

ANALYSING THE CHALLENGES AND IMPACTS OF ONLINE SHOPPING AMONG THE CONSUMERS IN ERODE DISTRICT

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ABSTRACT

The emergence of internet purchasing has revolutionized the retail industry by providing customers with unmatched accessibility and ease. But this change also brings with it a host of difficulties and effects that should be carefully considered. By examining the intricate dynamics of online buying, this study illuminates the main obstacles that customers encounter, such as security worries, problems with product authenticity, and challenges with returns and refunds. It also looks at how consumers' social habits, mental health, and financial well-being are affected by internet purchasing. For customers, legislators, and online retailers alike, the research's conclusions offer insightful information that emphasizes the importance of strong security protocols, open business practices, and well-informed consumer choices. Stakeholders can endeavour to create a safer, more sustainable, and more advantageous online buying environment by being aware of the difficulties and effects of online shopping.

Keywords: Online shopping, consumer challenges, consumer impacts, e-commerce, security concerns, product authenticity, returns and refunds, financial well-being, mental health, social behaviours.

1. INTRODUCTION

Online shopping has become a dominant force in the retail industry as a result of the internet's introduction and the widespread use of digital technology. Online shopping is a popular choice for customers all around the world because of its ease, accessibility, and versatility. Online shopping does, however, come with a number of drawbacks and consequences that have an impact on customers in different ways as its popularity continues to rise. With an emphasis on identifying the main problems influencing customers' online buying experiences, this study attempts to investigate the difficulties and effects of online purchasing among consumers. Due to its many advantages, such as ease of use, affordable costs, and availability of a large selection of goods, internet shopping has become a crucial aspect of contemporary consumer behaviour.

1.2 SIGNIFICANCE OF THE STUDY

The current study is important since it clarifies the difficulties Erode District consumers encounter when utilizing online purchasing platforms. Customers are depending more and more on online shopping due to its ease, variety, and affordable costs as a result of the quick expansion of digital commerce. However, difficulties with product quality, payment security, delayed delivery, and lack of trust still have an impact on customer satisfaction. This study emphasizes how online shopping affects consumers' purchasing habits, degree of satisfaction, and decision-making process. Online retailers, marketers, and service providers will find the study's conclusions helpful in enhancing their offerings and successfully resolving customer issues. Additionally, it offers legislators useful information to support the district's safe and consumer-friendly e-commerce operations.

1.3 SCOPE OF THE STUDY

The study's scope is restricted to Erode District residents who regularly purchase online. The study's main objectives are to analyze consumer awareness, frequency of online purchases, impacts, challenges and the main obstacles encountered when doing so. Additionally, it looks at how consumer satisfaction, spending patterns, and lifestyle modifications are affected by internet purchasing. The study examines a few popular product categories and e-commerce sites. The study is limited to a particular time frame for data gathering and excludes vendors and service providers outside of Erode District. As a result, the findings mostly apply to the chosen sample and region.

1.4 STATEMENT OF THE PROBLEM

Online shopping is increasingly popular among consumers in the Erode District due to its convenience, time savings, and wide range of products. However, consumers face several issues such as low product quality, late delivery, fear of online fraud, and problems with return and refund procedures. These issues influence their satisfaction and purchasing decisions. Online shopping creates both positive and negative effects on consumers. Hence, it is important to examine the challenges experienced by consumers and the impact of online shopping in the Erode District. The present study is undertaken for this purpose.

1.5 OBJECTIVES

- To identify the challenges faced by the consumers who use online shopping.
- To examine the impacts of online shopping on consumers
- To provide suggestions for overcoming online shopping challenges.

2. LITERATURE REVIEW

Kumar Nitin et al. (2018) discovered that while low inventory costs, improved customer service, lower distribution costs, globalizing business, rapid product marketing, and e-commerce integration are some of the

factors indicating the better growth and opportunity of online shopping in India, the main challenges of e-commerce in India are lack of privacy and security, customers' confidence regarding payments and tax-related issues, poor infrastructure, a lack of appropriate cyber laws, a lack of digital literacy, virus problems, and unrealistic competitions.

Archiman Biswas et al. (2024): Conducted a systematic literature review on the relationship between in-store and online shopping channel choice behaviour, emphasizing the importance of understanding consumer behaviour in omnichannel retailing.

