



A STUDY OF THE IMPACT OF E-TAILING ON OFFLINE RETAILERS IN THE JALGAON DISTRICT

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Abstract:

Online shopping has become a significant aspect of the Indian retail industry, offering retailers numerous benefits such as reduced real estate costs, enhanced customer service, mass customization, global reach, niche marketing, and specialized stores. The growth of ecommerce in the coming years is expected to strengthen further due to changing markets, development in Information Technology, increased penetration of credit cards, and easy payment gateways. Online shopping allows consumers to purchase goods or services directly from the seller on the internet using a web browser and Mobile application, allowing them to compare prices, product features, and after-sales service features. Popular online retailing companies in India include Myntra, Flipkart, Snapdeal, Amazon, and e-Bay. The growth of e-commerce has significantly changed the landscape of the Indian retail market, with customers increasingly seeking benefits from online retailers. To reach its full potential, business owners need a clearer understanding of who buys online, what they buy online, why they buy online, and how non-Internet buyers can be transformed into online buyers. This study aims to understand the impact on online purchase on offline stores.

Key words: E-tailing, Offline Retailers, Online shopping.

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Introduction:

The internet is rapidly growing, with people accessing the web through mobile phones. It provides information from the globe, making it essential for today's generation to shop online. Online shopping, also known as e-shopping, is a form of e-commerce that provides goods and services directly to consumers through web browsers. Electronic products have the largest sale in online stores, with Apparel and Accessories being the second biggest product category. The growth in technology offers opportunities for sellers to reach customers faster, easier, and economically. In 2016, total retail sales worldwide reached \$22.049 trillion, up 6.0% from the previous

year. E-Marketer estimates sales will top \$27 trillion in 2020. Consumers should choose the medium they choose for their purchase, whether online or offline. The internet makes life simpler and innovative, making trading activities faster and easier. Online retail stores, such as Home Shop 18, Flipkart, Snapdeal, Jabong, and Mynthra, offer a wide variety of products through various distribution channels. In the coming 10 to 15 years, India is expected to see more people online than any other country. E-commerce sales were about \$16 billion in 2016, and by 2020, the online retail market could be more than seven times larger. This has attracted a flood of investment in e-commerce firms, which may go beyond just displacing offline retail.

Statement of the Problem:

The Indian retail industry is rapidly growing, with an expected growth of \$1.73 trillion by 2020. With over 100 million internet users, 50% shop online, and this percentage is increasing annually. The online retail market is expected to grow from \$6 billion to \$100 billion by 2025. The growth of foreign and private players has boosted the sector, with global retailers like Walmart and Tesco sourcing from India. Consumers are adopting online shopping, and free delivery is becoming an attractive marketing tool. The Indian government has established reforms to attract foreign direct investment in the retail sector, with 51% in multi-brand retailing and 100% in single-brand retail.

Review of Literature:

Following are some important review related to the study:

Meghna Aggarwal (2009) The retail sector has experienced significant changes in the past decade, driven by demographic, social, political, and business climate changes. The importance of different products and the choice of organized retail outlets and formats are crucial factors in consumer purchasing behavior. Experimentation with different formats, such as discounts and two-way flow models, is being conducted to provide insights and adapt to local conditions. Identifying the appropriate format for winners can significantly impact losers in the retail industry.

Raji Srinivasan and G Vadakkepatt (2013) Technological innovation has significantly shaped retail industries in the past decade, with interactive technologies like the internet transforming market competition. Emerging technologies can impact retail strategy and operations, potentially enabling or inhibiting current business methods. Interactive technologies can be generic or proprietary, with proprietary technologies generating economic rents. Investing in common technologies may not provide a

sustainable competitive advantage, but complementary resources can help retailers leverage generic technologies more effectively.

