

“The Power of Clicks”: A Study with Reference to the Impact of E-commerce on Traditional Retailers in Puttur Taluk

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ABSTRACT: E-commerce or Electronic commerce is the process of buying and selling of goods over the internet. Before e-commerce the process of buying and selling were done without internet physically in the market but after the arrival of e-commerce over life has become more convenient because of its number of advantages. Covid 19 pandemic has benefited the world's leading digital platforms. People started to depend entirely e-commerce platforms to shop day today essentials which has impacted most of the retailers. The study focuses to know the impact of E-Commerce on traditional retailers of Puttur Taluk and also to know the strategies they have implemented to overcome from the problems faced by the E-Commerce. For the purpose of study the data has collected from both primary and secondary data. The Primary data has been collected by direct interview of retailers of Puttur taluk, Dakshina Kannada district with the help of structured questionnaire. The convenience sampling method was used to collect the data.

KEY WORDS: E-Commerce, Retailers, Online shopping, Digital platform.

I. INTRODUCTION

The internet has changed the concept of Business. The Concept of E-commerce, that is buying and selling of goods and services over the internet started since the year 2000. Ebay and Rediff were the first sites to provide the products at cheaper price through internet. Since then various brands like Amazon, Flip kart etc started to sell products through online. E-Commerce refers to both online retail and Electronic Transactions. The advantage offered by e-commerce are online shopping of anything at any time and at any place. Customer can find the product on e-commerce website which is not available in physical markets. It also reduces cost and time without stepping out.

E-commerce also eased from the trouble of moving from shop to shop in search of the good of choice. One of the great benefit of e-commerce is the ability to read product reviews written either by experts or fellow online shoppers.

E-commerce is emerging very fast in recent years. After the Covid 19 Pandemic E-Commerce has become the important part of daily life. Millions of people shop day today essentials through online. On the other hand the purchasing of product from traditional market is continuing since year. Many customer go for purchasing offline so as to examine the product and holds the possession of the product just after the payment for the product. But e-commerce is easier for the people and less price than the offline shopping. Growth in internet and mobile phone penetration has changed the retail environment and started impacting adversely on various shops like retailers, mall, supermarket etc. E-Commerce is transferring the offline shopping experience of customer to online by the help of new technological devices. It is helping to increase the number of online customer. Thus there have been an impact of the growing trend of e-commerce on retail shops.

II. LITERATURE REVIEW

Some of the research works that came across during the study are as follows:

- AmitSaha prepared a report on “The impact of online shopping upon retail business” published in journal IOSR journal of Business and Management, ISSN:2319 7668 , 2021
- Bo Dia, Sandra Forsythe and Wi-Suk kwon prepared a report on " The impact of online shopping experience on risk perception and online purchase intention : Does product category matter?" published in the Journal of " Electronic Commerce Research", VOL 15, NO 1, 2014

- Kathleen Seiders, Constantine Simonides, Douglas J Tigert prepared a report on " The impact of supercenters on traditional food retailers in four markets" in International Journal of Retail and Distribution Management ", ISSN: 0959-0552
- EunjuKo and Doris H Kincade prepared a report on " The impact of Quick Response Technologies on Retail store Attributes" published in " International Journal of Retail and Distribution Management"
- Soyeon Shim, Mary Ann Eastlick and Sherry Lotz prepares a report on " Assessing the impact of internet shopping on store shopping among mall shoppers and internet users" in the " Journal of shopping Centre Research"

NEED OF THE STUDY

Today E-commerce has grown to be an important part of daily life. People prefer online shopping because of multiple reasons like discount, Convenience and large variety of products. This paper focuses to know the impact of e-commerce on offline retail business. The study focuses on identifying and analyzing the various problems faced by offline retail business towards e-commerce and also identify the effect on profitability of offline retail business due to e-commerce. In this study an attempt has been to know the various strategies adopted by retail businesses to achieve customer satisfaction.

OBJECTIVES

- 1.To study the effect on profitability of offline retail business due to the birth of e-commerce
- 2.To analyze the effect upon pricing patterns of offline retail business
- 3.To analyze the change in business strategies to achieve customer satisfaction

RESEARCH METHODOLOGY

The data for the study have been collected from primary source and secondary source. Primary data have been collected through direct personal interview where the retailers of Puttur TQ, Dakshina Kannada district were interviewed personally. A Questionnaire was designed to obtain the information related to the objective of the study. The survey was conducted through convenience sampling method where response of 40 were collected. Secondary data is from the published Research paper, Newspapers and Journals.

III. DATA ANALYSIS AND INTERPRETATION

For the purpose of study, primary data also have been collected from the respondent, i.e., retailers. Thus, the collected data were tabulated and interpreted here.

TABLE: 1

ONLINE BUSINESS HAS AN AFFECT ON REGULAR CUSTOMERS

Criteria	Number of respondents	Percentage (%)
Strongly agree	18	45
Agree	8	20
Neutral	10	25
Disagree	4	10
Strongly Disagree	-	-
Total	40	100

Data Analysis and Interpretations

The above Table shows the opinion of the respondents for the statement "online business has an effect on regular customers. From the collected

data it is found that Majority of the retailers (ie 45%) strongly agree to the statement .Hence it is found that E-commerce is the reason for reduced number of customers for retailers.

