

INFLUENCE OF FACTORS AFFECTING INDIA'S ONLINE RETAIL ENVIRONMENT AND ITS EFFECT ON PURCHASING ONLINE

Prof. Dr. Gagandeep Kaur Nagra

(Professor & Dean), D Y Patil Deemed to be University, School of Management, Navi Mumbai

Dr. Rashmi Mishra

(Associate Professor), D Y Patil Deemed to be University, School of Management, Navi
Mumbai)

ABSTRACT

The goal of the study is to identify the variables influencing internet buying in India, a developing market. The study correlated consumers' inclination to buy consumer products with numerous key aspects of online retailing using empirical evidence, highlighting their significance in terms of influencing the buyer. The internet shopping sector is the only one included by the research. The study's geographic focus is Navi-Mumbai. The research thoroughly discusses the numerous facets of online retailing as independent factors as well as customer purchasing habits as dependent variables. The study is of a descriptive kind. The respondents who had made at least one online transaction in the previous six to eight months provided the data. 200 people were included in the study's sample, and SPSS was used to analyse the data.

KEYWORDS: *Retailing, Consumer Buying Behavior, consumer goods*

INTRODUCTION

Electronic retailing is a new sort of retail design that has emerged as a result of the Global Online Web's far greater influence on the retail sector than on certain other business sectors (efollowing). Online merchants confront new challenges since web purchasing behaviour differs significantly from conventional consumer behaviour and existing knowledge of buyer behaviour cannot be directly transferred to the new electronic shopping realm. The focus of marketers is gradually moving to social media and search engines. With more than 90% of smartphone searches, Google is the undisputed king of search engines. According to study by Vellido et al. from 2000, there are nine factors that influence people to purchase online.

Control, ease, cost, after-sales support, and interoperability with the purchasing website are a few of these characteristics. Consumer perception of risk is the most important aspect in determining buyer perception. The investigation revealed that crucial factors shaping consumers' online purchasing behaviour and fostering increased interest in e-commerce include the pricing of products, the quality of service and information provided, the assurance of prompt and reliable delivery, the convenience of online transactions, and the trustworthiness of online sellers (Goldman Sachs & Co., 2001).

While statistics indicate that consumer purchasing decisions online closely resemble those made in traditional brick-and-mortar settings, the unique characteristics of the Internet as a commercial medium introduce additional considerations. As more consumers shift towards online purchases, it's essential to recognize that, despite the internet serving as another marketing channel, fundamental principles such as the marketing concept remain relevant. This concept underscores the importance of adopting a customer-centric perspective for success. In this context, consumers should be viewed as akin to small suppliers, offering more advantages than drawbacks during the purchasing process.

David J. Reibstein's 2002 findings emphasized that factors influencing customers to visit and stay on a website extend beyond competitive pricing. While affordability is persuasive, prompt shipping and effective post-sale support play crucial roles in encouraging customers to choose one website over another. In essence, success in the online marketplace hinges on understanding and prioritizing customer needs and experiences.

The value of advertising and other promotional tactics has grown significantly in the age of fierce competition, particularly in the setting of e-retailing. Traditional forms of advertising, such those using broadcast and print media, are more common in other industries. However, the situation with internet commerce is a little different. The most common form of promotion in this country is sales promotion. The importance of vocal advice was clarified by Athiyaman (2002). The findings demonstrate that society has a significant role in influencing consumer decisions to purchase airline tickets online and in influencing how consumers see internet shopping. According to Corbett, Thanasankit, and Yi (2003), knowledge and the capacity to contrast various offers play a crucial role in the absence of support and tangible benefits. Although it is sometimes overlooked, the cost of the internet is a major factor in online buying. Lillian Clark and Peter Wright's 2004 study delved into various variables distinguishing the behaviours of online shoppers. The goal was to determine whether these variables could provide the necessary insights for constructing behavioural models that effectively leverage the potential of e-commerce.

In a related vein, Erden Tulin's 2007 research contributed significantly to business owners by offering a theoretical standpoint on the mindset of internet customers. The findings revealed intriguing statistics: 80% of internet users seek health-related information, 85% of Google users had made purchases in the preceding six months, a substantial 20 million individuals peruse new house listings each month, and over 70% of Google users express interest in financial service products.. Online merchants in India may look forward to a very bright future. People also have a favourable opinion of internet businesses, according to a Rastogi research (2010). According to Keisidou, Sarigiannidis, and Maditinos' (2011) analysis, although online purchases are perceived as a viral activity, it is unclear what motivates consumers to make these purchases. The degree of customer satisfaction in e-commerce was influenced by value, accessibility, and interaction. In e-commerce, customer satisfaction with the vendor is what motivates customers to trust the sellers (Norazah Mohd Suki, 2008). According to Ayesha Zainudeen et al. (2011), e-commerce with

regard to mobile is closely tied to the physical infrastructure and other forms of support that are infrequently available or absent at the "bottom of the pyramid" (BOP) in developing countries.