Dr. M. Srinivasa Narayana (2018) The Indian retail industry is a dynamic sector, offering opportunities for traders. Modern retail formats have transformed customer shopping experiences, with customers increasingly prioritizing these stores over traditional mom-and-pop stores. A study surveyed 120 customers in a tier-2 city of Andhra Pradesh, revealing that these stores prioritize quality products, saving money, variety, and modern amenities. However, they also prioritize customer experience and loyalty. To succeed, these stores must not create discriminatory appeals and gain customer loyalty without increasing competition.

Ashok Sharma and Anita Kumar (2019) The research article by Sharma and Kumar (2019) highlights the importance of in-store digitization in retail store preference. Consumers in apparel believe online touchpoints are crucial in decision-making, while brick-and-mortar stores offer visual navigation and personalized experiences. Digitization technologies like tablet devices, touch screens, and QR codes can help retailers provide a great experience. Factors affecting store selection include store environment, merchandise options, services, sales promotion, and convenience. Comfort, modernization, and virtual reality are key variables influencing store choice in the future.

Objectives of Study:

Following are the objective of present study.

1. To study the various categories of product and services made available in online shopping stores.
2. To study the leading online shopping stores in India.
3. To evaluate the impact of online retail marketing on offline traders.

Research Methodology:

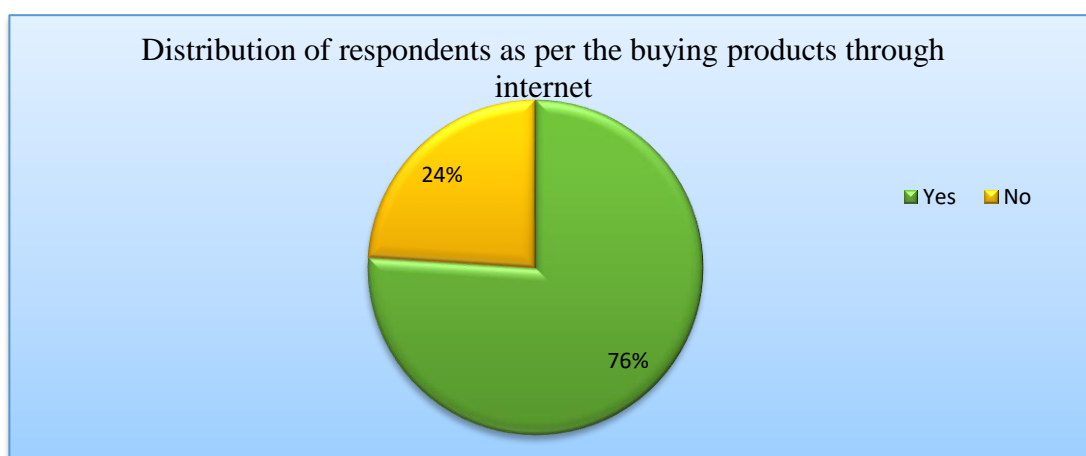
For the purpose of the present study, both types of data were collected from primary and secondary sources.

Primary Data: For the purpose of the study primary data were collected with the help of well-structured questionnaire, interview with the customers, and retailer for getting accurate information.

