

“THE ADVENT OF E-COMMERCE ON REVOLUTIONIZED CONSUMER PURCHASING BEHAVIOR, INTRODUCING NEW TRENDS AND ALTERING TRADITIONAL BUYING PRACTICES.”

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ABSTRACT:

E-commerce encompasses a wide range of activities, including online retail, electronic payments, online auctions, digital marketing, and supply chain management. In e-commerce, businesses and consumers can engage in various types of transactions, such as purchasing products, accessing digital content, subscribing to services, or participating in online marketplaces. The development of e-commerce has been enabled by advancements in technology, secure payment systems, and the widespread adoption of the internet and mobile devices. E-commerce provides consumers with access to a vast range of products from various sellers and brands. Consumers can effortlessly compare prices, features, and customer reviews to make informed purchase decisions. E-commerce platforms leverage consumer data to provide personalized experiences. Through practices like personalized product recommendations and targeted marketing messages, businesses can tailor offerings to individual preferences, enhancing customer satisfaction and influencing purchase decisions. The present investigation has been undertaken to describe the scenario of e-commerce, analyze its significance, trends, and challenges. The aim of this study is to understand the importance and challenges of e-commerce and to identify and analyze the factors that can significantly influence e-commerce operations. The current descriptive study intends to gather data through a structured questionnaire from 100 e-commerce users of a Tier-2 district. The collected data will be tabulated, analyzed, and interpreted using a statistical tool. Suitable recommendations are offered that would boost e-commerce success. The suggested strategies would prompt businesses to adapt their tactics to meet changing consumer preferences in the digital age.

Keywords: Consumers, Digital Content, Digital Marketing, E-commerce Platforms, Personalized experience.

INTRODUCTION :

E-commerce has significantly transformed consumer purchasing actions in recent years. The convenience of online spending, a wide array of product choices, personalized recommendations, and the aptitude to compare prices easily have all influenced how consumers make purchasing decisions. This impact extends to features such as the decline of traditional brick-and-mortar stores, the rise of online reviews and ratings, and the importance of secure payment methods. Understanding these changes is crucial for businesses to adapt to evolving consumer preferences and stay competitive in the digital marketplace. The advent of e-commerce has brought about a transformative change in the way consumers engage with the retail landscape and make buying choices. This impact is profound, as it not only influences where and how consumers shop but also fundamentally alters their buying behaviour. E-commerce, which encompasses online marketplaces, digital storefronts, and mobile shopping apps, has introduced a multitude of conveniences and complexities that shape consumers' preferences and choices. This introduction explores the key ways in which e-commerce has impacted consumer buying behaviour. It delves into the increased convenience, the power of information and reviews, the influence of personalization and recommendations, and the challenges

related to trust and security in the online shopping realm. As we probe deeper into these facets, it becomes clear that the growth of e-commerce is not merely a change in the approach of shopping but a significant driver of behavioural change among consumers.

LITERATURE REVIEW :

1. Studies by Al-Debei, M. M., Akroush, M. N., & Ashouri, M. I. (2021) Consumer attitudes towards online shopping: The effects of trust, perceived benefits, and perceived risks. *Internet Research*, 25(5), 707-733. This study investigates how trust, benefits, and risks influence consumer attitudes and buying behaviour in the context of e-commerce.
2. Research Studies by Li, X., & Hitt, L. M. (2020) - "Self-selection and information role of online product reviews," published in *Information Systems Research*. This research delves into the role of online product reviews in consumer decision-making within e-commerce platforms.
3. Studies by Li, X., Guo, X., & Jin, J. (2019). Factors influencing online consumers' trust in a website and their buying intention. *Internet Research*, 29(2), 337-360. This study focuses on the factors that influence consumer trust in e-commerce websites and how trust affects buying intentions.
4. Research by Pavlou, P. A., Liang, H., & Xue, Y. (2018) - "Understanding and mitigating uncertainty in online exchange relationships: A principal-agent perspective," published in *MIS Quarterly*. This research deliberates how indecision in online exchange relationships can influence consumer behavior in e-commerce. This reading delivers appreciated intuitions into the multifaceted relationship between e-commerce and consumer buying behaviour.
5. Pavlou, P. A., & Fygenson, M. (2017). Understanding and predicting electronic commerce adoption: An extension of the Theory of Planned Behaviour. *MIS Quarterly*, 30(1), 115-143. This research applies the Theory of Planned Behaviour to understand and predict e-commerce adoption and consumer behaviour.
6. Shankar, V., Smith, A. K., & Rangaswamy, A. (2016). Customer gratification and loyalty in online and offline environments. *International Journal of Research in Marketing*, 20(2), 153-175. This study compares customer gratification and loyalty in online and offline retail environments, shedding light on how e-commerce impacts consumer behaviour.

