International Multidisciplinary Research Journal

Indian Streams Research Journal

Executive Editor
Ashok Yakkaldevi

Editor-in-Chief
H.N.Jagtap

"IMPACT OF E-COMMERCE ON CONSUMER BEHAVIOR IN INDIA"

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ABSTRACT

On a daily basis in the present-day,some 100,000 tweets are sent, 684,478 pieces of content are shared on Face book, 2 million search queries are made on Google, 48 hours of video are uploaded to YouTube, 3,600 photos are shared on Instagram, and 571 websites are created (James 2012).

INDEX TERMS- *E-Commerce , Consumer Behavior , technology.*

INTRODUCTION :

Today we are living in a age dictated by technology. There is no sphere of human endeavour which is not influenced by the technology. The technology has its greatest influence upon our business activities and behavior. The advent of social media has created a new landscape which lays out a new grid of personal

connections. Businesses see enormous opportunities and are eager to tap into the trend, whereas consumers are resurrected to the center in the business world because of social media. There are many studies explaining the reasons to tap into social media and to help companies to gain a better position in the transition; yet there is a new found justification to study the influence of social media from the perspective of consumers. Not infrequently, consumers tend to feel differently from what marketers think, for instance what "brand engagement" via social media looks like to consumers may not be quite what marketers think (Snider man, 2012).

The above information exemplifies the impact of online marketing on consumer behavior due to the smart applications and ease of usage of electronic devices by the people in the society. The companies are also deploying at a fast pace the social media to reach their target markets.

How good it is from the stand point of the consumer when he wants a shirt, and gets information in addition to the shirt, about matching pants and shoes, without having to go in search of it, through online marketing. We have umpteen choices than what weever expected to have. This article focuses on collecting the information about E-Commerce and its influence on consumerbehavior.

Though may be good to purchase through online,however, what makes them motivated to go for online needs a study, especially in view of the number of online applications, that are already flying around the virtual markets and creating an impact in the minds of customers to purchase through virtual markets.

I.E- COMMERCE

The influence of Internet in the field of marketing has changed the scenario and made a paradigm shift in

the market, on the traditional way of shopping. A consumer is no longer required by or bound to specific timeframe or location; he/she becomes active purchaser of products or services at his / her will with the convenience of a virtual platform and this ropes in more and more consumers to the virtual market. The Internet is relatively a new medium for communication and exchange of information in our day to day life. The constant increase in the number of internet users indicate the rapid use of online purchase portal and the virtual market is increasing. The rapid increase is measured by the growth in the use of broadband technology coupled with the change in consumer preference and behavior. The Internet is considered a mass medium that provides the consumer with purchase characteristics as no other medium. Certain characteristics are making it more convenient for the consumer compared to the traditional way of shopping, such as the ability to at any time to view and purchase products, not having to battle with the physical obstacles like traffic or distance or the timeframe of the physical market, coverage of their needs with products, and discuss products with other consumers.

Electronic commerce (or e-commerce) encompasses all businesses connected by means of computer networks. Advances in telecommunications and computer technologies in recent years have made computer networks an integral part of the economic infrastructure. More and more companies are facilitating transactions over web. There has been a tremendous competition to target each and every user of computer who is connected to the Web.

Although business-to-business transactions play an important role in accruing revenue to e-commerce market, a share of e-commerce revenues in developed countries is generated from business to consumer transactions too. E-commerce provides multiple benefits to the consumers in form of availability of goods at lower cost, wider choice and saves time. People can buy goods with a click of mouse button without moving out of their house or office. Similarly online services such as banking, ticketing (including airlines, bus, and railways), bill payments, hotel booking etc, have been of tremendous benefit for the customers. Most experts believe that overall e-commerce will increase exponentially in coming years. Business to business transactions will represent the largest revenue, despite online retailing does enjoy a stupendous growth. It is also believed that in the near future the business like financial services, training, entertainment and also other would adopt online means of marketing or selling.

