

# Effect of Online Shopping in Local Market of India

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*Abstract: Marketing and shopping is hobby of most of individuals. Everyone likes to go for shopping. Now-a-days, there are many method of shopping's. The malls are available in cities. At one place, individuals' can get all kinds of items from buying vegetables to clothes, footwear, accessories, to furniture, electronic gadgets etc. It needs to go outside the home to purchase the things. It requires time as well as physical efforts. Therefore, online shopping in new terms of shopping. Online shopping has made easy way of shopping. In India, it has made shopping easy for each person. The best things online shopping is that it has done is to realise everyone's vision about shopping at enormously cheap rates. It is very convenient to all, from doorstep delivery to great exchange return policies. The current paper is an attempt to focus on the effect of online shopping to Local Market of India.*

*Keywords: Market, Shopping, online, method, time, purchase, vision, etc.*

## I. INTRODUCTION

The policies of online shopping starts from doorstep delivery to great exchange return policies which maximum people feel convenient. There is no matter of place, most of places are located in urban part or semi-urban or rural. They are providing online services and therefore the largest consumers of online shopping are people who do not live in big cities and have no access to malls or proper showrooms. Online shopping works as a boon for them. They are to be able to find everything online. It saves their time. They feel convenience for this shopping by traveling to another city, altogether. Most of the Indian prefers online shopping because they are price conscious and online shopping offers the right platform to such customers with great concession on buying products at great prices.

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Figure 1 Online shopping Websites (source –Internet)

As shown in Image 1.1 online Marketplace many portals like Flipkart, Myntra, Snapdeal and Jabong along with international players like Amazon and eBay are getting you what you need without having to move an inch. Current paper focuses on the online market and its impact on Local market of India.

## II. LITERATURE REVIEW

1. **Alam, et al., (2008)**: The group of Alam, et. Al. has studied on the key factors which influenced the online shopping and behaviour of young consumers of Malaysia. It was conducted on the sample of 496 undergraduate students. These Students were studying from two private universities of Malaysia.
2. **Dahiya (2012)**: The influenced demographic factors were understood by Dahiya. The study was conducted on the online shopping behaviour in five cities i.e. namely Delhi, Mumbai, Chennai, Hyderabad and Bangalore with the sample size of 598 respondents with gender selection of 331 males and 249 females.
3. **Jayakumar & Kumar (2013)**: the attitude of consumer towards internet shopping in Chennai city of Tamil Nadu was selected by Jayakumar & Kumar. They have collected form 100 respondents by random sampling selection method.
4. **Goswammi et al., (2013)**: Goswammi et al had conducted a study with the aim of understanding the customer's attitude on internet marketing. They feel 46 respondents as convenient sampling method and they had collected the data from the same sample size.
5. **Bhatt (2014)**: The study on consumer attitude towards online shopping based on consumer's behaviour, beliefs, preferences and opinions were conducted by Bhatt from the respondent of Vadodara and Ahmedabad city



located in Gujarat, state of India.

6. **Aimol et al., (2014):** Aimol et al., had explored their study on the affecting the factors of the customer behaviour towards online shopping. They have selected the data from 105 respondents.
7. **Babar et al., (2014):** Babar et al. has examined in their research study on the factors which shows the impact of the online shopping and performance of customers. To check the consumers' perceptions about e-shopping, the data was collected through a survey.
8. **Singh (2014):** The study was conducted by Singh who focused on the findings which the attitude of consumers towards the Flipkart –the method of online shopping.
9. **Lee (2014):** Lee has discovered the older women's experiences towards online attire shopping. The Interview schedules and observations were undertaken to involve 13 women of the age group of 66-73 years.
10. **Mathew & Mishra (2014):** Mathew & Mishra have inspected the performance of online customer living in the cities of Delhi, Mumbai, Chennai, Kolkata, Gurgaon, Faridabad, Jaipur, Chandigarh and Hyderabad.

**Objectives of the Study:**

- a. To study the impact of online shopping on the local markets of five District of Tamil Nadu.
- b. To find out the percentage of customers using online shopping in the five District of Tamil Nadu.
- c. To compare customers of five District of Tamil Nadu using online method of purchasing and direct shopping from the local market.

**III. METHODOLOGY OF STUDY**

The current study is survey based study of the five District of Tamil Nadu were selected for the current study i.e. Ariyalur, Chennai, Coimbatore, Cuddalore and Dharmapuri. The data is collected from local shopkeepers through survey as well as the data is collected from 100 persons of each city who prefers the online shopping and they were also asked why they do prefer online shopping.

**Source of Data Collection:**

There are two types of data collection sources are used for the current study i.e.

**a. Primary Data Collection:**

The Primary data is collected from the market survey and direct interviews of the user/ customer's from rural and urban sectors.

**b. Secondary Data Collection:**

Secondary data is collected from previous research similar to the current work. It is collected from books, journals, and newspaper in printed form or available on internet as e-source of the study.

