



A Study on E-commerce -Consumer Buying Behaviour

Kundan Kumar¹, Shiv Kumar Sharma²

^{1,2}Galgotias University

ABSTRACT

E-commerce has revolutionized the way consumers shop by providing them with a convenient platform to purchase goods and services online. This shift towards online shopping has significantly impacted consumer buying behavior. This abstract explores the various factors that influence consumer buying behavior in e-commerce.

The first factor that affects consumer behavior in e-commerce is the ease of use of the website or app. Consumers are more likely to purchase from e-commerce platforms that are easy to navigate and have a simple checkout process. The second factor is the availability of information on the product or service. Consumers rely on product descriptions, reviews, and ratings to make informed decisions.

The third factor is the pricing strategy of the e-commerce platform. Consumers are more likely to purchase from platforms that offer competitive prices, discounts, and promotions. The fourth factor is the level of customer service provided by the platform. Consumers expect timely and efficient customer service, including support for returns and refunds.

The fifth factor is the trustworthiness of the platform. Consumers are more likely to purchase from platforms that have a good reputation and are known for their security measures to protect personal and financial information. The sixth factor is the convenience of the platform, including delivery options and shipping times.

In conclusion, understanding consumer behavior in e-commerce is essential for businesses to develop effective marketing strategies that attract and retain customers. By considering the factors that influence consumer behavior, e-commerce platforms can create a positive shopping experience that meets the needs and expectations of their customers.

INTRODUCTION

E-commerce, short for electronic commerce, refers to the buying and selling of goods or services over the internet. It involves conducting business transactions, including online shopping, electronic payments, and online banking. E-commerce has become increasingly popular in recent years, as more and more people turn to online shopping for convenience, selection, and competitive pricing.

E-commerce can take many forms, including business-to-consumer (B2C), business-to-business (B2B), consumer-to-consumer (C2C), and consumer-to-business (C2B). B2C e-commerce refers to the online sale of products or services directly to consumers, while B2B e-commerce involves businesses buying and selling products or services to other businesses. C2C e-commerce allows consumers to sell goods or services to other consumers through online marketplaces, and C2B e-commerce allows individuals to sell their products or services to businesses.

Some popular e-commerce platforms include Amazon, eBay, Alibaba, and Shopify. These platforms offer a range of tools and services to help businesses and individuals set up and manage their online stores, including website design, payment processing, and shipping and fulfillment services.

LITERATURE REVIEW

Consumer buying behaviour on e-commerce platforms has become a widely researched topic in recent years. Numerous studies have explored various aspects of this phenomenon, including factors that influence online purchase decisions, the role of trust, and the impact of digital marketing strategies.

One of the key findings in the literature is that consumers' decision-making processes on e-commerce platforms are heavily influenced by a variety of factors, including personal and psychological factors, situational factors, and social and cultural factors. For instance, personal factors such as personality traits, self-concept, and lifestyle have been found to play a significant role in shaping consumers' attitudes and behaviors towards online shopping. Situational factors, such as time constraints and product availability, also influence consumer decision-making processes.

In addition, trust has been identified as a critical factor in determining consumers' willingness to shop online. Trust can be established through various means, including website design, customer service, and online reviews. Studies have also shown that digital marketing strategies, such as social media

marketing and search engine optimization, can significantly influence consumers' purchase decisions by increasing brand awareness and promoting product information.

According to Kotler and Armstrong (2013), consumers are becoming increasingly sophisticated in their use of digital channels to research products and make purchases. They emphasize the importance of understanding consumer behaviour and tailoring e-commerce strategies to meet the needs and preferences of different customer segments.

Dholakia and Zhao (2010) suggest that consumers' online buying behaviour is influenced by a range of factors, including product type, website design, price, and trust. They argue that e-commerce companies need to focus on building trust and credibility with customers through strategies such as clear product information, secure payment systems, and user reviews.

