



# A Study on Impact of E-Commerce on Millennials of Thane District

<sup>1</sup>Mrs.Pramila Yadav, <sup>2</sup>Ms.Nansi Rakesh Yadav

<sup>1</sup>Authour, <sup>2</sup>Co- Authour

<sup>1</sup>Assistant professor, <sup>2</sup>M.Com Student-Advance Accountancy Part I

<sup>1,2</sup>K. V. Pendharkar College of Arts, Science and Commerce(Autonomous), Dombivli, Thane, Maharashtra, India.

**Abstract:** The e-commerce market in India has grown at an impressive rate, outpacing other worldwide economies. This research explores how the millennial population in Thane district is impacted by E-Commerce. It specifically looks at consumer satisfaction levels, purchasing patterns, and motivational factors. One hundred respondents' answers to a questionnaire were used to collect data. The results show several important variables influencing millennials' adoption of e-commerce. Online shopping's ease, network connectivity's widespread use, social media's enduring power, the ease of access to e-commerce platforms, and the appeal of tempting deals are a few of these. Millennials—particularly Gen Y, or those between the ages of 25 and 35—have become the most regular consumers of e-commerce sites. They usually Favor small-scale transactions, and they frequently want to pay with cash on delivery. The convenience and benefits provided by e-commerce platforms are driving a shift in consumer preferences away from traditional buying methods, as this survey highlights. Businesses in the ecommerce sector can better serve the requirements and preferences of the millennial population in Thane district by utilizing the insights from this research to inform their plans.

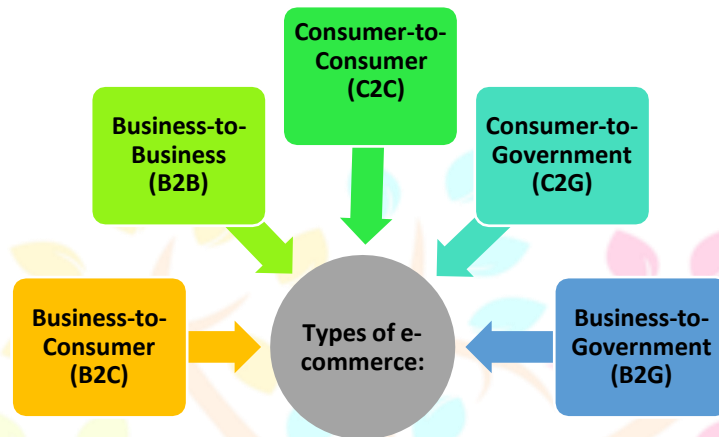
**Key words:** Millennial (GenY), Social-media, E-Commerce, virtual market.

## Introduction:

E-commerce, propelled by advancements in technology and the internet, has fundamentally transformed commercial transactions, enabling businesses and consumers to overcome geographical limitations, providing unparalleled convenience, and reshaping consumer and business behavior. Despite its transformative impact, e-commerce also

presents challenges, including the need for robust digital marketing strategies to stand out in a crowded online marketplace, logistical complexities in managing inventory and order fulfilment, and the ever-present threat of cybersecurity risks. Nonetheless, the continued evolution of e-commerce is driven by ongoing technological advancements, shifts in consumer behavior, and changes in the global economy, solidifying its status as a pivotal component of modern commerce, reshaping entire industries, and fundamentally altering the way goods and services are bought and sold.

## Types of e-commerce



**Business-to-Consumer (B2C):** B2C e-commerce refers to exchanges between companies and private customers. This is the most prevalent type of e-commerce, in which companies use online storefronts or marketplaces to offer goods or services directly to customers. Online merchants such as eBay, Amazon, and Walmart are a few examples.

**Business-to-Business (B2B):** B2B e-commerce refers to business-to-business transactions. Under this paradigm, companies use specialized B2B platforms, electronic data interchange (EDI), or online marketplaces to buy and sell goods and services to other companies. Longer-term partnerships and higher order quantities are common in B2B e-commerce. Alibaba, Thomas Net, and Grainger are a few examples.

**Consumer-to-Consumer (C2C):** C2C e-commerce refers to business-to-consumer transactions. Under this paradigm, individuals use online markets or platforms to offer goods or services directly to other customers. Peer-to-peer transactions are done by these platforms, offer features like ratings and reviews to foster confidence between buyers and sellers. Craigslist, Facebook Marketplace, and eBay are a few examples.

