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The Influence of Online Retail Growth on Consumer Behavior and Performance of Physical Stores

Biveak Kumar Bharti[1], Yashraj Singh Rathod[2], Sency Krishnani[3], Mayur Bankar[4], Dr. Anusha Priya[5]
[1,2,3,4]*PGDM-Student, Student of Management (IIEBM, Pune)*
[5]*Associate Professor, Department of Management (IIEBM, Pune)*

***Abstract*—India's retail sector, much like the rest of the world, has been experiencing a seismic shift as e-commerce continues to expand at a pace few could have predicted just a decade ago. Better internet infrastructure, the surge in smartphone usage, and the growing comfort with digital payments have collectively nudged consumers toward online platforms that deliver convenience, an expansive range of products, sharper prices, and frictionless transactions. Traditional physical stores now find themselves navigating a genuinely difficult environment — foot traffic is thinning and competition is fiercer than ever. This study sets out to understand how deeply e-commerce has affected conventional retail, looking specifically at sales figures, how people shop, workforce dynamics, and what strategic responses retailers have tried. What emerges from the data is a nuanced picture: while online retail undeniably disrupts old business models, it also pushes traditional players toward creative solutions, including omnichannel blending and thoughtful technology adoption. The core takeaway is that physical stores can still hold their own — but only by weaving digital capabilities into their everyday operations and embracing models that bridge the online-offline divide.**

Index Terms*—E-commerce; Traditional retail; Brick-and-mortar stores; Consumer behavior; Omnichannel strategy; Digital transformation; Retail disruption; Online shopping; Hybrid business model; Retail innovation.

I. INTRODUCTION

Over the past several years, the way people shop has changed more dramatically than at almost any other point in modern commerce history. Affordable internet access, the near-universal presence of smartphones, and increasingly intuitive digital payment systems have made it natural — almost effortless — for consumers to turn to online platforms for purchases they once made in person. Global e-commerce revenues have been climbing at a steady trajectory, with projections suggesting the market will reach multi-trillion-dollar valuations in the years ahead (Statista, 2024). This trajectory has fundamentally redrawn the map of consumer expectations, altered daily shopping routines, and intensified the competitive pressure on stores that rely on physical presence to generate sales.

Platforms like Amazon, Flipkart, and Alibaba Group have effectively redefined what a satisfying shopping experience looks like. They put an enormous catalogue of products at the consumer's fingertips, let shoppers compare prices in seconds, and promise doorstep delivery — often within a day. Unsurprisingly, this offering has proved compelling for a wide consumer base. Scholarly work in the area, including research attributed to Kotler and Keller (2016), underscores that element such as keen pricing, tailored product suggestions, and the simple fact that online shopping saves time are among the most powerful forces driving people to click 'buy' on a digital platform rather than walking into a store.

For traditional retailers, the rise of e-commerce is not merely a backdrop trend — it is an operational challenge that demands a genuine strategic response. Improving the in-store experience, bringing in relevant technology, and finding ways to link physical and digital sales channels are no longer optional conversations but real business necessities. A growing number of companies have recognised this and are now weaving together their online and offline presences in ways that allow customers to move between the two without friction. What all of this underscore is that technology is no longer peripheral to retail — it is central to how modern consumer behaviour is formed and expressed.

The consumer who walks into a shop today is a fundamentally different person from their counterpart of twenty years ago. Ready access to product reviews, the ability to compare prices across a dozen platforms in under a minute, and personalized marketing that speaks directly to past preferences have combined to produce a shopper who is better informed and more selective than ever. McKinsey and Company have highlighted this dynamic in their research, pointing out that digital touchpoints shape purchase intent even when the actual transaction ultimately happens inside a physical store — a phenomenon that blurs the traditional lines between online and offline commerce. The financial and day-to-day operational realities of running a physical store have also shifted under the pressure of online competition. A number of traditional retailers have seen real declines in the number of customers coming through their doors and in their overall sales figures. Yet it would be an overstatement to say that physical stores have become irrelevant. Their capacity to offer hands-on product experiences, ensure that a customer can walk out with an item the same day, and deliver the kind of personal service that no algorithm truly replicates still gives brick-and-mortar retail a meaningful role to play. These qualities — immediacy, tangibility, human connection — are genuinely difficult for online platforms to replicate in full.

II. BACKGROUND OF THE STUDY

The story of online retail's growth over the past two decades is really a story about infrastructure — the gradual spread of reliable internet access, the arrival of the smartphone as a near-universal device, and the maturation of digital payment technology into something consumers trust (Laudon and Traver, 2020). Together, these developments created the conditions for a shopping environment available around the clock, capable of remembering individual preferences, and able to deliver products to a customer's door at competitive prices (Verhoef et al., 2015). The cumulative effect has been a subtle but profound change in how consumers approach buying decisions. Rather than discovering a product by touching it in a store, many shoppers now begin with a screen — reading reviews, comparing alternatives, and forming opinions before they ever encounter the physical item. This shift from experience-first to information-first purchasing has fundamentally altered the rhythm of consumer behaviour (Neslin et al., 2014).

