



ISSN Print: 2394-7500
ISSN Online: 2394-5869
Impact Factor: 5.2
IJAR 2016; 2(12): 675-678
www.allresearchjournal.com
Received: 28-09-2016
Accepted: 11-11-2016

Madhu Khanna
Associate Professor
Kamala Nehru College,
University of Delhi, New
Delhi, India

An empirical study of reasons of Consumers' shifts from Electronic Commerce and M commerce – A Quantitative study

Madhu Khanna

Abstract

The research demonstrates the factors that have led to a movement away from electronic commerce and are defining the future of mobile commerce. People's lives have been transformed by technological advancement. The arrival of e-commerce broadened our options and allowed us to save time and money. With significant advancements in science and technology, m-commerce is anticipated to be gaining traction owing to its ease. The study depicts the impact of m-commerce on existing electronic commerce and highlights the variables that have increased the present business mechanism. The current research is empirical in nature. The study's sample size is 105, which was obtained from respondents using a structured questionnaire developed on a five-point interval scale.

Keywords: m-commerce, e-commerce, consumers' shift, Technological upgradation

Introduction

The m-commerce or mobile commerce trend has grown in popularity as the usage of smart phones has expanded. Mobile has proven itself as an essential component of ecommerce and directly generates e-commerce traffic. Consumer utility shift to smart phones is continually boosting the necessity for firms to take the risk of developing a mobile app for their company. With significant players in the ecommerce space relying on mobile apps to drive traffic, more businesses are following suit and giving tailored experiences via mobile commerce. The benefits of Ecommerce blew customers' minds away with their amazing benefits such as- no need to go anywhere, store remains open 24/7, get lots of choices, no standing in long queues anymore, easy price comparison, locating remote stores painlessly, no worry of keeping large amounts of money in the pocket, seamless communication, and so on. With the passage of time, the development in the number of online stores in the webbed globe prompted the necessity to differentiate the business in the market. E-retailers have realised that just offering a one-of-a-kind product would not bring in new consumers or keep current ones. And something must be done. Thanks to improved technology that have enabled e-stores to develop and acquire a competitive advantage via the use of retail therapy. According to a survey issued in April by market research company Zinnov, India's mobile commerce sector might grow to \$19 billion by 2019, up from \$2 billion now. The major cause is a surge in smart phone sales in the world's second most populous nation amid a flood of low-cost devices, according to the research. These days, mobile applications play a significant part in consumers' lives since they have become the default medium for accessing the internet. According to research, "90 percent of smart phone users utilise applications, which totals close to 158 million as of today."

E-commerce shops have begun to develop tactics to bridge the digital divide and improve the client experience. It is achieved through better knowing consumers and pleasing them with the appropriate material at the appropriate time across many channels. Personalization and suggestions, push alerts, data-driven commerce, automated follow-ups, predictive and suggestive search, and other channels might be on-site or off-site.

Trust and privacy have been extensively researched as critical challenges and success elements in e-commerce. With the introduction of m-commerce, it is necessary to review these notions and re-examine their antecedents in the mobile environment. This study takes a comparative approach to trust and privacy problems in e-commerce and m-commerce. It

Correspondence
Madhu Khanna
Associate Professor
Kamala Nehru College,
University of Delhi, New
Delhi, India

studies how trust and privacy alter when the context of e-commerce shifts to the context of m-commerce. The findings of an exploratory qualitative research in m-commerce complement our analysis. To engage a new generation of tech-savvy customers, businesses must broaden their offering by offering digital channels such as online, mobile web, and applications. This is no longer a nice-to-have, but rather a need. Those who failed to properly embrace the E-commerce age when it first emerged over two decades ago now have the chance to avoid making the same error again.

Many shops miscalculated the significance of E-commerce and digital business, therefore they jumped on board after the trend had crested. This resulted in significant upheavals within the sector, culminating in the retail apocalypse, which prompted well-known firms such as Toys R Us, Sears, and Claire's to liquidate stores or even declare bankruptcy. However, merchants were not the only ones that underestimated the significance of internet business: banks, too, reacted to the early excitement with mistrust. Cynical opinions from the banking industry, such as "People would never feel comfortable putting their credit number in a computer, are you crazy?" were not uncommon. As a consequence, banks missed out on the digital revolution and have had to play catch-up ever since.

Organizations must participate in the current digital transformation. The next edition, mobile, is already in the works. Don't lose out on the mobile shift if you lost out on E-commerce. Now is the moment to ensure that you are at the forefront of the mobile in-app payment industry. Companies who see this point, see a potential for development, and completely embrace the payment component as an intrinsic element of their overall digital strategy will come out on top. Sleeping on this evolution, as many have done in the past, will endanger your company and put it at risk of being irrelevant.

Literature Review

Weebly (2016) ^[7] offers five years of market analysis that demonstrates M-superiority commerce's over E-commerce. M-commerce is increasing popularity owing to borderless access, shop mobility, time efficiency, additional user advantages, and a growth in the number of mobile phones. According to the author, it provides enough options for company outlets to flourish among its worldwide clients and also assists clients in selecting the ideal company for them internationally.