NEED OF THE STUDY :

1. Understanding how e-commerce affects consumer behavior helps businesses tailor their strategies. They can optimize their online presence, user involvement, and promoting efforts to bring into line with consumer preferences.
2. As e-commerce continues to grow, it's essential to grasp how it shapes the retail landscape. This knowledge can guide businesses in adapting to changing circumstances.
3. By studying how consumers shop online, businesses can advance insights into what drives purchasing decisions, leading to better product offerings, pricing strategies, and customer engagement.
4. E-commerce influence on consumer buying behaviour has economic consequences.
5. As e-commerce relies on digital technologies, understanding its effects on buyer behavior can inform technology adoption trends and innovation.

OBJECTIVES OF THE STUDY :

1. To comprehend the influence of E-commerce on consumer buying behavior.
2. To examine the part of faith and security on consumer confidence.
3. To explore the influence of online reviews and social proof on consumer decision making.
4. To make endorsements that would help E-commerce portals to positively influence the consumer buying behavior.

RESEARCH METHODOLOGY :

1. Data source

a.Primary data: It is a data which is composed from the respondents belonging to Tier 2 cities using structured questionnaire.

b.The Secondary data : Regarding E – commerce portals is assimilated for the purpose of study.

2. Research Design

a . Sample Size

The total of 100 customers are taken has sample size from selected Tier 2 cities .

b. Sample Area.

The data is collected from all age group E – commerce users of Tumkur, Hassan ,Chikmagalore, Shimoga districts.

c. Research Instrument.

A questionnaire consisting of fifteen questions is prepared depending on implications of consumer buying behaviour on E – Commerce users.

d. Data collection method.

The data is collected from the E – commerce users by survey with the help of structured questionnaire.

The data is collected orally by asking questions to the respondents.

SCOPE OF THE CURRENT WORK :

1. This study attempts to examine the role of influences such as product reviews, ratings, product descriptions, images, pricing, and promotions in shaping consumer choices.
2. Assessing how personalized recommendations and targeted advertising influence consumer preferences and buying habits.
3. The study also intends to analyse how cultural, generational, and demographic differences influence online buying behavior.
4. Exploring the impact of societal media on consumer buying behavior, including the role of influencers and user-generated content.
5. Studying how ethical and sustainability factors influence consumer choices in the e-commerce landscape.
6. Considering how e-commerce impacts consumer behavior in different regions, markets and anticipating future trends in e-commerce and how these may reshape consumer buying behavior.

LIMITATIONS OF THE STUDY :

Research on the impact of e-commerce on consumer buying behavior has made substantial assistances, but it is not without limitations. Some common limitations include:

- Study focuses on specific regions, demographics, or product categories, making it challenging to generalize findings to a broader population or a diverse range of products.
- Rapid changes in technology and consumer behavior mean that investigation discoveries may become quickly changes, as e-commerce practices and consumer preferences evolve.
- Surveys and data collection methods may be biased towards certain types of online shoppers, such as early adopters or frequent users of e-commerce platforms, potentially neglecting the behavior of other consumer groups.
- This study may not fully detention the nuances of user experience and the usability of e-commerce platforms, which can greatly influence consumer behaviour.

ANALYSIS& INTERPRETATION OF THE DATA:

1. Social proof impact used by E-commerce platform instills trust in consumers and influences their purchase decision.

Table 1: showing response social proof impact used by E-commerce platform instills trust in consumers and influences their purchase decision.

