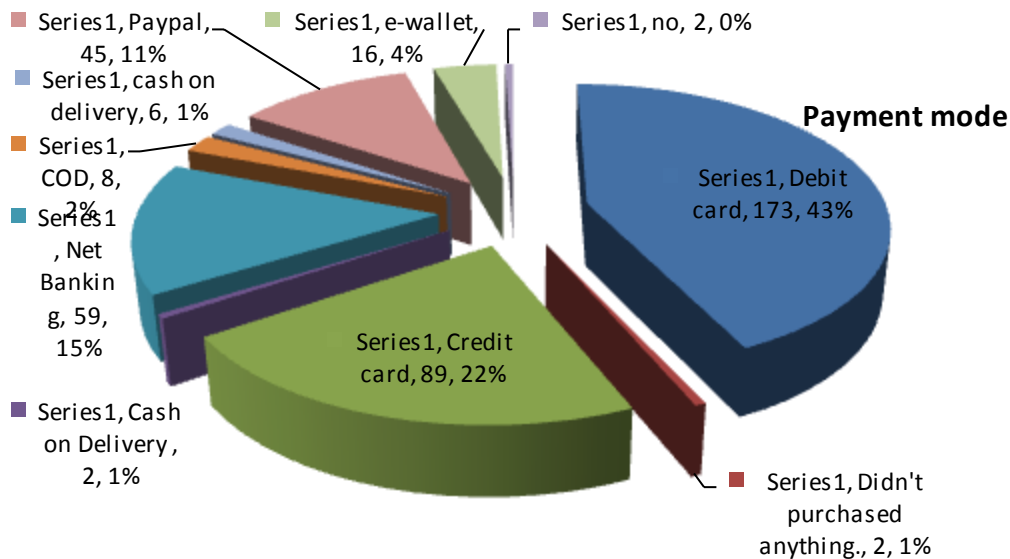
3.7 FREQUENCY OF VISITING EBAY

38% of the people who were surveyed visited Ebay once a month, 34% visited once a week while 14% visited once a year.



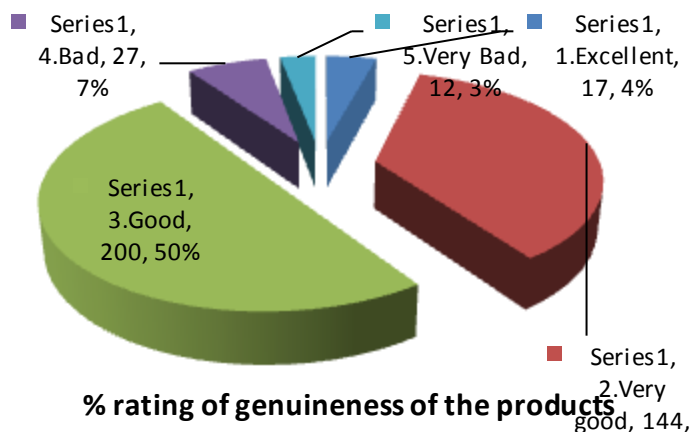
3.8 MODE OF PAYMENT

Maximum percentage of people (43%) prefers making their payments using debit card followed next by credit card (22%).



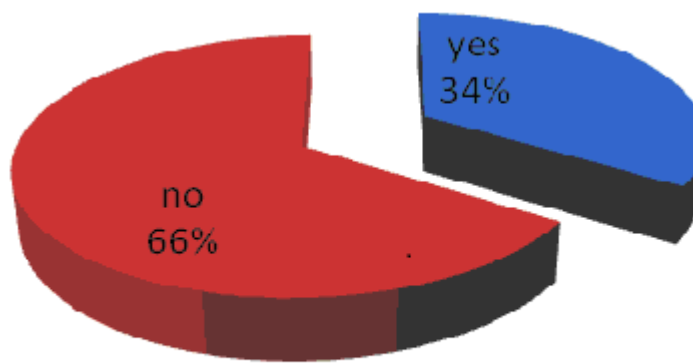
3.9 GENUINENESS OF THE PRODUCTS ON EBAY

Out of all the people who were surveyed, 40% rated the products to be of good quality and genuine. Out of those 40%, 36% rated the products with very good and 4% rated to be excellent, in terms of quality and genuineness. On the contrary, 10% complained that products on Ebay are not genuine.



3.10 COUNTERFEIT PRODUCT ON EBAY

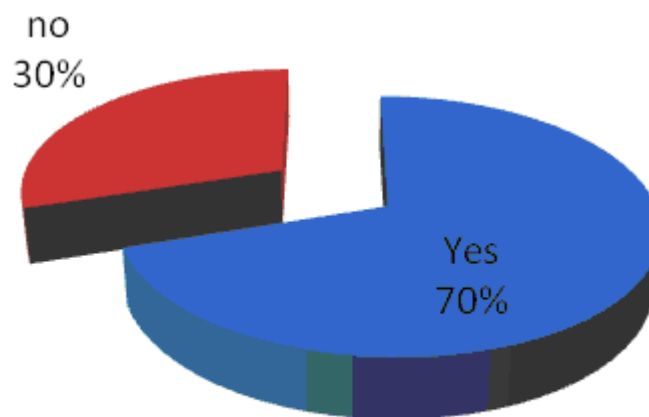
Out of all the people who were surveyed 34% of the people thought that there are counterfeit products available on Ebay while 66% people trust the genuineness of the products and do not find it to be counterfeit.



