

Impact of E-Commerce on the Changes in Consumer's Buying Behaviour in Malappuram District

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ABSTRACT

In this study, an attempt has been made to understand the impact of the increasing trend of online shopping and the changes in consumer's buying behaviour. This study attempts to depict the main drivers of the retail revolution in India and how this revolution changes the buying behavior of the consumer. The development of information technology and smart phones not only give birth to e-commerce but it also creates a consumer group having nature of tech-savvy. The unimaginable facilities provided by online shopping centers such as wide variety of choices, amazing prices, door-step service have break-up the minds of consumers from nearby convenient fixed shop consuming to online shopping even for the products having nature of day-to-day usage.

Keywords :-E-Commerce, Consumer Satisfaction, Buying Behaviour

INTRODUCTION

The study tries to reveal the changes in consumer buying behaviour in light of development of E-commerce. Purchasing products or services over the Internet, online shopping has attained wide popularity in recent mainly because people find it convenient and easy to shop from the comfort of their home or office and also eased from the trouble of moving from shop to shop in search of the good of choice. Online shopping (or e-tail from electronic retail or e-shopping) is a form of e-commerce which allows consumers to directly buy goods and services over the internet through a virtual shop. The study tries to identify the changes in the consumer's buying behavior of people in Malappuram District after the revolutionary changes in E-commerce.

STATEMENT OF THE PROBLEM

The immense popularity for E-commerce and online shopping have made a revolutionary change in buying pattern of consumers. So this study try to identify the forces affecting changes in buying behaviour of consumers and also try to understand the problems faced by consumers while having online purchase and the satisfaction level of consumers in online purchasing.

SCOPE OF STUDY

This study focuses on the changes in buying behaviour of people in Malappuram District due to the development of E-commerce. It is also a thought opening for the consumers who are addicted only to the online shopping, who can't enjoy the benefits of traditional off line shopping. The scope of the study is confined to Malappuram District.

OBJECTIVE OF THE STUDY

- To identify the buying pattern of consumers through online.
- To identify the forces affecting consumer behavior of online purchase.
- To study the major problems faced by consumers in online purchase.
- To analyze the satisfaction level of consumers.
- To provide necessary suggestions

RESEARCH METHODOLOGY

Research design

➤ **Exploratory research design**

For doing the study, that is the nature of research work to be undertaken as to Exploratory research method.

Source of data

- **Primary data:**

It consists of original information collected through structured questionnaire from sample size of 100 respondents residing at Malappuram District.

- **Secondary data:**

It consists of information that already exists and that are collected in past for some other purpose such as Previous research reports and Journals

Sampling :

- Sample size: This research study is conducted on 100samples.
- Area of study: Malappuram District
- Sampling: Conveniencesampling

Tools for data collection

- Primary data: primary data collected through structuredquestionnaire.

Tools for data analysis

- Statistical analysis presentation with Tables and graph(pieand barchart)
- Selected demographic data analysis by using frequencies andpercentage.

REVIEW OF LITERATURE

Lili Qu et al., (2014) has pointed out that five important e-Commerce factors have thesignificant positive correlation with Gross Domestic Product, especially the number of Internet users, thenumber of e-Commerce enterprises, the increasing number of online shopping users. They indicate thate-Commerce development play influence to economic growth. In order to make e-Commerce development play a greater role in economic growth, national governments,businesses and consumers need to put more emphasis on e-Commerce, increase investment in infrastructure,train e-Commerce professionals, make more users online shopping, to improve the level of e-commerce andpromote economic growth.

Dijeshetal.,(2014) reveals that Electronic commerce has several advantages over doing business in the traditional way. The advertisements andpromotions done through web can reach even geographically separated area. Cost of selling in the web is also less when compared with traditional commerce. Marketing done through web, as a medium is efficient and cost effective. With the enhancements in computer technology, maintaining a long-lasting relationship with customers and building trust become easy. Electronic commerce also helps developing brands. Electronic commerce has grown as a better medium in identifying and reaching potential customers.

Marina Sadyki (2017) states that Foreign retailers' online sales of physical goods to Russia have grown considerably over the past few years. The market reached around US\$ 4.3 billion in 2016 up from US\$ 3.4 billion in 2015 and US\$ 2.2 billion in 2014. Cross-border E-commerce from outside is increasing dramatically due to cheaper products than on the domestic market. In times of economic difficulties, the price differences explain much of the attractiveness of international online retailers.