Some Researchers emphasises the time element, claiming that mobile apps in the developed market use half the time that other types of commerce do. He also emphasised on the millennial generation, which is a driving force behind the expansion of M-commerce.

The research sheds insight on the shifting mindset of customers, as well as the transition from E-commerce to M-commerce and its progressive transition to s-commerce. Consumers appreciate flexibility in a specific mechanism, and so the study emphasises the necessity of adopting contemporary technology, which can only aid in keeping up with the impending alterations.

Forget E-Commerce, which focused on the payment element, which is viewed as an essential component of M-commerce. The security difficulties associated with E-commerce are a barrier to its progress. The author recommends that businesses who have lost out on e-commerce consider M-

commerce as a part of their company operations since it is more secure in terms of payment security.

The study seeks to take a comparative approach to the concerns of trust and privacy in E-commerce and M-commerce. It also emphasises trust privacy as one of the primary causes for the movement away from E-commerce. Panagiota Papadopoulou's formal name is Panagiota Papadopoulou (2013) ^[4]

Haque (2016) ^[3] illustrates how tiny E-commerce businesses may profit from mobile commerce by developing mobile apps. It has been observed that these mobile applications increase people's exposure to a brand. The numerous alternatives at their fingertips make the search for them more appealing. Its supremacy is bolstered by round-the-clock help supported by interesting offers, low rates, and on-time delivery.

According to TopDevelopers.Co, consumers are becoming more interested in simple accessibility and great convenience. One key element that the author has especially mentioned is that M-commerce with static technology will not continue long, since it requires continual innovation in order to grab new markets and retain current customers.

According to the author, M-commerce has already pulled visitors away from E-commerce businesses. M-commerce is one of the most important income generators in a company, and organisations should focus more on improving mobile apps and their interfaces rather than focusing on other channels of customer care. 'Haque' (2016) ^[3]

Look at this. Kit Tang (2015) ^[6] represents the potential of M-commerce in the Indian market. It has been a godsend to clients because of its low-cost items, collection of items that are not yet available in the market, Cash on Delivery alternatives, and hassle-free purchasing activities.

The benefits given by mobile apps are outlined in the study. According to the study, the mobile phone is an intelligent instrument that may be utilised for a variety of reasons. People's buying expectations are shifting. Customers are drawn to M-commerce for a variety of reasons, one of which being convenience. Sandhu is an abbreviation for Sandhu (2012) ^[5]

In their study, Clarence N W Tan (2001) ^[1] said that mobility is a critical aspect in today's fast-paced generation. The wireless age has given a huge boost to M-commerce, causing a shift away from E-commerce.

M-commerce allows customers to stay in contact with the seller at all times, emphasising the need of a tight buyer-seller relationship in order to nourish the company's development. Any questions about the product or the company may be answered at any moment. The merchant may also maintain contact with the buyer by sending frequent messages and pop-ups informing them of new arrivals and special deals. Swilley, Esther (2012) ^[2].

Objectives of the Study

1. To find the reasons for consumers' shift from electronic commerce
2. To ascertain the significance of the reasons for consumers' shift from electronic commerce

Research Methodology

The present study is descriptive in nature in which the reasons for consumers' shift from electronic commerce have been studied. The sample size of the study is 190. The data were collected with the help of a structured questionnaire on

a five-point scale and analysed with the help of the mean values and t test.

Table 1: Demographic profile of the respondents

| Variables | Number of respondents | % age |
|---|-----------------------|-------|
| Gender | | |
| Male | 80 | 42% |
| Female | 110 | 58% |
| Total | 190 | 100% |
| Types of devices used for shopping | | |
| Smartphone | 98 | 52% |
| Tablet | 75 | 39% |
| Laptop | 17 | 9% |
| Total | 190 | 100% |
| Platform used for shopping | | |
| Website | 80 | 42% |
| Mobile App | 80 | 42% |
| Social media | 30 | 16% |
| Total | 190 | 100% |
| Mode of payment used | | |
| COD | 50 | 26% |
| Mobile wallet | 50 | 26% |
| Internet banking | 30 | 16% |
| Credit/Debit card | 60 | 32% |
| Total | 190 | 100% |

Table 1 presents demographic profile of the users using electronic commerce for shopping. There are 42% males and 58% females in the study. Among the respondents 52% use a smartphone, 39% use a tablet and rest 9% use a laptop. The percentage of respondents shopping from a website are 42%, shopping from a mobile app is 42% and shopping through social media platforms is 16%. 26% of the respondents prefer COD, 26% prefer paying through mobile wallets, 16% prefer paying through internet banking and 32% prefer paying through credit or debit card.

