

## Trends in Consumer Behaviour towards E-commerce

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**Abstract** - The purchasing and selling of items or services over electronic systems such as the internet and other computer networks is referred to as electronic commerce, or e-commerce. The Internet has grown at the fastest rate in the last decade. Online purchasing, in particular, is a fast expanding e-commerce sector. Online stores are typically open 24 hours a day, and many consumers have access to the internet at both work and home. A successful online business is more than just a well-designed website with dynamic technical features that appears in multiple search engines.

The goal of this study is to examine the current literature on e-commerce and related topics. The study looks at the current state of e-commerce in India, as well as e-commerce and technology adoption, the socioeconomic impact of e-commerce, e-commerce and consumer purchasing decisions, and e-commerce benefits and success. Technology advances are made at a rapid pace, and they are quickly embraced by the market. As technology becomes more prevalent in people's lives, their expectations may shift. As a result, innovations in e-commerce and its business model may be to blame for shifts in purchasing habits.

**Keywords:** E-commerce, Consumer Behaviour, Trends in E- Commerce, consumer trust.

### 1. Introduction

The use of the internet and the web to conduct business is known as e-commerce (K. Laudon and C. Traver, 2008). It comprises commercial transactions between businesses and individuals that are digitally enabled. In other words, all commercial transactions, such as the purchase and sale of products and services, as well as the transmission of data and payments, are carried out electronically over the internet. As technology advances, the nature of e-commerce is fast changing.

The study of when, why, how, and where consumers buy or don't buy a product is known as consumer behaviour (Schiffman, L.G., Wisenblit, J. & Kumar, S.R., 2015). Psychology, sociology, social anthropology, and economics are all incorporated. It tries to figure out how buyers make decisions, both individually and in groups. It investigates consumer attributes such as demographics and behavioural aspects in order to better understand what people want. It also attempts to measure the influence of groups such as family, friends, reference groups, and society in general on the consumer.

The internet is fast transforming the way people shop for and acquire goods and services, and it has become a global phenomenon. Many businesses have begun to use the Internet to decrease marketing costs and, as a result, lower the price of their products and services in order to stay competitive in highly competitive

marketplaces. Companies utilise the Internet to convey, communicate, and disseminate information, as well as to sell products, solicit feedback, and run customer satisfaction surveys. Customers use the Internet not only to buy products online, but also to compare costs, product characteristics, and after-sales service that they will receive if they buy the product from a specific store. Many experts believe that online commerce has a bright future. Aside from the enormous potential of the E-commerce market, the Internet offers businesses a unique opportunity to reach out to existing and future clients more effectively. It's been over a decade since business-to-consumer e-commerce first appeared. Scholars and practitioners of electronic commerce are always striving to get a better understanding of online consumer behaviour.

### 1.1. Consumer Behaviour:

The design of promotional efforts is heavily influenced by consumer behaviour. The science of audience behaviour can help you choose the right media and message. Furthermore, researching consumer behaviour can aid in comprehending the concept of social sciences that influence human conduct. As a result, analyse consumer behaviour in areas like design, marketing mix, market segmentation, and product positioning to distinguish the necessary and vital.

### 1.2. Consumer Buying Behaviour:

When a consumer makes a purchasing decision, he or she must choose among a variety of items or services. Consumer behaviour encompasses a wide range of topics. It is the study of the processes that occur when individuals or groups choose, purchase, use, or discard items, services, ideas, or experiences in order to meet their wants and desires. Individuals' decisions to spend their own resources (time, money, and effort) in order to gain commodities linked with consuming are referred to as consumer behaviour. This type of behaviour entails the reasons why people buy, when, when, how, and what they buy, how they use the products they buy, how they judge them afterward, and how these aspects impact their future purchases. The design of promotional efforts is heavily influenced by consumer behaviour. Furthermore, studying consumer behaviour can aid in comprehending social science concepts that influence human behaviour. As a result, analyse consumer behaviour in areas such as design, marketing mix, market segmentation, and product placement to distinguish the necessary and vita.