III. STATEMENT OF THE PROBLEM

Despite the undeniable pace at which online retail has expanded, a clear and well-evidenced understanding of how exactly it shapes consumer behaviour and affects the fortunes of physical stores remains elusive. Traditional retailers across India are grappling with fewer customer visits, shrinking sales, and a sense that shoppers who once felt loyal to their stores are drifting away — yet the causal chain connecting these trends to specific e-commerce dynamics is rarely mapped with any precision. Part of the difficulty lies in the nature of modern consumer journeys, which are fragmented across multiple channels; by the time a person makes a purchase, they may have encountered the product online, in a physical store, through a social media ad, and in a friend's recommendation. Isolating which of these touchpoints carries the most weight is genuinely complex. The challenge is compounded for smaller retailers, who lack the financial and technical resources that large chains can deploy to adapt to the digital landscape. Academic literature, while valuable, has tended to concentrate on markets in the developed world, leaving a real gap when it comes to understanding how these dynamics play out specifically in India. This study takes up that challenge, pursuing a systematic investigation into how e-commerce growth is influencing consumer purchasing behaviour and reshaping the operational and financial standing of brick-and-mortar stores in the Indian context.

IV. SIGNIFICANCE OF THE STUDY

- This research carries genuine relevance for a wide group of stakeholders — from store owners and business managers to consumers and government policymakers. By systematically examining how online retail growth is affecting shopping behaviour and physical store performance, it generates practical, actionable insights that traditional retailers can translate into concrete strategy. The voices of 120 real consumers give the findings a grounded, street-level quality that purely theoretical work cannot offer — giving store owners richer context for decisions around pricing, in-store experience, and how to build a digital presence alongside their physical one.

- For policymakers and the bodies that represent the retail industry, the study provides a body of empirical evidence that can inform support programmes aimed at smaller retailers who lack the means to compete on their own. From an academic standpoint, it adds fresh primary data drawn from young consumers to a body of literature that is rich in theory but sometimes thin on real-world market evidence, particularly in emerging economies. Taken together, this work is intended to serve as a practical and scholarly resource for anyone looking to understand how digital commerce is reshaping traditional retail — and what might be done about it.

V. SCOPE AND LIMITATIONS OF THE STUDY

- The study draws on responses from 120 participants, the majority of whom fall in the 18 to 25 age brackets, gathered through a structured questionnaire administered online. Its analytical focus is deliberately concentrated on the relationship between e-commerce growth and two core outcomes: shifts in how consumers shop and changes in the performance of physical retail stores, examined through variables including shopping frequency, preferred channels, and the strategies retailers are pursuing.
- That said, the study operates within a number of constraints that are worth naming. The sample, being heavily weighted toward young urban consumers, may not capture the full diversity of shoppers in terms of age, income bracket, or location. As with any self-reported survey, there is a risk that respondents answered in ways shaped by social expectation rather than their actual behaviour. The cross-sectional design also means that the study captures a snapshot rather than a trajectory — causal claims are not possible from this data alone. Broader contextual variables such as regional economic conditions and the availability of digital infrastructure were not explored in any depth. Even so, the findings offer a meaningful and timely window into how the retail environment is changing and the real pressures bearing down on traditional store owners.

VI. LITERATURE REVIEW

6.1. Growth of E-commerce and Digital Retail:

The growth of e-commerce over the past two decades can be traced back to three interlocking developments: the maturation of internet technology, the explosion in smartphone ownership, and the increasing reliability of digital payment infrastructure (Laudon et al., 2021). These forces gave rise to a new kind of retail environment—one offering instant access to thousands of products, price transparency, and delivery to the door (Chaffey, 2022). Data from Statista confirms that global online retail revenues have risen substantially in recent years, with industry leaders such as Amazon and Alibaba Group playing an outsized role in shaping this transformation and raising consumer expectations across the board (Statista, 2024).

6.2. Impact on Consumer Purchasing Behaviour:

The ways in which people decide what to buy have been significantly altered by the proliferation of online retail (Kotler et al., 2022). Convenience and time savings are key factors driving consumers toward digital platforms, along with the ease of comparing prices across different sellers (Brynjolfsson et al., 2013). Research highlights that tool such as customer reviews, aggregate product ratings, and personalized recommendations have become critical inputs in purchase decision-making (Kotler et al., 2022). A behaviour that has become increasingly common is the “research online, buy anywhere” pattern, where consumers use digital channels for information gathering even when completing purchases in physical stores (Verhoef et al., 2015).

6.3. Challenges Faced by Physical Retail Stores:

Traditional stores are experiencing increasing pressure due to e-commerce competition, with declining footfall as more consumers shift to online shopping (Brynjolfsson et al., 2013). Price competition has intensified, particularly as platforms like Flipkart and Amazon offer aggressive discounts and rapid delivery options (Brynjolfsson et al., 2013). While large retail chains can respond through technological investments and strategic adaptation, smaller independent retailers face greater challenges. The Organisation for Economic Co-operation and Development notes that small retailers are at a structural disadvantage due to limited technological capabilities and financial resources (OECD, 2020).

