Towards E-Commerce – A Study of Changing Trends in India

Dr. C. P. Ramchandani
Director, Amity University, Mumbai
Founder, Management Development Institute, Akurdi, Pune, India

Abstract:
This article aims to study consumers' changing paradigms in shopping trends from physical to online. It is an option which saves time and is a more convenient shopping experience. Since internet is more widely used, e commerce is also growing exponentially. As the businesses all across the world attempt to globalize sales, internet has become the primary launch pad for showcasing products and services worldwide.

Keywords: E-commerce, online shopping, traditional, paradigm shift, emerging patterns in shopping, innovation

1. Introduction

As Web is getting to be all the more broadly utilized, internet shopping is likewise developing enormously. As numerous organizations are endeavoring to globalize their business, Web turns into the essential method for publicizing and offering their items or administrations around the world. Albeit there are points of interest of web shopping that pull in purchasers, there is space for further development of web shopping. Subsequently basically, online sellers need to manufacture client trust. Shoppers' question about online merchants and danger observations about internet shopping can demoralize further development of web shopping. Also, other mechanical variables, for example, simplicity of discovering items and conveyance rate, are vital to fulfill clients. This paper will analyze favorable circumstances and client concerns identifying with web shopping and give conceivable answers for these concerns so as to lessen negative recognitions and to encourage looking for higher consumer loyalty.

2. History of E- Commerce

Web advertising has become an integral piece of our lives. Ordinary, we, as clients, are exposed to information, from various media and the increasing reach of the World Wide Web.

From its initial days about two decades ago, today, the use of internet has grown to cover all aspects of our lives. One of the first few innovative e commerce solutions was provided by Netscape, which brought the online world into prominence and turning it into a viable business possibility. The result was that within a matter of few weeks, its open investment swelled and promoters homed on at this brilliant innovative option for business. Its wide reach and simple accessibility made web showcasing an exceptional media for growth of business.

With the growth of the ecommerce, terms like internet search, showcasing products, viral promotion, social media advertising, etc have gained increasing prominence. The E Commerce websites are perfect for a wide range of merchandise and services, at times totally independent of the proximity of business. The internet advertising guarantees a wider reach to interest based public and has developed its own set of rules of the game.

E commerce is an entirely new experience for most first time buyers in India where they are traditionally wary of trying out any merchandise without seeing or "feeling" it physically. There is a marked paradigm shift that is being experienced about buyer habits in India.

As the internet is expanding, more and more organizations realize that they have a worldwide gathering of shoppers available to them. Sites have evolved and become more user friendly. They depict pictures of items and illustrations that are realistic and are designed to keep the client intrigued. Organizations now resort to various sister sites to place promotions on different platforms in order to advance their items. They are ready to pay per irrespective of conversion value since they target the volumes in trade. Member projects are likewise extremely main stream and in resonance with the primary sites.

Affiliated sites too have mushroomed and permit main site holders to publicize items on their site and if a client buys the thing, then the site manager gets a fixed commission on the deal. The internet has even been utilized for promoting services. Organizations have also made imaginative publicizing projects and resort to viral promotion based on search engine technology.

3. Review of Literature

- Benedict E. L. (2001) - In his observations concluded that proposition of online shopping is not influenced only by usability, pleasure, and convenience but also things like buyer qualities, situational elements, item attributes, past internet shopping encounters, and trust in web shopping has a big effect in decision making about e-commerce
- Childers et al (2001) - presumed that "happiness" results from the fun and fun loving nature of the web shopping background, as opposed to from shopping in real. The acquisition of merchandise is directly related to the experience of internet shopping. Therefore, "delight" reflects consumers' "potential excitement of Internet shopping" He postulated that "satisfaction" is a steady and solid indicator of state of mind to internet shopping.
- Kahn and Menon (2002); Childers et al., (2001); Mathwick et al., (2001) - presumed that Online shopping peculiarities can be either consumers view of useful and utilitarian measurements, in the same way as "usability" and "value", or their impression of "satisfaction" .
- Wong and Sculli (2005) – They realized that "When there is a plethora of special offers, purchasers will have higher" which led to expectation to buy in web-shopping; acquiring choices and decision making from option assessments can be made effortlessly when there is the vicinity of limited time offers.
- Ansary and Strauss (2006) - Characterized internet showcasing in their most recent book as the "utilization of data and innovation for imparting, and conveying quality to clients, in ways that advantage the association and its stake holders. This implies tells that e-advertising is not just about offering items but much more than that. It is not simply conventional promoting utilizing the data innovation instruments but in fact is s a vehicle to accomplish brand esteem and give it a consumer loyalty.

