

Experience of On-line Shopping with Reference to the Students of Department of Commerce, Savitribai Phule Pune University

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Abstract - The growth of organised sector has undergone lots of changes in the past few years. 1991 has opened up a new chapter of the history of retailing and the world of e-commerce. E-retailing has become the choice of most of the customers in India and has gained lot of popularity since then. E-retailing has become simpler, easier, quicker, accessible for most of the customers. It has brought a new experience of shopping to the world. It has created and added lot of flavour and excitement not only to the retailers but the whole community and has given an entirely new experience of shopping. The success of E-retailing largely depends upon the success of IT sector in India. The following paper makes an attempt to study the growth of e-retailing and the impact it has created in India.

Keywords - Retailing, Brick and Mortar retail outlet, Information Technology, E-Commerce.

I. INTRODUCTION

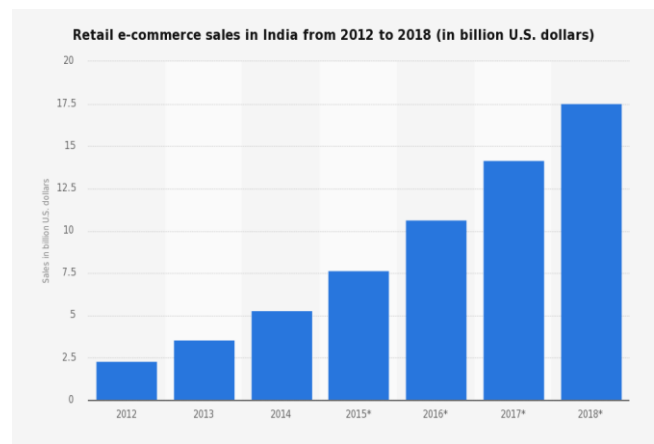
E-commerce refers to the purchase and sale of goods and services over the internet. The concept was introduced in India in 1991 and it was first time taken into action in 2002 by Government of India for online ticket booking of railway passengers. Followed by the unpredicted success of railways, in 2003, the airline industry also introduced the online ticket booking. The big yes for acceptance of e-commerce influenced the big business players to try the technique of E-business with deep discounting model introduced in 2007 by Flipkart. The success came to e-commerce because of the hundred percent FDI to the retail sector.

There has been an immense growth in sales by e-commerce retailers since 2012 as through the report by Sphinx solutions it is observed that the growth of \$ 2.5 billion U.S. dollars will rise to \$ 17.5 billion U.S. dollars in 2018. A huge market share has been captured till today as proposed sales of 2016 is showing the sales of approximately \$ 11 billion U.S. dollars. Hence, the report concludes that e-commerce retailers have a bright future ahead.

Objective:

1. To study the impact of e-retailing on consumers.
2. To study the experiences of customers on online shopping

3. To study the customers perception towards online shopping
4. To study the advantages and disadvantages of online shopping as experienced by the online shoppers.



Source: Report on Impact of FDI in Retail in India, www.sphinx-solution.com

Graph 1: Sales by e-commerce retailers in India from 2012 to 2018

II. LITERATURE REVIEW

February 11, 2016, Business Standard reported that FDI in e-commerce retail sector would impact small businesses. FDI would bring a big jolt to e-commerce players as they can sold cheaper goods at low prices and offer large discounts.

The confederation of All India Traders. On February 23, 2016, Business Standard released the news that retail outlets like Reliance, More, Vishal and Big Bazar have tied up with Paytm to offer customer mobile wallet services, this can help customer to shop with ease and convenience, they can also avail cash back facilities

February 19, 2016, The Economic Times published the news, Curated online retail store Jaypore has raised Rs 30 crore in funding from social venture capital firm Aavishkaar, news released by US-retail giant Walmart is gearing up its India presence by expanding store strength from the current 21 to 70 by 2020.

February 16, 2016, news published by The Economic Times that the country's top on line e-retail player Mynta has launched mobile app only to retail and get back their lost customers

III. RESEARCH METHODOLOGY

The study is based on both the primary and secondary data.

- The primary data was collected from the 50 students of Department of Commerce, SavitribaiPhule Pune University who have experienced online shopping. The responses were collected through the questionnaire. The sampling method used was Random Sampling.
- The secondary data was collected from the published and unpublished records and reports from books, newspaper and internet.

