



IMPACT OF E-COMMERCE ON RETAIL INDUSTRY

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ABSTRACT:

Internet is an important part of our daily life. We use internet daily almost for every single work or in every single minute. Before e-commerce boom customer prefer to buy and sell products without internet physically in markets but after the arrival of e-commerce in India our life has become more convenient because of its number of advantages. Online shopping is a part of e-commerce which is done mostly by the customers. Due to e-commerce in India which allows us to buying and selling the products according to customers choice at reasonable price. E-commerce website has impacts on different markets and retailers. In this paper we will discuss about the retail industry and impacts of e-commerce on them and also the present scenario.

Key words: - *E-commerce, Online Shopping, Impact, Retailer.*

INTRODUCTION :

The concept of E-commerce or online buying in India has been suggested to have started since the year 2000 where websites like Ebay and Rediff shopping were some of the first few sites who offer electronic products at cheap prices. since then, numerous brands such as flipkart, amazon, etc. started to strong presence in the online market. Major discounts , quick delivery , vast variety of products, easy return policies, EMI options (interest free in many cases) cash on delivery options, and easy accessibility are few of the types which have helped in the rapid growth of online markets. Clever marketing through social media, targeting the younger has paid off well. Even the not catching up with this trend. Trust will remain a major part for the online shoppers. However many e-commerce platforms such as amazon have been able to gain the trust through quick redress of consumer complaints, huge discounts and easy return policy . Another aspects which has helped the e-commerce industry grow in leaps and bounds is the variety of products offered and the ease of shopping anywhere (without having to visit the store amidst traffic chaos) E-commerce (electronic commerce) is the buying

& selling of goods or the transmitting of funds or data over an electronic network , primarily the internet. These business transactions occurs either as business to business (B2B), business to consumer (B2C), consumer to consumer (C2C) or consumer to business (C2B) . In the east two decades. widespread use of e-commerce platforms such as amazon and flipkart has contributed to substantial growth in online retail .in 2011, e-commerce accounted for 5% of total by 2020, with the start of the covid 19 pandemic, it had risen to over 16% of retail sales. The existing value of e-commerce is to allow consumers to shop online and pay online through the Internet or mobile banking which in result saves the time and money of customers and enterprises, greatly improving transaction efficiency, especially for busy office workers, but also saving a lot of valuable time.

There are five essential categories of E-commerce:

- Business to Business
- Business to Consumer
- Business to Government
- Consumer to Business
- Consumer to Consumer

Some popular E-commerce shopping sites in india

Flipkart :- Flipkart is the most popular online shopping company . they have a huge variety of products loke clothes , electronics , perfumes jewelleryes and many more.

Amazon:- Amazon is more popular nowadays because of their huge discounts on various products which includes all the things that are needed in our day to day life.

Netmeds :- Netmeds is one another shopping company in the field of pharmaceutical's where they offered all type of medicines which includes allopathy , homeopathy and ayurvedic medicines .

Pharmeasy :- Pharmeasay is also serve in the field of medicines. They also offered various types of medicines.

Bigbasket :- Bigbasket is largest online grocery store. It is online supermarket for all of our daily needs.

Objectives of the study :-

To know the theoratical concept of E-commerce and retail.

To study the impact of e-commerce on retail markert.

To analyse the present status of retail market.

Research methodology :-

The study is based on only secondary data . This secondary data has been collected from the different related direct and indirect sources of secondary data which is websites , reputed journals , periodicals , magazines and newspapers also.

Retail Impact :-

E-commerce brings comfort for customers as they do not have to leave home and only need to browse websites online, especially for buying products and services which are not sold in nearby retail shops. It could be very helpful for customers buy a wider range of products and in result it save customer's time and money. Consumers also gain power through E-

commerce Many traditional retailer also started online stores to maintain business continuity and increase their customer base, as well as make it easy for existing customers to continue shopping with them. It is likely that with time, customers may prefer online shopping as they can do so conveniently from home, or when they are traveling, waiting in line, and so on.

Convenient businesses that don't yet have an online presence, need to seriously consider entering this space, to ensure business continuity, and stay relevant.

Some points related with impact are discussed follows:-

Turnover - Due to e-commerce the turnover of offline retailers which established in rural areas has reduced which is a warning signal for the enterprise.

