

Impact Of E.Commerce On Retail Bussiness In Andhrapradesh (Special Reference To Amaravati)

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ABSTRACT

In our routine life internet assumes a significant part. We use the web step by step nearly for each and every work. Before e-commerce purchasing and selling were managed without internet actually in the business sectors however after the appearance of web-based business in our life has become increasingly helpful by virtue of its number of focal points. The inspiration driving this examination is to discover the effect and development of e-commerce and its effect on retail industry.

1. INTRODUCTION

E-commerce is buying and selling of goods and services over the internet. Before e-commerce buying and selling were done without internet physically in the markets but after the arrival of e-commerce in India our life has become more convenient because of its number of advantages. The advantages offered by e-commerce are online shopping of anything at any time and at any place, customers can find the products on e-commerce websites which is not available in physical markets, it reduces cost and time, without stepping out from home we can get our product at home. Along with e-commerce there is also a popular term called e-business due to which the business of enterprises has increased electronically with the help of internet by which they can reach to many customers which increases their sales. There is no specific definition of the terms E-commerce and E-business, they are used interchangeably. In fact, E-commerce is a part of E-business which focuses on external activities while E-business focuses on both internal and external activities of a business. E-commerce has a lot of good and bad impacts on different areas. The key of having a successful e-commerce is to reduce the negative impacts and increase the benefits at the same time.

II. DIFFERENT MARKETS AND RETAILERS IN INDIA

Markets

Physical Market is a market where customers come truly in the market and face-to-face interact with the seller and purchase the product and service in the exchange of money. Examples of actual markets are shopping centers, department stores etc.

Non Physical Markets/Virtual Markets-Non-Physical Market is the market wherein customers does not go truly to the seller and don't interact face-to-face. Customer purchases the product on internet and exchange the money electronically. Examples of these markets are Flip kart, Amazon, eBay etc.

Auction Market-Auction market is the market where the goods are offered to the highest bidder and lower bidders are ignored.

Market for Intermediate Goods-In these market crude materials are sold by utilizing them eventual outcome is made.

Retailers

Department Store-Departmental store is a store which is a mix of multiple little stores under one organization which offers a wide variety of products. It adds value for the customers due to offer a wide variety of products at a place.

Supermarkets-Supermarkets generally sell food and beverages however now due to customers need it additionally sell style, electronics-related items. It has a decent buying power that why it sells at low prices.

Warehouse Retailers-Warehouse retailers are situated at the place where the premises rent is very low with the goal that they can store, show and sell large measure of products.

IMPACT OF ECOMMERCE ON MARKETS AND RETAILERS

Markets Impact

On market there is strong effect of e commerce differently. Some impacts are as per the following:

As per customer customization: a definitive extravagance can get is similar to specially crafted items and organizations. The net offers a huge chance to comprehend clients needs each thus and offer modified items and organizations.

Image of brand: Newcomers can set up brand or corporate pictures quickly through net and reasonable expense.

Advertisement-Traditionally the advertisements were single direction to pull in clients and let them consider the new item or commercial center yet now through internet business notices are two-manner by which client can peruse the commercial center and item, can take a gander at the expenses and furthermore can pose inquiries to the online retailers.

Advancement of product: Electronic business improves advancements of items and organizations through direct, information rich and cooperating contact with clients.

Intermediaries: In conventional advancing brokers should give pace and time utilities to a definitive client, however progression of information development is giving intermediation over to disintermediation.

Saving directly: The expense of conveying information to clients over the web achieves generous investment assets to senders.

Value of customer: Traditional elevating attempts to enhance the value per exchanges; here client interest is huge objective. Just customer were pulled in and it was the greatest objective yet now venders make long stretch relationship with customer to achieve long haul an incentive by offering them phenomenal cut-off points.

Service to customer: Customer service can be extraordinarily improved by empowering clients to discover itemized information on the web.

Making process on order: Taking orders from clients can definitely be improved in the event that it is done electronically, this spares time and decreases costs, thus sales reps have more freedom to sell their services or products.

Retailers Impact

Retailer impact on ecommerce business is as follows:

Discount: Offline retailers sell their items at limited rates considering the way that online stores offer generous rebate to the clients and to remain in the market and to pull in the clients they need to sell the items at limits.

