

E-Commerce and Its Impact on Consumer Buying Behavior: A Study with Reference to Retail Industry in Bangalore

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Abstract

The main goal of the paper is to obtain quantitative describing the actuality of E-Commerce shopping in the case of the Retail Industry in Bangalore city. Online consumer buying behavior is not like a physical market having ability to touch, analyze, and thereafter shop the products. This study explores the effect of few variables, derived from existing literature. Those variables are perceived benefits, domain specific innovativeness, and shopping orientations, i.e., impulse- purchase orientation, brand orientation and quality orientation in E-Commerce companies (ebay, Amazon, Flipkart). For the study purpose data was collected by mean of the questionnaires. The findings indicated that domain specific innovativeness and shopping orientations have positive impact on consumers' buying behavior towards E-Commerce. Therefore, consumers are showing an interest to online shopping because of recent development of retail industry in Bangalore city.

Keywords: Buying behavior, E-Commerce, Physical Market, Consumer Behavior.

Introduction

Understanding consumer conduct is significant for any association before propelling an item. On the off chance that the association neglected to dissect how a client will react to a specific item, the organization will confront misfortunes. Consumer conduct is unpredictable because every consumer has distinctive personality and behavior towards buy, utilization and removal of item (*Solomon, 2009*). As there is a

consistent change in the expectations for everyday comforts, pattern, design and change in innovation; consumer's frame of mind towards the acquisition of item fluctuates (*Kumar, 2004*). A rapid advancement of Internet technology facilitates buyers to buy goods or services from those stores, which offer online shopping and provide detailed information about product data on Internet. The trend of shopping throughout the world is rapidly changing consequently many customers are adopting online shopping. (*Nisar, T. M., & Prabhakar, G. 2017*). It is common practice in advanced countries that most of the stores have developed their websites where consumers can avail online services and can make payment through their websites. It is quite easy to inform people about the promotions like special discounts on E-Commerce and cash on delivery (*Pantelimon, F. V et.al 2020*). This easy way to shop online has also now been adopted in the Asian countries, particularly in India and Pakistan. In comparison of India and Pakistan, India adopted online shopping fashion more quickly. There are several websites of food, fashion and furniture and the universally recognized businesses include eBay, Flipkart and Amazon (*Wilson, N., Keni, K., & Tan, P. H. P. 2019*).

Many people are online at the same moment and all of them are potential clients in the E-Commerce market. The most emergent step for firms is to identify and evaluate that what is required to consumer and to assess their wishes in such a challenging business environment (*Guercini, S., Bernal, P. M., & Prentice, C. 2018*). Prior studies on E-Commerce online behavior have explored the major factors affecting online shopping adoption. However, there are limited studies analyzing consumer buying behavior towards e-shopping with respect to shopping orientations, perceived benefits of online shopping, and domain specific innovativeness of customers in Bangalore city

Review of Literature

Aad, W. A. (2019) E-commerce development is advanced in the region of Asia pacific if compare it with other advanced marketplaces for example UK, USA, Europe and Japanese Market etc. In 2011 this region has surprising rise in sales and the maximum contribution is of China i.e. more than 130%. Now e-trade is an important portion of an economy. Throughout the world, a clear and growing trust of customers is developing towards online shopping.

Rogers and Shoemaker (1971) explained Domain Specific Innovativeness as degree to which a person is comparatively earlier adopts an innovation as compared to other fellows of his system. In general, people love continuousness in their day-to-day routine and inclusive of the shopping routine. Whereas Internet and the online shopping suggest customers an extensive range and particulars of offered goods, also it enables the consumers to come out from their usual shopping habits. Online buyers are required to seek new technological skills to make search, assess and attain products.

Vijayasathy (2020) and As per relative study amongst online-shopping orientation and shopping

orientation, seven kinds of shopping orientation were identified by *Jones (2019)* for instance, in-home buyers who enjoy shopping at home, economic buyers who visit shops at different places before making buying decisions, mall shoppers elected to do shopping at malls, personalized shoppers loved to do shopping somewhere if they know the sales-people, ethical shoppers preferred to do shopping at local stores for encouraging the local public, leisure shoppers put a supremacy on ease while shopping, and enthusiastic shoppers enjoy to shop. As per conclusion of the research, it revealed that consumers who have a preference for conventional in-home shopping, for example by email orders through catalogs, inclined to express extraordinary aspiration for online shopping, however people with mall shopping preferences inclined to possess little intentions for online shopping.

