

## **Future of Retail Business in India and Advantage or Disadvantages of E-Commerce in Retail Market**

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### **ABSTRACT**

By 2025, 220 million individuals in India are anticipated to purchase online, and the retail sector is forecast to increase to INR 13,97,800crore (US\$200 billion) by 2027, thanks to eCommerce. Small-format vendors and neighborhood Kirana (grocery) shops make up around 90 percent of India's grocery retail commerce. Kirana shops need to adapt to the changing retail landscape and customer expectations quickly.

**Keywords:** retail market, e-commerce, digitalization, online shopping,

### **I. INTRODUCTION**

People's purchasing and selling habits have been transformed by the Internet during the last decade. Customers' purchasing experience is being reshaped by e-commerce or online retail. During the last two years, the industry has seen a surge in growth. The e-commerce business is becoming more accessible and efficient as a result of the usage of technology. An increase in online clients is being helped by smartphones and tablets and high-speed technologies like 3G, 4G, WiFi, and broadband. Banks and other actors are offering payment gateways in the e-commerce ecosystem to make safe online payments. There has been great growth among the indigenous companies, which has attracted several large investors. There is a new level of rivalry now that Amazon and other global companies have entered the market. Many e-tailers give novel service options such as one-day shipping, 30-day warranty, Cash on Delivery (CoD), mobile wallets, etc., to differentiate themselves from their competitors. Even e-tailers are making use of Indian Post's services to expand their reach throughout the nation. Through the CoD option, Indian Post received a total of \$2.8 billion in payments in 2014. [1]

In eCommerce, the purchasing and selling of products or services through the Internet and the transfer of money and data to complete these transactions are called eCommerce. An eCommerce transaction may be defined as any business transaction carried out through the Internet, including selling actual goods.

Online shopping has been more popular in recent years, partly because people find it handy and simple to buy from the comfort of their home or workplace and also relieved from the hassle of going from store to shop in search of the item of choice.

By 2026, the Indian retail market, which is currently the third-largest in Asia and the fourth largest globally, is expected to reach US\$1.2 trillion (roughly INR 87 lakh crore) and will surpass US\$1.75

trillion (roughly INR 126 lakh crore) while domestic retail sales are expected to grow at a CAGR of 10.8 percent between 2017-18 and 2021-22, according to IDC [2].

15 Traditional neighborhood businesses, as well as brick-and-mortar merchants and internet retailers, make up the retail market's unorganized sector. 16 In terms of GDP and employment, retail is India's biggest sector, accounting for more than 10% of the country's total. 17 But despite its size and the existence of small businesses and sellers, the retail sector has remained mostly unorganized because of the delayed market entry of major retailers.

Consumers may purchase products and services online via an online virtual store (e-tail or e-shopping), a kind of electronic commerce.

Amazon, Flipkart, Snapdeal, Homeshop18, Myntra, etc., are some of India's most popular online businesses.

Selling products and services to consumers across different distribution channels is known as retailing. Although retail establishments might be small or large, they generally follow the same "purchasing-to-sale" model. As a business model, retail has existed since the dawn of civilization and remains the most fundamental. Several types of retail stores, including department stores, provide many items to customers under one roof. A department store is a one-stop-shop for customers who want to buy a wide range of goods and services [3].

Discount shops also provide a wide variety of items at a lower price to the end-users. Discount shops tend to have a smaller selection than department stores, and the quality may worsen in certain circumstances.

A supermarket is defined as a shop that sells food and other home goods in clearly defined sections in the retail industry. An evolved version of the tiny food shops, supermarkets cater to the requirements of consumers at home.

As the name suggests, Mom and Pop Stores (also known as Kirana Stores in India) are managed by people in the immediate area to provide the everyday necessities of those who live there. They just have a few goods on sale and are very disorganized.

A mall is a location where a large number of retail establishments are located together. Each shop in a mall will have its unique product, but they will all be selling it on the same platform together.

Over conventional establishments, the Internet offers several benefits. For starters, Amazon has tens of thousands of items to choose from, while the local bookshop or clothing store has just a few thousand options. Many internet merchants provide tens or even hundreds of times more items than the usual brick-and-mortar store can even imagine [4].