4. Meaning of E- Commerce

E- Commerce or E-Marketing is portrayed by the Institute of Direct Marketing as the utilization of internet and related computerized data and interchanges to accomplish promoting an objective.

- Mohammed et al (2001) characterizes E Commerce as a methodology of building and keeping client through online exercises and to encourage trading of thoughts, items and merchandise that fulfills the objectives of all parties.
- Philip Kotler (2002)) termed it as an intelligent administration of data and the utilization of innovation. He emphasized that the client connections are among the most important aspects of E Commerce.

5. Significance of Online Shopping

Online shopping is the methodology where the buyer purchases merchandise or administrations from a merchant directly without a mediator, over the internet.

5.1. Points of Interest

5.1.1. Convenient
Comfort and the general simplicity of discovering an item, reduction in time spent on shopping, minimization of general exertion is the most important factor that drives e commerce. Internet shopping permits shoppers to shop from their home, sparing them time to go to retail locations; thus investing their time on other essential undertakings.

5.1.2. Manpower Reduction
Web shopping has advantages for the general public as well as manufacturer. The merchandiser can spare human assets while the customers help themselves by scanning uninhibitedly online as opposed to requesting support from the merchants.

5.1.3. Infinite Rack Space
Web shopping permits buyers to skim through items that are made far and wide without topographical limits There is unbounded assortment of items accessible online.

5.1.4. Making an Informed Choice
With the online devices that give information about the item and give an ease of comparison, customers can measure up item costs and characteristics to home on to a superior choice with less exertion.

6. Grey Areas of E Commerce

6.1. Access to the Internet
Besides a need cash to purchase a PC or gain access to it, it is harder to learn PC at a more established age, the elderly individuals tend shop at customary retail locations.

6.2. Privacy and Security
Security is perhaps the most obvious reason that most non-online customers shy from shopping on the web. Almost about 95% of Web clients have declined to give individual data to Web destinations at one time or an alternate when asked.

6.3. Numerous Decisions
Albeit having entry to an expansive number of items is exceedingly alluring, buyers have restricted cognitive assets and may just be not able to process the possibly immense measures of data about these plan B.

6.4. Product Class Conflict
Item class danger is identified with certain utility items like clothing, hardware, perfumes etc that have capacities that cannot be completely experienced in writing. During the survey on web, it was seen that the online customers are skeptical that the items won't be as expected.

7. Some Well Known Indian E-Commerce Websites
Web shopping is getting to be well known in India nowadays. In a nation like India, where individuals needs to rely on upon metro urban communities for discovering things with great quality and wide choice, Online shopping offers limitless, simple and intriguing shopping background.
Internet shopping gives a few focal points like 24 hours shopping, which involves less travel, rich item accessibility and details. Pretty much all internet shopping destinations now offer things in marked down value and free sending for chose things in this manner pulling in the net astute clients to have an attempt. Unlike customary shopping experience, the purchaser can get the detailed particulars of the product on the website.
Web shopping has its downsides as well, we can't touch and feel the thing, defer in transportation, danger of losing your cash and so forth.
While EBay and Amazon are the international business sector pioneers for internet shopping, many innovative mainstream Indian companies have taken off in a big way, fulfilling the needs of local aspirations. Here is a rundown of prominent sites offering internet shopping in India. (More articles like this at http://www.weeksupdate.com/ [1]

7.1. Home Shop 18
HomeShop18 is affiliated to the Network18 Group, India's well known developing media and stimulation Group. Network18 works India's driving business news TV slots - CNBC TV18 and CNBC Awaaz. HomeShop18 has likewise propelled India's initial 24 hour Home Shopping TV channel. The organization has its home office in Noida, UP. The site has gotten the 'Best shopping site" grant from PC World Magazine in 2008. http://www.homeshop18.com/ [2]

7.2. Indiaplaza
Indiaplaza, with operations based at Bangalore, Chennai and Austin is currently the world's biggest India-driven e-business organization with more than one million web executing clients internationally. It offers a list of more than 3.5 million things available to be purchased furthermore has in-house control of web advancements, warehousing and logistics; backed by a 24-hour Customer Service Center in Bangalore. Indiaplaza offers backing to shopping doors of Sify, Manorama and so on http://www.indiaplaza.in/ [3]

7.3. Ebay India
eBay.in is the Indian adaptation of the prominent web shopping entrance eBay.com - world's online commercial center. Ebay has a differing and energetic group of people and little organizations. Ebay offers utilized and new things with a wide system of global transportation. http://www.ebay.in/[4]