TABLE: 2

"PROFITABILITY OF RETAILERS IS AFFECTED BY THE E-COMMERCE"

Criteria	Number of respondents	Percentage (%)
Fully affected	28	70
Partly affected	10	25

Not affected	2	5
Total	40	100

Data Analysis and Interpretations

From the above table it is found that majority (70%) are of the opinion that Profitability of retailers is fully affected by the E-Commerce.

TABLE: 3
SHOPPERS OFTEN REQUEST DISCOUNTS WHEN SHOPPING IN PHYSICAL STORES

Criteria	Number of respondents	Percentage (%)
Yes	32	80
No	8	20
Total	40	100

Data Analysis and Interpretation

From the above table it is found that majority (80%) of the customer's request for

discount in retailers. If the retailers provide good discount for the product then they can easily retain their customers.

TABLE: 4
AN INCREASE IN THE RATE OF DISCOUNT TO ATTRACTS THE CUSTOMERS.

Criteria	Number of respondents	Percentage (%)
Yes	36	90
No	4	10
Total	40	100

Data Analysis and Interpretations

From the above table it is found that majority of the respondents observed that when

they increase the rate of discount more number of customers come to their shops because customers prefer shops where they get products at lesser price.

TABLE: 5
RETAILERS KEEP MORE VARIETY OF STOCK AT STORES TO ATTRACT NEW COSTOMERS

Criteria	Number of respondents	Percentage (%)
Yes	8	20
	32	80
Total	40	100

Data Analysis and Interpretations

From the above table it is found that majority (80%) are of the retailers do not keep more variety of good at their shops to attract new

customers. They are of the opinion that keeping more variety of goods do not attract new customers.

TABLE:6
FOR A BRIGHT FUTURE RETAILERS SHOULD EMBRACE BOTH ONLINE AND OFFLINE SERVICES

Criteria	Number of respondents	Percentage(%)
Yes	16	40
No	24	60
Total	40	100

Data Analysis and interpretations

From the above table it is found that only 40% of the retailers try to update their business by providing both online and offline services. Majority

(60%) of the respondents follow the old method that is providing only offline services and are not trying to update their business.

TABLE:7
ADVERTISING IS CRUCIAL FOR BOOSTING SALES

Criteria	Number of respondents	Percentage(%)
Strongly Agree	16	40
Agree	8	20
Neutral	12	30
Disagree	4	10
Strongly Disagree	-	-
Total	40	100

Data Analysis and Interpretations

From the above table it is found that majority of the respondents (ie 40%+20%) agree that advertisement is an important tool to increase the sales where some are of neutral opinion that is advertisement may or may not help in increasing sales.

IV. FINDINGS

The major findings of the study are

1. E-Commerce is the major reason for decrease in the number of customers for retailers.
2. Turnover and profit of the retailers has considerably decreased in the past few year because of emergence of E-Commerce.
3. Majority of the shoppers request for discounts in physical stores. If the retailers provide good discount to their customers they can easily retain them.
4. Majority of the Respondents agree that increase in the rate of discounts attracts new customers and they try to provide discounts to various products.
5. Majority of the respondents do not keep large variety of goods in their shops which may be the reason for decrease in the number of customers.
6. Majority of the respondents follow the old method that is providing only offline services and are not trying to update their business where some of the young entrepreneurs try to update their business by providing both online and offline services.
7. Majority of the respondents are of the opinion that advertising their business is very important to increase sales.

V. SUGGESTIONS

1. Retailers has to try to update themselves for both offline and online services to meet customers' requirements.
2. Maintaining good relationship with the customers will help to retain them.

3. Costumers has to be given variety of options by maintaining a large variety of stock in the shop.
4. Providing better quality product with fair price and after sale service is a key to achieve success.
5. Maintaining a clean and organized store and being loyal to customers is important.
6. Increase in the marketing and promotional activity and offering competitive prices is considered to be an important strategy.

VI. LIMITATION

- ❖ The sample size is limited to offline retail business from Puttur TQ, DK.
- ❖ Time was limited to conduct detail study.
- ❖ The sample size was confined to only 40 respondents therefore, it is difficult to give accurate judgment on the basis of this limited sample.

VII. CONCLUSION

Today E-commerce has grown to be an important part of daily life. There are various factors for consumers to shop online like discounted price, convenience to shop, large variety of products, reviews of experts, easy exchange and so on. During the pandemic people had no choice, they had to depend on online platforms as access to local market was difficult. As a result the internet marketing saw a major boom globally. The study concludes that E-commerce has affected to retail sector in a greater extent. The main reason behind this is relying on the old form of business, fixed price, lack of promotional activity, limited options and so on. To overcome from this problem proper training has to be provided to the retailers to improve their business. Maintaining healthy relationship with customers, providing doorstep service, after sales service, developing strong marketing Strategy, offering competitive prices, locating at a good place are some of the important factor to be considered to make the retail business a successful one.

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