

Merits and Demerits of Online Shopping in India - A Study

Dr. Sreenivas Dadigala

Assistant Professor, Department of Commerce, SR&BGNR Government Arts and Science College(A), Khammam

Abstract: *Online Shopping is playing a vital role in Indian economy. According to the study conducted by Rakuten Insight Survey said 24% of the people of India's Population prefer online shopping, India's online shopping is valued at \$ 70 billion and makes up approximately 7% of the country's total retail market. Due to demonetization and Covid-19, online shopping is gaining popularity and people in general prefer online shopping as a convenient mode of buying goods and services. In this paper study the Online Shopping in India – An Overview, here study the meaning of Online Shopping, Process, Merits and Demerits and Future Status of Online Shopping in India. Online shopping is the activity or action of buying products or services over the Internet. It means going online, landing on a seller's website, selecting something, and arranging for its delivery. The buyer either pays for the good or service online with a credit or debit card or upon delivery. The process of online shopping may be defined as when consumers decide to use the internet to shop. However, the availability of online shopping has produced a more educated consumer that can shop around with relative ease without having to spend a large amount of time. At the end, it has been a win-win situation for both consumer and sellers.*

Keywords: Online Shopping, Online tracking, Complicated Websites, Reviews of Product

1. Introduction

Purchasing the process of a products online is said to be online shopping. It is part of e-commerce. It is increasing day by day. In addition, due to Covid-19 more users in the India shopped online. Consumers today have an enormous option to find and purchase the products that they want. The two most popular options today are traditional in store shopping and online shopping. These two forms of shopping vary in convenience, product availability, and cost of the product. It is not a surprise to see many people choosing online shopping as compared to traditional shopping. According to the study conducted by Rakuten Insight Survey said 24% of the people of India's Population prefer online shopping, India's online shopping is valued at \$ 70 billion and makes up approximately 7% of the country's total retail market. Due to demonetization and Covid-19, online shopping is gaining popularity and people in general prefer online shopping as a convenient mode of buying goods and services.

Online shopping is becoming increasingly popular for variety of reasons. There are certainly difficulty in getting to traditional stores and hassles often associated with shopping malls, shopping lose a lot of time in selecting, travelling and other traditional stores to contribute to the increased interest in online shopping. Consumers can get full information about the product with its reviews being passed by the existing users. In online shopping, the buyer goes online to search for products on the seller's website and choose the product to purchase. It is also possible to pay Cash on delivery or buyer can pay online via the internet.

If one wants to buy a product, he/she is no longer limited to asking the friends and families because there are many products reviews on the web which gives opinions of the existing users of the product. Online shopping sites contain wide variety of goods both high quality and mild quality keeping in mind the level of people. The most popular online shopping websites are Amazon, Flipkart, Myntra, etc. It is

easy to order the products to doorsteps just by a few taps without moving anywhere.

Brief History of Online Shopping

The history of online shopping 1979 – It all began when Michael Aldrich 'invented' online shopping. Using videotext, a two- way message service, it revolutionized businesses. Online shopping started early in 1995 by the introduction of internet in India. Online shopping became popular during the Internet boom in 1999-2000 with the well know auction site know as bazee.com. As of 2020, customers can shop online using a range of different computers and devices, including desktop computers, laptops, tablet computers, smartphones and smart speakers. India plaza was the first ever online shopping store; founder was K. Vaitheeswaran, founded in June 1999. Earlier it was named as Fabmall and was US based company, but after a period of time it was renamed and launched as Indiaplaza in India. Amazon launches first online shopping site in India. Online retailer Amazon has launched its first shopping website in India. The company took its first steps into the Indian market in February 2012 when it launched Junglee.com, a site which allowed customers to compare prices online but not purchase items directly. The most popular online shopping websites are Amazon, Flipkart, Myntra, etc.

2. Review of Literature

Dr. R. Angamuthu(2020) Many teenagers and bachelors are now using the E-Commerce for fulfilling their shopping desires. Most of them are completely aware of all the pros and cons of online shopping. Technology has made significant progress over the years to provide consumers a better online shopping experience and will continue to do so for years to come. With the rapid growth of products and brands, people have speculated that online shopping will overtake in-store shopping.

Abhishek Chilka & Sandeep Chauhan (2018) Online Shopping or internet shopping consists primarily of the

distribution, buying, selling, marketing, advertising and servicing of products with the help of internet and other computer networks. India is witnessing the tremendous growth in online shopping. This paper studies the recent scenario, recent trends in online shopping in India. For example, the interested categories of product, preferred way to pay online. Today's online shopping platforms provide many offers to consumer which attracts the consumer and drives their business. Along with that there are also problems in online shopping like quality, security etc. India's online shopping market is constantly growing at good phase.