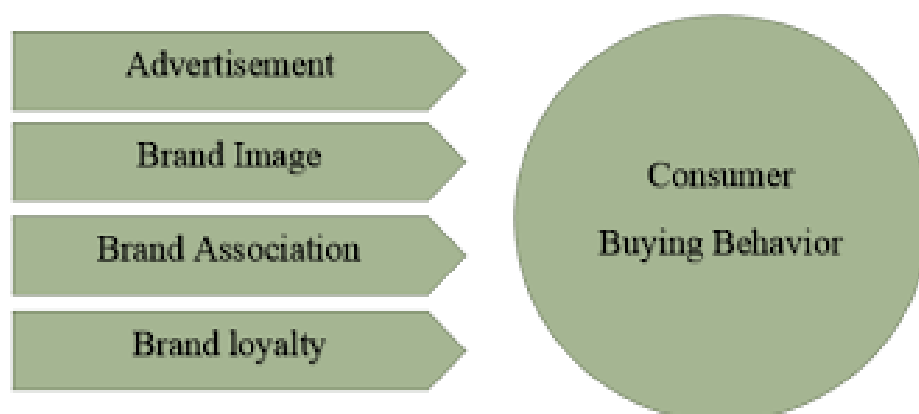


Figure: 1.Consumer Buying Behaviour.

### 1.3. E-commerce and E-Commerce Marketing:

Over 100 famous e-commerce websites now offer online services all over the world. An e-commerce site gives customers access to the global market; it assists customers by providing a plethora of options when purchasing a product or service; online searching and comparing capabilities enable customers to choose the best product or service; and another major benefit of e-commerce is that it is available 24 hours a day, seven days a week; customers can shop almost anything from the comfort of their own home, office, while travelling, or almost anywhere at any time. E-commerce is the use of the internet to trade services and products. E-commerce was first developed in the late 1970s and grew widespread in the 1990s in western countries such as the United States and the United Kingdom. E-commerce opened up new trading possibilities and drew the attention of numerous traders.

### 2. Literature Review

According to the Internet and Mobile Association of India, India's internet user base increased by over 17% to 354 million in the first half of 2015. According to IAMAI, which includes members such as Google, Microsoft, Facebook, eBay, IBM, Flipkart, Ola, and LinkedIn, the base had increased to 302 million by the end of 2014, after experiencing its fastest year-on-year growth of 32 percent (The Economic Times, Sep. 3, 2015). According to Ravi Shankar Prasad, India's minister of communications and information technology, the number of Internet users would likely surpass 500 million by 2017. (Business Standard, May 5, 2016). Computers and their accessories, clothing, fashion, online movie ticket booking, online shopping and meal delivery, and so on all made substantial contributions (The Economic Times, June 7, 2016). One of the most essential benefits of e-commerce in a developing country like India is that it aids in the development of rural communities, allowing them to leapfrog into a knowledge paradigm (Anjum, B., & Rajesh Tiwari, 2011).

### 3. Impact of Internet on Consumer Behavior

Consumer behaviour is frequently influenced by both external and internal causes. Internal elements are usually derived from the consumer's thoughts, whereas external factors are derived from the environment. Consumer behaviour can be influenced by a variety of circumstances. External influences, according to Warner, can be broken down into five categories: demographics, socioeconomics, technology, and public policy; culture; subculture; reference groups; and marketing. Internal influences include attitudes, learning, perception, motivation, self-image, and semiotics, among other psychological processes (Malcolm). In addition to this, Sheth (1983) proposed that shoppers have two types of motives when shopping: functional and non-functional.

Traditional shopping is all about the buyer purchasing what they require. This behaviour will be impacted by the seller's advertising and marketing, which motivates buyers to come in and buy goods, with a portion of the new items being taken home and used.

#### 3.1. Internet Shopping:

Traditional shopping and Internet shopping have many similarities, but there are some differences as well. For example, Internet shopping can provide convenience and interactive services (Jarvanpaa and Todd, 1997), whereas traditional shopping can provide customers with a more comfortable shopping environment and high-quality products (Lee and Chung, 2000). Traditional shopping malls give more parking spaces, more counters, and are located closer to residential areas in order to increase services and convenience; Internet shopping malls use virtual reality (Lee, 2001) and 3D technology (Miller, 2000) to improve product display.

#### 4. Consumer Trust in Internet Shopping

People buy things and services based on their trust in the product or service, as well as the sellers, whether in a physical store or online. Building a relationship with customers requires the foundational factor of online trust. According to a recent study, online trust is lower than trust in physical stores (Cassell and Bickmore, 2000), and Cheung and Lee (2006) found that the trustworthiness of Internet merchants (perceived integrity, perceived competence, and perceived security control) as well as the external environment (third-party recognition and legal framework) have a significant impact on consumer trust in Internet shopping (see figure 1). The level of privacy security supplied by an E-commerce website determines its credibility. A high level of technical competence, for example, can be a factor in determining trustworthiness (Singh and Sirdeshmukh, 2000). As previously stated, an online merchant can provide third-party verification to an E-commerce web site, and when these privacy and security techniques are implemented, clients will believe that their E-commerce transactions over the Internet are secure, and the site will be more trustworthy to them.

