



ONLINE SHOPPING SCENARIO IN INDIA: BRICK TO CLICK JOURNEY

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ABSTRACT

Shopping in India has undergone a huge transformation over the past few years. It is no more confined to bazaars, street markets or malls. Shoppers today have begun to explore the internet to make their purchases. Online shopping, also known as e-shopping, is the act of purchasing products or services over the internet. This industry is fast catching on in India. What is noteworthy is that this trend has become popular not only in metro cities but in small cities too. This paper aims to throw some light on the current rage over online shopping in India, the reasons contributing towards it, problems faced, recent trends and future of online shopping in India.

KEYWORDS: E-commerce, online shopping, niche stores, social networks.

INTRODUCTION

Online shopping is a form of e-commerce in which consumers can buy goods or services directly from the seller using a web browser. Similar terms used for online shopping are e-shopping, web shopping or virtual store shopping. Online shopping was invented by Michael Aldrich in the year 1979. In 1980, Redifon's Office Revolution was launched by him, which enabled the distributors, suppliers, consumers, customers and agents to connect with the corporate system over the internet and carry on transactions electronically.

Online shopping is gaining a lot of popularity as everything is made available at our door steps, which saves a lot of time and effort. It

also helps us avoid a lot of inconvenience involved in travelling to a conventional store or visiting busy markets. People can easily shop from their homes or offices; all they need is an internet connection. Besides, online shops can be reached at any time, as they operate 24 hours.

CURRENT SCENARIO IN INDIA

E-commerce was introduced in India in 2002 when Government of India introduced IRCTC Online Passenger Reservation System. It allowed booking of tickets online at any time and from anywhere. With the help of this system people can book tickets online with easy payments, can check the status of their tickets and also look for ticket availability.



Today, online shopping has become a booming industry in India. India stands at number five in e-commerce throughout the world. In Asia, it holds second position. Today, marketers can promote their products and services using internet over a wide geographical area. These days companies collaborate with discount and daily deals sites so as to encash upon rising trend of online shopping.

Google has estimated that in India there are more than 100 million internet users and among them half of the users access internet for their purchases. It is predicted the internet user base will rise up to 300 million by 2015. According to the Associated Chambers of Commerce and Industry of India, the online retail industry which is currently at Rs 2,000 crore, is expected to grow at an annual rate of 35 per cent and touch Rs 7,000 crore by the year 2015.

According to estimates made by CRISIL, the sales over the internet are growing at a rate higher than 50 per cent. KPMG reports that by 2020, e-commerce could be contributing around 4 per cent to India's GDP.

Following is the list of popular online shopping sites in India:

- 📖 Amazon.com: It is the leader in e-commerce market in the world. We can buy books, electronics, CDs and clothing at cheap prices.
- 📖 Flipkart.com: It was founded in 2004. We can buy books, cameras, mobile phones, laptops, footwear, clothing and a number of other products.
- 📖 Snapdeal.com: It offers deals on travel, spas, restaurants and various other online products.
- 📖 eBay.in: It offers mobile phones and mobile accessories, clothing, cameras, baby items and plenty of other items.
- 📖 Jabong.com: It offers wide variety of products from fashion clothing to home needs.

- 📖 Myntra.com: It is leading online retailer of fashion and lifestyle products. Shoes, watches, T-shirts and many more products are available at discounted prices.
- 📖 Homeshop18.com: It is a venture of Network 18 and India's first 24 hours shopping TV channel. One can buy jewellery, home appliances, clothes, mobile phones etc.
- 📖 Futurebazaar.com: It sells computers, home fashion products, kitchen and other electronic appliances etc.
- 📖 Shopping.indiatimes.com: It offers products ranging from electronics to products which are related to beauty, fashion, health, music or games.

Some other famous sites include yebhi.com, fashionandyou.com, zovi.com, yepme.com, faballey.com, jungle.com, naaptol.com, zivame.com, bestylish.com and dealsandyou.com

DRIVERS OF IN ONLINE SHOPPING INDUSTRY

- 📖 Increased access to internet services has made it possible for the people to make their purchases online. Better and faster 2G, 3G and 4G services have boosted the accessibility.
- 📖 Abundant choices of shopping sites provide wide range of products and services.
- 📖 Living standard of people in India has improved which has further fuelled the online shopping craze.
- 📖 E-commerce operates on a huge scale and thus the products are offered at discounts. Better deals offered by various sites have led to increased purchases made online. Quality products are offered at discounted rates at these sites.
- 📖 Choice of payment methods has also eased online shopping. Payments can be made through bank transfers, credit cards, debit cards or can be made on delivery.
- 📖 Behaviour of Indian consumers has also changed over the years. Consumers are not only using internet for booking their air or movie tickets, but are purchasing a

number of other products such as mobiles, home décor, clothing, accessories and electronic appliances.