IV. DATA ANALYSIS AND INTERPRETATION

The analysis of the impact of e-commerce on retail sector is based on various parameters. The parameters are as follows:

1. Means of shopping: Buyers by the product through two means online shopping or they actually visit the shop.



Graph 2: Means of shopping

Source: Primary Data

Information reveals that 64% of students buys good on-line. 36% shop by visiting the shops physically.

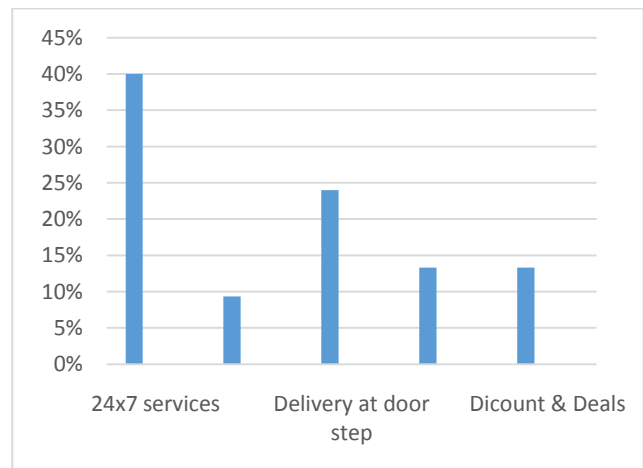
2.Satisfaction by shopping online: Customer satisfaction is the main priority of a seller. The customers always prefer that mode of shopping which satisfy them the most. 58% of the sample population are satisfied by shopping online whereas 48% are not quite satisfied by shopping online.



Graph 3: Satisfaction by shopping online

Source: Primary Data

3.Attractive Advantages of shopping online: There are various advantages of online shopping which attract the customers to shop.

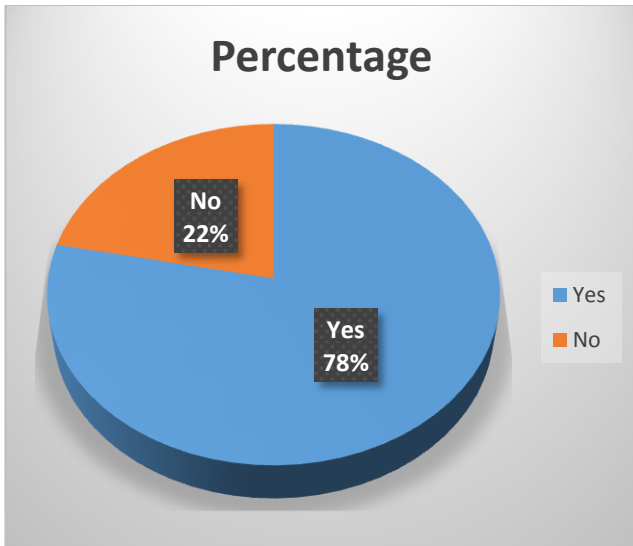


Graph 4: Attractive Advantages of shopping online

Source: Primary Data

40% prefer online shopping because of its services available 24x7.They can shop any time and any where,8% shop because they feel online shopping provides quick delivery,24% people shop because they have experienced the delivery at their door step.14% shops because they have numerous choice and 14% shop because of discounts and deals.

4.Bad experience by shopping online: There is always a flip side of everything. It is a tough job to delight a customer and sometimes the customers are not happy and satisfied with the shopping experience and hence have a bad shopping 72% of respondents have given a positive feedback about their experiences with online shopping, whereas 28% respondents have experienced bad experience with online shopping.



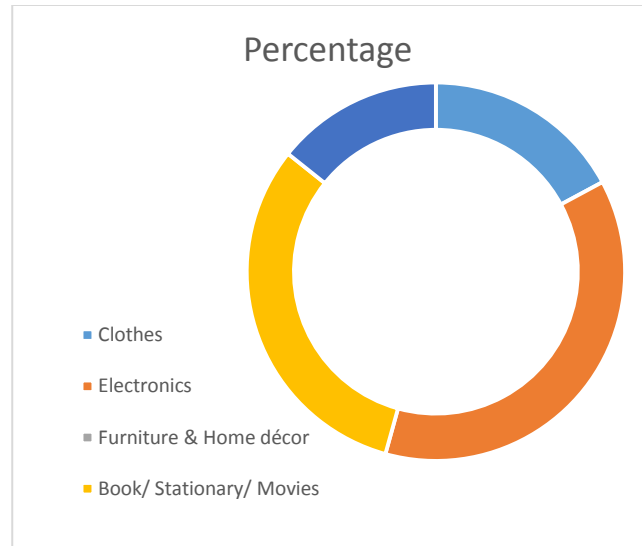
Graph 5: Bad experience by shopping online
 Source: Primary Data

