

IMPACT OF e-COMMERCE ON CONSUMER BUYING BEHAVIOUR

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ABSTRACT

e-Commerce plays an important role to change the purchasing scenario from conventional mode to the online purchasing process. It is very effective and easy process of purchasing through internet and websites. For this study a total of 210 questionnaires were distributed among the consumers of Gwalior district of Madhya Pradesh, 162 out of them returned with proper responses. The objectives of this study are to know the impact of e-commerce on consumer buying behavior and to know the relationship between e-commerce and consumer buying behaviour. Linear regression analysis used to find out the result with the help of SPSS Software and it is found that e-commerce and consumer buying behaviour correlated with each other, having r value 0.847, and e-commerce has direct impact on consumer buying behaviour up to 71.7% having r^2 value 0.717. Therefore, it is concluded that e-commerce has direct impact on consumer buying behaviour and both are correlated with each other.

KEYWORDS: e-Commerce, e-Business, Purchasing Process, Purchasing Decision, Direct Impact.

Introduction

e-Commerce, also known as e-Business or electronic business, is simply the sale and purchase of goods and services over an online medium through internet. It is also embrace the technique of transferring data and fund between two or more parties in digital mode. It is a form of online shopping that provides users a comfort to order their desired goods and services from their homes and even while on traveling. e-Commerce is often used to refer to the sale of physical product online, but it can also describe any kind of commercial transaction that is facilitated through the internet.

Consumer buying behaviour is the result of the attitudes, preferences, intentions and decisions made by the consumers before buying a product. Consumer buying behaviour is the study that how an individual consumer, groups of organization select and buy, use and dispose ideas, goods and services to satisfy their needs and wants. It refers to the action of the consumers in the market place and underlying motives for those actions.

Review of Literature

Koo et. al, (2008) have conducted an empirical study, they examined the motivational effects of personal values on benefits, attributes, and re-patronage intention in the perspective of shopping online. The study concludes that personal values of social affiliation and self-actualization serves as underlying beliefs in shaping, consumer's online shopping motives. In addition, online store attributes are positively related to pre-patronage intention.

Hausman and Siekpe, (2009) analyzed a practical study in US regarding the effect of web interface features on consumer online purchase intention. E-commerce system is different from traditional information system. It has both features of information system and marketing channels. It contains machine and human element. An empirical finding shows that to know the motivation factors for online shopper, cognitive and psychological factors do have meanings. The study finds both human and computer factors are necessary for antecedent for online shopping.

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Chayapakataweta waraks, (2011) they have discussed Online stores may offer customer an e-wallet which transfers balance from customer's online bank account to the store payment system. This may help sellers to gain more sales from those do not want to use their credit card online.

Selvakumar, (2014) concentrated on consumer's perception of the product sold online and the issues considered important to online shopping. This study was conducted among the online shoppers at Coimbatore which is in Tamil Nadu state. It is to analyse the impact of consumer opinion and the attitude. Questionnaire was made to collect the data from the population; these questionnaires were given to college going students. The total sample size is 150 respondents. The finding of this study shows that improvement and accessibility influence the customer's intention to shop online.

Nago Tan Vukhanh, (2014) they have discussed to promote Online Shopping in vietnam is to increase the ability to recognize the benefit of trading products on the internet, addition to the usefulness of online payment. Note minimize risks. When buying & Selling transaction on internet the development of e-camera in Vietnam is very difficult the fear of risk taking when dealing on the Internet.

Saha, A. (2015) For an online business site, the expenses of putting away and referencing an item speak to a little portion of the cost when contrasted with the cost of putting away and referencing an item for "physical" stores. From the client fulfillment and accessibility of administrations, web based shopping is making a noteworthy effect upon the retail locations.

Objectives of the Study

- To know the impact of e-Commerce on Consumer Buying Behaviour.
- To know the relationship between e-Commerce and Consumer Buying Behaviour.