6.4. Emergence of Omnichannel Retail:
In response to growing competitive pressure, many retailers have adopted an omnichannel model that integrates physical and digital operations (Verhoef et al., 2015). This approach includes practices such as click-and-collect services, online ordering with in-store pickup, and digitally enabled loyalty programs that enhance customer engagement (Piotrowicz et al., 2014). Walmart is frequently cited as a successful example of omnichannel implementation, leveraging its physical stores as strategic assets in fulfilment and customer experience (Rigby, 2011; Harvard Business Review, 2022).

VII. RESEARCH METHODOLOGY

7.1. Research Design
This study follows a quantitative descriptive research design. Primary data was gathered from 120 respondents through a structured online survey, with the central aim of understanding how online retail growth shapes consumer behaviour and affects the performance of physical stores.

7.2. Research Objectives
1. To examine the level of online shopping adoption and frequency among consumers.
2. To assess the influence of e-commerce platforms on consumer purchasing decisions and behaviour.
3. To analyse the impact of online retail growth on the sales performance of traditional retail stores.
4. To evaluate strategies suggested by consumers for traditional retailers to remain competitive.
5. To understand demographic differences in online shopping preferences based on gender and age.

7.3. Hypothesis
Hypothesis 1 (Convenience)
- H0 (Null): There is no significant difference in convenience between online and traditional shopping.
- H1 (Alternative): Online shopping is more convenient than traditional shopping.

Hypothesis 2 (Customer Satisfaction)
- H0 (Null): There is no significant difference in customer satisfaction between online and traditional shopping.
- H1 (Alternative): Customer satisfaction differs significantly between online and traditional shopping.

Hypothesis 3 (Purchase Decision / Preference)
- H0 (Null): Shopping mode (online or traditional) does not affect consumer purchase decisions.
- H1 (Alternative): Shopping mode significantly affects consumer purchase decisions.

7.4. Population and Sampling
The study focused on young consumers, with the target population drawn predominantly from the 18 to 25 age group. Data was collected using a convenience sampling approach, with 120 completed responses gathered via an online Google Form during March 2026. The sample included male, female, and other-identifying participants from a range of academic and professional contexts.

7.5. Data Collection
Primary data was gathered using a structured Google Form questionnaire. The instrument covered the following areas:
- Demographic information (Gender, Age)
- Online shopping frequency and preferred mode
- E-commerce influence on purchasing decisions
- Convenience perception of online versus offline shopping
- Impact of e-commerce on traditional retail performance
- Suggested strategies for traditional retailers

7.6. Research Instrument

Question Type	Variable Measured
Dichotomous (Yes/No)	Online shopping adoption
Multiple Choice	Preferred mode, frequency
Likert Scale (1–5)	Influence, convenience, impact
Rating Scale	Sales performance, behaviour change
Open Ended	Retailer strategies

7.7. Analysis Tools and Techniques
- Descriptive Statistics: Frequency, percentage, and mean scores to summarise responses.
- Correlation Analysis: To examine relationships between e-commerce growth and consumer behaviour.
- Cross Tabulation: To analyse gender and age-based differences in shopping preferences.
- Graphical Representation: Bar charts and pie charts to present findings visually.
- Thematic Analysis: Applied to open-ended responses to identify common strategy themes.

7.8. Variables of the Study

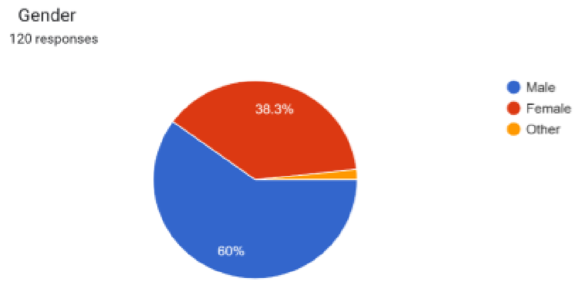
Variable Type	Variable
Independent	Online retail growth / E-commerce
Dependent	Consumer behaviour, Physical store performance
Moderating	Gender, Age

7.9. Ethical Considerations
Participation was voluntary and anonymous. Data collected was used solely for academic purposes and maintained with complete confidentiality.