As opposed to the expenses of keeping and referring products in "physical" businesses, the costs of an e-commerce website are just a tiny fraction of the expenditures. A tremendous influence is being made on retail establishments by the customer satisfaction and availability of services that may be found online [5].

Businesses' interactions with their clients have altered dramatically as a result of the Internet's effect. As a result of these developments, e-commerce websites have become more popular. E-commerce revenues are predicted to reach \$4 trillion by 2020, according to recent forecasts [6]. Several conventional merchants have noticed this trend and invested extensively to keep their market share to protect themselves from their new virtual rivals, such as Amazon. Traditional retailing giant Walmart revealed in 2018 that it had paid \$16 billion to buy a 77% stake in Flipkart, an Indian e-commerce company [7]. E-commerce is becoming more important for even the most successful conventional businesses, as seen by Walmart's rapid investment in e-commerce. In 2019, there were 1.92 billion

online customers and \$3.5 trillion in total transactions in the online shopping business [8]. According to recent research, figure 1 below shows that e-commerce sales globally are predicted to rise to \$4.8 billion by 2021. Because of security and privacy concerns, many consumers are still hesitant to purchase online.

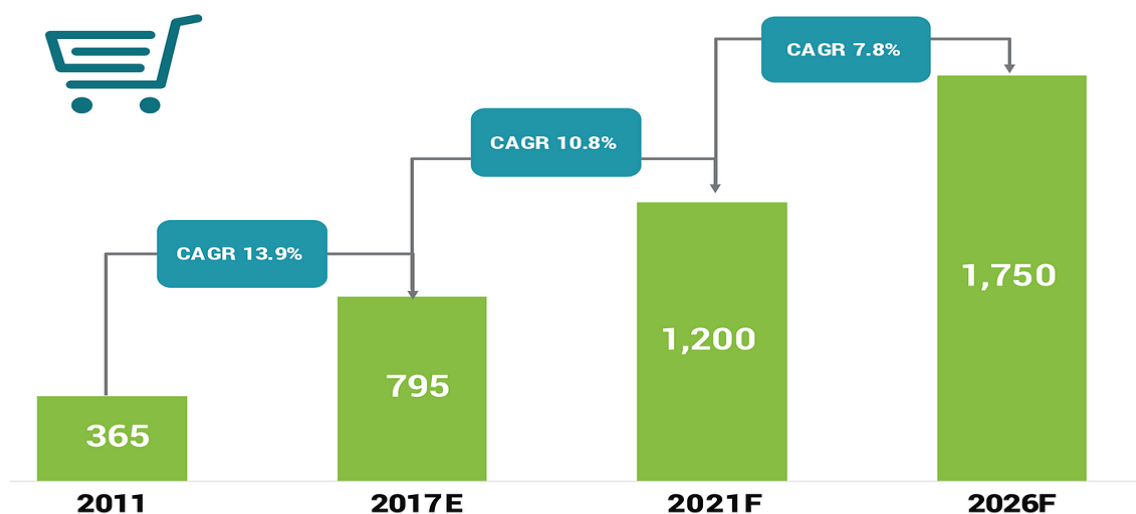
On the other hand [9]. According to recent research, 58% of those polled said they were hesitant to make an online transaction because of fears about compromised personal information [10]. In addition to the lengthy purchase-to-delivery times, long delivery times, and the risk of products being destroyed in the delivery process, some consumers still choose conventional shopping because of these additional issues. Several firms are hesitant to take advantage of the eCommerce possibility due to a lack of understanding of new technology, difficult taxes and regulatory requirements that come with it, and other reasons. To answer the question "whether eCommerce generally has more of a good or bad influence on both companies and consumers?" we will look at the benefits and limitations of e-commerce for businesses and consumers.

From 2017 to 2021, India's e-commerce sector will grow by more than thrice to \$84 billion as the number of internet users, and increased usage of smartphones and social media promotions drive up online purchases, according to the International Data Corporation (IDC). Annualized, the online retail sector in India is rising at a pace of 32 percent each year, according to research by Deloitte India and the Retailers Association of India.

According to a new estimate, more than 647 million people in India will access the Internet by 2021. Rural regions are expected to account for 75 percent of all new internet users. How many people purchase online? According to the report, India's internet users would rise from 15% to 50% by 2026.