**Result of the Study:** The result of current study is shown in

the table 1.1

**Table 1.1 impact of online shopping on Local Marketing**

Sr no.	Name of the city	Effect on Local Shopping
01	Ariyalur	60%
02	Chennai	70%
03	Coimbatore	50%
04	Cuddalore	50%
05	Dharmapuri	50%



**Figure 1 Impact of online shopping on Local Marketing**

As shown in the above graph and table 1.1, the impact of online shopping on the local market is shown. The outcomes of it are:

*a. Consumers' Feel Online Shopping is Easy:*

The result of current study shows that the consumers feel easy for online shopping as compare to direct shopping because online transaction is there, the cash back offers are more when online transaction by Pay TM is there. Therefore, they feel easy for it.

*b. The Time and Money:*

Online shopping saves time and money both, as it can be handled from home, while travelling or from workplace within few minutes. Then why do one prefer to do go the market and waste a time for the purchasing. Moreover as said above online cash back offers are there, which also motivates them to prefer online shopping.

*c. The Local Market has been affected:*

The survey has shown that the local market has been affected due to online shopping. Ariyalur, Chennai, Coimbatore, Cuddalore and Dharmapuri cities 50-70% local market is affected due to online shopping. Out of which the cloth market, cosmetic market, electronic small equipment market and even book market too. People are getting all these things easily with cash back offer and with the cheapest cost as compare to local market that is too from home. Even, now-days the medicines are also available on online. The routine and generic medicine people are preferring from

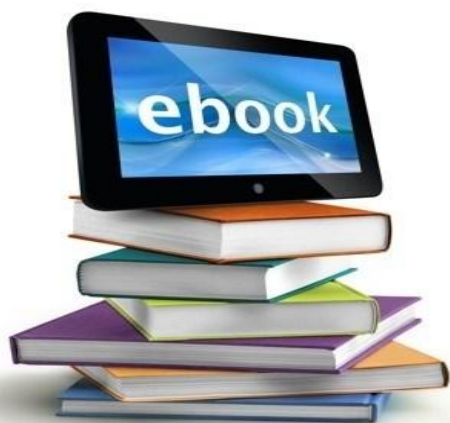


online shopping.

We can say in other words that retail shops are going through losses due to online shopping. The price which the online shopping sites fix are very low which is impossible for retail shops so it is resulted into economic loss of the retailer. And those who are collaborating with the online shopping websites are not completely out of the market but their profit is distributed due to online shopping.

#### Impact of online market on books selling

It was found that one individual was selling Novels, books, magazines and all college books for students in 2010. He was doing business around 10 lac turn over a month and able to earn around 1.2 lac easily removing all worker salary, land bills etc. But due to online shopping facilities, he was in trouble of his business. Later in 2011 a Marketer from Flipkart came to his shop and told him to display books and they will pick up from a store and sell it all over India. Firstly. He was not in a proper taking decision for two months. But 2011 he did Transaction 15 Lac only in Flipkart by selling books online 2012 – 2014. Because he oined Ebay, Paytm, Snapdeal, Amazon and other online portals. The current scenario is that he has his own retail Pvt Ltd company which has the turnover is 650 cr. Per annum. Not only this but now there are more than 19600 employees working in his company. This he can do because, he changed himself with new method of shopping and accepted online shopping method for his book selling.



**Figure 2 E-book online facilities (source internet)**

As shown in Image 1.2 he started to sells e-books too from his portal, which consumers' feel easy, cheaper and access from anywhere, anytime.

#### e. Expiries and breakage are more:

Due to online shopping, the expiries and breakage more in local market. Because when it has effect on local market more than 50-70%, the labilities of local market are increasing more. Due to this, in medical, cosmetics fields, the problem of expiries of the product is increasing as well of breakage problem is also increasing.

#### f. Depression and Mental Effect:

Economic Loss is always a part of depression to everyone. As shown in the above graph, the local market is disturbed with high loss in business, special the retail

shops of Ariyalur, Chennai, Coimbatore, Cuddalore and Dharmapuri cities which are cloth market, cosmetic market, electronic small equipment market and even book market. Very few like above mentioned example who joined online method and later opened their own are in the profit ratio. Bank loans, family responsibilities, managing the variable capital etc. problems, they are facing and not able to solve the problems. Due to these all negative response to the business, they are facing the problem of depression and mental effect and going through the medical treatments from psychologists.

#### IV. CONCLUSION

Thus, online shopping has shown mostly negative impact on the local market of Ariyalur, Chennai, Coimbatore, Cuddalore and Dharmapuri cities which are representatives of India. This market has shown bad effect on local market of India. The customers are getting benefits such as shopping from home, office, during journey. They are getting the profit in cash back schemes, concession, bumper offers which is not possible for the local, retailers or small scale industries. Either they have to join these online portal or have to close their business- this is the situation of them. Therefore, further study needs to be continued to find of good solutions for the retailers or local shop keepers of India.

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