

# Online Shopping

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**Abstract – The vast majority of online stores offer prices that are much lower than what you will find at a physical store. There are a few reasons for this. The first is because many people use the Internet to find cheaper items. Online business owners understand this. They will usually reduce their profit margin to get more customers. Another reason is because you can easily browse through dozens of different websites to find the best price. You can do the same at a mall, but it would take about an hour or longer. You also may not be taxed because most e commerce stores won't tax you unless they are stationed in your state.**

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## INTRODUCTION

In this period of information technology and industrial development, Indian market is changing day by day. During 21st century whole world come under an umbrella. Human life is totally depending upon electronic equipments. Internet, mobile telephone, electronic media, e-mail system has totally changed the modern living standard of the whole world. Due to information technology online shopping is capturing the market very rapidly.

Online shopping is a form of electronic commerce with allows consumers to directly buy goods or services from a seller over the internet using a web browser. Online shopping became popular during the internet boom in 1999-2000. Online shopping is far better than traditional shopping where everything is available to us at our doorstep. Because of internet, online shopping became very popular as consumer find it convenient and easy to bargain shop from the comfort of their home and office. One of the most enticing factor about online shopping, particularly during a holiday season, is it alleviates the need to wait in long lines or search from store to store for a particular item.

The main aim of online shopping is to improve the services of customer and sellers. It maintains the details of customer payments, product receipts, addition of new customers, products and also updating, dilatation for the same. It also stores the details of invoices generated by customers and payments made by them with all payment details like credit card.

The main objectives of online shopping are following :

- (i) To shop while you have comfort of your home, without to step out of the door.

- (ii) To be able to easily save money and compare prices from website to website.
- (iii) To sell product / receive at lower prices due to less overhead expenses.

Online shopping is the consumers shopping behavior to shop online. The people who find it easy to use, useful and enjoyable can accept online shopping. According to (Vesterby & Chabert, 2001) the internet can make it easier for businesses to have information on their products and services available to their potential customers. A company can meet the individual needs of the customer information to a lower cost per report to the dispatch of product catalog. (Vesterby & Chabert, 2001) asserts that the businesses without physical presence must market themselves considerably, both online and off line, for that the consumers to remember their name. Changchit, Douthit, and Hoffmeyer (2005) Conducted a study on online shopping was related to online some interesting factors which is about to effect of online shoppers when they purchase from a website, more or less IJCSI International Journal of Computer Science Issues, Vol. 9, Issue 3, No 1, May 2012 ISSN (Online): 1694-0814 www.IJCSI.org 487 Copyright (c) 2012 International Journal of Computer Science Issues.

The online business plays a major role in the global economy and should continue in the future. The interesting aspect is that the image of the product has the highest mark for this which is to attract the customer to visit the web site. In fact, the need to see the photo of the product is not important that to save money. The consumer of response more is too free delivery, tax saving. Information technology provides online consumers with tremendous access to information products and services from anywhere in

the world and from different sources other than solely from the product seller. The combination of less time available for shopping, limited information-processing capability and the explosive amount of information on the web has, however, led customers to demand more control, less effort and greater efficiency during shopping [Jarvenpaa and Todd, 1997]. In order to respond to the customers' desire for control and convenience, web stores have to design an efficient system to enable consumers to easily find what they need, learn more about it and quickly make a purchase decision [Baty and Lee, 1995].

Regarding prior studies in the domain of marketing management (Taylor, 1974; Spence et al., 1970; Woodside, 1974), the perception of risk has been examined to gain an understanding of consumer purchasing behavior. Especially in the domain of Internet shopping, Bhatnagar et al. (2000) identified two predominant types of risk: product category risk and financial risk. Product category risk focuses on the product itself and is allied with the customers' belief as to whether the product functions according to their expectations. Financial risk corresponds to the Internet as a safe purchasing medium for customers. It is involved in the transaction whether there might be a risk of losing money via credit card fraud. Donal Rogan (2007) explains the relationship between consumer behavior and marketing strategy. He states that strategy is about increasing the probability and frequency of buyer behavior. Requirements for succeeding in doing this are to know the customer and understand the consumer's needs and wants, Internet shopping full?<sup>(1)</sup> Several consumer needs more effectively and efficiently than conventional shopping

English entrepreneur Michael Aldrich invented online shopping in 1979. His system connected a modified domestic TV to a real-time transaction processing computer via a domestic telephone line. He believed that videotex, the modified domestic TV technology with a simple menu-driven humancomputer interface, was a 'new, universally applicable, participative communication medium the first since the invention of the telephone.' This enabled 'closed' corporate information systems to be opened to 'outside' correspondents not just for transaction processing but also for e-messaging and information retrieval and dissemination, later known as e-business.<sup>(2)</sup> His definition of the new mass communications medium as 'participative' [interactive, many-to-many] was fundamentally different from the traditional definitions of mass communication and mass media and a precursor to the social networking on the Internet 25 years later.

