

Impact of Online Shopping and E-Commerce Business on Online Consumer Behavior with Reference to Pune Market, India

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Abstract: Usually the trend of Electronic Commerce business has been increased rapidly in the recent times with the humongous development of internet and at the same time due to the easy accessibility of internet usage in different marketplaces in the world. Extremely easy access to the internet has also driven consumers from different parts of the world from different age group as well to shop online without any hassle so far. By integrating electronic marketing and internet communication different companies from different industries are getting involved in various coordination of marketing activities such as new product development, market research, consumer behavior analysis, consumer choice criteria, promotional activities, different post purchase behavior, analyzing customer feedback and so on. Online shopping is basically used as a medium for communication and by using Electronic Commerce organizations are trying to improve its overall delivery value quality of the product and also delivering customers various benefits to have better satisfaction towards organizations product and service. Due to all these varied factors it can be said that online shopping is more convenient and it is gaining popularity day by day with reference to different industries as well. While we are here explaining various benefits of online shopping we must also understand the different adverse impact of online shopping as well like lack of privacy, credit card fraud, non-delivery risk, compromised quality of goods and services etc. Different organizations with the help of concerned authorities are trying their level best to minimize the risk factors involved in e-commerce platforms. On the other hand we should not deny the fact that electronic industry has been grown quite rapidly for various advantages related to easy buying procedures by using internet, low price and limited search cost than other types of shopping. Through online platform it is observed that consumers can buy any product or service quite faster than the conventional method and in quick time they have access to more alternatives and they can order their preferred brands of different products with comparatively lower price. Therefore smart marketers have thoroughly analyzed the consumer attitude and their involvement towards online shopping and due to that they are involved in analyzing their overall demographics in different contexts.

Keywords: Consumer attitude, Consumer behavior, Consumer decision making, E- commerce.

1. Introduction

Consumer attitude towards online purchase also involved

their psychological state with reference to making a purchase decision over the internet. Any kind of online buying behavior basically explaining the purchase decision of any product or service online and the involvement process related to that. In different cases it is also observed that at quite early stage any customer able to recognize the need for purchasing a product of a specific brand and accordingly the try to refer to any official website of any company to purchase online and they start with the search process for the information related to the product or service and they try to find out other comparative options and at the end they make the final Purchase Decision which is generally the most suited feat to the needs. Before going out with the final call consumers are involved in lots of brainstorming with reference to various factors variables and constructs which fundamentally influence their final decision towards buying. In the research paper researchers tried to focus on various factors influencing consumer attitude with reference to online shopping (Cuneyt & Gautam, 2004). One of the areas which is related to consumer attitude towards online shopping will determine one of the influential factors that will eventually define consumer behavior towards shopping online and accordingly marketers would also able to formulate their online strategies to commercialize their brands.

Online shopping can be defined as a process of selling and buying of goods and services by any marketer through any website. As it is already mentioned that online shopping has become one of the fastest growing industries with the help of maximum usage of Internet and in most of the cases online consumers are trying to use gathered information to purchase products for service offline as well. There are various research reports which are suggesting that one-tenth of the Global population is involved in online shopping. There are several factors which broadly involved in influencing consumers while they try to shop online and due to that we had seen that there is a significant change in consumer attitude during online shopping (Ramirez, 2010). Convenience is one of the most important factor which is considered by many marketers as it is quite easy for any customer to browse or search the information

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through online by a single click which automatically makes the entire process easier and faster than the traditional retail shopping. With the help of online platforms consumers can easily go through the product catalogue or different types of brands offered by the company and at the same time they also get the flexibility to compare with other brands. At times it is quiet time consuming to visit each and every store physically to go ahead with the information search (Mahalaxmi & Nagamanikandan, 2016). That's why it can be said that the convenience has always been one of the major factors for any customer while they are shopping online. Online Shoppers are also involved in experiencing less time consuming factor with convenience. With the help of online shopping customers can get easy access to different brands at a quick glance. There are several research works which is concentrated on the pricing factor and it is mentioned that price comparison is also one of the important factors which influences consumer attitude towards online shopping.