Aside from that, according to the study, India has the world's largest absolute millennial population. Nearly 34 percent of India's population is comprised of millennials, who make up more than a quarter of the workforce in the Asia Pacific area and tend to spend more because of their increased discretionary income. With this, the country's retail and consumer sectors have a lot of room for expansion.

### Indian Retail Market by value (USD billion)



Source: Consumer LEADS, Deloitte, October 2018

Bloomberg | Quint

## A. History of E-Commerce

In the 1970s, the development of early technologies like Electronic Data Interchange (EDI) and teleshopping paved the path for the modern-day e-commerce business as we see it today. The history of eCommerce and the history of the Internet are inseparably linked. In 1991, the Internet was made available to the general public, making online buying feasible. One of the original e-commerce sites in the United States, Amazon, has been followed by a slew of others. Some of us were aware of this thing called the Internet by the late '90s, but for most of us, it remained a luxury we didn't need. By 2002, when the IRCTC developed an online reservation system, the Indian people had barely begun to embrace internet use as a viable option, at which point a business called Amazon had already started making a few noises in the United States. [11]

At some point, two engineers from IIT Delhi decided to start selling books online from their Bangalore flat using Flipkart, which was likely the first genuine stepping stone in the e-commerce juggernaut. Amazon's business model is quite similar to this one. Even though Walmart and Amazon had competed for their company for a decade, they had no idea Walmart would purchase their firm for 16 billion dollars in an epic battle [12].

## II. E-COMMERCE TRENDS DRIVING ONLINE RETAIL

**Mobile Marketing:** Text messages are regularly used to inform customers of new items, special discounts, and other promotional offerings. Additionally, coupons integrated with a code typed into the POS system at the checkout may be included in the communications.

**Mobile Commerce:** Consumers can now purchase, check order status, sign up for text notifications, and other interactive services using their mobile phones. If a retailer's mobile commerce site has been optimized for a tiny phone screen, the shopping experience is equivalent to sitting at a standard computer.

**Virtual reality:**Virtual reality (A.R.)Visualize the goods they are interested in, whether it is a piece of clothes or furniture. Shoppers can now preview how they'll appear in a given piece of clothing or how their house will look with a certain paint color before they click the "Buy Now" button. With this, comparative shopping may go to a whole new level for online customers who can't view the goods in person [13].

**Chabot's:** Chabot's enable retailers to engage with thousands of consumers while giving them the impression of personal attention and meaningful suggestions based on their replies. Shoppers' experiences are enhanced by it. Chatbots are the next customer service craze. It's my prediction that they'll transform internet shopping forever. One of the most significant marketing tools will be social media. Self-checkout kiosks and in-store marketing will likely become more commonplace in the retail sector."

**Various payment methods:** Moreover, customers are looking for new and better payment alternatives that are safe and easy to use. Customers may expect to use their chosen local payment method while purchasing from an international firm, for instance. Big internet shops like Amazon and Walmart have made it easier for people to shop. To make the checkout process as simple as possible, they save the customer's billing and shipping information. ECommerce companies are rapidly using Google Pay, Paytm, phonePePaypal, and other frictionless payment alternatives.

**Customization:**There has been an increase in retail chains tailoring their product assortments based on local markets. Customization goes well beyond that, though. Virtual gift cards that allow customers to design their e-gifts with their colors, fonts, and messages are one example of a

customized gift card. Email distribution options are available to customers once they have selected the gift card's value. The receiver must print the card and bring it to the retailer [14].

**Advancing technology ahead of the point-of-sale:** If you've ever waited in line to pay for anything, you know how frustrating it can be. But today, thanks to mobile devices, you can speed up the process and make the shopping experience more efficient and enjoyable. With the introduction of portable terminals that allow consumers to scan things before they reach the checkout, several shops are already using them. Technology, like corporate responsibility, enhances a retailer's reputation and provides a true marketing edge in the marketplace.

**Social media:** In addition to social media networks like Twitter and Facebook, retailers use them as market research and marketing channels. The sites allow retailers to form and interact with communities of consumers and to direct them to be virtual or physical spaces, like other websites or physical stores [15].