I.1. E-COMMERCE IN INDIA

As developing countries like India, e-commerce offers considerable opportunity to the people. E-commerce in India is still in nascent stage, but even the most- conservative projections indicate a boom. It is believed that low cost of personal computers, a growing installed base for Internet use, and an increasingly competitive Internet Service Provider (ISP) market will help fuel e-commerce growth in Asia's second most populous nation. Indian middle class of 288 million people is equal to the entire U.S. consumer base. This makes India a real attractive market for e-commerce. To make a successful e-commerce transaction both the payment and delivery services must be made efficient.in the recent past, there has been a rise in the number of companies' taking up to e-commerce. Major Indian portal sites have also shifted towards e-commerce instead of depending on advertising revenue. Many sites are now selling a diverse range of products and services from flowers, greeting cards, and movie tickets to groceries, electronic gadgets, and computers. With stock exchanges coming online the time for true e-commerce in India has finally arrived. On the negative side of this development, there are many challenges faced by e-commerce sites in India. The relatively small credit card population and lack of uniform credit agencies create a variety of payment challenges unknown in India. However as a fall out of the challenge of demonetization and the drive to become less cash society, this problem is likely to ease out as are the early indications. Delivery of goods to consumer by couriers and postal services is not very reliable in smaller cities, towns and rural areas, however, many banks have been using and adopting the Internet banking facilities. The speed post and courier system has also improved tremendously in recent years. Modern computer technology like secured socket layer (SSL) helps to protect against discrepancies and fraud in payment, and to share information with suppliers and business partners. With further improvement in payment and delivery system it is expected that India will soon become a major player in the e-commerce market. While

many companies, organizations, and communities in India have realized and are poised to take advantage of the potential of e-commerce, critical challenges that remain, need to be called out before e-commerce would become a way of life for common people.

India's ecommerce industry is on the growth track and experience a spate of changes. The Online Travel Industry is the biggest segment in ecommerce and is booming due largely to the Internet-savvy urban population. The other segments, categorized under online non-travel industry, include e-Tailing (online retail), online classifieds and Digital Downloads (still in a nascent stage). The online travel industry has its prominence through Makemytrip.com, Cleartrip.com and Yatra.com, redbus.com as well as IRCTC.com, which is a successful Indian Railways initiative. The online classifieds segment is broadly divided into three sectors; Jobs, Matrimonial and Real Estate. Mobile Commerce is also growing rapidly and proving to be a stable and secure supplement to E-Commerce due to the record growth in mobile user base in India, in recent years. Growth drivers and barriers are its opportunity and threat measures for new E-Commerce ventures.

I.2. IMPACT OF E-COMMERCE AND SOCIAL MEDIA APPARATUS

The e-commerce market in India is expected to nearly double to Rs 2, 11,005crore by December, 2016? according to industry body Internet and Mobile Association of India (IAMAI) and IMRB,

The market grew 30% between December 2011 and December 2015 and was valued at Rs 1,25,732 crore by the end of December 2015, led by the online travel industry which accounted for 63% of the overall share, the report said. Online travel, which includes domestic air ticket and railways booking, is expected to grow around 40% to reach Rs 1, 22,815 Crores by end of 2016. The hotel booking business grew 165% year over year to Rs 5,200 crores in December 2015, while spend on online railway ticket booking grew at around 34%, to Rs 21,708 crore in 2015. E-tailing continued to remain the most dominant category among non-travel online spend. The report says that the 57% growth in e-tailing was driven by mobile phone and mobile accessories. Computers, consumer electronics, apparel and accessories, accounted for bulk of retail e-commerce spend in India, making up 49% of overall spend in e-tail segment. The report found that online shoppers mostly belong to top eight and small metros. Most of these shoppers fall in the age group 16 to 34 years, and are predominantly male (around 64%). Apparel and footwear sale almost doubled as compared to the previous year, to Rs 7,142 crore in December 2015. This segment is expected to gain further momentum and reach Rs 72,639 crore by end of 2016, the report added. Other online services including booking movie tickets and tickets for other events, online commuting or cab hire, online grocery and food delivery, accounted for Rs 3,823crorelastyear.

II.ONLINE SHOPPING

Online shopping is the process whereby consumers directly buy goods or services from a seller in real-time, without an intermediary service, over the Internet. It is a form of electronic commerce. An online shop, e-shop, e-store, internet shop, web-shop, web-store, online store, or virtual store evokes the physical analogy of buying products or services at a bricks-and-mortar retailer or in a shopping mall. This process is called Business-to-Consumer (B2C) online shopping. When a business organization buys from another of same or differential kind it is Business-to-Business (B2B) online shopping.

As looking for a hard-to-find item, need something to be delivered to a friend on the other side of the world, or are seeking the perfect birthday present, online shopping offer you at your door step the internet product with the click of your mouse. No more travelling from store to store, looking for a parking spot and waiting on line.