2. Literature Review

Website design which is formulated by the marketer is also one of the important influencing platform that is involved in online shopping. Website design in most appropriate way and user friendly way and the website privacy factor with secured transactions are the most attractive features which broadly influenced the overall consumer perception and preferences while they go out with online shopping. The overall website quality and content development play an important role to grab the consumers. Website quality has an impact on the choice criteria of consumer and it may influence especially when they are looking for switching from one portal to the other. (Kapoor, 2012). Effective and attractive website design can lead to customers satisfaction order light up to a great extent. Overall website design features can be explained as one of the crucial motivational factors that may influence positive or negative feelings towards any website and it is related to the quality feature. Any successful transaction also attract the customer to revisit the website and to experience the website at highest level. Website quality has a direct impact on customer mind and preferences when they shop online and trying to find their preferred brand through any common platform. But at the same time it is also one of the fact that a large group of internet users have a serious concerns of payment based security (Shanthi & Kanniah, 2015). While any online marketers are trying to formulate strategies to promote their product online should analyse the overall demography of the market place. Help them eventually to formulate a more competitive strategy which will help them to compete in the market in adverse situation (Chandra & Sinha, 2013). Marketers need to study or consider various factors like age group, gender family income, disposable income, and education level as important factors as these factors may define the overall shopping behavior of the target audience. While marketers are involved in formulating the overall marketing mix Strategies for the online products they should focus on the local culture underground reality of the market as well. Most of the time it is observed that the online shopping parameters are basically involved in e-commerce

experience, product perception and customer service (Koo & Lee, 2008). There is a significant relationship among all these variables which influences consumer attitude towards online purchase. Marketers need to concentrate on various financial and non-delivery risk factors which affect the consumer buying attitude. Online sellers should make sure that the procedure should be safer and insured for the online buyers as per as the delivery of the product and quality concerned (Jun et. al., 2011). With the advancement of the internet and internet-based technologies online shopping industry has developed a huge business and it had created a favourable business environment for different stakeholders so that,they are able to access the information about the product or service quite easily and frequently. Many organizations had shifted their business focus towards online businesses from traditional offline platforms by looking at various available opportunities in the market. As far as overall business environment is concerned with the help of e-commerce platform the world business has become much more competitive and efficient. In this newly formed business environment marketers are trying their level best to create their own base by analyzing online Shoppers behavior minutely. Various consumer characteristics could be analyzed by marketers with the help of various factors like consumer shopping orientations, analysis of demographic factors, customer's knowledge towards computer and internet services, internet usage value, consumer's acceptance towards innovative platform and various psychological variables (Demangeot & Broderick, 2007). Characteristics of a customer are a very important factor that may affect the overall Purchase Decision Process. As pocket size plays an important role that's why it is observed that any individual with comparatively lower income tend to approach online buying activity with lots of questions and at the very beginning the try to make sure that there should not be any financial loss for them when they go for online purchase. Apparently, the finance related factors may not look very important but it influences the buying decision and due to that online marketers are always trying to analyse such sensitive audience with utmost care. It is also observed that online consumers psychologically deal with their own thoughts and quite frequently they ask question to themselves instead of asking question to a marketer directly (Darian, 1987). At this point of time marketers need to understand various psychological characteristics of online buyers and they should be able to motivate them properly and satisfy their questions and all kinds of doubts. As it is already mentioned that perception is one of the important factors and due to that marketers need to provide proper security measures of the website and the need to provide confidence to the online purchaser. If any organisation able to provide customer confidence successfully then definitely that would be an added advantage to gain the competitive advantage in the Marketplace. The Other psychological aspect could be defined as the personality of the buyer and their comfort level towards online buying.

The growth of the internet from last two decades is quite phenomenal and with the help of relevant digital economy which is absolutely driven by information technology and allied services had also being used quite widely in the world market.