Lee and Turban (2001) highlight the role of perceived risk in consumers' online buying behaviour, suggesting that consumers are more likely to make purchases when they feel that the risks of doing so are low. They recommend that e-commerce companies provide assurances of product quality and offer guarantees and return policies to reduce consumer risk perceptions.

Brynjolfsson and Smith (2000) suggest that e-commerce can lead to increased competition and price transparency, which can benefit consumers by enabling them to find the best deals. However, they also note that e-commerce can create winner-takes-all markets in which a few dominant companies capture the majority of the market share.

Overall, there are many different factors that can influence consumer buying behavior in the context of e-commerce, and authors may have different perspectives on which factors are most important and how e-commerce companies can best respond to them.

E-commerce Benefits and its Success:

E-commerce, or electronic commerce, refers to the buying and selling of goods and services over the internet. It has become an increasingly popular way for businesses to conduct transactions, and there are several benefits that contribute to its success:

- **Convenience:** One of the primary benefits of e-commerce is that it is convenient for customers. They can shop from anywhere at any time, and don't have to leave their homes or offices to make a purchase.
- **Lower Costs:** E-commerce businesses can often operate with lower costs than traditional brick-and-mortar stores, as they don't have to pay for rent, utilities, and other expenses associated with a physical location.
- **Wider Reach:** E-commerce allows businesses to reach customers around the world, rather than just in their local area. This opens up new markets and opportunities for growth.
- **Increased Customer Insights:** E-commerce businesses have access to a wealth of data about their customers, including their buying habits, preferences, and demographics. This information can be used to tailor marketing efforts and improve the customer experience.
- **Improved Customer Service:** E-commerce businesses can provide 24/7 customer support through email, chat, or phone, which can lead to higher levels of customer satisfaction.
- **Personalization:** With the use of data analytics and AI, e-commerce businesses can provide personalized recommendations and experiences for customers, which can increase customer loyalty and drive sales.

RELATED LITERATURE

BRAND DEFINITION

The brand definition refers to the process of creating a unique identity for a product or service in the minds of consumers. It involves defining the brand's values, personality, attributes, and positioning in the market, and communicating these elements to the target audience through various marketing channels.

A brand is not just a logo or a name; it is a promise to the customer about the quality, reliability, and value of the product or service. A well-defined brand can differentiate a product or service from its competitors, create customer loyalty, and increase its perceived value in the market.

Brand definition starts with understanding the target audience and their needs, preferences, and behaviors. This information is used to create a brand strategy that includes the brand's purpose, values, personality, and positioning. The brand strategy should be reflected in all aspects of the brand, including its visual identity, messaging, packaging, and customer experience.

A strong brand definition is essential for e-commerce businesses, as it helps to build trust and credibility with customers in the online environment. By defining and communicating a clear brand identity, e-commerce businesses can establish a strong online presence and create a competitive advantage in the market.

Brand equity

Brand equity refers to the value that a brand adds to a product or service. It is the result of a brand's positive perception and reputation among consumer which can lead to increased brand awareness, customer loyalty, and higher sales.

There are several factors that contribute to brand equity, including brand awareness, perceived quality, brand loyalty, and brand associations. Brand awareness refers to the level of familiarity that consumers have with the brand, while perceived quality relates to the customer's perception of the brand's reliability and performance.

Brand loyalty is the degree to which customers are committed to a particular brand and are more likely to purchase it repeatedly over time. Brand associations refer to the mental and emotional connections that customers have with a brand, which can be influenced by factors such as brand personality, brand image, and brand messaging.

1. Brand loyalty- When customers continue to purchase from the same brand repeatedly, despite competitors offering similar products or service
2. Name awareness: A known brand has more chance to be selected and bought before an unknown brand
3. Perceived quality: How a brand's quality is seen by customers. Good quality can also mean higher price and a better gross margin. How to measure quality in different industries vary.
4. Brand association: A symbol character that symbolizes a specific brand,
5. Other proprietary brand assets: Something that discerns a specific brand from others: patents, trademarks, relationship channels etc.

