Investigating Factors Influencing Consumer Behaviour By The Top E-Commerce Platforms In India

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Abstract

This exploratory research investigates the factors influencing consumer behaviour while shopping online through the lens of India's top e-commerce platforms. Based on a sample size of 80, the study reveals insights into consumer preferences, perceptions, and satisfaction levels. The study revealed that Flipkart leads the market with 37.5% preference, followed by Amazon at 32.5% and Meesho at 13.75%. Amazon enjoys the highest overall acceptability (9/10), likely due to its strong reputation for quality, price, and convenience. Flipkart follows closely at 8/10 and is also perceived as offering high quality and price. Myntra takes the lead in quality (9/10) but loses ground on price (8/10), suggesting a premium positioning. It has been found that the Customers are more satisfied with order delivery (8.2/10) than offer delivery (7.2/10), indicating potential room for improvement in offer communication and delivery. Significant differences exist in customer satisfaction among companies. Factors like relevance, timeliness, and clarity of offer terms could explain lower satisfaction with offer delivery compared to order delivery. These insights can help e-commerce platforms refine their strategies to attract and retain customers by focusing on perceived value, quality, price, offer relevance, and effective communication. By addressing these factors, online businesses can enhance customer satisfaction and gain a competitive edge in the dynamic Indian e-commerce landscape.

Key Words: E-Commerce; Consumer Behaviour; Customer Satisfaction.

Introduction:

Today's Customers are very much interested in the brand for online shopping. One of the main reasons behind this is having a Brand loyalty and status symbol, which has become very important. Along with the advantage of good quality, exciting offers brands also give status symbols to the consumers in the society. Hence, people prefer to buy branded products/services. The two largest E-commerce platforms in India; Flipkart and Amazon have to face huge competition to lead as well as to survive in the market. The consumer's taste, fashion, and behaviour can be seen changing according to the branding actions taken by the companies. The company having brand loyalty gets the advantage of earning higher market share, wealth maximization, and getting a large number of consumers and retaining them.

E-Commerce: E-commerce is the trading of services and products with the help of the Internet. E-commerce is any type of commercial or electronic transaction in which information is transmitted over the Internet or electronically. E-commerce is defined as the use of computers and electronic networks to do business with customers or other companies on electronic networks or the Internet. The expanding digital landscape, driven by rising internet adoption, paves the way for E-commerce to flourish on a global and regional scale. This number is expected to reach 1.3 billion users in India by 2030. Internet penetration is increasing and E-commerce is becoming increasingly secure. Across every domain, E-commerce's influence is undeniable, but outdated definitions hold back its visionary future. One of the major advantages of e-commerce is that it is 24×7 available to the customer and the customer can shop almost anything within his/her comfort zone just by sitting at home, office, during travel, or almost from any place at any time.

Consumer behaviour: It is the study of human/individual behaviour in the marketplace. However, every company has the motive to conduct consumer behaviour surveys i.e. to identify their needs, wants, demands, and action; so that the market players can survive in the market.

Literature Review:

Today's business world is highly competitive. Every firm is in the race to win more and more customers. It seems like every business organization is in a virtual war with one another where one organization attacks another with its strategies and the other defends itself. (*Madansky, 2005*). The concept of marketing warfare deals with the application of military strategies to different marketing problems *(Trout, 2012)*. India is showing tremendous growth in E-commerce. Undoubtedly, with the middle class of 288 million people, online shopping shows unlimited potential in India. The real estate costs are touching the sky. Today e-commerce has become an integral part of our daily life. The E-commerce portals provide goods and services in a variety of categories *(Sharma and Mittal, 2009)*. The perceived risk level between internet and store shopping, and revisiting the relationships among past positive experience, perceived risk level, and future purchase intention within the internet shopping environment is emerging *(Samadi and Yaghoob,2009)*. To develop a successful and profitable web shop, understanding customers' needs is essential. It has to be ensured that products are as cheap in a web shop as purchased from traditional channels *(Miyazaki and Fernandez, 2001)*. With the benefits of the internet and the inclusion of cost reduction methods in operations, one can enhance its competitive position in process, structure, and relationship terms. New business models and formats should be developed for retailers and e-

commerce to improve activities of all sorts *(Burt and Sparks, 2003).* Brands can play an emerging role for consumers. In a basic sense, brands make consumer lives simpler, easier, or more rewarding. Moreover, brands can take on rich meaning and allow consumers to signal to others, or themselves, who they are or who they would like to be and what they value *(Keller, 2020).* Developing strong brands that customers will like to choose and support in multiple ways has been a key objective of most parties that introduce branded offers in various markets *(Keller, 2016).*

Objective of the study:

To understand the various factors that influence the behaviour of consumers while shopping Online.