Profit- Profit Margin also declines On the arrival of online shops in the market here offline retailers are suffering from low prises in online markets. To survive in market they have to sell their product in low prices which covers only their operational costs and they do not get any profit margin

Discount - Retailers in rural areas sell their products at discounted rates because online stores offer heavy discount to the customers and to compete with them retailers attract the customers they also sell the products at discounts.

Variety of stocks - Huge Variety of goods is offered by E-commerce to which offline retailers cannot compete because at the end of year the left over stock can give a huge loss to the retailer.

Services - Some retailers are providing different services at which online stores fails which is Repair and goods of services, home delivery and after sales services also like online shops.

Window Shopping - Low cost offered by online stores leads to window shopping by customers at physical stores and they buy product online.

Advertisement – Small retailers focus only on the advertisements so that they can attract their customers and increase their sales. They do not leave a single chance to advertise their products or services.

Present Scenario of E-commerce & retailer :-

E-commerce has helped to major brands in increasing their sales only the retail sector remain while they are following the traditional business method. The expectations of the buyers have increased with the boom in e-commerce industry and they expect much more than just buying products like huge discounts and offers. A wholesome experience where the buying feels pampered is expected in all brick and mortar stores options such as placing order over the phone and home delivery are expected from small time retail stores. The ones which have been able to provide these have thrived well while the rest seen to have been negatively affected. On the other hand, the buyers mentality of having to touch and see the product physically has ensured continued business has clothes, jewels, vegetables, electronic gadgets, etc but majority of the customers still feel that they need to verify the products physically before buying them. Another aspects that is helping the offline sellers sustain is lack of reach of internet majority of the people have no access to internet and still rely on traditional stores as it is an overall experience (like a break from the daily routine) which cannot be provided by online stores. The cons of online buying including breakage during transit, delivery of faulty / incorrect products, difficulty In post – sales services, delayed delivery, poor accessibility in remote areas, and mainly the lack of personal attention , are the factor which help retail stores thrive in India. Many brands like puma lenskart aurelia etc. which only had online stores have opened up offline stores to satisfy customer about their brands.. high value products are still preferred to be purchased

offline, additionally , advertising online can often be much cheaper than advertising offline. In many companies they uses a new advertising method which is mailing videos with an emotional/social message which become viral overnight and subtly push their brand imager.

CONCLUSION :

This paper concludes that E-commerce is very good for us who provides us wide variety of products and services with an affordable price at our doorstep. It provides various facilities to customers and allows the enterprise to expand their business over internet. Ecommerce have good impact on markets like reduce the cost of advertisements as many customers can attract through internet, new brand can be developed, can maintain a good relationship with customers and can make customized products according to customer's demand. But e-commerce has bad impact on retailer in rural area because customers buys on low price from wholesaler and because of e -commerce they have to sell these product also on low price and they even get any profit, retail shops cannot maintain a huge stock in warehouses like online shops because it will cost a huge expenses to them. Retailer have to spend more money in offline advertisements to attract customers. Along with the impacts e-commerce also offers markets and retailers have some limitations that is website cost, to create and maintain a website a lot of money is required; infrastructure cost, to fulfill the orders online retailers have to maintain a large stock in a big warehouse which costs a lot to retailer; security and fraud is also high due to popularity of online shops hackers are also attracted to them who can hack the personal information and can misuse them; customer trust, it is difficult for customers to trust a new brand without looking, touching and trials of these products.

E-commerce have recognised as a game changer in Indian economy because of its some features

like it is economical , efficient , convenient , profitable and easy to use. In the situation of covid 19 pandemic e-commerce industry helped a lot to people where all services are closed but e-commerce sector is one who always ready to serve for people. People can order something and they get at their doorstep. E-commerce has been one of the who aided in increasing revenue for many organisation. They always keep attracting their customers by offering discounts and ensuring continuous promotions.apart from this the retail sector needs to adapt some changes regarding customer needs.

This paper also involves a current scenario in retail industry as the study founds that there is some retailers are now adapting these techniques of online trading and now they also offering their products or services at customer doorstep. They also attracting customer with the huge discounts. While their is some areas also exists who are illiterate about computer and mobile banking and so on. some areas in rural sector where internet connection is not established yet they also don't have any credit facilities and therefore online buying and selling of goods is limited to urban class as they preferred offline retail shop.

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