Brand Awareness

Brand awareness is a crucial aspect of e-commerce marketing. It refers to the level of familiarity that consumers have with a particular brand, product, or service. The higher the brand awareness, the more likely customers are to consider, purchase, and recommend a brand or product.

In e-commerce, brand awareness can be built through various channels, such as social media, search engine optimization, influencer marketing, and email marketing. For example, social media platforms like Instagram and Facebook can be used to promote a brand's products or services, increase engagement with customers, and generate user-generated content that can be shared across various marketing channels.

Search engine optimization (SEO) is another effective strategy for increasing brand awareness in e-commerce. By optimizing a website's content and structure for search engines, e-commerce businesses can increase their visibility in search results, driving more traffic to their site and increasing brand awareness among potential customers.

Influencer marketing is another strategy that can help to increase brand awareness in e-commerce. By partnering with influential individuals or organizations in a particular niche, e-commerce businesses can reach a wider audience and build trust and credibility with their target market.

Brand awareness and consumer decision-making

Brand awareness is an essential factor in consumer decision-making. It refers to the extent to which consumers are familiar with a particular brand and its products or services. High brand awareness can influence consumers to consider a brand when making purchase decisions, while low brand awareness may cause consumers to overlook a brand altogether.

Consumers often rely on brand awareness as a heuristic or mental shortcut when making purchase decisions. When faced with numerous options, they may choose a brand they recognize, even if they have limited information about the brand's products or services.

Brand awareness can also create a sense of familiarity and trust, making consumers more likely to choose a brand over its competitors. In addition, well-known brands can convey a sense of status or social acceptance, which may be particularly important for certain products or in certain social contexts.

Therefore, companies invest heavily in building brand awareness through various marketing and advertising campaigns. These efforts can include television and radio commercials, print and digital advertisements, influencer marketing, social media marketing, and public relations initiatives.

Overall, brand awareness plays a critical role in consumer decision-making, and companies that effectively build and maintain brand awareness are more likely to succeed in the Marketplace.

Research objectives

Objectives of the study

This study has general and specific objectives, which are as follows

General Objective

Brand awareness is an important factor in shaping consumer behavior, and it can have a significant impact on purchasing decisions made on e-commerce platforms. The main objective of your study is to explore this relationship in more detail.

To achieve this, you may consider conducting a quantitative research study using survey research methods to gather data from a representative sample of consumers who regularly shop online. You could measure brand awareness using a range of indicators, such as the ability of consumers to recognize and recall specific brands, or their perceived familiarity with different brands in a particular product category.

You could then analyze the data using statistical techniques to identify any patterns or correlations between brand awareness and consumer behavior, such as purchase frequency, product choices, or loyalty. You may also want to control for other factors that could influence consumer behavior, such as product quality, price, and promotional activities.

Overall, your study could provide valuable insights into the importance of brand awareness in the online marketplace and help e-commerce businesses to better understand and target their audiences.

How the research is going to aid management decision making

It should be clear how the research is going to aid management decision making in e-commerce

To ensure that research in e-commerce aids management decision-making, it is important to establish a clear link between the research objectives and the needs of management. This can be done through a well-defined research question that addresses a specific management problem or opportunity.

For instance, the research may aim to identify the most effective pricing strategy for a particular e-commerce product, or to determine the most efficient delivery options for a specific market segment. In both cases, the research should be designed to provide insights that can help management make more informed decisions.