VIII. DATA ANALYSIS & INTERPRETATION

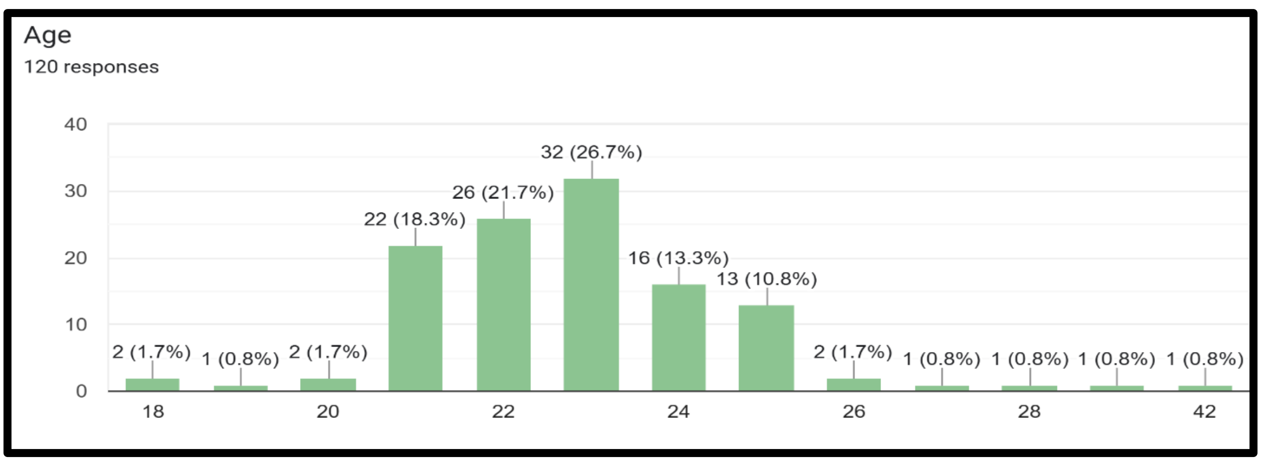
This section presents the analysis and interpretation of data collected through a structured online survey of 120 respondents. The responses were organised and examined to identify patterns and trends related to the influence of online retail growth on consumer behaviour and physical store performance. Methods such as percentage analysis, frequency distribution, and graphical representation were used to present the findings clearly. Each survey variable is analysed individually to draw logical conclusions and highlight key observations that contribute to a better understanding of how e-commerce growth is reshaping consumer behaviour and impacting traditional retail stores.

8.1. GENDER (NOMINAL)



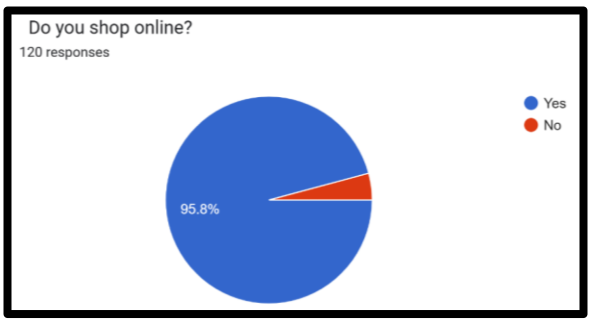
The gender distribution across the 120 respondents shows that 60% are male, 38.3% are female, and approximately 1.7% identify as other. Male respondents form the largest group, though female representation is substantial enough to contribute meaningfully to the analysis. Having respondents from across the gender spectrum strengthens the quality of this analysis. Shopping behaviour and attitudes toward retail channels can differ meaningfully between demographic groups, and capturing a range of perspectives adds depth to the findings. The relatively higher proportion of male respondents is worth bearing in mind when interpreting results, as the data may lean somewhat more toward male consumer experiences than would be ideal in a perfectly balanced sample

8.2. AGE DISTRIBUTION OF RESPONDENTS



Among the 120 respondents, 23-year-olds formed the largest single age group at 26.7%, followed by 22-year-olds at 21.7% and 21-year-olds at 18.3%. Those aged 24 and 25 accounted for 13.3% and 10.8% respectively, while smaller proportions fell in the 18 and 20 age groups at 1.7% and 0.8%. A handful of older respondents — aged 26, 27, 28, and one at 42 — each contributed between 0.8% and 1.7% of the total. The concentration of respondents in the 21 to 24 range is not a limitation of this study — it is precisely the demographic the research was designed to examine. Young adults in this age bracket represent the leading edge of digital consumer culture: frequent online shoppers, at ease across multiple platforms, and experienced enough to have formed genuine views on the relative merits of online and physical retail. Their responses are both highly relevant and credible for the questions this study is asking.

8.3. Online Shopping Behaviour Among Consumers



Of the 120 people surveyed, 95.8% confirmed they shop online, with just 4.2% saying they do not. This near-total adoption rate reflects how thoroughly e-commerce has embedded itself
in everyday life among young adults — for the vast majority of this demographic, it is simply the default way to shop. For the purposes of this study, that figure is highly significant. It tells us that when we discuss the impact of online retail on traditional stores, we are describing a shift affecting almost the entire surveyed population. The tiny fraction who avoids online shopping altogether serves mainly to underscore just how marginalised the purely offline shopper has become — reinforcing the timeliness and importance of this research.

8.4. Chi-Square Test:

1. Objective- To find whether gender affects online shopping preference.

2. Hypothesis-

- H0: Gender and online shopping preference are independent (no relationship).
- H1: Gender and online shopping preference are dependent (there is a relationship).

