

Example of online shopping (research) review of literature essay

[Business](#), [Marketing](#)



Literature Review about Online Shopping

Introduction The rise of electronic commerce (e-commerce) in the last decade has been well documented. Beginning with Amazon for books (and more categories added later), and moving on to a number of other spheres including travel, fashion, and a number of services, e-commerce has seen tremendous growth, with increasing number of consumer preferring it as the channel of choice for shopping. Even those customers that buy from retail stores are likely to go online and compare products and prices before deciding what to buy and where. Due to its universal reach, a wide range of retailers can use it as a marketing channel. While the online channel grows, it has its fair share of supporters and opponents. While those in favor of online shopping talk of convenience, choice, price savings and the ability to compare goods across multiple retailers, those opposed highlight the key thing lacking in online purchase, viz. the look and feel of the product, the touch and feel factor. However, based on studies carried out by a number of researchers, the benefits seem to far outweigh the limitations of online shopping. This brings us to the hypothesis which is: H: Most people prefer to shop online as they see this way as much easier. To understand the arguments that give rise to this hypothesis, a number of prior research studies have been explored. Given the continual rise of online purchasing, in total and as a percentage of the total retail sales of any market, the influence of online buying cannot be discounted. It is incumbent that a study of the factors that make online shopping so attractive needs to be explored, and this will provide reasons for the increasing growth of the medium as a sales channel. It is incumbent that we understand what factors make online

shopping appealing to customers. There is also a need to understand what types of customers are the ones buying online most frequently and why? Essentially what are the factors that take priority for these customers over others and how best can online retailers use these by optimizing technology, interactivity and experience factors to ensure customers continue to buy more.

Literature Review

E-commerce has essentially redefined the online marketplace and the way business is carried out online. The growth on online marketing has just begun and it is at an early stage of evolution. Today, most of the markets of the world have integrated, and are moving towards a unified global market and the flow of trade has significantly increased. Though the concept of global marketing has gained significance in the last few decades, companies had begun trading across borders much earlier. Changes in various environmental factors, especially technology and economy, have been responsible for companies to go global. Many organizations today have realized that to achieve economies of scale and survive in today's competitive world, it is vital to become global, use the strengths of different markets and market their products globally.

In the recent times, this term - ' globalization' has gained a lot of importance. Even this has got an impact on the developing E-commerce. Globalization has been defined by different sources differently meaning various things - free markets, economic liberalization, Americanization, proliferation of information technologies, and as well as we being on the

threshold of realization of unified community without major causes of social conflict.

Globalization is something which is inevitable and at the same time irreversible. It is believed that Globalization is something which offers an extensive opportunity for a development which is worldwide. Though globalization is trusted to be something which tends to provide a scope for worldwide development, it is also true that this scope is not evenly progressing. Due to the advent of globalization, many countries are becoming highly integrated into the global economy in a very faster pace. This faster integration has helped such countries to grow faster and also at the same time reduce even poverty.

Today, globalization which is defined to be a process of continuing integration of different countries of the world, has already taken its path in many parts of the world. Many national economies are being exposed to a higher cut throat competition than earlier. The sole reason for this being globalization supported by the accelerating pace of the advancements in technology, the liberalization of the prices and trade practices and also by the increasing importance to super national rules.

There are a number of factors that have resulted in this dramatic growth of online marketing and e-commerce. Goods, services and ideas can move across continents efficiently at the click of a mouse. Anyone can link up with anyone else, anytime and anywhere in the world. With the advent of e-commerce, the rapid growth of the Internet and online transactions taking place at all times of the day and night, today's markets, businesses and customer never sleep. This is not only a new challenge for global businesses

attempting to serve a client base that spans time zones, but also for local enterprises that can no longer afford to restrict themselves to traditional hours of doing business.

Online business is growing with the assistance of new powerful technologies like satellite communication, mobile telecommunications, interactive voice recognition, data mining, digital signatures, virtual private networks, and portable computing. The aim of these technologies is to benefit a firm's online marketing efforts, in terms of both cost and value.

Competition has created great challenges for marketers. Functions like production, distribution and consumption are being influenced by market forces. Changes taking place in the business environment have made customer service, quality assurance and price competitiveness vital for the existence of a firm. Business firms have realized that they cannot survive without marketing. Marketing plays a significant role in the sustainability of an organization.

For example, India's e-solutions are becoming the most sought after products around the world. Considering the interest shown by the government in the growth of the online market, e-commerce in India is likely to witness a significant jump over the next few years. The growth of online marketing in recent times has been phenomenal. It is, however, important to recognize the factors that led to this growth.

The internet holds unlimited potential; it is a fast, economical, and a reliable method to reach out to thousands of potential customers. It's most beneficial aspect is that it transcends all geographical barriers. It has truly helped to transform the world from being " multinational" to being " global." To an

internet user and an internet marketer, the whole world appears as a single global entity, no longer fragmented into multiple nations. The internet has undoubtedly emerged as a powerful marketing tool. In fact, it has almost completely revolutionized the way traditional companies are doing business. Until a few years ago, many companies viewed the internet as only another advertising medium; they could not visualize its potentials as a marketing channel. Some companies even felt that developing the internet as marketing tools would interfere in their relations with their distributors and retailers and with other conventional forms of marketing (Rohm, 2004). But over the last decade, both consumer perception and the company outlook about the internet and its capabilities have changed tremendously. Even companies that were fully dependent on conventional marketing systems admit that Internet marketing, if properly exploited, can be immensely beneficial. Companies are now incorporating Internet marketing strategies in their overall marketing plan to be able to take advantage of the opportunities that e-business has to offer.

The internet is primarily a tool for communication. It has various technical aspects associated with it, but from a marketer's point of view, its importance lies in the fact that it can serve as a powerful global communication tool. According to Sergio Zyman, " Customers don't care if you Web has the coolest technology - -they want to know how it can do something for them that they need or want and how it can do it differently than any other site (Miller, 2000)."

For a user, the internet acts as a comprehensive source of information.

Through it, the user can get information on virtually every subject. Many

organizations are unable to fully tap the advantages of the Internet because their advertising agencies and marketing experts still view it as only an extension of their current communication strategy. So, they fail to define a clear strategy for their websites and their online advertising. Their internet budgets are also merely a part of their traditional marketing budgets.

With the advancement in information technology and the use of internet, today online businesses have developed drastically. For anybody to survive in the online market and to sustain the growth of the own online business, traffic generation is the key to success. For doing this, you are required to market your website well. Due to the existence of millions and millions of websites, the competition has also grown rapidly. In order to compete yourself with the other businesses you need to get into rapid advertising of your website failing which there is a strong chance of losing in your business.

Conclusion

Internet marketing, if properly exploited can be an effective marketing tool. Strategies which suit the e-business environment need to be framed and implemented. As stated in the article, in order to increase web traffic online marketers need to change the presentation of their website on par with other competitors. Instead of using the traditional methods of designing the home page of the website, they need to innovative in their approach. They also need to introduce special offers like free shipping, combo products, bog off sales etc. Such attempts will definitely help increase we traffic.

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