A STUDY ON IMPACT OF ONLINE PLATFORM ON BRICK AND MORTAR SHOPS IN JAIPUR

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ABSTRACT

The growth in the availability and usage of internet has made the life easy. Earlier only the urban population had the access to internet but now it has managed to reach to the rural people also. According to the report by Internet and mobile association India (IMAI) the number of internet users in 2017 stood up to 481 million which is expected to reach 500 million by 2018. Internet penetration in Urban India was 64.84% in December 2017 as compared to 60.6% last December. In comparison, rural Internet penetration has grown from 18% last December to 20.26% in December 2017. Online branding or even known as internet branding is the presentation of products and services through the use of World Wide Web. The online branding is no more a thing used by a small part of population but the use of internet has covered a long journey and is now a daily need of a consumer. The primary objective of this investigation is to know the impact of online platform on brick and mortar shops and the factors which influence the decision of the consumer. The research is done on 50 respondents of Jaipur city. The study will also include secondary data from books, magazines and surveys help in regard of green marketing. Quantitative research will be done to carry out the study of impact, attitude and buying behaviour of the consumer. The response will be collected through the method of questionnaire using convenience sampling procedure. The major findings of the research includes the factors affect the buying behaviour and the factors which influence you to but from traditional or online shops.

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***Keywords:** Marketing, E-marketing, Online Platform, Grocery, Buying Behaviour, Consumer.*

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Introduction

The growth in the availability and usage of internet has made the life easy. Earlier only the urban population had the access to internet but now it has managed to reach to the rural people also. According to the report by Internet and mobile association India (IMAI) the number of internet users in 2017 stood up to 481 million which is expected to reach 500 million by 2018. Internet penetration in Urban India was 64.84% in December 2017 as compared to 60.6% last December. In comparison, rural Internet penetration has grown from 18% last December to 20.26% in December 2017. Online branding or even known as internet branding is the presentation of products and services through the use of World Wide Web. The online branding is no more a thing used by a small part of population but the use of internet has covered a long journey and is now a daily need of a consumer. The online branding is even now associated with the social media through which the brand is communicated to whole of the population. The online branding has made possible the availability of the products and services on the door step just at a single click. Earlier there were just few big names that started providing products online like the Flip kart started just with selling books than with the mobile phones and now a wide variety of products.. Even the traditional kriyana stores (grocery stores) has been taken by the online brands like Grofers, Big basket, Godrej Nature's basket and many others which have made things more convenient for the customers who do not have time to visit.

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Review of Literature

Ashok Kumar Panigrahi, Vijay Joshi (2016) The growth in the e-commerce in textile industry has helped the retail business to grown and has a support of entrepreneurs. E-commerce has always been clubbed with the brick and mortar shops. There is no denial that the e-commerce provide the same platform as the brick and mortar but the fact that the total ecosystem on which the e-tailing works is completely different that the brick and mortar shops. So it deserves to be carried on its own merits rather than being clubbed with brick and mortar shops. Sumit Chaturvedi, Sachin Gupta (2014) Online marketing through social media is gaining popularity. The popularity is more within the young generation but it will eventually grow. The major issue is with the security, physical approach and the delay in delivery of the products. The apparel industry has a wide scope of growth as a online platform with the help of social media. Sanjeev Kumar, Savita Mann (2014) Indian's online shopping is on early stage and will see a major growth in coming years. The online shopping is a convenient way to locate the products which are otherwise difficult to locate. Online shopping even provides the opportunity to compare different products and then make a purchase decision. There are some basic problems also as the time in delivery or the extra shipping charges to be paid. Alka Kumavat, J.K. Tondan (2014) The use of internet has made possible the use of online platform for purchase of different things. The satisfaction of customer depends upon various dependent and independent variables. There is a significant increase in the users buying electronic products online considering many positives of online purchasing. Shubham Goswami, Meera Mathur (2011) The retail sector in India is growing tremendously with the entry of big names in online retail. The growth of online retail is expected to be 47% in coming years. There are two popular models of e-Tailing marketplace which are online retailers and online auctions. There are several benefits and challenges which are faced by the customers during online retail.