7.4. Naaptol
Propelled in January 2008, Naaptol has developed to turn into India's driving correlation based social shopping entry, the one-stop goal for all customers, dealers and business sector aficionados. http://www.naaptol.com/[5]

7.5. Future Bazaar
FutureBazaar.com is claimed and worked by Future Bazaar India Ltd. (FBIL), the individuals behind Pantaloon Retails, Bigbazaar shopping center. FBIL is the e-trade arm of the Future Group. The organization was consolidated in 2006 and started business in 2007. Future Bazaar has its office and client mind (24 X 7) at Mumbai. http://www.futurebazaar.com/[6]

7.6. Indiatimes
Indiatimes shopping has the greatest scope of purchaser electronic things at most minimal costs. The entryway is backed by the Times of India gathering and offers help generally in the north western piece of India. http://www.shopping.indiatimes.com/ [7]

7.7. Rediff
Rediff shopping is the web shopping division of India's driving news and amusement entryway Rediff.com.

8. Analysis & Interpretation of Data

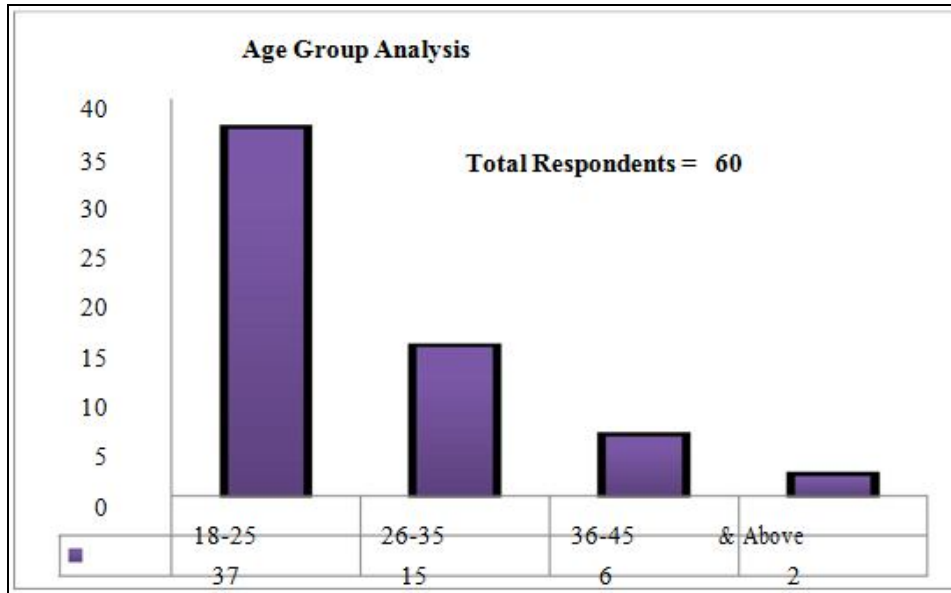*8.1. Analysis & Interpretation of Data*

Figure 1

- Analysis

Out of the total 60 respondents, 37 respondents belonged to the 18-25 age group, whereas 15 respondents were in 26-35 age group, and 06 are in 36-45 age. Only 2 respondents were in the age group 46 & above.

- Interpretation

This analysis depicts that most - commerce consumers belong to younger age group.
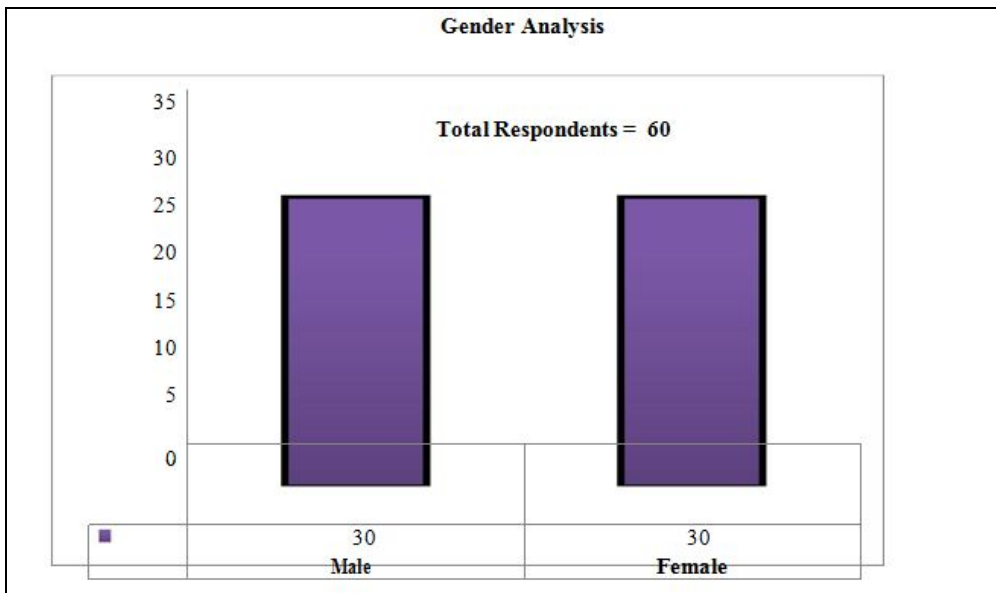