Kiran S Nair (2017) states that the integration of digital marketing with e-commerce will bring innovations in marketing functions. Job market will see a major shift in the nature of jobs and the need to technological skill set. There will be some reduction in traditional jobs because of Ecommerce and digital business, but it will open a new horizon of jobs in Information and communication technology sector. The net result will depend on the skill set of candidates irrespective of the sectors.

Silpa Sasankan (2018) states that E-commerce, especially the B2C segment has changed the way business is done all over the world. These days the trend of e-commerce has gained momentum because of many favorable variables like COD, customization or personalization of the product, home delivery, etc. Online shopping has gained popularity among all the age groups, especially the youths and well employed citizens. The development of e-commerce in Kerala will have a significant impact on the socioeconomic status of people. Additional studies from different districts of Kerala on the internet connectivity, customer online purchase intention, online trust, prior online purchase experience, net banking facility, quality and brand orientation will help to construct new measures to promote e-commerce in Kerala. E-commerce model will help businessmen, entrepreneurs, retailers to reduce the cost, expand the market and enhance efficiency, etc. Creating awareness regarding e-commerce among the Kerala citizens, manufacturers, exporters is a pre-requisite to welcome the e-commerce business model and this will have potential to improve the lives and the livelihood/standard of living of the Kerala people. In this regard, the Government of Kerala can play a major part by highlighting the benefits of IT to its members and encouraging them to use customized software for their day-to-day operation.

Himani Aggarwal et al., (2020) states that E-commerce sector has become one of the key development areas in a country like India. It has helped in capitalizing the economy and creating a tech-savvy environment. It bestows a readymade platform for the businesses to break into the

markets domestically as well as internationally and facilitates global trade at much lower costs. Measured in terms of social factors, e-commerce can be beneficial in skill enhancement for the population and in creation of more employment opportunities. They also pointed out that the key challenges faced by Indian e-commerce sector is that India is still at an embryonic stage in this industry and also suggest that there is a necessity for formulating specifically designed policies for the development of the sector.

Major players in E-commerce in India

- Amazon India

This is by far the most popular online shopping sites in India. Reputed for superior products, services, delivery and returns policies, Amazon India brings to this country a truly international online shopping experience. You can buy almost all products from Amazon with great discounts.

- Flipkart:

This online shopping website is India's own. It is fast becoming popular outside the country too, thanks to excellent product range and highly competitive rates. Flipkart has unbeatable reach in semi-urban and rural India, thanks to its extensive delivery network.

- Snapdeal:

Featuring innumerable products from over 800 categories, Snapdeal has emerged as top destination for online shoppers in India. Great discounts are available 24x7x365 on this online store. Fast delivery schedules and flexibility of payments has helped Snapdeal grab leading position in India's online shopping sector.

- Myntra:

Myntra can truly be called the undisputed leader of online shopping site for fashion wear. Myntra is known for pioneering readymade garments and fashion wear retail segment of India. This online portal offers everything required to complete a wardrobe. Myntra's end of season sales is huge draw among fashion aficionados.