### III. E-COMMERCE ADVANTAGES TO BUSINESSES

It is one of the key benefits of e-commerce because it reduces creating and managing a business [16]. As a result of e-commerce, small companies have been able to open their doors from their homes, warehouses, or even tiny office. An e-commerce website eliminates most of the setup costs of setting up a brick-and-mortar shop, such as the interior and exterior design, equipment, furnishings, and point-of-sale displays and signs [17]. You just need a user-friendly, beautiful website and a place to keep your goods to get started with an e-commerce business. A basic e-commerce website may cost as little as \$6000 to develop, typically cheaper than opening a brick-and-mortar establishment [18]. The labor cost is another expense that may be decreased by e-commerce since you will need fewer staff to run your business [19]. Salespeople, security workers, cashiers, and inventory gatekeepers are all required in typical brick-and-mortar establishments. While managing an eCommerce website supported by robots and A.I., a reduced number of workers may be handled. These individuals will oversee the website's backend, ensuring that inventory is constantly current and that deliveries are made on time thanks to modern technology [20]. E-commerce sales employment will soon be replaced by A.I., as CRM technologies will make the process more manageable with fewer workers [21]. You may send automatic emails to customers based on their demands and previous purchases without any human assistance. According to the stage of the conversion channel, the system automatically transmits a series of pre-programmed signals over multiple channels. For example, a customer may get an email after signing up, a push notices two days later, an In-app message with a special offer one week later, and a thank you email after completing the purchase. According to research by Cornerstone Capital Group, e-commerce and technological advancements like A.I. and robots would result in the loss of 47% of retail employment in the United States over the next decade [22]. Fourth, e-commerce has helped to cut the cost of customer service. Rather than responding to people's inquiries by phone or direct contact, a "FAQ" section provides answers to most queries. Customer service costs in e-commerce may be reduced by using "Chatbots," another new technology. When a Chatbot is used, a computer software acts as though it is talking to a real person. Chatbot" is predicted to lower customer support costs by 30 percent, according to a recent IBM research [23]. When it comes to inventory costs, e-commerce reduces them by a fifth. In the virtual world, you may sell customers without having to show hundreds of SKUs because of the gap between the real transaction and the delivery of the item [24]. Retailers who make their items in a short period are particularly vulnerable to this phenomenon. A 40 percent drop in in-store setup

expenses and a 70 percent decrease in monthly overhead and running costs result from all of the costs mentioned above savings.

E-commerce also provides firms with the ability to sell their items worldwide, rather than just inside their borders. As a result of online selling, firms may now reach four billion internet active consumers, rather than just a few thousand in their local area. For the first time, retailers may now offer their items to everyone in their target market regardless of their location. According to several e-commerce businesses, they've profited greatly from this tremendous shift in the marketplace. One of the world's most popular e-commerce companies, Amazon has more than 213 million regular customers who produced a net sales income of 280 billion dollars in 2019 [25]. Regardless of its location, a brick-and-mortar business would not have been able to generate this kind of money. Customers from all over the globe are part of the e-commerce giant's global clientele because of its virtual character. It's no surprise that eBay is also reaping the benefits of its virtual presence in 190 countries, with 168 million customers [26]. According to the most recent figures, eBay had net earnings of around USD 9 billion in 2013. [26]. Figure 2 shows the top ten eCommerce websites, which show how corporations may reach millions and even billions of foreign customers if they use online shopping correctly.

Thirdly, e-commerce has made it possible for firms to tailor their goods and services to their customers [27]. There are now so many options available to consumers that they've grown more demanding than ever before. A new "very fussy consumer" has emerged due to the proliferation of comparable goods and services in most sectors. The modern buyer expects a product suited to their specifications. This has been made possible because of the virtual world's cutting-edge technology [28].

On the other hand, firms may now learn what their clients have previously purchased thanks to cookies. It's easy for companies to provide their clients with complimentary items if they have this information. Businesses may also propose goods that match or compliment the prior orders and other things of interest. All of which makes it easier for companies to upsell their consumers while also making it easier for customers to locate what they need. Amazon conducted research and found that 35% of their sales were attributed to upselling. E-commerce behemoth Amazon is a master at "personalizing" its products and services. They focus on tailoring their recommendations to their customers based on their behavior, history, and pricing.