- ☞ Busy lives leave people with less time to visit crowded markets, malls or other conventional stores. Online shopping allows consumers to shop from the comfort of their homes, offices or while travelling. Shopping over the internet can be done with ease and saves lots of time.
- ☞ Better and safer online banking services have helped in gaining trust of consumers who earlier hesitated in sharing their details while shopping online.
- ☞ Online shopping sites, these days, provide various facilities to their customers such as exchange or return policies. Flipkart.com even offers cash back options. Such policies have made online shopping more attractive.
- ☞ Rise of social networks has accelerated the online shopping process. Marketers are using social networks such as Twitter, Facebook, Google+ etc. to advertise and promote their products and services. As a result, consumers have more information just at their finger tips. It has led to increased transactions as these networks are famous among the citizens.
- ☞ Various pages on facebook and instagram offers stylish and latest clothing, footwear, fashion accessories, bags, mobile accessories and various other products at affordable prices which has made online shopping famous among the young consumers.
- ☞ The latest trend is m-commerce. Large number of people own smart phones which has made it easier for them to access internet through their mobiles. So brands have also shifted to mobile advertising routes. Flipkart.com is getting 40 per cent of its traffic from mobile shopping.

- ☞ Various sites such as Jungalee.com, Pricedekho.com and freekamal.com have been launched which enables price comparison over the entire web. So users can discover best possible prices. Sales through these sites are increasing.

PROBLEMS WITH ONLINE SHOPPING IN INDIA

- ☞ Consumers have still not become comfortable with credit or debit card payments for their online purchases. There is still lack of trust in their minds. According to Internet and Mobile Association of India and audit firm KPMG, cash on delivery still makes up 60 per cent of transactions. CoD leads to additional transaction cost of 3 per cent.
- ☞ Since one cannot see, touch or feel the product before placing an order, sometimes the quality of delivered product is not as expected. So a lot of people still do not shop online. Moreover, in case of products such as clothes and footwear, people hesitant to shop online since there may be size issues.
- ☞ Security is another major issue with online transactions. A lot of customers still do not feel confident while sharing their personal details with e-marketers.

RECENT TRENDS IN ONLINE SHOPPING IN INDIA

- ☞ Recent development in online shopping is the emergence of e-groceries. There are a number of e-grocery sites such as LocalBanya.com, Aaramshop.com, AtMyDoorStep.com, EkStop.com, MyGrahak.com, RationHut.com, Atadaal.com etc. that sell groceries online.
- ☞ Exclusivity is the recent rage in e-commerce. Motorola Moto G and Moto X were launched in India exclusively by Flipkart. 20000 units of Moto G were sold within hours of launching it.
- ☞ Online shopping sites are launching their private label brands. DigiFlip was launched by Flipkart. Myntra has also launched

various in-house brands such as Dressberry, SherSingh, Mast and Harbor, Anouk and HRX.

- ☞ Rise of niche stores is another trend to be noticed. These stores specialize in one particular aspect. Babyoye.com is India's leading store for babies and kids that sell kids wear, toys, diapers etc. Lenskart.com deals in sunglasses, eyeglasses and contact lenses. Makemydrink.com sells drinks such as rum, whisky, vodka, tequila and many more.
- ☞ Number of women online shoppers is increasing. Women who shopped online were 4 times in 2013 as compared to 2012. This accounted for 26 per cent of the total e-commerce market.
- ☞ Among the entire e-commerce market, fashion is growing at an exponential rate. It grew at a rate of 100 per cent from 2012 to 2013 while whole e-commerce market grew at 88 per cent in 2013.

FUTURE OF ONLINE SHOPPING

As the number of people who are embracing the internet is increasing, the future of e-commerce seems to be promising. Over the years internet user base has seen an incredible growth, which is expected to rise even further. Moreover, with changing economics, purchasing power of consumers is bound to rise which will lead to increase in the needs of various goods and services. By 2020, e-commerce will be witnessed as one the leading phenomena.

The upcoming years might see a new delivery model, PrimeAir. Amazon has already got it patented. Highly technical embedded drones will be used in this model so as to ensure instant delivery of orders. They will make use of GPS to track the address where delivery has to be made. They will be designed as per the commercial aviation standards.

CONCLUSION

Indian shopping scene has been revolutionised over the years. A substantial change is experienced in the perception of Indian consumers. Consumers who earlier hesitated in shopping online have now started making their purchases over the internet. One can buy a plethora of products and services online such as clothing, electronic appliances, accessories, home décor, groceries, mobile phones, property etc. There is no denying the fact that online shopping is here to stay. The major reason for the evolution of the online shopping industry can be attributed to increased internet access and better standards of living. According to The Economic Times survey, Indian e-commerce market is expected to touch \$56 billion by 2023. Thus, this industry is predicted to boom in the coming days.

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