Scope of the study:

The scope of the study extends to the e-commerce industry of India. The purview of the study can be extended to the whole of India. Although this study is confined to the geographical limits of Lalabazar, Hailakandi with a total of 80 respondents.

Methodology:

The main aim of the present research is to collect the primary data from the respondents and analyze these data to understand the consumer behaviour towards e-commerce platforms. The research design of this study is exploratory and the method is qualitative. The survey was conducted in Lalabazar, Hailakandi with a sample size of 80. The data for each participant was reviewed for completeness and correctness. Both Primary and secondary data have been used for this research. Primary Data is collected in the form of questionnaires. The questionnaire was answered by various people who were students, working professionals, entrepreneurs, homemakers, and many more. Secondary data is collected from published reports, journals, and articles mainly from the Internet.
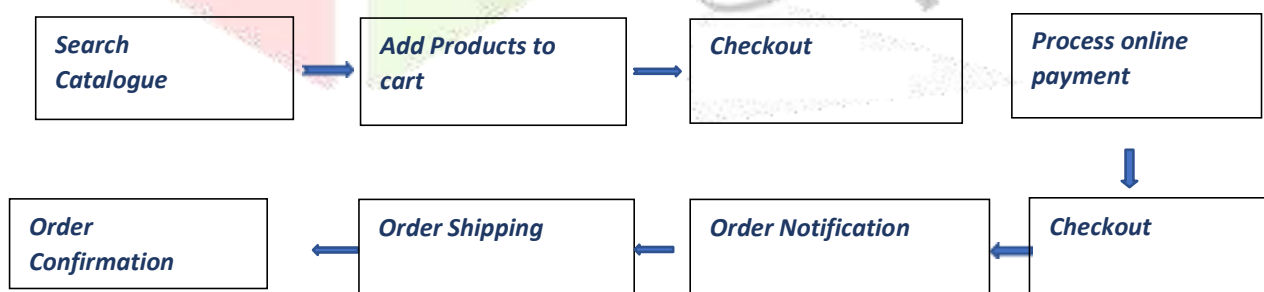
Phases of online shopping:

Figure No. 1: Different phases in the online shopping process

Demographics profile of respondents:

Demographic features	No. of respondents (Total=80)	Percentage (Total=100%)
AGE		
Up to 20 years	18	22.5
20-30 years	40	50
30-40 years	10	12.5
Above 40 years	12	15
GENDER		
Male	30	37.5
Female	50	62.5
EDUCATIONAL QUALIFICATION		
Matriculation	10	12.5
HS	25	31.25
Graduation	35	43.75
Post-Graduation	10	12.5

Source: Primary data

Table No.1: Demographic profile of respondents

SWOT analysis of the top E-Commerce platforms in India:

Strengths:

- Market Leader

- Strong Brand Presence

- Logistics and Supply Chain

- Tech Innovation

Weaknesses:

- High Competition

- Dependence on Discounts

- Infrastructure Challenges

Opportunities:

- Expansion into New Segments

- Rural Market Penetration

- Partnerships and Acquisitions

Threats:

- Regulatory Changes
- Tech Advancements
- Supply Chain Disruptions

Data Analysis, results and discussions:

1. Preference for E-Commerce Platforms: -

Platforms	No. of respondents (out of 80)	Percentage (%)
Flipkart	30	37.5
Amazon	26	32.5
Myntra	3	3.75
Meesho	11	13.75
Ajio	2	2.5
Nykaa	6	7.5
Others	2	2.5