DelyanEftimov (2024): Presented a narrative review of research on the influence of online reviews on consumer behaviour and purchasing decisions, highlighting the significance of online reviews in shaping consumer perceptions and decisions

Wang, J., Liu, Y., Qiu, Z., et al. (2025) explores how inconsistency in online reviews affects purchase intentions, suggesting complexity in how social proof cues shape buying decisions.

3. CHALLENGES FACED BY THE ONLINE CONSUMERS

3.1.1 Security Issues:

One of the biggest obstacles that online shoppers encounter is security issues. Cybercrime has escalated along with e-commerce, putting consumers at risk of having their financial and personal data compromised. Identity theft, monetary loss, and other severe repercussions may result from this. Customers may be concerned about the security of their data, particularly when entering private data like addresses or credit card numbers.

3.1.2 Quality and Authenticity

Assuring the quality and authenticity of products is another difficulty that customers encounter. Customers find it challenging to assess the quality of products they purchase online since they are unable to physically touch or view them. Additionally, there is a chance that fake goods will be offered for sale online, which can greatly worry customers.

3.1.3 Delivery Problems

Another frequent problem that online shoppers encounter is delivery problems. Shipping-related delays, misplaced packages, and damaged goods can be annoying and inconvenient. It could be challenging for customers to track their packages or receive delivery status updates.

3.1.4 Customer Service

Customer Service Good customer service is essential for internet buyers. Nevertheless, some internet merchants might not offer sufficient assistance, which could cause annoyance and disappointment. Customers might not receive prompt answers to their questions or may have trouble getting assistance.

3.1.5 Product Comparison

Comparing products and prices can be overwhelming due to the wide variety of products that are available online. Customers may feel unsure about their purchase choices or have trouble locating the best product to suit their needs.

3.1.6 Technical Issues

Problems with the website's functionality, like slow loading times or crashes, can also affect the online shopping experience. Customers may run into issues when navigating the website or encounter mistakes when checking out.

3.1.7 Payment Issues

Online shoppers may find payment problems, such as unsuccessful payments or rejected transactions, to be infuriating. Customers might be concerned about the safety of their payment details or run into trouble fixing payment-related problems.

3.1.8 Tactile Experience

Another issue that online shoppers encounter is the absence of tactile experience. Because they are unable to touch, feel, or try products before buying, consumers may become unsure or disappointed.

3.1.9 Scams and Phishing

Online buyers are vulnerable to phishing attempts and scams. Phishing emails, fake websites, and other nefarious actions can jeopardize customer information or cause financial loss.

3.2 IMPACTS OF ONLINE SHOPPING ON CONSUMERS

While internet shopping offers flexibility and convenience, it also carries the risk of overspending and financial strain. Although it has a large selection of goods and affordable costs, customers may become dissatisfied and frustrated. The impacts classified by positive impacts and negative impacts. That they are,

3.2.1 Positive Impacts

Consumers can shop conveniently from any location at any time using any internet-connected device thanks to online shopping. Enhanced Accessibility: Thanks to internet shopping, a greater variety of goods and services are now available to those who live in remote locations, have mobility challenges, or have disabilities. More Products: Compared to physical stores, online retailers are able to offer a greater selection of goods, providing customers with more choices and raising the likelihood that they will find what they're looking for.

3.2.2 Negative Impacts

Financial Stress: If customers overspend or accrue debt as a result of their online purchases, they may experience financial stress. Online shopping presents security risks, including phishing scams, credit card

fraud, and identity theft. Absence of Tactile Experience: Online shoppers may become frustrated or disappointed because they are unable to touch, feel, or try things before making a purchase.

4. DATA ANALYSIS AND INTERPRETATION

The demographic profile, attitudes, and issues encountered by the respondents are arranged in the survey results. The data analysis results were shown in this section, which concluded with the respondents' expectations and perceptions of online shopping in Tamil Nadu's Erode District.

4.1 DATA COLLECTION

Primary data was collected by using Google Forms Questionnaire, which was distribute and collect from various areas in Erode District. Respondents from different age groups, Occupation, residence of area and Income levels of participants in this survey.

4.2. Demographic Profile

The data gathered regarding the demographic profile of the respondents in Erode District constituted such as Gender, Age, Area of Residence, Occupation, and Family Income.