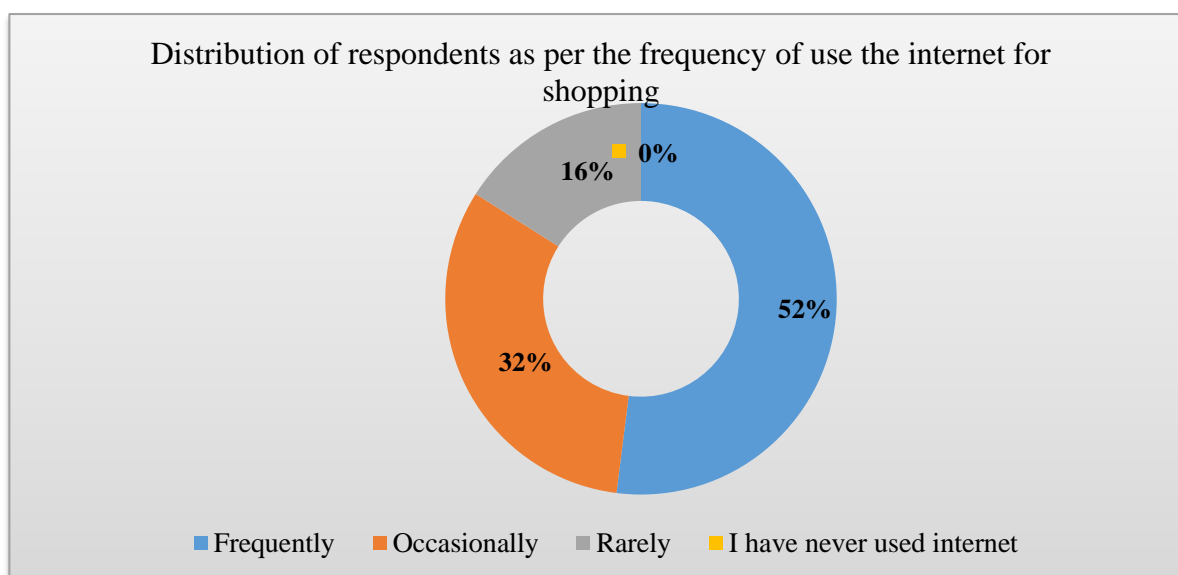
Secondary Data: Secondary data were collected from the following resources viz. Governmental and Other Publications, Journals, Published data, Books,

Magazines, Newspapers, Websites, Research studies and other relevant documents.

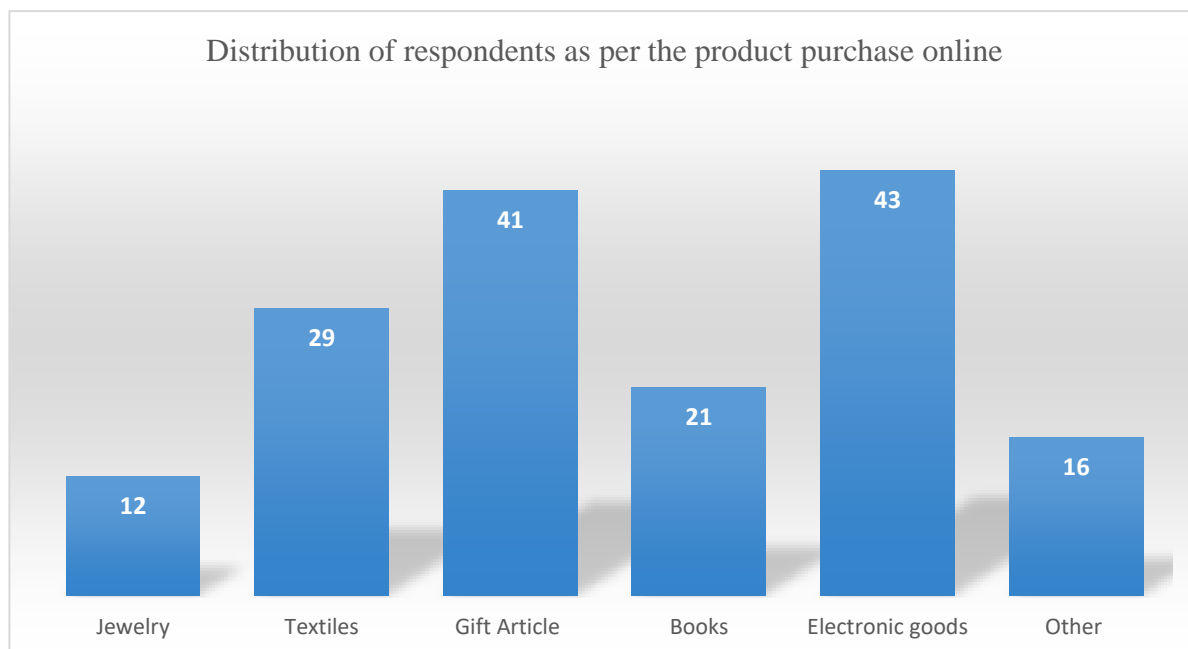
Sample Design: The sampling process adopted for the study was convenience sampling for selection of customers. For the purpose of the study primary data were collected from 50 respondents. Which were selected as a sample for the.



