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Influencers of online retailing acceptability in India: An empirical study

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Abstract

In recent years, there has been an increase in the prominence of B2C e-commerce, which has been fueled by frantic e-retailing activity. Since e-Commerce has become a vital element of Indian urban life, the research aims to give a picture of e-retailing activities. Similarly, 10 popular items from a list of 94 e-retailing items indicate the product profile's appropriateness for an e-retailing approach. Furthermore, the data demonstrate a substantial degree of correlation between consumer income levels and the Intensity to purchase products/services from online retail sites. The research, however, was unable to show a significant degree of correlation between consumer intensity of Internet use and intensity of purchase of products/services from e-retail stores. The work discusses the relevant consequences and constraints.

Keywords: B2C e-Commerce, e-Retailing, online shopping, consumer behavior, and internet usage

Introduction

The retail market has been significantly altered in today's age of enormous modernization and technical advancement. To dominate the market, new strategies have been created, leading to the second dawn of the use of the internet as a medium to build direct and continuing relationships with clients. Annual sales are dominated by click-and-collect or even multichannel shops. Online shopping is facilitated using the internet to build a communication connection between merchants and their consumers. Customers are drawn to online retailing because they are exposed to a wide range of items and services from which to pick. It is advantageous from a commercial standpoint since information technology and software systems improve forecasting and inventory management. The removal of middlemen from the supply chain minimizes complications and prevents needless expenditures, resulting in improved online merchandising systems (Ahmadi, Kaveh. 2011) ^[3]. Online shopping has grown in popularity in recent years because of reasons such as widespread Internet usage, time convenience, quick access to product-related information, online product evaluations, and, most crucially, pay-on-delivery (POD) payment methods. Since 2016, 100 percent FDI in retail has been approved because of recent moves in India to regulate e-commerce (Billewar, & Bab, 2012) ^[4].

For the customer, Internet shopping is a fantastically handy medium. Geographic borders have vanished since the Internet enables people to purchase from stores and businesses that are not only located outside of the shopper's own state, but even in another nation. This enables the user to acquire the best possible price for what they want since they can compare the pricing for the same item across multiple businesses and merchants and purchase from the one that offers the best service and pricing. Similarly, shop hours are no longer important to the customer since they may always browse the Internet from the comfort of their own homes at any time. This makes the whole procedure more flexible and less inconvenient for the customer. Online shopping also helps customers to avoid salesmen who may attempt to offer them needless things in conventional brick and mortar establishments. When purchasing online, the customer should just think about what they need. This simplicity of transaction allows for a more efficient and rapid buying experience. There are no long queues to deal with, no rivalry from other customers for the same things at peak times, and, most significantly, consumers can just pay for their purchases and go. For customers, the Internet serves as a repository of data. It enables them to compare pricing and product

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characteristics. This allows people to make much more educated decisions than they would otherwise be able to. The benefits to the typical customer are many, since the explosion of information on the Internet allows them to not only acquire the items they need, but also the best product they can afford. It gets easy to find the things that are required. To locate what they're looking for, all they have to do is use a search engine. This streamlines the whole purchasing experience and reduces customer stress (Hernández, Jiménez, & Martn, 2010) ^[5].

Online Shopping's Importance Customization- Online, customers from all over the globe may be contacted. Their personal preferences fluctuate dramatically as a result of technology advancements and fashion trends. Customization of items may be done in one step based on prior experiences and sales (Pilk, 2012).

National and International Barriers- These provide resistance to physical purchasing or offline commerce. Taxes on exports and imports, as well as rules and processes, make it difficult for shops to conduct a variety of operations successfully. As a consequence, goods prices rise.

Competence- Compared to an e-commerce firm, the launch expenses for any brick-and-mortar firm are much higher. It need fewer licences and permissions, and the need to choose a suitable geographic site is removed. As a result, its capability with conventional market systems is enhanced. As a result, it is a practical retail way for doing commercial transactions (Nilashi, *et al.*, 2011) ^[7].

