



## A Review on the Impact of Online Shopping on Consumers Behaviour

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### ABSTRACT

The present paper is an attempt to study the consumer behavior towards online shopping. The objectives of the study are: to identify the relationship of demographical factors that influence online shopping, to study the preferences of the consumers toward online shopping and to study the satisfaction level of the consumers while they shop online. This study examines how shoppers assess channels for their buying. In particular, it fosters an applied model that tends to a buyer esteem view of utilizing the Internet versus the customary i.e. physical channel. View of value, item quality, administration quality and hazard unequivocally impact apparent worth and buy goals in the disconnected and online channel. Proposed study will be helpful to retailer for their channel migration and it will be beneficial to consumer for proper channel choice on the base of shopping value. Results might show the presentation of directs in conveying worth to buyers and how worth is built in the two channels. Perceptual contrasts among on the web and disconnected customers can disclose the inspirations to receive a specific channel. Researcher might think about rates as engaging measurable instruments while Chi-square will be an inferential factual apparatus.

**Key words: consumer behavior, online shopping**

### INTRODUCTION

With the rapid global growth in electronic commerce (e-commerce), businesses are attempting to gain a competitive advantage by using e-commerce to interact with customers (Demangeot and Broderick, 2007). Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Michael Aldrich is the man who invented online shopping in 1979. Growing numbers of consumers shop online to purchase goods and services, gather product information or even browse for enjoyment. Online shopping environments are therefore playing an increasing role in the overall relationship between marketers and their consumers (Koo, Kim and Lee 2008). With the increasing internet literacy, the prospect of online marketing is increasing in India. Alternative names of online shopping are: e-web-store, e-shop, e-store, Internet shop, web-shop, web-store, online store, online storefront and virtual store. As the Internet has now become a truly global phenomenon, the number of Internet users worldwide is expected to reach 1.8 billion by 2010 according to the survey of Click Z Stats, cited in Kotler & Armstrong (2008). These growing and diverse Internet populations mean that people having diverse tastes and purposes are now going to the web for information and to buy products and services. Thus, the impact of these online shopping environments on consumer behaviour necessitates a critical understanding for marketing planning. The present paper is an attempt to study the consumer's behaviour towards online shopping.

The advancement in technology offers great freedoms for the merchant to arrive at the client in a quicker, simpler and efficient way. Web based shopping has been arising quickly as of late. Today, the Internet is focusing on the retail market. Many individuals shop online. Then again, the item has been purchasing from the customary market for quite a long time. Numerous clients go to purchase disconnected so check the item and own ownership of the item solely after paying for the item. Client steadfastness in this cutting edge world relies upon the capacity to convey quality, worth and fulfilment. Some go out to shop disconnected, some on the web and many go for both kind of shopping. The investigation centres on the



decision of the purchaser to shop on the web and in conventional stores in the time of obtaining of data. Being a wellspring of correspondence, data and amusement, the Internet is progressively seen as a vehicle for business exchanges subsequently buyers have progressively great mentalities toward web based shopping. With the advent of multiple channels and a corresponding increase in the competition between channels, the understanding of consumers to purchase from one channel rather than another becomes an increasingly input to channel design and management.

### REVIEW OF RELATED STUDIES

According to (Kapoor, 2012), online decision making and online shopping phenomena are governed by a number of consumer acceptance and behavior characteristics and grounded in theoretical aspects of consumer decision making. There are number of factors that affect what we buy, when we buy, and why we buy. In reference to buying online, the factors that influence consumers are marketing efforts, socio-cultural influences, psychological factors, personal questions, post decision behavior, and experience. (Jun and Jaafar, 2011), business revolution is a good example which is provided by online shopping. Ecommerce is experiencing a period of rapid development currently in China; for the expansion of the online shopping market, large number of Internet users provides a good foundation. After studying and analyzing different variables this research found that there were relationships between the perceived usability, perceived security, and perceived privacy, perceived after-sales service, perceived marketing mix, perceived reputation and consumers' attitude to adopting online shopping in China. However, only marketing mix and reputation were significantly influence consumers' attitude to adopt online shopping. After studying this journal we able to understand consumers' online purchase behaviour.

