

Changing Consumer Behavior in Respect of E-commerce in India

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Abstract



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The main focus of this paper is to understand the impact of e-commerce on the buying behavior of the consumer. Now a day's consumer can find a lot of information about various products online platforms, social media etc, which help them in making an informed decision on their buying needs. This clearly shows, how e-commerce is impacting consumer.

Key words: E-Commerce Consumer Behavior Amazon Flipkart

Introduction:

India continues to evolve as an economic power in the global scenario. Consumerism is undergoing changes in the business arena. Liberalization, globalization, increase in income and purchasing power of the people have raised the standard of living. The affluence levels have changed over the consumer market and consumer behavior in India.

Following are the few changes in the Indian consumer market:

1. The consumer has become more aware, demanding and quality conscious.
2. Liberalization and globalization has increased competition giving rise to consumer oriented products and marketing techniques
3. The overall costs are rising, prices are falling and profit margins are decreasing.

Innovations of new technology - online shopping, e-commerce have changed the consumer behavior tremendously. The e-commerce exploits the technology on the information of different related application to estimate the combination of the process. According to Fedorko et al. (2018), the cost of production has established the analysis in terms of suitable levels of factors. The structure is changed to develop a suitable growth on the needs of the customer. The growth rate of e-commerce reveals the problem such as an increased rate of employment and reduction of different expenses.

E-commerce

In today's competitive era, people are looking for new ways to increase their business and improve the business sentiments and consumer satisfaction. For this, they have started using E-Commerce which makes perfect sense. Electronics Commerce or E-Commerce is the modern way of doing business where the business is conducted over an electronic network to address the emerging needs of business organizations, customers and vendors. In this process, goods and services are sold; funds or data is transferred in a paperless environment, which helps the businesses in improving the quality of the services, reducing costs and the speedy delivery of goods and services. This exchange of information between the businesses can be done by the following ways

1. Electronic mail (e-mail)
2. Electronic Fund Transfer (EFT)
3. Electronic Data Exchange (EDI)
4. Electronic Bulletin Boards

As the business is conducted electronically on World Wide Web, the transactions are broadly specified in the following three categories

1. Business-to-Business (B2B)
2. Business-to-Consumer (B2C)
3. Consumer-to-Consumer (C2C)

A lot of e-commerce transactions are conducted daily on the internet and their numbers are increasing day by day. The number of transactions carried out in offline world stills dwarfs the e-commerce transaction conducted daily

- E-commerce in India** The Indian e-commerce market is growing rapidly and currently it is eight of the largest markets in the world with revenue of US \$ 50 billion in 2020, standing it ahead of Canada and behind the France. It has the potential for further development of new market and existing market also. This will be propelled by East and SouthEast Asia to expand the middle class and lagging offline shopping infrastructure. As the usage of Smartphone is increasing day by day, more people are able to use mobile internet and this is driving the online shopping market in India. Lots of companies provide e-commerce platforms for online shopping like – Amazon, Flipchart, Snap deal etc.
- Amazon** US based e-commerce giant Amazon Inc saw a great potential in the Indian market and decided to launch its operation in India. Keeping in mind the specific requirement of the Indian market, owner of Amazon Inc, Jeff Bozos founded a fully –owned subsidiary Amazon India in 2013. With its launch, Amazon was offering its customer a wide variety of choices in different categories and was able to garner more than 10,000 orders on its first day of its operation. During these years of operation, Amazon has further added products on its platform across various categories such as electronics, fashion, home furnishing, sport fitness, books etc. Amazon had added streaming services to its platform with the name of Amazon Prime which provides television shows, streaming videos, music, etc. currently Amazon has more than 20000 Sellers and 41 fulfillment centers across India and this count are increasing day by day.
- Flipkart:** In 2007 , Sachin Bansal and Binny Bansal launched a private e-commerce company, Flipkart Internet Pvt Ltd with its Headquarter in Bangalore , Karnataka ,India and incorporated in Singapore. Initially the company focused on line book sales with country wide shipping slowly. Flipkart started gaining prominence and increased its product portfolio in different segments like electronics furniture sports fashion etc. Flipkart is an Indian ecommerce success story and is giving strong competition to intermediate e commerce giants, Flipkart is a purely online variety store and Walmart 77% stake in it for US \$16 billion 2018 acquired.
- Myntra** Myntra is a pure play e-commerce site launched in 2007 in India. In its initial years, it mainly operated on B2B midland allowing customers to personalize their product before buying them. From 2011, Myntra starting selling fashion and lifestyle e-commerce site in India. In 2014, Myntra was acquired by Flipkart in a rs 2000 core deal. Although Myntra had been acquired by Flipkart, it operates as a standalone brand for “fashion –conscious “consumers. In 2016, acquisition of its competition Jabong.com helped Myntra to grow even further. For its fashion conscious consumers, Myntra stocks a range of goods from a wide variety of brands in different segment like menswear, women swear, kids wear and home.
- Nykaa** It is an Indian e-commerce portal launched by Falguni Nayar in 2012. It started its operation by selling a range of beauty and wellness products. Later in 2015 it expanded its operation by opening a brick and mortar store at Indira Gandhi International Airport and began selling fashion products. Today Nykaa sells its product in categories including makeup, skin hair, personal care, fragments, health wellness, pet care etc.
- In 2020, Nykaa launched India’s first multiband e-commerce store for men’s grooming named Nykaa Man. The company has also expanded into fashion under the banner Nykaa Fashion. Nowadays Nykaa has stores in three format –LUXE, ON Trend and Kiosk a.
- Nykaa on Tend sells trending and fashionable brands.
 Nykaa LUXE stores sell premium and luxury brands.
 Nykaa Kiosks are exclusive retail stores which have Beauty Assistants to assist the beginners in choosing the right products from a wide variety of brands.