Dr. Mohammed Farooque Khan (2017) The Online shopping is an effective application of Internet and its associative technology aimed at empowering customers to transact online i.e. to select and order goods online, carrying out banking and financial transactions between the consumers and the marketers, distributing goods and services easily and conveniently to the ultimate consumer. It is based on E-infrastructure by which marketers can advertise their products and services, consumers can make selections and order goods, banks or financial institutions can make possible the transfer of funds between the consumer and the marketer, and shippers can handle the delivery of goods to the ultimate destination

Sivanesan. R, (2017) The massive Indian market is changing fast. Internet access is mainstreaming among professionals and the use of mobile is intensifying. The pace of change continues to be rapid with digital channels constantly growing in volume and strength. More people spend more time online in India every year, and the digital tools and sites they use play an ever-growing role in their lives. Smart marketers keep on top of the scale of change and ensure their marketing strategies and touch point's mirror where the consumer is spending their time. This article shows the problems faced by customers in online shopping with special reference to Kanyakumari District.

Rajendra Kumar. R & Srikanth. J (2017) By having deep analyses of these two models through SWOT analysis, it was found that both models have equal weight age however, the market-based model has more advantages than the warehouse based model in terms of product offering, price discount and delivery. So in the Indian Context, it is appropriate for the online shopping companies to prefer warehouse based model. Hence this analysis suggest warehouse model.

Muthumani, A., Lavanya, V., & Mahalakshmi, R., (2017) Online shopping is one of the most popular ways to make purchases, but it's not something that everyone is comfortable doing. Shopping online is becoming more common every day, and spans every type of product and every type of shopper. Online shoppers are all ages, come from all types of backgrounds, and both men and women. Consider the advantages and disadvantages carefully so the researcher can make an informed decision about what's best for customer. In this paper an attempt is made to know the products purchased by consumers from online stores and to identify the types of problems faced by consumers while buying goods from online shopping. This study is based on

primary data. The primary data were obtained through interview schedule. The convenient sampling technique was adopted for collecting data from respondents. In this paper the suggestions also given to overcome the problems faced by online shopping consumers.

Aishwarya Goyal (2015) The rising use of internet in India provides an impetus to online shopping. Now Consumers are increasingly adopting electronic channels for purchasing their daily needed products. The increasing use of Internet by the younger generation in India is creating opportunities for online retailers. This study provides theoretical contribution in understanding the present status of online shopping and provides insights into consumers' online shopping behaviors and preferences. This study will contribute in sharing the information about the scope of improvement in online shopping website and challenges faced by online retailers in Indian market.

3. Statement of the Problem

This paper aims to know the history of Online shopping, advantages, limitations and develop an online shopping for customers with the goal so that it is very easy to shop our loved things from an extensive number of online shopping sites available on the web. With the help of this we can carry out an online shopping from our home. Here is no compelling reason to go to the crowded stores or shopping centers during festival seasons. Simply require a PC or a laptop and one important payment sending option to shop online. After successful login the customers can purchase a wide range of things such as mobiles, books, apparel, jewellery, infant care, gifts, tools, etc. can be dispatched using online shopping system. Not just these, also purchase from outside nations by few clicks on our mouse. And of course we will get our requested ordered items at our door step. No need to go physical shops with this we will have more time to spend with our family. It Just need a computer and a payment making options like net banking, credit card, debit card or PayPal etc.,

Objectives of the Study

- 1) To know the history of Online shopping.
- 2) To analyze the advantages and limitations of online shopping in India.

4. Methodology

The present study is descriptive based on secondary data the data collected from Government reports, journals, articles, books, website, etc.,

4.1 Advantages of Online Shopping

During lockdown, people were obligated to stay indoors. During that time, consumers get the essential supplies at their doorsteps because of e-commerce websites. So let's see the reasons that many people love online shopping and the popularity behind it. The benefits of online shopping are discussed as follows:

1) Convenience

It is the major benefit of online shopping. Customers can purchase from their homes, workplaces as per their comfort. It is easy to cancel the transactions in online shopping. Online shopping made shopping easy as there are no lines to wait so that we can do shopping in minutes. We have the 24x7 opportunity to shop online. Online shopping saves time and effort. In online shopping, we can get detailed information about a product and get good discounts and lower prices.

2) No Crowds

During festivals, weekends, or holidays it is common to see the crowd at shopping places; it will be a huge headache and hectic to purchase products in this type of environment. But in online shopping, we do not have to face crowds, and also, we do not have any need to do unusual battles for parking.