The benefits or drawbacks of online shopping may at times hinge on the individual needs of the buyer. Internet purchasing proves advantageous when a consumer is willing to wait for delivery and prefers to avoid the need to travel to a physical store, thus saving on travel time and transportation costs. Additionally, a buyer may choose to purchase goods if they think the information offered on the website by the online shop is trustworthy and persuasive. Similar to online shopping, offline retail offers the advantages of immediate product delivery or usage, payment security, the ability to touch and feel the items in person, and more.

According to a 2012 study by Kotler and Armstrong, a significant majority of businesses have established an online presence, with Amazon.com and click-only businesses serving as notable examples of entities engaging with their clients in the online sphere. Traditional business models are increasingly adopting innovative methods to enhance sales operations. Companies lacking an online footprint face challenges in identification and sustainability within the evolving market landscape.

Wienclaw's (2008) research underscores the interconnectedness of e-business, the internet, and e-commerce with the success of online shopping. Clients are more likely to endorse online retailing when they encounter attributes such as security, safety, and high-quality services within the realms of e-commerce and e-business.

Chandra and Sinha's (2013) research positions online shopping as a quintessential method, particularly in India where it has been conceptualized. However, this shopping approach remains unfamiliar to many other countries. India's rapid progress in the field of digital marketing is evident, with "online buying behavior" emerging as a pivotal component in the realms of marketing and e-commerce. In management terms, the study underscores the imperative for businesses to establish and optimize their online presence, emphasizing the critical role of security and quality services in shaping customer support for online retailing.

LITERATURE REVIEW:

The model's many inputs may be divided into four broad categories: the customer's desired product value, the quality of the services provided, the customer's prior online purchasing experiences, and the perceived hazards associated with online buying (Jarvenpaa and Todd 1997). Customers like self-examination of products and find internet buying to be handy. Unexpected purchases are also common in internet retailers. Even those who had never bought anything online were discovered to be open to the idea (Teo, 2002). Steven Bellman and colleagues (1999) conducted study on the individual traits that affect consumers' behaviour when purchasing online. They identified a wired lifestyle and a lack of time as the two main factors promoting internet buying.

Chang, et al. (2004) categorised the factors that promote retail behaviour. The qualities are divided into three groups, per the research: 1) Previously envisioned characteristics of the online sales stream, such as risks, rewards, knowledge of online purchasing, service quality, and assurance. 2) The website and product structures, such as risk-reduction measures, the website, and product characteristics. 3) A characteristic of the consumer backed by a variety of circumstances, such as the buyer's buying preferences, demographic factors, familiarity with the use of computers and the internet, the customer's inventiveness, and psychological factors. Kamariah, Nik According to Nik Mat (2005), increasing customer confidence in websites will encourage more people to purchase online. An important factor affecting the first purchasing mindset is a web purchase. 200 people in Hyderabad participated in the study, and they shared their opinions on how much confidence, security, Internet speed, and receptivity affect online shoppers' decisions (Venkoba Rao, 2006). According to Wang (2009), knowledge is one of the key elements in building client confidence. To gain the trust of online buyers, the mechanism of online retail should apprise customers about the various dealings and security concerns. The option to browse the greatest deals and offers, as well as variety, are factors that might influence an online shopper's attitude, perception, and real purchasing habits. Online merchants have a bright future in the period to come. However, the drawbacks of internet buying, such as its intangibility and lack of sufficient customer awareness, continue to exist (Wang & Yang, 2010).

Security and privacy were shown to be the main determinants of their behaviour by Demangeot and Broderick (2010). If there is online danger, it is impossible to develop a relationship with the consumer. People in the United Kingdom favoured making purchases offline to making payments online, according to research by Seda Yoldas (2011). Turkish customers were hesitant to make online purchases because they didn't think the websites were reliable and they wanted more details about the items. Sajjid Nazir et al. (2012) assessed Pakistani consumers' actions and responses to the expanding internet marketing. According to the research, the primary criteria that affect consumers when they shop online are price, quality, safe payment methods, delivery date, delivery service, return policies, and promotional offers. The preservation of privacy was, nonetheless, the main issue. According to Mehrdad Salehi (2012), there are nine main aspects that influence online commerce, including website look, website speed, safety, navigation, validity, advertisement, and appeal.