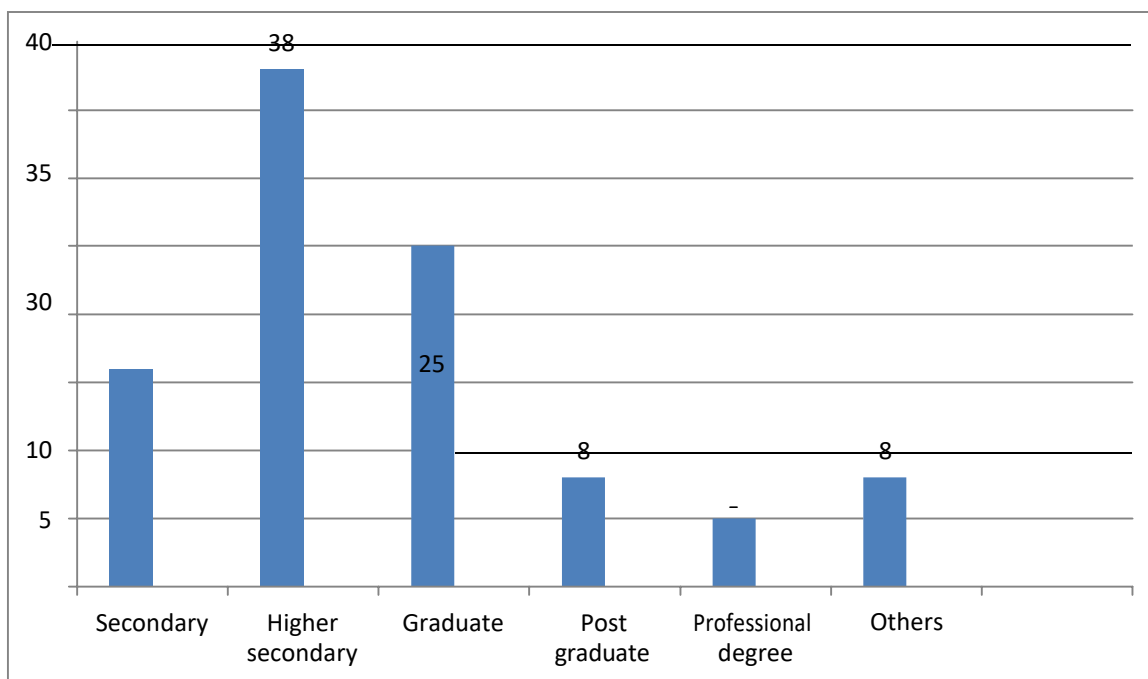
DATA ANALYSIS AND INTERPRETATION

TABLE NO.1
EDUCATION LEVEL OF RESPONDENTS

Education level	Frequency	Percentage
Secondary	16	16%
Higher secondary	38	38%
Graduate	25	25%
Post graduate	8	8%
Professional degree	5	5%
Others	8	8%
Total	100	100%

Source: Primary data

CHART NO. 1
EDUCATION LEVEL OF RESPONDENTS



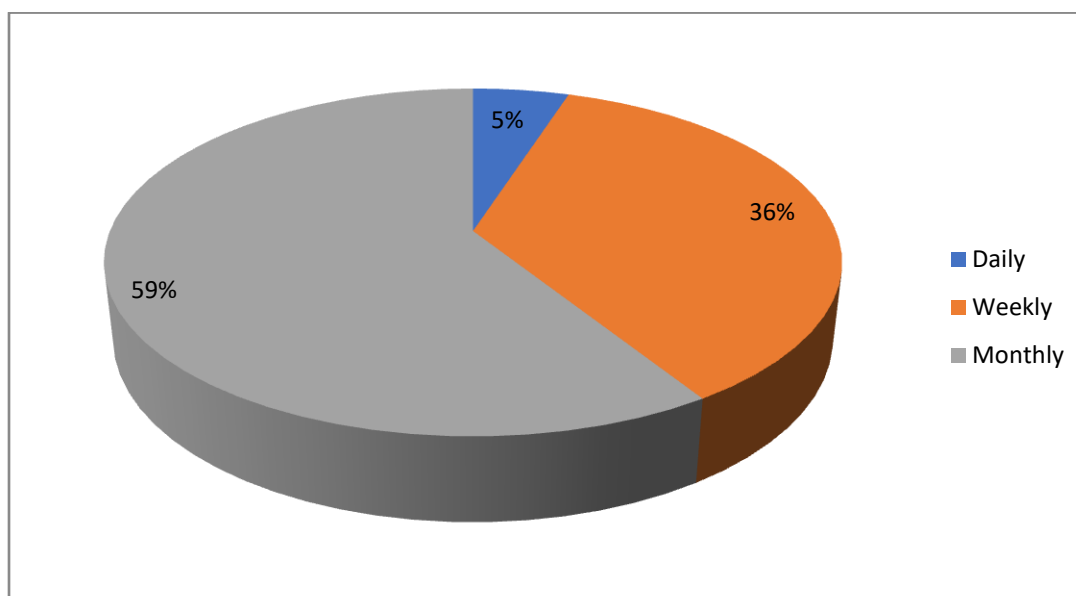
Education level of respondents are 16% of secondary, 38% of higher secondary, 25% graduate, 8% post graduate, 5% professional degree and 8% of other category.

