

Impact of E – Shopping on Retail Business

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Abstract - Retailers include of a large segment of the population and a larger population is dependent upon these retailers. But the introduction of online shopping with their attractive incentives and wide varieties has slapped on their face the fear of uncertainty and helplessness. This study looks into the various aspects about how retail businesses are being affected and also the various recovery mechanisms they are coming up with to counter those e-stores in their race of survival. This paper also undoes the effect upon the effectiveness of the various concerns due to increasing trend for online shopping.

Index Terms – online shopping, retailers, large segments, attractive incentives, turnover.

INTRODUCTION

Purchasing products or services over the Internet, on-line purchasing has attained tremendous reputation in current particularly due to the fact human beings discover it convenient and easy to store from the comfort of their domestic or office and additionally eased from the trouble of transferring from store to store searching for the best of choice.

Online purchasing is a mode of electronic commerce which lets in customers to directly purchase product and services over the net via a virtual store. Some of the leading online stores presently in India are Amazon, Snapdeal, Flipkart, Myntra and Homeshop18 etc.

Retail is a procedure of selling products and services to customers through various channel of distribution. Retail shops may be small or big but they typically operate in the same line as “purchasing to sale”. Retail mode of business is as old as development and is the most basic form of business. Types of Retail Stores are like

Departmental Stores – it is a retail store which deals wide range of products to the consumers under one roof. In a department store, the consumers can get almost all the products they desire to shop at one place only

Discount Stores – it is also offer a wide range of goods to the consumers at a discounted rate. These shops generally offer a limited collection and the quality in certain cases might be a little poorer as compared to the department shops.

Supermarkets – it is a store which normally offers food items and home need items, properly engaged and arranged in specific departments is called a supermarket. it is an innovative form of the slight grocery stores and supplies to the household needs of the consumer.

Malls - Various retail stores operating at one place system a mall. It would consist of various retail outlets each selling their own produce but at a common platform.

The online has many benefits over retail stores. Firstly, the choice, whereas the bookstore at the junction of the street or the near store hardly offers 4000 references on its stalls or 10 to 20 designs of a particular garment of similar size, Amazon, Flipkart and others have got hundreds of thousands of variety. Internet is full of online retailers offering 10 times or even 1000 times more products than the average retailer can possibly dream of.

For an e-commerce sites, the expenses of storing and referencing a goods represent a small portion of the cost as associated to the cost of storing and referencing a product for "physical" stores. From the customer happiness and convenience of services, internet shopping is creating a major influence upon the retail stores.

Need of the Study

This study is very much important to present eras as this will make awareness about the effect of e-stores upon retail stores. The sudden flow in online shopping and customers have attuned to it to a greater extent which it a real cause of concern for the thousands of retailers who have a small store providing a small different of goods and services which are their source of livelihood. This study wants to undo the real scenario and also look into the risk that looms over the different small-scale retailers. It's time the retailers start thinking deep into this feature and come up with better and innovative plans.

Objectives of study

- To study the result on profitability of retail stores due to the introduction of e-stores
- To examine the effect upon pricing patterns of retail shops in recent times
- To consider the change in business pattern to attain customer satisfaction.

RESEARCH METHODOLOGY

The research methodology includes of the sources of data, methods adopted to gather such data, sampling methods, statistical tools for analysis, data interpretation etc.

Sources of Data:

For the study the primary has been collected through personal interview where interview taken place with the owners of various retail shops. Investigation through schedules at the different units for suitable information.

Sample size:

It consists of all the retailers situated in the Ananthapuramu city from which a 50 retailers are chosen at a random for the purpose of the study.

Sampling Techniques-

For the study convenient sampling technique has been used on the basis of suitability for the convenience of information and which has a significant share in the market so as to give more correct picture of the effect of online shopping.

Data Representation Tools-

The data composed are classified, organized and represented through chart and bar diagram.

Limitations of the study

- The study is limited to Ananthapuramu city only.
- Besides that, the comprehensive study has been lead taking on 50 retail stores based upon convenient sampling.
- Time also a limited factor as the study is lead in a very short period of time.

