### IMPACT OF ONLINE BUSINESS ON RETAIL BUSINESS AND ANALYTICAL STUDIES.

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#### Abstract

The rapid expansion of online companies has had a deep impact on the retail sector, particularly in the Indian Grocery market. With the increase in internet penetration, the increase in mobile phone usage and the development of e-commerce platforms such as Bigbasket, Blinkit, Amazon Fresh and traditional hospitalized grocery stores face major challenges in maintaining its market share. The presence of offline grocery stores is at risk due to the competitive pricing of online platforms. This makes it more difficult for retailers to maintain themselves in the future. Examining various aspects, including consumer change, supply chain obstacles, pricing strategies, and integration of technological advances. The research highlights how factors such as convenience, competitive pricing, and availability of digital payment options have significantly influenced consumer preferences and influenced significant changes in online grocery shopping. Despite this shift, traditional grocery stores remain relevant, especially in rural and semi-urban areas where digital penetration remains relatively low. By analyzing variation in consumer responses based on city classification, this study provides insight into how geographical contexts shape purchasing projects. The data for this study were collected using a random sampling method, incorporating responses from 249 participants across various cities and age groups. The results show that tier1 and tier2 city, consumers are more likely to buy online than other tier cities that continue to rely on physical businesses. Consumers between the ages of 18-30 tend to prefer online platforms, while those at 40 generally prefer traditional retailers. One of the most important factors affecting this preference for online purchasing is the availability of discounts, which serves as a powerful motivation for many consumers. This study highlights important factors that alter changes in consumer behavior towards online shopping purchases and analyze the following effects on traditional retailers: It also covers the strategic adjustments made by retailers, including hybrid business models, digital transformation initiatives, and partnerships with online distribution platforms. Online grocery platforms have introduced significant obstacles to traditional retail, but the results show that balanced coexistence of both channels can be achieved through innovation and strategic planning. These factors were further examined using the statistical method Chi Square Method to assess the relationship between ecommerce and further development customer purchase behavior.

#### Introduction

Online business has appreciably impacted retail enterprise via moving purchaser purchasing behaviour. Retail shops face extended opposition from e-trade giants. The evolution within the online business has significantly transformed the business version of the retail commercial enterprise. This influences the both purchaser conduct and retails operations The upward push of e-trade has significantly affected the complete retailing enterprise. on line buying has allowed customers to shop for a plethora of preference in numerous items and offerings. due to this, a revolution is taking location inside the retailing enterprise due to the fact the traditional brick-andmortar shops needed to embody the brand-new change or be for all time left in the back of. alongside e-trade, there is additionally a popular term referred to as e-commercial enterprise, due to which the enterprise of enterprises has accelerated electronically with the assist of internet by means of which they can attain to many clients, which increases their sales. there may be no specific definition of the terms E- trade and E-commercial

enterprise; they're used interchangeably. clearly, Etrade is part of E-business that makes a speciality of outside activities while E-business specializes in the both internal and outside sports of a business. E-trade brings a lot proper and awful influences on the special areas. fulfilment to the e-commerce relies upon on reducing the negative factors and advantages on the identical time.

#### Literature Review

**Dr. Atul Ramgade 2020** The retail quarter in India is developing at one of the globe's quickest charges. From 2015 to 2020, the retail quarter in India is predicted to increase at a CAGR Compound Annual increase charge of 16.7%. The fifth biggest retail marketplace inside the global is India. Google estimates that there are over 100 million net users in India, with half of them doing their buying online, a number that is rising yr after 12 months. There are a widespread number of companies, starting from brick-and-mortar shops to the ones selling consumables, that have branched out online. The Indian public has embraced net purchasing in a massive manner. Many retails and FMCG firms are jumping at the e-trade bandwagon as India's on-line buying sector maintains to develop at a fee of 100 percentage every 12 months.

Shashank Ranjan2024 It lets in clients to have extraordinary ease, huge products, reasonablypriced fees, and the ability of thinking about options even as relaxing of their very own houses hence, the conduct of customers has been transformed completely, and the traditional brick and mortar stores have step by step diminished out of existence.