"We offer products from unorganized sectors, which do not have the means to reach various parts of the globe. These products, generally a specialty for a particular city or region, can be purchased through our site," says Malamall.com. It offers products like Hyderabad pearls, Mathura's petha or Thirunelvelli'shalwa. The site has been successfully running since 2010.

Some of the online portals such as Sifymall.com, Noshutters.com and Bargainsbazaar.com target to a niche sector which differ from cars to grocery items. These are basically cyber mass with huge database helping people or through one-stop shopping with the purpose of put into operation a completed shopping mall. They offer various products and goods, better bargains and a wide variety of choices. But as of now, these are used to

gather information. People log in to these sites to check the prices and later do off-line shopping.

II.1. ADVANTAGES
The advantages of online shopping are
1. Sheer convenience
2. Wider choice
3. Better value
4. Unique gifting opportunity
5. Saves time and strain
6. Micro targeting
7. Mass personalization
8. Know customer preferences, and
9. Integrated source of information

The only difficulty which a consumer would encounter amidst these advantages are that one could not see, touch or try on, for example books, music, office products etc. but shopping a car or a shirt is still a remote possibility for people in India. These companies have to offer only products like computer peripherals or like malamall.com, which provides products that one is already familiar with.

II.2. CATERING TO NICHE MARKETS
It is a strategy to concentrate on a narrow segment of the total market either through penetration or market development. The target segment or niche can be defined by geographical uniqueness distinct product/services features and select group of customers. Companies are more successful, segment their market so as to gain decisive advantage, choose their segment according to their own strength and weakness and offer product/services, which have decisive competitive advantage.

It is the shopping sites targeting niche segments that are likely to be more successful in the future, sensing a huge potential, many sites have sprouted even in this area. Fabmart.com is a niche site which offers books and related stuff over the Net. Another prominent example is Delhi's bpagency.com, a bookstore offering books for people in the city. Also, a number of sites have come up targeting a particular area and offering products from shops in these areas. In Hyderabad the street called General Bazaar where one could get everything, right from the eatables to jewels. Sensing this, a site has recently named generalbazaar.com. , In before it was named southextension.com in Delhi which is basically helps to the provide information to people before they went for physical shopping.

"I think even in the online shopping area, we have to offer something which is otherwise very difficult to get in the physical world. By this way, we will cultivate the habit of people using the Net for buying and doing transactions. Once these get right, the same sites could offer various other things which is common to everybody. Since they have developed a faith in the site, they would definitely make some transactions for other products as well", says Malamall.com.

II.3. E – CATALOGUING
Shopping malls have begun with a simple HTML form- that would take an order. But when one needs to have more than a few products to choose from, the form would become clumsy, since the order form is on a different page with product description. From here came the birth of 'shopping cart' software, which allows one to keep track of shopping as one browses through the site.

II.4. SHOPPING CART
This is a kind of software that keeps a record of the choices one would make during an online buying session. This is used to attract repeat visitors to a website by offering compulsive reasons to do so, such as dynamic content, regular promotions, etc.

The bottlenecks of online shops are;
- Lack of trust as there is no face to face contact
- Payment gateways not clear
- Security concerns
- Transaction fulfilment is questioned
- No integration between online and off-line stores
- Physical large shopping malls themselves are a new concept in India.

Then, came the need for store - building software. These stores include the shopping cart, allowing the storeowner with just a web browser- to add, delete or temporarily hide products, change prices, set up sales and promotions, pick up orders, securely manipulate graphics and integrate the online operation with existing accounting and inventory systems.

According to the vice president of one of the reputed company's online shopping, "Mass personalization is an area in which online retail could build competitive advantage over off-line retail. Imagine that in a physical store, an assistant knows the preference and purchase behavior of each of his customer. He could know the customer's wants and needs and thus is able to guide them for making a right purchase. But in case of controversy in online retail, customer can choose the product as they like and online retail give more variety of products at the nominal rate of cost than the off - line. This would lead the customer to delight. This is what online retail can do effectively and on a scale unimaginable in the physical world".

III. HURDLES IN THE WAY

One of the major hurdles for online shopping to take off is lack of a proper system which promises the users that are in sage hands and their credit cards wouldn't be misused. Despite industry experts assuring shoppers that credit card numbers are sager online than they are in a couple of years to build trust.