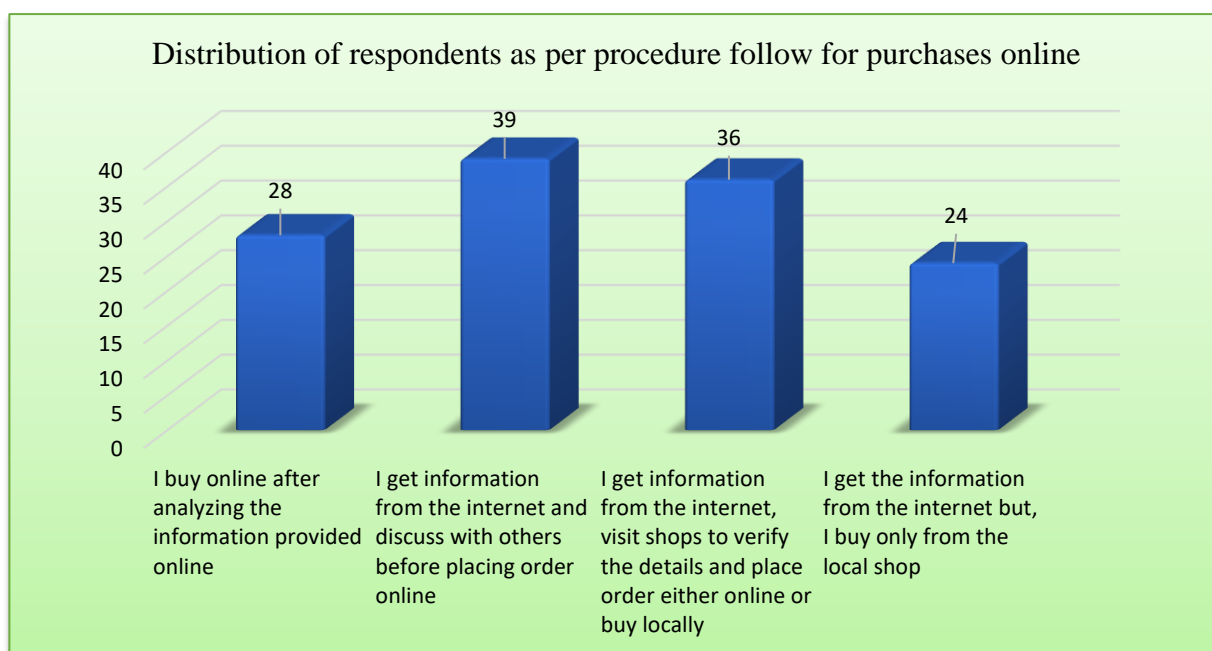
The information on purchasing things online or through an e-commerce site is displayed in the above graph. It reveals that, at most, 76% of respondents said they make their purchases online, while only 24% said they prefer to make their purchases from physical stores.