RESEARCH DESIGN AND METHODOLOGY

This chapter presents a detailed discussion of the research design and methodology employed in the study. Hence, topics related to research design, data type & source, target population, sampling technique and sample size, data collection procedure and method of data analysis are covered. Explanation about the reliability and validity of the study is also included in this chapter

Research Design

The research design for studying e-commerce buying behaviour can be broken down into several steps:

1. **Research Question:** The first step in any research design is to identify a research question that will guide the study. In this case, the research question might be "What factors influence consumer buying behavior in e-commerce?"
2. **Literature Review:** The next step is to conduct a thorough review of existing literature on e-commerce buying behavior. This will help identify gaps in current research and inform the development of research hypotheses.
3. **Hypotheses Development:** Based on the research question and literature review, hypotheses should be developed. For example, a hypothesis might be "Consumers are more likely to make a purchase on an e-commerce site if the site has a user-friendly interface."
4. **Sampling:** The next step is to identify the population to be studied and select a sample from that population. The sample should be representative of the population and large enough to provide statistically significant results.
5. **Data Collection:** The data collection process can take many forms, including surveys, interviews, and observational studies. In this case, surveys might be the most appropriate method for collecting data on e-commerce buying behavior.
6. **Data Analysis:** Once data has been collected, it must be analyzed to test the research hypotheses. This might involve statistical analysis or other data mining techniques.
7. **Results:** The results of the study should be presented in a clear and concise manner. This might include charts, graphs, and tables to help illustrate the findings.
8. **Conclusion:** Finally, the research should be concluded with a summary of the key findings and recommendations for future research in the field. This might include suggestions for improving e-commerce site design, marketing strategies, or consumer outreach efforts.

There are several types of research that can be conducted to study e-commerce buying behavior. Here are a few examples:

1. **Descriptive Research:** This type of research involves describing the characteristics of e-commerce buying behavior. It aims to identify and explain the various factors that influence consumer behavior in online shopping, such as demographic factors, product/service attributes, website features, and marketing strategies.

2. Exploratory Research: This type of research is used to explore new insights and ideas about e-commerce buying behavior. It is typically conducted when there is little existing research on the topic or when the research question is not clearly defined. The main goal of exploratory research is to gain a better understanding of the underlying reasons behind consumer behavior.

Experimental Research: This type of research involves manipulating one or more variables to observe the effect on e-commerce buying behavior. It allows researchers to test hypotheses and determine causal relationships between variables. For example, researchers can conduct A/B tests to determine the impact of different website layouts or marketing strategies on consumer behavior.

3. Survey Research: This type of research involves collecting data through surveys or questionnaires. Surveys can be used to gather information on a wide range of topics related to e-commerce buying behavior, such as consumer preferences, motivations, and satisfaction levels.
4. Case Study Research: This type of research involves analyzing specific cases or examples of e-commerce buying behavior. Case studies can provide detailed insights into consumer behavior and help researchers understand the factors that influence consumer decision-making in online shopping.

Data Analysis Techniques-

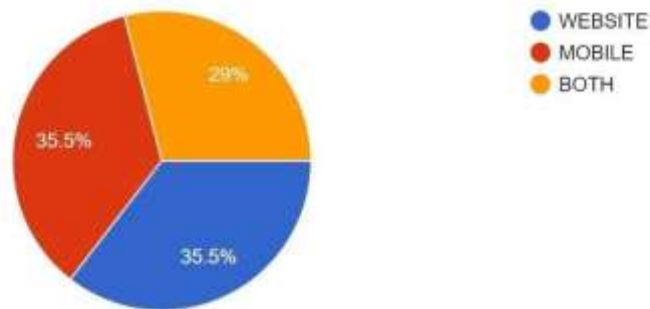
The data collected from the respondents using structured quantitative approach is edited, cleaned and was entered into the computer. Then it is analyzing with help of statistical software program or Pie chart application

