
CUSTOMERS' CHOICE OF E-COMMERCE PLATFORMS OVER TRADITIONAL RETAIL SHOPS, WITH SPECIAL REFERENCE TO POLLACHI TALUK

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ABSTRACT

The retail landscape in Pollachi Taluk is witnessing a transformative shift as consumers increasingly transition from conventional brick-and-mortar stores to digital marketplaces. This study examines the factors influencing customers' choice of e-commerce platforms over traditional retail shops, focusing on a sample of 120 respondents. Utilizing primary data collected through structured questionnaires and convenience sampling, the research employs percentage analysis, weighted average ranking, and Chi-square tests for data interpretation. The demographic profile identifies a predominantly male (59.2%), young (77.5%), and rural-based (64.2%) consumer base, largely consisting of students and private employees with high educational backgrounds. The findings reveal that "Home Delivery" (Rank I, 1.28) and "Offers/Discounts" (Rank II, 1.29) are the primary drivers for online adoption, while traditional retail remains valued for "Trust" and "Immediate Quality Check." Despite the deep-rooted presence of local retailers, 50.8% of respondents expressed a definitive willingness to shop online, citing time-saving benefits and superior variety as key motivators. Statistical analysis confirms that shopping preferences remain consistent across different age and income groups. The study concludes that an evolving hybrid model is emerging in Pollachi, where e-commerce offers logistical efficiency while traditional shops maintain relevance through immediate availability and personal reliability.

KEYWORDS

E-commerce, Traditional Retail, Consumer Behaviour, Home Delivery, Pollachi Taluk, Digital Transformation.

1. INTRODUCTION

Customer choice plays an important role in the success of any business. In recent years, customers are increasingly preferring e-commerce platforms over traditional retail shops for purchasing goods and services. The growth of smartphones, internet facilities, and digital payment systems has changed the buying behaviour of customers. Convenience, variety, and time-saving features are the main reasons behind this shift. E-commerce platforms such as Amazon, Flipkart, and Meesho provide customers with easy access to products from their homes. Customers can compare prices, read reviews, and enjoy discounts and doorstep delivery. In contrast, traditional retail shops offer personal interaction, immediate product availability, and trust. However, due to busy lifestyles, many customers prefer online shopping instead of visiting physical stores.

2. STATEMENT OF THE PROBLEM

The rapid growth of e-commerce platforms has significantly changed the shopping behaviour of customers. Customers are increasingly shifting from traditional retail shops to online shopping due to factors such as convenience, wider product choice, attractive discounts, and home delivery. This change has created challenges for traditional retail shops, especially

in small Taluks, where personal service and customer relationships were once the main strengths. In Pollachi Taluk, the increasing use of smartphones, internet facilities, and digital payment systems has encouraged customers to choose e-commerce platforms for their purchases. However, traditional retail shops still play an important role in meeting daily needs and offering immediate product availability.

The changing preferences of customers have created uncertainty among local retailers regarding customer retention and business sustainability. Therefore, the problem lies in understanding the factors that influence customers' choice of e-commerce platforms over traditional retail shops in Pollachi Taluk. The study attempts to analyze customer preferences, reasons for shifting towards online shopping, and the impact of e-commerce on traditional retail shops, in order to identify the challenges faced by retailers and the changing expectations of customers.

3. REVIEW OF LITERATURE

Vasanthi (2023) conducted a study on Consumer Preference towards Online Shopping over Traditional Retail Stores with Special Reference to Coimbatore City. The main objective of the study was to study the factors influencing consumer preference towards online shopping over traditional retail stores in Coimbatore City. Consumers in Coimbatore City (Sample size: 120 respondents). Convenience and time-saving are the major reasons for preferring online shopping. Discounts and offers attract consumers to e-commerce platforms. Some consumers still prefer retail stores for quality checking and immediate purchase.

Sanpiya (2024) conducted study on Shifts in customer choices regarding e-commerce platforms. The main objective of the study was to understand the investigating the awareness and preference of online retailing among diverse age groups of consumers in Chennai. The nature of this study is descriptive, focusing on the population of Chennai with a sample size of 120 respondents comprising individuals who are both aware of online shopping and active internet users. Common challenges faced by consumers include time-consuming registration processes, the disclosure of personal information, lack of transparent cost information, and the absence of a tactile experience with products.

Akhila et al. (2025) conducted a study on Rise of Quick Commerce and Its Impact on the Traditional Retailers. The main objective of the study was to understand consumer preferences and motivations, including delivery time, ease of use, and product availability. Sample Size: Total respondents: 138, Retailers: 50, Consumers: 88. This sample size was selected to get a basic idea of how both groups are experiencing the effects of quick commerce. The study confirms a strong link between the growing usage of Q-commerce and its impact on local retailers, but also highlights consumer reliance on both models. This shows that complete replacement is unlikely in the short term.

