Online shopping: How customers see it

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\textbf{ABSTRACT}
This study aims to understand how consumers are impacted by various aspects in the context of electronic commerce (e-commerce), as well as how e-satisfaction and e-loyalty are related. As the Internet has developed into a platform for online transactions, businesses now need to understand how customers see online shopping. This study began with the integration of pertinent literature before examining the factors that influence consumers' decisions to make purchases online. This study follows a consumer's behavior and attitude towards online shopping. This study also examines a customer's point of view and how a customer feels towards online shopping. This study revolves around the basic idea and concept of online shopping and its impact on a consumer and how a consumer starts to differentiate between online and offline shopping.

\textbf{Keywords:} E-commerce, online transactions, online shopping, consumer's behavior

\textbf{INTRODUCTION}

Online shopping can be determined as an activity which involves selling of goods and services through the internet. It is a form of electronic commerce (e-commerce) which allows customers to find their product of interest and offers them the power to purchase at their own comfort. Online shopping offers a dominant alternative to traditional retail shopping and thus has gained increasing interest from both sellers as well as buyers. A typical online purchase experience includes multiple web page visits, through which the consumer processes the gathered information, before eventually making a purchase. The number of consumers buying online, and the amount being spent by online buyers has been on the rise and is increasing day by day.

Our everyday lives have been greatly impacted by the internet since it allows us to communicate with individuals who are truly on the other side of the world, send emails whenever we want, search for information, play games with others, and even make purchases. Meanwhile, using the internet to shop for goods and services has become a common practice. In the realm of the Internet, it has grown in popularity (Bourlakis et al., 2008).

Online shopping includes business-to-business e-commerce (B2B), business-to-consumer e-commerce (B2C) as well as consumer-to-consumer e-commerce (C2C). These transactions include sales of products as well as services. B2B e-commerce, as the name suggests, takes place between two companies, such as wholesalers and retailers. B2C e-commerce takes place between a business and an individual in
which the individual acts as the end user or the end customer, Netflix and Spotify are the best examples of B2C e-commerce. C2C e-commerce takes place between 2 customers/consumers allowing them to interact, communicate and trade with one another, examples of companies which help in C2C e-commerce are OLX and eBay. Many web pages are visited throughout a typical online purchase transaction, and it takes the consumer some time to evaluate the information before making a decision.

Consumers use the Internet for a variety of activities in the business-to-consumer (B2C) e-commerce cycle, including: looking up product features, prices, or reviews; choosing products and services online; placing orders; paying for purchases online or through other means; and, finally, receiving customer service online or through other means (Sinha, 2010).

BACKGROUND
E-commerce (online shopping) has been around for more than 40 years, (Heng and SH, 2003), and it is constantly evolving thanks to new technological advancements and the entry of new companies into the online market. It’s crucial for businesses to understand how consumers see online purchases because online shopping may be defined as an activity that involves the sale of products and services via the Internet. According to current studies, e-commerce may easily replace traditional business in the near future.

Many people are active online worldwide, (Tang et al. 2005), and each one of them represents a potential customer for businesses that conduct online sales. Despite the fact that there are many of them, it is important to understand their true needs and desires with regard to the product. Studying the aspects that affect consumers’ online behavior is important because it is the first step in categorizing and examining some influencing factors for online purchases.

REVIEW OF LITERATURE

Investigated about how customers will feel more e-satisfaction when they perceive better website service quality, such as special treatment benefits; they will also feel more e-loyalty when they feel e-satisfaction with the website; and their e-loyalty will be directly impacted by how responsive the website is. (Lai et al. 2007)

Studies also indicate that due to the convenience of using online channels to obtain information, client satisfaction in the online environment is substantially better than in traditional channels. (Lin & Sun, 2009)

Focused on accessibility, communication, capability, courtesy, trustworthiness, reliability, responsiveness, safety, and understanding with customers as the ten phases to measure service quality (SERVQUAL). These phases were later reduced to five: tangibility, reliability, responsiveness, assurance, and empathy. (Asubonteng et al,1996)

Retrieved nine parameters related to users' perceptions of internet purchasing. Users' perceptions of risk were found to be the key differentiator between those who shop online and those who utilize more conventional methods, among other criteria. Affordability of goods, customer service, control over and convenience of the purchasing process, and the shopping site's usability were further differentiating factors. (Vellido et al. 2000)
The purpose of this dissertation was to understand the factors that influence internet buying in India. Through the use of community medium, logistics, and pay on freedom techniques of remuneration as cutting-edge predictors of online purchasing, it expands the amalgamation theory of acceptance and usage of technology models. Additionally, the impact of these variables on customer satisfaction was investigated. (Tandon, 2020)

Investigated the effectiveness of web-based vendors in supporting three different sorts of customer activities, including pre-purchase interactions, buy completion, and post-purchase activities. They discovered that customers who have made purchases online feel that web-based firms promote all three of these activities. Users who merely want information on products and services, however, do not perceive web-based businesses as meeting their informational demands. The determinants of online purchasing have been the subject of several recent research. (Rhee and Riggins 2009)

Pointed out Younger, more environmentally conscious consumers won't waste gas and money by visiting several stores in search of the ideal product. When possible, they buy online, limiting their options to one or two products, before going to the store to touch, feel and examine the actual goods to determine whether it matches the image that was displayed online. (Haver & Winterstein, 2008)

Study on consumers’ insights towards online purchasing, the site's advertising and promotion strategies are what influence customers the most. (Hariramani.G.S et al 2017)

Found that respondents, typically from the working section, are adopting cutting-edge shopping strategies and have emphatically experienced online shopping in their investigation titled an examination on compelling variables driving clients discrimination towards web-based shopping. This exemplifies how far online buying has come. (Agrawal.R., et al. 2020).

