

## **A Study of E-Commerce in Phaltan Area**

**Miss. Jyotsna P. Borate**

Head, Dept. of Commerce

Mudhoji College, Phaltan

Email- [jyotsna.borate7@gmail.com](mailto:jyotsna.borate7@gmail.com)

Mobile No, 8830178285

### **Abstract**

Now a days the life style of the people is different. People feel uncomfortable and time consuming for going crowded markets. So, E-Shopping is a boon as it saves lot of time. Online shopping is a process whereby consumers directly buy goods, services etc. from a seller without an intermediary service over the Internet. Shoppers can visit web stores from the comfort of their house and shop as by sitting in front of the computer. Online stores are usually available 24 hours a day and many consumers have internet access both at work and at home. So it is very convenient for them to shop Online. One of the most enticing factors about online shopping, particularly during holiday season is, it alleviates the need to wait in long lines or search from a store for a particular item. Varieties of goods are available in online. So the researcher wants to know the preference of the consumers. So two hundred ten respondents were met and data were collected regarding their preference towards shopping online.

Key Words- Online shopping, Technology, Apps, Wallets, Cash on Delivery(COD)

### **Introduction**

E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform, and redefine relationships for value creation between or among organizations, and between organizations and individuals (C. Nisha and G. Sangeeta, 2012).

The main types of electronic commerce are: business-to-business (B2B); business to-consumer (B2C); business-to-government (B2G); consumer-to-consumer (C2C); and mobile commerce (m-commerce). On-line shopping is a recent era that has hiked in the domain of E-Business and is definitely going to be the future of shopping in the world. Everyone has entered to the Smartphone world so it is easy to access apps according to their comfort and make their life better. At present there are millions of mobile apps likewise there apps for health, games, booking tickets, music, social networking, travel, banking, news, fitness, calendars and many more. The app stores add on 20,000 apps every month. Consumer's shop when and where they want, where they are comfortable with the products and the choice of shopping. The increase in technology provides good opportunities to the seller to reach the customer in much faster, easier and in economic way.

Online shopping is becoming increasingly popular for variety of reasons.

There are certainly outside factors such as increasing gas prices, difficulty in getting to traditional stores and hassles often associated with shopping malls and other traditional stores to contribute to the increased interest in online shopping. Online shopping sites contain wide variety of goods both high quality and mild quality keeping in mind the level of people.

- 1) There are no national and International Barriers.
- 2) In online shopping the consumers will be in a demanding position and suppliers will not be in a commanding position.
- 3) There is an enormous employment opportunity in online shopping.

In the contest Indians retail opportunity is substantial and affected by several factors such as the rising standards of living, hyper connected young population, upwardly mobile middle class, and the explosion of social media platform, deeper internet penetration and increased smart phone penetration. So significant growth of ecommerce is expected in the next two years. **Factors affecting E-commerce**

1. **Govt Initiative:-** Government of India has taken initiative to develop digital platform and has launched an ecommerce platform for farmers. Flagship initiatives such as start up India, digital India, skill India and innovation funds are contributing to the growth of the e-commerce industry.

2. **Increase in Internet Penetration:-** In recent year major improvement has taken place in telecom infrastructure while 3G and 4G services are making way into India along with declining data tariffs, internet data speed is growing significantly. Even when India ranks lowest in Asia at internet speed data rates are three times lowest than US and two times cheaper than in China. Govt. Schemes such as National Optical Fiber Network can significantly increase internet penetration in the rural communities as well as provide a means for e-commerce companies to tap the huge markets potential there.
3. **Growth in Smart Phone Adoption:-** Smartphone growth is expected to grow more in coming years. Due to high competition ease of accessibility to content and prevalence of internet enable services, Smartphone adoption is mere in India. India has the highest share of globally 41% of mobile based e-commerce sales. Almost 70 to 75% of the online traffic of e-commerce sites comes from mobile phones.
4. **Evolution of New Payment Solutions:-** COD has the most popular mode of payment for Indian e-commerce transactions. Even Indian govt initiative through digital India has extended banking facilities through Jan Dhan Yojana has added 110 million debit card thereby providing their customers access to electronic payment. Increasing use of digital wallet also provided the opportunity for electronic payment.
5. **Partnership of Logistics space with Hyper Local Companies and Indian Post:-** There is an increasing number partnership of e-commerce companies with third party logistics services providers in order to reach mainly 2 and 3 tier cities. Also leading e-commerce players have their own logistic arms for enhanced customer experience and for greater control on deliveries.
6. **GST Enhanced Growth of E-commerce:-** GST has enhanced operational efficiency of commerce and industry in many ways like transparency and simplification of tax across the borders in India, elimination of incidence of double taxation and improvement in the efficiency of supply chain.