Sharma conducted a study on Indian shopping mall patrons' attitudes. He discovered that large shopping malls that cater to every taste, budget, and style are well-liked by customers due to their attractiveness to all consumers. Additionally, customers don't hesitate to spend a lot of money at these malls to get good value. Sharma Due to the increased opportunities for customer service offered by internet marketing, firms may benefit greatly. It might alter the selling strategy and have an impact on the markets, cost structures, locations, time, and competition, as highlighted.

NETWORKS FOR DIGITAL MARKETING

Advertisers need to have a thorough understanding of consumer behaviour to reveal what is important to consumers and to propose important influences on their decision-making. Advertisers can use this knowledge to create marketing initiatives they believe would scare customers. Therefore, the consumer becomes the primary hub around which an association's whole operation revolves. An organisation must examine consumer purchasing patterns since consumer responses to an organization's marketing strategies have an influence on the organization's success.

Website: A website is a platform on which internet businesses host their items. It is the online shop. In contrast to with-store selling, there are no space restrictions and no rent restrictions in website-based stores. Because of this, internet merchants like Amazon.com assert that they work with millions of sellers and sell a staggering number of goods. Websites are divided into sections according to retail categories like food, groceries, clothing, menswear, footwear, etc. Customers browse websites as strangers, but if they enjoy the information there (items, descriptions, prices, etc.), their curiosity is piqued and they may decide to buy the item. If they are happy, they even spread the word about it more widely.

Social media marketing is one of the most well-known, cutting-edge, and contemporary methods of luring clients. People often use social networking sites to connect with their pals. But some of the visits have also been seen to learn about items and fresh market trends. With the aid of paid social media ads as well as free means of marketing like brand fan pages, etc., a person may be drawn to the items with ease in both scenarios.

A venue for sharing videos is provided by **YouTube**. The public and friends are essentially the recipients of the videos. The videos include a wide range of content, including games, technology, educational entertainment, movies, rhymes, literary news, and TV shows, among other things. YouTube displays overlay ads, skippable and non-skippable ads, and skippable ads while users are viewing videos. These advertising let YouTube generate considerable income. However, YouTube has no problems if a business wants to create its own videos and put them there. In this way, the business may market itself without having to pay anything.

Online communities: Online communities are primarily designed for problem-solving and thought exchange. Famous online communities include Quora and Mouthshut.com. These communities have groups of people who voice their concerns and those of others, as well as share problems and provide criticism. One of the most well-known, cutting-edge, and contemporary methods of client attraction is social media marketing. People often use social networking sites to connect with their pals. However, certain goods - whether favourable or harmful - have also been seen. With the advent of the internet age, consumers are now researching these communities before making purchases. Due of the increased traffic on these forums, marketers have begun to pay attention to them as well.

Email: The most established web platform is email. The first companies to provide consumers this platform were Yahoo, Sify, Hotmail, and others. However, Gmail became the leading supplier of

email services with Google's expansion in India. The first digital marketing platform has grown from email marketing. Email marketing now has a significant position in the world of digital marketing. Employing specialised software, email marketing incorporates all aspects of digital marketing, including social media, websites, sending and receiving emails, and using automatically produced emails.

Objective of the Study

- To identify the various features of online retailing that influence customers' online purchasing decisions.

Research Methodology

This study is descriptive in nature

Sampling Framework:

The sampling framework includes the customers who shop for online purchase. The respondents represent an infinite population in this study.

Sampling Method

The sampling method employed in this study involves the selection of respondents through random sampling. Specifically, individuals chosen for the study had to be consumers who had made online purchases of any consumer product. The data collection utilized online questionnaires created using Google Forms, and the sample comprised 200 respondents from Navi Mumbai. To assess the level of consumer satisfaction with online merchant services, respondents' answers were rated on a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

In addition to the primary data gathered through the survey, secondary sources included journal publications, magazine articles, news items, and internet websites. For statistical analysis, the study employed SPSS to perform factor analysis.

Data analysis and Interpretations

Validity and Reliability of Data

Reliability test of data was carried out using Cronbach Alpha Test in SPSS.

Reliability Statistics	
Cronbach's Alpha	N of Items
0.831	25

Reliability Statistics Cronbach's Alpha Cronbach's Alpha Based on Standardized Items N of Items
 .831 With a Cronbach's alpha value of 0.831, We are certain that our scale performs exceptionally well inside this specific sample.