After the Rapid increase of internet usage there was a serious increase in web users and high speed internet connection. With all such phenomenon different organisations from different parts of the world realize that, they can promote and enhance the image of their product and services through website in quick time and with the help of that they can try to gain consumer trust for the long run (Cho & Jinsook, 2004). This will eventually help these organizations to concentrate on sustainability and related factors of the business. Therefore it is observed that the product details and improved services able to gain more customer attraction and with the help of that online marketers able to change the overall consumer behavior and buying attitude towards online shopping from the traditional mode of offline buying. At the same time maximum companies realize that the transformation in consumer behavior is absolutely and unavoidable trend and due to that they need to change their overall marketing strategy throughout. If they failed to change their marketing strategy they would not be able to compete effectively in the Marketplace to gain the market share (Bhatt, 2014). Recent researches indicated that internet shopping particularly in the field of business to customer part had grown immensely and has become extremely popular among the people. It is quite evident that internet usage offers different kinds of convenience to the consumer and through that marketers are trying to change the adaptability factor for the long run. Such Changes help marketers and consumer both in terms of availability factor. Marketers able to increase their availability and customers are also able to experience those products without wasting anytime roaming around (Forsythe & Shi, 2003). It is quite obvious that due to the emergence of online concept consumers need not to go out as the internet can help them to search for any product or service related data or to find any comparative study (Davis *et al.*, 1989). With the help of online platforms customer would be able to evaluate various brands. They can visit the websites of different companies and try to find out the most preferred price as per their requirement. Consumer would be able to customize their search process as per the need (Bell & Bryman, 2007). They can look for a brand which can satisfy their need in the best possible way. Through different types of search engines consumers would be able to save time to access the consumption related information and they would be able to analyze various factors like brand image any other descriptions related to the brand so it would be beneficial for overall consumer learning towards the most suitable or preferred product.

The significant growth in The E-Commerce industry is seen in the field of consumer goods industry but still we can say that there is a huge difference between traditional and online consumer behaviour due to a factor called touch motivation. With reference to the sales volume in the Indian consumer goods industry the overall online sales are enjoying a very low penetration rate due to the consumer behaviour. There could be many other reasons but one of the most important reasons could be mentioned as the lack of involvement. But it can be said that the expansion of the consumer usage can be the main contributors to the enhancement of development of Internet shopping in Indian market. There are very limited studies which

have actually investigated the matter related to online shopping and the consumer thought process (Boudraeu & Watson, 2006). Somehow marketers failed to create an effective marketing channel with reference to the online platform and due to that they are struggling in the consumer goods segment. The overall influence on consumer behavior can be explained in two different ways like external and internal factors. External factors are generally related to the business environmental conditions, on the contrary internal factors are related to the consumer mind set and preferences. At the same time there are multiple factors which can influence overall consumer's behavior like technological inclusion, culture and sub cultural impact, reference group influences and their understanding about marketing (Amit & Ghosh, 2004). In addition to all these variables and constructs there could be two different types of motives those may influence online shopping like functional and nonfunctional. Functional motives can be explained as the timing of shopping when your consumers are in need etc. On the contrary nonfunctional motives are related to culture and social values and impact of brand name and brand value on consumers.

The scope of interaction during online shopping has been questioned by many researchers and to eliminate such chances of error, modern-day marketers are trying to implement various artificial intelligence related applications to find a sustainable solution for that. Online marketers had already adopted various information technology related techniques like virtual reality and various 3D techniques to improve their overall presentation of the product and by doing that they are trying to grab customer attention (Sharma & Mittal, 2009). The role of E-commerce website is to comprehend the ultimate essence of Internet shopping online security privacy and the trust factor full stop if any organisation failed to integrate all these important factors there could be a possibility to lose their competitive ground in any market. In comparison with the traditional shopping environment in case of online platform there is absolutely no waiting line for the buyers on the internet and with the good internet connection customer actually can enjoy the overall online shopping experience. Any customer purchase products and services on the basis of their level of trust towards the company and its offerings (Andrew & Vanitha, 2004). The seller may have a physical Store or online shop but irrespective of the platform customers are always looking for a trustworthy platform where they can purchase conveniently. Online trust can be considered as one of the basic and essential elements to build a proper relationship with the customer and on the basis of that they can grow further. The trustworthiness factor of any E-commerce website is completely relying on the privacy and e-security factor they are providing. To improve the platform the web Merchant can go ahead with a third-party verification to the E-commerce website especially while this privacy and security strategies are used at least customer would be able to think that it the E-Commerce platform based transactions are absolutely secure and the website is also reliable enough. Basically the online marketers need to concentrate on enhancing reliability factor among its target audience. Decide all such services the website can provide the overall important

information related to Customer services, location of the office, any important contact number or help desk number etc.