**Business-to-Government (B2G):** B2G e-commerce refers to exchanges of goods and services between companies and the government. Under this paradigm, companies supply goods or services to government organizations, frequently via government-contracted platforms or specialized procurement portals. Websites that allow companies to bid on contracts to supply goods or services to government entities are one example of this.

**Consumer-to-Government (C2G):** C2G e-commerce refers to exchanges in which private citizens supply goods or services to government organizations. Although less prevalent, this model can involve people paying taxes, licensing fees, or online applications for government services.

### **Objectives:**

1. The factors that sway youth purchasing through e-commerce.
2. To know the purchasing behavior of youth through e-commerce during pandemic.
3. To identify the factors motivating youths to use e-commerce.
4. To Discover the satisfaction level of youth while purchasing through e-commerce.

### **Hypothesis:**

- H0: There is no co-relation between purchasing behavior of an individual and age of the respondents.
- H1: There is a co-relation between purchasing behavior of an individual and age of the respondents.
- H0: Gender of respondents has no impact on purchasing of product types.
- H2: Gender of respondents has impact on purchasing of product types.

### **Review of Literature:**

**Siti Halima , (2015),** The study conducted focuses on the dependence of today's generation on network connectivity. It is observed that contemporary generations rely heavily on network access for various activities. Their research indicates that this reliance on connectivity correlates with an increased capacity to earn money, enabling individuals to meet their expenses more effectively. This suggests a shift in lifestyle and economic behavior influenced by technological advancements, particularly in terms of communication and connectivity.

**Dr Richa Rajan Singh, Sachin Mittal, Ankur Kukreti, (2018),** This study investigates the impact of social media as a marketing tool and its effectiveness in creating brand awareness. The findings suggest that social media platforms are more effective in reaching target audiences compared to traditional advertising channels. Social media's interactive nature, ability to tailor content to specific demographics, and its widespread usage among consumers contribute to its efficacy in brand promotion. This underscores the growing importance of social media marketing strategies for businesses aiming to engage with and attract customers in the digital age.

**Tanushree Samwal, Sandhya Avasthi, Shikha Saxena (March 2016):** The research findings indicate that a significant portion of consumers, around 60% or more, prefer purchasing from e-commerce platforms due to the convenience and comfort associated with online shopping. This suggests a shift in consumer behaviour towards digital channels, posing challenges and opportunities for traditional brick-and-mortar businesses. Furthermore, the study highlights the role of e-commerce in fostering entrepreneurship by providing individuals with a platform to establish and grow their businesses online, thereby contributing to economic development and innovation.

**Research Gap:**

There has been no study on how e-commerce affects millennials, who are essential to the expansion of the economy: Considering how much the millennial generation contributes to economic growth, there is a clear vacuum in the literature about the amount of specialized study that has not been done on how millennials interact with e-commerce platforms. By filling up this gap, the research hopes to provide insight into the e-commerce-related preferences, behaviors, and effects on this group of people, who have a lot of potential as consumers and contributors to the economy. By using both quantitative (numerical data) and qualitative (in-depth insights) approaches, the study closes the gap in the literature by enhancing the research at the grassroots level. The study aims to collect complex viewpoints and experiences linked to e-commerce among millennials by conducting research at the grassroots level.

**Scope of the study:****E-Commerce as a Giant Virtual Space for Trading:**

E-commerce, or electronic commerce, refers to the buying and selling of goods and services over the internet or other electronic networks. It has transformed the way businesses operate and consumers shop by providing a virtual platform for transactions.

**Millennials as the Backbone of the Country:**

Millennials, also known as Generation Y, typically refer to individuals born between the early 1980s and mid-1990s to early 2000s. In the context of the study, millennials are recognized as pivotal consumers who play a crucial role in driving economic growth and shaping market trends. Understanding their behavior, preferences, and interactions with e-commerce platforms is essential for comprehending broader consumer trends and economic dynamics.

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**Understanding the Influence of the Digital Era:**

It includes examining the impact of digital technologies, such as smartphones, social media, and online marketplaces, on consumer habits, preferences, and purchasing decisions. By focusing on the digital era's influence, the study seeks to provide insights into the evolving dynamics of commerce in the modern age.