Sl.no	Responses	No. of Responses	Percentage
1	Strongly Agree	60	60
2	Agree	15	15
3	Neither Agree/Nor Disagree	3	3
4	Disagree	12	12
5	Strongly Disagree	10	10
	Total	100	100

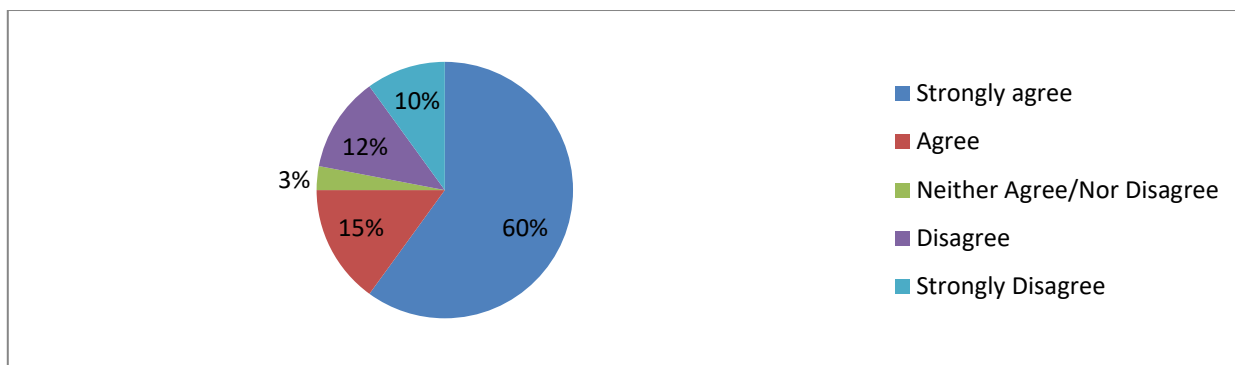


Chart 1: Showing response for social proof impact used by E-commerce platform instills trust in consumers and influences their purchase decision.

Analysis : The tabulation depicts that 60% of customers strongly agree, 15% of customers agree, 3% of customers neither agree nor disagree, 12% of customers disagree and 10% of customers strongly disagree that social proof impact used by E-commerce platform instills trust in consumers and influences their purchase decision.

Interpretation: The above analysis reflects that most of the Customers strongly agree that social proof impact used by E-commerce platform instills trust in consumers and influences their purchase decision.

2.E- Commerce provide access to product information that consumers can't get in physical store.

Table 2: Showing response for E- Commerce provide access to product information that consumers can't get in physical store.

Sl.no	Responses	No. of Responses	Percentage
1	Strongly Agree	55	55
2	Agree	15	15
3	Neither Agree/Nor Disagree	5	5
4	Disagree	13	13
5	Strongly Disagree	12	12
	Total	100	100

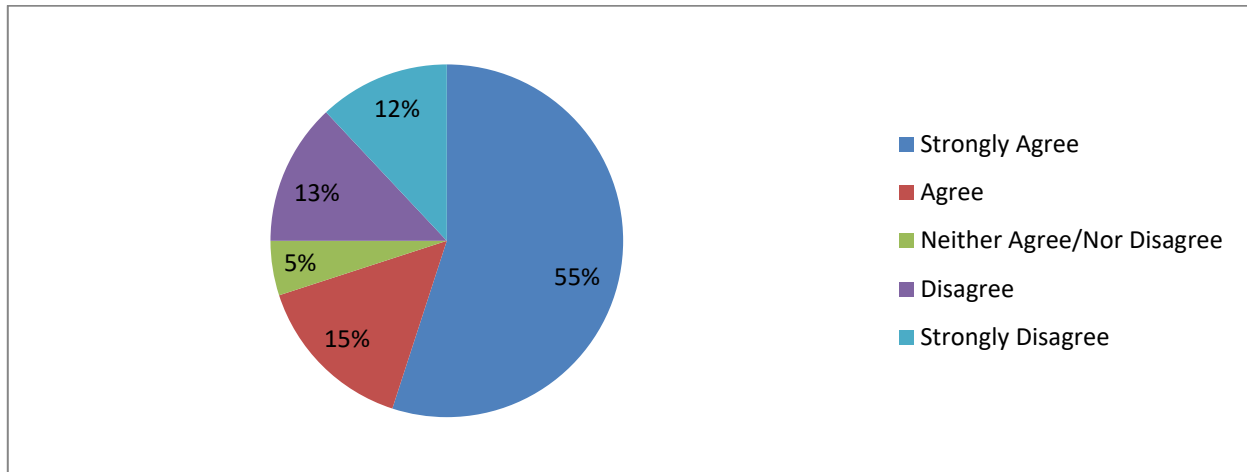


Chart 2: Showing response for E- Commerce provide access to product information that consumers can't get in physical store.