4/27/2023 18:39:22	BOTH	Electronics & Gadgets. ...	PRICE	YES	YES	YES
4/27/2023 20:33:38	BOTH	Clothing & Apparel. ...	PRICE	YES	YES	YES
4/27/2023 20:41:09	BOTH	Electronics & Gadgets. ...	PRICE	YES	YES	YES
4/27/2023 21:49:34	MOBILE	Clothing & Apparel. ...	PRICE	YES	YES	YES
4/27/2023 23:31:39	MOBILE	Footwear& Shoes. ...	PRICE	YES	NO	YES
4/27/2023 23:37:18	WEBSITE	Footwear& Shoes. ...	PRICE	YES	YES	NO
4/27/2023 23:41:23	MOBILE	Footwear& Shoes. ...	QUALITY	NO	NO	YES
4/27/2023 23:43:31	MOBILE	Clothing & Apparel. ...	PRICE	YES	YES	YES
4/27/2023 23:56:27	BOTH	Clothing & Apparel. ...	PRICE	YES	NO	YES
4/27/2023 23:59:19	BOTH	Clothing & Apparel. ...	QUALITY	YES	YES	YES

4/27/2023 23:59:42	MOBILE	Footwear& Shoes. ...	PRICE	YES	YES	YES
4/28/2023 0:00:01	BOTH	Games & Toys. ...	PRICE	YES	YES	YES
4/28/2023 0:00:18	WEBSITE	Veterinary & Pet Item	PRICE	YES	YES	YES
4/28/2023 0:01:48	MOBILE	Clothing & Apparel. ...	PRICE	YES	YES	YES
4/28/2023 0:02:11	MOBILE	Veterinary & Pet Item	QUALITY	NO	YES	YES
4/28/2023 0:02:20	MOBILE	Clothing & Apparel. ...	PRICE	YES	YES	YES
4/28/2023 0:02:33	MOBILE	Games & Toys. ...	PRICE	YES	YES	YES
4/28/2023 0:12:45	MOBILE	Electronics & Gadgets. ...	PRICE	NO	YES	YES
4/28/2023 1:44:32	BOTH	Footwear& Shoes. ...	QUALITY	NO	YES	YES
4/28/2023 1:44:50	WEBSITE	Clothing & Apparel. ...	PRICE	NO	YES	NO
4/28/2023 1:45:01	MOBILE	Clothing & Apparel. ...	QUALITY	YES	NO	YES
4/28/2023 1:45:51	MOBILE	Footwear& Shoes. ...	QUALITY	YES	NO	YES

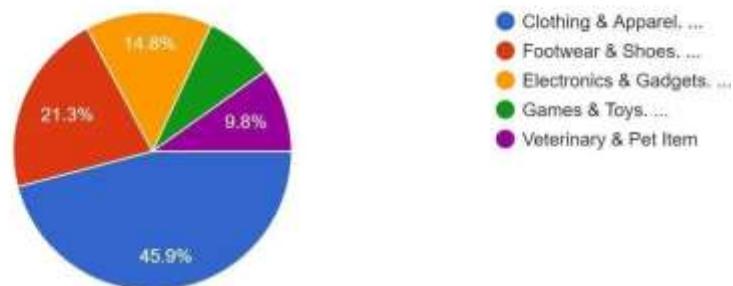
1. Have you ever made a purchase through an e-commerce website or mobile application

62 responses



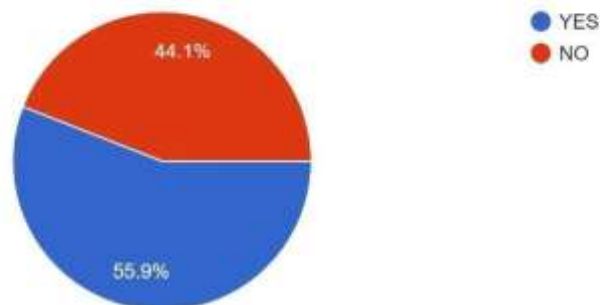
2. What types of products do you typically buy through e-commerce?

61 responses



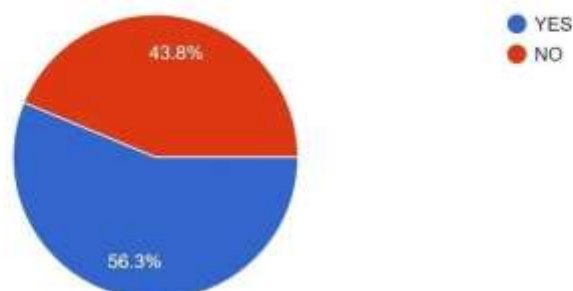
5. Do you find e-commerce platforms convenient to use compared to physical stores?