In March 1980 he went on to launch Redifon's Office Revolution, which allowed consumers, customers, agents, distributors, suppliers and service companies to be connected on-line to the corporate systems and allow business transactions to be completed electronically in real-time.<sup>(3)</sup>

During the 1980s<sup>(4)</sup> he designed, manufactured, sold, installed, maintained and supported many online shopping systems, using Videotex technology.<sup>(5)</sup> These systems which also provided voice response and handprint processing pre-date the Internet and the World Wide Web, the IBM PC, and Microsoft MS-DOS, and were installed mainly in the UK by large corporations.

## ADVANTAGES:

The vast majority of online stores offer prices that are much lower than what you will find at a physical store. There are a few reasons for this. The first is because many people use the Internet to find cheaper items. Online business owners understand this. They will usually reduce their profit margin to get more customers. Another reason is because you can easily browse through dozens of different websites to find the best price. You can do the same at a mall, but it would take about an hour or longer. You also may not be taxed because most e commerce stores won't tax you unless they are stationed in your state.

Online shopping is becoming very popular because of its following advantages:

- (i) **Better Prices:** When you shop online, you can compare offerings and pricing at different stores with the simple click of a button rather than having to get in your car and spend your precious time and hard-earned gas money running from one store to another.
- (ii) **Incredible Convenience:** In comparison to a brick and mortar store with fixed hours, online shoppers can choose any time of the day or night to get on the Web and shop. This is especially useful for moms with small children, people that are home-bound, or simply in times of inclement weather.
- (iii) **Variety:** When you shop online, you might find that there are more options available to you than if you focused your product search only on items available in your local areas.
- (iv) **No Pressure Sales:** Physical stores are made to lure you into buying more things. They use posters, sales messages, colours and product placement to make you buy additional items. The most popular products are typically in the back because the owner wants you to view all of his or her other products. These tactics are not as pronounced with online stores. This means that you won't feel the pressure to buy other things.
- (v) **Privacy:** Shopping online gives you privacy because you won't have people looking at you while you shop. Not only that, but the

receipts are usually made so that no one will know what you bought.

However, the online shopping is not without its part of disadvantages:

- (i) **Web Portal Glitches:** Many a time it become very hard and time consuming to shop online because of unresponsive websites of the retailers. In some circumstances their web portal are unable to handle the online traffic and crush in between, leaving the customers anguished e.g. the Flipkart fiasco during Diwali sale offer in 2014. During the festival season Flipkart made a lot of advertisement for touching \$1 Billion sale in a single day while offering very lucrative prices for a variety of items. But to the disappointment of buyers, with a few minutes many of items were shown out of stock and site become unresponsive and ultimately the web portal of Flipkart was crushed for the rest of day.
- (ii) **Cumbersome and Costly Replacement Process:** It's essential to be aware of the return policy for any e-commerce retailer you are considering doing business with. The majority of sites do not pay return shipping if you have to send something back, so it often costs you more money than you planned to spend if you need to exchange an item. Returning merchandise for a refund can also be costly. Most online retailers do not refund shipping costs - not the cost of return postage or the original shipping charge. This can mean that, for relatively low-dollar items, it can cost you nearly as much to return an item as it does to just keep the merchandise.
- (iii) **No physical access while making choice for buying:** When you shop online, you don't have an opportunity to touch and feel items you are considering purchasing. With some products - like books and electronic equipment - this isn't an important consideration. However, with clothing, bedding, pillows, furniture, rugs and other textile-based merchandise, it can be hard to gauge quality without hands-on contact.
- (iv) **Privacy Concerns:** When you are shopping with an online store that you don't know anything about, it can be difficult to feel confident that they'll still be there if a problem arises with your order and to feel that the personal information you are required to share when making a purchase will really be protected. Online security concerns can certainly be an important consideration when selecting an e-tailor.

- (v) **State Govt. Losses:** State government face the loss of revenue, because the companies establish their warehouses in those states where the rate of vat is lower. Consumer of all over the world are getting the facility of online shopping, but the state govt. are facing the problem of revenue loss.

## CONCLUSION:

In the 21st century it is almost true that the consumer have got access to traditional market while sitting at their home. Also in comparison of the traditional market, commodities are being bought at cheaper prices, but the risks and drawbacks of this system are not lesser. The online shopping sometimes dwindle the household budget and the chances of buying unwanted things have increased. The online shopping has increased the competition in marketing business which was already high, however majority of India live in villages without access to internet, computer, smart-phones etc. which are essential tools for online shopping. Online shopping delivers the commodities only in urban areas and big cities, therefore it is not posing any major threat to the traditional market. But with the advent of time, the competition in online shopping will intensify and the traditional market will have to explore new options to secure its share in the market.

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