**Examining Present Factors, Influential Factors, and Frequency of Using E-Commerce:**

The scope of the study encompasses a comprehensive analysis of various factors that influence consumers' engagement with e-commerce platforms. This includes current factors such as convenience, accessibility, and technological infrastructure, as well as influential factors such as social media influence, marketing strategies, and consumer trust. Additionally, the study aims to investigate the frequency with which millennials utilize e-commerce services, including the frequency of purchases, preferred payment methods, and factors affecting their usage patterns. By delving into these aspects, the study seeks to provide valuable insights into the drivers and barriers shaping the e-commerce landscape among millennials.



## **Research Methodology and Data Collection Research**

### **Methodology:**

#### **Population:**

The population refers to the entire group or set of individuals or entities that the researcher aims to study. In this case, the population under consideration is the residents of Thane district. Thane district serves as the target population for the study, representing the specific geographic area of interest from which data has been collected and analyzed.

#### **Sample Size:**

The sample size denotes the number of individuals or units selected from the population to participate in the study. In this research, a sample size of 100 responses is collected. This sample size is determined based on various factors, including the desired level of statistical significance, the available resources (such as time and budget), and the expected variability within the population. A sample size of 100 responses is considered adequate for many studies, particularly when employing statistical techniques to draw inferences about the population.

#### **Sampling Technique:**

The sampling technique refers to the method used to select individuals or units from the population to be included in the sample. In this study, the researcher employs simple random sampling without replacement.

### **Data Collection:**

#### **Primary Source:**

The main way to get data is by surveying the target population, in this case the people living in the Thane area. Typically, surveys entail giving people questionnaires through mail or sending questionnaire on social media platform to complete to get their thoughts and comments on study-related issues.

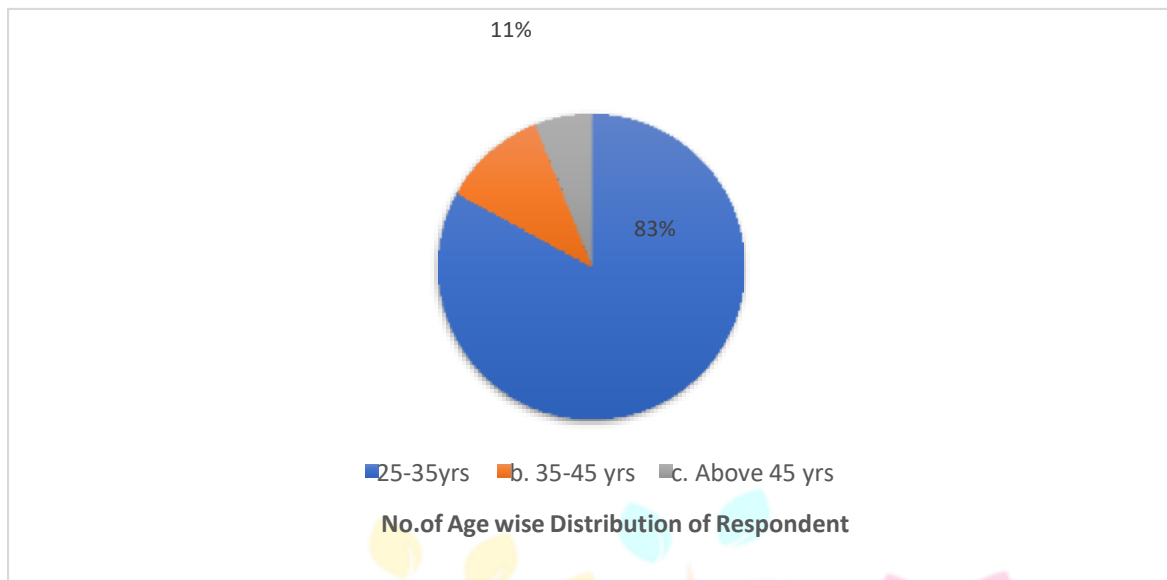
#### **Secondary Sources:**

To enrich better understanding about current topic various secondary sources information is gathered through journals, magazines, articles, newspapers, periodicals & published sources.