Confidentiality- Due to the existence of confidentiality and total concealment in their transactions, most clients are hesitant to embrace online buying. Clients reveal a lot of personal information, such as phone numbers, addresses, banking or credit card information, and hence do not want to risk the revelation of such critical information, as this would make their purchase a storefront operation.

Inconceivable Expediency- When we look at internet retailing from the perspective of the user, it allows easy access to home goods, stationery, office equipment, supermarket items, infant care goods, numerous telephonic services, and so on all in one place. As a result, today's competitive and realistic atmosphere necessitates such services in which physical labour and travelling from one location to another in quest of daily 5 essentials are eliminated, and work is completed with greatest precision and without time consumption. (Niranjanamurthy *et al.* 2013) ^[8].

Avoiding The Need for Extremely Trained Staff- Well-trained and experienced salespeople with sales expertise are essential for every retail organization's productive and seamless operation. Online retailing eliminates the problems of hiring specialists that demand expensive fees for carrying out numerous tasks and fulfilling duties.

Comparative Purchasing Convenience- Websites such as Nextag.com, policybazar.com, cardekho.com, and others provide a single location that narrows down the online stores that are likely to have the greatest offers on the things that customers seek. With taglines like "Stop browsing, start comparing," many of them irritate buyers.

Accessibility To All-Embraced Product Mix- Shelf-space limits, prior purchasing successes and failures, and the influence of the local market all impede the purchase operations of merchants that rely on offline locations for revenues and revenue. When compared to the local market, more alternatives and accessories are accessible online; hence, restraints have no effect on product accessibility (Chauhan, Dalal, & Rathore, 2014) ^[9].

Literature Review

The advent of Internet and its utility on commercial transactions resulted in business models referred as e-Commerce comprising the activities on buying and selling of products over the Internet. While, e-Commerce presents numerous advantages to buyers and the sellers in the market, concerns over its limitations and security issues were raised. The above study subdivides e-Commerce into three categories such as; business-to-business or B2B (Cisco), business-to-consumer or B2C (Amazon), and consumer-to-consumer or C2C (eBay). Further, the above study listed the advantages of mobile commerce systems in line with each category of e-Commerce systems, where it's reported that the security issues like Computer Security, Data security and other wider realms of the Information Security framework affects the confidence levels of the end users while reaping the benefits of these systems. The prospects of e-retailing in India are found to be encouraging with fast changing customer preference towards Internet based buying channels. In this respect, it is noted that the e-retailing category accounts for 10% of India's e-commerce growth (Szymanski, & Hise, 2000) ^[13]. This rise is attributed to variables such as consumer awareness, Internet literacy, and increased Internet use. Furthermore, the aforementioned research detects benefits such as time savings for urban consumers and merchants in the e-retailing format, which includes the website replacing the frontline staff of the physical format. Despite these benefits, the aforementioned research identifies concerns such as a loss of personal touch and negotiating power, as well as poor e-illiteracy in rural India, as important impediments to long-term development in the e-commerce industry. Despite the presence of a favourable climate and accompanying advantages for e-Commerce in Europe, only 11% of potential online customers have utilised e-shops in the Czech Republic. According to estimates, 89 percent of consumers in the Czech Republic use e-shops to acquire things, with 32 percent utilising the Internet for regular transactions and 57 percent making irregular purchases. Furthermore, the survey found that consumers who think logically prefer online shopping for money savings, faster delivery, and the ability to compare products. In the preceding research, elements such as security and personal information were shown to have a substantial effect on online customer behaviour in both B2C and B2B sectors. While forecasting e-customer behaviour in the B2C e-Commerce industry, presents a novel model for assessing e-customers based on conceptual insights such as Electronic Customer Lifetime Value. The aforesaid research forecasts all future client cash flow in e-retailing using real option analysis.