Review of Literature E-commerce its impact on consumer behavior - by Arjun Mittal The major purpose of the article is to acquire quantitative data on the reality of internet shopping in India in order to understand the growth of internet shopping and its influence on customer behavior. The study's findings reveal that internet users' trust and perceptions of risk have a significant influence on their shopping decisions. Consumers' risk, privacy concerns, and scarcity converse are the major factors for using for shopping the trust in websites in fairness to any consumer's purchasing decision.

More specifically, empirical results suggest that E-commerce companies make marketing strategies based on pre-season data and analyzing results. Madhurima Khosla entitled her paper, "Growth of e-commerce in India: An Analytical review of Literature." In this paper she describes and explains e-commerce and its category. She creates new literature to provide fresh insights on the growth of e-commerce in India while also comprehending the nitty gritty of its many forms as poets, with a focus on B2C E-commerce.

Objective of the Study

1. What is the changing of Indian consumer behavior?
2. Present consumer tendency.

Research Methodology Author has collected different articles, newspaper information and journals.

Findings and Conclusion

Changing Consumer Behavior in India Many of the consumers have changed their attitude, motivation, perception, spending habits and purchasing behavior during the last few days. Some of the key contributors for changing consumer behavior in India are Increasing income level, Rapid Urbanization, Shift towards nuclear family system

Increasing Income Level With increasing household income, the spending capability of the people have increased, which makes India one of the top countries in the consumer market. With increasing income levels, consumer expectations have also increased and information technology is playing an important role in meeting those expectations and satisfying the consumers. All the consumers have got multiple options to satisfy their needs.

Rapid Urbanization In the 1980s, consumers in India had limited choices which were restricted by import restrictions, supply shortages and low income. Liberalization and globalization in the nineties opened new avenues for advertising, marketing and communication which helped in increasing the income level of the people and they have moved into urban areas. Urbanization brought a huge change in the mindset of Indian consumers.

Shift Towards Nuclear Family System In India, families are witnessing a shift from joint family to nuclear family system which is having an influence on consumer behavior. Nuclear families have increased their spending capabilities and they are willing to spend more money on food, apparel and entertainment. Younger members of the nuclear families are trying to keep pace with the latest trends in the world.

For an effective understanding of the changing consumer behavior in India, marketers must keep the following points in mind.

1. All marketing campaign must be directed towards the customers.
2. Keep in mind the needs of the consumers while designing new products and services.
3. It is essential to have impactful communication with the customer.
4. A proper feedback mechanism must be developed to understand the view of the consumers
5. Customer satisfaction should be the top priority of the companies and all strategies must be aligned to this principle.

With the advancement in technology such as cloud computing, cellular network and Wi-Fi enabled mobile devices, people are able to access the internet content on their mobiles, which is changing consumer behavior. People like to do online shopping on the internet as it provides high customer satisfaction. These peoples have become the driving force in e-commerce which is leading to innovation and on demand services. E-commerce companies are innovating daily with new ideas, to serve their growing customer base and seem set to take a much bigger share of people's overall expenditure in future. These innovative ideas and technological advancements have led Amazon, EBay, Flipkart to become huge trading platforms where goods are offered online. During festival season, these platforms offer special discounts due to which they notice a lot of network traffic. These platforms help consumers to compare the prices online and also with their local street vendors, which help in making an informed decision on the purchase.

The effect of e-commerce can be seen in the all walk of business from customer services to new product design. E-commerce is building a new type of ecosystem consisting of information-based business processes like online gaming, online advertising, e-books and online customer services.

It is helping in managing the business, improving efficiencies and curtailing the cost of the operation which is beneficial to all the stakeholders. The key element of e-commerce is information processing. All steps of Commerce except production are related to it.

Role of E-commerce in Changing Consumer Behavior

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Consumer's tendency E-commerce

India is the second largest consumer market in the world. Today all age groups and especially young people are inclined towards e-commerce. With the explosion of new technologies consumer preference is moving towards branded products. Indian consumers want good quality products at reasonable price, cash backs and discounts. In the festival seasons most companies offer cash back, discount coupons, buy one get one schemes. So people are attracted to these deals and buy more products through e-commerce.

As the time is changing, the attitude of consumers is also changing. Most e-commerce companies provide facilities like home delivery, return policy and customization of products. In today's highly competitive market consumer retention and satisfaction is important for both online and offline business. It is important to understand the factors that drive consumer demand and their satisfaction towards e-commerce.

Impact of Electronic Commerce on Consumers Buying Behavior

This research paper focuses on the impact of online buying platforms with the use of the internet on consumer buying behavior .[a number of online sites and mobile apps like flipkart , snap deal, Amazon etc are available to consumers for online shopping] . In today's fast paced world, people are busy in their jobs and get very little or no time to go out to the market for purchasing goods and services. With the adoption of technology, the e-commerce industry is helping people in buying /selling of goods and services with the use of personal devices (mobile and tablets) and the impact of their buying behavior.

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