### **Data Analysis & Interpretation**

**Table: 1 Age wise Distribution of Respondent**

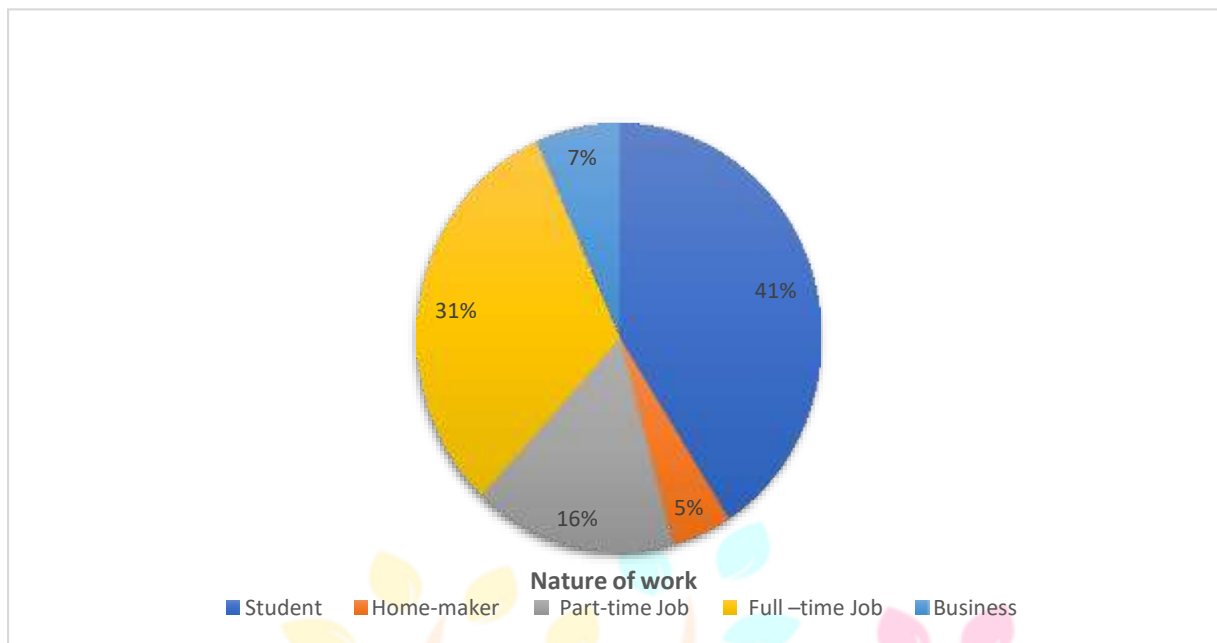
Age of Respondent	No.of Age wise Distribution of Respondent	Percentage
25-35yrs	83	83%
35-45yrs	11	11%
Above 45yrs	6	6%
Total	100	100%

**Figure 1 Data showing responses based on Age**

**Interpretation:** The majority of respondents (83%) are in the age range of 25-35 years, indicating a significant representation of young adults or individuals in the early stages of their professional lives.

