

# Impact of Online Shopping on Consumer Buying Behavior in India

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**Abstract** - In modern time online shopping has defines that the customers can directly buy products from the seller through the internet using a web browser or a mobile application. Customers can get detailed specification of products, review by other customers. They can also exchange or return the products in case they are not satisfied by the received product. In today's time, online shopping is in trend. There are various benefits that the customers are enjoying which include convenience, various selection, low prices, personal attention and easy access to information.

We have considered in our study 4 online shopping portals. Flipkart, Amazon and Myntra, eBay, and collect the data through the primary and secondary sources. Some major factors are influenced the consumer buying behavior i.e. websites design, not available the product related information, convince, payment methods etc...

**Keywords:-** online shopping portals, Consumer satisfaction, consumer buying behavior

## I. INTRODUCTION

Nowadays online shopping is very important for every individual as they are already very busy in their today life and hectic schedule. In this scenario, online shopping plays an important and essential role in making their life some sorted. It's the easiest and suitable mode of shopping available to them.

Online shopping defines that the customers can directly buy products from the seller through the internet. Before purchasing the product, the consumer has visiting the retailers website and searching the product according to own interest This online shopping has raised the value of the internet as only through the internet customers are able to shop products and also they are check the reviews and finding the other information about the product. Many companies started using online shopping with the aim of reducing marketing cost that will lead to reducing the price of their products in order to remain in the market. Companies are use the service of the internet by providing the different information about product and take feedback and conduct surveys related to product/ services from the customers. E- Commerce portals provide in 24x7 services, and then consumers have purchasing the product any time and any location.

In current senior, online shopping is new trend in India. E-Commerce portals have provided the various benefits for consumers, then they are enjoying. It is include in many types of facilities i.e. convenience, various selection, low prices, personal attention and easy access to information. E- Commerce portals have provided the three silent benefits for consumers i.e. save money, save time and help find products that are much needed. A much-needed example is that consumer with high income will go to online shop because he thinks it will save time.

## E- Commerce portals websites

**1. Amazon:** - Amazon was founded in July 1994 by Jeff Bezos. In its initial time they sold only books but later on they expanded its business to electronic software's, video games, food and jewellery. Amazon has also acquired whole food market which directly impacts the food stores in the marketplace. Amazon has 100 million worldwide customers and the delivery is within the 2 days.

Amazon is a U.S multinational technology company based on Seattle. Company constitutes of 75000 employees. Amazon is also known for its well established industries on a large scale. Company's revenue is the largest in the world and considered as one of the most valuable company.

**2. Flipkart:** - Flipkart is an Indian E-commerce company headquartered in bengaluru, India. Flipkart was founded in the year of 2007 by Sachin Bansal and Binny Bansal. Initially Flipkart focused on selling books sales only. After that they expanded to consumer electronics, fashion, home essential groceries and lifestyle products. 39.5% share of E-Commerce industry is with Flipkart. It has nearly neck to neck competition with Amazon in terms of selling electronic and mobile phone items.

Flipkart maintains several house brands, including Citron and dig flip. In 2017 Flipkart launched additional brands smart phones and electronic items.

**3. Myntra:** - Myntra is an Indian fashion e-commerce company headquartered in Bengaluru, Karnataka India. The company was founded in 2007 to sell personalized gift items. Myntra was established by Mukesh Bansal along with Ashok Lawania and Vineet Saxena. It mainly operated on B2B (Business to business) model during its initial years. Between 2007 and 2010 site allowed customers to personalized products such as T-shirts, mugs and others. In

2011 Myntra began selling fashion and lifestyle products and moved away from personalization.

Myntra also started its first digital reality show “Myntra Fashion Superstar” which mainly focuses on fashion influencer talent hunt on myntra app on 17 September 2019. Myntra also worked with Zoom Studios which will identify and reward India's next big fashion influencer. This show constitutes of eight episodes of reality series in which contenders will compete with each other. They will be guided by the star studded jury, from the world of Bollywood, TV and fashion.

**4. eBay:** - eBay is an U.S based multinational company. It facilitates B2B (Business to Business) and B2C (business to consumer) model in their strategy. In 1995 eBay was founded by Pierre Omiya. Its business is distributed in almost 30 countries. The website is used for buying and selling large scale of different variety of products and service. This website is totally free for buyers but it charge from sellers who are listing their items for sale. They also started online money transfers as a part of its services.