ANALYSIS & INTERPRETATION

Retail shops are normally operated in the traditional lines of business except a few supermarkets that brought in certain alteration in their business patterns, but the beginning of online shopping in current period has put an upon them because they had been losing on several ground. The study has been made on numerous grounds to understand the aspects of effect upon the business of different retailers that to some scope has led to a change in their strategies.

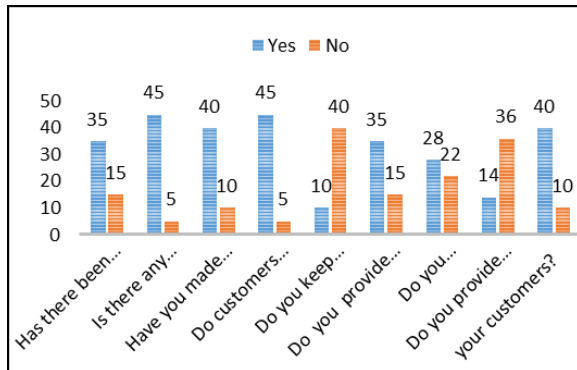
Presentation of data

Table: Table showing the analysis of the various aspects of the impact of online shopping upon retail trade

List of questions:	Yes	No
Has there been any decrease in averageturnover in the past.	35	15
Is there any decrease in profit margin?	45	05
Have you made any increase in discount rates offered to customer in recent times?	40	10
Do customers ask for discount before making purchases?	45	05
Do you keep more variety of stock at your store now-a-days?	10	40
Do you provide after sale services of personalized nature to your customers?	35	15
Do you advertise about your enterprise?	28	22
Do you provide home delivery services to your customers?	14	36
Is there an increase in window shopping in recent times?	40	10

The table things to see that there has been a reduction in turnover in most of the enterprises with a figure as high as 75 to 80%. Most of the retailer stores owners have also agreed to a decrease in their profit edge in recent period as more discounts are been given by

them to the customers in order to ensure a sophisticated amount of sales. Most of the customers are look into that as for discount in currentperiod. Now-a-days the retailers are trying to maintain a good variety of stock and also offers various types of customer focused on services in order to reach and recollect customers. An startling signal is the increase in window shopping which elucidates that potential consumers do not turn into actual consumers.



Interpretation

- The turnover of retailers during the period of time has observed that decline when as compared to years back.
- Online shops were brought in a price war in the market and the lead suffers of this price war are the retailer stores.
- The online stores offered attractive discounts which impact on retails shops. Although the retailers are not able to compete with the online stores.
- E-stores main a wide variety of goods and retailers are fail in that. Because of warehousing and maintaining stock etc.
- Most of the retailers are maintaining to build customer service loyalty. Now they are providing home delivery services in like as to online stores.
- Now a days retailers are more involved in advertisement campaign than ever before to increase sales.

FINDINGS

Revenue and profit margin of the retailers has significantly decreased during the past few years.

- a. Now-a-Days retail shops are more involved in services related to customer satisfaction.
- b. Although the retailers are not able to keep a huge multiple in their product, they are trying to keep the best of them so as to affect more sales.
- c. Customers are looking into make window shopping at a disturbing higher rate to have a physical look at the product and buy that product online at a bargain rate.
- d. Most of the retailers are maintaining to build customer service loyalty. Now they are providing home delivery services in like as to online stores.
- e. Now a days retailers are more involved in advertisement campaign than ever before to increase sales.
- f. Customer are more convenient to purchase goods through online and product range become relatively more important as a deciding factor for shopping online.

SUGGESTIONS

Retailers have to modify their approach towards the market. Today's is a consumer market and as a result the importance is the customer fulfilment. Better quality goods, reasonable price and sociable after-sale services are the basic areas in which the business has to focus to a remarkable extent. Further services should be delivered to the consumers to woe them and build upon a faithfulness which in turn would make sure a constant sales in the years to come.

CONCLUSION

The aspect of retail has altered. The introduction of technology in recent period being the major reason for it. Today, retailing says going into shopping centers, going virtual and going android mobile. But the neighboring stores are always the most important concern for all purpose and seasons. It needs to recuperate not just continue. The retail shops need to just uplift its design of business and face the competitive world with a more optimistic viewpoint. Electronic shops and retail stores both have to continue, none at the cost of the other. It's not just about the maintenance it gives to the thousands of

people but also the accessibility and the determination
of a fixed retail store.

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