

## AN INTRODUCTORY EVALUATION AND REVIEW OF CONSUMERS' BUYING BEHAVIOR

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### **Abstract**

Development in India as an application of the internet, e-commerce is a booming new business model in India, as an adjunct to the growth of internet usage. India is termed as one of the most attractive e-commerce markets in the world in terms of market size, internet user numbers, and potential B2C users; but in reality, India's e-commerce is lagging far behind in other countries in terms of market size and scope. The low speed and high cost of online access were major barriers to access e-retailing in India. The average internet speed in the world was 1.5 Mbps while the average speed of the internet in India is only 772 kbps.

Many technologies and service plans for Internet access allow customers to connect to the Internet. In the 20th century, the dial-up connection was the means for Indian consumers to access the internet. But in the 21st-century broadband became popular as a means of Internet access. So India has limited Internet access compared to the world. Though it has shown signs of improvement as in 2011, the internet access increase as common methods of access is Dial-up, ADSL, Internet over cable television lines, Wi-Fi hotspots, wireless internet service provider, mobile broadband and internet satellite.

**Keyword:** Internet, E-Retailing, Technologies, Service Plans

### **Introduction:**

The Electronic Commerce, or e-commerce, the industry is termed as one of the most progressive sectors in the economy. Electronic commerce and is commonly known as E-commerce or e-Commerce, is also defined as trading in products, or services that are using computer networks, such as the Internet.

Electronic commerce which also draws on various technologies such as mobile commerce electronic, supply chain management, electronic data interchange (EDI), online transaction processing, internet marketing, inventory management systems, and even the automated data collection systems. An e-commerce transaction can also be defined which is carried between various enterprises, households, individuals, governments, and even other public as well as private organizations. Included in these electronic transactions are those orders which are also made over the web, extranet or even electronic data interchange. This type of transaction is made and is defined by the various method of placing the actual order. Normally it is excluded

where there are orders that are made via telephone, fax calls or even manually typed e-mails. The term retail is also used about transactional processes that are made around online retail.

It is a "disruptive" set of innovation made that is drastically changing the traditional way of it is doing the actual business. Electronic commerce is a type of business model, or a segment having a larger business model, which also enables a firm or an individual to conduct the business which is made over an electronic network, which is typically the internet.

"E-Commerce is a concept which is covering any of the form of business transactions or the information exchange which is executed by using the information and communication technology and is between companies and the public administration." E-commerce is the actual buying and selling done of goods and services, or say even transmitting of funds or data done which is over an electronic network, which is primarily done via the Internet. These business transactions are:

1. Business-to-Business-B2B.
2. Business-to-Consumer-B2C.
3. Consumer-to Consumer-C2C.
4. Consumer-to-Business-C2B.

Information Technology has been playing a pivotal role in the future development in all sectors but especially of financial sectors which made the way of doing their business in a booming economy in India. Increased use of smart mobile services and internet as a new set of distribution channel for business transactions has been taken and international trading also requires more attention which is carried towards e-commerce security for actually reducing the fraudulent activities even. The advancement was made of Information and Communication technology has also brought many changes in various spheres of the daily life of human the being. E-commerce has many sets of benefits which also it adds value to customer's satisfaction in actual terms of the customer convenience made in any place and also it enables the company to gain which is having more competitive advantage which is carried over the other competitors.

### **Research Objectives:**

Objectives are the goal or the aims that the researchers are intended to attend during their research. Designing objectives is the first and foremost condition for any investigation as it will be helpful to achieve representative facts and in actual study of the phenomena. Its study is generally systematic and arrive of facts depend upon observations, experimentations and analysis. The objectives of the research are as follows:

- a. To identify the significant factors that influence the online buying behavior of consumers
- b. To examine the type of goods and services which are generally preferred in online purchases by customers
- c. To identify the factors that influence the choice of consumers towards selection of online retail store.

## Research Methodology

For this study researcher examined various research papers published by various researchers of national and international repute on similar topic. Secondary data was used. Data collected from various journals, seminars, periodicals etc.

## Review of Literature

**Cao, Zhang and Sydel (2016)** Website plays an important role in B2C e-commerce. So, it is essential for every internet organization to maintain the quality of the website and try to make it effective as far as possible. The purpose of this research paper is to examine all the factors that motivate the customer to revisit the particular websites and found out that system quality, information quality, service quality and attractiveness of the websites are some of the key factors that directly affect the customer's intention to revisit a website. System quality includes the search facility and responsiveness while the information quality connected with the accuracy and relevance of the information and trust and empathy comes under the service quality of the websites. At last, we are able to say that good website quality helpful in bridges the gap between customers and internet organizations.

**Roshni Upasna, Santhosh Rebello (2014)** E-Commerce introduced in India in the year 1990. Through this paper we have seen that there is increment in the time spent by the people on internet which will be measured by the author as 12.9 hours in 2006 to 17.4 hours in 2011. Furthermore, it is also examined that continuous reduction in the cost of internet access, facility of mobile commerce and various payment option like e-wallet, mobile payment encourages the people to use electronic – commerce and provide the opportunities of growth e-commerce in near future in India.