Taking orders over the Net is one thing, fulfilling the transaction is an issue which most of the sites are unable to meet and also developing offline network for the delivery of goods at the right time, to the right person, needs attention.

One expert says that the most sites still haven't given a serious thought to this aspect, say industry watchers. "Transaction fulfillment is an issue that can't be ignored if the site is planning to offer on-line shopping. Until it is complete and clear, they shouldn't offer people to transact through their site", opines India Domain Web Services.

There is a strong reason for on – line shopping malls being not popular. Each area in acuity is self-sufficient. People, unlike in the US, need not travel long distances to buy even small things. They can just walk a few steps to their local grocery shops for their daily needs. This has to be understood. And for costly purchases, it is more of an event for the family, if they have to buy a car or for that matter washing machine, they would definitely make two or three visits to the shops and take a decision, because it is huge investment for a common Indian urban family.

Unlike online shopping in the west- which is well organized and sym boiled by large physical malls- the concepts is relatively new in India. People are slowly getting exposed to the concept only in the recent past. Further, the growth of this industry is in its infancy. Only now one could see some significant choice and value being offered. However, considering the young generation's affinity towards technology, it could be actually end up seeing the retail development in India leapfrog onto online shopping without following the Western route.

In this hope, retailers have now started investing huge money in their websites and are jockeying to build their brand names through starting price reek that are unlikely to encounter in the physical world. Thus, Cyber malls are being built, and additions and newer attractions are being added to the sites. Still secure payment gateways are in place and logistics of transaction fulfillment worked out to the last details, the cyber malls a waits for customers.

IV. ONLINE SHOPPING IN INDIA

Online shopping immediately strikes the names of a few famous sites that have made a mark in the internet economy by allowing people to do transactions using the technology with ease and choice. For example,

sites like Amazon.com, 1800 flowers.com or Fabmarrt.com and Sifmall.com are offering the option to ordering goods and services online. The successful models have proved that online shopping could happen without bottlenecks and fear. In India, online shopping malls are just one among the many channels offered by generic portals, an exception being Fabmart.com, which is trying to replicate the Amazon.com story in the country.

In the US, Forrester Research predicted earlier that on-line shopping during the Christmas of 2000 alone touched $ 10 billon. Forecasts Robert Rubin, director and lead analyst of consumer packaged goods (GPG), predicts that online grocery shopping would overhaul grocery shopping. It has also predicted that online grocery shopping would grow to $ 27.1 billing in 2004. As a result, manufacturers of consumer packaged goods would integrate internet initiatives into their branding strategies to maintain relationships with traditional channels and forge relationships with online resellers that yield valuable date streams.

The scenario in India is in contrast to that of the US. Here, online shopping is yet to catch the minds of Indian. But despite this, specialized sites have emerged to offer people to do shopping using the Net. However the issues of security, transaction fulfillment and genuineness are still the major stumbling blocks in the pace of online shopping. As of now, the sites are just displaying the products and giving comparative information about various products.

Any product or services that are found in telephone book is now available on computer screen from travel agents to grocery stores. And there are even some things that you could not find anywhere else. For example, one of the most successfully run e-commerce B2C site called Malamall.com offers products that may not be easily available in the real world under one roof. Says director of Malamall.com.

V. ONLINE SHOPPING LOGIC AND LOGISTICS

Online grocery businesses have been reached $ 422 million, Start with a $30 billion OFFLINE grocery business. That's exactly what Tesco.com did; its success has been getting a lot of notice with the recent demise of Web van. Web van's failure, then, does not prove that online groceries don't work. It proves that not ALL online groceries work, and that it helps to have an existing business to leverage. U.S. based Web van started not with a chain of 690 stores or an existing food business, but with a multibillion-dollar warehouse-building program. About half away through, it ran out of money. 17

Tesco.com is the internet division of Britain's largest grocery chain. Instead of building warehouses, the company uses its local supermarkets as distribution centres. Its success was with an investment of $56 million.

Of course not, but in the real world (as opposed to last year's fantasy world), success isn't about building a profitable INTERNET business; it's about using the internet to build a profitable BUSINESS. The trick is to look at your assets and figure out how to use the internet to leverage them. The questions are very practical; more shop floor than business school. Unlike the "model" internet business which aggregates demand worldwide, Tesco..Com delivers local goods LOCALLY. Indeed, it could almost run the business with telephone orders, except that the internet allows people to maintain shopping lists online and order conveniently (and inexpensively for Tesco) without a person on the other end. But the delivery service has to make sense on its own, and with a service charge of about $7 (U.S) per order, it does.