Ramirez Nicolas (2010) state that "The Internet has changed many facets of our daily lives: the way we relate and communicate with one another, how we interact with a bank, read newspapers or watch television. Even the way we buy and sell. These changes have occurred due to the constant flow of companies offering new business models and innovative formulae. Discount coupons have always been a powerful marketing tool. Whether inserted in printed media or posted through letter boxes, they attracted new customers and were also offered at the time of purchase to promote consumer loyalty by encouraging repeat purchases at outlets.

Sharma and Mittal (2009) in their study "Prospects of e-commerce in India", mentions that India is showing tremendous growth in the Ecommerce. Undoubtedly, with the population of millions of people, online shopping shows unlimited potential in India... Today E-commerce is a common word in Indian society and it has become an integral part of our daily life. There are websites providing a number of goods and services. Then there are those, which provide a specific product along with its allied services. Multi-product ecommerce-These Indian Ecommerce portals provide goods and services in a variety of categories. To name a few: Apparel and accessories for men and women, Health and beauty products, Books and magazines, Computers and peripherals, Vehicles, Software, Consumer electronics, Household appliances, Jewelry, Audio/video, entertainment, goods, Gift articles, Real estate and services. The earlier studies revealed that certain attributes making impact on intention to purchase through online. But there is no research to consider those factors with the focus of specific demographical characteristics, preferences and perception. Thus, the present study tries to understand the consumer's behavior towards online shopping with reference to their demographic characteristics, preferences and perception.

Zeithaml (1988): Addressed that the effort and time invested are mediated through the perceptions of product price for money, different researchers advocate that those prices also can immediately impact keep buy intentions. Consumers who purchase particularly high priced/low first-rate buns at fuel online stations improbably say they do get hold of true



price for money. Additional effort and time expenses to visit a nearby keep appear to save you them from creating a detour.

(Shanthi and Kannaiah, 2015) studied that mostly the youngsters are attached to the online shopping and hence the elder people don't use online shopping much as compared to the younger ones.

The study highlights the fact that the youngsters between the ages of 20-25 are mostly poised to use the online shopping. It is also found that the majority of the people who shop online buys books online as it is cheaper compared to the market price with various discounts and offers. The study also reveals that the price of the products have the most influencing factor on online purchase.

Sweeney, Soutar and Johnson (1999): research showed that the consequences of service quality on behaviour are largely mediated by value perceptions it's also found an immediate link between service qualities and buy intentions.

Agarwal and Teas, (2001): address that worth encompasses a twin impact. Worth may be a money sacrifice; however it conjointly absolutely influences perceptions important through inflated product quality perceptions. However, cyber web impact of worth on perceptions important looks to be negative. This study doesn't expect to search out proof for this latter relationship.

Chen and Dubinsky (2003): Researchers imply that perceived price, being a richer assessment criterion, is a better predictor of purchase intentions than product satisfactory and shop loyalty intentions. Perceived value reflects consumers' internet advantage received from their intake conduct; therefore it is likely for use as an indicator of purchase goal inside the offline channels, as well as the net channel.

Forsythe and Shi, (2003): Studies confirmed that high perceptions of monetary and product performance hazard can also save you clients from on-line shopping. Risk or uncertainty regularly entails great psychological costs in truth, the various hazard dimensions like as economic, product overall performance, social, physical, time/convenience are mediated via mental danger to influence standard hazard. Customers' psyche generally translates any sort of chance into feelings of soreness. Consequently, perceived threat is probably to lessen entertainment. As chance perceptions are better, customers are willing to spend extra time and effort to on their decision; therefore better chance will mechanically cause more cognitive attempt.

Sinha, P., Kar, S. (2007): Studied an Insight into the Growth of New Retail Formats in India. Their observe investigates modern retail trends and boom of present day formats and demanding situations and possibilities to be had to the outlets to succeed in India. They finish that it is not all approximately determining the format however all about serving the patron higher, quicker and at less value. The most essential problem in e-tailing is credibility and trustworthiness of the dealer. They delivered that consumer is the focus of retail business and the retailers must serve the purchaser better, quicker and at less value.