Figure 2

- Analysis

The above graph shows that there are 30 respondents Male and 30 female.

- Interpretation

This analysis implies that there is gender has no role to play in online shopping for on line shopping.
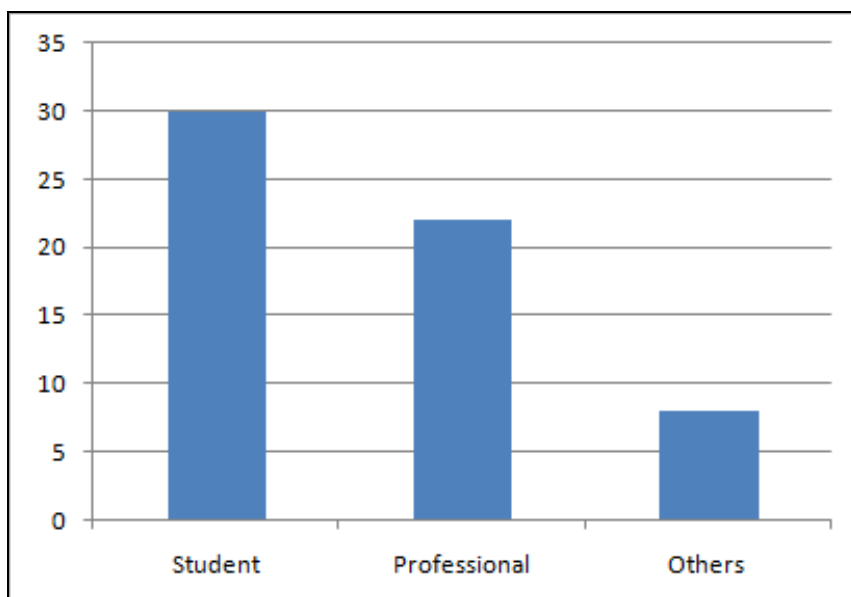
Figure 3

- Analysis

The graph above implies that 30 respondents were Students, 22 from professional field and 8 from others.

- Interpretation

This analysis points to the fact that majority e-buyers are students followed by professionals.
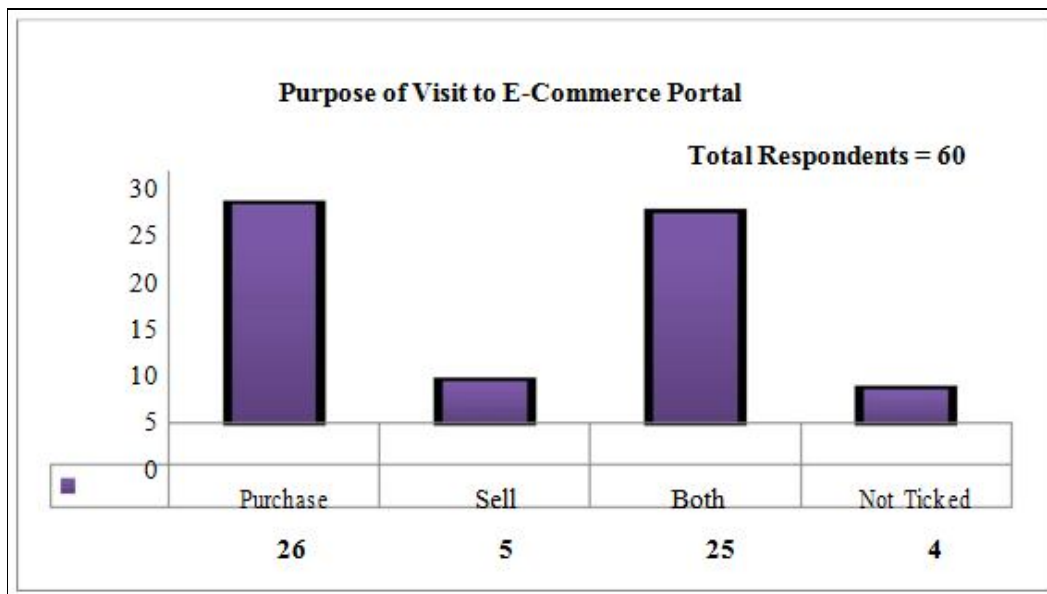

Figure 4

- Analysis

While 26 respondents generally purchase on E-Commerce Portals, 5 respondents were into selling their products. 25 respondents did both buying as well as selling.