Source: Primary data

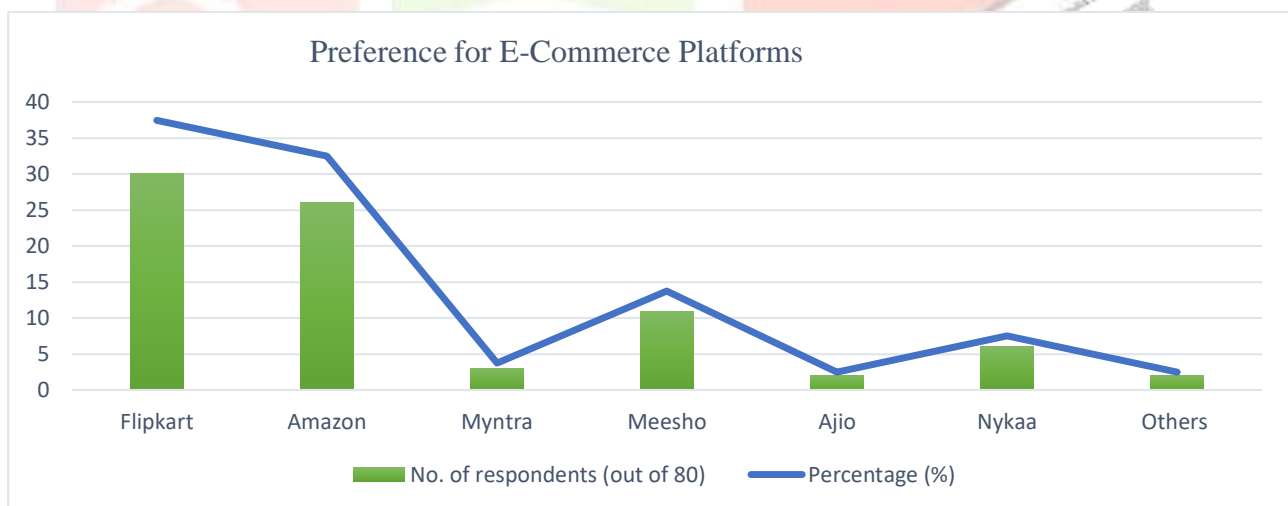Table No.2: Customer Preferences of E-Commerce Platforms
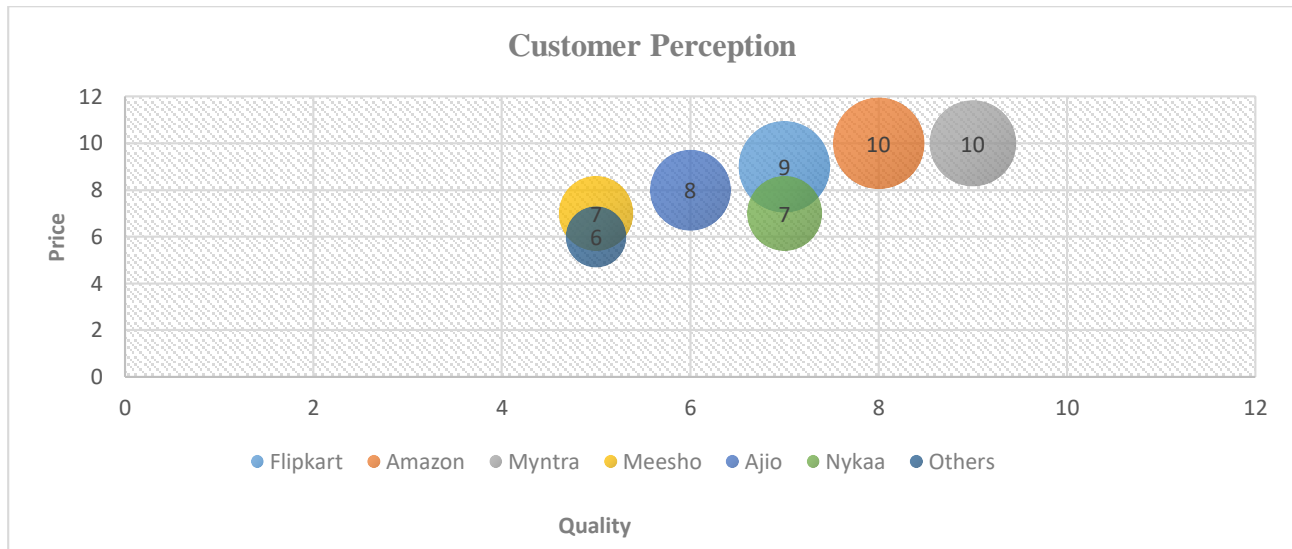

Source: Primary data

Figure No.2: Customer Preferences of E-Commerce Platforms

Interpretation:

Flipkart has been leading the market by 37.5 % by gaining a majority preference from the people in this survey. Amazon has been the second leading by gaining 32.5 %. Meesho is also preferable as it has a preference of 13.75 %.

2. Perceptual Mapping of E-Commerce Platforms: -

a. On the basis of price & Quality:

Figure No.3: Customer Preferences of E-Commerce Platforms on Quality and Price

- Amazon is perceived as the most acceptable online retailer, with an overall acceptability score of 9 out of 10. This is likely due to its strong reputation for quality, price, and convenience.