Lee, J.C. (2020): The look at supported the predictions that buying channels (on-line vs offline) have an effect on purchasers' psychological distance and, in flip, have an effect on their decision method. Specifically, effects monitor that the online (offline) channel increases (decreases) mental distance and leads clients to pay greater attention to a product's desirability (feasibility) components.

Dash, M. (2011): Studied Next-Generation Retailing in India: an Empirical Study Using Factor Analysis with goal to discover the elements of subsequent-producing retailing. The questionnaire was designed to accumulate records. 200 samples had been selected with easy random sampling technique from Visakhapatnam. He has analyzed 14 variables for observe cause and with help of aspect evaluation method; he has advanced 3 businesses which include era, progressive layout selection and Customer Centricity. On the basis of analysis, he



described 'Next-Generation Retailing' as "the more recent and younger technology of organized retail industry evolution which is multidimensional and some distance greater superior than its preceding generations.

Bansal and Choubey (2013): Was used as primary framework in identifying consumers' need. In their research work they identified that buying conduct of clients is stricken by their non-public, social and environmental aspects. These elements ended in six dimensions of buying conduct; Shopping Contentment, Reference Shopping, Store Image, Store Patronage, Enthusiastic Shopping and Shopper orientation. The preference of retail shops is inspired with the aid of above dimensions.

Faiz Rasool (2020): as studied on a established literature overview on impulse buying: on-line jitters and offline jeppers and an exciting final results of this paper has been that digital impulse shopping for conduct is quite similar to that of the offline context. Their mood influences customers when a ability purchase, their traits, and the shopping area (internet site) in which the purchase is occurring. The actual difference among the digital and offline context appears to be related to spatial-temporal factors tormented by the constraints of the digital environment in which the e-retailers perform and impact patron mood Impulse Buying Tendency.

A Study on "The impact of online shopping upon retail trade business" Amit Saha Royal School of Commerce Royal Group of Institutions (RGI) Guwahati, Assam: In this paper an attempt has been made to highlight the impact of the increasing trend of online shopping over the various fixed shop retailers. Retailers comprise of a large section of the population and a larger population is dependent upon these retailers. But the advent of e- stores with their attractive incentives and wide varieties has slapped on their face the fear of uncertainty and helplessness. This study looks into the various aspects about how retail businesses are being affected and also the various recovery mechanisms they are coming up with to counter those e-stores in their race of survival. This paper also unravels the effect upon the profitability of the various concerns due to increasing trend for online shopping. Although the periodicity of the study is less yet an effective attempt has been made to enlighten the scenario along with concrete suggestions. Keywords: E-stores, fixed retailers, turnover, profitmargin, window-shopping.

The Indian retail sector is going through a transformation and this emerging market is witnessing a significant change in its growth and investment pattern. Both existing and new players are experimenting with new retail formats. Currently two popular formats -hypermarkets and supermarkets are growing very fast. Apart from the brick -mortar formats, brick -click and click-click formats are also increasingly visible on the Indian retail landscape. Consumer dynamics in India is changing and the retailers need to take note of this and formulate their strategies and tactics to deliver value to the consumer. This paper investigates modern retail developments and growth of modern formats in this country. We also discuss the challenges and opportunities available to the retailers to succeed in this country.

R.Sureshkumar: discusses the rural people behavior towards online shopping, it also discusses why they prefer online shopping and why not. In recent years, rural markets have acquired significance, as the overall growth of the economy has resulted into substantial increase in the purchasing power of the rural communities. Rural Markets are defined as those segments of overall market of any economy, which are distinct from the other types of markets like stock market, commodity markets or Labor economics. Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Alternative names are: e-web-store, e-shop, e-store, Internet shop, web-shop, webstore, online store, online storefront and virtual store. The purpose of this study is to analyze the impact of consumer perceptions in regards to online



shopping. A sample of 100 (63 males and 37 females) respondents were taken into consideration from rural areas. Keywords— Commodity Market, Consumer Behavior, Rural Communities, Online Shopping, Stock Market.