3) Easy Access to Information

When shopping online, you will often find more details about a business's products than you would get in physical stores. Instead of speaking to one or two sales associates in person, you can peruse product descriptions, recommendations of similar products, and reviews from other shoppers online that may help you make a more informed purchasing decision.

4) No Pressure

Sometimes, shopkeepers pressurize us or use their skills to convince us to purchase things that we don't require. As a result, we purchase those things that we actually do not require. But in online shopping, we don't have any pressure to purchase unnecessary things.

5) Saves time

In online shopping, customers don't require to stand in queues to pay the price of products that they have been purchased. Online shopping provides the facility to shop from their office or home, so it saves traveling time. It also facilitates us to look for the products by entering some keywords or by using the search engines.

6) Saves Money

Marketers or e-tailers offer discounts to the customers in order to attract them to shop online. Retailers can sell the products with attractive discounts through online because of the removal of maintenance, real-estate cost.

7) Reviews of product

Most consumers read online reviews of a product to take basic information written by customers who already used it. Online reviews help to get the inside information of the product in which we are interested. For instance, if we are going to purchase cloth, we can see the reviews of that product; we will find some customers also add photos of themselves wearing that product. Hence we can do smart shopping. Reviews enable smart purchasing decisions for future customers and make them empowered.

8) Multiple varieties

It is one of the best advantages of online shopping. In online shopping, the buyer has multiple options and multiple brands to choose and from at a single place. There is a large

volume of stock is available online. We can find an item or any brand online and can get the latest international trends without spending money on airfare. We can purchase the desired products from the retailers whether they are in other parts of the state, country, or even world.

9) Easy price comparison

In online shopping, it is easy to compare and research products and their prices. On shopping for appliances, we can find reviews, product comparisons, and compare the prices with the options available on the market.

10) You Can Send Gifts More Easily

Sending gifts to relatives and friends is easy, no matter where they are. All the packaging and shipping are done for you. In most cases, they'll even gift wrap it for you! Now, there is no need to make distance an excuse for not sending a gift on birthdays, weddings, anniversaries, Valentine's Day, Mother's Day, Father's Day, etc.

11) More Control

Many times, when we opt for conventional shopping, we tend to spend a lot more than planned and end up buying items that aren't exactly what we wanted (but we can't find anything better in the store). Online, you don't have to let the store's inventory dictate what you buy, and you can get precisely what you want and need.

12) Online tracking

In online shopping, consumers are facilitated with online tracking as they can easily track the order and delivery status. Along with the above benefits of online shopping, it has some limitations too. Now, let's see the limitations of online shopping.

13) You Can Buy Used or Damaged Items at Lower Prices

The marketplace on the internet gives us access to listings of old or damaged items at rock-bottom prices. Also, if we want to buy antiques, there's no better place to find great ones.

14) Discreet Purchases Are Easier

Some things are better done in the privacy of your home. Online shops are best for discreet purchases. This includes things like adult toys, sexy lingerie, and so on. This enables me to purchase undergarments and lingerie without the embarrassment of people watching or judging me.

4.2 Disadvantages of Online Shopping

Before you start making up your mind and start purchasing products online by reading the benefits mentioned above, let's first consider the limitations of online shopping.

There is a risk of frauds such as hacking, identity theft, credit card scams, phishing, and other scams during online shopping.

1) Negative Environmental Impact of Packaging and Gas

Having your item delivered in several layers of plastic and cardboard packaging is good for you but not so great for the

environment. Even if you try to recycle the cardboard, shopping online creates unnecessary waste.

2) Less community contact

Online shopping majorly decreases contact with the community. If we do shopping online continuously, we never have to leave home to shop outside. This can be good for a while, but sometimes we should go outside to do shopping, talk with real people, breathe fresh air, take participation and show involvement in the community, and do other activities outside. A computer can never complete a real connection with a human.

3) Shipping Problems and Delays

Even the biggest and best shipping companies and online retailers have their bad days, so there's no way to ensure you'll get your hands on your purchase in time (unless you pick it up from a store). Items get lost, detoured, damaged, or delivered to the wrong address more often than you think.

4) Lack of touch with items

In online shopping, it is not possible to touch things in order to get the exact idea of the product's quality. It can only be possible when the product is booked and delivered to us. Moreover, if the products are not properly examined, especially in clothes, there will be a chance of discrimination in the quality and appearance of the product.