**David A. Balto (2000)** The main purpose of this research paper is to know how e-commerce is different from other form of commerce and finding the competitive concern that arise in the e-commerce environment. The author is succeeded in achieving the goal. According to him e-commerce will be helpful in setting the standard innovation like shopping mall, supermarket, etc. each of which led to take sufficiently great amount of antitrust action. Furthermore, we also examined that control of internet, internet merger, competitive collaboration, manufacturer price control on internet are some of the competitive concern that arise in the e-commerce environment.

**Anol Bhattacharjee (2020)** In India popularity of the internet are increasing enormously and with increasing popularity of internet it is important to know the factors that motivates the people to adopt B2C e-commerce. This research paper found out that external information plays an important role in accepting internet services. Even the person with lack of experience about the product or services are intended to adopt e-commerce services with the help of others experiences which is less expensive and more effective. Through this paper author also

investigates that TPB i.e. Theory of Product behaviour is also one of the important factor which will be helpful to motivate the consumers for accepting e-commerce services.

**Raja, Velmurgan and Seetharaman (2008)** Electronic Payment system plays an important role in the success of online business transactions. This paper moves around the problems that the consumer face like security issues, technical problems, cultural problems, etc. and try to examine the solution of the problems and also succeeded in it. According to the author all the internet business merchants must not reveal the customer details like personal identity, number or other code to others except owner itself and create at least one digital signature at the time of payment in term of security issues. It is also the duty of the customer to protect their identity from public views, keep track on the balance after each transaction for their own security. According to him, business merchants by offering different facilities like use of debit card, PC banking, etc. are enabling to raise consumer interest on internet business.

**Simon Lee, V. Srinivasan Rao (2010)** Colors are helpful to make the information effective and will also separate the information on the screen. This research paper focuses on the website color, trust in e-commerce and store choice and try to investigate the relationship between color and store choice and it will be found out that dark on light being more capable to read and this is the reason why most of the customers trust on blue colored websites as compared to green and people use to prefer those websites on which they trust. So, we are able to say that there is a significant relationship exists between color and choice of the store.

**Mustafa I. Eid (2011)** In this research paper author gives more emphasis on consumer trust, satisfaction and loyalty and investigate that User Interface Quality, security risk perception, service information quality and privacy perception are some of the key factors which influence the customers e-shopping tendency. Through this paper we comes to know that in B2C e-commerce increase of UIQ and decrease of security and privacy risk will be helpful in raising the trust among the customers while good quality of product or services and right information increasing customer satisfaction which will be positively affect the customer loyalty towards electronic websites.

**Devendera Agarwal (2012)** In India uses of e-commerce are increasing every day. Most of the people use it for travelling, banking, shopping or entertainment purpose. In this paper we have seen that people uses lots of websites like IRCTC, Rediff, eBay, India times, etc. for e-commerce and all of them doing excellent job. Above all websites people uses IRCTC and MakeMyTrip site more i.e. 98% as compared to other sites. Every site has different ranking and there is no correlation of the websites in India and the World.

**Hanieh Mirzai (2012)** Both traditional and e-marketing is the process of buying and selling of goods or services but in e-marketing people use internet for buying and selling purpose while in traditional marketing people won't. The main purpose of this paper is to explore the

advantages of e-commerce in current scenario. Through this paper we come to know that traditional marketing is less affected than e-marketing but most of the people prefer e-marketing because it is less costly, economical as well as faster as comparison to traditional. It also provides the facility of online shopping to the customer across the nation.

**Shakeel Iqbaal (2012)** In this paper author addresses the reason that influence the customer intention to shop online and it will be examined that perceived trust, web knowledge and web quality are the key factors that affect the decisions of the consumers. Online vendor's emphasis on developing trust among consumer by structural assurances like statement of guarantee, contact telephone number and better business Bureau seals which will be helpful in convincing the customers and knowledge as well as experience of customers regarding computer and internet are very much helpful in building their trust in this medium.

**Clemen, Gan and Du (2012)** Internet banking comes under e-commerce in which all the transactions like balance enquiry, printing statement, fund transfer, etc. are done through internet. In this paper we have seen that quick response, demographic characteristics, convenience, familiarity of internet, etc. are some of the factors that directly affect the consumer's adoption of internet banking.

**Amir Afsar, Zeinab Nasiri (2013)** This research paper based on finding how to increase customer satisfaction and gain e-loyalty in between the customers in productive company. Through this paper we comes to know that not only trust and security but web and technology as well as demographic characteristics of the customer are also responsible for e-loyalty because fast response, strong action against customer complaint, timely updating of information and service of websites directly affect customer intention towards online shopping and increase the loyalty of the customer towards a particular website which in turn increase the willingness of the customer to repurchase goods or services from that website.