Analysis : The tabulation depicts that 55% of customers strongly agree,15% of customers agree,5% of customers neither agree nor disagree,13% of customers disagree and 12% of customers strongly disagree that E- Commerce provide access to product information that consumers can't get in physical store.

Interpretation: The above analysis reflects that most of the Customers muscularly agree that E-Commerce provide access to product information that consumers can't get in physical store.

HYPOTHESIS TESTING:

Hypothesis Test 1

Source: Statement is chosen from Table. No 3

Null Hypothesis:Convenience and Product variety offered by E-commerce induces the purchase decision among consumers.

Alternate hypothesis:Convenience and Product variety offered by E-commerce does not induce the purchase decision among consumers.

Table no : 3

Particulars	SA	A	NA/ND	D	SD	Total
Convenience	18	16	14	12	12	72
Product variety	8	4	4	6	6	28
Total	26	20	18	18	18	100

O	E	O-E	(O-E) ²	(O-E) ² /E
18	18.72	-0.72	0.518	0.027
16	14.40	1.6	2.56	0.177
14	12.96	1.04	1.0816	0.0830
12	12.96	-0.96	0.921	0.071
12	12.96	0.96	0.9216	0.071
8	7.28	0.72	0.518	0.071
4	5.60	-1.6	2.56	0.457
4	5.04	-1.04	1.0816	0.2146
6	5.04	0.96	0.9216	0.1828
6	5.04	0.96	0.9216	0.182
			Total	1.5364

$$X^2 = \sum (O-E)^2/E$$

Level of significance: 5%

Degree of freedom: (r-1) (c-1)

$$= (2-1) (5-1) = 4$$

Calculated chi-square value is 1.5364

Analysis: The calculated Chi-Square value at 4 degrees of freedom at 5 % significance level is 1.5364; the calculated value is fewer than table value (9.4) hence Null hypothesis is accepted.

Interpretation: It is denoted that Convenience and Product variety offered by E-commerce induces the purchase decision among consumers.

Hypothesis Test 2:

Source: Statement is chosen from Table. No 4

Null Hypothesis: Personalized services and product reviews available through E-commerce influences the buying preferences of consumers.

Alternate hypothesis: Personalized services and product reviews available through E-commerce does not influences the buying preferences of consumers.

Table no : 4

Particulars	SA	A	NA/ND	D	SD	Total
Customer Satisfaction	20	16	12	4	4	70
Ease of use	14	8	6	0	2	30
Total	34	26	22	12	6	100

O	E	O-E	(O-E) ²	(O-E) ² /E
20	23.8	-3.8	14.44	0.606
18	18.2	-0.2	0.04	0.0021
16	15.4	0.6	0.36	0.0233
12	8.4	3.6	12.96	1.542
4	4.2	0.2	0.04	0.0095
14	10.2	3.8	14.44	1.41
8	7.8	0.2	0.04	0.0051
6	6.6	-0.6	0.36	0.054
0	3.6	-3.6	12.96	3.6
2	1.8	0.2	0.04	0.022
			Total	7.274

$$X^2 = \sum (O-E)^2/E$$

Level of significance: 5%

Degree of freedom: (r-1) (c-1)

$$= (2-1) (5-1) = 4$$

Calculated chi-square value is 7.274

Analysis: The calculated Chi-Square value at 4 degrees of freedom at 5 % significance level is 7.274; since the calculated value is less than table value (9.4) Null hypothesis is accepted.

Interpretation: It is denoted that personalized services and product reviews available through E-commerce influences the buying preferences of consumers.

