



A STUDY ON THE EMERGING OF E-COMMERCE ON CUSTOMER PERCEPTION AND TRENDS IN MADURAI CITY

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ABSTRACT:

E-commerce, or electronic commerce, has transformed the way businesses and consumers interact by enabling the buying and selling of goods and services online. Operating across four primary market segments, e-commerce has emerged as a disruptive force, providing access to a wide range of products and services, from books and music to financial services. Its roots can be traced back to electronic data interchange (EDI) in the 1960s, evolving through innovations like electronic funds transfer (EFT), online marketplaces, and the rise of the World Wide Web in the 1990s. Pioneers such as Amazon and eBay laid the foundation for the rapid expansion of e-commerce in the 2000s, further propelled by mobile commerce (m-commerce) and digital payment systems. Today, e-commerce is a multi-trillion-dollar industry, driven by advancements in artificial intelligence, blockchain, and virtual reality. Despite its transformative potential, the adoption of e-commerce faces challenges, particularly the lack of technical and managerial skills in information and communications technology (ICT). To address these barriers, individuals and businesses must invest in skill development through online tutorials, e-learning platforms, and specialized training. As digital transformation reshapes industries, understanding the e-commerce landscape and leveraging ICT tools are essential for maintaining competitiveness. By embracing these technologies, businesses can enhance productivity, reduce costs, and access global markets, ensuring sustainable growth in the digital era.

KEYWORDS:

E-COMMERCE, DIGITAL TRANSFORMATION, INNOVATION, GLOBAL MARKETS.

1.1 INTRODUCTION

Electronic commerce (E-commerce) refers to a business model that enables companies and individuals to buy and sell goods and services over the Internet. E-commerce operates across four major market segments and can be conducted using computers, tablets, smartphones, and other smart devices. Nearly every imaginable product and service is available through e-commerce transactions, including books, music, plane tickets, and financial services such as stock investing and online banking. As such, it is considered a highly disruptive technology. E-commerce originated from a standard for exchanging business documents, such as orders or invoices, between suppliers and their business customers. We are living in the E-century, where e-commerce is increasingly central to driving economic growth and enhancing productivity. The integration of the Internet and Information and Communications Technologies (ICT) has revolutionized business operations, offering opportunities to improve productivity, reduce costs, and access new markets. Modern business practices, such as conducting transactions through the Internet and email, have become commonplace. However, a significant barrier to the effective adoption of e-commerce is the lack of technical

and managerial skills in ICT. To overcome this challenge, individuals and businesses must identify the specific skills they need and seek appropriate resources to acquire them. These skills can range from basic tasks like word processing and navigating the Internet to advanced competencies such as website design, database management, and e-commerce platform optimization.

1.2 STATEMENT OF THE PROBLEM

The rapid growth of e-commerce has revolutionized the global economy, transforming traditional business models and consumer behavior. However, despite its significant advantages, the emergence of e-commerce poses several challenges that need to be addressed. Businesses, particularly small and medium enterprises (SMEs), often face difficulties in adopting and integrating e-commerce technologies due to a lack of technical knowledge, limited financial resources, and inadequate infrastructure. From the consumer perspective, issues such as data privacy, trust in online transactions, and product authenticity remain critical concerns. Furthermore, in developing regions, the digital divide and insufficient internet penetration hinder the widespread adoption of

e-commerce, preventing businesses and consumers from fully leveraging its benefits. This study aims to identify the key drivers and barriers to the growth of e-commerce, assess the impact of emerging technologies on its evolution, and explore strategies to address the challenges faced by stakeholders. Understanding these issues is essential for enabling businesses and policymakers to create an inclusive and sustainable e-commerce ecosystem that promotes economic growth and innovation.

1.3 OBJECTIVES OF THE STUDY

- To analyze the key factors driving the growth and adoption of e-commerce globally and regionally.
- To identify the challenges faced by consumers in implementing and utilizing e-commerce platforms.

1.4 METHODOLOGY

1.4.1 RESEARCH DESIGN

This study adopts a descriptive research design to systematically analyze customer perceptions and emerging trends in e-commerce within Madurai city. Descriptive research is chosen because it allows for the accurate portrayal of the characteristics, behaviors, and attitudes of e-commerce users. This design is particularly effective for understanding the current state of e-commerce adoption, identifying customer preferences, and evaluating the factors influencing their online shopping behavior. By focusing on descriptive analysis, the study aims to provide a comprehensive overview of the e-commerce landscape in Madurai, offering insights into how customers perceive online shopping and the trends shaping their purchasing decisions.

1.4.2 SAMPLING METHOD

The study employs a simple random sampling technique to select respondents. This method ensures that every e-commerce user in Madurai has an equal chance of being included in the sample, thereby minimizing bias and enhancing the representativeness of the findings. Simple random sampling is chosen for its simplicity and effectiveness in generating unbiased results, which are crucial for drawing reliable conclusions about customer perceptions and trends. By randomly selecting participants, the study aims to capture a diverse range of perspectives, reflecting the varied demographics and preferences of e-commerce users in the city.

1.4.3 PRIMARY AND SECONDARY DATA

Secondary data for this study is gathered from books, journals, research papers, and online sources to provide context and support the primary findings. This data helps in understanding the broader trends in e-commerce, such as technological advancements, consumer behavior shifts, and market growth patterns. By integrating secondary sources, the study ensures a well-rounded and evidence-based analysis of customer perceptions and e-commerce trends.

