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"Comparative Analysis of E-Commerce & Traditional Commerce"

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Abstract: E-commerce is currently one of the biggest concerns for customers when deciding whether to purchase from a physical store or online due to the abundance of options available for both online and offline purchasing. If we look at the past, we can observe that there were no online purchasing platforms and that all customers purchased their goods and services from physical retailers. However, many consumers now purchase goods from internet stores in order to save time and money. They believe that although we can compare our products with one another when we purchase something from an online store or website, we cannot do so when making an offline purchase. We cannot save time, money, or other resources if we conduct offline purchases in the same manner. Therefore, the purpose of this article is to analyse online and offline purchasing, compare them, and determine which is superior.

Key Words: E-commerce, Online buying, Offline buying, Traditional Commerce

INTRODUCTION:

This study examines the effects of e-commerce in markets where established full-service companies with a wide range of products and services compete against newcomers from the Internet that have more limited product lines. We focus on the retail brokerage industry, where the proportion of online brokers offering inexpensive trade executions has grown quickly.

We also discovered that the incumbent's decision to stick with a bundling strategy or switch to a component-pricing strategy affects the quality choice made by the new entrant. Particularly when the incumbent pursues component cost, the internet entrant opts for a lower quality. While reduced prices brought on by more competition benefit all consumers, those who shop online could encounter worse-quality products than their peers. Our analytical model sheds light on how competition affects the brokerages' ability to choose products of high quality. Our empirical investigation, a first-of-its-kind field experiment to assess the order-routing options and execution quality of full-service and internet brokerage firms, is driven by the model. The outcomes of our study demonstrate that, when compared to conventional full-service brokers, online brokers do actually provide lower-quality trade execution. The variations in execution quality between full-service and internet brokers, however, do not make up for the higher commission fees of full-service brokers. One of the earliest analyses of execution quality in the financial markets based on concurrent trades executed with various brokerages types is presented in our article.

LITERATURE REVIEW:

Maignan and Lukas's research (1997) studied that Security has grown to be a top worry in both online transaction interactions and has been cited as a major factor in people stopping online buying due to financial threats.

Solomon (1998) studied Consumer behaviour is defined as the study of the procedures used when a person chooses, purchases, uses, or discards goods, services, concepts, or experiences in order to fulfil wants and desires. Realising the consumer's mindset, intention, and behaviour in light of online purchasing is crucial if the Internet is to become a widely used retail channel.

Bellman, Lohse and Johnson (1999) examine the connection between demographics, personality traits, and opinions on online buying. According to these authors, persons who live a more wired lifestyle. And who are more time-strapped tend to make purchases online more frequently, i.e., those who regularly use the Internet and/or those who are more time-pressed like to shop online.

Swaminathan, Lepkowska-White, and Rao (1999) refered As elements affecting electronic exchange, consider vendor characteristics, transaction security, content for privacy, and customer characteristics.

Donthu and Garcia (1999) proposed that The danger aversion, creativity, brand awareness, price mental state, importance of convenience, variety-seeking tendency, impulsivity, attitude towards advertising, attitude towards buying things, and attitude towards direct marketing were found to be factors that would affect online shopping behaviour. Age, income, importance of convenience, innovativeness, risk aversion, impulsivity, variety-seeking propensity, attitude towards direct marketing, and attitude towards advert were found to be among these factors.

Bhatnagar, Misra and Rao (2000) Analyse the effects of customer attitudes towards online shopping, vendor/service/product attributes, and website quality on consumers' online purchasing behaviour.

RESEARCH METHOD:

The research was carried out using the scientific, technical, and medical publishing sector as a case study. The following sources were used to gather the data:

1) Expert opinions on the future of electronic publishing;
2) Pre-existing content like journal articles;
3) Internet & websites.

The main use of the internet has been to locate and assess the websites of web-based journals or for-profit producers of electronic journals. To locate and focus the search on the example given in the article, triangulation was employed. We are conducting study using secondary data analysis from several facts found online and in numerous research papers.

OBJECTIVE OF THE STUDY

1. To determine the effects of online shopping.
2. To determine the effect of offline purchases.
3. To compare buying online and offline.
4. To determine whether an offline or online market performs better.

IMPACT OF ONLINE SHOPPING:

Online purchasing has caused retail stores to lose money. The prices set by online retailers are quite cheap. Retail stores are unable to provide so low of a price. Their economic well-being suffers as a result. On the other hand, many small businesses are working with internet shopping portals. Consequently, they are still in the market, but their profit is split among various websites. With more options and simpler shopping today, customers are unquestionably better off. This is especially true for non-differentiated products (such as books, stationery, etc.).