Margin of Profit: In the offline market the retailer are affected from valuing. They have to sell the product at a low rate to survive in the market. In this manner they get just expense of product and no margin of benefit.

Variety of Stocks: At the year end the retailer suffer from a huge misfortune because the stock ought to be sold at low price so it can get another stock. Through online stores a Variety of products are offered and retailer can't compete that.

Offering types of assistance to Customer: the online store can't provide numerous services that are offered by the offline retailers. For example after sales services, home delivery and goods of services.

Yearly or month to month turnover: For some association the offline retailer yearly and month to month turnover is reduces.

Window Shopping: online store offered window shopping on the internet. User can see numerous items and afterward it can select. g. Advertisement: for increasing the sales and pulling in the customers the online retailer center just around Advertisements.

For Retailers & Customers and retailers the major advantages of e-Commerce Business

Every businessman need to have online store with the increment in the industry of ecommerce. On that it can sell the services and products. By picking ecommerce it can get numerous benefits. Because ecommerce provide a wide range of benefits to merchants and retailers.

Methodology

The research methodology comprises of the sources of information, methods adopted to collect such information, testing techniques, factual instruments for examination, information interpretation etc.

Source of Data

The data for the study have been collected from primary sources.

Primary data have been collected through

Direct Personal Interview method where interview took place with the owners of different retail stores. Investigation through schedules at the various units for appropriate information.

Universe of the Study

The universe consists of all the retailers situated in the Amaravati city from which a 50 retailers are selected at random for the purpose of the study.

Sample Size and Sample Unit

For the study a sample of 50 retail stores has been selected on the basis of convenient sampling for the purpose of the research.

Sampling Technique

For the investigation convenient sampling technique method has been applied based on appropriateness for the accessibility of data and which has a considerable share in the market in order to give more accurate picture of the effect of online shopping.

Data Collection Technique

The data for the study has been collected through applying the following techniques:

Direct Personal Interview and Investigation through schedules

Data Representation Tools

The data collected are classified, tabulated and represented through chart and bar diagram.

Data Analysis and Interpretation

Retail stores generally operated in the customary lines of business except a few superstores that acquired certain alterations in their business patterns, yet the advent of online shopping in recent times has put an upon them because they had been losing on several ground. The examination has been made on several grounds to understand the aspects of effect upon the business of different retailers that to some extent has led to a change in their strategies.

Presentation of Data

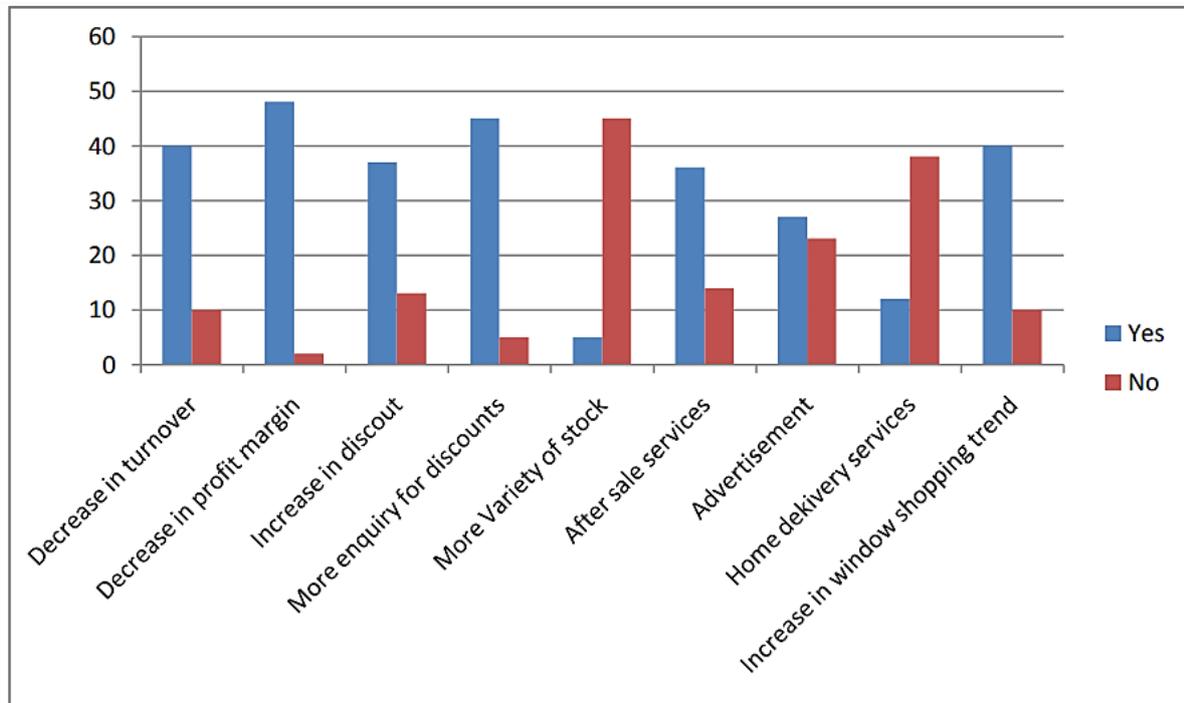
Table showing the analysis of the various aspects of the impact of online shopping upon retail trade

