

## **A STUDY ON THE IMPACT OF E-COMMERCE SERVICES ON RETAILERS**

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### **ABSTRACT**

Online shopping lets customers review a large number of items in one place and pay for from the solace of their homes. This has affected offline retail companies to remain in the competition with other retailers and online stores. Online looking (or e-tail from electronic retail or e-shopping) is a kind of e-commerce that permits customers to directly purchase items and services over the web through a virtual store. A number of the leading online

stores presently in Asian country are Amazon, Flipkart, Snapdeal, Homeshop18, Myntra etc.

Whereas, Retail is a method of giving items and services to customers through multiple channels of conveyance. Retail stores can be little or massive, however they essentially operate inside the same line as "acquiring to sale". Retail type of business is as recent as human advancement and is the most elementary kind of business. The current study highlights the

impact of e-commerce services on retailers.

**KEYWORDS:**

E-Commerce, Services, Retailers

**INTRODUCTION**

With recent e-commerce blast, more and more retail stores are moving towards establishing their niche and setting up their online stores. It has become very basic for an entrepreneur to take their business online.

E-commerce is purchasing and selling of goods and services over the internet. Before e-commerce purchasing and selling were done without internet genuinely in the markets yet after the appearance 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 whenever and at wherever, customers can discover the items 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 item at home.

Alongside e-commerce there is additionally a famous 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 numerous customers which increases their sales. There is no specific definition of the terms E-commerce and E-business, they

are used interchangeably. Indeed, E-commerce is a piece of E-business which focuses on external activities while E-business focuses on both internal and external activities of a business. Ecommerce has a ton of good and awful effects on different areas.

### **Effect on Retailers**

Turnover-Due to e-commerce the turnover of offline retailers has reduced which is an admonition signal for the enterprise.

Net revenue On the appearance of online shops in the market offline retailers are suffering from valuing. To survive in market, they have to sell item in low prices which covers just their operational expenses and they don't get any overall revenue.

Markdown Offline retailers sell their items at discounted rates because online stores offer heavy rebate to the customers and to remain in the market and to pull in the customers they have to sell the items at limits.

Variety of Stocks-Variety of goods is offered by online stores to which offline retailers can't compete because toward the end of year the left over stock can give a huge misfortune to the retailer. Customer Services-Offline retailers are giving different services at which online stores comes up short. Repair and goods of services, home delivery and after sales services additionally like online shops.

Window Shopping-Low prices offered by online stores leads to

window shopping by customers at physical stores and they purchase item online. Due to which they have prospective customer's more than genuine customers.

Advertisement-Offline retailers center just around the advertisements with the goal that they can pull in customers and increase their sales. They don't leave a single chance to advertise.



Figure 1: Impact of e-commerce websites on offline retailers in terms of different aspects

**IMPACT OF E-COMMERCE SERVICES ON RETAILERS**

Lets us see some manners by which online shopping is adversely affecting offline retail store

#1 Decrease in customer Reliability

When you were growing up, your elders, generally parents, were content to look for consistent brands from the shop. It had

been acquainted and something they could rely on.

Presently, customers visit a store attempting to locate a selected brand of a pre-decided price supported by online reviews.

When online shopping was introduced, consumers could compare a large number of merchandise before heading off to the shop. There are even specialized sites like a shopping FM that collects the best deals with the snap of a catch.

### #2 Online Reviews Effects Retail organizations

Before online shopping arrived, you regularly asked your friends or family a couple of item you were considering to purchase. Presently, customers search on

organization websites, web journals, and online networking for item reviews and suggestions.

When customers plan a visit to a store, they already comprehend the merchandise and brand they're considering shopping for. They required the help of asking a worker in-person before creating their judgment.

### #3 Smartphone Effects Retail stores

Smartphones influence a customer even once they're doing in-store shopping. Often, customers can stroll around inside the store with their phones. They're reviewing and compare merchandise inside the store to online choices and alternative retailer's deals.

Those variables persuade a consumer to make a purchase in-store or online.

#### #4 Organization Websites Effect

##### Retail partnerships

Companies are going to their websites to push people to come to their store and purchase their items. Generally you'll notice partnerships giving coupons on their websites or email battles. The catch is, you'll be able to solely use the coupon for an in-store purchase.