- Interpretation:

This analysis indicates a consumer pattern on the internet that is more biased towards purchasing goods/services than selling.
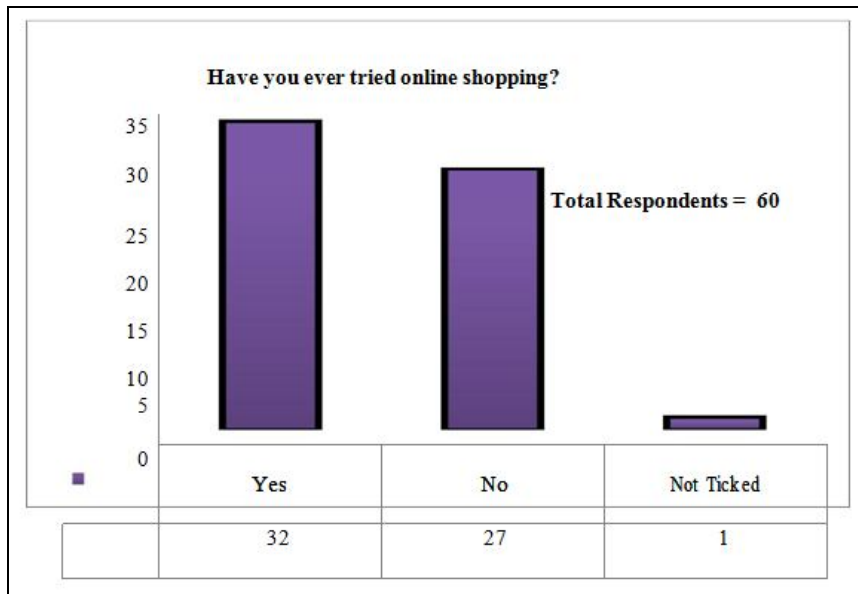
Figure 5

- Analysis

The above graph shows that 32 respondents had tried online shopping while the others had not.

- Interpretation

Almost 50% of consumers had tried online shopping and were satisfied with it.
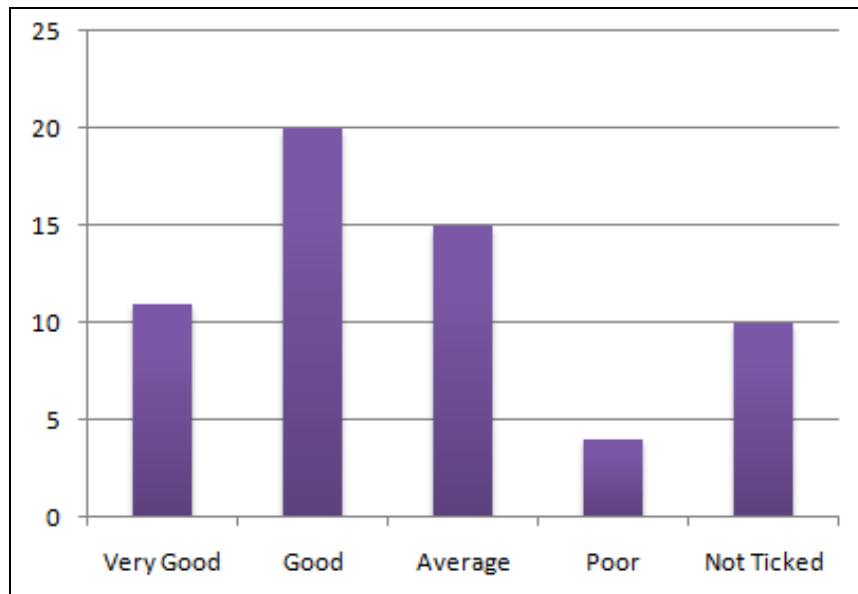
Figure 6: Product delivery of the online shopping

- Analysis

The above graph shows that 11 respondents assessed as very good, while 20 as good, 15 respondents as average while only 4 rated it poor. The rest had not expressed their opinion.