Table 1 Demographic Profile of the Respondents

S.No	Factor	Variables	Respondents	Percentage
1	Gender	Male	69	46
		Female	81	54
		Total	150	100
2	Age	Upto 20 years	93	62
		21 to 30 years	32	21
		31 to 40 years	22	15
		above 41	3	2
		Total	150	100
3	Educational Qualification	School level	33	22
		Under Graduate	81	54
		Post Graduate	26	17
		Others	10	7
		Total	150	100
4	Area of Residence	Rural	61	41
		Urban	67	45
		Semi urban	22	15
		Total	150	100
5	Occupation	Student	86	57
		Professional	21	14
		Businessman	18	12
		Employee	19	13
		Others	6	4
		Total	150	100

6	Family Income	Less than 20,000	63	42
		21,000 to 40,000	44	29
		41,000 to 60,000	19	13
		Above 60,000	24	16
		Total	150	100

Source: Primary Data

Interpretation

According to the table 1 reveals that 54 per cent of the respondents are women, and 62 per cent of them are under 20 years old. The majority of respondents are either pursuing or have completed higher education, as evidenced by the high percentage of undergraduate education 54 per cent. The majority of people 45 per cent reside in urban areas, with rural areas coming in second. Students make up the majority 57 per cent in terms of occupation, indicating that the student community has a significant influence on the study. The majority of respondents come from lower-income households, as evidenced by the fact that 42 of respondents are from families making less than ₹20,000 per month.

4.3 FACTORS INFLUENCING CONSUMERS PURCHASE INTENTION WHILE ONLINE SHOPPING

Table 2 Factors Influencing Consumers Purchase Intention While Online Shopping

S.No	Factor	Variables	Respondents	Percentage
1	Frequency of purchase	Weekly Once	18	12
		Monthly once	53	35
		Occasionally	35	23
		Rarely	44	29
		Total	150	100
2	Aware of online shopping	Family	43	29
		Friends	46	31
		Social media	56	37
		Print media	5	3
		Total	150	100
3	Motivation of Purchase	Convenience	49	33
		Competitive pricing	42	28
		Wide products selection	45	30
		Avoid physical movement	14	9
		Total	150	100
4	Online Shopping Platforms	Amazon	53	35
		Flipkart	71	47
		e - pay	10	7
		Mytra	16	11
		Total	150	100

Source: Primary Data

Interpretation

The table 2 shows that the majority of the respondents purchase online monthly once, accounting for 35 per cent, indicating that most consumers prefer regular but not frequent online shopping. It is also observed that 37 per cent of the respondents became aware of online shopping through social media, which is the highest, showing that social media plays a major role in creating awareness. Regarding the motivation for online purchase, the majority (33 per cent) are motivated by convenience, indicating that ease of shopping is the main reason for using online platforms. Further, it is clear that 47 per cent of the respondents mostly use Flipkart, making it the most preferred online shopping platform among consumers.

4.4 BENEFITS OF USING ONLINE SHOPPING - HENRY GARRETT'S RANKING TECHNIQUE

TABLE 3 Benefits of Online Shopping

Factors	Total Score	Mean Score	Rank
Save time	2868	19.12	I
Convenience shopping	2503	16.69	III
Attractive discount	2226	14.84	IV
Low price	2826	18.84	II
Get detailed information about the product	1959	13.06	IX
Comparison of varieties of product	2074	13.83	VI
Product availability	1970	13.13	VIII
Wide product selection	2178	14.52	V
Ability to read reviews	2007	13.38	VII
Easy returns and refunds	1889	12.59	X

Source: Primary Data

Interpretation

The rank-wise interpretation of the table 3 shows that Save time ranks first, indicating that the majority of respondents consider time saving as the most important factor in online shopping. Low price stands in the second rank, showing that affordability strongly influences consumers' online purchase decisions. Convenience shopping, ranked third, reflects that ease and comfort also play a major role. Attractive discounts occupy the fourth rank, indicating that offers and discounts encourage online purchases. Wide product selection is ranked fifth, showing that availability of many choices is another influencing factor. Comparison of varieties of products stands at the sixth rank, highlighting the importance of comparing options. Ability to read reviews is placed in the seventh rank, indicating moderate influence. Product availability ranks eighth, suggesting comparatively lesser importance. Getting detailed information about the product is in the ninth rank, while easy returns and refunds, ranked tenth, are considered the least important factors by the respondents.