RESEARCH METHODOLOGY

Secondary Data has been used for this study. Data published by various institutions and several other authors. The data has been taken from articles and websites which talk about the various issues as well as benefits of online shopping and its effect on its consumers.

The project’s goal is to comprehend the factors that influence consumers' ability to have a positive, high-quality online buying experience. Our primary goal in doing this research was to thoroughly understand why people purchase online since these reasons will influence the features and experiences that people want from websites.

ANALYSIS AND DISCUSSION

People’s preference to shop online
The 2018 Marist Poll study found that 56% of Americans prefer shopping in a physical store than online, if everything is equal. However, the ability to shop at any time (64%), the ease of finding the item (62%) and the ability to save time (61%) were all significant factors that could influence people's decisions to purchase online.

However, according to the BigCommerce and PayPal 2021 Consumer Spending Report, just 54.5% of Americans favored in-person shopping, while 12.2% had no preference. This may only be a brief decline, but if the pattern holds, internet shopping may soon overtake other forms of retail in America.

Graph 1 as shown below depicts how the customers come to know about the products which are being sold online.

Abandonment of online shopping carts

The adults' motivations for abandoning their carts were also examined in the 2021 Baymard survey. After taking out the 58.6% of Americans who claimed they were merely browsing and had no intention of making a purchase, 49% of Americans who had abandoned their carts did so because the added costs, such as shipping and taxes, were too high. The demand to create an account (24%), a protracted delivery time (19%), and a challenging checkout process (18%) were all significant factors that led potential customers to shop elsewhere, according to this survey.

Graph 2 as shown below depicts reasons for cart abandonment.
Source: (Husar, 2020)

Graph 2: most popular reasons for cart abandonment

**Effect of social media on consumers’ purchase decisions and impulsive buying**

Online shopping through social media is more convenient now due to these various features that these platforms offer to online businesses. There is a marketplace function on Facebook that enables you to do direct sales. Instagram, meanwhile, enables you to make shoppable posts so that customers won’t need to be routed many times before reaching the checkout page. Finally, as you'll see below, it's critical to figure out what features, such as product, videos and customer reviews, users want to see on your social shopping platform. These will enable them to evaluate what you have to offer more effectively without doing considerable independent research.

30% of online buyers said that they would buy from brands via Instagram, Twitter, Pinterest, or Snapchat (Forbes, 2018). The shoppable posts feature is used by 41% of Instagram sellers since it speeds up transactions for customers (Shopify, 2018). 23% of consumers claim that social media evaluations and suggestions influence their purchasing choices (Forbes, 2018). 74% of individuals think there is a direct connection between watching videos on social media and making an online purchase. (Adweek, 2018)

**Future of online shopping**

Globally, internet shopping has increased dramatically. Within the next five years, it is anticipated that Australians would spend $10 billion more online. Although some consumers may still worry about the security of online buying, more and more of them are willing to do so. The appeal of online shopping has also risen because of quicker delivery, simpler return policies, and a proliferation of sites that offer free shipping. Over the next five years, IBIS World study predicts a growth in internet revenues of 8.6% annually.

Strong customer demand, an increase in the amount and variety of items accessible, and other factors have contributed to the growth of online shopping. The volume of packages is expected to continue growing by 11% year, according to Australia's Postal Chief Executive. To reduce expenses, physical retailers are relocating at least some of their businesses online.

Online sales are increasing so quickly that they almost reached $4 trillion worldwide in 2020. Additionally, we anticipate 300 million online buyers in the US alone in 2023. The top 10 nations for average eCommerce sales per consumer, according to Invesp, are the United States ($1,804), the United Kingdom ($1,629), Sweden ($1,446), France ($1,228), Germany ($1,064), Japan ($968), Spain ($849), China ($626), Russia ($396), and Brazil ($350).

**CONCLUSION**

The study looks at the factors that affect consumers’ decisions when shopping online. Due to the ease and time savings of online shopping, it is growing more and more popular. The results show that online shopping is time-efficient, less stressful for children, gives significant savings, speeds the claim process, and offers straightforward product assessment as well as expert advice and return policies. Online shoppers
may run into issues with delivery delays, products not being paid for as desired, a time-consuming return process, and inaccurate or missing information.

Convenience and trust are the two characteristics that customers believe to be most significant when it comes to online shopping factors that influence satisfaction. Prices and product quality are considered to be the next most significant considerations for consumers. When consumers choose to purchase online, those factors are the most crucial. Answers gathered indicate that they are very suspicious. Additionally, increased Internet fraud and dishonesty may be the root of this.

The results also show that customers are more likely to remain devoted if they have a positive past experience, are happy with the goods and services, and the risk is kept to a minimal. Customers don't consider web design or delivery speed vital while making online purchases.

REFERENCES