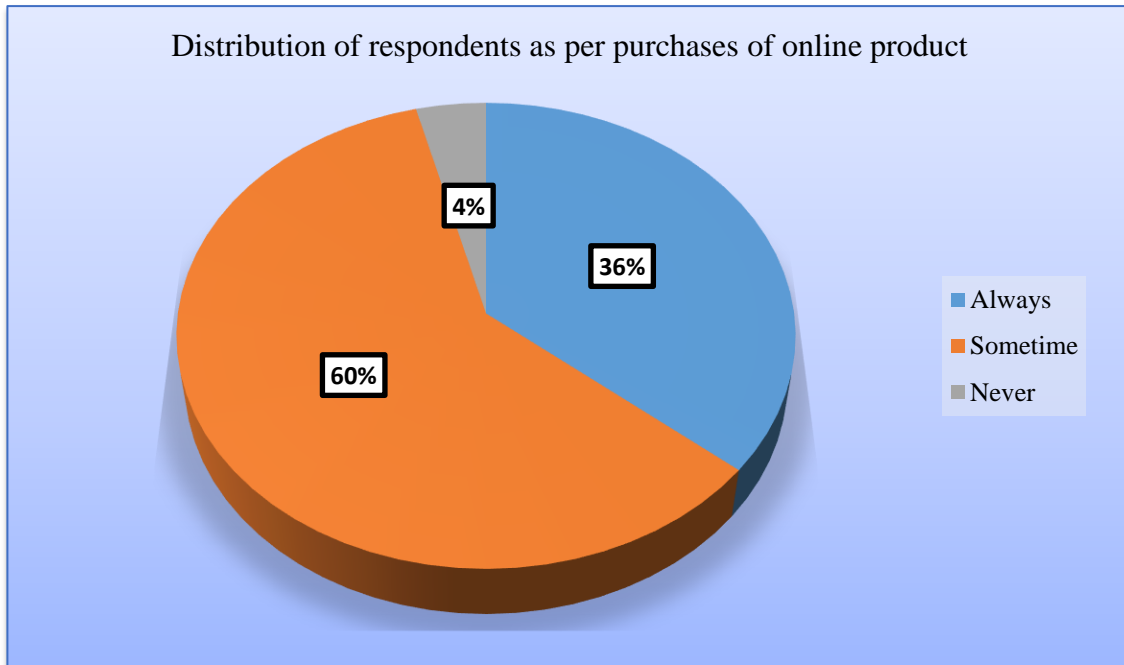
The information regarding the frequency of online shopping is displayed in the above graph. The graph indicates that, at most, 52% of respondents said they regularly shop online, 32% said they occasionally shop online, 16% said they seldom shop online, and there was not a single respondent who said they never buy online.



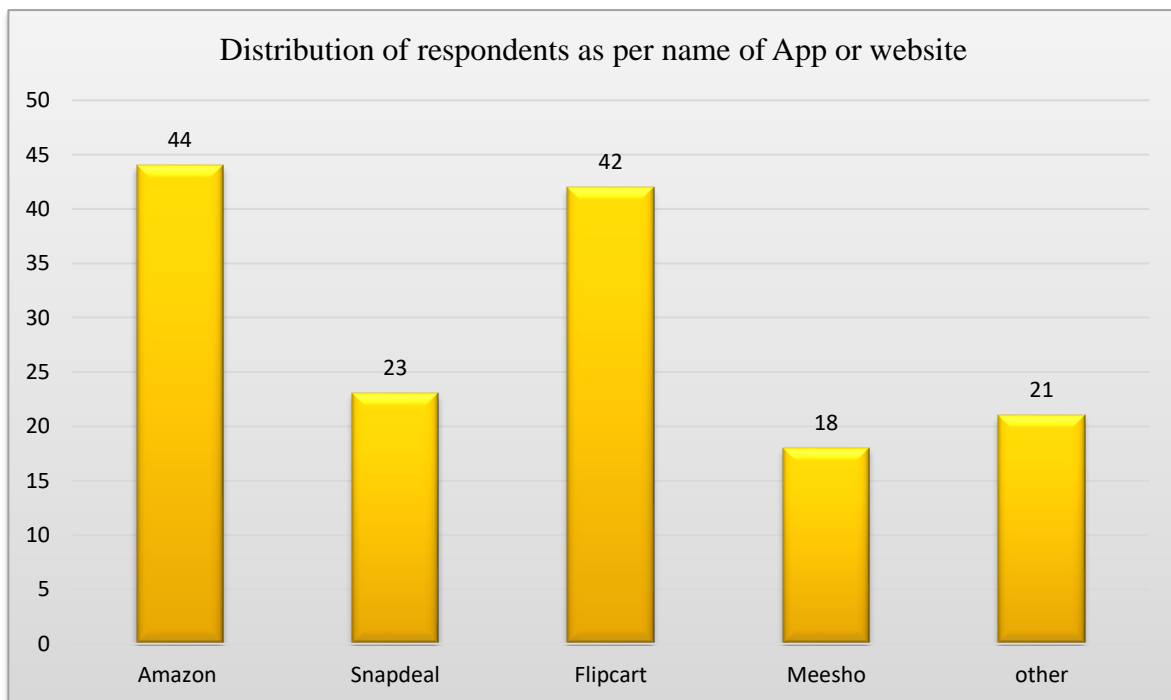
The information about the products that clients have purchased online is displayed in the above graph. According to the graph, 24% of respondents said they buy jewellery, 58% said they buy textiles, 82% said they buy gift articles, 42% said they buy books, 86% said they buy electronics, and 32% said they buy other goods from online retailers.