**Table: 2 Nature of work**

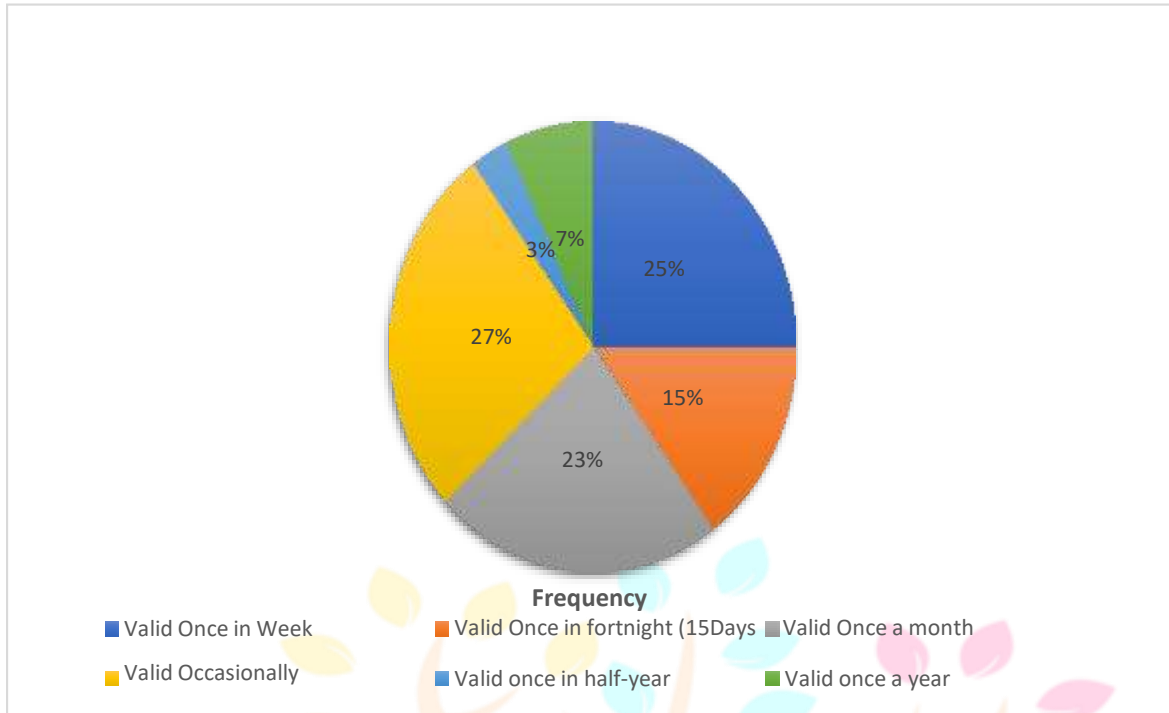
Nature of work	No. of Respondent	Percentage
Student	43	43%
Home-maker	5	5%
Part-time Job	17	17%
Full –time Job	33	33%
Business	7	7%
Total	100	100%

**Figure 2. Data based on Occupation**

**Interpretation:** The data showcases a diverse mix of respondents' occupational backgrounds, with a significant presence of students (43%) and full-time job holders (33%). Part-time job holders (17%) balance work with other commitments, while homemakers (5%) and business owners (7%) constitute smaller but notable segments. This breakdown offers valuable insights for market research, demographic targeting, and customized product/service design.

**Table: 2 Frequency of using E-Commerce Platform**

Factors motivating to use E-commerce.		Frequency	Percent
Valid	Once in Week	25	25%
	Once in fortnight (15Days	15	15%
	Once a month	23	23%
	Occasionally	27	27%
	once in half-year	3	3%
	once a year	7	7%
	Total	100	100%

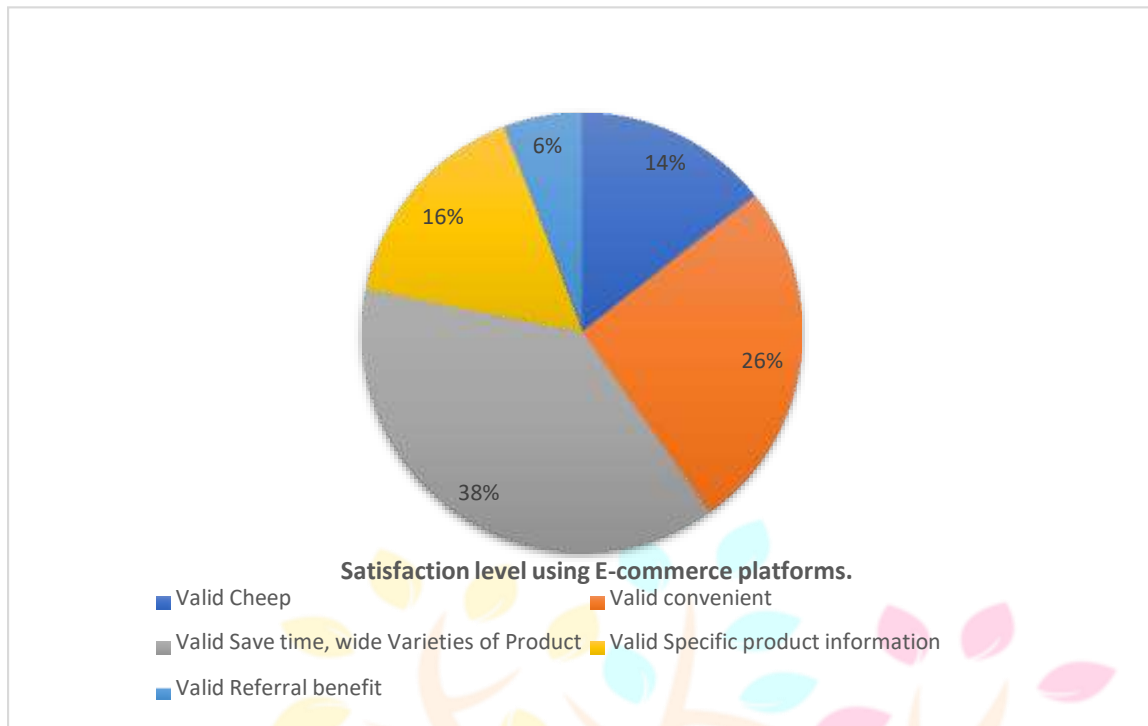
**Figure 2. Data showing responses based on Frequency of using E-Commerce**