Research Questions

- What kind of store you generally prefer to shop?
- What factors affect your shopping habits?
- Which are the factors which motivate you to make a decision from where to buy?
- What all factors motivate you towards making a purchase decision?
- The products you generally buy from traditional shop?
- The products you prefer to buy from online store?
- What are the factors which influence you to buy from traditional shop?
- What are the factors which influence you to buy from online store?

Objectives of the Study

- To study impact of online platform on brick and mortar shops.
- To study the factors effecting the purchase behaviour of customers.

Research Methodology

Today's customer is more of tech savvy and want everything on their door step. This survey tells us about the way the shopping behaviour of the customer has changed over time. Today customers usually are busy with their life and want more time to relax rather than spending time in buying small things in the market.

Data Collection Methods – Quantitative

Quantitative research will be done to carry out the study of preference of the costumer towards the shopping method of traditional buying or online stores. Sample survey method will be used to collect the data. It was decided to use questionnaire through google forms to get the response of the respondents.

Sampling Methods

Convenience sampling procedure has been followed for the current research work in which respondents are selected based on the judgement of the researcher to whom he thinks they are representative of the population of interest.

**Sample Size Calculations**

Sample size refers to the number of respondents to be interviewed for the study.

The study was conducted by taking a sample size of 50 consumers who were from the age group of 18-25,35,50 and above to check the buying behaviour of consumers in terms of traditional or online store. The research study was conducted in Jaipur, Rajasthan.

Data Analysis

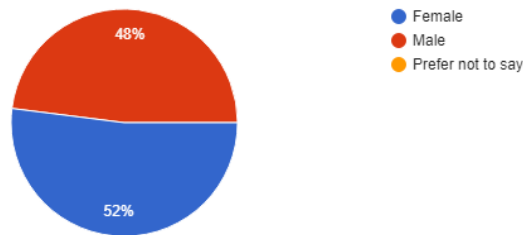### Age of the respondent?
50 responses

● 18-25
● 26-35
● 36-50
● 50 and above
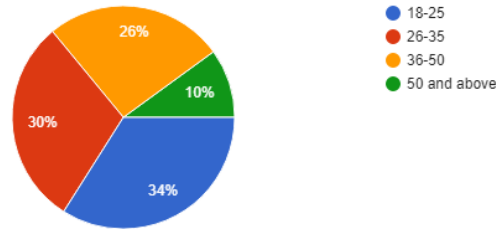
From the pie chart we can see that 34% customers which responded to the research are between 18-25, 30% between 26-35, 26% between 36-50 and rest above 50.
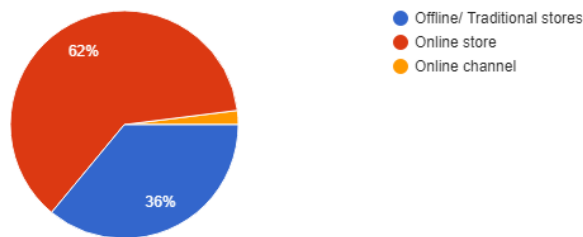
Gender
50 responses

● Female
● Male
● Prefer not to say

From the pie chart we can see that 52% are female who responded to the survey and 48% male.

In what kind of store you generally prefer to shop?
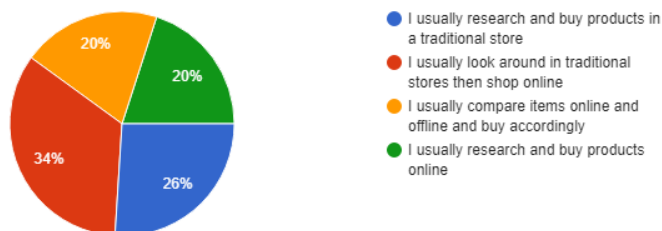50 responses

● Offline/ Traditional stores
● Online store
● Online channel

From the pie chart we can see that 62% customers buy from online stores, 36% from traditional stores and rest from other channels.