## OBJECTIVES OF STUDY

1. To study present status of online shopping in India.
2. To analyze the factors those affects customers attitude towards online shopping in Phaltan area and nearby villages
3. To study factors motivates customers' attitude towards online shopping in India.

## **METHODOLOGY:**

This study is carried out on the basis of both Primary and Secondary Sources. These collections of data were presented in the following sections.

## **PRIMARY DATA:**

Primary data were collected by means of systematically prepared questionnaire from online purchasers in Phaltan and villages around Phaltan area. In order to carryout statistical enquires a questionnaire was prepared comprising age, gender, educational qualification, information about the preference of the respondents.

## **SECONDARY DATA:**

Secondary data has been collected from various Books, Journals and websites.

## **SAMPLE DESIGN:**

The study is descriptive and analytical. It is descriptive in the sense it exist at present and it includes facts and findings. It is analytical in the sense it involves analysis of the collected data and information. The researcher has selected 210 samples from the customers in Phaltan town and villages. The relevant data were collected through questionnaires. The researcher used the method of convenient sampling technique.

### **Trends in Online Shopping In India**

The following are the questions and its analysis.

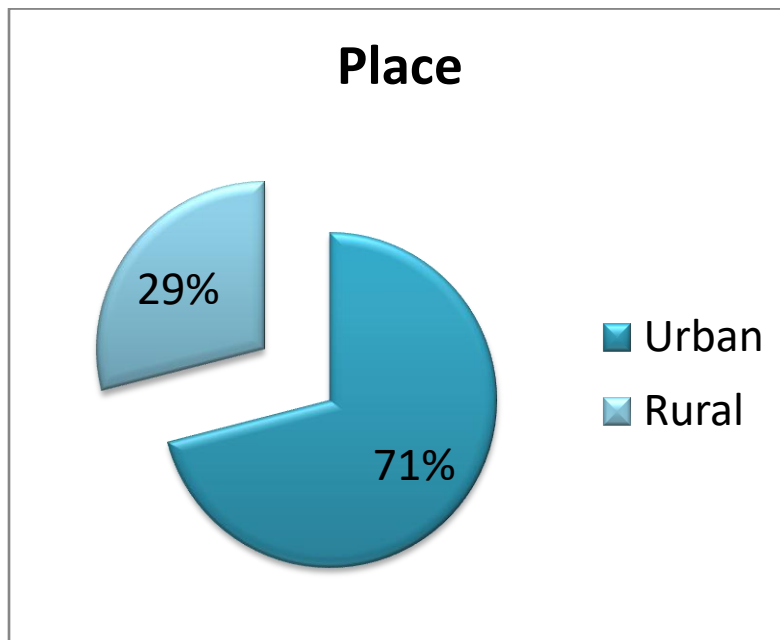
### **Areawise comparison of online shopping users**

Place

Users

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<b>Urban</b>	71
<b>Rural</b>	29

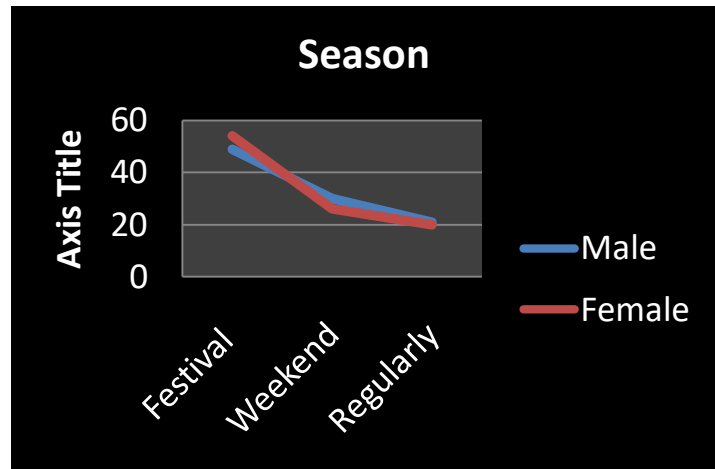


## Conclusion

From the above pie-diagram it was observed 71% people of urban area and 29% from rural area prefer online shopping i. e. urban area prefer online shopping than rural area.

## Seasonal variation

	<i>Male</i>	<i>Female</i>
<i>Festival</i>	<b>49</b>	<b>54</b>
<i>Weekend</i>	<b>30</b>	<b>26</b>
<i>Regularly</i>	<b>21</b>	<b>20</b>



## Conclusion

From the above line graph we can observe that, at festival season female shop online more than men. Whereas in weekend male users are more than no. of female users. We can conclude that, most of the people shop online in festival season whereas very less number of people shops regularly.

