
A STUDY ON THE IMPACT OF ONLINE SHOPPING OVER SMALL RETAILERS

***Dr. G. Anandhi, Dr. J. Anudevi**

Assistant Professor & Head, Principal Department of Commerce & Management
Sri Balaji Arts & Science College.

Article Received: 5 February 2026

***Corresponding Author: Dr. G. Anandhi**

Article Revised: 25 February 2026

Assistant Professor & Head, Principal Department of Commerce & Management, Sri
Balaji Arts & Science College.

Published on: 18 March 2026

DOI: <https://doi-doi.org/101555/ijrpa.5443>

ABSTRACT:

The aim of this paper is to draw attention to the impact that the growing trend of shopping online has had on traditional brick-and-mortar retailers. These retailers are absolutely necessary to a significant portion of the population. However, the emergence of e-stores, with their appealing financial and non-financial rewards as well as a wide range of options, has had a significant impact on small retailers and created a sense of uncertainty. The primary focus of this research is on the impact that the rise of online shopping has had on retail businesses, specifically on their profitability.

KEYWORDS: *E-stores, fixed retailers, profit-margin, online shopping.*

INTRODUCTION:

The customer can conveniently shop from the comfort of their own home using an internet connection on a mobile device or personal computer thanks to the online shopping system. Additionally, all money transactions take place in real time. Products are delivered to the buyer's residence directly through this online shopping method. By selecting the listed products from the online shopping website, customers can choose various products based on categories, essentially facilitating faster and simpler product selection at a single location. This technique can assist in managing products and services online. An online store is a virtual store on the internet where users can browse the catalog and select the products of interest. This method saves time traveling to the seller's location, and products purchased online will always be delivered to the buyer's location. The selected items may be collected, and we will be asked to provide our billing and shipping addresses as well as additional

payment information, such as credit card or debit card numbers, at the time of payment. An example of electronic commerce is the e-store.

Selling products directly to customers in small quantities from a permanent retail store is the essence of retailing. These customers might buy on their own or in groups. Retail stores are businesses that buy goods or merchandise in large quantities directly from manufacturers and then sell them in smaller quantities. Modern shopping centers and malls, as well as residential areas, colony streets, and community centers, all have shops. Retailing is the business of selling goods to end users, whether the company is a manufacturer, wholesaler, or retailer.

It ignores the manner in which the product is being sold. Retail, on the other hand, will have a consistent product selection, pricing, marketing, and product display. A retailer's budget, merchandise, and local needs determine which retail format is best for them. Market practice is not the only factor. A good format helps a retailer succeed and gain fame by increasing foot traffic.

REVIEW OF LITERATURE:

More than 400 online reviews from Taobao stores are gathered in order to comprehend how consumer purchase behavior is influenced by online reviews. This paper examines the influence on consumer purchase behavior based on online reviews of experience goods from a new consumer learning perspective, using the S-O-R model (Stimulus-Organ-Response Model). The positive reviews, describing ratings, picture reviews, appended reviews, and cumulative reviews all have an impact on consumer purchase behavior, according to statistical results obtained through the use of SPSS 19.0 software for data analysis and assumptions.

Information security and privacy have been identified as major obstacles to the growth of consumer-related e-commerce by government and industry groups. For both novice and seasoned Internet technology users, risk perceptions regarding Internet privacy and security pose challenges. This paper looks at how consumers with different levels of Internet experience perceive risks and how these perceptions relate to online shopping. The results show that the hypothesized relationships between consumers' levels of Internet experience, their use of alternative remote purchasing methods like telephone and mail-order, their perception of the risks associated with online shopping, and their online purchasing activity are supported by the findings. The implications for consumer welfare and online commerce are discussed.

Objectives:

To study the emerging E-stores impacting on profitability of retail shops.

To study the changing pricing patterns of retailers to face the competition from E-stores. To study the changing business patterns of retailers to achieve customer retention.

To analyse the new business pattern for achieving their customer satisfaction. Methodology of the study:

Interpretation Data's source For this particular study, primary data were used to collect the information. The primary data came from direct and personal interviews with retail owners.

The study's universe The retailers in the city of Bangalore are the focus of the study. Additionally, the retailers have chosen at random for the purpose of this investigation.

Exemplary Unit On the basis of convenient sampling, a sample of twenty retail stores has been chosen for this study. **Methods of Sampling** In order to provide a more precise picture of the impact of online shopping, this study used a convenient sampling method based on the availability of information in the market. **Tools for representing data** The data have been gathered, categorized, and presented in the form of a bar diagram.

Importance of the problem

There are a number of reasons why online shopping is becoming more popular than in-person shopping, but we can't ignore the appalling conditions in real-world retail establishments because of the rise of virtual shopping. In terms of customer satisfaction and service availability, physical retail stores incur significant costs for storing and referring their products. However, online shopping has had a significant impact on physical retail stores.

Some restrictions: A convenient sampling of 20 retail establishments served as the basis for the in-depth investigation. Due to the fact that the study was carried out in a very brief amount of time, time is another constraint. The primary goal of the study and analysis is to determine whether or not customers' attitudes toward retail establishments have changed in response to the rise of online retailers.