TABLE NO: 2
FREQUENCY OF PURCHASE THOUGH ONLINE

Options	No. Of Respondents	Percentage
Daily	5	5
Weekly	36	36
Monthly	59	59
Total	100	100

Source: Primary Data

CHART NO: 2
FREQUENCY OF PURCHASE THOUGH ONLINE



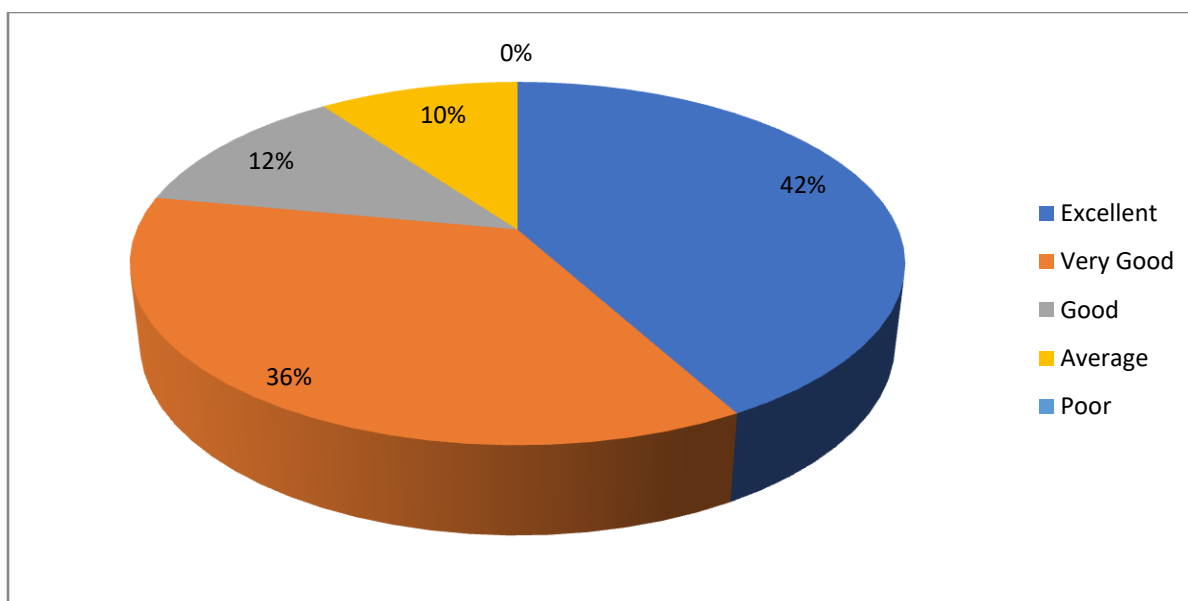
Interpretation: Among the 100 respondents, majority 59% respondents purchase product through online on monthly basis. 36% are weekly basis and 5% are daily basis.

TABLE NO: 3
OPINION ABOUT CONSUMPTION OF PRODUCTTHROUGH ONLINE

Options	No. Of Respondents	Percentage
Excellent	42	42

Very Good	36	36
Good	12	12
Average	10	10
Poor	0	0
Total	100	100

Source: Primary Data

CHART NO: 3**OPINION ABOUT CONSUMPTION OF PRODUCT THROUGH ONLINE**

Interpretation: Among the 100 respondents, 42% of respondent opinion about consumption of product through online was excellent, 36% of respondent opinion was verygood, 12 % of respondent opinion was good, and 10% of respondent opinion was average.