3. Observed Data (O)

Gender	Prefer Online	Prefer Offline	Total
Male	30	20	50
Female	20	30	50
Total	50	50	100

4. Expected Frequency (E)

E= Row Total×Column Total/ Grand Total

5. Calculate Expected Values

GENDER	ONLINE(E)	OFFLINE(E)
Male	(50×50)/100 = 25	25
Female	25	25

6. Formula

Chi-square (χ^2) = Σ (O - E) ^{2} / E

7. Calculation Table

Category	O	E	(O-E) ^2 / E
Male Online	30	25	1
Male Offline	20	25	1
Female Online	20	25	1
Female Offline	30	25	1

Total $\chi^2 = 1 + 1 + 1 + 1 = 4$

8. Degree of Freedom

df=(rows−1) (columns−1) = (2−1) (2−1) =1

9. Decision

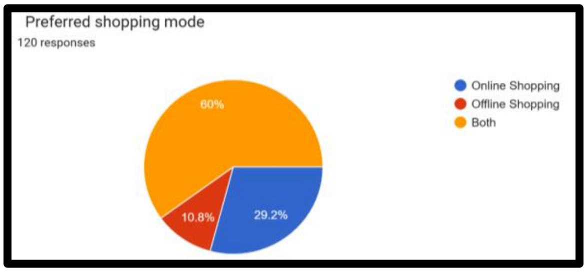
- Table value at 5% significance level = 3.84
- Calculated value = 4

Since 4 > 3.84, we reject H0

10. Conclusion

There is a significant relationship between gender and online shopping preference. This means gender influences consumer online shopping behavior.

8.5. PREFERRED SHOPPING MODE



The preferred shopping mode data reveals a nuanced picture. A majority of 60% of respondents said they use both online and offline channels depending on the situation,
pointing to a hybrid approach that is fast becoming the defining feature of modern consumer behaviour. Among the rest, 29.2% shop exclusively online while just 10.8% confine themselves entirely to traditional retail.

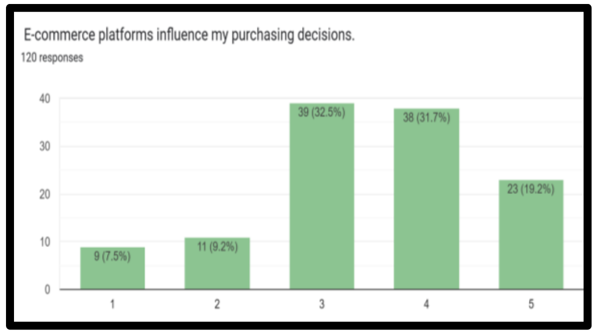
Physical stores have not been abandoned — but they are increasingly one option among many rather than the automatic choice. The 60% who blend both channels make a case for the continued relevance of physical retail, provided it can offer something genuinely worth the trip. The nearly 30% who have gone entirely online, however, represent customers traditional retailers have already lost. The opportunity lies in the hybrid majority — consumers who value both modes and who can be retained with the right strategy.

8.6. ONLINE SHOPPING FREQUENCY PER MONTH

Online shopping frequency varied noticeably across the 120 respondents, reflecting a population that has adopted e-commerce to varying degrees. The most common range was 1 to 3 purchases per month — frequent enough to be habitual, but not so intensive as to crowd out other forms of shopping. A meaningful group reported shopping online 4 to 5 times per month, reflecting a more digitally oriented lifestyle. Smaller numbers pushed higher — some into the 5 to 10 times monthly range, and a handful reporting 10 to 30 transactions per month, suggesting a genuinely committed online-first segment. Very few reported essentially no online activity, consistent with the 4.2% who said they do not shop online at all.

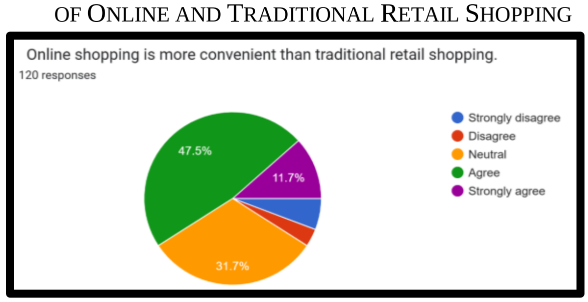
The overall picture is one of widespread but measured digital engagement. Most young consumers shop online regularly, but typically as one element of a broader purchasing mix rather than a wholesale replacement for physical stores. The presence of highly active digital shoppers does signal, however, that for a meaningful minority, e-commerce has already become the primary retail channel — pointing to where broader consumer behaviour may be heading.