## Apps

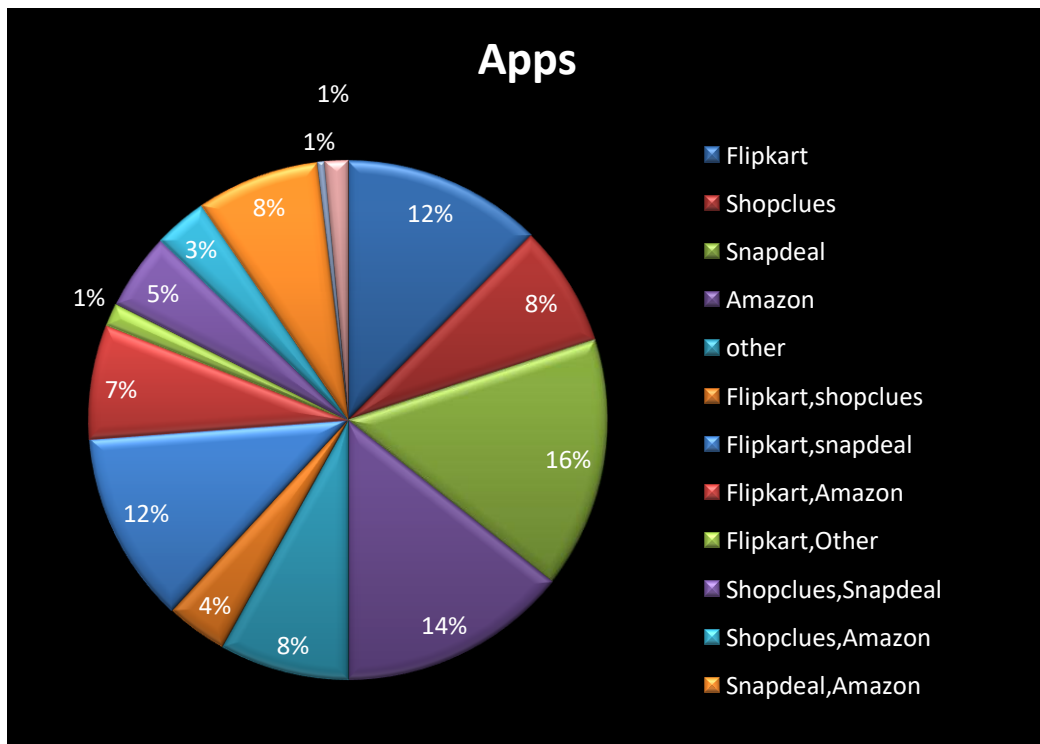
Flipkart	26
Shopclues	16
Snapdeal	33
Amazon	30
other	17

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Flipkart,shopclues	8
Flipkart,snapdeal	25
Flipkart,Amazon	15
Flipkart,Other	3
Shopclues,Snapdeal	10
Shopclues,Amazon	7
Snapdeal,Amazon	16
Amazon,Other	1
Flipkart, Amazon, Snapdeal	3



## Conclusion

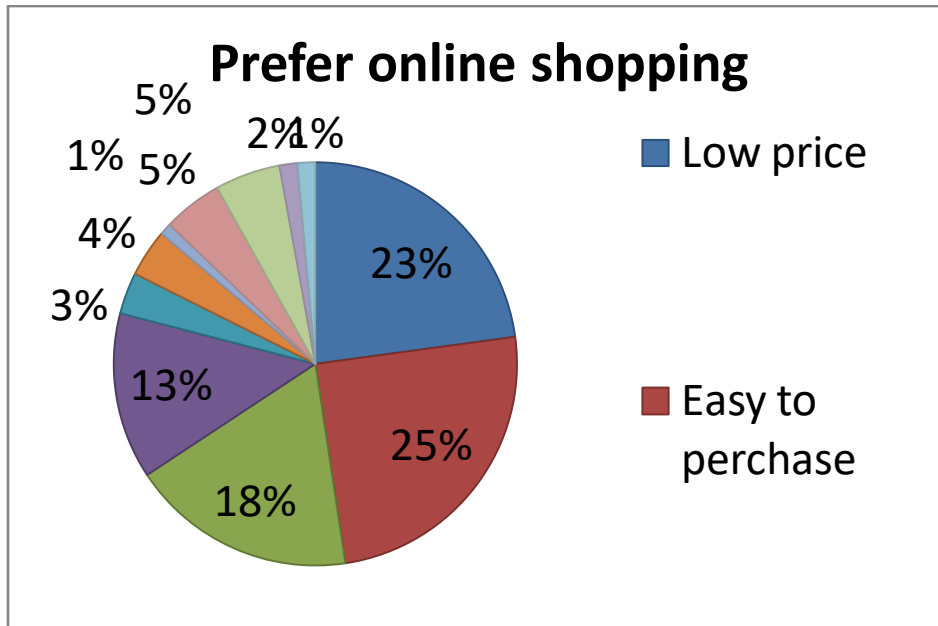
From the above pie-chart we conclude that most of the people use Snapdeal (16%), Amamzon users are 14%, 12% people use Flipkart, 12% people use Flipkart and Snapdeal and 9% use other apps than Amazon, Snapdeal, Shopclues and Flipkart. 8% people use pair of apps such as Flipkart, Amazon, Flipkart, Snapdeal and also Flipkart and Shopclues and also shopclues-snapdeal, Snapdeal and proportion of other pairs are negligible.