3. Research Objectives

1. To investigate the correlation among consumer behavior related variables like consumer buying attitude, choice criteria and consumer decision making.
2. To analyze the impact of online shopping on overall consumer behavior in Pune market.
3. To study various trends in online shopping in Pune market.

A. About Research Methods followed (in brief)

1) Preliminary note: Sampling Frame

- Geographical Area – Pune, India
- Target group – Customers those have experienced online shopping

B. Methods of information Collection and tools for analysis

- Data Collection – Primary and secondary
- Structured Questionnaire (consisted of open and close ended questions) for collecting primary data.

C. Sample Size

Region	Sample size
Pune	1000

- *Sampling Technique:* Probability sampling technique – Simple random sampling with purposive arrangement circumventing known sources of biasness.
- *Methods of data Analysis-* Correlation coefficient matrix, ANOVA

4. Hypothesis Formulation and Testing

- (H1): There is a relationship between consumer buying attitude and choice criteria.
- (H2): There is a relationship between choice criteria and consumer decision making.
- (H3): There is a relationship between consumer decision making and consumer buying attitude.

1) Interpretation

The table suggests that all three variables hold strong positive correlation coefficient among each other and the value are more than .80. Hence it can be concluded that there is a significant positive correlation among consumer buying attitude, choice criteria and consumer decision making.

2) Testing of H4

(H4): There is an impact of online shopping on overall consumer behavior

3) Interpretation

The table shows, for comparative measure, F ratio (at 4,138) = .509, and P = 0.729. The test between groups shows that F ratio for comparative measure is statistically significant at (p<0.05) level. Hence it is concluded that there is an impact of online shopping on overall consumer behavior. Henceforth, we

Table 1
Correlation among various consumer behavior related variables

		Consumer buying attitude	Choice criteria	Consumer decision making
Consumer buying attitude	Person correlation coefficient	-	.923	-
Choice criteria		-	-	.873
Consumer decision making		.981	-	-

Please note: Correlation is significant at 0.01 level.

Table 2
There is an impact of online shopping on overall consumer behavior

Components		Sum of squares	df	Mean squares	F
Website design	Between groups	1.598	4	.399	3.333
	Within groups	16.536	138	.120	
	Total	18.133	142		
Web pages management	Between groups	2.733	4	.683	5.232
	Within groups	18.023	138	.131	
	Total	20.756	142		
Brand availability and users' experience	Between groups	5.522	4	1.381	5.043
	Within groups	37.778	138	.274	
	Total	43.301	142		
Comparative measures	Between groups	.421	4	.105	.509
	Within groups	28.534	138	.207	
	Total	28.955	142		
Dependant variable – Consumer Behaviour					

accept the alternate hypothesis.

5. Conclusion

The research work is fundamentally focusing on various factors which affect the consumer behavior while they shop online. Researchers tried to explain the current status of the internet development and various strategies adopted by online marketers while they try to create a difference from the physical stores. The paper had explained the reason for popularity of any E-Commerce platform and its overall acceptance as well. The research work focused on internet shopping behavior, website platforms security factors, privacy factors and last but not the least is trust. These varied factors are examined well to investigate its influence on online consumer behavior. It is observed that the information search could be regarded as one of the most important factors which helps customer to find the suitable products or services as per their need and due to that online retailers need to enhance and improve the information supporting platform. With the help of that platform online marketers need to provide thorough product information and through internal search engine the efficiency of information search can be increased. At the evaluation stage customers are generally thinking about the reputation of the E-commerce website and the payment security and marketers should

concentrate on these stages as it helps in purchase decision. Overall, the study has evaluated various relevant factors related to internet which had influenced online consumer shopping behaviour as a whole. With the help of appropriate Marketing Communication and effective strategies online marketers would able to support the customers purchase intention and decision making process to improve their performance. By improving their overall performance, they would able to enhance their competitiveness, brand value and brand equity as a whole. Marketers need to understand a point clearly that online shopping experience can happen at post purchase stage as well.

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