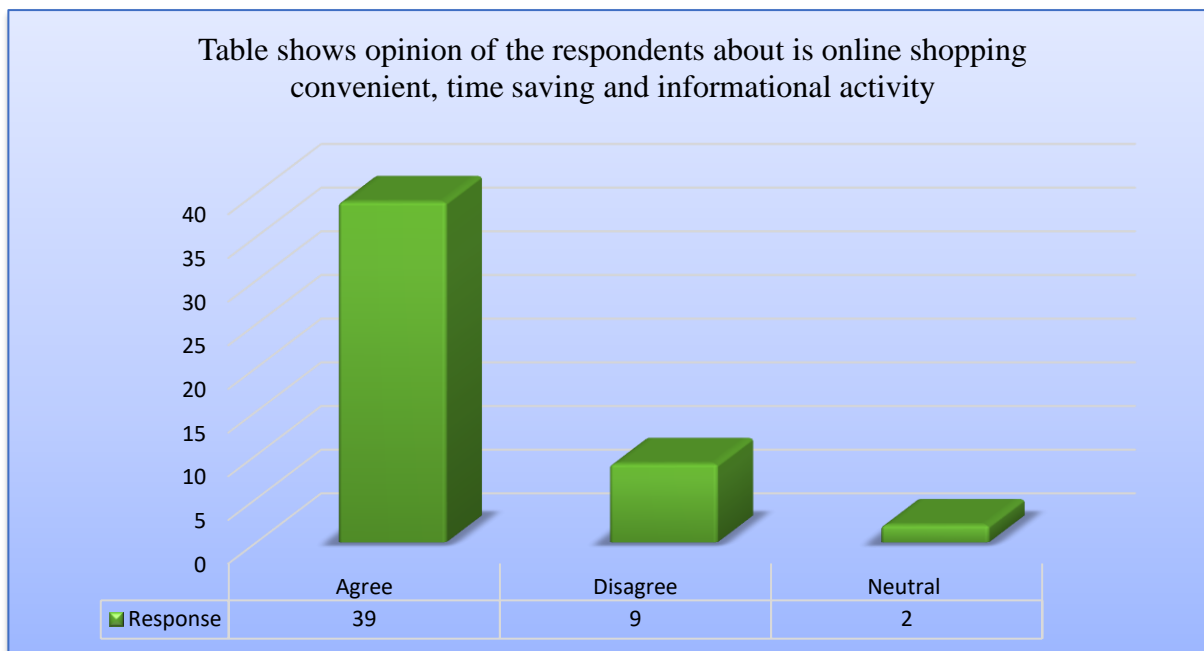
The above graph displays the respondents' responses regarding the steps they take to make an online purchase. The table found that 56% of respondents said they make their purchases after reviewing the information they find online, 78% said they gather information from the internet and consult with others before making an online purchase, 72% said they gather information from the internet, visit stores to confirm the details, and make their purchases locally, and 48% said they obtain information from the internet but only make in-person purchases.