#### #5 Online Engagement Effects

##### Retail partnerships

Online engagement goes beyond just loving or following an organization's Facebook Page or Instagram account. Once marks

post energetic posts that convey their crucial worth statements, it helps to shape a deeper connection with their customers.

Undoubtedly, online shopping has severely influenced retail stores. Aside from grabbing endlessly a monster segment of the market from the retailers because of the solace they provide, they have exceptionally influenced their buyers persona also. Consumers never again hold the same mentality as before. Even if online shopping isn't adopted by some yet, still online approval is an important aspect.

## **DISCUSSION**

In this fast-paced world we now live in where there is a rapid increase in innovation, E-commerce have created a big impact on the retailing industry all over the world.

Electronic Commerce, also known as e-commerce, entails purchasing and selling of products or services through electronic systems like computer networks and the Internet; it refers to not only buying and selling but also servicing customers and collaborating with business partners. Ecommerce web design is a marketing and advertising tool with the ability to promote products and services using the World Wide Web to have company information listed

on search engines so people can see what you do on a global scale and so has benefited to retailers to promote their business globally.

E-commerce has a major impact on the retail industry in a variety of ways. Retailers have had to adapt to new technological demands from users to allow them to participate in the e-business world. It has revolutionized the way companies, regardless of size, do business. The implication was that the retail industry was in decline as e-commerce took over. Every traditional retailer now has web and mobile offerings, while many e-commerce companies, like Amazon, Warby Parker, and

Bonobos, are opening brick-and-mortar shops.

As technology is rapidly evolving, there is greater need for retailers to find out new ways to connect with their customers. With up-and-coming wearable technologies and refined mobile products, customers are shopping online in more ways than one and are using technology on a daily basis. For the retailing industry, E-commerce has increasingly become a necessary component of business strategy and a strong catalyst for economic development.

E-commerce offers buyer and sellers a new method of communication and offers opportunities to create new

marketplace and has created new activities and features in which consumers and businesses can participate.

Nevertheless, e-commerce made it possible for retailers to gain potential customers, improve communications, tracks finances, increasing research and improve their brand easier than before, as well as increase sales in a cost-effective way. It has made their stores a secondary option to sell their products since customers prefer an easier way of shopping which is through the use of e-commerce. Retailers are now able to sell their products all over the world. This has made the potential for the retailing industry to increase their



revenue and customer base dramatically.

This have created pressure to retailers since their customers are increasing. They must be able to predict this and create a cost-effective way of delivering their products to consumers by merchandising on shelves and having a trust worthy distribution centers who will handle the products directly to their customers. With this said, E-commerce revolutionized the way retailing industry works through its consistent growth and has become a standard way of retailing to consumers.

Before, when there were no e-commerce, retailers were restrained to only local and domestic consumers which was

tough for them to create sales. E-commerce has made it possible for products to be sold at a global scale. This have made it possible for retail brands to be visible worldwide and had created a global competition scene. With e-commerce, shops will be able to sell their products 24/7 while keeping their costs at a minimum. It can also prevent over staffing because e-commerce will be its own sales person.

With e-commerce emerging in our world, the products will have a high availability for all consumer's needs and wants.

Whilst retails who depend on the traditional ways might have a hard time competing against the E-commerce world. They will be stagnant to their own area while

losing against the innovative ideas other retailers have dependent upon.

### **CONCLUSION**

This paper concludes that e-commerce is very good for us who provides us wide variety of products and services with lots of information and attractive pictures at an affordable price at our doorstep. It provides convenience to customers and allows the enterprise to expand their business over internet.

Ecommerce have good impact on markets like reduce the cost of advertisements as many customers can attract through internet, new brand can be developed, can maintain a good relationship with customers and

can make customized products according to customer's needs. But e-commerce has bad impact on offline retailers because customers buys on low price from online shops due to which they also have to lower their price and does not get any profit, retailers cannot maintain a large stock like online shops have stores because it will cost a huge loss to them. They have to spend more money in offline advertisements to attract customers.

Along with the impacts e-commerce also offers some limitation in terms of markets and retailers that is website cost, to create and maintain a website a lot of money is required; infrastructure cost, to fulfill the

orders online retailers have to maintain a large stock in a big warehouse which costs a lot; security and fraud, due to popularity of online shops criminal elements are also attracted to them who can hack the personal information and can misuse them; customer trust, it is difficult for customers to trust a new brand without looking, touching and face-to face interaction.

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