59 responses



6. Do you think e-commerce platforms are more environmentally friendly compared to physical stores?

64 responses



Data analysis and Interpretation

I took the data from different groups ahead, like ahead Above 18 years, below 18years.Example- Men, Women, Children.

Mostly people buy Clothing material from online, dur to large variety of products and colour,quality was most priority giving option before purchasing or shopping with online platform

They avoid shopping on offline stores instead of online buying as they are getting variety of alternative on online.

People prefer online buying for several reasons:

Convenience: Online shopping is very convenient, as people can shop from anywhere and at any time, without having to physically go to a store. This is especially helpful for those who have busy schedules and don't have the time to go out and shop.

Limitations

E-commerce has revolutionized the way people shop, making it more convenient and accessible than ever before. However, there are still some limitations of e-commerce on consumer buying behaviour that need to be considered:

Lack of physical interaction: One of the biggest limitations of e-commerce is the lack of physical interaction between the consumer and the product. Consumers cannot touch, feel, or try out products before making a purchase, which can lead to uncertainty and hesitation.

Trust issues: Another limitation of e-commerce is trust issues. Consumers may be hesitant to make a purchase from a website they are not familiar with, and concerns about the safety and security of their personal information can also be a deterrent.

Delivery time: Delivery time can also be a limitation of e-commerce, particularly for consumers who are in a hurry or need a product immediately. Consumers may also be hesitant to purchase large or expensive items online due to concerns about delivery and potential damage.

Technical issues: Technical issues such as website crashes, slow load times, and payment processing problems can also impact consumer buying behaviour.

Lack of personalization: E-commerce lacks the personalized touch of in-person shopping, such as personalized recommendations from a salesperson or the ability to customize a product to meet specific needs.

Overall, while e-commerce has many benefits, there are still limitations that can impact consumer buying behaviour. As technology continues to evolve, however, these limitations are likely to be addressed and overcome, resulting in even more seamless and convenient online shopping experiences for consumers.

CONCLUSION-

E-commerce buying behaviour is a complex and constantly evolving phenomenon influenced by a variety of factors such as personal preferences, social norms, product characteristics, and online platform features. However, some key trends and patterns have emerged in recent years that can help us understand and predict consumer behaviour in the e-commerce space.

First, convenience and accessibility are major drivers of e-commerce purchases. Consumers value the ability to shop from anywhere at any time and have their purchases delivered directly to their doorstep. As a result, mobile devices have become an increasingly popular tool for online shopping, with many consumers preferring to browse and purchase products on their smartphones or tablets.

Second, price and value are also important considerations for e-commerce shoppers. Consumers have access to a vast array of online stores, which makes it easy to compare prices and find the best deals. Many e-commerce platforms also offer discounts, promotions, and loyalty programs to encourage repeat purchases and build customer loyalty.

Third, product information and reviews play a significant role in shaping e-commerce buying behaviour. Consumers rely heavily on product descriptions, images, and customer reviews to evaluate the quality and suitability of products before making a purchase. Positive reviews and high ratings can increase the likelihood of a purchase, while negative reviews can deter potential customers.

Finally, trust and security are critical factors for e-commerce consumers. Consumers want to feel confident that their personal and financial information is secure when shopping online. E-commerce platforms that prioritize security and provide transparent policies regarding data collection and use are more likely to earn the trust and loyalty of customers.

In summary, e-commerce buying behaviour is shaped by a variety of factors, including convenience, price, product information and reviews, and trust and security. E-commerce businesses that understand these factors and adapt to changing consumer preferences and trends are more likely to succeed in today's competitive online marketplace.

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Many small or different articles

Newspaper article – Hindustan times , The HINDU .

Case study link Amazone

<https://www.grin.com/document/2>