## II. LITERATURE REVIEW

### Online Shopping

Many researchers are proofed that in previous studies, compare than the traditional shopping for better than to online shopping for consumers, because online shopping provides 24x 7 services, and save time or enrgy. But traditional shopping or stores are not available to all time. I.e. travelling time, waiting lines at el. online shopping is very convenient to buy product for every consumers (Hoffman and Novak, 1996). The consumer is purchase the product through the online shopping portals. I.e. clothes, electronics items, online shopping trend is becoming more popular with each passing day. There are many website and application, which are ready to complete their work on the rising demand of the customer (Bourlakis et al., 2008). But some major factors had influenced the online shopping. Consumers are preferred to securities, websites updates (all information update in websites to related product/ services), judge the product quality (reviews update related to product in websites), product variety, payment method etc. Than consumers are easily compare to the best one of the product in the ecommerce portals and purchase it (Guo & Ling et al, 2012).

**D.K Gupta & P.K Khincha (2015)** founded that time savings and cash on delivery is the best attractive facilities to consumers and influence the consumers buying behaviour also.

### Consumer Buying Behavior:-

According to **N.Ramya & Dr. SA Mohamed et al (2016)**, some major factors are influence the consumer buying behavior, i.e.

1. Social Factors
2. Culture Factors

### 3. Personal Factors

### 4. Psychological Factors.

Social factors groups are including in some major factors i.e. reference group, family factors, social roles and social status. Individual is part of society and they believes in own culture and traditions. Then every individual are follow up own ethics, rules and laws & customs etc... It is included in the age group, occupation, life cycle stages economics condition, lifestyle and self concept & personality. Mostly authors are proofed that, according to the age change the taste and preferences of the individuals. Psychological factors had included in the motivation perception, learning, beliefs and attitude.

Some points are also influenced the consumer buying behaviour, online portals have many advantages and disadvantages. Online stores are only showing the products on websites but they are cannot touch the products i.e. (seeing, touching, tasting, smelling and hearing). Online retailers are work on developed the trust on consumers mind (Haubl & Murray, 2003; Xiao and Benbasat, 2007). Reputation of the company and risk perception are also influenced the consumer buying behaviour (Jarvenpaa & Tractinsky and Vitale, 2000). There is a positive relationship between consumer trust and company reputation of internet shopping (Jahng & Jain and Ramamurthy, 2001). The online purchase the consumer should have certain beliefs and attitudes regarding its convenience and security.

**Shankar et al. (2003)**, repeat purchase for e- consumers are essential for all. **Christian and france(2005)** the three categories of determinants that could affect consumer satisfaction towards online shopping. Some of the technology factors are security, usability and, site design and privacy. Online shopping factors had includes convenience, trust and trust worthiness and delivery. Product factors include merchandising, product value and product customization.

### Objectives of the study:-

1. To find out the effect of the online shopping on consumer buying behavior

### Hypothesis:-

**H0:-** To find out the online shopping do not effect on consumer buying behavior

**H1:-** To find out the online shopping effect on consumer buying behavior

## III. RESEARCH METHODOLOGY

The process used to collect information and data for the purpose of making consumers decisions. The methodology includes publication research, interviews, surveys and other research techniques, and could include both present and historical information.

We are used data collection from both primary source and secondary sources.

## SAMPLE SIZE

Sample size measures the number of individual samples measured or observations used in survey. The sample frame of the research refers to the individuals of the total population to be questioned, thus the sample size of this research was 100 respondents the observation of the sample was based on consumer buying behavior.

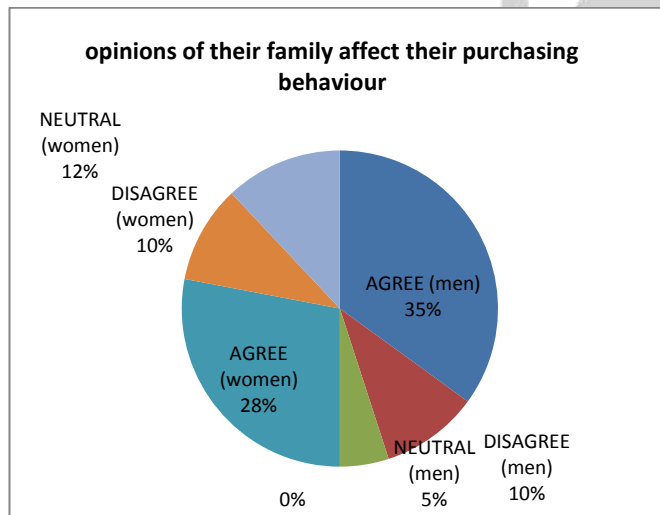
## SAMPLE METHOD

The sample method is the technique of gathering data by taking primary and secondary data both for this we have taken impact of online shopping on consumer buying behavior in the study.