In an effort to analyze the e-commerce situation in Bangladesh, observes that Internet has opened up a new possibility for trade and commerce with an increased ability of the sellers to push product beyond the boundary of specific market. While explaining the nature of e-commerce adoption in small and medium enterprises in Bangladesh, the

details of the various government level support towards e-Commerce growth and development is well explained in the above study. The customers' willingness to favor traditional channel over e-commerce format is explained in terms of poor website design of e-retailers. In this regard, TQM solutions to B2C e-Commerce problems. Since, Internet and Website is central to e-retailing operations, the above study observes lack of quality in certain e-retailing websites for their poor performance in the market and thus, establishes TQM based metrics to evaluate the quality of such websites towards establishing successful e-retailing strategy. Suggestive method towards successful e-Commerce implementations were provided based an outcome of cross-national comparative study on customer preference for Internet based buying over physical shopping. Based on the survey data extracted from US and Thailand, the above study establishes significant higher levels of acceptance for e-shopping in US than Thailand. These results confirm the variations in the consumer preferences on e-retailing between developed and developing countries of the world. Lack of government support, poor involvement among the customers

and potential business enterprises are observed to be the major causes limiting e-Commerce adoption in Saudi Arabia. In this regard four contributing factors such as businesses, customers, environments and government support for establishing reliable country level e-commerce infrastructure (AlGhamdi, Nguyen, & Jones, 2013)^[10].

Objectives of the Study

1. To find the reasons for popularity of influencers of online retailing acceptability in India
2. To ascertain the significance of the reasons of popularity of influencers of online retailing acceptability in India

Research Methodology

The present study is descriptive in nature in which the reasons popularity of influencers of online retailing acceptability in India. The sample size of the study is 140. 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	57%
Female	60	43%
Total	140	100%
Age group		
20- 35 years	70	50%
35- 50 years	50	36%
50 years and above	20	14%
Total	140	100%
Use online shopping platforms		
Yes	90	64%
No	50	36%
Total	140	100%
Share personal information online		
Yes	40	29%
No	100	71%
Total	140	100%
Ads on internet influence them to buy a product		
Yes	50	36%
No	90	64%
Total	140	100%

Table 1 presents demographic profile of the consumers who either shop online or don't shop online. There are 57% males and 43% females in the study. Among the respondents 50% belong to the age group of 20-35 years, 36% belong to the age group of 35 – 50 years and 14% are above 50 years of

age. 64% of the respondents use online shopping platforms and 36% don't. 29% of them prefer sharing their personal details online and 71% of them don't. 36% of the respondents get influenced by ads online to shop and 64% of them don't.

Table 2: Mean Value of the influencers of online retailing acceptability in India

Sr. No.	Influencers of online retailing acceptability in India	Mean Score
1.	Globalisation has made retail segment extremely competitive	4.10
2.	The world wide web has completely revolutionized business world	4.49
3.	Information technology gives a better forecast and also helps in containing the cost of inventory	4.02
4.	When intermediaries are eliminated from supply chain, complexities are less and even unnecessary costs are lowered down	4.33
5.	While shopping from the internet, the consumer just needs to keep his or her requirements in mind, which in turn expedites the shopping process	4.44
6.	Online shopping helps the consumers in comparing the price and the specifications of different products	4.42
7.	It has now become possible to reach out to the consumers across the world	4.50
8.	The startup cost for establishing a brick and mortar enterprise is a lot more than establishing an e-commerce business	4.05
9.	Maximum number of customers are not ready to embrace the trend of shopping online	4.48
10.	For smooth working and efficient working of a retail organisation, qualified and trained staff is important	4.46

Table 2 shows the influencers of online retailing acceptability in India. It is observed that it has now become possible to reach out to the consumers across the world with a mean value of 4.50. It is followed by The world wide web has completely revolutionised business world (4.49), Maximum number of customers are not ready to embrace the trend of shopping online (4.48), For smooth working and efficient working of a retail organisation, qualified and trained staff is important (4.46), While shopping from the internet, the consumer just needs to keep his or her requirements in mind, which in turn expedites the shopping

process (4.44), Online shopping helps the consumers in comparing the price and the specifications of different products (4.42), When intermediaries are eliminated from supply chain, complexities are less and even unnecessary costs are lowered down (4.33), The start-up cost for establishing a brick and mortar enterprise is a lot more than establishing an e-commerce business (4.05), Globalisation has made retail segment extremely competitive (4.10) were considered to be important. Also, Information technology gives a better forecast and also helps in containing the cost of inventory (4.02) was considered to be important.

