

## Examining the influence of e-commerce on consumer preferences and satisfaction in the urban landscape of Nagpur

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### Abstract

This research, titled "Exploring Customer Satisfaction in Online Shopping: A Case Study of Nagpur," aims to dissect the determinants influencing consumers' online shopping behavior and their consequent satisfaction levels. Employing a Descriptive Research Design, we utilized a meticulously crafted questionnaire to gather insights from a diverse pool of respondents in Nagpur. Employing a judgment sampling technique to ensure varied experiences with online shopping, we collected data from 105 participants. The collected data underwent thorough classification, tabulation, and codification. Statistical analyses, including Percentage Analysis and Chi-Square tests, were employed for interpretation. The findings hold significant implications for businesses contemplating or currently navigating the online retail landscape.

**Keywords:** E commerce, Consumers behavior, Consumer satisfaction, E –marketing, online Shopping. Digital payments

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### 1. Introduction

The landscape of online marketing in India is flourishing, propelled by rising internet literacy rates. Customers engaging in online shopping are drawn to numerous advantages. Particularly among the younger demographic, the trend of online shopping is gaining traction, driven by the allure of convenience, discounts, and savings on time, fuel, and energy. The trajectory indicates further expansion in online shopping in the years ahead, prompting companies to devise tailored marketing strategies for this burgeoning consumer segment. This trend is not limited to urban centers but is also permeating metropolitan areas and big cities. Successful models observed in various foreign markets underscore the potential for growth in online shopping. As highlighted by The Economic Times, online shopping refers to purchasing goods or services over the internet rather than from traditional brick-and-mortar stores. This mode of shopping is gaining popularity globally due to its inherent convenience. The online sphere offers customers an extensive array of products and brands, with companies expanding their market presence on a global scale.

The integration of social media and online advertising is poised to amplify the customer base for online shopping. One of the key advantages for online shoppers is the round-the-clock accessibility, enabling shopping from anywhere with internet connectivity, be it the comfort of home or the workplace. Navigating through favorite brands and products is effortlessly facilitated on the web compared to traditional stores, malls, or showrooms. The escalating involvement of companies in online retail translates to manifold benefits for customers, including cost savings, generous discounts, swift delivery, superior product quality, bundled offers, hassle-free replacements, and robust product warranties. Shopping, a cornerstone of everyday life, has evolved into two realms: physical and virtual. In the physical domain, interpersonal interactions occur, while in the virtual sphere, digital technologies such as the internet facilitate connections. This parallel existence of virtual life has become as pertinent as real-life interactions for consumers. An online shop mirrors the conventional shopping experience, with consumers directly purchasing goods or services from sellers over the

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internet, termed as business-to-consumer (B2C) online shopping. Conversely, when businesses procure from other businesses, it's referred to as business-to-business (B2B) online shopping. This paradigm shift is underscored by the proliferation of retailers transitioning to online platforms to cater to consumer demand. Accessing a plethora of online shopping sites from the comfort of home, customers find it effortless to indulge in their preferred purchases without navigating crowded supermarkets or malls, particularly during festive seasons. Armed with a PC or laptop and a secure payment method, customers can seamlessly navigate the expansive landscape of online shopping, revolutionizing the traditional retail experience.

## 2. E-commerce in India:

The trajectory of online shopping in India heralds a significant revolution in the years to come. The nation's burgeoning youth population possesses formidable purchasing power, coupled with a rapid increase in internet users. This surge is fueled by the widespread availability and affordability of personal computers and laptops, alongside reduced internet usage charges and maintenance costs. A pivotal factor driving the growth of online shopping in India is the expanding network of cyber cafes, coupled with a rise in computer operators and the widespread availability of internet and Wi-Fi connectivity across the nation. Furthermore, the escalating spending power of consumers, particularly in the middle-class segment, is propelling the adoption of online shopping as a preferred mode of commerce. This shift is evident in the increasing reliance on online platforms among Indian consumers, underscoring their capacity to outpace global trends in online shopping frequency and adoption rates.

## 3. Consumer behavior in e-commerce:

Recognizing the pivotal role customers play in marketing, understanding the key factors influencing their purchasing intentions is imperative. Online providers must dissect the shopping process, decipher how consumers decide and make purchases on the internet, and identify their preferences to thrive in the competitive business landscape. Consumer behavior is shaped by various factors such as culture, social class, peer influences, family dynamics, income levels, age, and gender, leading to diverse behavioral patterns. These distinctions become more pronounced when comparing consumer groups from different countries. While previous research has delved into the primary factors driving online shopping adoption, there is a scarcity of studies comparing consumer behavior across different countries. This study bridges this gap by comparatively examining the online buying behaviors of consumers in two distinct countries, the United Kingdom and Turkey, and elucidates the research findings.