## IV. DATA INTERPRETATION ON ONLINE SHOPPING

### 1. WHETHER THE INDIVIDUAL IS READY TO GIVE PERSONAL INFORMATION

No of respondents	Men	Women
AGREE	24	10
DISAGREE	6	22
NEUTRAL	19	18

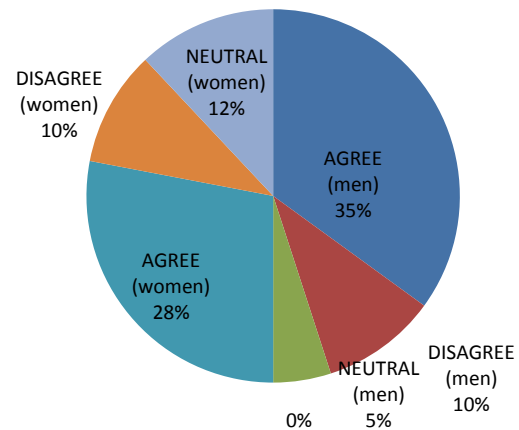


From the above we can conclude that from the above data there are 5% men who disagree, 25% men agreed and 19% men who are neutral in sharing their personal information. And also there are 22% women who disagree, 10% women who agreed and 18% women who are neutral in sharing their personal information.

### 2. BUYING PRODUCT AT A LESS PRICE

No of respondents	Men	Women
AGREE	30	26
DISAGREE	5	14
NEUTRAL	14	10

### opinions of their family affect their purchasing behaviour

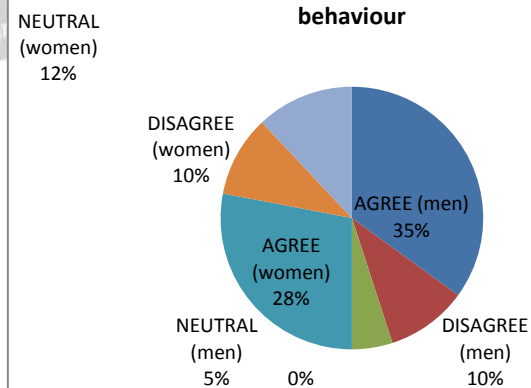


From the above we can conclude that the data analyzed provide us the information that 31% men agreed, 5% men disagreed and 14% men gave neutral responses in buying the online products at comparatively less price. i.e. 26% women agreed, 14% women disagreed and 10% were neutral on the same responses.

### 3. TRUST THE SECURITY OF ONLINE PAYMENT

No of respondents	Men	Women
AGREE	31	28
DISAGREE	11	12
NEUTRAL	14	10

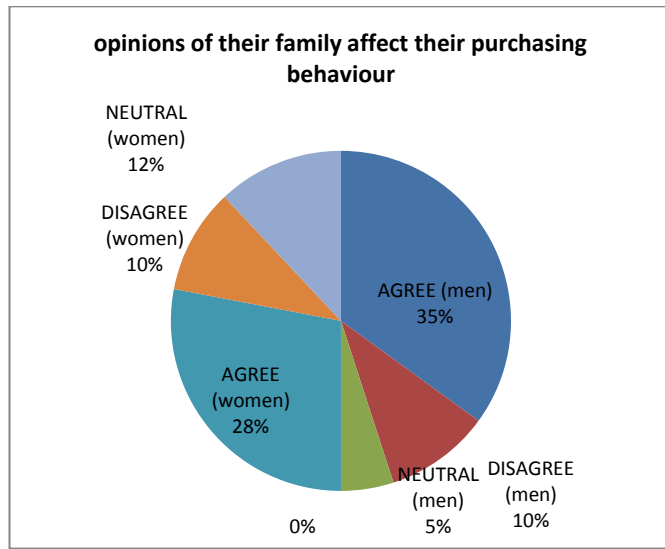
### opinions of their family affect their purchasing behaviour



The above data shows that there are 29% men who agreed, 10% women who disagreed and 13% men are neutral in terms of testing the security of online payment. Likewise there are 27% women who agreed, 11% women who disagreed and 10% women who are neutral for the same.