TABLE NO. 4**LEVEL OF SATISFACTION WITH ONLINE PURCHASE**

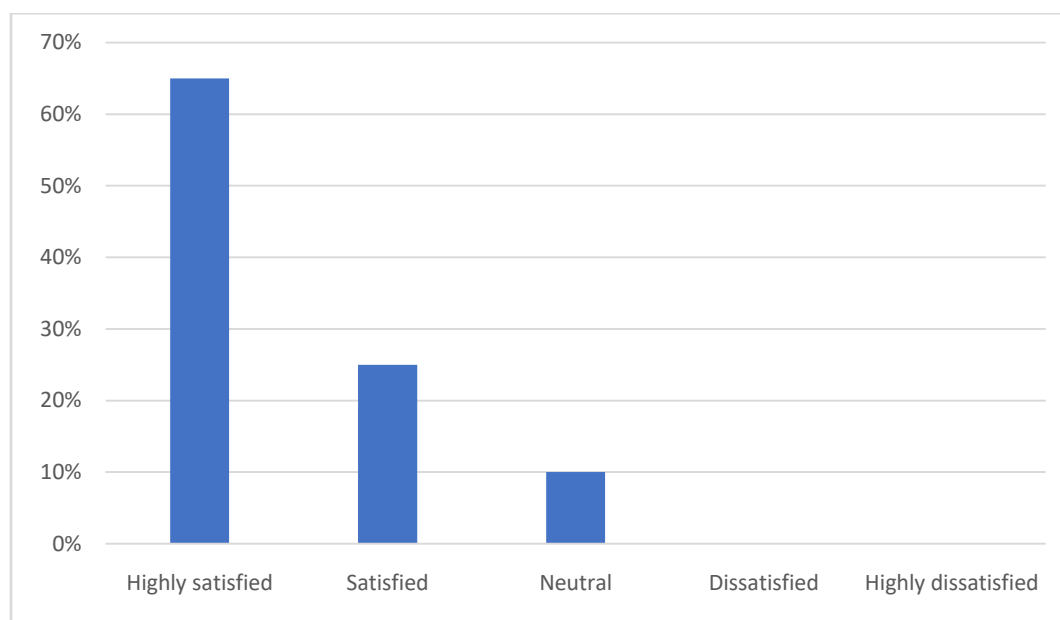
Opinion	Frequency	Percentage
Highly satisfied	65	65%
Satisfied	25	25%

Neutral	10	10%
Dissatisfied	0	0
Highly dissatisfied	0	0
Total	100	100%

Source: Primary data

CHART NO.4

LEVEL OF SATISFACTION WITH ONLINE PURCHASE



The figure shows that about 65% respondents are highly satisfied with online purchase, 25% of respondents are satisfied, and 10% of opinion is neutral.

TABLE NO. 5

PROBLEMS WITH ONLINE PURCHASE

Options	Weight	Rank
Quality Issues	4.33	I
Digital Payment Failures	3.19	III
Lack Of Security	3.70	II

Poor Delivery	2.52	IV
Any Other	2.42	V

Source: Primary data

Working Note:

Weighted Average Method = $(X_1 W_1 + X_2 W_2 + X_3 W_3 + \dots + X_n W_n) / N$

Among the 100 respondents, majority people have the opinion that the major problem in online purchase is quality issues regarding the product and were ranked first. Secondly ranked the problem is lack of security. Then digital payment failures were ranked third, poor delivery is ranked fourth and fifth rank provided to any other.

TABLE NO. 6
FACTORS INFLUENCING ONLINE PURCHASE

Option	Weight	Rank
Variety Of Choices	4.35	II
Discount And Offers	4.29	III
Convenience Of Shopping	4.50	I
Time Saving	3.97	IV
Comparison With Similar Products	3.95	V

Source: Primary data

Working Note:

Weighted Average Method = $(X_1 W_1 + X_2 W_2 + X_3 W_3 + \dots + X_n W_n) / N$

Among the 100 respondents, majority people are choosing online shopping due to convenience of shopping and were ranked first. Secondly ranked reason was variety of choices , third ranked was discount and offers, finally people are prefer online purchase reason is time saving and comparison with similar products ,they ranked fourth and fifth.

FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

- Majority of people purchase products through online on monthly basis
- Most of the people having the opinion that consumption of product through online is excellent
- Majority of the respondents are satisfied with online shopping
- The most important problem faced in online shopping is quality issues and lack of security and also respondents have the opinion that the product shown in the website does not match with actual product received.
- The most important factor that leads to online shopping is convenience and variety of choices.

SUGGESTIONS

- The online traders must take necessary steps to match the expectation of consumer with product those actually delivered
- Only literate people can have the advantage of online shopping. So there must be campaigns to make consumers those who are unaware about online shopping.
- The online traders must have to strengthen their distribution channel.

CONCLUSION

The development of information technology and smart phones not only give birth to e-commerce but it also creates a consumer group having nature of tech-savvy. The unimaginable facilities provided by online shopping centers such as wide variety of choices, amazing prices, door-step service have break-up the minds of consumers from nearby convenient fixed shop consuming to online shopping even for the products having nature of day-to-day usage. The consumers not only always prefer online shopping but they also try to enjoy the off-line shopping because there are a lot of small scale retail traders in the economy who face problems due to the advent of E-stores.

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