## 4. OBJECTIVES OF THE STUDY

- Investigating the primary factors influencing

customer behavior in e-commerce.

- Assessing the level of consumer satisfaction with the services provided by online platforms in Nagpur.

## 5. REVIEW OF LITERATURE

Ms. Dipti Jain, Ms. Sonia Goswami, Ms. Shipra Bhutani (Sep. 2014) The study looks into the elements that influence consumers' opinions toward internet buying in Delhi, including perceived danger, perceived delight, perceived ease of use, and perceived utility. According to survey questionnaires distributed to 160 respondents, perceived risk is the most significant factor influencing online buying behavior, demonstrating a lack of trust among consumers due to concerns about product quality, delivery challenges, and payment security. However, the study found no significant associations between online purchasing and subjective satisfaction, ease of use, or utility. According to the findings, while perceived risk is a substantial barrier to online shopping adoption, other factors may have a lesser impact on customers' views toward online buying in Delhi.

Venkatesh (2000) reported that perceived convenience offered by Internet Vendors has a positive impact on consumers' attitude towards online shopping, as they perceive Internet as a medium that enhances the outcome of their shopping experience in an easy way. Online shopping holds a great potential for youth marketers. According to Vrechopoulos et al. (2001) youth are the main buyers who used to buy products through online. Dholakia and Uusitalo (2002) study examined the relationship between age and Internet shopping; found that younger consumers reported more linen to the online shopping. They also found that younger consumers searched for more products online and they were more likely to agree that online shopping was more convenient.

Benedict et al (2001) in his study on perceptions towards online shopping reveals that perceptions toward online shopping and intention to shop online are not only affected by ease of use, usefulness, and enjoyment, but also by external factors like consumer traits, situational factors, product characteristics, previous online shopping experiences, and trust in online shopping.

This paper discusses the growth of online shopping and examines the relationship between consumer factors and attitude toward online shopping and then analyses the various factors that influence attitude toward online shopping (Upadhyay & Kaur, 2013). With the fast growing technology online shopping is emerging in India at a very faster rate. According to a new report, India saw a 128% growth in interest from consumers as compared to that of 2011 (Deepali, 2013). This paper studies the buying behavior of a consumer while making an electronic purchase of a deal and discount coupon, their preferences towards mode of payment and tendency to repurchase the same

(Sharma & Khattri, 2013). This paper discusses the various motivators of online shopping (Gangeshwar, 2013). This study reveals that on-line Shopping in India is significantly affected by various Demographic factors like age, gender, marital status, family size and income (Nagra & Gopal, 2013). The increasing use of Internet by the younger generation in India provides an emerging prospect for online retailers (Zia Ul Haq, 2012). This paper studies the importance and growth of online shopping market in coming years and it also studies the impact of demographic factors of consumers on online shopping pattern (Dahiya Richa, 2012). This paper studies the consumer buying behavior in respect of online shopping (Ankur Kumar Rastogi, 2010). Due to technological advancement, the concept of competitive advantage is eluding day by day. Every company is having almost the same technology and this has generated a herd of standardized products with difference on only one front i.e. the brand name (Shweta Tanwar, 2009).

This paper studies that growth of online market is increasing very rapidly and study various factors that affects the consumer towards online shopping (Suresh & Shashikala, 2011). Some popular websites of online shopping.

The rapidly expanding landscape of online shopping in India represents a substantial shift in customer behavior, fueled by reasons such as convenience and contentment. Consumer attitudes are influenced by a combination of beliefs, desires, and socioeconomic characteristics such as age, income, and education level. Addressing privacy and security concerns is critical for firms seeking to earn consumer trust. Effective market segmentation allows for targeted experiences, and prioritizing website security and flexible payment choices improves the whole purchasing experience. Finally, aligning offerings with consumer requirements and expectations is critical to success in the competitive online retail industry, allowing firms to capitalize on this expanding trend while maintaining a competitive advantage (Prof. Ashish Bhatt, 2014)

The study presents a thorough examination of customer behavior in online buying, with a focus on two unique regions within India. It reveals a high degree of satisfaction among online buyers, who attribute their happiness to a variety of variables such as unprecedented convenience, cost-effectiveness, timely delivery services, and the enticement of intriguing product offers. The study reveals the numerous characteristics that significantly influence online buying choices through in-depth interviews with a broad sample of 412 customers, as well as rigorous examination of their demographic and socioeconomic backgrounds. However, it is critical to recognize the study's limitations, as the findings are restricted to the specific geographical areas under research, demanding caution when generalizing the conclusions. Furthermore, the study includes actionable ideas for improving the online buying experience and increasing sales. These include addressing the logistical constraints of product distribution in rural

places and increasing spending in online advertising to improve exposure and attract a larger consumer base. Nonetheless, the study emphasizes the importance of further research into additional components such as website functionality, in order to provide a holistic knowledge of the changing environment of online consumer behavior in India. In conclusion, this study is a great resource for stakeholders looking to maximize the potential of online platforms and adapt to consumers' ever-changing preferences in the digital age (M.Vidya , P.Selvamani, 2019)