5) Spending Too Much Time Online

Especially if your job requires that you look at a computer all day, you might get burnt out on all that screen time. Shopping online can turn into a marathon of scrolling and clicking down rabbit holes, and before you know it, you've been online for most of the day. The internet is a nice place to visit, but you probably don't want to live there.

6) Can Be More Expensive

Online purchases can cost you more for several reasons. Even though many major online retailers offer free shipping, they generally require you to meet a minimum to qualify for it. In addition, online retailers may use several strategies to encourage you to buy more items or more expensive items than if you were shopping in person. Depending on the state you live in, you may be required to pay an internet sales tax, too. In Texas, for example, you may have to pay a tax on out-of-state purchases delivered into Texas or purchases made from online-only sellers.

7) Lack of shopping experience

In online shopping, there will be no market visit which results in the lacking of an actual shopping experience that includes market visits, showrooms, and merchandise.

8) Faulty products

It is one of the major drawbacks of online shopping. In the process of online shopping, a product is collected from a packaging unit, and it further goes through various different locations during transit. There is a chance of broken or scratches on sensitive products during transit. Also, we see cases in our day-to-day life that empty boxes and different products are delivered to customers. And after that, users may face difficulties because of varied return and refund policies.

9) Unfriendly, Scammy, or Complicated Websites

Some sites require you to join their mailing list, making it impossible to unsubscribe. Some sell your email address to others, so your email is full of ads. Sometimes, sites don't offer accurate descriptions of the goods, or you just can't figure out how to purchase or return an item (or speak to customer service).

10) No support for local retailers

If everyone starts shopping online, the business of local stores will come to a stop. As a result, all local stores will get closed. In some places, people have faced the negative impact of e-commerce as it has taken away jobs and spoiled the local economies.

11) Returns can be complicated

Some of the processes of return or refund are easier, but many sellers make it complicated for the buyer. There can be multiple forms such as labeling, shipping, packaging, tracking required to be filled properly, which is sometimes irritating for a person, and as a result, people avoid it.

12) You Don't Know Exactly What You're Getting

Unless you are intimately familiar with a brand or product, buying online requires a leap of faith . . . one that doesn't always end in your favor. Sizes are often imprecise. You can't determine texture, fabric, fit, cut, quality, heft, or durability just by looking at a photo. Products that look great might feel chintzy, awkward, or cheap when you hold them in your hands.

4.3 Future of Online Shopping in India

- The e-commerce market will account for 2.5 per cent of the India's GDP by 2030, growing 15 times and reaching USD 300 billion, a report said today. The current market size of e-commerce is USD 20 billion. The report by Goldman Sachs cited the "hyper growth in affordable smartphones, improving infrastructure, and a propensity to transact online," as key growth factors.
- Further, India's attractive demographics - the youngest population in the world - should lead to over 300 million new online shoppers in the next 15 years, making e-tailing the largest online segment," it said. The report identified e-retailing, online travel, digital advertising market and electronic payments as segments that could "potentially catalyze domestic companies into multi-billion dollar businesses".
- India will have the second-largest digital population in the world with 1 billion users by 2030, powered by online mobile penetration, it added. "India has enough spectrum and telecom infrastructure to provide 3G data coverage to 25-30 per cent of the population," it said, adding that "further, 3G-enabled smart phones are available for USD 40 with more than 900 phones launches last year".

5. Conclusion

Thus, online shopping has emerged as an important channel of Marketing. It has become the mainstream tool along with Traditional shopping. The Online shopping is an effective application of Internet and its associative technology aimed

at empowering customers to transact online i.e. to select and order goods online, carrying out banking and financial transactions between the consumers and the marketers, distributing goods and services easily and conveniently to the ultimate consumer.

In India Online shopping is pretty popular among the young Indian blood. Many teenagers and bachelors are now using the E-Commerce for fulfilling their shopping desires. Currently 24% of the people of India's Population prefer online shopping, India's online shopping is valued at \$ 70 billion and makes up approximately 7% of the country's total retail market. Due to demonetization and Covid-19, online shopping is gaining popularity and people in general prefer online shopping as a convenient mode of buying goods and services. Most of them are completely aware of all the pros and cons of online shopping. Technology has made significant progress over the years to provide consumers a better online shopping experience and will continue to do so for years to come. There are many more benefits and limitations of online shopping. Now we have to use online shopping properly. We should not purchase every product online, i.e., we must not be addicted to it. We should also give a chance to local retailers and should try to purchase daily used products with them. With the rapid growth of products and brands, people have speculated that online shopping will overtake in-store shopping. In India the online shopping is aggressive growth after covid-19. Moreover, Government's emphasis on the cashless transactions in Indian economy will auger well for the growth of Online Shopping in the future.

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