List of questions:	Yes	No
Has there been any decrease in average turnover in the past three years	40	10
Is there any decrease in profit margin?	48	02
Have you made any increase in discount rates offered to customer in recent times?	37	13
Do customers ask for discount before making purchases?	45	05
Do you keep more variety of stock at your store now-a-days?	05	45
Do you provide after sale services of personalized nature to your customers?	36	14
Do you advertise about you enterprise?	27	23
Do you provide home delivery services to your customers?	12	38
Is there an increase in window shopping in recent times?	40	10

III. INTERPRETATION OF THE TABLE

The table highlight that there has been a decrease in turnover in a large portion of the enterprises with a figure as high as 80%. The greater part of the retailers has likewise agreed to a decrease in their overall revenue in recent years as more discounts are been given by them to the customers to ensure a higher measure of sales. More customers are seen to with respect to discount in recent times. Retailers' these days

attempt to keep a decent variety of stock and furthermore provide different types of customer-oriented services to accomplish and retain customers. A disturbing sign is an increase in window shopping which explains that prospective consumers don't transform into genuine consumers. Chart: Diagram demonstrating the examination of the different aspects of the effect of online shopping upon retail trade.



IV. ANALYSIS AND INTERPRETATION

Turnover: Retailers over a period of three years under investigation has noticed a considerable decline in their turnover as compared to years back. Some has reported if not decline however staleness in their development which is an admonition signal for the enterprise.

Overall revenue: Online shops has gotten a price battle in the market and the primary sufferers of this price war are the retailers. To survive, the vast majority of these retailers also has made an attempt to lower their prices yet considering their significant expense of operation these retailers needs to sacrifice on their margin.

Discount: The retailers are at a disturbing rate increasing their discounts to remain with the online stores who woees the customers with unbelievable discounts. Albeit the retailers can't compete with the online stores in terms of discount yet it needs to lower its prices to a relative extent to survive the market.

Variety of stocks: Online stores keep a wide variety of stocks and retailers flop in this context to the e-stores by a wide margin however a large portion of the retailers as found by the survey has no tendency to compete with the online stores in this regard. The defeat is accepted. Retailers can't keep a large stock as that would have a negative effect of unsold stock toward the end of the year which thusly may acquire huge loses to the concern.

Customer services: More and more retailers are presently selecting customer services to expand upon a faithfulness. Repair and maintenance to establishment and insurance, retailers are leaving no stones unturned to specialize in areas in which online shops come up short. Retailers are currently firing up with home delivery services in the same line of the online shops. Likewise after sale services are provided with a smile.

Window shopping: There has been a trend in recent years for customers to browse the products in an actual store and get it from an online store at a reduced price. Retailers presently have more prospective customers than genuine ones.

Advertisement: The retailers now-a-days are more involved in advertisement crusade than any time in recent memory to increase their sales. Retailers leave no events to take advantage of the circumstance to advertise their firm.

V. CONCLUSION

The face of retail has changed. The advent of technology in recent period being the essential reason for it. Today, retailing means going into malls, going online and going mobile. In all these, little retailers pass up a major opportunity somewhere. Yet, the nearby store is consistently the main concern for all reason and seasons. It needs to revive not simply survive. The retail stores needs to just elevate its pattern of business and face the competitive world with a more positive standpoint. E-stores and retail stores both have to survive, none at the expense of the other. It's not just about the livelihood it gives to the great many people yet in addition the convenience and the steadfastness of a fixed retail store.

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