Table 2: Shows the opinion of consumers using M-commerce and E-commerce platforms for shopping online

| Sr. No. | Consumers shift from electronic commerce | Mean Score |
|---------|---|------------|
| 1. | M-commerce has become quite popular in the past few decades | 4.54 |
| 2. | The benefits offered by Ecommerce are too good to resist | 4.44 |
| 3. | E-commerce is working on improving the customers experience even better | 3.95 |
| 4. | Trust and customers' privacy are two of the most important factors which define the success of e-commerce | 4.53 |
| 5. | A lot of businesses which didn't consider E-commerce earlier are now trying to adopt it | 4.05 |
| 6. | Sometimes security issues hamper the growth of E-commerce | 4.43 |
| 7. | Mobile apps provide more information to the customers about a brand | 4.39 |
| 8. | People prefer convenience and easy access above everything else in terms of E-commerce | 4.23 |
| 9. | M-commerce is an important component of a business | 4.35 |
| 10. | Mobile is a smart device which has proved to be quite useful for businesses | 4.24 |

Table 2 shows the opinion of consumers using M-commerce and E-commerce platforms for shopping online. It is observed that M-commerce has become quite popular in the past few decades with the mean value of 4.54. It is followed by Trust and customers' privacy are two of the most important factors which define the success of e-commerce (4.53), The benefits offered by Ecommerce are too good to resist (4.44), Sometimes security issues hamper the growth of E-commerce (4.43), Mobile apps provide more information to the customers about a brand (4.39), M-commerce is an important component of a business (4.35), Mobile is a smart device which has proved to be quite useful for businesses (4.24), People prefer convenience and easy access above everything else in terms of E-commerce (4.23), A lot of businesses which didn't consider E-commerce earlier are now trying to adopt it (4.05), E-commerce is working on improving the customers experience even better (3.95).

Table 3: Shows the results of t-test

| Sr. No. | Consumers shift from electronic commerce | Mean Score | t-Value | Sig |
|---------|---|------------|---------|-------|
| 1. | M-commerce has become quite popular in the past few decades | 4.54 | 14.588 | 0.000 |
| 2. | The benefits offered by Ecommerce are too good to resist | 4.44 | 12.400 | 0.000 |
| 3. | E-commerce is working on improving the customers experience even better | 3.95 | 5.789 | 0.000 |
| 4. | Trust and customers' privacy are two of the most important factors which define the success of e-commerce | 4.53 | 11.318 | 0.000 |
| 5. | A lot of businesses which didn't consider E-commerce earlier are now trying to adopt it | 4.05 | 6.342 | 0.000 |
| 6. | Sometimes security issues hamper the growth of E-commerce | 4.43 | 12.095 | 0.000 |
| 7. | Mobile apps provide more information to the customers about a brand | 4.39 | 12.026 | 0.000 |
| 8. | People prefer convenience and easy access above everything else in terms of E-commerce | 4.23 | 10.909 | 0.000 |
| 9. | M-commerce is an important component of a business | 4.35 | 12.088 | 0.000 |
| 10. | Mobile is a smart device which has proved to be quite useful for businesses | 4.24 | 10.591 | 0.000 |

Table 3 shows the results of t-test. It is found from the table that the significance value for all the statements is below 0.05, hence all the statements regarding the consumers shift from electronic commerce are significant.

Conclusion

The transition from traditional to wireless industry takes several years to reinvent its strategy. Although the phrase "M-commerce" was created over two decades ago, its practical capabilities only became apparent with the arrival of 3G and 4G technologies. E-commerce was the foundation of online company, but M-commerce has helped to close the

gaps for improved consumer pleasure. Several telecom network operators' deployment of unlimited data plans enabled customers to find websites and use their limitless internet services.

According to the report, individuals choose M-commerce because of its ease, as well as its time and cost effectiveness. Technology has enabled us to accomplish anything at the touch of a button, but it has also prevented us from increasing our mobility. People love to buy items online, and it's even better when they can do it in the heat of the moment. Customers may create confidence in M-commerce by using services such as product/service tracking, phoning the firm to inquire about a product or to find out its whereabouts. People require access to the internet 24 hours a day, seven days a week, as their reliance on the internet grows. It is not always feasible to browse the internet on desktops and laptops in order to conduct a commercial transaction or get information about a firm. The lack of a calling feature discourages individuals from making informed decisions when making a purchase. Uncertainty regarding product delivery without a good monitoring technology, such as GPS in a mobile phone, makes E-commerce less likely to be employed. As a result, the above-mentioned reasons in favour of M-commerce are the cause for the movement away from E-commerce.

References

1. Clarence NW Tan, T.-W. T. From E-Commerce to M-Commerce: The Power of the Mobile Internet, 2001.
2. Esther Swilley CF. The Evolution from E-Commerce to M-Commerce: Pressures, firm capabilities and Competitive Advantage in Strategic Decision Making, 2012.
3. Haque S. Mobile Commerce: A Colossal Shift in Consumer Behaviour. Retrieved from Ameyo, 2016.
4. Panagiota Papadopoulou J.-E P. Trust and Privacy in the shift from E-commerce to M-commerce: A Comparative Approach. In IFIP Advances in Information and Communication Technology, 2013, Vol 399. Springer.
5. Sandhu P. Mobile Commerce: Beyond E-Commerce. Punjab, 2012.
6. See Kit Tang CT. Forget e-commerce, M-commerce is where India's potential lies. Retrieved from CNBC, 2015, November 27.
7. Weebly. Reasons for Rapid Sh, 2016.