

Online shopping- achieving a sustainable competitive advantage over Offline shopping.

Paper by:

Bharati Makhijani

Assistant Professor- S K Somaiya college (Somaiya Vidyavihar University) Mumbai- 400 077

Maharashtra

India

Abstract

Purpose- The purpose of this study is to investigate sustainability through online shopping over offline shopping. The study assesses the sustainability of online shopping on the basis of the buying behaviour of samples and their frequency of buying online.

Design/Methodology/approach- To examine the sustainability of online shopping over offline shopping, the research was conducted with the help of google forms circulated randomly to the people and the responses were collected.

Findings- The result suggests that online shopping is more sustainable than offline shopping. It is a pioneering attempt to suggest that online shopping can be a better experience to the shoppers with some more facilities like 3D videos of the product appearance and personal experience of the purchasers.

Keywords- Sustainability, online shopping, offline shopping, competitive advantage.

Paper type- Research paper

INTRODUCTION

Today's retail world is very aggressive. In the retail arena, multichannel retailing is the best way to sell goods. The internet has altered and will continue to transform the retail sector.(Blázquez n.d.) Online buying, also termed Internet buying, refers to purchasing goods or services through the Internet.(Zhou et al. n.d.) Since the late 1990s, online shopping has overtaken as an increasing number of consumers purchase increasingly different types of products on the Internet. Retailers are now combining the traditional brick-and-mortar store, warehouse, and consumer magazine. Customers browse and search for items just as a regular store. There is a wide range of products, sizes, and colors of products, as one can find in the

warehouse and most online stores contain reviews of products by people who bought them earlier. Clothing is the most commonly purchased item on the internet which is followed by jewelry.(Rai n.d.) In online shopping, P2P platforms act only as intermediaries which allows the sellers and buyers to meet directly for transactions. A seller can use the P2P website or mobile app with a login account, take a picture of the product, post an ad, fix the price, give verified contact details and pay a nominal fee to go for a premium ad listing while a buyer can search for products available and click for adding in the cart of putting the buy now option, pay the money through online sources or cash on delivery and buy the things at their doorstep.(Padmavathy, Swapana, and Paul n.d.) Many reasons that consumers can buy online for example, consumers can buy whatever at any time, they can avoid pressure when having an interaction with the salesperson, they have cost efficiency, they have time efficiency and moreover a lot of convenience.

It is required that retailers must generate sustainable competitive advantages that enable customers to endure against all odds as and when presented by its competitors. A competitive advantage is the unique skills and fundamental resources devoted/committed to the business that competitors cannot foresee easily.(Anon 2015) Customer confrontation has gradually become the main source of retailers' sustainable competitive advantage through differentiation. Online retailers have begun to develop their e-grocery market and they are extending their customers a variety of services, in supplement to their traditional subscriptions that limit the selection to non-perishables products. In 2017, Amazon an online retailer company acquired Whole Foods Market grocery chain stores to complement its satellite support services so as to get groceries closer to purchasers (Mkansi and Nsakanda 2021)

Ecommerce has grown in reputation because of the sustainability in the form of convenience, eco-friendly packaging, use of biodegradable and recycled materials, renewable resources, value, and choice it offers consumers. And online selling goods will remove the middlemen and thereby goods will be available at low price. The growth in online shopping generates new economic growth and stimulates originality among retailers, getting them to identify what makes their product unique and create a compelling experience that keeps customers coming back. This creates greater incentive for customers to shop online and drives growth for the economy overall. (Miva n.d.) The present e-commerce environment is a driving force for the entrepreneurs, and it encourages all businesses, whatever may be the size, to compete with each other on the basis of speciality and sustainability.

Using a people centered and earth centered approach in distribution is another way to maintain sustainability. Nowadays many of the online websites provide job opportunities to women as

delivery agents thus they generate employment in this sector also.