**Dutta, Pradeep N 2023** As rightly predicted through Amitabh Kant the CEO of Niti Ayog, traditional agencies have long gone digital that allows you to maintain themselves inside the market because of its mere convenience inside the online platform. Brick-and-mortar stores haven't any alternative however to reinvent their techniques and integrate with the net platform by providing omnichannel seamlessly to preserve client purchases and dependable.

Saha (2015) throws emphasis over the darkish thing of the increasing fashion of on-line shopping over the numerous fixed save stores. shops consist of a big segment of populace and more population depends upon those retailers. however, the appearance of e-shops with their appealing incentives and huge varieties has slapped on their face the worry of uncertainty and helplessness. This study examines the distinctive elements of the way retail firms are being affected and additionally the one-of-a-kind restoration mechanisms they are coming up with to counter those e-stores of their survival race. The paper also unravels the impact at the profitability of numerous issues because of the growing fashion for on-line purchasing. The periodicity of the study is not great, but an effective try has been made to enlighten the scenario at the side of concrete pointers.

look at the impact of online shopping enjoy on hazard perception of specific forms of risks related to on-line buying, as well as how each type of danger belief influences online purchase intentions. Dai et al. (2014) proposed a conceptual version to illustrate the association among on line purchasing experience and perceptions of product, monetary, and privacy dangers related to online shopping, and how both enjoy and hazard perceptions impact on line purchasing intentions. It leads to the conclusion that experience with online shopping is a strong fantastic predictor for the web consumers' purpose to purchase each the non-digital and the virtual product categories tested.

Shahriari (2015). accept as true with that in current years, a revolution has taken area almost just like the industrial revolution which the world

has entered the records age. It makes huge modifications inside the financial, social and cultural components. One component of this transformation is adjustments in economic family members between individuals, agencies, and governments. From paper paintings for industrial exchange among the people to electronic data on which the systems have based totally transactions by means of us, rely. In this text, we are going to speak about the benefits of e-commerce and its implication in the marketplace.

Kaur (2015). examine that net and world-extensive internet site had been the maximum interesting development in the field of information and verbal exchange generation inside the recent years. internet and web technology have essentially changed the manner of commercial enterprise interacted, transacted and communicated with clients. trade via the internet/ e-trade, customers has been experiencing speedy increase for the previous couple of a long time. it is widely known to most of the internet researches that the quantity of on-line business-to-patron (B2C) transactions is increasing yearly at a rapid pace. This has come to be a dynamic digital medium for promoting and buying the products and offerings. purchasers use the internet for various purposes like searching the product functions, rate, evaluations, selecting the products via on line, setting order and making charge.

## **Research Methodology**

#### Objectives

1] To Study the impact of E-Commerce on Customers Buying Behaviour.

2] To Study the factor that influence the Purchase Decision of Customers.

3]To Study the Post Purchase Behaviour of Customers.

4] To Study the Impact of Social Media Marketing and Technology on Customers Purchase Making Decision

Sampling Techniques: Simple Random Techniques

Sample Size: 249 Respondents

#### Data Analysis with Chi- Square Method

The dataset includes columns related to user demographics and opinions on grocery shopping, including:

- Age Group
- PRICE
- AVAILIBILTY
- DISCOUNT.

Here are the contingency tables showing how responses for PRICE, AVAILIBILTY, and DISCOUNT vary by Age Group:

#### PRICE vs Age Group

Age Group	Agree	Neutral
18–24	37	71
25–30	106	0
40 & above	35	0

### **AVAILABILITY vs Age Group**

Age Group	Agree	Neutral	Strongly agree
18–24	1	36	71
25–30	35	0	71
40 & above	35	0	0

### **DISCOUNT vs Age Group**

Age Group	Agree	Disagree	Neurgi	Strongly agree
18–24	35	0	0	73
25–30	0	36	35	35
40 & above	35	0	0	0

Next, let's run Chi-Square tests on these tables to see if there's a statistically significant association between Age Group and these variables.