Shopping orientations are associated with the general tendency towards the shopping acts (*Brown et al., 2017*). This tendency might be exhibit in varied methods like info search, alternate judgment, and the selection of product. Shopping orientations are a certain part of living style and are functionalized by a number of actions, concerns and viewpoint narratives which are relative with the shopping acts (*Li et al., 2019*). Because of the development in online shopping operations, consumers' online shopping conduct might be unique with respect to shopping orientations they possess.

Objectives of the Study

- To study the factors influencing the consumer buying behavior of E-Commerce companies in Bangalore city

Research Methodology

The researcher prepared a structured questionnaire. (*Jaiswal, Gautam 2018*) has emphasized on the development of an empathic tool for research. He has used EFA, CFA to establish measurement model. The researcher designed it in such a way as to include the maximum information that will be available and accessible through one-time interaction that to know your attitude towards online buying of retail company products through E-Commerce. Out of 260 circulated questionnaires, 200 were given back as complete and adequate to use in the analysis of data. The researcher initially inquired from the respondents if they are familiar with online shopping of E-Commerce companies (ebay, Amazon, Flipkart). There is considerable disagreement in attitude therefore there are no right or wrong answers so respondents give their individual feeling about the statements. There are five responses for each statement as strongly agree (SA), agree (A), uncertain (U), disagree (D) and strongly disagree (SD). Respondents are asked to respond to every item.

Data Analysis and Interpretation

Table 1: Reliability analysis

Cronbach's Alpha	No. of items
0.768	32

The value of Alpha for 200 participants is 0.768. As the value is above 70% or 0.7 which shows that questionnaire used was reliable for information collection.

Table 2: Correlations analysis

		CBB	PB	DSI	SO
CBB	Pearson Correlation	1	0.218**	0.472**	0.726**
	Sig. (2-tailed)		0	0	0
	N	200	200	200	200
PB	Pearson correlation	0.218**	1	0.408**	0.120*
	Sig. (2 tailed)	0		0	0.037
	N	200	200	200	200
DSI	Pearson correlation	0.472**	0.408**	1	0.332**
	Sig. (2 tailed)	0	0		0
	N	200	200	200	200
SO	Pearson correlation	0.726**	0.120*	0.332**	1
	Sig. (2 tailed)	0	0.037	0	
	N	200	200	200	200

**Correlation is significant at 0.01 level (2 tailed)

*Correlation is significant at the 0.05 level (2 tailed)

Table 2 demonstrates that all independent variables Perceived Benefits (PB), Domain Specific Innovativeness (DSI) and Shopping Orientations (SO) are positively related with dependent variable, Consumer Buying Behavior (CBB).

Table 3: Regression analysis

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate	Durbin Watson
1	0.861 ^a	0.681	0.681	0.1965	1.321

a. Predictors: (Constant), SO, PB, DSI

b. Dependent Variable: CBB

According to Model summary the value of R is .861 and that of R square is .681, using the predictors perceived benefits, domain specific innovativeness and shopping orientations all together. The values indicate that variance in CBB might be predict from the combined mix of the factors, perceived benefits, domain specific innovativeness and shopping orientations

Table 4: Anova

Model		Sum of Squares	d.f	Mean square	F	Sig.
1	Regression	22.421	3	9.091	99.187	0.000 ^a
	Residual	21.207	196	0.089		
	Total	91.601	196			

a. Predictors: (Constant), SO, PB, DSI

b. Dependent variable: CBB

Table 4 depicts that, the significance value is .000 which indicates that all predictor variables together predict the CBB well enough. High significance between dependent and the independent variables proves that this model fits in a good way. By keeping in view the value of F and that of significance value it may state that all three variables are certainly not similar with one another and there is a different effect of them on CBB.

Conclusion

The present research shows that domain specific innovativeness has positive and significant effect on customer buying intention so the web-retailers may use new and latest features to make their online shopping stores more attractive and user friendly. To boost the consumer impulse purchase orientation, web-retailers may offer updates by e-mails on product improvement or grant exceptional discounts up to a specific time period to attract potential clients. The results ascertained the facts about various aspects of retail industry; it would provide reliable information that can be interpreted to reach at conclusions. Furthermore, it is significant to establish that opinion of either group of sample does not stand as standard. It, however, reflects views of the effectiveness and deficiencies of online shopping especially in Bangalore city.

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