8.7. INFLUENCE OF E-COMMERCE PLATFORM ON PURCHASING DECISIONS



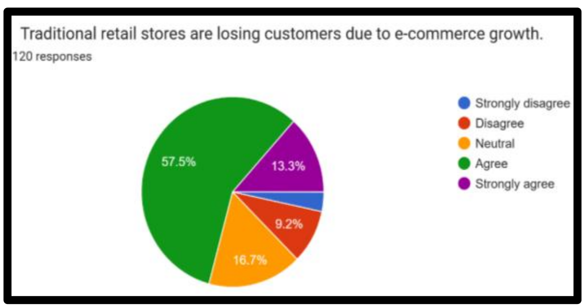
Responses to this question show a clear tilt toward acknowledgement of e-commerce's influence on how people make purchasing decisions. The largest cluster of respondents — 32.5% — landed at scale point 3, indicating a moderate level of perceived influence. Close behind, 31.7% rated it at point 4 and 19.2% went all the way to point 5, indicating strong agreement. Those who felt online platforms have little or no effect on their choices were in the minority: 9.2% chose point 2 and just 7.5% selected point 1. When points 3 through 5 are combined, 83.4% of respondents sit in the range of moderate to strong agreement — a figure that leaves little doubt about the role online platforms play in shaping what consumers choose to buy. Personalised product suggestions, sharper pricing, peer reviews, and round-the-clock accessibility are all doing real work here, nudging purchase decisions in ways that are hard for physical stores to match.

8.8. A COMPARATIVE STUDY ON THE CONVENIENCE OF ONLINE AND TRADITIONAL RETAIL SHOPPING



When asked whether online shopping is more convenient than traditional retail, respondents came down fairly decisively on the side of agreement. Nearly half — 47.5% — said they agree with this view, and an additional 11.7% went further with strong agreement, bringing the combined positive response to 59.2%. A sizable 31.7% held a neutral position, perhaps reflecting people who see genuine merit in both channels. Those who actively disagreed or strongly disagreed together made up only about 9.1% of respondents — a small but present voice for those who still prefer or equally value the traditional retail experience. With roughly 60% of the sample viewing online shopping as the more convenient option, the data makes a strong case that practical benefits — saving time, comparing products effortlessly, receiving deliveries at home, and being able to shop at any hour — are actively pulling consumers away from physical stores. These are not superficial preferences; they reflect structural advantages that online retail has built into its core offering.

8.9. TRADITIONAL RETAIL STORES ARE LOSING CUSTOMERS DUE TO E-COMMERCE GROWTH



The question of whether physical stores are losing customers to e-commerce drew one of the most decisive responses in the entire survey. A majority of 57.5% agreed that this is happening, with a further 13.3% strongly agreeing — together representing a clear 70.8% of all respondents. Another 16.7% were neutral on the matter, suggesting some uncertainty or ambivalence, while 9.2% pushed back with disagreement and an even smaller fraction were in strong disagreement. A 70%-plus agreement rate is about as close to consensus as survey data tends to produce, and it sends a clear message: consumers themselves recognise that e-commerce growth is drawing customers away from physical stores. The underlying logic is straightforward — when convenience, product range, and price all favour online shopping, the pull toward digital platforms becomes hard to resist. What this means for traditional retail is that the erosion in footfall and customer retention is not a perception problem or a temporary dip; it is a structural challenge rooted in genuinely shifting consumer preferences.

8.10. RATE THE IMPACT OF E-COMMERCE ON TRADITIONAL RETAIL SALES PERFORMANCE

Responses to this question were spread more evenly across the scale than some of the others, pointing to genuine variation in how consumers perceive the degree of e-commerce's impact on traditional retail revenues. The most common response was scale point 3, chosen by 30.8% of respondents and indicating a moderate level of impact. Point 4 was selected by 22.5%, representing a view of substantial impact. On the lower end, 21.7% placed themselves at point 2 and 20% at point 1, suggesting that a meaningful portion of respondents are not convinced the impact has been severe. Only 5% went as far as the top of the scale. The spread of responses across all five points reflects a population that is not entirely certain about the magnitude of the disruption — but the balance of evidence still tilts toward concern. When points 3 through 5 are combined, 58.3% of respondents indicate a moderate to high level of impact, enough to conclude that the majority of consumers sense real disruption in how e-commerce growth is affecting the sales performance of physical retail. The roughly 40% who scored it at point 2 or below serve as a reminder that some consumers either don't see the impact as severe or believe that traditional retail still has enough strengths to weather it.

8.11. RATE THE CHANGE IN YOUR SHOPPING BEHAVIOR DUE TO ONLINE SHOPPING PLATFORMS

Perhaps the single most striking data point in the entire study: 84.2% of respondents said the change in their shopping behaviour due to online platforms has been very high. Only 15.8% rated it as very low. The gap between these two figures is extraordinary and speaks to just how deeply online retail has worked its way into the everyday purchasing habits of this demographic. When more than four in five respondents describe their own behavioural shift as very high, the conclusion is almost inescapable: online platforms have not simply added a new option to the consumer's toolkit — they have rewired the way consumers browse, form judgements about products, and decide where to spend their money. The drivers of this transformation are familiar by now — convenience, breadth of product selection, appealing promotional pricing, and payment systems that have become genuinely friction-free — but seeing them reflected so sharply in self-reported behaviour change gives the point real force.

