"A STUDY ON SOCIAL COMMERCE AND ITS OPPORTUNITIES AND CHALLENGES OF ONLINE SHOPPING IN INDIA"

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Abstract

Social commerce is growing fast globally, fueled by younger generations who prefer shopping directly through platforms like TikTok and Instagram. The social commerce penetration rate had risen by 23.6% in 2023. It's expected to continue to rise by another estimated 5% by 2028. 50% of marketers plan to increase their investment in social selling in 2024 the study is based on descriptive research were used and the data collected through secondary data from the it is find that most of the customers are buying in online due to the influence of social commerce and it is suggested to the customers they need be caution while buying online . This paper explores the rapidly evolving landscape of social commerce (S-commerce), where social media platforms meet online marketplaces. As consumers increasingly turn to social media for shopping inspiration and transactions, businesses must adapt to stay competitive. This research examines the key drivers of S-commerce adoption, effective strategies for businesses to leverage social media for commerce, and the impact of S-commerce on consumer behavior and firm performance. The findings provide valuable insights for managers and marketers seeking to harness the potential of S-commerce and stay ahead in the digital marketplace.

Key words: S commerce ,online shopping ,consumer behaviour , online marketplace

Introduction

Social commerce is the buying and selling of goods or services directly within a social media platform. It involves taking social media beyond its traditional role in the discovery process. Instead, users will get to complete the entire purchase journey within the same platform. That means they can quickly go from discovery to purchase without leaving their preferred apps.

Leading social media platforms now offer dedicated social commerce tools to retailers. This includes platforms such as Facebook, Instagram, Pinterest and TikTok. Using these tools, you can create digital storefronts right within the respective platforms. That way, people can use these storefronts to discover and buy products without having to visit another website.

According to Statists, the social commerce penetration rate had risen by 23.6% in 2023. It's expected to continue to rise by another estimated 5% by 2028. 50%

of marketers plan to increase their investment in social selling in 2024.

S-commerce, or social commerce, refers to the use of social media platforms and networks to facilitate e-commerce transactions and enhance the online shopping experience. It merges the elements of social interaction with e-commerce, leveraging social media tools to drive sales and engagement.

Need of the study:

The need of the study is to know about the s commerce is influence in online shopping in India

Scope of the study:

The study is limited to the s commerce influence in online shopping in India

Objectives of the study:

- To study about the concept of s commerce
- To study about its opportunities and challenges of S commerce in online shopping in India.
- To suggest the customer how to be caution while placing order through online websites

Limitations of the study

The study is limited to the influence of s commerce on online shopping in Indian

Research and methodology

Nature of the study: the study is based on Descriptive research

Sources of data: the data has been collated from the secondary sources like different websites

Review of literature

Jayakrishnan S. (2015) stated in their research that increasing numbers of internet users and online buyers, smart phones evolution and mobile internet, increasing transaction by debit card, credit card and net banking, rapid urbanization and rising in disposable income are the indicators of good opportunity of e-retailing in India whereas ineffective logistics, customer trust and loyalty, complex tax regime etc are the major challenges in the way of online retailing.

Dr. Ram Chand Garg and Ravinder Kumar (2018) stated in their study that lack of changes in buying behavior of customers, lack of seriousness, inability of online retailers, security and privacy in online payment, delay in delivery, waiting for best offers by customers are the key challenges for online trading. They also stated that in India rapidly increasing the internet users and mobile phones user, increasing payment security, developing ICT infrastructure, credit cards and net banking use and e-retailing growth etc. are the sign of good opportunity for e-trading in India.

Nitin Kumar et al. (2018) found in their study that low inventory cost, better customer services, reducing distribution cost, globalizing business, quick marketing of product, integration of e-commerce are some factors which are indicating the better growth and opportunity of online shopping in India where as lack of privacy and security, the confidence of customers for payments and tax related issues, poor

infrastructure, lack of proper cyber laws, lack of digital literacy, virus problems and unrealistic competitions are the major challenges of ecommerce in India.

Data analysis

Following are some key indicators which shows that in India there is great opportunity for online shopping.

1. **E-commerce growth rate-** As per statista.com the exponential growth rate of e-retailing in India from 2018 is approx25% which shows the potential of online shopping in India. E-commerce sales will be 350 billion US $ in 2030 estimated by statista.com which is 84 billion US $ in 2021.

2. **Increasing use of internet and smart phones:** In India the smart phones users and internet users increases rapidly. This results in high growth in the online sale of product and services. The base of smart phone has also increased extensively and it is likely to reach 1 billion by 2026. This has helped the digital sector of India and it is anticipated to reach 1 trillion US $ by 2030.

3. **Availability of time:** In today's scenario the customer has lack of time to visit the traditional market place and buy the product. Whenever he want to buy the product or service he visit the e-retailers website and orders the same. This isalso an indicator of good future of online shopping.

4. **Accessibility:** A customer can buy anything from anywhere at any time by online shoppers over internet. Online market is accessible 24x7 so we can say that this is also a factor for the growth of online shopping in India.

5. **Better Customer Service:** In online shopping cash on delivery, easy replacement policy, fast delivery, product comparison, complete information about the product, easy access to website etc. provide customer satisfied and a satisfied customer become a loyal customer. Online shopping creates customer loyalty and hence it increase customer base and increasing sale.

From the above we can say that online shopping has bright future in india.

Challenges of S-Commerce

Following are the challenges faced by online shoppers in India. It is necessary to resolve these challenges to secure thefuture of online trading.

1. **Privacy and security:** In digital age the security of data and privacy is very important. There are threats of online fraud and data hacks in online shopping. It is biggest issue and challenge in the way of online shopping, although government takes many steps to protect the privacy and security, but online hacking and online fraud has increases, andfor this the customer want to avoided the online transaction.

2. **Delay in delivery:** Customers want the delivery of product on the spot, but it is possible only in case of traditional shopping. Although in online shopping there is on the spot delivery like online ticketing, online fund transfer but in case of some product there will be delay in delivery in online shopping because of its structure. So it creates challenge to online retailers.

3. **No physical touch:** In India the customer has emotion with the product they buy. They want to see and touch the product

to know is it good of not. But in online shopping it is not possible and hence customers hesitate to buy online.

4. Lack of infrastructure: In India the ICT infrastructure is not enough. The internet speed of 4g mobile comes in kbps.It is needed to improve it. Although internet users increase rapidly but slow internet speed creates problems in transaction processing.

5. Low digital literacy: Digital literacy rate in India is very poor and approx 65% population lives in villages where digital literacy is too much poor which creates problems in the way of online shopping.

Findings:

• E-retailing in India from 2018 is approx 25% which shows the potential of online shopping in India.

• In India the smart phones users and internet users increases rapidly. This results in high growth in the online sale of product and services.

• In online shopping cash on delivery, easy replacement policy, fast delivery, product comparison, complete information about the product, easy access to website etc.

• Digital literacy rate in India is very poor and approx 65% population lives in villages

• Customers want the delivery of product on the spot, but it is possible only in case of traditional shopping.

Suggestion:

It is suggested to the customers they need to be caution while doing online shopping.

Conclusion:

The study can be concluded that S-commerce is a dynamic and evolving field that combines social media engagement with e-commerce to enhance the online shopping experience in these study by considering the social commerce and how it is influence the online shopping by these study it is find that most of the customer are buy using the different online websites due to the influence of the social commerce and it is suggested to the customer they need be caution while doing online shopping and it is concluded that there is a influence of s commerce on online shopping.

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