	Factor				
Online shopping is risky	Reliability Value is 0.866				
Shopping online is safe.	.864				
Sharing my financial information when online buying is no problem.	.858				
"I am convinced that the online merchant will keep my private information secure."	.814				
Purchasing from reputable internet merchants helps reduce the dangers.	.789				
I have never been the victim of internet financial scam.	.734				
I am confident that I will receive a refund if a transaction fails during payment.	.697				
The item's cost and anticipated characteristics	Reliability Value is 0.917				
I receive a good deal when I purchase.	.861				
When compared to traditional retail establishments, shopping online offers and discounts are superior	.861				
While purchasing electrical products with the desired quality, I search for the greatest prices accessible.	.852				
I evaluate the costs of electrical products and decide whether physical or online retailer is the best.	.850				
I may purchase items online for a fair price	.615				
The characteristics of the goods I find online are nice.	.560				
Product Research	Reliability Value is 0.871				
I thoroughly enquire about the details of the products I purchase online.			.907		

I enquire about the usage, warranty, and guarantee of the items before I buy them online.			.843		
I enquire about the return conditions for the things I purchase online			.866		
I ask about the specifications of the products I purchase online.			.774		
I ask questions about items in the open question and answer section of the e-website. retailer's			.550		
Time	Reliability Value is 0.869				
Online purchasing saves time.			.945		
I can purchase online every day, anytime because it is always open.			.835		
I don't need to arrange or make any plans in advance to purchase from internet sites.			.761		
Online research for things that I need is never a waste of time or energy for me.			.563		
Website attributes	Reliability Value is 0.841				
A professional website should be created for an online store.			.939		
A well-presented website for an online store with all the symbols and information			.775		
The website of the online shop should have quick and simple navigation.			.767		
The website ought to include accurate categories.			.641		

Reliability of the Factors/Factors:

With the help of Cronbach's alpha, the dependability of every factor was examined. The reliability values for the five components were 0.866, 0.917, 0.871, 0.869, and 0.841. The dependability of each factor should be at least 0.7, therefore the factors are strong since all of the factors' reliability values are higher than the critical value.

Based on the above value Following factors are having a strong impact on online Purchase behavior.

- Risk associated in online Shopping

- The item's cost and anticipated characteristics
- Product Research
- Time
- Website attributes

To explore the most important factor among the above-mentioned mean score of the above factors was calculated

SL. No.	Factors	Mean
1	Risk associated in onlineShopping	3.73
2	The item's cost and anticipated characteristics	4.10
3	Product Research	3.58
4	Time	3.76
5	Website attributes	3.81

The pricing and anticipated qualities of the item, with a mean value of 4.10, are the most crucial factors that consumers take into account. According to the mean value, the respondents concur that it's critical for there to be reasonable costs and that the characteristics of the product should match. Website features and Time, which have mean values of 3.81 and 3.72 respectively, are the next two categories. The consumers indicate a moderate level of risk (mean value: 3.73) and moderate levels of product enquiry (mean value 3.58).

CONCLUSION

The reality of the situation is online commerce. Online shopping is quite popular due to its many benefits, including ease and time savings. Online retailers are anticipated to provide products on schedule and at fair pricing. According to the results of the current study, online consumer behavior toward goods is influenced by elements such risk associated with online purchasing, product pricing and anticipated features, product enquiry, time, and website structures. When a product is expensive or a significant financial commitment is required, it is often in the nature of customers to avoid taking any form of risk.

Because the goods could not be of the same quality or, in the case of electronics, it might not function as intended, there is a bigger risk when purchasing things online. Nowadays, people are also concerned about the possibility of piracy. Since there is evidence of faulty items, "risk in online shopping" is a significant factor that influences the online purchase of goods. One of the key "pull factors" for internet purchasing is product price and promised features. E-retailers entice clients to switch from online to offline shopping with alluring prices, offers, and discounts. In a nutshell, shoppers believe that discounts or good value outweigh the costs of physical establishments.

The success of in-store retailing hinges on the salespeople's replies to their inquiries. Responses from the salesman may be prejudiced and subjective. However, with online commerce, the merchant provides comprehensive product descriptions and characteristics, and since this information is visible to the public and is in writing, the retailer is also accountable for it. Time is saved through online purchasing. Life moves quickly and time is a valuable commodity in the majority of metro and state cities. Another factor that contributes to time savings is convenience.

For online retailers, websites serve as both storefronts and showcase areas. The websites display the whole inventory. The navigation, appearance, algorithm, presentability, and information are examples of website features. The results of this study revealed that the website features had a substantial impact on the consumers' decision to purchase devices.

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