5. Demerits of shopping online: Various demerits of online shopping are that shipping rates are high, refund/ return disputes, Warranty issues, Wait for the product to get delivered and low quality of product 33.80% of the sample population has faced the problem of refund and return of the products and the next issue is warranty as some products get defected and 20.90% then they face the problem of no nearby care center. 12.90% of the sample population do not buy the product as the shipping rates charged are very high or if they want the product immediately they cannot get it immediately as they have to wait for the delivery of the product.



Graph 6: Demerits of shopping online
 Source: Primary Data

6. Popular product category to shop online: Online retailers provide a number of product's categories. The numerous choices provided by the seller attract the customers.



Graph 10: Popular product category to shop online.
 Source: Primary data

37.14% of the sample population prefer to buy electronics good the most. 31.43% of the sample population prefer to buy the books/ stationary/ movies.

V. OBSERVATIONS & FINDINGS

The findings of the study are as follows:

1. 64% of the sample population buy the products online and they are satisfied and attracted much more by the online retailers than the brick and mortar retailers.
2. 72% population said that they face lesser bad experience and are loyal to their favorite websites through which they shop at least 1-2 times in a month.
3. 73.17% of the sample population feels convenient to buy the products online than actually visiting a shop.
4. The online retailers have created a big and positive impact on the mind of masses through their aggressive promotions and advertisement.
5. The virtual/ online retailers have increased their profits through their discounting models i.e. by providing heavy discounts & deals.

Hence, it is observed through the study that large population is attracted to buy products online as they provide the 24x7 services and aggressive marketing techniques are used to retain the customers. The discounting model used by the online retailers has increased the pace of their growth and profitability and has given a hit to the brick and mortar stores. According to a news report on November 13, 2014, released by Business Standard that "The complaints of deep discounts have reached the doorstep of Commerce and Industry Minister Nirmala Sitharaman, and officials of the Competition Commission of India (CCI) are busy reading up on online

retail, so far an unexplored subject for them. They are assessing if the flash sales online constitute predatory pricing.”

Therefore, this pressure by the online retailers has pressurized the brick and mortar retail business to go online so that they can match with the growth of online stores and give them a competition to grab the market.

VI. SUGGESTIONS

The e-commerce companies should create a sense of trust and confidence amongst its customers by providing them proper addresses and phone numbers. The speed of the site affects the buyers behavior as according to a study by KISSmetrics blog website 40% customers abandons a website that takes more than 3 seconds to load. They should provide the detailed description of the data and high-resolution pictures of the product should be displayed so that customer is aware of what he/she is ordering and do not feel cheated afterward. On the other hand, Physical retailers should promote their offline products online by sending messages and e-mails about new products and services, promotion through social media sites. They should persuade customers to take action by providing a limited edition of a product. Physical retailers have a big advantage of providing touch or feel of the product/service, so they should use this advantage by providing demo services at the door steps of customer also. They should also attract customers by organizing small events to attract the customers like providing free advice to them by experts or organizing an event by welcoming a renowned celebrity/personality. During the period of study, it is analyzed that Physical retailers are having bigger advantages than online retailers, they are just lagging behind because there are not effectively implementing those advantages in practice.

VII. CONCLUSION

Although online retailing has created a better impact on the consumers they are still suffering huge setbacks in terms of profitability and reason would be the discounting sales. So, it is a learning lesson for the online retailers to change their model of selling and reduce the discounts provided. This, in fact, increases the customer loyalty towards their product and hence, the online and retail stores should focus on building customer loyalty rather than growing their sales. According to the recent data report, the number of digital buyers in India alone is expected to reach 41 million by 2016, representing some 27 percent of the total number of internet users in the country. Therefore, hypothesis H0 has been proved as the customers are attracted and satisfied by e-retailers than physical retail shops.

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