Many other e-commerce companies went above and beyond the call of duty by allowing consumers to personalize their purchases. People who use such websites may now personalize their items by altering their style, color, measurements, and other aspects. One of the finest instances of product customization may be found in Nike, one of the world's largest shoe manufacturers. There are several ways to personalize and customize your Nike shoes on their official website, including changing their color, font, and images [28]. Nike's income from digital channels grew by 22% in the year it concentrated on the "Nike ID" digital product customization effort [29]. E-commerce sales are not broken down by website category in the figures, but it is virtually obvious that Nike's Nike ID was the driving force behind this surge [28]. More than three-quarters of buyers are prepared to spend an additional 20% on a personalized product, according to a Deloitte survey [30]. More than 86% of individuals are eager to purchase a product tailored to their requirements rather than a typical, pre-made solution, according to a recent survey. E-commerce customization options assist firms to gain an edge over their competitors, allowing them to retain their present customers and get a larger portion of the market, as seen by the examples above.

The ability to rapidly access enormous amounts of client data and insights is a fourth benefit that e-commerce has provided firms with. Every action a consumer does on the website, from the things he purchases to the carts he aborts, to the sites he views, and much more, are tracked and analyzed. Businesses may now gather data using analytics technologies to make better optimization choices. Product enhancements, pricing, and growth are just a few of the ways they benefit from their discoveries. When companies acquire information about their customers' purchases and personal information, they may make several advantageous informed choices. To whom they should direct their marketing efforts, where they should spend more money to increase sales, and what new things they should add to their product/service line are some of the considerations they must make. Another part of this is that organizations might improve their retention rates by adjusting to their platform if they know where their customers are in the conversion funnel. Businesses may reduce their desertion rates by 5% and increase their earnings by more than 20% by using this strategy [31].

Additionally, organizations may get insight into where their customers are coming from, thanks to data. A successful conversion on an e-commerce website is when a customer purchases directly from the site [32]. Clients will see where their customers are coming from if their e-commerce platform has the right analytics tools like Google Analytics. As a consequence, executives will be able to determine which marketing campaign generated the highest ROI. These findings may help decision-makers allocate their marketing and advertising funds more effectively so that they can spend in the most lucrative channels [31]. In addition, the information offered by these websites reveals which pages and products on them are the finest and worst [32]. The bounce rate, which measures the proportion of visitors that arrived at a website but did not do anything further, is one way to measure this. The worse the material on the pages that have achieved a high bounce rate (B.R.), the more serious the issues are [32]. Businesses may use this B.R. in conjunction with other data, such as "exit pages" and "average time spent on a page," to improve their platform, presentation, and product offering. They'll need to enhance their user experience and user interface (UX/UI) to get better outcomes. An e-commerce analytics tool may help website administrators make better and more productive business choices in all aspects of their company's operations, as previously mentioned [33].

#### **IV. E-COMMERCE ADVANTAGES TO CONSUMERS**

In addition, e-commerce provides consumers with a much more private and less intrusive buying experience [34]. The thought of attending a brick-and-mortar store is appealing to many people, but others prefer to purchase online without having to deal with store workers or go through the typical shopping experience. The vast majority of consumers (95%) said they like to be left alone when they enter a store [34]. The poll reveals that many people prefer a private shopping experience for a variety of reasons. Some people prefer online shopping for certain product categories, particularly those they do not want others to know about. Aesthetics, lingerie, and even a few toys are examples of this kind of merchandise. Those with a more introverted nature may not deal with the crowds at a retail establishment. When it comes to shopping, some people may have a personal motive, such as purchasing a present for a loved one or being ill or tired on a specific day. Because of e-commerce's and serene setting, these groups of individuals may effortlessly peruse numerous things without interruption from anybody else. All of their items may be accessed through these online purchasing platforms from any place the buyer deems private and comfortable.

Additionally, e-commerce gives the client convenience since the stores are open around the clock and are just a few clicks away from the customer's fingers [35]. As a result, customers may fulfill their urge to purchase a product at any time of day or night. As long as it's not too early in the morning and it's not too late at night, you may go into an e-commerce website and buy anything you want to buy.