Research Methodology and Collection of Data

Collection of data is a process by which the investigator collects the relevant information from the sources to find out the outcomes of the respective problem and test the hypothesis. In this study primary and secondary data are used. Primary data are collected through questionnaires from the consumers of Gwalior district of Madhya Pradesh. For this study a total of 210 questionnaires were distributed among the consumers of Gwalior district of Madhya Pradesh, 162 out of them were returned and considered fit for the analysis of the study. Secondary data are collected from various research Journals, Magazines, News Papers and Websites.

Reliability Test

To check the reliability of the variables SPSS (Statistical Package for Social Sciences) Software is used and its result is given below.

Reliability Statistics

Test variable	Cronbach's Alpha	No. of Items
All variables	.734	10

In the above table the computed value of Cronbach's Alpha is 0.734, which is more than its standard value 0.70, it means that data used in this study are reliable and fit to apply in any parametric statistical tool.

Normality Test

To apply any parametric statistical test, it is an essential assumption that data should be normally distributed.

Test of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
E-Commerce	.506	162	.328	.574	162	.289

a. Lilliefors significance correction

The computed sig. value of Kolmogorov-Smirnov test is 0.328, which is more than 0.050, it means the data used in this study are normally distributed and give proper information as we desire from the data for the purpose of this study.

In this study e-Commerce is considered as an independent variable and Consumer buying behaviour is considered as a dependent variable. Linear regression between e-Commerce and Consumer buying behaviour computed by using SPSS Software (Statistical Package for Social Sciences)

Hypothesis

H₀ : There is no significant impact of E-Commerce on Consumer Buying Behaviour.

H₁ : There is a significant impact of E-Commerce on Consumer Buying Behaviour.

Model Summary^b

Model	r	r Square	Adjusted r Square	Std. Error of the Estimate	Durbin-Watson
1	.847	.717	.698	2.9623	1.3982

a. Predictors: (constant), E-Commerce

b. Dependent Variable: Consumer Buying Behaviour

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	7946.184	1	7946.184	165.704	.000
Residual	7672.672	160	47.954		
Total	15618.856	161			

a. Predictors: (constant), E-Commerce

b. Dependent Variable: Consumer Buying Behaviour

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std Error	Beta		
1 (Constant)	7.108	1.016		6.984	.000
E-Commerce	.669	.027	.706	9.678	.000

Dependent Variable: Consumer Buying Behaviour

In this study e-commerce is considered as an independent variable and consumer buying behaviour is considered as a dependent variable. The value of F-test is 165.704, which is significant at 0.000 level of significance. The result of linear regression analysis given in coefficients table indicates that e-commerce has a direct impact on consumer buying behaviour having beta value 0.706, which is tested through t-test having t-value 9.678, which is also significant at 0.000 level of significance. The table of model summary also indicates that there is highly degree of positive correlation between e-commerce and consumer buying behaviour having r values 0.847, and the value of r^2 is 0.717, which is also given in the same table also indicates that e-commerce has 71.7% impact on consumer buying behaviour. It means our null hypothesis is rejected and our alternative hypothesis is accepted. Hence, the result firmly indicates that the e-commerce directly effecting the consumer buying behaviour and both are correlated with each other.

Conclusion

On the basis of above data analysis, it is clear that e-commerce plays an important role to create awareness about the quality of the product among consumers and the available reviews help them taking a decision for purchasing the product. It provides decision changing facility among consumers at every level of purchase. The value of r is 0.847, which is given in the model summary table, indicates that there is highly degree positive correlation between e-commerce and consumer buying behaviour. In the same table the value of r^2 is 0.717, which is also indicates that e-commerce has positive impact on consumer buying behaviour up to 71.7%. The value of f-test is 165.704, which is given in the anova table also indicates that e-commerce has significant impact on consumer buying behaviour at 0.000 level of significant. Hence, all these results indicate that e-commerce has a significant effect on consumer buying behaviour as well as their purchasing decisions. E-commerce and consumers buying behaviour both are correlated with each other.

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