Which of these statements best describe your shopping habits?
50 responses

● I usually research and buy products in a traditional store
● I usually look around in traditional stores then shop online
● I usually compare items online and offline and buy accordingly
● I usually research and buy products online

From the pie chart we can see the shopping habits of the customers. 34% usually look around in traditional store then online shop, 26% usually research about product in traditional store, 20% compare items online and offline and then buy, usually research and but product online.

How strongly do you agree or disagree the following statements? (Where 5 being the maximum and 1 being the least)
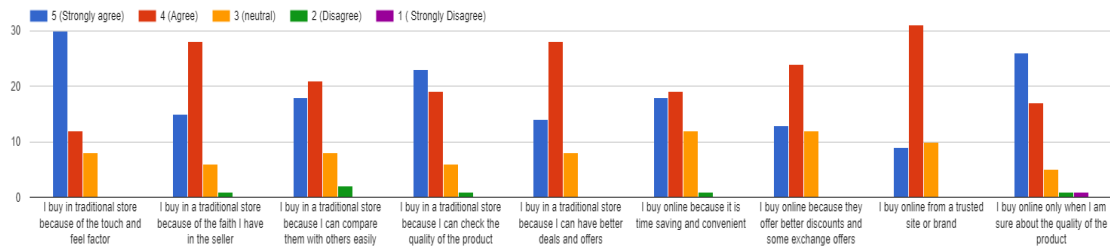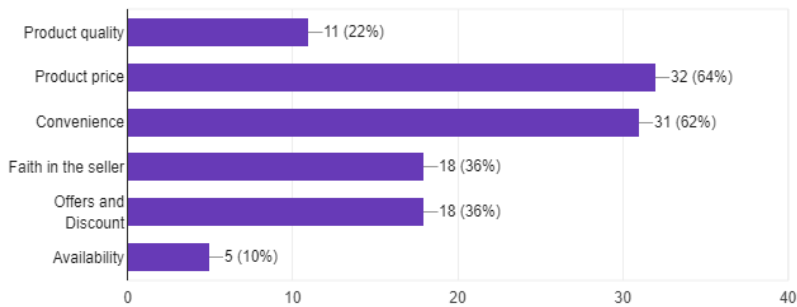

From the above graph we can see that customers strongly agree that they buy from traditional store because of the touch and feel factor, because they can check the quality of the product. Agree that the buy in traditional store because of the faith in seller, because they can compare them with others easily, because they can have better deals and offers.

Customers strong agree that they buy from online store only when they are sure about the quality of the product. Agree because it is time saving and convenient, because they offer better discounts and some exchange offers, because they buy from a trusted site or brand.

From the graph below we can see that 64% of customers are motivated to make purchase decision because of the price of the product, 62% because of convenience, 36% because of faith in the seller and offers and discount, 22% because of product quality, 10% because of availability.
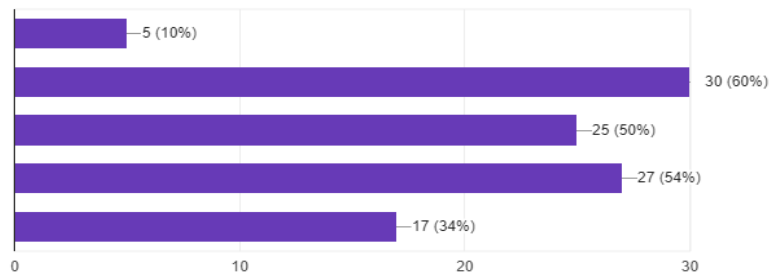
Which are the factors which motivate you to make a decision from where to buy? (you can choose more than 1 option)
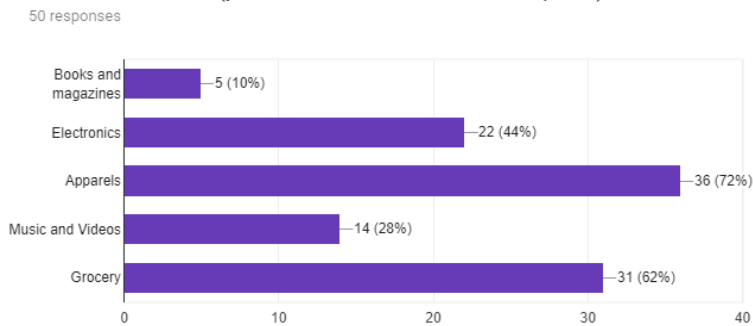50 responses