IMPACT OF OFFLINE SHOPPING:

In the modern period, middle class people place more importance on offline purchasing than online shopping. Today, every middle-class person still visits a physical store to purchase products rather than doing it online. They believe that while purchasing offline, the products are excellent and that we may replace them if they don't match our expectations. We can also bargain with the merchants. Additionally, we have the option to compare products when shopping and shops. While offline shopping is preferable for families from the middle class and lower social classes, online shopping is advantageous for some people because it saves time and other resources and gives us access to a wide range of brands that we would not otherwise have.

TO COMPARISON OF ONLINE AND OFFLINE SHOPPING

ADVANTAGES OF ONLINE SHOPPING VS OFFLINE SHOPPINGCONVENIENCE –

Online purchasing is significantly more practical than traditional retail. You can shop while sitting in the comfort of your house rather than getting in your car and driving from store to store. When you've made up your mind about what to buy, making the payment is simple, and your orders are brought directly to your door.

VARIATION - No brick-and-mortar store can come close to matching the kind of variety a client can get online. Customers can find any goods in the online retailers' listings, regardless of how difficult it would be to find in physical stores because they provide products from all the big brands. Online retailers offer as many products as they can accommodate without being restricted by physical space or display requirements.

PRICING - Since online merchants don't have to pay overhead costs like store rent or other fees, they can pass these savings straight on to customers and, in general, offer products at a lower price than offline stores.

Even when shipping charges are taken into account, online businesses' pricing are typically less expensive than those of physical stores when all associated transportation and other expenses are taken into account.

DISCREET SHOPPING - While customers may not feel comfortable purchasing specific things, such as lingerie, from an offline retailer, internet shopping is discreet, and some online portals even offer discrete shipping.

OFFERS - In addition to providing products at lower prices, the majority of offline retailers frequently develop promotional offers in collaboration with banks, brands, and other organisations, allowing customers to save more money when purchasing goods online. Discounts are typically offered at offline stores or showrooms during stock clearance sales or when a product's producer runs a promotion. Some of the top Indian internet retailers are Snapdeal, Myntra, Zovi, Jabong, Flipkart, and Amazon.

DISADVANTAGES OF ONLINE SHOPPING VS OFFLINE SHOPPINGINSTANT GRATIFICATION –

Customers who purchase goods offline receive them immediately after making payment, but those who purchase goods online must wait for delivery. Waiting a day or two is usually not a big deal, but when a consumer demands instant satisfaction or when there is an emergency, purchasing from a brick and mortar store becomes vital.

TOUCH AND FEEL - In a physical store, a customer may physically interact with a product before making a purchase. This allows them to decide if the item will meet their needs or not, and it also lowers the likelihood that they will need to return it. If a buyer purchases a thing offline and doesn't receive what they expected, the return and exchange process can be quite time consuming and stressful.

Average Ratings of How Much Better Online Is Than Offline for Each Attribute Offline is preferable in the following phrase: See-touch-handle, Personal service, enjoyable shopping, hassle-free returns, speedy delivery, and online selling are better in the following ways: lowest price, most options, and fastest shopping.

WHICH MARKET IS BETTER IS BETTER?

The internet retail market has tremendously boomed in recent years, and many individuals now choose to purchase new goods online. Understanding the potential advantages of online buying is not difficult. However, there are also some who continue to do their shopping the old-fashioned way, and they do so for a variety of reasons. In the end, while it appears that online shopping is becoming more and more popular, it is also quite improbable that traditional stocks will change course.

According to the research, online shopping is more advantageous than in-store shopping in terms of convenience, time savings, choices, immediate availability, quality, cost savings, discounts, and offers.

CONCLUSION / SUMMARY:

The trial on online-offline brand alliances revealed that there is transmission of affect between brands, much like other kinds of brand alliances. The Levin and Levin (2000) model's assimilation effects, in particular, were observed when the two brands in an alliance had different attribute level favorabilities. In comparison to ratings of the identical brand in the control (non-alliance) condition, ratings of the brand with the pair's less favourable characteristics increased. On the other hand, the brand with the better qualities received lower ratings. Therefore, every brand should exercise caution when forging an alliance with a brand of lower quality that could damage its reputation, whether it be an online or offline brand (see also Rao, Qu, & Ruekert, 1999). But there seemed to be something special about online-offline brand collaborations. In an alliance between two brands with relatively favourable attribute levels, in addition to the assimilation impact, each brand's ratings were elevated. This is thought to be because consumers perceive the advantages of the features of offline and online brands as complementing one another. Online/offline brand collaborations are therefore a particularly promising tactic that merits more research.

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