1.4.4 SAMPLE SIZE

A sample size of 50 respondents, who are active e-commerce users in Madurai, will be surveyed.

1.4.5 STUDY OF THE AREA

The study focuses on Madurai city as the selected research area to analyze customer perceptions and trends in e-commerce.

1.5 DATA ANALYSIS

TABLE: 1.5.1

RESPONDENTS OF AGE WISE CLASSIFICATION

Age	No. of respondents	Percentage
21-30	80	80%
31-40	10	10%
41-45	8	8%
45 and above	2	2%
Total	100	100%

Source: Primary Data

INFERENCE:

From the above table the majority of respondents (80%) are aged 21-30 years, reflecting young adults' dominance in e-commerce due to their tech-savviness and preference for online shopping. Those aged 31-40 years represent 10%, while older age groups (41-45 years: 8%, 45 and above: 2%) show limited participation, likely due to lower digital literacy or traditional shopping preferences. This distribution highlights the need for targeted strategies to boost e-commerce adoption among older demographics.

DIAGRAM 1.5.2

RESPONDENTS OF AGE WISE CLASSIFICATION

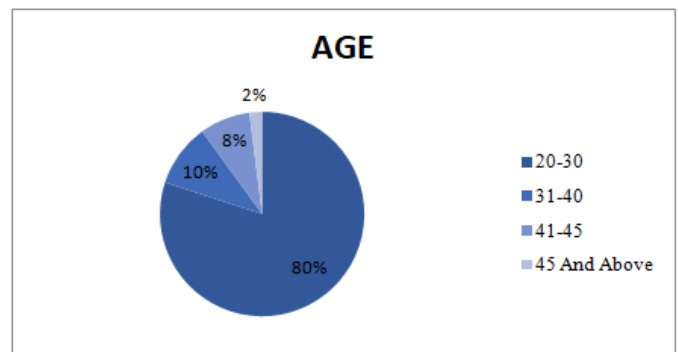


TABLE: 1.5.2

THE BUYING BEHAVIOR OF RESPONDENTS ON PRODUCT PREFERENCES.

Products	No. Of response	Percentage
Perfumes and oils	8	8%
Accessories	26	26%
Dresses	52	52%

Electronic items	14	14%
Total	100	100%

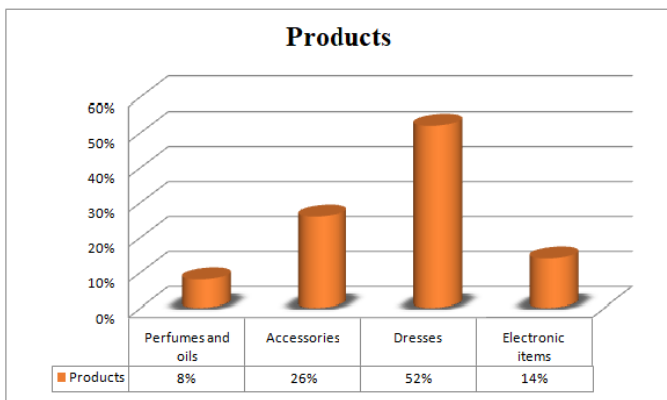
Source: Primary Data

INFERENCE:

The data reveals that dresses are the most frequently purchased products, with 52% of respondents choosing them, indicating a strong preference for fashion items. Accessories follow at 26%, showing significant consumer interest in complementary fashion products. Electronic items account for 14%, while perfumes and oils represent the smallest share at 8%, suggesting lower demand for these categories. This highlights the dominance of fashion-related products in online shopping preferences.

DIAGRAM: 1.5.2

THE BUYING BEHAVIOR OF RESPONDENTS ON PRODUCT PREFERENCES.



1.6 FINDINGS AND SUGGESTIONS

1.6.1 Findings:

1. The majority of e-commerce users in Madurai are young adults aged 21-30, reflecting a tech-savvy demographic.
2. Fashion-related products, especially dresses, dominate e-commerce purchases, indicating a strong preference for clothing and accessories.
3. Older age groups (41 and above) show limited participation in e-commerce, which could be due to lower digital literacy.
4. Electronic items are less popular compared to fashion products, highlighting potential for market growth in electronics.
5. E-commerce adoption faces challenges related to technical skills and trust in online transactions, particularly among older consumers.

1.6.2 SUGGESTIONS:

1. E-commerce platforms should offer digital literacy programs to enhance the older demographics' participation.
2. Fashion retailers can expand their online offerings to include a wider range of styles and sizes to appeal to more customers.
3. Platforms should strengthen security measures to build trust, especially regarding data privacy and product authenticity.
4. Developing mobile-friendly e-commerce solutions will cater to the growing number of mobile users.
5. More promotional campaigns can target older generations to bridge the digital divide.

CONCLUSION

E-commerce has significantly impacted consumer behavior in Madurai, with a marked preference for fashion-related products, particularly among younger demographics. While the adoption of e-commerce is growing, challenges like digital literacy and trust issues still hinder broader participation, especially among older age groups. With targeted strategies to enhance security, improve accessibility, and foster digital literacy, the e-commerce sector in Madurai has immense potential for further growth. As mobile commerce and technological innovations continue to evolve, businesses and policymakers must work together to create an inclusive and sustainable e-commerce ecosystem. Overall, e-commerce is poised to drive economic growth and reshape consumer habits in the region.

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