% of customers counterfeited product

3.11 RETURN POLICY

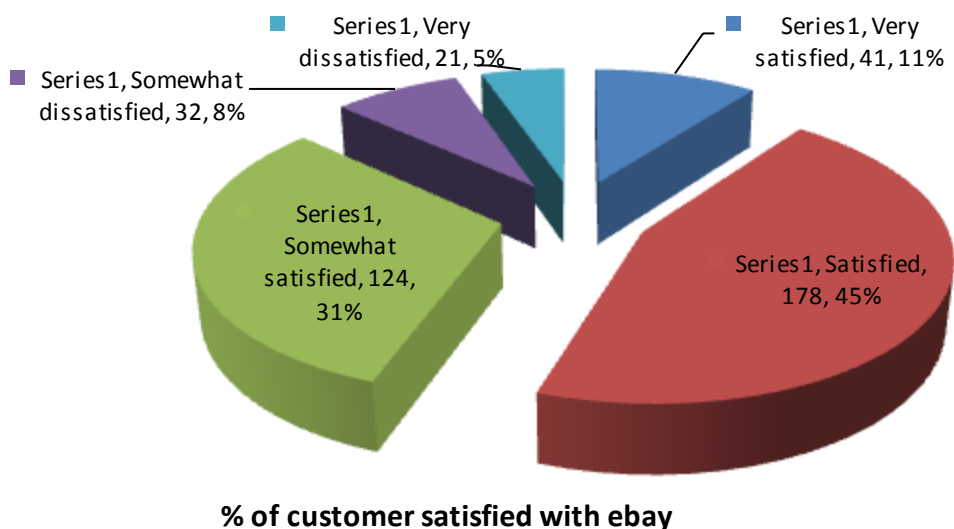
Out of all the people who were surveyed 70% of the people placed a return order on eBay.



% of satisfied and dissatisfied customers on eBay

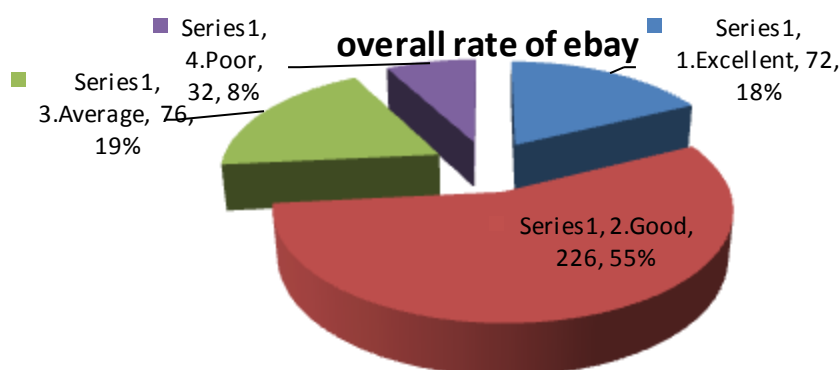
3.12 SATISFACTION WITH THE RETURN PROCESS

Among 70% people, 11% were very satisfied and 45% were satisfied with the return process, while 8% were somewhat dissatisfied and 5% were very dissatisfied with the return process on eBay.



3.13 OVERALL RATING FOR EBAY

18% of all the people rated eBay to be excellent, 55% people rated it good while 19% people rated it average and only 8% rated eBay to be poor.



4. SUGGESTIONS

Retailers have changed their attitude towards the market. Today's market is consumer oriented market and as a result the priority is the consumer satisfaction. Better quality products, fair prices and friendly after-sale services are the basic areas in which the business has to concentrate to attract the customers so as to survive in the retail market. Additional services should be provided to the customers to woo them and build upon a loyalty which in turn would ensure a stable sales in the years to come.

5. CONCLUSION

The face of retail has changed. The advent of technology in recent period is the primary reason for it. Today, retailing means purchasing products from shopping centres or online through Internet. In all these, small retailers miss out somewhere. But the nearby store is always the most important concern for all reason and seasons. It needs to revive not just survive. The retail stores needs to simply uplift its pattern of business and face the competitive world with a more positive outlook. E-stores and retail stores both have to survive, none at the cost of the other. It's not just about the livelihood it gives to the thousands of people but also the convenience and the steadfastness of a fixed retail store.

6. Future Scope

The internet has given a very good platform for online shopping to customers. The research has been done on various numbers of parameters and factors that affect an online shopping. However, there is still a wide scope for future research. Researchers should look into how continuous growth of internet will affect consumers in the future generations and whether traditional shopping will still remain relevant in the next few decades.

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