The quality of the online customer experience in terms of website ease of use, selection of goods offered, quality of customer service, the effectiveness of virtual community building, and site personalization are crucial to the success of online shopping. If differences in the quality of online experiences provide a long-term competitive advantage, we would expect a positive relation between quality of online experience and shareholder value. (Rajgopal, Venkatachalam, and Kotha 2000)

LITERATURE REVIEW

According to Forbes advisor, rise in the literacy rate had created online shopping as an integral part of our life.(Maheshwari, 2023) Market business news says, Due to various rewards and benefits, many people choose online shopping rather than offline shopping(Joe, 2020) According to lifewire.com, There are tons of online shopping sites where you can buy almost everything conveniently with fun although there are some disadvantages but benefits are more than traditional offline shopping.(*Shopping Online*, n.d.) According to Economic times, online commerce had brought a wave of technological transformation over the brick-and-mortar shopping and it is severely impacted due to online shopping done by people nowadays.(Sellamuthu, 2023) According to the balance, online shopping offers more convenience and variety as compared to local stores.(*The Pros and Cons of Online Shopping*, n.d.) physical stores do not provide extensive collection due to lack of space but online shopping provides massive collection of various products and services.(FAQs, 2021).

METHODOLOGY

To examine the sustainability of online shopping over offline shopping, the research was conducted with the help of google forms circulated randomly to the people and the responses were collected.

LIMITATION OF THE STUDY

Due to time limitation this study was conducted in less than a month's time and the number of respondents is also limited to 145 from 6 states. There is a possibility to further research in these areas with more elaborative questions and the sample size can be increased and a large area can be covered in this regard.

RESULTS AND INTERPRETATIONS

A Survey was conducted from the sample of 145 respondents which consisted of 52.4% male and 47.6% female respondents. The age group was 18-30 years which were 81.80%, 31-40 years were 4.9%, 41-50 years were 3.5%, 51-60 years were 8.4% and 60 and above years were 1.4%. The research was conducted from 6 states randomly. Data was analyzed with SPSS software and excel, the following is the result of the research.

Table 1

Profile of the respondents

Profile variables	Particulars	No. of Respondents	Percentage
Gender	Male	75	52.40%

Female 68 47.60%

Age	18-30	117	81.80%
	31-40	8	4.90%
	41-50	5	3.50%
	51-60	12	8.40%
	60 and above	2	1.40%
Name of state	Maharashtra	134	92.41%
	Gujarat	5	3.44%
	Jharkhand	1	0.68%
	Karnataka	1	0.68%
	Madhya Pradesh	2	1.37%
	Uttar Pradesh	2	1.37%

Table 2

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	77	53.1	53.1	53.1
	Female	68	46.9	46.9	100.0
	Total	145	100.0	100.0	

53.1% are male and 46.9% are female respondents.

Table 3

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	117	80.7	80.7	80.7
	31-40	8	5.5	5.5	86.2
	41-50	5	3.4	3.4	89.7

	51-60	15	10.3	10.3	100.0
	Total	145	100.0	100.0	

Highest number of respondents are from 18-30 years and lowest number of respondents are from 41-50 years category.

Table 4

State					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Maharashtra	132	91.0	91.0	91.0
	Gujarat	6	4.1	4.1	95.2
	Jharkhand	2	1.4	1.4	96.6
	Karnataka	1	.7	.7	97.2
	Madhya Pradesh	2	1.4	1.4	98.6
	Uttar Pradesh	2	1.4	1.4	100.0
	Total	145	100.0	100.0	

Highest number of respondents are from Maharashtra i.e., 91% whereas the other states participants are very less.

Table 5

Online shopping					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	131	90.3	90.3	90.3
	No	14	9.7	9.7	100.0
	Total	145	100.0	100.0	

Table 6

Frequency					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Sometimes	81	55.9	55.9	55.9

	Most of the times	42	29.0	29.0	84.8
	when I don't get the products offline	22	15.2	15.2	100.0
	Total	145	100.0	100.0	

Large number of participants i.e., 55.9% feels to buy only sometimes through the online channels.

Table 7

Preference					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Offline	105	72.4	72.4	72.4
	Online	40	27.6	27.6	100.0
	Total	145	100.0	100.0	

People prefer more offline than online.

Table 8

Availability					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	101	69.7	69.7	69.7
	No	9	6.2	6.2	75.9
	Maybe	35	24.1	24.1	100.0
	Total	145	100.0	100.0	

69.7% people feel that products are easily available online.