#### **Chi-Square Test Results**

These results show whether there's a significant relationship between Age Group and the factors:

Variable	Chi- Square Value	p-value	Significant (p < 0.05)
PRICE	129.67	$6.97  imes 10^{-29}$	Yes
AVAILIBILITY	162.55	$4.16 \times 10^{-34}$	Yes
DISCOUNT	223.04	$2.34 \times 10^{-45}$	Yes

Degree of freedom = 4

As the p-value < 0.5, thus there is a strong association between each of these variables and the dependent variable we are testing.

#### Conclusion

The null hypothesis in a chi-square test generally assumes that there is no relationship between the variables being tested. In this case, the null hypothesis would suggest that: **PRICE** has no effect on customer behavior, **AVAILABILITY** has no effect and **DISCOUNT** has no effect.

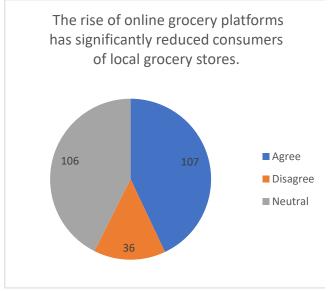
However, since: The p-values are extremely small (<< 0.05), The chi-square values are high, we reject the null hypothesis for all three variables. This means: **PRICE**, **AVAILABILITY**, and **DISCOUNT** each have a significant effect on the outcome being measured. These variables are not independent of the outcome; instead, they are likely influencing or associated with it.

## Fig 1: Shows the responses of how often the customers make purchase online.



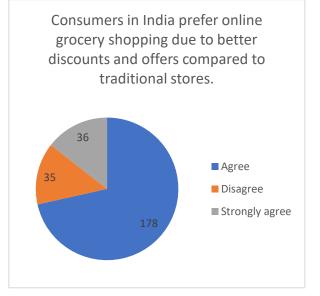
According to the survey it is found that out of 249 responses, 125 of the respondents makes online purchases on the monthly basis, 83 rarely makes online purchases and remaining 41 makes online purchases on the weekly basis.

Fig 2: Shows the response of Consumers regarding the impact of online grocery platforms of local grocery stores.



According to the research, it is found that out of 249 respondents, 107 respondents are agreed that the rise of online grocery platforms have reduce the consumers of local grocery stores. 36 respondents are disagreed with this statement and 106 have neutral response.

# Fig 3: Shows the factor that influence the Purchase Decision of Customers.



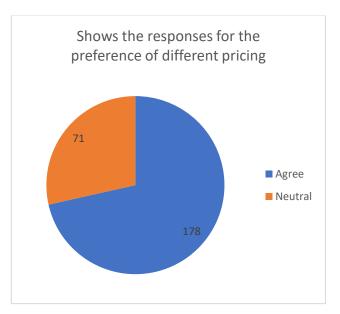
From the research, it is concluded that online grocery stores that offer better prices and discounts are more accepted by the consumers in the research it is found that 178 respondents are agree that they prefer online shopping because of the discounts and 36 respondents are strongly agreed with the statement.

# Fig 4: Shows the Post Purchase Behaviour of Consumers



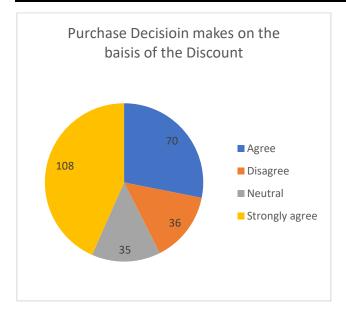
According to the research it is found that the return and refund policies of online shopping is more reliable than the retail store shopping 71 respondents are strongly agree with the statement and 178 respondents also agree with it, thus people choose online store over the retail store.

# Fig 5: Shows the preference of Customers while comparing better prices



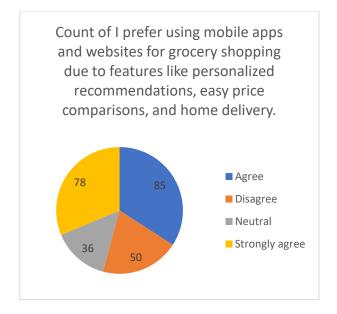
According to the survey it is found that out of 249 respondents, 178 respondents prefer online grocery shopping because the offers better prices and discounts while 71 of the respondents have neutral view regarding the statement.

Fig 6: Shows the Impact of Social Media Marketing and Technology on Customers Purchase Making Decision.