- Interpretation

Majority of the consumer's surveyed opined that product deliverables of online shopping were above average with high satisfaction ratings.
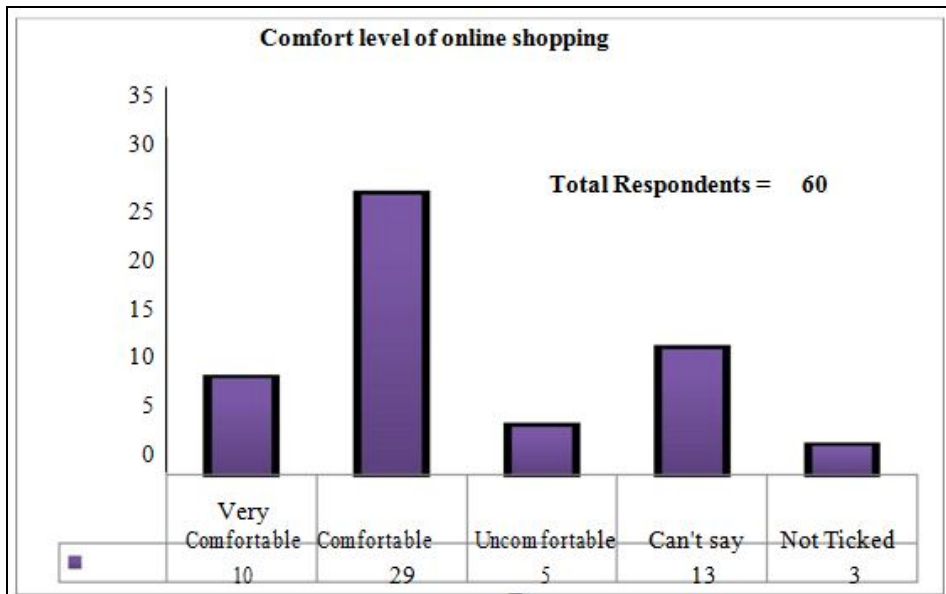
Figure 7

- Analysis

From the graph above it is seen that 10 respondents are very comfortable, 29 respondent somewhat comfortable, 5 were uncomfortable, while others were non committal

- Interpretation

The comfort level of using ecommerce website was high for most shoppers.
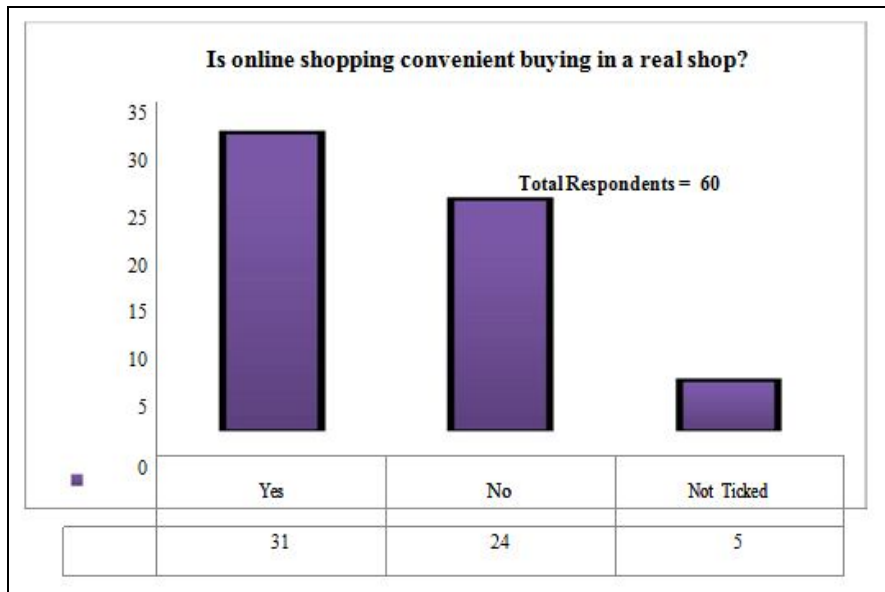
Figure 8

- Analysis

The above graph shows that 31 respondents found online buying very convenient whereas 24 respondents did not.