Table 9

Uniqueness					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	109	75.2	75.2	75.2
	No	11	7.6	7.6	82.8
	may be	25	17.2	17.2	100.0
	Total	145	100.0	100.0	

More than 75% people feel that online products are unique in character.

Table 10

Packaging					
		Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Yes	118	81.4	81.4	81.4
	No	3	2.1	2.1	83.4
	Maybe	24	16.6	16.6	100.0
	Total	145	100.0	100.0	

More than 81% feel that the packaging of products is attractive and good. Table 11

Selection					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	100	69.0	69.0	69.0
	No	20	13.8	13.8	82.8
	Maybe	25	17.2	17.2	100.0
	Total	145	100.0	100.0	

Highest number i.e., 69% people feel that there is possibility of good selection in online channels.

Table 12

Discounts					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	84	57.9	57.9	57.9

d	No	19	13.1	13.1	71.0
	may be	42	29.0	29.0	100.0
	Total	145	100.0	100.0	

57.9% people feel that good discounts are available online.

Table 13

Damaged products				
	Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Yes	46	31.7	31.7	31.7
	No	44	30.3	30.3	62.1
	Sometimes	52	35.9	35.9	97.9
	most of the times	3	2.1	2.1	100.0
	Total	145	100.0	100.0	

In this category people agree that they sometimes get damaged products in online shopping. Table 14

Exchange					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	104	71.7	71.7	71.7

d	No	18	12.4	12.4	84.1
	May be	23	15.9	15.9	100.0
	Total	145	100.0	100.0	

Highest number of people i.e., 71.7% feel that they get quick exchange in online shopping.

Table 15

Moneyback					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	98	67.6	67.6	67.6
	No	19	13.1	13.1	80.7
	May be	28	19.3	19.3	100.0
	Total	145	100.0	100.0	

67.6% people feel that they get money back easily in online shopping. Table 16

Anytime Anywhere					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	102	70.3	70.3	70.3
	No	15	10.3	10.3	80.7
	May be	28	19.3	19.3	100.0

	Total	145	100.0	100.0	
--	-------	-----	-------	-------	--

More than 70% people feel that they can shop anytime and anywhere through online shopping channels.

Table 17(a)

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Gender * Preference	145	100.0 %	0	0.0%	145	100.0 %

Table 17(b)

Table 17(5)

Gender * Preference Crosstabulation					
			Preference		Total
			Offline	Online	
Gender	Male	Count	52	25	77
		% within Gender	67.5%	32.5%	100.0 %
	Female	Count	53	15	68
		% within Gender	77.9%	22.1%	100.0 %
Total		Count	105	40	145

	% within Gender	72.4%	27.6%	100.0%
--	-----------------	-------	-------	--------

In gender comparison with preference male sample are preferring more offline than online whereas women and when we compare in total regarding the offline people are preferring more offline than online.

Table 18(a)

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent

Online shopping * Frequency	145	100.0%	0	0.0%	145	100.0%
--------------------------------	-----	--------	---	------	-----	--------

Table 18(b)

Online shopping * Frequency Crosstabulation						
			Frequency			Total
			Someti mes	Most of the times	when I don't get the produc ts offline	
Online shopping	Ye	Count	75	41	15	131

	s	% Within Online shopping	57.3%	31.3%	11.5%	100.0%
	No	Count	6	1	7	14
		% Within Online shopping	42.9%	7.1%	50.0%	100.0%
Total		Count	81	42	22	145
		% Within Online shopping	55.9%	29.0%	15.2%	100.0%

In comparison to online shopping with frequency that highest number of people prefer sometimes to buy online otherwise they are preferring offline.

Table 19(a)

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Gender * Discounts	145	100.0%	0	0.0%	145	100.0%
Gender * Exchange	145	100.0%	0	0.0%	145	100.0%

Gender * Moneyback	145	100.0%	0	0.0%	145	100.0%
--------------------	-----	--------	---	------	-----	--------

Table 19(b)

Gender * Discounts Crosstabulation						
			Discounts			Total
			yes	No	may be	
Gender	Male	Count	44	11	22	77
		% within Gender	57.1%	14.3%	28.6%	100.0 %
	Femal e	Count	40	8	20	68
		% within Gender	58.8%	11.8%	29.4%	100.0 %
Total		Count	84	19	42	145
		% within Gender	57.9%	13.1%	29.0%	100.0 %