4.5 ONLINE SHOPPING CHALLENGES ANALYSE BY USING ANOVA – SINGLE FACTOR

TABLE 4.1– ANOVA SINGLE FACTOR

SUMMARY				
Groups	Count	Sum	Average	Variance
3	149	232	1.55704698	0.653818
	0	0	#DIV/0!	#DIV/0!
29	149	2752	18.46979866	44.1832

TABLE 4.2 ANOVA SINGLE FACTOR

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	21310.07	2	10655.03356	473.6727	7.91E-93	3.026361
Within Groups	6635.879	295	22.49450574			
Total	27945.95	297				

Source : primary data

Interpretation

The One-Way ANOVA results show that the calculated F value (473.67) is much higher than the critical F value (3.03). In addition, the p-value (7.91×10^{-93}) is far less than the 0.05 level of significance. Hence, the null hypothesis is rejected. This indicates that there is a statistically significant difference between the group means. Therefore, the factor under study has a significant influence on the dependent variable, and the differences observed among the groups are not due to chance.

5. FINDINGS

- The findings indicate that the majority of those surveyed are female, accounting for 54%, which shows greater involvement of women compared to men at 46%.
- Regarding age, a significant 62% of respondents are from the group aged 20 and under, highlighting that younger consumers are particularly active in online shopping.
- In terms of education, over half of the participants (54%) are undergraduates, while 17% hold postgraduate degrees, suggesting that a well-educated demographic is predominant among online shoppers.
- The data on residence reveals that urban participants (45%) slightly outnumber rural ones (41%), indicating that online shopping enjoys popularity in both urban and countryside settings.
- According to occupational status, students make up the largest group (57%), suggesting that they use online shopping platforms the most frequently.
- In terms of family income, the majority of respondents (42%) fall into the monthly income range of less than ₹20,000, demonstrating the widespread use of internet shopping even among those with lower incomes.

- The table shows that most of the respondents purchase online on a monthly basis (35%), followed by those who purchase rarely (29%) and occasionally (23%). Only a small percentage of respondents purchase online weekly (12%).
- Regarding awareness of online shopping, social media is the major source of information (37%), followed by friends (31%) and family members (29%). Print media plays a very limited role (3%).
- With respect to the motivation for online purchases, convenience is the main reason (33%), followed by wide product selection (30%) and competitive pricing (28%). Avoiding physical movement is the least motivating factor (9%).
- The analysis of online shopping platforms reveals that Flipkart is the most preferred platform (47%), followed by Amazon (35%). Other platforms such as Myntra (11%) and e-pay (7%) are less preferred.

5.1 SUGGESTIONS

- ✓ Since most consumers purchase online on a monthly or occasional basis, online shopping platforms should introduce regular offers, loyalty points, and subscription benefits to encourage more frequent purchases.
- ✓ As social media is the major source of awareness, online retailers should strengthen social media marketing, provide reliable advertisements, and use influencer promotions to reach more consumers effectively.
- ✓ Convenience is the main motivating factor for online shopping; therefore, companies should continue to simplify the ordering process, improve website/app usability, and ensure quick checkout options.
- ✓ Since Flipkart and Amazon are the most preferred platforms, other platforms should improve service quality, delivery speed, and customer support to compete effectively.
- ✓ Considering that many respondents belong to lower income groups and students, online retailers should provide affordable products, student discounts, and flexible payment options such as cash on delivery and easy EMIs.
- ✓ To overcome challenges like fear of fraud and dissatisfaction, online shopping platforms should enhance security measures, ensure easy return and refund policies, and provide clear product information to build consumer trust.

5.2 CONCLUSION

According to the study "Analysing the Challenges and Impacts of Online Shopping among the Consumers in Erode District," time savings, convenience, alluring discounts, and the availability of a large selection of products are some of the reasons why online shopping has grown to be a significant component of consumers' purchasing behavior. The majority of customers in the area favor internet shopping due to its accessibility and affordable prices, which favourably affects their purchasing choices. However, the study also highlights a number of difficulties that customers encounter, such as problems with product quality, delayed delivery, a lack of personal touch, worries about payment security, and challenges with returns and refunds. Despite these

difficulties, online shopping has a generally positive effect on Erode District customers since it increases convenience and expands their options. The study highlights the need for online retailers to improve service quality, ensure secure transactions.

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