**Niranjanamurthy (2013)** This research paper focuses on M-commerce i.e. Mobile Commerce as well as Electronic Commerce and its growth rate. Through this paper we come to know that E-Commerce provides the facility of 24x7 service facility, lots of choice across the world, unlimited shelf space, etc. to the consumer and the same facility provided by the M-Commerce also but it also has some disadvantages like lack of personal touch, security issues, etc. The between the both is that internet connectivity is always needed in E-Commerce while M-Commerce is free from such boundaries. It enables the consumer to access millions of products at the palm.

**Manjeet Sharma (2014)** Online Marketing as the name suggests is the purchase or sale of goods or services using internet. With the help of this paper we are able to know that different search engines and directories, registration on site, link with other sites, etc. are the various methods of online marketing different strategies like offline promotions, use your own websites

as a tool for promoting their online marketing. Furthermore, this paper also discusses various advantages of marketing like easily tracking of products, less expensive to use, etc. Through it people are able to purchase or sale products or services as per their own suitability and in it there is no restriction of time.

According to **Arvind Panagariya (2000)**, he has reported that access made to e-commerce, which in the WTO parlance often means actual access to e-exports, that has two components and that must be distinguished sharply. Access made to Internet services and access to their services that can also be traded electronically.

According to **Elizabeth Goldsmith and Sue L.T. McGregor (2000)**, it was analyzed the impact made on e-commerce on consumers, public policy, business, and education. A discussion was made on the public policy initiatives, research questions and various ideas made for future research are to be given in detail.

According to **Diana Oblinger (2001)**, it was reported that only one is that where education is having continuous learning that has become so vital in all the societies that where the demands are made for distance and are having open learning which will increase. As the availability of the Internet, it will also expand as computing devices which will become more affordable and energy requirements and is in the form factors shrink, e-learning will become more popular.

The online shopping experience has been quantified driven by experience and convenience while the impact of good versus poor customer experiences. **Kukar Kinney (2010)** identifies drivers to online cart abandonment and suggested cognitive and behavioral reasons for this non-buyer behavior. He alluded to the factors influencing consumer online search, consideration, and evaluation play a larger role in cart abandonment than factors at the purchase decision stage. In particular, many customers use online carts for entertainment or as a shopping research and organizational tool, which may induce them to buy at a later session or via another channel. He explored the theories of online buyer and non-buyer behavior while revealing new inhibitors to buying in the Internet era. The theories of online shopping behavior.

**Joachim Zentes, Tatjana Freer et Daniel Kebler (2012)** explores the demographics that determines online shopping and shoppers. Gender roles with regard to shopping habits are noticeable as women are still primarily responsible for purchases for a majority of families (**Dholakia, 1999; Alreck and Settle, 2002; Kuruvilla, Joshi and Shah, 2009**). There are differences between genders in the context of decision making. For males, utilitarian aspects are predominant, whereas females are associated more with hedonic aspects (**Shim, 1996**). This leads to the insight that gender strongly influences shopping motives (**Dholakia, 1999**).

**Michal Pilik, (2012)** examined that online buying behavior is affected by various factors like, economic factors, demographic factors, technical factors, social factors, cultural factors,



psychological factors, marketing factors and legislative factors. Customers choose an online-shop mainly based on references, clarity and menu navigation, terms of delivery, graphic design and additional services. Complicated customers read discussions on the Internet before they spend their money on-line.

An in-depth study of how B&M retailers can avoid being swept away was done by **Dan Ledger, Mercy Wakweika, Caitlin Pomeroy (2012)** they recommended that B&M retailers be innovative to remain competitive. Learning to experiment aggressively will allow retailers to stay in the game and focusing on the overall customer experience will be the competitive advantage as most customers still want the personal experience of shopping

Company to consumer e-commerce refers to online transactions between business units and customers. By streamlining the process of purchasing and selling commodities, it not only boosts competition in this new informational era, but also globalises the market and raises people's standards of living. It has an impact on our nation's economic development in this way. M-commerce is crucial in promoting business-to-consumer e-commerce among the public. However, a large number of consumers still prefer traditional commerce to online buying.

### **Conclusion:**

To spread the use of online purchasing, online marketers can also target the uninformed and individuals living in rural areas. Online customers describe the product specifics in their native tongue. Customers have a rudimentary understanding of internet buying, however not all of them are fluent in English. As a result, language has frequently been an obstacle for customers trying to shop online. Regional language support on e-commerce websites would undoubtedly benefit customers who are educated, know how to use the internet, but are not at ease using English. This will open up a new market for online retailer companies.

Since the majority of online retailers are from other nations, they market and sell their products in accordance with global norms. Therefore, when introducing their goods and services, businesses must develop and put into practise their marketing and sales strategy in accordance with regional norms. As a result, consumers will be more satisfied, which will boost sales for the vendors.

Online shopping is subject to very few restrictions, so appropriate action should be done. Laws that are well framed and put into practise will aid in preventing unauthorised burglaries. This will contribute to the maintenance of consumer privacy security. Therefore, website designers should take the appropriate action to resolve this issue. Online buyers should be guaranteed sufficient security during transactions and a secure environment.

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