In comparison to the gender with discount understanding more female sample feels that they get discount in online shopping than offline

Table 19(c)

Gender * Exchange Crosstabulation						
			Exchange			Total
			yes	No	May be	
Gender	Male	Count	52	9	16	77
		% within Gender	67.5%	11.7%	20.8%	100.0 %
	Female	Count	52	9	7	68

	e	% within Gender	76.5%	13.2%	10.3%	100.0 %
Total		Count	104	18	23	145
		% within Gender	71.7%	12.4%	15.9%	100.0 %

In comparison to gender with understanding of exchanging products again female feels that there is more possibility of exchange in online than the male sample.

Table 19(d)

Table 11 (3)

Gender * Moneyback Crosstabulation						
			Moneyback			Total
			yes	No	May be	
Gender	Male	Count	54	8	15	77
		% within Gender	70.1%	10.4%	19.5%	100.0%
	Female	Count	44	11	13	68
		% within Gender	64.7%	16.2%	19.1%	100.0%
Total		Count	98	19	28	145
		% within Gender	67.6%	13.1%	19.3%	100.0%

In comparison to gender with money back more male agree that they get money back easily on returns with the online shopping.

People are describing various websites and applications like Amazon, Ajio, Myntra, Flipkart, eBay, Nike, etc. which they feel easy for their buying.

OBSERVATION AND CONCLUSION

It is not surprising that online shoppers tend to earn more money than traditional store shoppers due to sustainability provided by them through less wastage over packaging, on time and before time delivery, no touch delivery (specially in covid time), branded products etc. Online shopping is mostly done by the young and middle-aged people whereas its advantages and disadvantages are known to all aged people. The feeling of personal touch and the beauty of going outside for shopping and window shopping cannot be replaced with online shopping over offline shopping but the busy life schedule, long hours jobs, trust made by the online website for exchange and systematic returns, ease of payment through mobile wallets and other UPI payment systems and the increasing number of online shops really encourage people to go for online shopping without hesitation.

BIBLIOGRAPHY

Anon. 2015. "Developing Sustainable Competitive Advantage for Retailers." *Your Article Library*. Retrieved November 15, 2021

(<https://www.yourarticlelibrary.com/retailing/developing-sustainable-competitive-advantage-for-retailers/48395>).

Anon. 2018. "9-Tools-to-Give-Your-Ecommerce-Company-the-Competitive-Edge."

Scalefast. Retrieved November 15, 2021 (<https://www.scalefast.com/blog/9-tools-to-give-your-ecommerce-company-the-competitive-edge/>).

Anon. n.d. "3 Advantages of Online Shopping | Online Shopping Benefits." Retrieved November 15, 2021a (<https://www.rakutensl.com/post/three-key-advantages-of-online-shopping>).

Anon. n.d. "Comparing Online and Non-online Shoppers - Lokken - 2003 - International Journal of Consumer Studies - Wiley Online Library." Retrieved November 17, 2021b (<https://onlinelibrary.wiley.com/doi/full/10.1046/j.1470-6431.2003.00292.x>).

Anon. n.d. "Creating Competitive Advantage in E-Commerce." Retrieved November 15, 2021c (<https://www.packagingstrategies.com/articles/94529-creating-competitive-advantage-in-e-commerce>).

Anon. n.d. "Forbes India - Future Of Retail: Turning Disruptions Into Sustainable Competitive Advantage." Retrieved November 15, 2021d

(<https://www.forbesindia.com/blog/business-strategy/future-of-retail-turning-disruptions-into-sustainable-competitive-advantage/>).

Anon. n.d. "How & Why You Should Choose Eco-Friendly Packaging for Ecommerce Orders." *ShipBob*. Retrieved November 16, 2021e (<https://www.shipbob.com/blog/eco-friendly-packaging/>).

Anon. n.d. "(PDF) Sustainable Competitive Advantage in E-Commerce and the Role of the Enterprise System." *ResearchGate*. doi: 10.4018/jeis.2011040101.

Anon. n.d. "Shin: Strategies for Competitive Advantage in Electronic Commerce STRATEGIES FOR COMPETITIVE ADVANTAGE IN ELECTRONIC COMMERCE Namchul Shin."