**Interpretation:** The table presents data on the frequency of e-commerce platform usage among respondents in Thane district, revealing varying patterns from occasional to weekly usage, with motivations such as convenience and access to a wide range of products driving engagement.

**Table: 3. Satisfaction level using E-commerce platforms.**

Satisfaction level using E-commerce platforms.		Frequency	Percent
Valid	Cheep	25	25%
	convenient	45	45%
	Save time, wide Varieties of Product	66	66%
	Specific product information	28	28%
	Referral benefit	10	10%
Total		100	100%



**Figure 3. Data showing responses based on Satisfaction level using E-commerce platforms.**

**Interpretation:** The interpretation of the data reveals that user satisfaction with e-commerce platforms in Thane district is predominantly driven by factors such as convenience, time-saving benefits, availability of product information, cost-effectiveness, and to a lesser extent, referral benefits

## Hypothesis Testing      Hypothesis

### Testing 1

To know the correlation between purchasing behavior of an individual and age of the respondents, correlation formula was applied in -excel for below table and obtain result is

PURCHASING BEHAVIOUR		PURCHASISNG PRODUCT				
AGE	RESPONSES	NECESSA		HYGI		PEARSO
		CLOTHING ACC.	AND RYFOOD	NE ITEMS	ELECTRONI C	NAL CARE
25-35 YRS	83	31	16	5	23	8
5-45 YRS	11	2	3	3	2	1
45 ABOVE	6	1	2	0	3	0

### In summary:

H0:  $\rho = 0$  (There is no correlation) H1:  $\rho \neq 0$  (There is a correlation)

Here,  $\rho$  represents the population correlation coefficient between age and purchasing behavior. If the correlation coefficient obtained from the data analysis (which is 1 in this case) falls within the critical region (usually determined

by the significance level, often denoted as  $\alpha$ ), we reject the null hypothesis and conclude that there is a significant correlation between age and purchasing behavior.

## Hypothesis Testing 2

To know the correlation between Gender respondent and purchasing of product, ANOVA is used.

ANOVA						
source of variation	DF	SS	MS	F	P-value	Significance F
Regression	5	12.5	2.5	1	1	1
Residual	0	0	65535			
Total	5	12.5				

(H0): There is no significant impact of gender on purchasing products.

(H2): There is a significant impact of gender on purchasing products.

### In summary:

H0:  $\beta_1 = \beta_2 = \beta_3 = \beta_4 = \beta_5 = 0$  (There is no impact of gender) H1: At least one  $\beta_i \neq 0$  (There is a significant impact of gender)

Here,  $\beta$  represents the regression coefficients associated with each level of gender (e.g., male, female). If the p-value obtained from the ANOVA analysis is greater than the significance level (commonly denoted as  $\alpha$ , often set at 0.05), we fail to reject the null hypothesis and conclude that there is no significant impact of gender on purchasing products.

Based on the provided ANOVA results (p-value = 1), which is greater than 0.05, we fail to reject the null hypothesis. Therefore, we conclude that there is no significant impact of gender on purchasing products.

As P value is 1 Which is  $> 0.05$ , so null hypothesis is Accepted.