It is important to understand the difference between stores and typical centralized online services. Grocery is a proximate business, and Tesco delivers from its local stores. So the "Tesco.com" Website is actually several Websites: the one that appears on each customer's screen is the one associated with the store closest to where the user lives, from which the delivery will be made. This ensures that the selection matches local tastes and that the items ordered are actually in stock.

The customers, meanwhile, use an online shopping list generated from an actual shopping trip (with leveraging their own behaviour and avoiding the tedium of selecting their staples, they can simply change the list as they wish. It's these kinds of details, not just a grand strategy, that have made Tesco successful.

Local delivery is the only way to go. It is not just that warehouses cost so much and aren't supported by a complementary walk-in business, but also that the market is still so sparse. Even a geographically dense (but traffic-burdened) market such as London is served from individual neighborhood stores.

The stock-picking is also an important task. The pickers work from an automated shopping cart basically a cart with a computer lashed to it. They do the picking when customer traffic is slow (morning to mid-

afternoon), thus leveraging the stores downtime much as an extra shift leverages a factory.

VI. ONLINE PURCHASING

As majority of the consumers are still making their purchase in a 'brick and mortar store' much of the research and decision making process is being done online in advance of the purchase.

Online purchasing is the technology infrastructure for the exchange of data and the purchase of a product over the internet. Online purchasing is a metaphor used in B2B electronic commerce for providing customer with an online method of placing an order, submitting a purchase order or requesting a quote. eg. Short buying-visit shops and decide the shop based on quality, sizes, colours and prices at different stores. It provides information and activities that give your customer the knowledge to make informed buying decisions, eg. Car purchasing- search the prices and features of cars online.

The customer may visit the site to find information. Internet provides him with an easy way to shop for different products so that he can compare features, functions and comparative prices. For B2B transactions, online shopping may entail an extranet (private website) that include information that business partners may need to conduct business. It provides standard product copy, product features, logos, case studies, technical specifications and product availability on his site. A retailer goes to this site to download the above and a graphic for a mailer or newspaper insert. By accessing business partner's online shopping site, the retailer can be ensured that the picture matches the product and the product will be available in the necessary quantities for promotion. Online shopping for B2B transactions speeds up information gathering and access process and providing timely access to accurate information.

Online purchasing is defined as the infrastructure to allow the purchase of products over the internet. If a customer is interested in buying office supplies, he might go to the respective website's American companies of over 500 employees found the 80% used the internet for marketing activities and 10% for online purchasing. 45% of the companies surveyed said that they have planned to implement online purchasing in the next two years.

VII.A VIRTUAL WALLET / E-WALLET / DIGITAL WALLET

One of the real frustrations of online shopping is all the forms one has to consummate whenever they shop at a store for the first time. 27% of online consumers abandon the items they put into a shopping basket because they find filling out the forms to be a hassle. E-Wallets, which provide an alternative method of filling out forms for each online purchase, can help. Early e-wallets required large client down loads, and each technology had to be supported by each individual store. They also required a credit card clearing-house to update the e-dollar amount in each e-wallet. Digital wallets cut the drudgery by filling out forms automatically. IBM sells its digital wallet software to banks for individual branding.19

VIII.CONCLUSION

Despite the remarkable growth in Internet sales, there is evidence to suggest that there are some consumers shopping with intent to buy at retail web sites who for some reason do not complete the transaction. The purpose of this study is to attempt to examine those individuals who completed an Internet purchase and to compare them to those who just Watch and Browse In order to be effective, an Internet shopping environment must focus on the consumer and marketing factors of Internet shopping. In order to facilitate Internet purchasing, e-tailers should acknowledge both the consumer and marketing factors collectively and improve the quality of service at their Internet stores.

Today's consumers are savvy, about information, technology, and shopping. All four groups studied, have their own beliefs, attitudes, decision-making strategies, and experiences. To attract all four groups of consumers to Internet buying, e-tailers need to adopt specific parts of his or her marketing campaign and to meet the specific demands and needs of each group. They need to understand that just as in brick and mortar retailing the Internet customer is not a homogeneous group. It represents a variety of individuals with different attitudes and online shopping intentions. E-tailers need to focus on what the consumers want in exchange for their money, time, and effort not only in terms of product and customer service but also Internet experience.

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