X. FINDINGS :

1. E-commerce has a substantial impression on consumer buying behaviour, Online shopping offers convenience, allowing shoppers to shop 24/7 from the ease of their homes, which has led to a shift in consumer preferences.

2. E-commerce platforms make it easy to compare prices, encouraging consumers to search for the best deals and discounts.
3. Consumers rely on online reviews and ratings to make informed purchase decisions this has made online purchasing more ease and convenient.
4. E-commerce sites use data to personalize recommendations and offerings, influencing what consumers see, buy and the ease of access spending can lead to more impulsive purchases, as it's quick and convenient.
5. The upsurge of mobile devices has made spending on-the-go more prevalent, influencing buying behaviour and social media display place are progressively used for shopping, with influencers and ads shaping consumer choices.
6. E-commerce has also changed return policies, influencing consumer confidence in online shopping.
7. E-commerce portals may build a devoted consumer base and spur growth by offering a flawless and customized E-buying experience.
8. Data breaches, phishing attacks and malware are the common threats of e-commerce that makes the customers to avoid e-buying.

SUGGESTIONS :

E-commerce has made shopping extrasuitable than ever. Consumers can shop from anywhere, at any time, which has led to a shift in preference toward online shopping.

- Consumer trust and apparent risk have strong influence on the consumer purchasing decision, hence e-commerce portal must address confidentiality and security apprehensions to orient customers towards e-buying.
- Online buyers prefer personalized services in this regard E-commerce portals can enhance personalized experiences by adding special notes, using brand aesthetics that makes online purchasing more memorable and improve consumer buying behaviour.
- E-commerce should emphasis on specific impact of mobile commerce and mobile apps on user buying performance that includes factors like location based services and mobile payment options.
- E-commerce should also include ethical consideration and responsible business practices as these factors also influence the purchasing decisions of e-buyers.
- E-commerce portals should try to examine the post purchase behaviour of e-commerce customers like customer reviews, product returns and loyalty programs.
- Examining the psychological facets of online purchasers like impulse buying, emotional responses and cognitive dissonance helps the e-commerce to achieve higher level of customer satisfaction.

CONCLUSION :

The influence of e-commerce on purchaser buying behavior is a multifaceted and active association that has grown significantly over the years. Numerous factors contribute to this impact, influencing how consumers make choices and engage in online shopping. E-commerce has fundamentally transformed the way consumers perceive convenience, with 24/7 access to products, extensive product variety, and the aptitude to shop from the ease of their homes. These conveniences have become significant drivers of consumer preferences in the digital age. It has also led to increased price transparency and the influence of online reviews and recommendations on purchase decisions. Furthermore, e-commerce has facilitated personalized marketing and tailored recommendations. Trust and security concerns remain central to consumer decision-making in e-commerce. Consumers require a sense of security and faith in accessible transactions, which underscores the position of secure payment methods, data protection, and transparent business practices. The influence of user-generated content, particularly online reviews, social media recommendations, and peer influence,

plays a substantial part in influential consumer choices. Online shoppers often rely on the experiences and opinions of others to inform their decisions. Advancements in technology, such as mobile apps and user experience design, continue to improve the online spending involvement and influence consumer behavior. Mobile commerce, in particular, has become a powerful force in e-commerce, offering consumers more flexibility and accessibility. Demographics, culture, and personal preferences all contribute to variations in buyer buying behavior within the e-commerce landscape. Understanding the nuances of different consumer groups and tailoring marketing strategies accordingly is vital for dealings to thrive. Emerging trends, such as the integration of augmented reality and virtual reality, have the possible to further reshape how consumers interact with e-commerce platforms. These technologies offer immersive and interactive shopping experiences that may alter consumer behavior in the future. As e-commerce continues to evolve, so too will its impression on consumer purchasing behavior. To remain competitive and meet consumer demands, E-commerce portals must adapt to these changes and prioritize strategies that resonate with the evolving preferences of online shoppers. This study impact of e-commerce on consumer buying behavior is a vibrant and ongoing area of research, reflecting the ever-changing landscape of technology, consumer preferences, and market dynamics. Understanding this impact is critical for businesses and policymakers as they navigate the digital marketplace and strive to encounter the needs of consumers in the 21st century.

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