Data presentation:

Table: 1

List Of Question	Yes	No
Is there any decrease in profit margin?	14	06
Do customers ask for discount before making purchases?	15	05
Have you made any increase in discount rates offered to customer in recent times?	16	04
Has there been any decrease in average turnover?	15	05

Do you keep more variety of stock at your store now-a-days?	06	14
Is there an increase in window shopping in recent times?	17	03
Do you advertise about you enterprise?	08	12

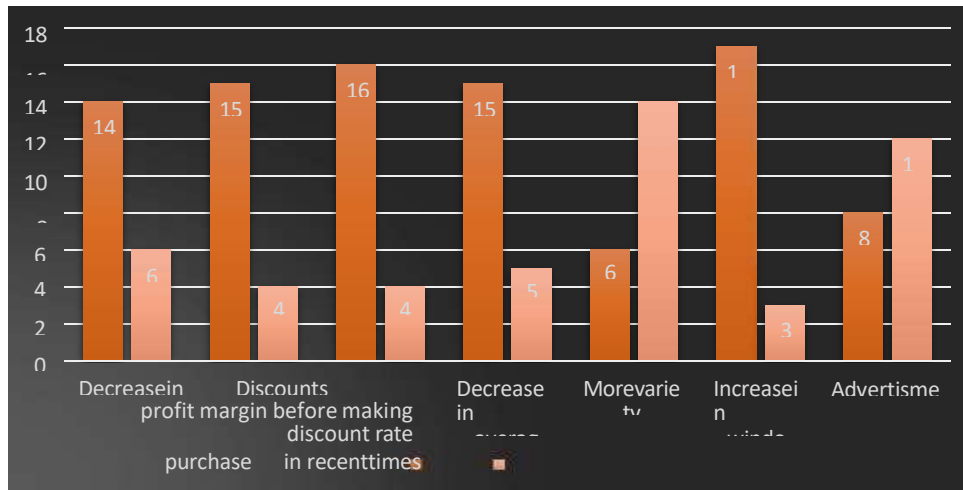


Chart-1.

Interpretation:

The majority of retailers have experienced a very low profit margin as a result of the substantial discounts offered at that location. Additionally, there are a lot of offers in the The customer requests a discount through an online website before making a purchase, so the retailer must to keep customers coming back, they have to make certain deals on the product. The table demonstrates that there has been a decrease in turnover in the majority of businesses, with a figure as high as 80%. Retailers keep a few varieties in stock to meet customer demand, and 85% of retailers report an increase in window shopping.

FINDINGS:

- a. Retail turnover and profit margins have decreased significantly over the past few years.
- b. Retail stores are now more involved in services that help customers feel satisfied.
- c. Although retailers can't keep a wide range of products in stock, they try to keep the best of them in order to increase sales.
- d. Customers are seen doing window shopping at an alarmingly high rate in order to see a product in person and then buy it cheaper online. Online retailers are now offering home delivery services for a variety of their products to customers' doorsteps.
- f. As the convenience of shopping online increases, customers become more at ease with the process, and the selection of products becomes more and more important to them.

Suggestions:

The retailers need to invest a lot of money in learning how to make demand forecasting

models that are more scientific and accurate. The existing small and medium independent retailers in their immediate vicinity must be carefully examined. In order to make shopping enjoyable for customers, the next step should be to encourage retailers to invest in enhancing the interiors of their respective establishments. Customers and the market must be viewed with a new perspective by retailers, who must prioritize customer satisfaction. Customers should recommend a retailer if it offers products of higher quality, reasonable prices, and helpful after-sales services. A devoted customer lowers a retailer's costs. Retailers should make every effort to cultivate customer loyalty, which will result in steady sales and loyal customers. Some examples of customer-pleasing special offers include cash back programs, free insurance, preferred customer status, and bonus points.

CONCLUSION:

The retail industry has changed. The primary reason for it is the recent development of technology. Today, retailing involves shopping in stores, online, and on the go. Small retailers are left out of all of these. However, the nearest store is always the most pressing issue, regardless of the season or reason. It cannot just survive; it must revive. The retail stores simply need to improve their business practices to face the world of competition with optimism. Retail stores and e-stores both need to survive, but neither should the other. Not only does it provide thousands of people with a means of subsistence, but it also provides the convenience and steadfastness of a fixed retail store.

REFERENCES:

1. Belk R.W (1975), "Situational variables and consumer behaviour", *Journal of Marketing*, 11, pp156-163.
2. Burki, Raymond. R (1997), "Do you see What I see? The future of Virtual Shopping", *Journal of Academy of Marketing Science*, 25(4), pp352-360.
3. Coleman, Calmetta. Y (2000), "Making Malls Convenient", *Wall Street Journal*, Feb 8,pp B1-B4.
4. Sherry Lotz (1999), " Profiling Potential Adopters and Non-adopters of an interactive electronic shopping medium", *International Journal of Retail and Distribution Management*, 27(6), pp 209-223.
6. Soyeon Shim, Mary Ann Eastlick, "Assessing the impact of internet shoppers and internet users", *Journal of Shopping Center Research*, pp7-43

7. Jupiter Research/ paypal Survey, Jan2008
8. Kothari, C. R., Research Methodology Methods and Techniques, 2nd Revised Edition, New Age International (P) Ltd. Publishers, 2010