

# A Study on Trends, Reviews and Effects of Online Shopping in India

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**Abstract** - In the recent scenario of E - business online shopping has developed a huge importance. The development and growth of online shopping has given a number of opportunities to the organization to provide competitive advantages. There are a number of companies which are selling their products through online portals or provide service online. Compared to other countries online shopping in India is not very common but it is growing at an immense speed than other countries. This paper gives a brief idea of online shopping in India its positive and negative effects. It also provides scope of upgrading in online shopping websites. A finding says that online shopping is the best convenient way for consumers. But people also worry with the risk associated with it like privacy and security risk. Many organizations use Internet to provide information and communicate with people which helps them to get an idea what consumers exactly want, what are their demands and organization can also get feedback through them. But, there are various uncertainties attached with online shopping such as misuse of personal data, return or exchange policies, testing of product etc.

**Keywords**- Online shopping, online portals, websites, consumers, shopping, Internet

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## INTRODUCTION

Internet and its technologies has given a new marketing tactic to the manufacturer and service providers. Most of the public prefer online shopping for various benefits like discounts, time saving, fuel saving and so on. There is a huge scope of online shopping in India in near future as people are getting literate about internet. In the scenario of Digitalization government is also taking various steps to make people aware about it like free WiFi facilities at public places i.e railway station, bus stand, theaters and so on. The reason behind the shifting of consumers buying behavior towards online retail shops is that they can do comparison with homogeneous kind of products in terms of price, quality, colour, brand, size, etc. Now a days consumers base is increasing specially of youths which plays a significant role in online shopping. Recently for shopping much more in use is Mobile commerce. Between Manufacturers and Consumers E – commerce acts as a mediator due to broad communication network in India. In recent study in 2015 it shows that around 55 million customers have purchased various products online.

## OBJECTIVE OF STUDY

- 1.To know the pros and cons of online shopping.
- 2.To know the recent trends in online shopping.

- 3.To know the preference of consumers over online shopping.
- 4.To get an idea which all are demographic factors which leads to online shopping.
- 5.To know the benefits and drawbacks of online shopping.

## LITERATURE REVIEW

According to Comscore Report (2013) there is an increase in consumption of Internet which has made India as 3rd largest Internet population globally encompassing about 73.9 million users. Joseph acknowledged three new market segmentation of online technologies namely cyberbuyers, cyberconsumers and cybersurfers. Cyber buyers are the professionals who spend a good time online, mostly at their place of business. The cyberconsumers are the home based computer users wired up to commercial online services and the internet. Finally cybersurfers are the one who use online technology to expand their horizons, challenge their abilities and for fun. They consist of mostly younger generation and possess a shorter attention span.

Looking at current India's online population is rising with a yearly pace of 31% which includes million of users in the year 2012(comscore, 2013). India has become the 3rd largest nation for internet users in 2013 after China and US by 31 % by march 2012(The Hindu, August 24, 2013). In the reports of McKinsey (2012) there is a

contribution of 1.6% of the Internet to India's GDP worth \$30 billion consumer additional rounding to \$9 billion. Bellman, Lohse and Johnson (1999) examined that the relationship amongst demographics, personal characteristics, and attitudes towards online shopping. These authors found out that those people who have strengthened lifestyle, and those who are more time constrained mostly tends to buy online more frequently. Donthu and Garcia (1999) proposed that risk aversion, innovativeness, brand awareness, price consciousness, importance of expediency, variety seeking tendency, impulsiveness, attitude towards advertising, attitude towards shopping and direct marketing have influenced online shopping buying behavior and these are the factors which affects buying behavior of customers. Where as Vijay, sai. T. & Balaji, M.S. (May 2009), revealed that consumers, all over the world are shifting from the crowded stores to the one click online shopping system. Though, In spite of convenience offered online shopping is not mostly preferred form of shopping in India.

Goldsmith and Flynn (2004) state that the home catalog is another traditional selling channel where people can shop at home because of the varieties of products offered in the catalog. They can order through the phone or by mail. It is convenient except that they are not able to touch and feel products before purchasing.

Kim and Park (2005) found out that positive attitudes as well as willingness to search for pre purchase information leads to a strong likelihood of buying online. But online shoppers need to have computer knowledge to use internet and do shopping. Hence for those who all are uncomfortable with using computers will likely do their shopping in traditional manner. (Monsuwe, 2004) as it is faster than internet shopping and people can get their products on the spot and they can fee, touch and can try and then buy the product. Lastly Miyazaki and Fernandez (2001) said that perceived risk also affects consumers online purchasing behaviour negatively mostly concerned with privacy and security of online bank transactions.