Table 3: Influencers of online retailing acceptability in India

Sr. No.	Influencers of online retailing acceptability in India	Mean Score	t-Value	Sig
1.	Globalisation has made retail segment extremely competitive	4.10	7.428	0.000
2.	The world wide web has completely revolutionized business world	4.50	11.527	0.000
3.	Information technology gives a better forecast and also helps in containing the cost of inventory	4.02	5.904	0.000
4.	When intermediaries are eliminated from supply chain, complexities are less and even unnecessary costs are lowered down	4.33	8.049	0.000
5.	While shopping from the internet, the consumer just needs to keep his or her requirements in mind, which in turn expedites the shopping process	4.44	9.567	0.000
6.	Online shopping helps the consumers in comparing the price and the specifications of different products	4.42	10.560	0.000
7.	It has now become possible to reach out to the consumers across the world	4.55	11.925	0.000
8.	The startup cost for establishing a brick and mortar enterprise is a lot more than establishing an e-commerce business	4.05	7.254	0.000
9.	Maximum number of customers are not ready to embrace the trend of shopping online	4.48	11.748	0.000
10.	For smooth working and efficient working of a retail organisation, qualified and trained staff is important	4.46	11.582	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 influencers of online retailing acceptability in India are significant.

Conclusions

The changes that have occurred because of e-commerce activities throughout the globe have been substantial, and most industrialized nations have taken full advantage of e-commerce activity. However, the ecommerce environment of the world's developing countries is far from mature, and hence provides significant development potentials in certain parts of e-commerce such as e-retailing and e-services. In terms of the Indian context, the amount of e-commerce is increasing year after year, although it remains much lower when compared to wealthy countries. While some facts, such as an ever-expanding virtual marketplace, growing awareness of the benefits of e-Commerce, and increased Internet access among the people, contribute to e-commerce growth, problems, such as growing economic inequality, low literacy levels, and poverty in India, prevent these benefits from being distributed equally among all segments of society (Nagra, & Gopal, 2013) ^[11].

The scientific approach to online buying is concerned with customer characteristics, purchasing decisions, and influencing variables for online buying. Based on a review of the scientific literature, the influencing variables for online purchasing are classified into four categories: Technological elements include a solid understanding of information technologies and how to use them to gain knowledge, as well as the ability to utilize programs and systems. According to the findings of the survey, most social technologies. E-commerce is favored in 81 situations due to its ease and simplicity. According to a review of the respondents' socio-

demographic characteristics, women prefer to purchase online because of the cheaper pricing of the items supplied, whilst men appreciate quicker and more convenient shopping. The most essential features of online shopping were examined depending on age groups, and it was shown that 25–34-year-olds preferred online stores due to cheaper pricing and a broader choice of items. The crucial aspects in online buying might be directed towards website developers and e-store operators. They should alter their marketing strategy to prioritize consumer orientation, with a particular emphasis on the ease of use of online buying services. E-commerce businesses should invest in better understanding customer behavior, future technologies, and their growth. Customers that engage in internet buying are often technologically savvy and convenience oriented. Customers may find it advantageous to utilize online shopping owing to price promotions and the availability of a wide choice of items, but they will only do so if it is simple to use and convenient (Goswami, & Mathur, 2011) ^[12].

The empirical results of this research reveal that the primary reasons motivating consumers to purchase online are ease and simplicity, as well as a lower price. Respondents between the ages of 25 and 35 are more likely to purchase online due to a lack of time and a wider selection. The ability to compare prices and purchase at a reduced price was chosen as the most useful element in internet purchasing. According to the study results, the obligation to provide personal information (sign up), cumbersome goods delivery, and all things provided with reduced/re-marked pricing are all deterrents to purchasing things online. According to the information gathered from expert interviews, the driving factors for future e-commerce include products delivered by drones, all goods represented by video formats (3D), mobile payments, payments security using biometrics data, dynamic

pricing, mind reading technology as telepathy, and predictability technology of consumer decisions. The research on general behavioral intention to utilize internet purchasing is scarce. In the future, this research might be expanded to include a comparative examination of age groups and genders (Bhowmik, 2012)^[1].

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