Needs, Problems and Future of Online Shopping in India

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Introduction

The phenomena that world is fast shrinking into a Global Village because of Internet and other communication mediums is not completely reflective in the Indian context. Internet has brought nearly the entire world just a click away from us. The retail industry canvass has been repainted by Internet and the rules of the game in retailing are fast changing. The western culture has affected each and every aspect of our Indian society. The life is becoming fast not only in the metros but also in the normal cities. The number of nuclear families is increasing and both husband and wife are working, as they have less time to go to the market for purchasing every now and then. Some other reasons like these, say shortage of time, traffic jams, late working hours, versatility of plastic money and above all the approach of internet at the door step of whosoever desires it. Online retailers have improved their service and are providing more and more convenience to the customers. From advance payment options they moved on to payment on delivery. From fixed delivery timings they have moved on to convenient delivery timings at the choice of the customer. India has opened the doors for foreign direct investment in retail.

Literature Review

Arun Thamizhvanan (2013) research established that impulse purchase orientation, prior online purchase experience and online trust have significant impact on the customer purchase intentions. In India Males are found to have more intention to shop online than females. Sultan and Dahiya Richa (2012) gender impacts frequency of on-line shopping positively and Family Size impacts overall spend on on-line shopping. It is also evident that the respondents have perceived online shopping in a positive manner. This clearly justifies the project growth of online shopping in the country. Vijay, Sai, T &Balaji, MS (2009), revealed that Consumers, all over the world, are increasingly shifting from the crowded stores to the one-click online shopping format. However, in spite of the convenience offered, online shopping is far from being the most preferred form of shopping in India. A survey among 150 internet users, including both users and non-users of online shopping, was carried out to understand why some purchase online while others do not. The results suggested that convenience and saving of time drive Indian consumers to shop online; while security and privacy concerns dissuade them from doing so. The work of Kim and Park (2005) using U.S. samples suggests that their positive attitudes as well as willingness to search for pre-purchase information leads to a strong likelihood that they will buy online. Online shoppers are required to have computer skills in order to use the Internet for shopping. Hence, those who are not comfortable with using the computer, will likely do their shopping at the traditional store, modern shop, or discount store because it will be faster shopping there than in the Internet shop.

Methodology

The paper made exploratory research on the need, Problems, influencing factors and future of online shopping. This study based on the research results of influencing factors of consumer behavior made by domestic and foreign scholars, analyzed and comprised consumer behavior under the condition of tradition and Internet, then putted forward the influencing factors of online shopping in India.

Need for Online Shopping

Few developments have altered India's lifestyle more quickly and more completely than the Internet. The Internet's largest and most meaningful impact may very well be on the way consumers shop for everything from gifts, gadgets and groceries to clothing, cars, and cruises.

The ease and selection that the Internet provides to shoppers has changed the face of retailing. More and more, consumers visit a store's Web site to make their choices before traveling to the store itself; and in a rapidly swelling tide, many shoppers are bypassing the store altogether and ordering online directly from the Web sites of their favorite brands and outlets.

Because online stores are open 24 hours a day, seven days a week, and their inventories are often more complete than those of their brick-and-mortar counterparts, the Internet makes it easy for shoppers to compare products within or between stores, to read product reviews from other customers, to access vendor return policies and to find warranty information.

Table 1: Influencing Factors of Online Shopping

S.no	Influencing factors	Online Shopping
1.	Retailer	Website visibility, Online shops credibility, information comparison.
2.	Service factor	Payment Security, privacy
3.	Environmental factors	Website interface
4.	Purchasing Motivation	Convenient time
5.	Personal Factors	Education level, the experience of Network

Problems in Internet Shopping

1. Receiving wrong products

2. Return Policy

3. Hidden charges (delivery charges, postage and handling charges)

4. Damaging products in transit

5. Delay in delivery of products

6. Failing to receive the products

7. Lack of customer support

8. Concerns while buying from foreign companies (if listed in different currency)

Future of Internet Shopping

People use the Internet to shop online for mobile phones, laptops and other consumer goods. If the Internet is anything to go by, India's technological and economic growth has moved into the top gear. With more India's online shopping registering a phenomenal 100 per cent annual growth, many retail chains and consumer durable companies are joining the Web bandwagon to tap the shopping market. The online shopping industry in India is fast catching on, not just in the larger metros but also in the smaller cities. At present, the market is estimated at Rs.46,000 crore and is growing at 100 per cent per year. According to Google, India have more than 100 million Internet users, out of which around half opt for online purchases and the number is growing every year. With

such a large market size, companies, right from retail shops to consumer goods, are entering the Web space to attract potential customers. Even traditional retailers like Shoppers Stop, Westside and Pantaloons are looking at the online shopping space for growth. According to the Associated Chambers of Commerce and Industry of India (Assocham), the size of the online retail industry is expected to touch Rs.7,000 crore by 2015, up from Rs.2,000 crore now, at an annual growth rate of 35 per cent. According to industry leaders, portals offering daily deals and discount offers with good delivery services attract the largest number of online shoppers.

Conclusion

In the next 5 years, online retailing in India will strengthen even further. However, long-standing sustainability direct depends on factors like changes in the market, innovations and interactivity by market players. Owing to increased penetration of credit cards and easy access of computing facilities to a wider population, Internet retailing in India has witnessed a promising growth. Consumers in the country can now truly expect a well streamlined, efficient and world-class shopping experience supported by the best technology.

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