IX. FINDINGS, RECOMMENDATIONS & CONCLUSION

9.1. SUMMARY

This study set out with a clear purpose: to understand how the growth of online retail is reshaping the way consumers behave and how it is affecting the fortunes of physical stores. The data collected from 120 respondents has answered that question with a level of consistency and clarity that is unusual in survey research. Whether looking at the question of e-commerce's influence on purchase decisions, consumer convenience perceptions, shopping mode preferences, or the direct impact on traditional retail performance, the responses point in the same direction, forming a coherent and persuasive picture of a retail landscape in the midst of genuine transformation.

The sample was dominated by consumers in the 21 to 24 age brackets, with males making up 60% of respondents and females 38.3%. This demographic profile is well-suited to the study's aims: young adults are not just frequent users of e-commerce platforms — they are the group shaping the future direction of consumer culture more broadly. Their habits and preferences today give us a reasonable preview of where mainstream retail behaviour is likely to go.

On the question of adoption, the data is unambiguous: 95.8% of respondents shop online, making the offline-only consumer a marginal figure in this sample. When it comes to preferred mode, the picture is more nuanced — 60% use both channels, revealing a hybrid instinct rather than an outright rejection of physical retail. With 29.2% shopping exclusively online and only 10.8% sticking purely to physical stores, the direction of travel is clear.

The data on e-commerce's influence over purchasing decisions is equally telling. A combined 83.4% rated that influence at moderate to high levels — a finding rooted in the tangible advantages online platforms offer through personalised suggestions, sharper prices, and an always-on availability that physical stores simply cannot match. Nearly 60% of respondents also specifically agreed that online shopping is more convenient than the traditional alternative, adding further weight to the argument that e-commerce platforms hold a genuine structural edge.

The consequences for traditional retail come through clearly across multiple data points. Some 70.8% of respondents agreed that physical stores are actively losing customers to e-commerce, while 58.3% rated the impact on traditional retail sales performance at moderate to high levels. And then there is the headline statistic that perhaps best captures the scale of the shift: 84.2% of respondents reported a very high change in their personal shopping behaviour due to online platforms. This is not incremental adjustment — it is a fundamental reshaping of how people engage with retail.

Taken as a whole, the findings present traditional retail with both a serious challenge and a genuine opportunity. The challenge is the scale and pace of the shift toward online shopping. The opportunity lies in the fact that a majority of consumers are not abandoning physical retail entirely — they are using it alongside digital channels. For stores willing to adapt, invest in digital tools, and think creatively about what they can offer that online platforms cannot, there is a viable path forward.

9.2. Key Findings at a Glance: -

The following points summarise the most significant findings derived from the analysis of survey responses collected from 120 respondents:

1. An exceptional 95.8% of respondents confirmed they are active online shoppers, pointing to near-total adoption of e-commerce within this young consumer demographic.
2. A majority of 60% expressed a preference for combining online and offline shopping, suggesting that the hybrid retail model — rather than a wholesale move to digital — best describes how this generation shops.
3. About 29.2% of respondents shop exclusively through online platforms, while only 10.8% confine themselves entirely to physical stores — a distribution that underlines the shrinking role of traditional retail as an exclusive shopping destination.
4. A combined 83.4% of respondents rated e-commerce's influence on their purchasing decisions at a moderate to high level, confirming that digital platforms are active participants in how consumers decide what to buy and where.
5. Close to 59.2% of respondents agreed or strongly agreed that online shopping delivers superior convenience compared to traditional retail, underscoring the practical advantages that digital platforms hold in the eyes of consumers.
6. A substantial 70.8% agreed or strongly agreed that traditional stores are experiencing real customer loss as a consequence of e-commerce growth — a finding that validates what many physical retailers are observing on the ground.
7. Around 58.3% of respondents placed the impact of e-commerce on traditional retail sales performance at scale point 3 or higher, reflecting a broadly held sense that online retail is having a meaningful and disruptive effect on physical store revenues.
8. A striking 84.2% reported a very high level of personal behavioural change due to online shopping platforms — a figure that speaks to how fundamentally e-commerce has altered the everyday purchasing habits of modern consumers.
9. When asked what traditional retailers should do to stay relevant, respondents most frequently pointed toward building an omnichannel presence, sharpening pricing strategies, investing in digital marketing, introducing home delivery, and establishing a meaningful online platform as the most practical and effective paths forward.

9.3. Conclusion

This study was motivated by a question that practitioners in retail observe daily but that rarely gets examined with rigorous primary data: how exactly is the growth of online retail reshaping consumer behaviour and affecting what happens inside physical stores? The answers the data provides are not ambiguous. E-commerce is not evolving quietly in parallel to traditional retail — it is actively disrupting the habits consumers have built around physical shopping, eating into store revenues, and reconfiguring the basic competitive logic of the retail market.