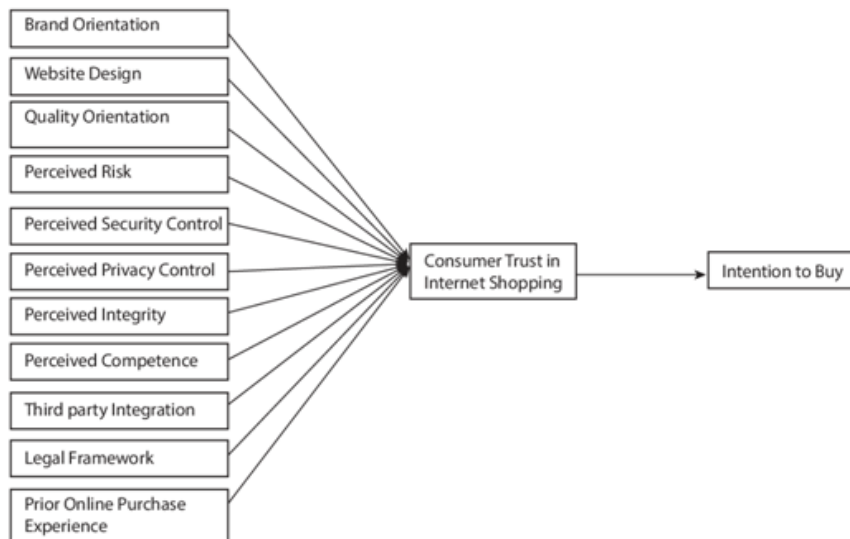


Figure: 1. Consumer Trust in Internet Shopping.

#### 5. Recent Trends In E-Commerce

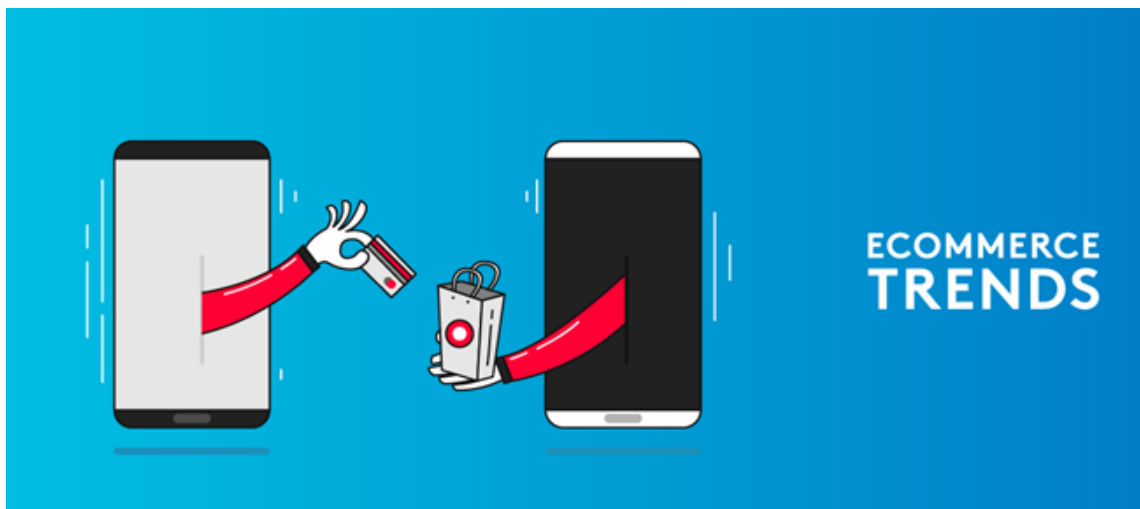


Figure: 3. Recent Trends in E-Commerce.

### **5.1. Mobile Friendly Website and Apps:**

A substantial number of shoppers nowadays utilise smart phones, tablets, and other mobile devices as their primary means of accessing the Internet or visiting E-commerce company websites. In recent years, we've seen the bulk of e-commerce sites adopt a "mobile-friendly" or "responsive design" approach. Online stores that are mobile-friendly will attract more visits, customers, and revenue while also saving users time, effort, and money.

