

Comparative Study of Traditional Business and E-commerce with reference to consumer satisfaction

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Abstract:

Business activities such as exchange of services take place only in the traditional mode, i.e. the customer has to go to the market, consider various products and select the required goods. And buy them by paying specified amount. But with the advent of e-commerce, people can buy goods, pay bills or transfer money with a single click. In this present paper Comparative Study of Traditional Business and E-commerce with reference to consumer satisfaction has been studied.

Keywords: Traditional Business, E-commerce, consumer satisfaction, Internet user

Objectives:

- To study the status of traditional business
- To get the current situation in e-commerce
- To identify customer preference
- To determine whether the buyer is aware of e-commerce or not
- To study the difference between traditional business and e-commerce

Preface:

An arrangement that supplies goods or services to society Business deals with all types of organizations that create economic value. The various activities involved in business are closely related to the personal and social life of citizens. The term business includes all activities

undertaken for the purpose of creating wealth as well as acquiring wealth. But not only the creation or acquisition of wealth is the only objective of business, but the fulfillment of human needs in terms of social utility is also a broader objective. Business is an organized process where there are two parties and both of them need to achieve mutual benefit. In business, goods or services are exchanged for mutual benefit. Since business is a continuous and continuous and repetitive activity, it cannot be called a business if a person does this activity month after month, year after year or once in a lifetime. Goods or services are produced through business by organizing the factors of production with the aim of satisfying the ever-increasing number of human needs. When a person or organization engages in economic activity for profit, it acquires the nature of business. Business although it is not certain when the institution originated, many businesses have been operating for hundreds of years. Commercial revolution in sixteenth century Europe, various technological inventions in eighteenth century, industrial revolution in nineteenth century and mechanization in twentieth century show that the scope and expansion of business has increased to a great extent. In the early days business was run on a personal level; But as the scale of business started to expand, there seems to be an increase in doing business through partnerships, business corporations, co-operative societies, public enterprises. In modern times, business has acquired a broader form as a socio-economic institution. Business is considered as an instrument of human and social welfare. Any business organization is a system that constantly affects the environment and is affected by the environment. So every business has to adapt to the ever changing environment to survive. All business transactions have a dual purpose of exchange and mutual benefit. The objective of business is not merely to earn money, but to produce for use, which is its real function. Every business needs to make a conscious effort to produce goods or services that are of high quality, reasonably priced, and of utility that meets the needs of consumers and, in turn, society. Business progress and economic, political and cultural development of a country are interdependent. Business is a broad concept and includes all activities like processing natural materials to create goods, converting goods into suitable form with the help of manpower and machines, transporting goods to suitable places, arranging storage of goods and making them available to customers. Business includes industries and commercial processes that produce all

kinds of goods and services. A place where the process of producing a particular good or service takes place is called an 'industrial establishment'.

Traditional Commerce:

Traditional commerce or commerce is a part of business, which includes all activities that facilitate exchange. Commerce includes two types of activities, namely trade and ancillary trade. The term trade refers to the purchase of services and services for cash or goods and commodities ancillary to trade and all activities such as banking, insurance, transportation, advertising, insurance, packaging, etc. which help to complete the business successfully. Exchange between parties. In classic terms, commerce encompasses all activities that facilitate the exchange of goods and services from producers to final consumers. When goods are produced, they do not directly reach the consumer but must pass through various activities involved in commerce. Its main function is to fulfill the wishes of the customers by making them available at the right time and place.

E-commerce:

E-commerce or electronic commerce refers to the exchange of goods and services, funds or information between businesses and consumers using electronic networks, such as the Internet or online social networks. E-commerce refers to the facilitation of trade and business activities through electronic medium, i.e. all activities such as buying, selling, ordering and payment are done over the Internet. The scope of e-commerce is discussed on the following points:

- B2B Commerce: When business is transacted between two business houses through electronic channels, it is called B2B commerce.
- B2C Commerce: When goods and services are exchanged between business organizations and consumers over the Internet, it is known as B2C commerce.
- C2C Commerce: When goods and services are bought and sold between consumers using electronic media, it is called C2C commerce.
- Intra-B Commerce: When the exchange takes place in a firm or business house with the use of electronic media, it is called intra-B-commerce.

Key differences between traditional commerce and e-commerce:

The following points are significant as regards the difference between traditional commerce and e-commerce:

- ❖ A part of business, which focuses on the exchange of products and services and includes all those activities that encourage exchange in one way or another, is called traditional commerce. E-commerce refers to the exchange of business transactions or information over the Internet.
- ❖ In traditional commerce, transactions are processed manually while in case of e-commerce transactions are processed automatically.
- ❖ In traditional commerce, goods and services can be exchanged for money only during working hours. On the other hand in e-commerce goods can be bought and sold anytime.
- ❖ One of the major disadvantages of e-commerce is that customers cannot physically inspect the goods before purchase, however, after delivery, if the customer does not like the goods, they can return them within a specified period. On the contrary, physical inspection of goods is possible in traditional commerce.
- ❖ In traditional commerce, interaction between buyers and sellers is direct, i.e. face-to-face. In contrast, in the case of e-commerce, communication with the customer is indirect, as the customer may be miles away from the place where the order is placed.
- ❖ The scope of business in traditional commerce is limited to a particular area, i.e. the reach of the business is limited to the place near where it is being carried on. On the contrary, the ease with which e-commerce has made business reach across the globe.
- ❖ As there is no fixed platform for information exchange in traditional business, the business has to depend on middlemen for complete information. Unlike e-commerce which has a universal platform for information exchange i.e electronic communication channels, which reduces the dependence on people for information.
- ❖ Traditional commerce deals with the supply side. In contrast, the resource focus of e-commerce is the demand side.

- ❖ In traditional commerce, the business relationship is vertical or linear, while in the case of e-commerce there is a horizontal business relationship in direct command.
- ❖ In traditional commerce, standardization leads to mass / one way marketing. However, customization exists in e-commerce which leads to one-to-one marketing.
- ❖ Payment for transactions can be made by cash, check or credit card. On the other hand, in e-commerce transactions, payment can be made through online payment modes like credit card, fund transfer, etc.
- ❖ In traditional commerce the delivery of goods is immediate but in case of e-commerce, after some time, usually within a week, the goods are delivered to the customer's location.

Methodology:

In this study 200 males and females of Nagpur with good purchasing power are randomly selected. Complete data will be collected through questionnaire and presented through statistical analysis.

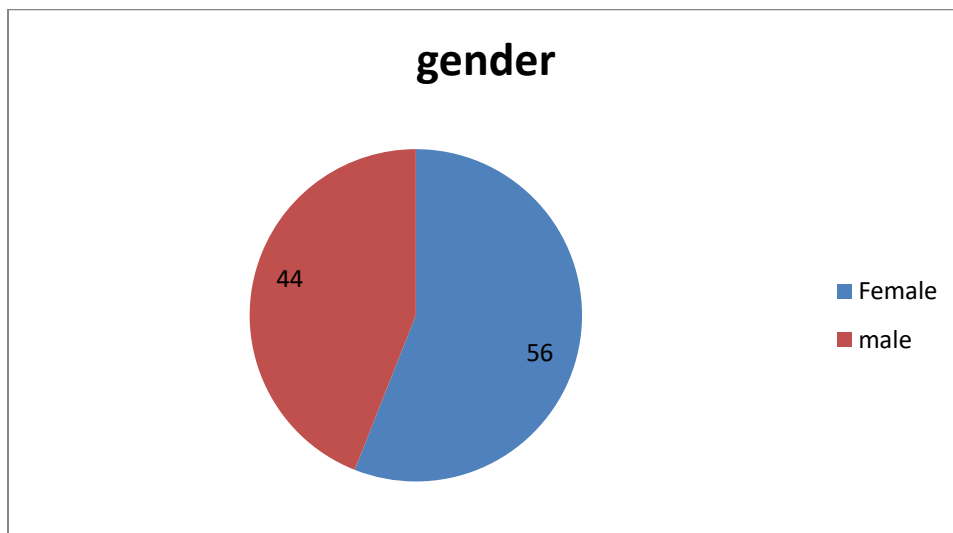
Hypothesis:

- E-commerce site selection influences respondent eligibility
- Respondent's gender influences their purchase.
- Digital marketing strategies influence the purchase of e-commerce products

Questionnaire:

The questionnaire for this research has been carefully prepared. To further validate this finding, questions were adapted from prior knowledge on the impact of e-commerce sites on consumer mindsets, and some questions were self-structured to meet the broader study of research topics. The questionnaire is divided into two sections, the first of which deals with demographic questions. The second section of the survey looks at internal and external issues such as digital marketing techniques and buyer awareness and consumer preference for e-commerce products.

Respondent's gender:

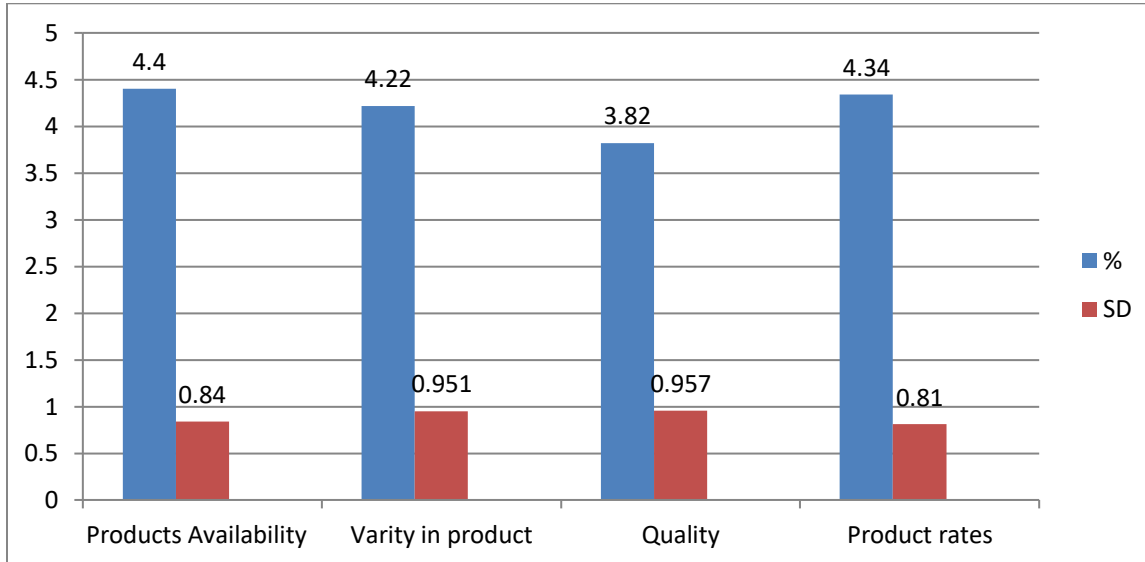


Graph no 1 : Male = 44 female=56

Table 1 satisfaction of Consumer

Sr no	Service Item	E-commerce		Traditional Bussiness	
		%	SD	%	SD
1	Products Availability	4.40	0.840	4.20	0.853
2	Varity in product	4.22	0.951	4.10	0.910
3	Quality	3.82	0.957	3.10	1.134
4	Product rates	4.34	0.810	3.90.	0.901

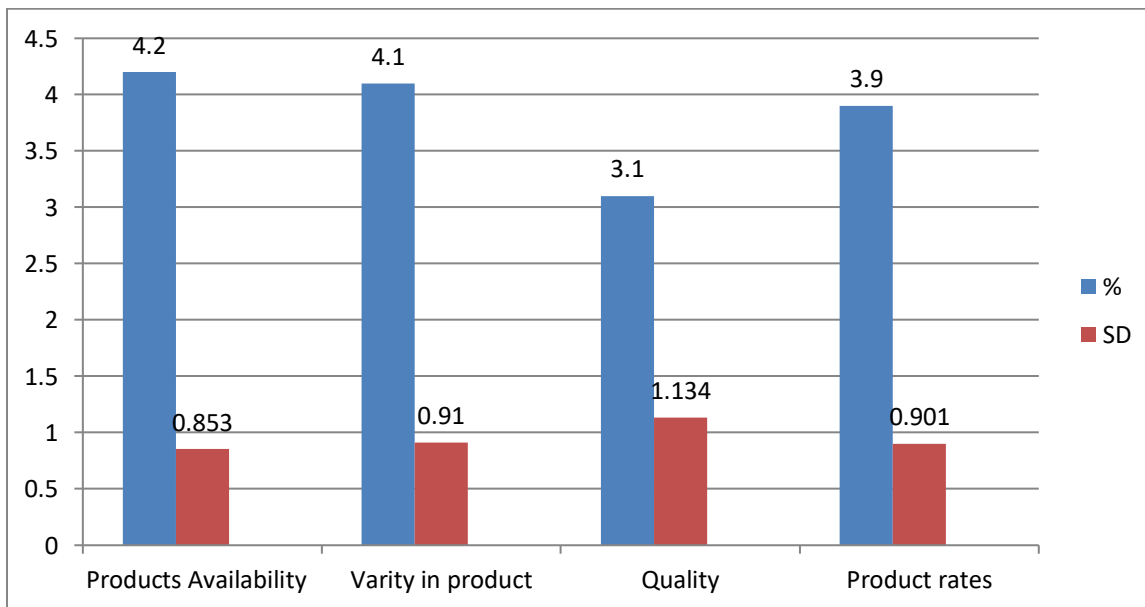
Satisfaction of Consumer in E-Commerce



Graph no 2

Above graph no 2 shows that in e commerce business consumers were satisfied in all services Products Availability 4.4%, Variety in product 4.22, Quality 3.82, Products rates 4.34.

Satisfaction of Consumer in Traditional Business



Graph no 3

Above graph no 3 shows that in Traditional Business consumers were satisfied in all services Products Availability 4.2%, Variety in product 4.10, Quality 3.1, Products rates 3.9.

Conclusion:

An example of traditional commerce is a local business that provides activities or goods to its regional consumers. It is a setup in which customers must personally come to the store to purchase merchandise. Traditional businesses cost a lot of money on equipment. Renting and buying office space is always expensive in the physical business world. You will need to recruit people to work in sales, accounting, administration and security. Ecommerce is a business strategy that allows businesses and individuals to buy and trade products and goods via the web. Ecommerce is handled in four primary market segments using laptops, iPods, phones and other digital phones. Ecommerce transactions provide access to almost every possible commodity and activity, including books, entertainment, plane tickets, and financial sectors such as investing in stocks and internet payments. In today's modern age, research proves that the consumer home Sitting wants to buy goods and services. That is why in the present era e-commerce is spreading its web all over the world.

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