

# A detailed Study on Impact of online store on the turnover of electronic gadgets retailers.

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## Abstract

The survey embarked the most appreciated brands during its purchases and its fashion trends in this market. It was analyzed that E Retailers have been very successful in the Indian market. It was concluded with too many suggestions and recommendations to its local retailers as to stay competitive. The gap was observed in the present research work relating its cost and benefits. It was observed that there are majorly eight factors which are affecting the satisfaction level during online shopping. These include Quality of information, Delivery, Design of website, Merchandise attributes, Payment, Privacy factor, Service, Transaction capacity.

Keywords: Quality of information, Privacy factor, Service

## Introduction

An online shop evokes the physical analogy of buying products or services at a bricks-and-mortar retailer or shopping center, the process is called business-to-consumer(B2C) online shopping. In the case where a business buys from another business, the process is called business-to-business (B2B) online shopping. The largest of these online retailing corporations are Alibaba, Amazon.com, and eBay. It may be too early to do a comparison with the e-commerce scenes in countries such as the US where billions of dollars are spent online but the business in India is growing exponentially every year, albeit from a smaller base, the total revenues have reached a respectable size. Most popular online shopping products in India is categorized as: books, electronic gadgets, railway tickets, accessories apparel, apparel, gifts, computer and peripherals, airline tickets, music downloads, movie downloads, hotel rooms, magazines, tools, home appliances, toys, jewellery, movie ticket, etc.

## Research Methodology

The study is mainly concerned with the offline retail stores dealing with electronic gadgets. The study covers the geographical location of selected areas of Nagpur District. The results are drawn based on primary data collected through structured questionnaire. The scope of the study is also restricted to electronic gadgets only.

Objectives of the study:

1. To identify the buying behaviour of customer towards online & offline shopping
2. To analyze the customer preference for online shopping & offline shopping
3. To assess the impact of online stores on turnover of electronic gadgets retailers of Nagpur City
4. To predict the ways with which reduction in cost is possible for offline electronic retailer

### Hypothesis

H1. Turnover can be enhanced by offline retailer by offering online facility

To test the hypothesis “Turnover can be enhanced by offline retailer by offering online facility”, one-way ANOVA test is applied taking the liking of customer from buying goods online from the offline store as fixed factor and services offered by offline store in the online market as dependent factors, where following results were obtained:

		N	Mean	Std. Deviation
Online services by offline stores will provide better quality	Strongly Disagree	93	1.2043	.40538
	Disagree	146	2.1918	.39506
	Neither Agree nor Disagree	50	3.7000	.46291
	Agree	142	4.0000	0.00000
	Strongly Agree	119	4.9748	.15743
	Total	550	3.2309	1.38142
Online services by offline stores will provide better after sales services	Strongly Disagree	93	1.0323	.17764
	Disagree	146	2.4589	.66568
	Neither Agree nor Disagree	50	4.0000	0.00000
	Agree	142	4.4296	.49677
	Strongly Agree	119	2.9328	1.55537
	Total	550	2.9691	1.43497

Online services by offline stores will provide faster delivery of product	Strongly Disagree	93	1.0000	0.00000
	Disagree	146	2.0000	0.00000
	Neither Agree nor Disagree	50	2.8800	.32826
	Agree	142	3.9085	.28941
	Strongly Agree	119	4.7311	.44527
	Total	550	2.9945	1.37170

The above table shows that the mean value of factors is ranging between 2.99 to 3.23, which states that there is a chance that offline store will provide better quality, after sales services and faster delivery of products if they sell goods online. The effect of being online is studied below:

		Sum of Squares	df	Mean Square	F	Sig.
Online services by offline stores will provide better quality	Between Groups	996.502	4	249.125	2653.234	.000
	Within Groups	51.173	545	.094		
	Total	1047.675	549			
Online services by offline stores will provide better after sales services	Between Groups	743.060	4	185.765	261.327	.000
	Within Groups	387.415	545	.711		
	Total	1130.475	549			
Online services by offline stores will provide faster delivery of product	Between Groups	992.499	4	248.125	3340.214	.000
	Within Groups	40.485	545	.074		
	Total	1032.984	549			

The above table shows impact of offline store going online shopping on turnover of electronic retailers. It is found from the above table that in case of all the above factors the sig. value obtained is 0.00 which is less than the alpha value of 0.05 ( $p < 0.05$ ) and hence states that customers will like to buy from offline stores

after starting online store. Hence, it is concluded that the hypothesis i.e. “Turnover can be enhanced by offline retailer by offering online facility” is accepted.

## Conclusion

The offline stores survival depends upon its turnover/sales. When the customers are attracted towards online stores, the offline retailer loses its turnover as well as customers. The inability to compete with online stores by offline retailers on the front of investment and management provides real set back to offline retailers. To remove his setback, retailers need to improve their supply chain. It will affect them in two ways. One they will be able to get and supply the goods on time. Second, the cost of the goods purchased would be low. Indian customers are mostly price sensitive. Hence competitive pricing will help offline stores to keep their customers intact. Again the physical environment of the business should be pleasant. The physical environment is something which online store can never offer to their customers.

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