According to the it is found that 108 of the respondents are get influence by promotions seen on social media while 36 of the respondents are Disagree with the statement and 35 respondents shows neutral response.

# Fig 7: Shows use of mobile apps and websites promotes online purchases



According to the research, it is found that 85 of the respondents use mobile apps and websites for the purchase of groceries as they provide features like personalized recommendations and home delivery and 50 respondents did not use in mobile app for purchase of groceries. 36 respondents having neutral response regarding the statement.

## Findings and Results

- 1. The survey effects imply that on-line purchasing frequency varies among consumers. Out of 250 respondents, 119 make online purchases on a month-to-month basis, 84 not often store online, and 46 make purchases weekly. This indicates that whilst online buying is popular, the frequency of use differs among consumers.
- 2. The research findings highlight the effect of online grocery platforms on nearby grocery stores. A vast majority, 148 respondents, agreed that the rise of on-line grocery systems has reduced the variety of customers visiting neighbourhood shops, while 21 respondents disagreed, and 80 maintained an impartial stance. This shows a noticeable shift in patron choice in the direction of online grocery buying.
- 3. Pricing and discounts play important role inside the acceptance of online grocery stores. The research reveals that 207 respondents agreed that they decide on on-line shopping due to the supply of discounts, even as 42 respondents strongly agreed. these findings advocate that aggressive pricing and appealing reductions extensively influence client alternatives in online grocery purchasing.
- 4. The have a look at also finds that customers perceive on-line shopping go back and refund guidelines as greater dependable than the ones of traditional retail shops. a few of the respondents, 98 strongly agreed, and 151 agreed with this view. this implies that customer-pleasant go back and refund rules contribute to the developing choice for on-line shops over bodily retail shops.
- 5. Some other key locating is that higher pricing and discounts are the number one motives customers prefer on-line grocery buying. Out of 250 respondents, 182 favoured online grocery buying due to fee savings, at the same time as 67 respondents remained impartial. This reinforces the concept that price competitiveness is a giant thing riding online grocery adoption.
- 6. Social media promotions play a great function in influencing purchaser behaviour. The research suggests that 113 respondents admitted being influenced through social media promotions, whereas 34 disagreed, and 56 had a neutral opinion. This indicates that online advertising techniques, specifically thru social media, efficaciously shape purchaser purchasing selections.

### Conclusion

The study's findings spotlight the developing choice for online buying, specifically for groceries, pushed by way of elements including pricing, reductions, comfort, and return regulations. The survey consequences monitor that whilst online purchasing is broadly adopted, the frequency of purchases varies among clients, with a substantial percentage buying either monthly or weekly.

A key perception from the studies is that online grocery structures are impacting nearby grocery stores. Most respondents agree with that the rise of online grocery structures has brought about a decline in foot visitors at traditional stores. This suggests a shift in consumer behaviour towards virtual purchasing, that can have lengthy-time period results on local retail corporations.

Pricing and reductions play a sizeable role in influencing consumer preferences. Maximum respondents agreed that they select on-line grocery shopping because of better deals and value financial savings. This indicates that competitive pricing techniques via online shops are powerful in attracting and retaining customers. additionally, the provision of discounts complements patron loyalty and encourages frequent on-line purchasing. Any other important thing contributing to the preference for on-line purchasing is the reliability of go back and refund guidelines. most respondents perceive on-line return and refund regulations as extra purchaser-friendly than those of retail shops. This belief complements believe and confidence in online shopping, making it a favoured preference over conventional retail stores. Moreover, the research highlights the robust influence of social media promotions on client behaviour. A sizeable wide variety of respondents admitted being encouraged by means of advertisements and promotions on social media systems. This underscores the significance of virtual advertising in shaping buying choices and attracting new customers to online buying systems.

In end, the examine confirms that online grocery buying is gaining popularity because of aggressive pricing, appealing discounts, dependable go back policies, and effective virtual advertising and marketing. The shift from traditional stores to online structures is obvious, with many clients deciding on e-commerce over physical retail. companies aiming to amplify their on-line presence need to attention on affordability, patron-pleasant regulations, and robust social media engagement to meet evolving purchaser demands.

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