## Why people prefer online shopping

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Low price	48
Easy to purchase	52
Variety of products	38
Schemes	28
Low price & easy to purchase	7
Easy to purchase & Variety of products	8
Variety of products & schemes	2
Low price & variety of products	10
Low price & schemes	11
Easy to purchase & Schemes	3





## Conclusion

Here we conclude that 25% people prefer online shopping because it is easy to purchase, 23% people prefer online shopping because of low price, 18% due to variety of product and 13% due to scheme i.e. most of the people prefer online shopping because it is easy to purchase and they get variety of product at low price.

## Test for independence

**Aim:-**To check whether the apps & goods are independent or not .

**Hypothesis :-** Ho: The apps & goods are independent V/S

H1: The apps & goods are not independent .

## Observation Table:-

Goods	B1	B2	B3	B4	Total
Apps					
A1	15	20	10	12	57
A2	10	10	10	10	40
A3	18	20	11	10	59
A4	14	20	10	10	54
Total	57	70	41	42	210

O <sub>i</sub>	E <sub>i</sub>	$(O_i - E_i)^2 / E_i$
15	15.4714	0.01436
20	19	0.05263
10	11.1285	0.1144
12	11.4	0.03157
10	10.8571	0.06766
10	13.3333	0.8333
10	7.8095	0.6144
10	8	0.5
18	16.0412	0.2391
20	19.6666	0.005651

11	11.5190	0.02338
10	11.8	0.2745
14	15.4714	0.1399
20	18	0.2222
10	10.5428	0.02794
10	10.8	0.05925

## Calculation:-

$$\chi^2 = \sum \sum (O_{ij} - E_{ij})^2 / E_{ij} \sim \chi^2_{(m-1)*(n-1), \alpha}$$

$$\chi^2 = 3.2202 \sim \chi^2_{(9, 0.05)}$$

Cal  $\chi^2 = 3.2202$

Tab  $\chi^2_{(9, 0.05)} = 16.9189$

Here cal  $\chi^2 < \text{Tab } \chi^2_{(9, 0.05)}$

## Conclusion :-

Hence we accept  $H_0$  at 5% LOS & we conclude that apps & goods are independent.

## Test for proportion

**Aim:- To test whether the proportion of snapdeal users is 16% or less than 16%.**

Ho : The proportion of snapdeal users is 16% V/S

H1 : The proportion of snapdeal users is less than 16%.

Calculations:-

$$Z=(P-Po)/\text{sqrt}((Po*Qo)/210) \sim N(0,1)$$

$$Z=(0.157143-0.16)/((0.16*0.84)/210)$$

$$Z=-0.01129$$

$$P \text{ Value}=0.504504$$

**Conclusion:- Hence we accept Ho at 5 % LOS & we conclude that proportion of snapdeal users is 16%.**

From all the data analysis we conclude that,

1] 71 % people in urban area and 29% people in rural area prefer online shopping.

i.e. people in urban area does more online shopping than people in rural area.

2] At the festival season, females shops more than males whereas in weekends,

no. of male shoppers is large.

And most of the people shops in festival season but there is very less no. of people who shops regularly.

3] There are 16% users of Snapdeal, 14% of Amazon, 12% of Flipkart, 12% people use both

Flipkart & Snapdeal, 9% people use other apps than Flipkart, Amazon, & Snapdeal and

Proportion of other pairs is negligible.

4] 25% people prefer online shopping because it is easy to purchase , 23% people prefer online

shopping because of low price, 18% due to variety of products and 13% due to schemes .

i.e. most of the people prefer online shopping because it is easy to purchase and they get variety of products.

5] There is no dependency in applications and goods.

Since the initialization of e-commerce so many people have turned to online markets for products. This is because of process of purchasing goods online in both fast and convenient. In India alone, the e-commerce market is expected to hit a whopping \$200 million in sales by the year 2026. Despite the rapid increase in the number of buyers it has been noted that getting new entrants to adopt the system is difficult.

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