

Sales : Plunging Into Online Mode For Shopping

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By Dr. Anubhav Misra , Dr Sridhar Samu

Every year the war of sales begins in multiple phases, covering the year-end, holiday period, and most importantly – festival seasons, that increases alarmingly when the e-commerce giants announce three day or five days sales on their platform. One cursory glance at the newspaper or scrolling down Facebook ads or google can tell you how many brands are offering goodies for consumers to purchase. Indian consumers buy thousands of crores of products in categories ranging from phones, electronic appliances, furniture and apparels throughout these occasions. This gradual change or shift in purchasing habits of Indian consumers has happened due to variety of factors across years.

Promotion/Advertising

The first factor is definitely the huge amount of promotions in all media including newspapers, online marketing, radio and TV. The build-up to the festive season starts a few weeks before. The firms ensure that consumers are aware of upcoming big offers so that they have plenty of time to plan their purchases in advance. Specially, in case of large ticket sales like TV or washing machines, consumers delay their purchase in search of a great deal. Last year, Amazon and Flipkart have spent Rs 100 crores only for promotions. And the year before, according to Redseer, India's ecommerce firms generated a combined gross sales of at least \$2.2 billion (about Rs 14,000 crores). So, promotions are important drivers to achieve huge sales.

Trust

When e-commerce started in India, people were skeptical about many aspects. They were not sure of the quality of products because one can't touch or feel products in an online environment. There were issues of privacy and potential theft of transaction data. However, availability of online word-of-mouth in the form of reviews and recommendations has addressed some of the trust issues. Also, consumers who did online shopping shared positive experiences with their relatives or friends, which acted as a positive catalyst. This transition has taken few years and the results are encouraging. Moreover, firms have also worked hard on their policies like cash-on-delivery or free return options to win the trust of consumers. This allows the consumer to be less concerned, because they know that in case they don't like the ordered product, they can have a hassle free return.

Digital Infrastructure

The digital infrastructure in terms of access and speed of Internet has seen some amazing improvements. The cost of online access in terms of data has seen its sharpest declines with the entry of Jio with very competitive pricing. Now, consumers enjoy access to a fast speed Internet which enhances the overall online shopping experience. One can simultaneously open or search for products using different apps or websites, and perform a quick comparison before making a final purchase.

Convenience

The advances in technology has added a new dimension of convenience in online shopping. Earlier, consumers used to hunt many shops and bargain. Now, they can do a price comparison sitting in the comfort of their home on their mobile phones. This has actually helped women consumers who can relax at home and enjoy shopping, after their household chores. Thus technology has provided superior comfort where people can avoid crowd and shop any time (24X7) as per their convenience. The online shops never close! The interesting feature is the possibility of comparing prices instantly which is well

received by price conscious Indian consumers. For example, when I visited [Ranchi](#) Expo, I saw people asking the model of washing machine and immediately checking its price on online websites. The MRP was INR 18,990 and the seller was selling at INR 17,990. However, the same model was available at Rs. 17,500 in an online website. People told it to seller and negotiated on prices to get it at the same price, which sellers have to agree if they wanted to sell their products. Similar sights were seen during the purchase of white goods like TV and refrigerators. Moreover, the online firms have thousands of products, brands and varieties to cater to demand from online shoppers, which cannot be offered by any physical retail stores. Amazon in its promotions boasts of more than 3 crore products! Also, the online shopping meets the demands of today's young generation, as they don't have to stand in a queue in a retail store to make payment.

Social factors

Probably, the biggest influencing factor is the emergence of new social factors. Decade back, the festivals were more related to religious beliefs, an opportunity to meet family, friends and spend time together. Now, this has changed to more of consumption related activities, resulting in display of social stats and show-off. If you open any entertainment channel, the regular serials are flooded with immaculate planning about which gifts to buy and who gets how many gifts. The huge promotions and communication in media is creating a social pressure situation where people feel that if they are not buying during festival season, they are lacking social skills and acceptance. Earlier, festivals were meant to buy idols, lamps, lights and crackers. Now, there is compulsion to buy expensive clothes, vehicles or jewellery. Because, from neighbours to colleagues, people only discuss their purchase, and if one doesn't have anything to say, he/she feel left out. Buying gifts and expensive items and a long discussion about the same is the new symbol of socio-economic status. The advertisements on TV or newspapers are persuading consumers to spend on decoration, replacing old furniture and getting a new look for homes to celebrate festivals! The religious beliefs are gradually giving way to new ways of conspicuous consumption and materialism.

There is definitely a certain section of consumers who still prefer the good old days of celebrations, but the new rising Indian middle class is ready to splurge and enjoy festivals to showcase their economic status! Long live (online) shopping!

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