Thus, H0: There is no impact of Gender on the purchasing product, is being Accepted.

### Limitations of the study:

#### Geographical Coverage:

By focusing solely on Thane district for the study, the findings may lack generalizability to the entire country. Thane district represents only a specific geographical area, and consumer behavior, preferences, and socio-economic factors can vary significantly across different regions of a country. Therefore, any conclusions drawn from the study may not accurately reflect the purchasing behavior or preferences of individuals in other districts or regions of the country.

#### Demographic Consideration (Millennials):

Limiting the study to only millennials means that the findings may not be applicable to other demographic groups, such as Generation X or Generation Z. Each generational cohort often exhibits distinct behaviors, attitudes, and

preferences due to varying cultural influences, life experiences, and technological advancements. Therefore, including participants from other age groups could provide a more comprehensive understanding of purchasing behavior across different demographics.

### **Sample Size:**

The study's sample size of only 100 respondents may raise concerns about its representativeness and statistical reliability. While smaller sample sizes can still yield valuable insights, they may not adequately capture the diversity and complexity of the population being studied.

## **Findings of the study:**

### **Early Earners Spending More on E-Commerce:**

It is implied by this statement that people who begin their professions with higher incomes typically spend more on e-commerce platforms. It may be due to increased discretionary income, technological comfort, and the ease of use of e-commerce platforms.

### **Preference for Cash on Delivery (COD) Notwithstanding Perception of Transaction Safety in E-Commerce:**

Despite expressing a sense of security when utilizing e-commerce platforms for purchases, respondents still favor paying with Cash on Delivery (COD). This implies that attitudes and actions about online payment systems are not aligned. To further clarify this, it could be helpful to look into the factors that led to this preference for COD, such as worries about fraud, mistrust of online payment methods, or a need for more control over transactions.

### **Flipkart and Amazon are the most popular online retailers:**

Leaving behind other platform people's first preference are Flipkart and Amazon due to wide product, competitive pricing, trust, reliability, marketing, branding and customers reviews and rating, these factors made Flipkart and Amazon forefront of the online retail industry.

## **Conclusion of the Study:**

**Product Accessible at Your Fingertips Encourages Online Shopping:** This shows that one of the main reasons fueling the expansion of online buying is the ease with which a large range of products can be accessed through e-commerce platforms, whenever and wherever they are needed.

Most respondents trade occasionally, indicating that a sizeable percentage of respondents shop online occasionally as opposed to frequently. To further elaborate on this, we may talk about reasons that influence occasional shopping behavior, like necessities or occasions that need purchases, financial restraints, or preferences for in-store shopping experiences for product categories. E-commerce businesses can more effectively target this consumer niche by customizing their marketing tactics and promotional activities based on an understanding of the motivations and actions of infrequent shoppers.

A Higher Usage Rate of Digital Platforms the Pandemic's Cause Since consumers have turned to online buying to comply with social distancing measures and avoid in-person encounters, the COVID-19 pandemic has resulted in an increase in the frequency of using digital platforms, including e-commerce websites.

### **Suggestions:**

#### **Resolving Network Failures to Accelerate Transaction Speed:**

E-commerce platform performance and transaction speed are both highly affected by network failures. Resolving network infrastructure problems can reduce network outages and speed up transaction processing.

#### **Improving Security Measures to Get Past Barriers:**

Safeguarding consumer data and fostering user trust require the implementation of strong security measures, such as encryption methods, secure payment gateways, multi-factor authentication, and frequent security audits. Furthermore, enhancing user confidence in e-commerce transactions and reducing security risks can be achieved by introducing security features including buyer protection programs, transparent privacy rules, and education about safe online practices.

#### **Constantly Available Rewards:**

In e-commerce, rewards and loyalty programs are essential for encouraging customer interaction and building brand loyalty. This strategy highlights the advantages of continuing to be a customer and guarantees consistent value for them. In addition, customizing rewards based on consumer preferences and purchasing patterns can boost loyalty programs' efficacy and promote long-term client retention.

#### **Scope For Further Study:**

- The study can be carried out at pan level i.e. consisting State or Nation.
- The demographic factors can be changed i.e. Research can be carried out considering Gen X and GenZ along with different dimensions of the study with larger sample size for longer period of time.

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