**Top 10 online shopping sites in India**

1	Amazon	World leader in e-commerce market.
2	Flipkart	Started with only investment of 4,00,000 and know it is the leading firm which deals with all kinds of products including books, mobiles, electronics, apparels, etc.
3	Snap deal	It offers everything from local daily deals on restaurants to apparels online. It offers at best price with free shipping
4	Patym	It started with mobile recharges and bill payments and know selling everything including home décor, clothing, mobiles at the cheapest price, etc.
5	Ebay	It has a varied and passionate individuals and small businesses man. It offers used as well as fresh items with a wide network of international shipping.
6	Jabong	It a Fashion and Lifestyle store which offers people with great discounts. This brand provides all branded products only.
7	Myntra	Myntra again is a site of fashion and lifestyle store which provides all branded products for men, women, kids and also provides home and living things.
8	Shopclues	Shopclues is one of the best online stores which offers a wide variety of computer accessories, mobiles, computers, jewellery, cosmetics, toys, clothing, books and bags.it is the only site which provides Jaw Dropping deals.

9	Pepperfry	It is one of the leading Indian site which deals with fashion and lifestyle, jewellery, cosmetics, bags accessories, etc.
10	Homeshop18	Homeshop18 is first Indian TV channel which allows 24 hours shopping through which people can buy products just by calling to that number. It has large varieties of kitchen items, mobiles, cameras, etc

### *Advantages of online shopping*

1. Convenience :- Online stores are available 24\*7 any many of the customers have internet access at home, at work place as well as on their mobile phones. Now a days even schools and colleges provide internet facilities to students. During free time online shopping is best and most convenient thing people can do to save time as they get products at their door step.
2. Information and reviews :- Online stores should describe details of products for sale like photos, text multimedia files and should also allow consumers to give feedback or give rating to the product which they purchased. These reviews and ratings helps customers to get information about product and helps them to take purchasing decision.
3. Save time :- Through online shopping customers can easily filter and sort by their products according to their requirement which saves a lot of time of people who are very much time bound.
4. Save fuel :- One of the another advantage is that customers don't need to travel from one place to another in search of products they get at their door step so they don't require a vehicle also which finally saves fuel.
5. Comparison of prices:- The advanced innovation in search engines allows customers to compare and check prices with other competitive products or homogeneous products. It is very easy to compare one product to different shopping websites at same time, which gives idea to

customers that which shopping website or online store offers maximum of discount.

6. 24\*7 Availability :- Online shopping stores are open 24\*7 which means customers can purchase whenever they want and whatever time they want they can. It is not possible to find any retail outlet which is open 24\*7 so people prefer to do shopping online from their convenient place.
7. Hate waiting in line :- It is the major benefit for those who hate standing in que. In online shopping they don't need to stand in a que for doing payments, here they can do payments through online or know a days through COD (Cash on Delivery) i.e on arrival of product you need to pay the bill amount.
8. Easy to search merchandise you want to buy:- Customers can easily search for merchandise by filtering it. We can do sorting with style, size, colour, brand, price etc. with this we can easily check whether product is available or out of stock.

### *Disadvantages of Online shopping*

1. Fraud and security concern :- Before making purchase customers cannot check the product nor have any background idea of the supplier so it becomes more risky that seller will supply the product or not and if it will supply it will be of good quality or not. Some sites ask for only online payment so when we are sharing our P:in of Debit/Credit card there may be chances of theft through online payment.
2. Lack of full cost disclosure :- one of the concerns in online shopping is that there is lack of full

disclosure of total cost of purchases done. It is very easy to compare the basic price of the product but total cost like shipping charges can only be seen when we put the product into cart or while doing payment.

3. Privacy :- Many customers doesn't want to share their personal information like their address contact number and so on.. so these sites give personal information to third party so privacy is not maintained. Different legal Jurisdictions have various different laws concerning to customers privacy.
4. Hands on Inspection:- Customers totally rely on few pictures and description of the product while making purchase online. They don't have exact idea how to use the product if they are purchasing that kind of product first time so when it comes first time in their hands they need to learn to operate it. When they see then they will have exact idea about the quality of the product. So until an unless it doesn't comes in customers hands it cannot be judged how it can be.
5. Return Hassels :- Customers need to have an idea of return policy while making purchase. If they don't have any idea of how to return the product then it becomes a hassel for them. It is not easy to return the product if you don't have knowledge. Many of the stores refuse any return of merchandise if it is opened. Few of the stores have return policy they might collect the product from customers within a day or two but they will take time to refund the amount into your account
6. Shipping lead time:- The products which we are purchasing requires time to reach us so it cannot satisfy immediate need.

### CONCLUSIONS

The findings are mostly related to buying behaviour and habits of e-shopping habits of Indian consumers in India. Shopping through online saves time rather than visiting shops, malls or retail outlets. Another major benefit of online shopping is customers can do shopping at their

convenient place and time. Due to these many reason people prefer online shopping rather than visiting shops or malls. With Jio (Reliance ) sim cards and facilities of free internet, usage of internet is increased by leaps and bounds within a span of a year. This usage of internet has increased online shopping also in India. The study also found out that people know a days prefer COD while shopping online as there is less risk. The study also found that people prefer shopping at night so online stores are available at 24\*7 which saves their time and energy. But one of the major drawback of online shopping is security and privacy which people feel it is at risk and another one was that online shopping doesn't fulfill immediate need of customers.

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