What all factors motivates you towards making a purchase decision ? (you can choose more than 1 option)
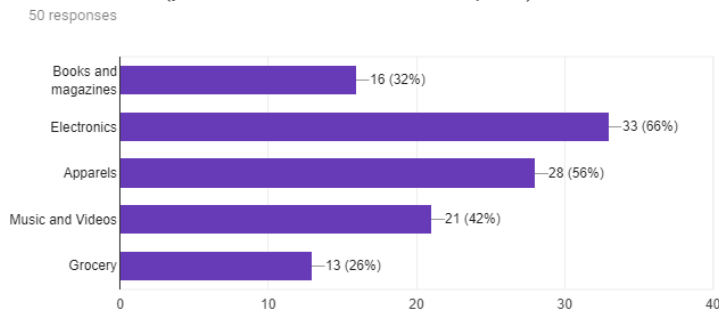50 responses

From the graph we can see that 60% of the customers make their purchase decision as they are able to buy the product at lowest price, 54% as they are able to sop at their own convenience, 50% as they are able to compare the products, 34% as they are able to buy product with better quality, and only 10% as they are able to touch and try a product.

Out of the following products which product would you prefer to buy from a traditional store? (you can choose more than 1 option)

50 responses

Product	Value
Books and magazines	5 (10%)
Electronics	22 (44%)
Apparels	36 (72%)
Music and Videos	14 (28%)
Grocery	31 (62%)

From the graph we can see that 72% of customers prefer to buy apparels from the traditional store, 62% grocery, 44% electronics, 28% music and videos and only 10% books and magazines.

Out of the following products which product would you prefer to buy from a online store? (you can choose more than 1 option)

50 responses

Product	Value
Books and magazines	16 (32%)
Electronics	33 (66%)
Apparels	28 (56%)
Music and Videos	21 (42%)
Grocery	13 (26%)

From the graph we can see that 66% prefer to but electronics from inline store, 56% apparels, 42% music and videos, 32% books and magazines, 26% prefer buying grocery.
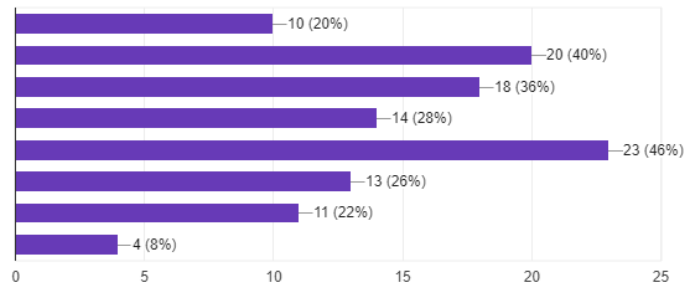
From the graph below we can see that 52% of customers buy from traditional shops because they get relevant information of the product from the staff, 46% customers but because of the advice which they get from sales person, 34% customers because of touch and feel, 32% customers because they get immediate possession, 30% customers because of ambience and overall customer experience, 28% customers because of the loyalty points, special offers and discount, 12% customers because there is no waiting period, 10% customers buy on the basis of recommendations by friends and family and 8% because of easy return and exchange.