Blázquez, Marta. n.d. "Fashion Shopping in Multichannel Retail: The Role of Technology in Enhancing the Customer Experience." *International Journal of Electronic Commerce* 18(4):97–116.

Chen, Xiao, Xiaojing Sun, Dongwei Yan, and Decheng Wen. 2020. "Perceived Sustainability and Customer Engagement in the Online Shopping Environment: The Rational and Emotional Perspectives." *Sustainability* 12(7):2674. doi: 10.3390/su12072674.

Gefen, David, Elena Karahanna, and Detmar W. Straub. 2003. "Trust and TAM in Online Shopping: An Integrated Model." *MIS Quarterly* 27(1):51–90. doi: 10.2307/30036519.

Javalgi, Rajshekhar (Raj) G., Lori P. Radulovich, Glenna Pendleton, and Robert F. Scherer. 2005. "Sustainable Competitive Advantage of Internet Firms: A Strategic Framework and Implications for Global Marketers" edited by N. Singh and S. Krishnamurthy. *International Marketing Review* 22(6):658–72. doi: 10.1108/02651330510630276.

Jumpseller. n.d. "How to Use Eco-Friendly Packaging for Your Online Business." *Jumpseller*. Retrieved November 16, 2021 (<https://jumpseller.in/learn/eco-friendly-packaging/>).

Miva. n.d. "The Economic and Environmental Benefits of Ecommerce." Retrieved November 15, 2021 (<https://blog.miva.com/economic-environmental-benefits-of-selling-online>).

Mkansi, Marcia, and Aaron Luntala Nsakanda. 2021. "Leveraging the Physical Network of Stores in E-Grocery Order Fulfilment for Sustainable Competitive Advantage."

- Research in Transportation Economics* 87:100786. doi: 10.1016/j.retrec.2019.100786.
- FAQs, eCommerce. (2021, April 5). Benefits of Online Shopping. *Understanding ECommerce*. <https://understandingecommerce.com/benefits-of-online-shopping/>
- Joe, A. (2020, September 24). *Top 10 Benefits Of Online Shopping*. Market Business News. <https://marketbusinessnews.com/benefits-online-shopping/246976/>
- Maheshwari, R. (2023, June 14). *Online Shopping And Its Advantages*. Forbes Advisor INDIA. <https://www.forbes.com/advisor/in/credit-card/advantages-of-online-shopping/>
- Sellamuthu, D. (2023, August 12). How automation is reshaping the retail industry? *The Economic Times*. <https://economictimes.indiatimes.com/news/how-to/how-automation-is-reshaping-the-retail-industry/articleshow/102672919.cms>
- Shopping Online: Why It's So Incredibly Popular*. (n.d.). Lifewire. Retrieved August 12, 2023, from <https://www.lifewire.com/shopping-online-pros-and-cons-3482632>
- The Pros and Cons of Online Shopping*. (n.d.). The Balance. Retrieved August 12, 2023, from <https://www.thebalancemoney.com/the-pros-and-cons-of-online-shopping-939775>
- Padmavathy, Chandrasekaran, Murali Swapana, and Justin Paul. n.d. "Online Second-Hand Shopping Motivation – Conceptualization, Scale Development, and Validation." *Journal of Retailing and Consumer Services* 51:19.
- Puelles, Maria, and Marta Blazquez. n.d. "The Importance of the Shopping Experience in Times of Recession: An Analysis from the Perspective of the Hedonic and Utilitarian Shopping Values."
- Rai, Gaurav. n.d. "ONLINE SHOPPING."
- Rajgopal, Shivaram, Mohan Venkatachalam, and Suresh Kotha. 2000. *Does the Quality of Online Customer Experience Create a Sustainable Competitive Advantage for E-Commerce Firms? SSRN Scholarly Paper*. ID 242774. Rochester, NY: Social Science

Research Network. doi: 10.2139/ssrn.242774.

Zhou, Lina, Liwei Dai, and Dongsong Zhang. n.d. "Online Shopping Acceptance Model – a Critical Survey of Consumer Factors in Online Shopping." *Journal of Electronic Commerce Research* 8:41–61.