According to, Jayawardhena (2007) in their study considered the purchasing orientation of potential buyers and assessed its impact on purchase behaviour, but found that individual orientation is independent of purchasing decision, which reinforces the views of Liu et al. (2008) and Sorce et al. (2005) that every stage of the purchasing decision making cycle may have impact on a potential buyer's decision to buy online or not. Demangeot and Broderick (2007) reported that "information search experiences affect the attitudes towards the site and its brands". In the Koo et al. (2008) study, which was conducted on 279 online customers in Korea, it was found that "32.5 per cent use the internet for news and information, 32.5 per cent for communication, 7.5 per cent use it for entertainment while 7.1 percent for online shopping".

According to Gay et al. (2007), Yun and Good (2007), Lee and Lin (2005), Rajamma et al. (2007), Kim and Kim (2004)

, Ramus and Nielsen (2005), Ladson and Fraunholz (2005), Kramarae and Kramer (1995), Welch (1995), Rathmell et al. (1998), Johnstone (1999), Singh (2004), Smith & Chaffey (2002), and Canavan et al. (2007),: consumer satisfaction and purchase decision on online shopping depends on few more issues. These are: e-store image, delivery and customer services, service quality and purchase behavior, personalization, motivations for online purchase, trust, reliability, privacy, transaction and cost, incentive programmes, web-site design, online interactivity, merchandise motivation, assurance, convenience (or Hassle Reduction), pragmatic motivation, responsiveness, consumer risk assessment etc. Following from the above consideration, this research will find out the answers to the following specific question within a sample in Wrexham township, that are likely to formulate the findings of the research and from where attempts will be made to draw generalizations. Therefore in the context of consumer satisfaction in online shopping.

Donald Rogan (2007) explains the relationship between consumer behavior and marketing strategy. He states that strategy is about increasing the probability and frequency of buyer behavior. Requirements for succeeding in doing this are to know the customer and understand the consumer's needs and wants. The expectation-confirmation model (Oliver 1980), on the other hand, focuses on the post-purchase behavior. It is a widely used model in the consumer behavior literature,

particularly in explaining consumer satisfaction and repeat purchase. Satisfaction is the central notion of this model and it is formed by the gap between expectation and perceived performance.

The expectation-confirmation theory suggests that if the perceived performance meets one's expectation, confirmation is formed and consumers are satisfied. Bhattacharjee (2001) stated that satisfied users are more likely to continue the IS use. Thus, we point that adoption and continuance are connected to each other through several mediating and moderating factors such as trust and satisfaction

This led Andrew Mason in 2008 to launch "The Point", an online community to obtain best group deals. In the November of same year, famous "Groupon" was incorporated. Currently, Groupon is present in over 45 countries around the world since March 2010, and has received multi-million dollar bids from industry giants like Yahoo! and Google. All these advantages have triggered a rush among consumers to buy discount coupons and the rate of user growth is rising incessantly.

According to Sharma and Mittal (2009) in their study "Prospects of e-commerce in India", mentions that India is showing tremendous growth in the Ecommerce. Undoubtedly, with the population of millions of people, online shopping shows unlimited potential in India... Today E-commerce is a common word in Indian society and it has become an integral part of our daily life. There are websites providing a number of goods and services. Then there are those, which provide a specific product along with its allied services. Multi-product ecommerce-These Indian E-commerce portals provide goods and services in a variety of categories. To name a few: Apparel and accessories for men and women, Health and beauty products, Books and magazines, Computers and peripherals, Vehicles, Software, Consumer electronics, Household appliances, Jewelry, Audio/video, entertainment, goods, Gift articles, Real estate and services.

According to Kotler & Keller (2009), a buyer goes through five stages while making a decision to purchase. These stages are best explainable when a buyer goes for buying costly items, such as a house, a car, diamond jewellery etc. However, in day-to-day purchase, consumers may not go through all these stages, since some commodities do not need information, and based on buyer's previous experience they will visit a store for the purchase. "problem recognition, information search, evaluation of alternatives, purchase decision, and purchase behaviour" (Kotler & Keller 2009).