What are the factors which influence you to buy from a traditional store? (you can choose more than 1 option)

50 responses

Value
14 (28%)
23 (46%)
26 (52%)
17 (34%)
4 (8%)
15 (30%)
16 (32%)
6 (12%)
5 (10%)
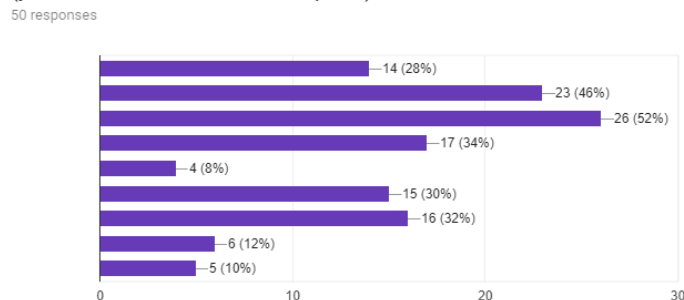
What are the factors which influence you to buy from a online store? (you can choose more than 1 option)
50 responses

From the graph we can see that 46% of customers buy from an online store because of overall cost of the product, 40% are influenced by the flexible return policy, 36% are influenced as it is convenient and time saving, 28% are influenced by the ratings and reviews provided by the customer, 26% are influenced by the offers and discounts provided, 22% are influenced by the clear and appropriate instructions mentioned by the brands, 20% are influenced by the ease in finding and comparing the products and only 8% are influenced by the user friendly interface.

Gender * In what kind of store you generally prefer to shop? Cross tabulation			
Count			
	In what kind of store you generally prefer to shop?		Total
	Offline/ Traditional stores	Online store	
Gender Female	9	17	26
Male	9	15	24
Total	18	32	50

From the above table we can infer that Females in comparison to males prefer buying online than the offline stores. And also there is a shift from offline stores to online stores.

Age of the respondent? * Which of these statements best describe your shopping habits? Cross tabulation						
Count						
		Which of these statements best describe your shopping habits?				Total
		I usually research and buy products in a traditional store	I usually look around in traditional stores then shop online	I usually compare items online and offline and buy accordingly	I usually research and buy products online	
Age of the respondent?	18-25	1	8	2	6	17
	26-35	6	5	3	1	15
	36-50	3	4	4	2	13
	50 and above	3	0	1	1	5
Total		13	17	10	10	50

From the above table we can infer that millennials those who are in the age group of 18-25 they usually look around in traditional stores then shop online and most of them prefer online stores than offline. Whereas other age groups, they haven't adapted the online store much and still choose offline store over online stores.

In what kind of store you generally prefer to shop?*$Choice Cross tabulation							
		Choice decision					Total
		Product quality	Product price	Convenience	Faith in the seller	Offer and discount	Availability	
In what kind of store you generally prefer to shop?	Offline/ Traditional stores	6	11	10	6	6	2	18
	Online store	5	21	22	12	12	3	32
Total		11	32	32	18	18	5	50

From the above table we can infer that customers generally prefer to buy from online store rather than from offline/ traditional stores.

Age of respondent* Choice Cross tabulation								
		Choice decision[a]						Total
		Product quality	Product price	Convenience	Faith in the seller	Offer and discount	Availability	
Age of the respondent?	18-25	2	13	12	6	6	0	17
	26-35	4	8	11	7	4	3	15
	36-50	4	9	7	3	6	1	13
	50 and above	1	2	2	2	2	1	5
Total		11	32	32	18	18	5	50

From the above table we can infer that the millennials in the age group 18-25 prefer the product quality, product price, and convenience, faith in the seller, offer and discount than the ones in other age group. Whereas, millennials in the age group 26-35 prefer availability over the other age group.

