Is internet shopping destroying retail stores

Business, E-Commerce



Internet Shopping Technological innovation is the core trend of the 21st century, allowing people to finish their manual tasks more quickly and conveniently. While there are several thousand new household appliances made to make house chores easier, some of the most important inventions for the corporate world include those that enable faster and cheaper communication. Such communication and information transmitting devices include cell phones, cameras, mp3 players, Bluetooth, and the biggest invention of all; the Internet. While the Internet has made socializing exceptionally easy and cheap through its social networking programs; it has also provided a large benefit to the corporate world. While businesses tend to worry about location and the ability to attract customers and raise awareness about their product; the Internet has enabled businesses to advertise and target their potential market on a large scale and at a much more economical cost. Hence, businesses have moved forward from only advertising online to selling their products online; or the concept of Internet shopping (Bhatnagar, pg 80). Internet shopping allows customers to view product catalogues online and choose the products they wish to purchase. Then, they must provide the site with a credit card number or a bank account number to make the payment and the product is delivered to their doorstep. This enables customers to purchase products that are not easily available to them in their local community or even purchase products from other countries. Customers are given a wide selection and variety on the Internet and have the convenience of having the product delivered to their doorstep (Bhatnagar, pg 55). Internet shopping may be posing as a threat to retail stores because many businesses have become Internet based only;

which means that they do not incur a location cost as they do not have an outlet. This reduces their overall cost and may result in added benefits to the customer in the form of economical deals. Moreover, the Internet has a lot more variety available for a person to choose from than a single retail store can hold and customers are able to compare prices of several retailers conveniently. Hence, all the information a customer needs is transparent and readily available. Furthermore, as people's schedules are becoming busier and people are left with less time for other activities except work, they prefer to conveniently shop from their home rather than travel to a retail outlet to find the product they are looking for (Frosythe, pg 870). However, while Internet shopping does hold its benefits against retail stores; retail stores still have a few added advantages over Internet shopping. The first and foremost advantage that retail stores have is the issue of trust. People today tend to be wary of giving out personal details and financial information over the Internet and do not trust sites. Hence, the concept of Internet shopping seems suspicious to them and they are unable to convince themselves to use it. They feel more comfortable walking into an authentic retail store where they aware of who is taking their credit card information and how it will be used. Another advantage that retail stores have over Internet shopping is the fact that many customers like to physically see, touch, and feel the product they are going to buy. Many people do not feel satisfied with only seeing a picture of the product on the Internet as they do not trust that the actual product will be congruent to the one in the picture. Hence, they prefer to view their product themselves in a retail store rather than trust an Internet image. Another issue that prevails with Internet shopping is the

delivery time (Citrin, pg. 298). Sometimes, products ordered on the Internet take a week or more to be delivered to the customer and many times the customer may not feel comfortable with or may not want to wait. Instead of waiting and anticipating their delivery, many customers prefer to go to a store and buy their product immediately to bring home. Moreover, many shoppers consider shopping to be a family activity or a leisurely activity at times and enjoy going to stores together and making selections of products. They may not get the same experience sitting at home, making selections from their computer. Lastly, all of the population is not familiar with using the Internet freely or may not have access to the Internet easily. This includes the older generation and some people who are uneducated or belong to small rural areas and are not familiar with the concept of the Internet. Even though most of the world is guickly becoming acquainted with the new technology, there are still many who have not familiarized themselves with it yet (Lee, pg 80). After reviewing the benefits and negativity prevalent in Internet shopping, it can be said that Internet shopping is quickly becoming a potential threat to retail stores. However, it is not as far spread and as strong a concept yet, to endanger retail stores completely. As mentioned above, it still contains some incomplete or inconvenient concepts which may prevent customers from using this option of shopping. The concept needs a substantial amount of improvement, which is likely to come about as the concept prospers and grows. With the ever changing technological environment, new technological breakthroughs may find solutions to the mentioned problems regarding Internet shopping (Lee, pg 85). However, some concepts such as shopping together in a physical

location contain an emotional element for some people, which Internet shopping may not fulfill. Technology may be able to add convenience to people's lives, but it may have a much harder time eliminating emotion. Works Cited Bhatnagar, A. Misra, S., & Rao, R. " On risk, Convenience, and Internet Shopping Behavior." Communications of the ACM. Volume 43, Issue, 11, 2000: pg 54-64. Citrin, A., Sprott, D., Silverman, S., & Stemm, D. " Adoption of Internet Shopping: The Role of Consumer Innovativeness." Journal of Industrial Management and Data Systems. Volume 100, Issue 7, 2000: 294-300. Frosythe, S. " Consumer Patronage and Risk Perceptions in Internet Shopping." Journal of Business Research. Volume 56, Issue 11, 2003: 867-875. Lee, M., & Turban, E. " A Trust Model for Consumer Internet Shopping." International Journal of Electronic Commerce. Volume 6, Issue 1, 2001: 75-91.