In addition, many marketing activities (e.g. relationship marketing, marketing research, data mining, promotion/communications, supply chain management, sales and purchasing and after sales support) are now technology enabled due to the increasing expansion of online marketing via the Internet (O'Connor & Galvin, 2001). Companies are now using the Internet to build closer relationships with consumers and marketing partners. Besides competing

in traditional marketplaces, they now have access to exciting new market spaces. Moreover, through the Internet, consumers can learn about design, order, and pay for products and services, without ever leaving home and then, through the wonders of express delivery, they can receive their purchases in short time. From virtual reality displays that test new products to online virtual stores that sell them, the technology explosion is affecting every aspect of marketing. The Internet has now become a truly global.

Ramírez Nicolas (2010) state that "The Internet has changed many facets of our daily lives: the way we relate and communicate with one another, how we interact with a bank, read newspapers or watch television. Even the way we buy and sell. These changes have occurred due to the constant flow of companies offering new business models and innovative formulae. Discount coupons have always been a powerful marketing tool. Whether inserted in printed media or posted through letter boxes, they attracted new customers and were also offered at the time of purchase to promote consumer loyalty by encouraging repeat purchases at outlets. In order to play the "high number game", there were many businesses which offered special discounts to a group of customers together.

## 6. RESEARCH METHODOLOGY

Gaining insights into consumer perception and awareness of e-commerce is essential for understanding their attitudes and viewpoints. This exploration aims to uncover the factors influencing consumers' perceptions of e-commerce and to identify their primary concerns when engaging in online transactions. The information needed includes:

- Consumer attitudes toward e-commerce.
- Key areas of concern for consumers when participating in e-commerce.
- Factors shaping consumers' attitudes toward online shopping.

### Research Design

A research design is a structured framework for gathering and analyzing data, tailored to align with the research objectives effectively. Exploratory research, characterized by its tentative nature, warrants cautious conclusions and often reveals that perceived problems may not be as significant as initially thought. Its primary goal is to gather initial insights to define issues and propose hypotheses.

When selecting a research design, it is crucial to prioritize various aspects, including establishing causal connections between variables.

### Sample Design

For this research, the sample design will encompass 232 consumers engaged in online shopping and those still patronizing retail outlets in Nagpur. This diverse sample will offer valuable insights into

service ratings and enable participants to articulate any challenges encountered during their shopping experiences. Sampling will be inclusive of all segments within Nagpur, ensuring comprehensive data collection.

#### Data Collection:

Field Area: The study will be conducted within the Nagpur region.

#### Data Collection Methods:

Primary Data: Primary data collection will be undertaken through direct interaction with participants. Secondary Data: Secondary data, sourced from existing literature and resources, will complement primary data collection efforts.

Primary Data: Primary data refers to information collected for the first time, typically from a sample representing a population. This data is problem-specific and collected directly by researchers. It is not published initially and becomes secondary data for others. Primary data collection methods include:

- Observational research
- Focus group research
- Survey research
- Behavioral data
- Experimental research

Secondary Data: Secondary data comprises information that has already been published. It may be beneficial to a broader audience beyond the original researcher.

Data Collection Method: For this study, the survey method was employed to collect information. A questionnaire served as the primary research instrument.

### 7. FINDINGS

The findings indicate a significant increase in internet usage over the years, contributing to the growth of e-commerce, and provide insights into consumer attitudes and perceptions toward e-commerce. Communication remains a predominant activity among online shoppers, with 32% using the internet for communication compared to 10% for shopping. E-commerce has demographic implications, with more males engaging in online shopping compared to females, and a positive correlation observed between education and income levels and increased online shopping behavior.

The primary motivating factor driving e-commerce is convenience, followed by time-saving and price considerations. Regular online shoppers prioritize convenience over price sensitivity. However, online marketers should focus on product differentiation and simplifying comparisons to enhance the consumer experience. Innovative strategies are needed to capitalize on the rich information, easy access, and convenience offered by the internet to encourage increased e-commerce usage.

Privacy and security concerns emerged as significant barriers to e-commerce adoption, alongside the tactile factor. Despite these challenges, the future of e-commerce appears promising, especially in categories such as travel, books, electronics, gadgets, and gifts.

### 8. CONCLUSION

- Travel tickets emerge as the top choice among e-commerce consumers, whereas clothing ranks as the least preferred product category.

- Payment on delivery via cash is the most trusted payment option, followed by credit cards, while online bank transfers are the least favored choice.

- When utilizing e-commerce platforms, shoppers prioritize clear product information, time-saving features, convenience, security, and punctual delivery. Despite common belief, catchy slogans like "Attractive Offers" do not significantly influence online shoppers' decisions.

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