### **5.2. More Personalization:**

Customers benefit from personalised product recommendations since they may find products and services more quickly based on their preferences. It's a powerful marketing tool that can help you build stronger and longer-lasting client relationships, provide an engaging shopping experience, and increase consumer orders and sales. In order to provide an incredibly tailored purchasing experience to visitors, a rising number of E-commerce sellers are turning to big data.

### **5.3. Impact of Social Commerce:**

Social commerce is a subcategory of electronic commerce that includes social media and online media that facilitate social interaction and online goods and service buying and selling. Although social media accounts for a modest percentage of total sales, its influence is becoming increasingly difficult to ignore. The client visits the e-store, makes comparisons, asks questions, and this communication aids in the selection of their products or services in social commerce. Customers can use social networking sites to share their experiences with their peers, as well as receive recommendations, reviews, advice, and dialogue.

### **5.4. Increasing Trust in E-Commerce Companies:**

In the world of E-commerce, trust is as important as everything else. In recent years, the majority of the public has been sceptical of the E-commerce industry. E-commerce enterprises can now develop confidence between buyers and sellers, as well as electronic payment methods, enhanced security mechanisms, and delivery systems. It aids in the growth of e-commerce enterprises' trust and sales.

### **5.5. Invention of New Technology, and Device:**

In today's E-commerce system, new technologies such as facial recognition, virtual fitting rooms, and the like play a critical role. Modern devices such as Google Glass, the Apple Watch, and other electronic devices help to make ecommerce more accessible to consumers, such as smart phones and laptops. Furthermore, these devices will make the Internet more accessible to customers, allowing them to receive timely updates on pricing changes, discounts, and marketing incentives available to a larger number of customers.

## **6. E-commerce Benefits and its Success:**

Consumers gain from e-commerce in a variety of ways, all of which are ultimately good to consumers. The following are some of the advantages of e-commerce:

1. Online shopping is available to consumers all around the world 24 hours a day, seven days a week, and 365 days a year (Bellman, S., Lohse, G. L., & Johnson, E. J., 1999).
2. Recommends products and related information based on a consumer's interests and preferences (Xiao, B., & Benbasat, I., 2007).
3. E-commerce is convenient, time-saving, and enjoyable to use (Hooda, S., & Aggarwal, S., 2012), (RAJAYOGAN, K., 2015), (Goyal, P., & Chouhan, B., 2015), (RAJAYOGAN, K., 2015), (RAJAYOGAN, K., 2015), (RAJAYOGAN, K., 2015), (RAJAYOGAN, K., 2015 (Sunil, S. P. A. C. E., 2015).

4. It offers more faster service, a wider range of items and services, and lower pricing than the traditional market (P.R.Kousalya, T.Mohan, D.Revathi, November 2013).
5. It's simple to use, saves money, and gets the job done on time (Narwal, M., & Sachdeva, G., 2013).
6. Consumers have access to a wealth of information, the ability to shop from a wide range of retail brands, and the ability to take advantage of special deals while shopping online (Yen, Y. S., 2014).
7. E-commerce also offers services such as doorstep delivery, simple and secure online payment methods, Cash on Delivery, secure packaging, genuine and original products, simple return and replacement policies, exchange offers, discounts, and festival specials, among others (Advertisements on Television by Flipkart, Amazon and Snapdeal, 2016).

## **7. Conclusion**

One of the major things that has taken the business by storm is e-commerce. It is constructing in a practical manner. Online purchasing is growing more popular and popular.

Customers place a greater emphasis on the reputation of the E-commerce website during the evaluation stage, as well as payment security throughout the purchase stage. Overall, the Internet factors that influenced or prevented online consumer behaviours must be carefully considered by online retailers, who can use appropriate marketing communications to capitalise on the entire new economy, which has enormous potential and is fundamentally changing the way businesses are conducted. Electronic commerce is expected to grow into a large industry in the next years, and online shopping is already a vital part of the consumer's daily life to meet their never-ending needs to assist the customer's purchasing decision-making process and improve their performance.

The current state of e-commerce in India is the topic of this research. Consumers have begun to expect more as a result of the widespread adoption of e-commerce, which may have an impact on their purchasing behaviour. The e-commerce elements that influenced consumer behaviour must be thoroughly examined by online merchants so that they can respond to the change in their customers' purchase decision-making process with suitable marketing messages and improve their performance.

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