- Interpretation

This analysis indicates that many people found online shopping very convenient as compared to the real shop experience.
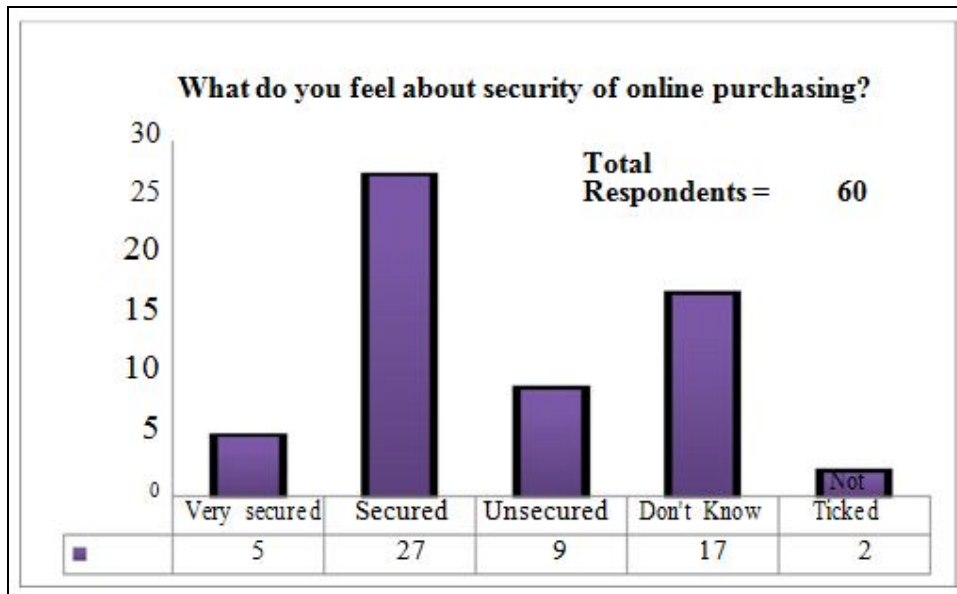
Figure 9

- Analysis

The above analysis shows that only 5 respondents felt very secure whereas 27 respondents feel okay about it. There were 9 respondents who felt insecure, while others were non committal.

- Interpretation

Security is a concern as only 50 % of the population size felt okay about it.
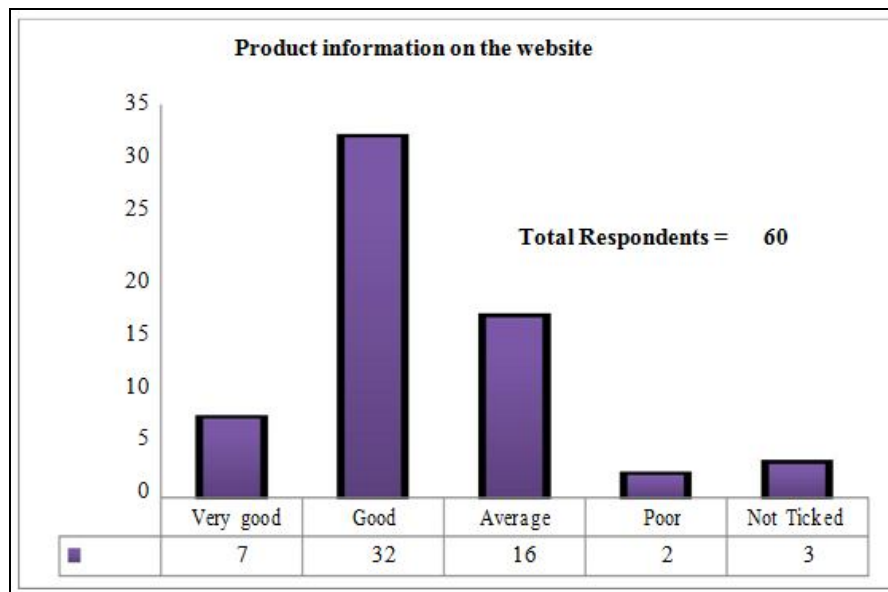
Figure 10

- Analysis

The above graph shows 7 respondents find it very good, 32 respondents find it good, while 16 respondents found it average. On the other hand 2 respondents said it was poor and the rest 3 respondents does not reply

- Interpretation

Majority consumer found the level of information from website about product as good.
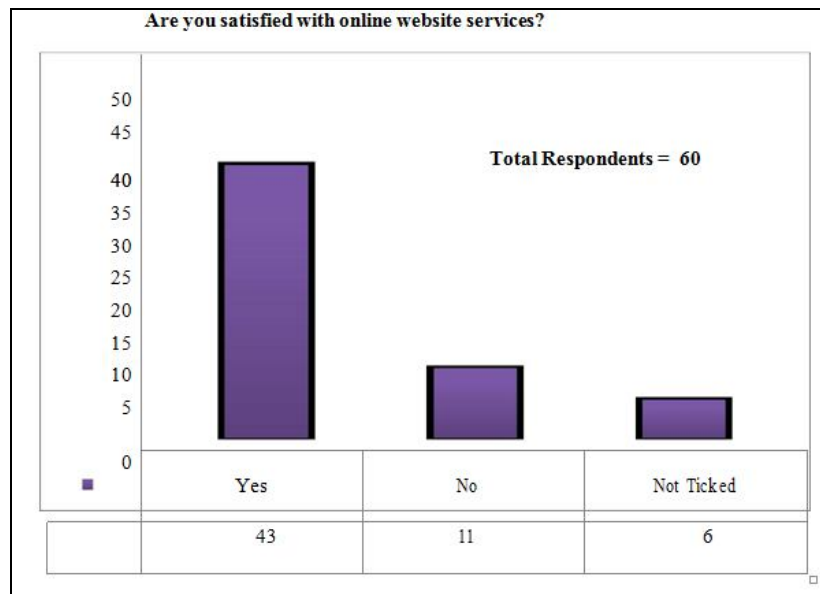
Figure 11