Online shopping is preferred by 58 percent of respondents over brick-and-mortar businesses because e-stores are available seven days a week and at all hours of the day [36]. An additional benefit of online shopping is that consumers don't have to deal with long lines since they don't have to deal with traffic. Forty percent of respondents in the KPMG survey cited above answered that they would like to shop online since it saves time. It is just a matter of time until individuals find it more convenient to shop online than at a brick-and-mortar establishment. Customers may also escape the hassle of crowds and long lines by purchasing online. How many times have you gone shopping, only to be frustrated by the packed stores and lengthy lines to pay? As a result, e-commerce has made purchasing more convenient and fun for consumers.

Another way e-commerce improves consumer comfort is by making it easier for customers to locate what they want, speeding up and simplifying the buying process [37]. As the number of SKUs grows, so does the difficulty of locating exactly what a person is looking for. However, this is no longer the case when it comes to e-commerce stores. E-commerce websites' sophisticated filter features facilitate and speed up the purchasing process [37]. You may pick precisely what you want to purchase by using the various filters offered, and you'll only be shown things that fit your choices. All of this will lead to increased sales, income, customer retention, and profitability for organizations. Consequently,

Comparative shopping is another benefit of e-commerce to consumers since it allows them to find the cheapest price for a product they are looking for [38]. The act of comparing costs before making a purchase is known as comparative shopping. New websites, such as Trivago, have been created to make comparison shopping easier, such as hotels and vacation rentals. Comparative shopping allows buyers to quickly and simply study the market to uncover the numerous varieties and costs for certain desired goods [39]. It's now possible for a customer to quickly and easily compare numerous options and ensure that he's receiving the best price at this point in the purchase process. Competing firms are eager to provide their clients with the lowest possible prices now that they know the market price or know where to look for it. For the most part, buyers think they receive a better price online than at brick-and-mortar stores. A more pleased consumer was the outcome of all of this.

## **V. DISADVANTAGE OF E-COMMERCE**

E-commerce, despite its many benefits, nonetheless has a long list of drawbacks. In the first place, there was a breach of security and theft of consumers' personal and financial information that was sent to internet retailers [40]. When it comes to online shopping, many individuals still don't trust the security measures taken by e-commerce companies, even if they've spent a lot of money attempting to ensure that their personal and financial data is secure [40]. Since hackers have targeted even the most secure and encrypted websites in the last several years, there is an issue. In a cyberattack a few years ago, eBay, the leader in e-commerce, had the credentials and personal information of 158 million members stolen. The credit card information of all Home Depot customers stole in a more serious cyber incident a few years ago. Online security has been a major focus for Home Depot, one



of the top home improvement supply corporations in the United States. However, 56 million credit cards and 53 million email addresses were seized [41].

Cybercriminals may also try to compromise the safety of e-commerce customers by conducting Phishing attacks. Attacks like this one are carried out by persons who seem to be reliable sources but then illegally get consumers' passwords or credit card information. It's common for hackers to pretend they're an established online retailer and convince users to hand up their personal information, only to reveal afterward that they've been the victim of unwanted conduct.

Customers who are prepared to purchase but lack the self-assurance to do so are being turned away by companies because of all the security concerns. All of this points to the fact that a lack of security is stifling e-development commerce.

In addition to privacy concerns, e-commerce has another big drawback: the capacity of modern technology to track users' behavior, information, and habits. There has been a lot of buzzes lately about the "Cambridge Analytics Facebook Scandal." In this instance, Cambridge Analytica exploited a massive quantity of Facebook user data without their permission to promote Donald Trump's presidential campaign [42]. Following the revelation of this privacy infringement, many Facebook users lost trust in the company. Facebook's growth slowed to its lowest pace in the past five years, and it failed Wall Street sales projections for the first time in the last three years due to this controversy. Many people are wary of revealing any personal information online because of this and other examples of how websites exploit the information we provide them. In e-commerce websites, sharing personal information is much more prominent since the user must submit the most information. Websites selling goods and services don't stop there, asking for extra personal information such as a phone number or a mailing address.