- Flipkart is a close second, with an overall acceptability score of 8 out of 10. Flipkart is also perceived as having high quality and price, but its overall acceptability score is slightly lower than Amazon's.

- Myntra is perceived as having the highest quality of all the online retailers listed, with a score of 9 out of 10. However, it is also perceived as the most expensive, with a price score of 8 out of 10. This suggests that Myntra may be a good option for shoppers willing to pay a premium for quality.

- Meesho, Ajio, and Nykaa all have lower overall acceptability scores than the other retailers listed. This suggests that these retailers may need to improve their quality, price, or customer service to compete more effectively.

b. Based on Delivery & Offers.
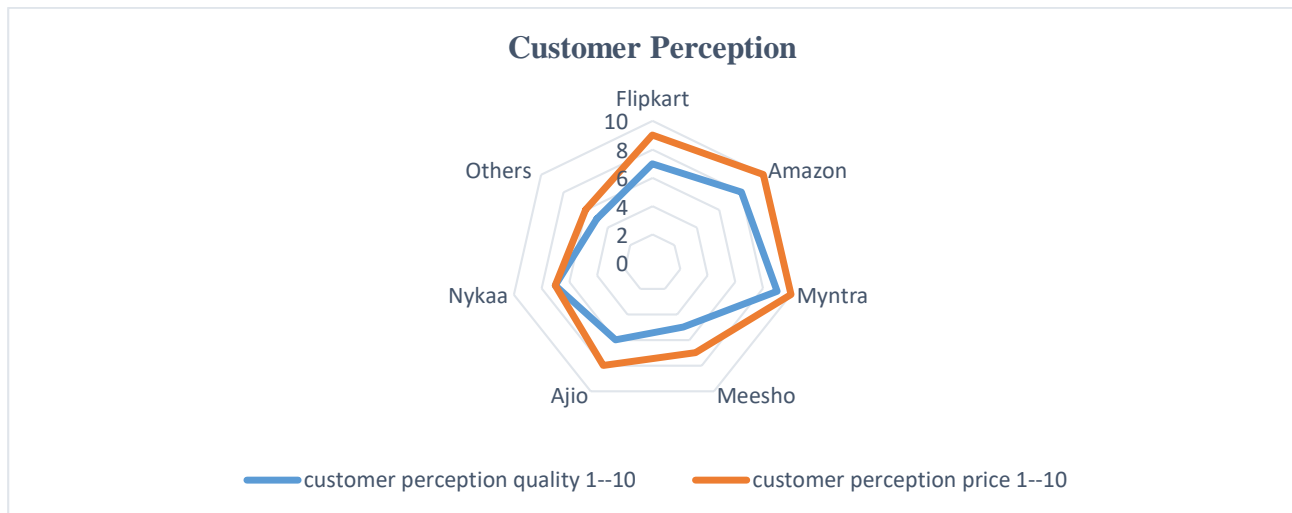
Figure No.4: Customer Preferences of E-Commerce Platforms on delivery & offers

- Overall satisfaction: Customers seem to be more satisfied with the delivery of their orders (average score of 8.2) than with the delivery of their offers (average score of 7.2). This suggests that there may be room for improvement in the way that companies are communicating and deliver their offers to customers.

- Company variation: There is a significant variation in customer satisfaction between different companies. Flipkart and Amazon have the highest scores for both order delivery and offer delivery, while Meesho and Others have the lowest scores. This suggests that some companies are doing a better job than others at meeting customer expectations.

- Offer delivery: The data suggests that customers are not as satisfied with the delivery of their offers as they are with the delivery of their orders. This could be due to several factors, such as:

- Relevance: Customers may not feel that the offers they are receiving are relevant to their needs or interests.

- Timeliness: Offers may not be delivered to customers promptly.

- Clarity: The terms and conditions of offers may be confusing or difficult to understand.

Conclusion:

India's e-commerce landscape is a vibrant tapestry, woven from the threads of diverse consumer behaviours influenced by a multitude of factors. Top platforms like Flipkart, Amazon, and Myntra have emerged as maestros, adept at orchestrating this complex symphony of choices and motivations. Our investigation unveiled a rich tapestry of influences guiding consumer behavior on these platforms. Price remains a dominant force, especially for value-conscious shoppers seeking the best deals. Convenience is fuelled by factors like easy access, fast deliveries. Trust and brand reputation play a crucial role, with established players like Flipkart

leveraging their years of experience to build consumer confidence. As the e-commerce canvas continues to evolve, brands that can decode the intricate language of consumer motivations and adapt their strategies accordingly will hold the brushstrokes that paint the future of this dynamic market.

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