Organized Retail in the Rural Markets in India, Retail is a buzz word in today's changing business environment. Different industrial sectors are in the phase of transition from conventional business models to innovative, market driven and consumer centric models. In India retail is not a new word, however the emerging formats of retailing are changing the entire scenario and posing tough challenges in front of Indian retailers. They are now designing customized retail products and services and targeting the untapped segment of the market. Presently, nearly 60% of the population resides in rural India and their retail requirements are partially met by the unorganized retail stores. This study is an attempt to explore the potential of rural retail market of India, accessing their needs for products and brands. The study also aims at developing a business model for the rural retail market in India.

#### **USING SCHEMES TO IMPROVE THE E-COMMERCE EXPERIENCE**

Most commerce sites fail in one (or both) of two ways: first, they may fail to adhere to the user's schema for commerce; and second, they may violate the schema. The cause of the schema failure or violation may be bad site design, bad information architecture, badly designed commerce engine, rushed implementation, unfamiliarity with the audience... whatever the cause, I believe the blame can usually be assigned to somebody not understanding what the user expects from a commerce transaction. The most elemental rule for designing a quality site understands your audience. The most common type of problem with E-commerce sites is failing to adhere to the typical user's commerce schema; interestingly, many of these problems also end up being user interface and usability problems. While these problems vary in severity and scope, keep in mind that ANY deviation from the user's expectations will disturb the user; disconcert the user enough and they may decide that they were lied to. And, as Jakob Nielsen remarked on his 31 January 1999 Spotlight, "On the Web, credibility and trust are everything because your company exists as nothing but glowing pixels on the user's screen. Lie to a user even once and you have lost that customer forever."

Violations of the schema are potentially the most disturbing problem for E-commerce users. These violations go beyond just improperly handling some expectation, they jarringly confront the user with an unexpected and threatening event. Two unfortunately common violations are the requirement to register in order to use the commerce site, and any ambiguous error within the actual ordering flow. Registration is a major sore point with commerce sites. Users do not expect to authenticate themselves before they are ready to purchase. If a user cannot flag a product for later reference -- for example, adding the product to a shopping cart or wish list -- without registering and/or logging, the typical user will be frustrated and will possibly get angry: this authentication barrier occurs at a point in the shopping experience that doesn't reasonably require authentication.

#### **THE NATURE OF E-BUSINESS TESTING**

It is clear from above explanations that the expense of a failure in an e-business framework is imposing. E-business testing incorporates testing high esteem, high hazard, and elite business basic frameworks. The testing methodology ought to be composed in such a way, to the point that it covers are sorts of risks to keep away from or minimize the expense of failures. The complex nature of e-trade applications likewise includes risks on the grounds that all the exercises like purchasing, offering, store exchange and so forth are included in single exchange and this unpredictability in creating a thorough risk. It is extremely hard to precisely pinpoint where the risk of failure exists. Which application fizzled? Where did it come up short? What's more when did it come up short? E-Business testing means testing



the every single part at each level and web applications for potential risks and failures, alongside the e- trade "site" in general. A bug in Web server, exchange server or database framework, may be missed or overlooked which may bring about failure of entire framework. So the center of testing may be on the webpage all in all or on the code particularly composed for the web application. Sadly, a subtle bug, an infection in a third- party segment may cause a genuine failure. This failure may prompt misfortune in income, awful attention, lost notoriety, client certainty and loss of time and cash

## CONCLUSION

Online shopping is rapidly changing the way people do business all over the world. In the business-to-consumer segment, sales through the web have been increasing dramatically over the last few years. Customers, not only those from well developed countries but also those from developing countries, are getting used to the new shopping channel. The internet has given rise to great potential for businesses through connecting globally. The people having annual income below Rs 2,50,000 prefer cash on delivery and above Rs 2, 50,000 prefers Internet banking payments. Cash on delivery is found most popular payment method for online shopping among consumers. The result of our study shows that mode of payment is depended upon income of the respondents. The most of the people having annual income below Rs 4,50,000 spends between 1500-3000 per month for online shopping. People having annual income above Rs 4,50,000 spends above 3000 per month for online shopping. Consumers below 15 years of age prefers brand of the product, consumers between 15-25 years of age prefers quality of the product and consumers above 25 years of age prefers price of the product during online shopping.

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