What is most striking about the findings is not simply that the relationship between e-commerce growth and traditional retail performance exists — it is how consistently and pervasively it shows up across every dimension of the survey. Nearly nine out of ten respondents reported high behavioural change. More than seven in ten acknowledged that physical stores are losing customers. Not one segment of the data offered a contradictory signal. This is not a challenge concentrated in certain retail categories or certain types of stores — it reflects the lived commercial reality of the vast majority of traditional retailers trying to hold their ground in a digitally driven market.

There is also something important to note about the self-reinforcing quality of this shift. Consumers are not drifting toward e-commerce out of habit or inertia alone — they are choosing it because it keeps getting better at delivering what they value. Each positive online transaction reinforces the behaviour, building stronger digital habits and making the path back to a purely physical retail experience feel less natural. For traditional retailers, this creates a compounding challenge: the longer the current trajectory continues without meaningful response, the harder it becomes to win back the customers who have moved on.

The study concludes with all three alternative hypotheses standing — a result that is coherent, well-supported, and has real implications for anyone involved in traditional retail. What the data is asking for in response is not cosmetic change. Surface-level fixes like occasional discount events or minor store renovations will not address the structural shift that is underway. What is needed is a genuine rethinking of how physical retail creates and delivers value — one where digital tool is no longer treated as optional extras but as foundational to how a modern store operates, competes, and serves its customers.

9.4. RECOMMENDATIONS

9.4.1.FOR TRADITIONAL RETAILERS

The evidence gathered in this study points firmly toward the need for strategic-level change rather than incremental tinkering. Building an omnichannel presence — one that weaves together physical and digital touchpoints into a coherent and consistent customer experience — stands out as the single most consequential move a traditional retailer can make. Whether that means building a website, launching a mobile app, or partnering with established platforms like Amazon or Flipkart, the underlying goal is the same: getting in front of customers wherever they happen to be shopping, rather than waiting for them to walk through the door.

Pricing is a recurring theme in the data and cannot be sidestepped. Consumers regularly cite price as a reason they favour online platforms, so traditional retailers need a serious response — not just across-the-board discounts, but smarter approaches involving dynamic pricing, structured loyalty programmes, and exclusive in-store offers that online platforms simply cannot replicate. The physical store also has a natural advantage in the area of personal service that it should exploit more deliberately. Genuine human interaction, expert product demonstrations, and quick, painless checkout processes can create a quality of experience that no algorithm can fully recreate — and consumers who value that experience are worth investing in.

Among the strategies most commonly suggested by respondents, home delivery and easy return policies stood out as practical, immediately actionable steps that can meaningfully reduce the convenience gap between physical and online retail. These are table-stakes features in the eyes of many consumers, and physical retailers who have not yet adopted them are at a genuine disadvantage. Beyond logistics, traditional retailers are also well-placed to leverage something that online platforms inherently lack: local presence and genuine community connection. Same-day delivery from a nearby store, staff who know their regular customers, and meaningful involvement in the local community are advantages that, used well, can retain loyal shoppers even in a market where digital competitors are constantly improving.

9.4.2.FOR POLICYMAKERS AND INDUSTRY BODIES

Individual businesses adapting on their own will not be enough. Structural support from government and industry bodies is an important part of what will determine whether smaller traditional retailers can weather this transition. Targeted initiatives that make affordable digital infrastructure accessible to small and medium-sized retailers, provide practical e-commerce training, and offer financial support for technology investments could meaningfully accelerate the move toward more resilient, hybrid business models. At the industry level, creating forums and knowledge-sharing platforms where retailers can learn from peers who have successfully navigated the digital transition would help translate what works at scale into practical guidance for smaller operators.

9.4.3.FOR FUTURE RESEARCH

This study has produced meaningful primary insights but sits within clear methodological boundaries. The cross-sectional, self-report design and the concentration of respondents in the young urban demographic all place limits on how far the findings can be generalised. Future research that takes a longitudinal approach — tracking the same consumers and retail performance metrics over multiple years — would offer a far richer and more dynamic picture of how the relationship between e-commerce growth and traditional retail evolves as technologies change and economic conditions shift.

Comparative work across different regions, income segments, and product categories would help clarify whether the patterns observed here are specific to the urban youth demographic or indicative of broader national retail trends. Most valuable, qualitative research bringing in the direct voices of traditional store owners — through in-depth interviews or ethnographic work — would complement the consumer-side findings here and offer the supply-side perspective needed to make the overall picture more complete.

9.4.4. CLOSING REMARK

The 120 people who gave their time to this survey are not abstractions — they are real consumers living through a retail transition that is moving faster than many established businesses can keep up with. Their responses carry practical weight. If this research helps even a handful of retailers, policymakers, or industry professionals think more clearly about what is happening and what might be done in response, it has done its job. E-commerce is not the adversary of traditional retail — it is, if anything, a demanding but instructive force that is showing physical stores exactly where they need to raise their game. Retailers who choose to learn from that pressure rather than resist it are the ones best positioned to survive and flourish in whatever the retail landscape looks like next.

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