Another way that e-commerce websites compromise their customers' privacy is by utilizing cookies and tracking technologies to track their "website visit behavior." It is widely accepted that most complex online solutions include cookies and monitoring technologies that record and monitor all of a user's actions, according to Yookyung et al. [43]. The websites that provide their customers with suggestions for items or promotions make this very evident. A user's behavior on these websites is tracked, from the source that sent him to the site, through browsing and searching to his purchase preferences. Many consumers are outraged by the quantity of personal information these smart e-commerce platforms acquire about them and avoid the online purchasing experience [44].

One of the numerous flaws of e-commerce is that customers cannot personally see the goods before making a purchase. To determine whether or not a product suits a customer's preferences, a consumer must often test the item out on them first. Consumers must try on certain product categories like clothing and cosmetics to make an informed purchase choice. When you buy a shirt, sunglasses, or perfume, you want to feel and smell the material before you buy it. By using Augmented Reality, several e-commerce websites attempted to bypass this constraint [45]. Virtual reality (V.R.) and augmented reality (A.R.) are two distinct forms of augmented reality. People may now input their body types and test on various items of clothing and accessories. E-commerce clients may now see how their purchases will appear in person, allowing them to avoid some drawbacks associated with e-commerce buying [46]. As a result of the adoption of augmented reality (A.R.), certain aspects of virtual reality (such as the senses of taste and touch) remain unavailable.

According to recent research, many millennials prefer to purchase in person rather than online for some product categories that need a hands-on evaluation [47]. When it comes to home basics, 58 percent of them traditionally prefer to purchase them, while 48 percent do the same for garments and

accessories, and 39 percent do the same for beauty and cosmetics. Other product categories, such as entertainment and literature, have less of a physical barrier to how a product might be experienced. It is also lowered for brand champions and loyal customers, who have previously evaluated the product or service and have faith in the firm they're purchasing from, and who are making a repeat purchase. One of the drawbacks of e-commerce is that the goods are not delivered to customers immediately after purchasing them online [48]. According to previous surveys, research shows that buyers are ready to wait up to 4.5 days for their purchases to arrive from a free shopping site. If the purchaser pays for the shipment, this figure drops to 3.8 days [49]. According to a separate study, 87 percent of online shoppers stated that the speed of delivery was a key factor in determining whether or not they would buy from the same e-commerce website again, while 44 percent stated that delivery speed would influence their choice of vendor for their online purchase [50].

While the typical delivery time is roughly a week, companies such as Amazon Prime may deliver the items in only two days. Many consumers who want to buy online have shifted to conventional methods because of the long wait to deliver the goods. E-commerce has lost revenue and market share due to the current trend of buyers preferring to purchase products immediately rather than wait for shipping and delivery. Shortening purchase-to-delivery times is a need for firms who wish to gain market share as marketplaces grow more competitive.

Electronic commerce suffers from the fact that it relies on the availability of the Internet and devices that can access it, including laptops and mobile devices. More than 40% of the world's population is still not online, as seen in Figure 3 below. This means that eCommerce misses out on an enormous market opportunity [51]. As a result, e-commerce websites face another major challenge in several developing countries: inadequate internet connections. If you're looking to buy anything online, you're going to need to look at many different things before you can make a selection. It is predicted by Guiding Metrics that each online shopper spends an average of 5.5 pages per visit on each e-commerce site that they visit. It is quite likely that the customer will abandon the service if the internet connection is poor. According to a Microsoft survey, customers who can't discover what they're looking for in eight seconds will leave the site. Due to connection concerns, if an e-commerce website has a typical page load time of more than 8 seconds, users are more likely to abandon the site and never return. As a result, internet access in many parts of the world is inadequate or non-existent, limiting e-capacity commerce's reach to worldwide customers.

As the sixth constraint of e-commerce, e-commerce websites must conform not only to their own country's legislation but also to all the other nations to whom their items are being sent. From nation to country, the taxes placed on imported goods are different. Value-added tax (VAT) in the United Kingdom, for example, is 20% of the product's total value and is imposed on imported goods. In other nations, the taxes above may or may not be in effect, and extra local taxes may be imposed in addition to those stated before. In addition, the tax percentages for each product category in the same nation may differ. For example, the import tax in the United States for clothing is 18.7 percent, whereas the rate for gadgets is only 2 percent [52]. There are several aspects to take into account while developing the website for management. Legal action might ensue if this is not taken into account. Additional costs should be clearly explained to the consumer to know exactly how much money he'll have to spend to get the product he ordered.