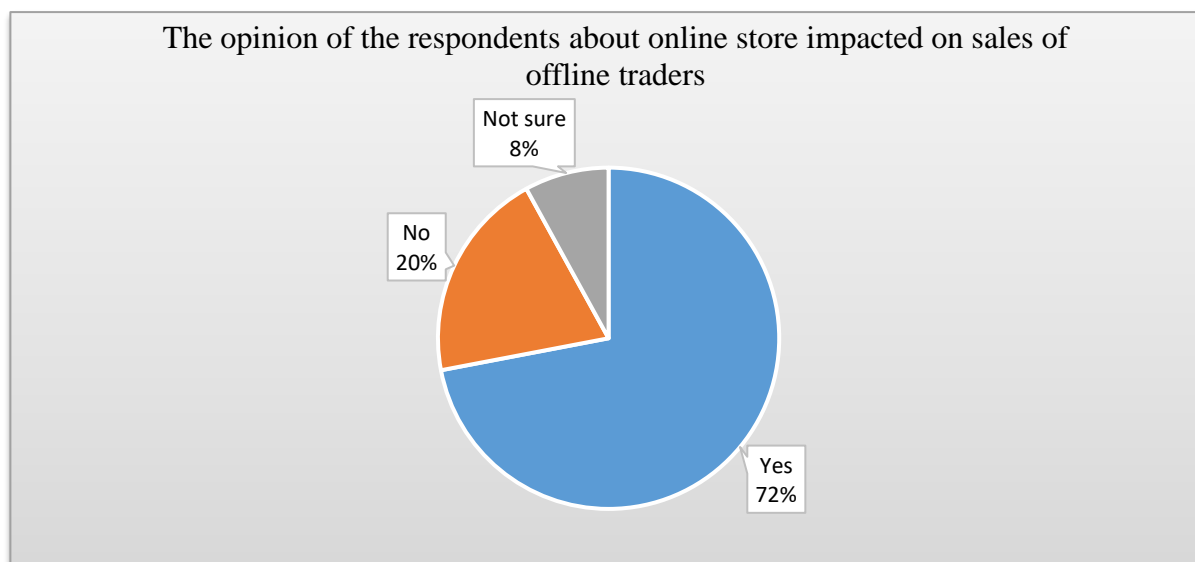
The information regarding online product purchases is displayed in the above table. It can be seen that, of the respondents, a maximum of 60% stated that they occasionally buy products online, 36% said they buy products online regularly, and the remaining 4% said they never buy products online.



The application or website name used to make an online purchase is displayed in the above table. 88% of respondents said they purchase goods from Amazon, 46% from Snapdeal, 84% from Flipkart, 36% from Meesho, and 42% from other applications or websites when they shop online.



The information regarding respondents' opinions about whether online shopping is convenient, time-saving, and informative is displayed in the above graph. It can be seen that, at most, 78% of respondents agree that online shopping is convenient, time-saving, and informative; 18% disagree, and the remaining 4% are neutral.



The aforementioned table presents the respondents' opinions regarding how online stores affect offline retailers' sales. It finds that, at most, 72% of respondents said that online stores have an impact on offline retailers' sales, 20% said that online stores have no impact on offline retailers' sales, and the remaining 8% did not respond to this question.

Conclusions:

The research paper concluded that, online shopping has a significant impact on retailers, with 76% of respondents making purchases online, while only 24%

prefer to shop in physical stores. The frequency of online shopping varies, with 52% regularly shopping and 16% seldom. The products purchased online include jewelry, textiles, gift articles, books,

electronics, and more. Respondents follow various steps to make an online purchase, including reviewing information, gathering information, visiting stores, and making in-person purchases. The application or website used to make an online purchase is commonly used by online retailers like Amazon, Snapdeal, Flipkart, Meesho, and others. 78% of respondents agree that online shopping is convenient, time-saving, and informative, while 20% disagree and 4% are neutral. The impact of online stores on offline retailers' sales is also a significant concern.

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