#### 4. HELPS IN SAVING MONEY

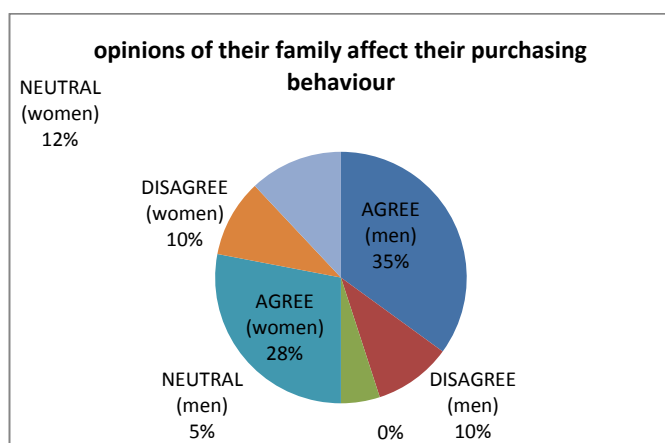
No of respondents	MEN	WOMEN
AGREE	31	21
DISAGREE	7	23
NEUTRAL	12	6



The above data showed us that there are 31% men who agreed, 7% men who disagreed and 12% men who are neutral in their thoughts that online shopping helps them in saving their money. Similarly, there are 21% women who agreed, 23% women who disagreed and 6% women who are neutral in their opinions.

#### 5. MAKES CONVENIENT IN ORDERING

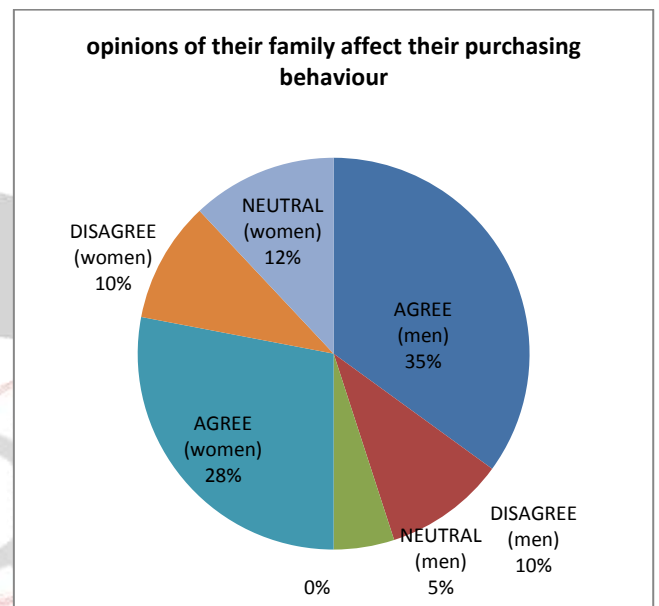
No of respondents	Men	Women
AGREE	33	35
DISAGREE	7	10
NEUTRAL	10	15



Data interprets us that there are 33% men who agreed, 7% men who disagreed and 10% men who are neutral and 35% women who agreed, 15% women who are neutral and nil persons who disagreed in the opinion that online shopping makes ordering convenient.

#### 6. TRUST THE PRIVACY POLICIES OF WEBSITE

No of respondents	Men	Women
AGREE	22	25
DISAGREE	13	9
NEUTRAL	15	16



This data explains that there are 22% men who agree, 13% men who disagreed and 15% men who are neutral while there are 25% men who agreed, 95 women who disagreed and 16% women who are neutral in terms of trusting the policies of the website.

#### V. CONCLUSION

After conducting this research, specific results came into light. The most relevant fact or that affects the consumer buying behavior towards online shopping when it comes to the younger generation looks like the trust factor .Consumers become liable to buy more if they trust the online websites .However ,the consumer behavior did not seems to be affected from the sense of privacy in contrary to the popular faith. Consumers did not seem very worried about giving their personal data such as addresses, provided that they could buy using COD (Cash on Delivery) for the purchase. Comfort is the another significant factor because when it comes to online shopping people prefers to stay at home and shop as opposed to going out and browsing through stores.



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