## VI. REVIEW OF LITERATURE

Mishra &Kotkar(2015) [53]	Flipkart vs. Amazon: A Study of India's Current E-Commerce Situation	Internet connectivity, online payment methods, and awareness were all factors that contributed to delayed advancement.
Das &Ara(2015) [54]	India's Rapid Rise in E-Commerce	Venture capitalists and private equity companies have pumped money into several start-ups in India, where the e-commerce business has yet to reach saturation.
Karthikeyan, B. (2017) [55]	A study on retail trade business as an impact of online shopping with reference to Coimbatore.	The retail traders faced various problems after the changing behavior of the customers towards online shopping. Retailers are facing a greater challenge in upgrading themselves for their survival.
Dahiya, M. (2017). [56].	Study on E-Commerce, and it's Impacts on Market and Retailers in India.	Examined that after the arrival of e-commerce, our life has become more convenient because of its many advantages. But e-commerce has a bad impact on offline retailers because they have to spend more money maintaining the stock in big warehouses and spend more on the advertisement to fulfill the survival costs.
Harchekar&Kand algaonkar, (2018) [57].	Impact of technology on retail grocery business of Pune.	Retailers are using new technology because of the changing buying behavior of consumers. This is enabled retailers to survive in the competition, and consumers could enjoy several benefits.

## VII. Objectives of study

**For the following reasons, the study was conducted:**

- To examine the impact of e-stores on retail store profitability.
- To examine how retail pricing has changed over the last several years.
- To examine the shift in company practices to ensure client satisfaction.

## VIII. METHODOLOGY OF STUDY

An investigation's methodology includes everything from data sources to sampling tactics to statistical analysis and data interpretation.

**Sources of Data-**The research relies on data gathered directly from sources.

The primary data was gathered by the Direct Personal Interview technique, in which the proprietors of various retail establishments were interviewed.

Inquiry into unit schedules to get relevant information.

**Sample Size and Sample Unit-** Based on easy selection for research, a sample of retail establishments has been chosen for the study's objective.

**Sampling Techniques-**To get a clearer image of the influence of online shopping, a simple sample procedure method was used, based on the availability of information and the size of the market, to ensure that the results were accurate.

**Data Collection Techniques-**To gather the data needed for the investigation, the following methods were used:

Direct Personal Interview and Investigation through Scheduled Appointments

**Data Representation Tools-**There are several ways the data is analyzed and displayed to the user. These include charts and bars.

## IX. CONCLUSION AND SUGGESTIONS

Retailers must alter their outlook on the market. In today's consumer industry, customer happiness is the most important consideration. The customer's opinion of the company is very important. The primary areas of focus for the company must be on better product quality, fair pricing, and helpful post-sale services. To keep customers happy and develop a long-term relationship, new benefits should be offered to them. This would assure a steady stream of purchases in the future.

Retail has seen a major transformation in the last several decades. The fundamental cause of this is the recent advancement of technology. In today's retail environment, customers may shop in-store, online, or on the go. In all of these, small businesses are missing out. Regardless of the season or occasion, the convenience of a local shop is always the most significant consideration. Not only survive but thrive. The retail industry has to improve its business practices and adopt a more optimistic mindset to compete in today's market. To thrive, both online and brick-and-mortar shops must work together. In addition to providing a source of income for a large number of people, a brick-and-mortar retail business provides convenience and consistency.

E-commerce businesses are always looking for new methods to enhance the shopping experience for their customers and increase their conversion rates due to the rapid advancement of technology. Major retailers seek to integrate current developments to offer a better digital experience and maintain consumer value. We're seeing a massive shift in India's digitization. Consumers in India are increasingly turning to the Internet to discover the greatest possible price from various suppliers around the country. E-commerce uses a variety of online platforms, including social media marketing, content marketing, search engine marketing, and email marketing, to reach customers and meet their needs. Cost-effective digital marketing has a significant commercial influence on the company. With the use of digital marketing, small businesses can target specific customers at a low cost and compete with larger corporations.

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