- Analysis

The graph above shows that 43 respondents were satisfied while only 11 said no. The balance respondents did not reply.
- Interpretation

This analysis indicates that majority of the consumers were satisfied with online services.

9. A Summary of Findings

9.1. Findings
1. Most younger generation are using online shopping.
2. Those in higher age group tend to resort to shopping in real shops
3. The consumer purchase pattern in internet shopping is more for purchasing.
4. The trend of internet shopping is on the rise
5. There is a lot of benefit like Time Saving and Quick Response while resorting to online shopping.
6. The comfort levels of using the website are based on past experiences.
7. Majority customers say that it more convenient form of shopping.
8. Security level is a major concern.
9. Product information about the merchandise on the websites is good.
10. A large majority of consumers are satisfied with E Commerce sites.

9.2. Conclusion
Worldwide, India ranks 3rd in use of the internet. Online marketing helps the consumers to save time and effort and strike good bargains besides helping them make informed choice. The consumer can also choose or select any product of his choice and pay by easy secure modes of payment.

10. References
1. Limayem, M., Khalifa, M., & Frini, A. (2000, July). What Makes Consumers Buy from Internet? A Longitudinal Study of Online Shopping, 30(4), 421-432.
2. Bhatnagar, A., Misra, S. M., & Rao, H. R. (2000, November). On Risk, Convenience, and Internet v Shopping Behavior. Communications of the ACM, 43(11), 98-105.
3. Haubl, G., & Trifts, V. (2000). Consumer Decision Making in Online Shopping Environments: The Effects of Interactive Decision Aids. Marketing Science, 19(1), 4-21.
4. Lokken, S., Cross, G. W., Halbert, L. K., Lindsey, G., Derby, C., & Stanford, C. (2003 March). Comparing online and non-online shoppers. International Journal of Consumer Studies, 27(2), 126-133.
5. Online marketing (a customer-led approach by Richard Gay, Alan Charlesworth, and Rita Esen).
6. Modern Marketing by R.S.N. Pillai, Bagavathi
7. A frame work for Marketing Management by Philip kotler, Kevin keller and Stu James.

Annexure

Questionnaire Online Marketing

I am conducting a survey on online Marketing. Kindly fill the questionnaire. Information will be kept confidential.

Q1.   Name   :   _____
Q2.   Age   :   18   – 25   b. 26- 35
                      36   – 45   46 & above
Q3.   Gender :   a. Male   b. Female
Q4.   Occupation   :
                      a. Student   b. Professional   c. Others
Q5. Income Level   :
                      a. < 20,000   b. 20,000 – 30,000   c. 30,000-40,000   d. > 40,000
Q6. How do you like to purchase the products?
                      a. Malls   b. Wholesale shop   c. Factory Outlets   d. Online   e. Discount Shop
Q7. In internet portal you want to
                      a. Purchase   b. Sell   c. Both
Q8. Have you ever tried on line shopping?
                      a. Yes   b. No.
If yes which Website: _____
Q9. How many times do you access the net?

                      a. Daily   b. 2 days   c. Weekly   d. Monthly
Q10. What benefits of internet do you perceive over other retail?
                      a. Low Price   b. Quick Response   c. Better service   d. Convinces

Q11. How is the product deliverables of the online shopping website?
                      a. Very good   b. Good   c. Average   d. Poor
Q12. What is the comfort level of using the website when you tried online shopping?
                      a. Very comfortable   b. Comfortable   c. Uncomfortable d. Can't say
Q13. Is it convenient compared to buying in a real shop?
                      a. Yes   b. No
If no why _____
Q14. How do you feel about the level of security of online purchasing?
                      a. Very secured   b. Secured
                      c. Unsecured   d. Don't Know
Q15.   Level of information from website about product
                      a. Very good   b. Good   c. Average   d. Poor
Q16.   Are you satisfied with online website services?
                      a.   Yes   b. No
If no why _____