Gender*$ Choice Cross tabulation									
			Choice decision[a]						Total
			Product quality	Product price	Convenience	Faith in the seller	Offer and discount	Availability	
Gender	Female	Count	8	15	17	9	10	3	26
	Male	Count	3	17	15	9	8	2	24
Total		Count	11	32	32	18	18	5	50

From the above table we can infer that female prefer product quality, product price, convenience, faith in seller, offer and discount and availability more than the males.

Results

- More than 50% of the women prefer offline channel over online channel.
- 90% of the consumers those who are in the age group of 18-25 prefer online stores over offline.
- 40% consumers prefer to look around through offline channels then buy the product online.
- Product price and convenience is a major factor which influence the decision of the consumer in choosing the channel.
- Consumer usually prefer to buy apparels (75%) followed by grocery (70%) through the offline store.
- Consumers prefer electronics (72%) followed by apparels (68%) through the online stores.
- 60% of the respondents strongly agree that they buy products from offline channel due to its touch and feel factor.
- 58% of the respondents agrees that they buy product from offline store due to the trust they have in seller.
- 42% of the respondents agrees that they buy products from offline store as it is easy to compare the products.
- 45% of the respondents strongly agree that they buy product from the offline store as they can check the quality of the product.
- Almost 60% of the respondents strongly agree that they buy from offline store as they get better deals and offers.
- More than 50% of the respondents strongly agree that they buy products online as it is convenient.
- 50% respondents strongly agree that they buy online when they are sure about the quality of the product.
- Major factor which influence the behaviour of a customer to buy through offline channel are the information about the products they get it from the store staff, touch and feel of the product and immediate possession of the product.
- Factors which influence the purchase behaviour of a consumer to buy through online stores are overall cost of the products, flexible return policy and convenience.

- Findings
- Females prefer buying online than men buy online.
- Millennials or the younger generation prefer the online stores over the offline stores majorly because of convenience and the overall cost it incurs.
- Consumer in the age group of 35 and above still prefer the offline channels over the online channel major factor being the trust.
- Product price and convenience irrespective of the age group and gender influence the decision of choosing a channel. This is the reason for the shift which is happening from offline to online stores.
- Consumer behaviour towards offline stores majorly depends upon the touch and feel factor, trust and the ease of comparing the products. Though the consumer may choose to buy online but these three factors compel the consumers to visit the offline stores.
- Consumer behaviour towards online stores consumer usually wants to save time and money when they buy from the online store also consumer make themselves sure about the quality then purchase the product online.
- Factors like the advice consumer can seek from the offline staff, the kind information they can get about the product, loyalty points and the factor of trust are helping the offline store to sustain in the market.
- Factors like convenience, overall price of the products and ease in comparing the products are the factors which are pulling the consumers to purchase products online.
- Recommendation
- Offline
- They should run more loyalty programs and other campaigns to attract more customers.
- The overall experience matters the most consumer are just not looking for the product but the overall experience, Therefore staff should be well trained and the ambience should be soothing for the customers.
- The most important factor which pulls in more customer for offline stores is the touch and feel factor, Therefore they should work on the visibility and layout of the store it should be made convenient for the customer to locate and move easily.
- Online
- They should run more number of campaigns related to customer loyalty.
- Personalisation should be given the priority where the can use the data from other sites to customise products for the customer.
- They can use 'chat-bots' so as to increase the overall customer experience.
- Exclusivity is the new big thing for online store. They should collaborate with brands and provide the products from that particular brand through online channel to maintain the exclusivity.

Conclusion

Products like electronic and books are preferred more through online channels due to the price they get and also the quality of such product remains the same irrespective of channel whereas products like apparels and groceries where a touch and feel factor is required there offline channels are preferred over online. Which clearly indicates that factors like trust and Touch & feel which can never be replicated in the online stores will always help the offline stores to have an edge over the online stores. The overall price and heavy discounts may pull in the customers to the online stores but the information and advice from the staff cannot be provided. As there are two sides of the coin, similarly online channel is another channel for the consumers, they both will co-exist and one cannot replace the other.

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