Rohit Kumar (2025) conducted a study on The Rise of E-Commerce: Analyzing its Impact on Offline Retail and Consumer Behavior. The main objective of the study was to analyze the impact of e-commerce on offline retail businesses and examine the changes in consumer behavior in India. Retail business owners and consumers (Survey sample: 50 respondents).E-commerce has reduced footfall and revenue in physical retail stores. Consumers prefer online shopping due to convenience, lower prices, and product variety. Trust, data security, and return policies influence buying decisions.

Aakanchha rathore (2025) conducted a study on The Impact of E-commerce on Traditional Retail Businesses. The main objective of the study was To measure the influence of e-commerce on consumer behavior, business performance, and retail structure. Respondent Based on 22 scholarly sources. E-commerce significantly reduces physical store foot traffic and improves operational efficiency. Hybrid and multichannel strategies increase customer engagement and sales while reducing logistics cost and emissions.

4. OBJECTIVES OF THE STUDY

Following are the research objectives framed for the study.

1. To understand the socio-economic profile and educational background of the respondents.
2. To study the customers' preference towards e-commerce platforms over traditional retail shops in Pollachi Taluk.
3. To identify the factors influencing customers to choose between e-commerce platforms and retail shops.
4. To analyze the reasons for preferring between e-commerce platforms traditional retail shops in Pollachi Taluk.

5. RESEARCH METHODOLOGY

5.1 Research Design

This study relies on primary data. It comprises of respondents from Pollachi Taluk. The primary data was collected from 120 respondents through questionnaires. The respondents were taken on convenient sampling method. The area of study was taken with reference to Pollachi Taluk.

5.2 Sources of Data

The primary data was collected from 120 respondents through structured questionnaires. The secondary data like articles and theories were collected from various sources such as Magazines, Journals and Websites.

5.3 Sampling and Sample Size

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. Sample design is determined before data are collected. The population of this study is huge, out of which 120 respondents were taken as samples. In this study, the "Convenient sampling" method was opted.

5.4 Hypotheses of the Study

The study is based on the hypothesis that there is no significant difference in the Following are the hypotheses framed to be tested using Chi-square test.

H_0 There is no relationship between age group and level of preference between traditional retail outlets and e-commerce platforms.

H_0 There is no relationship between family income and level of preference between traditional retail outlets and e-commerce platforms.

5.5 Statistical Tools

The statistical tools viz. Simple percentage, weighted average ranking, Correlation and Chi-square test were used to analyze the data in the study.

6. THEORETICAL FRAMEWORK

6.1 Retail Shops

Retail shops are physical stores where goods and services are sold directly to final consumers. These shops may range from small local stores to large supermarkets and shopping complexes. In Pollachi, retail shops include textile stores, grocery stores, vegetable markets, electronic shops, medical stores, and footwear outlets. Retail stores are usually located in busy market areas, making them easily accessible to customers.

6.2 E-Commerce

E-commerce refers to the buying and selling of goods and services through electronic platforms such as websites and mobile applications. Popular e-commerce platforms include Amazon, Flipkart, Meesho, Myntra, and others. Customers can browse thousands of products from different brands and compare prices easily before making a purchase decision. Online platforms offer detailed product descriptions, customer reviews, and ratings, which help buyers make informed decisions.

6.3 Retail Shop vs. E-Commerce

Retail shops and e-commerce platforms differ in several aspects, including shopping experience, pricing, convenience, and customer interaction. Retail shops provide a physical and personal shopping experience where customers can directly examine products and interact with shopkeepers. This creates trust and immediate satisfaction. On the other hand, e-commerce offers a virtual shopping experience where customers rely on images, descriptions, and reviews.

6.4 Future of Retail Shops and E-Commerce

The future may involve a hybrid model where retail stores also operate online, combining the benefits of both systems. The future of retail shops will focus on blending physical stores with digital technology. Traditional stores are becoming experience centers where customers can see and try products. Smart mirrors, digital payments, and self-checkout systems will improve convenience. Retailers will use data to understand customer preferences and personalize in-store offers. Local stores may also serve as quick delivery hubs for nearby online orders.

7. DATA ANALYSIS AND INTERPRETATION

Table 7.1 Socio-economic profile of the respondents

Category	Particulars	No. of Respondents	Percentage (%)
Gender	Male	71	59.2
	Female	49	40.8
Age Group	Below 20 Years	20	16.7
	21–40 Years	93	77.5
	41–60 Years	7	5.8
	Above 60 Years	0	0
Area of Residence	Rural	77	64.2
	Semi-Urban	26	21.7
	Urban	17	14.2
Educational Level	Up to School Level	8	6.7
	Undergraduate (UG)	46	38.3
	Postgraduate (PG)	45	37.5

	Professional Degree	14	11.7
	Others	7	5.8
Occupation	Student	46	38.3
	Private Employee	43	35.8
	Homemaker	9	7.5
	Others	22	18.4
Marital Status	Unmarried	104	86.7
	Married	16	13.3
Family Type	Nuclear Family	72	60
	Joint Family	48	40
Family Size	3 members & below	35	29.2
	4–6 members	73	60.8
	7 members & above	12	10
Earning Members	1 Member	28	23.3
	2 Members	55	45.8
	3 Members & above	37	30.9
Annual Income	Up to Rs. 1,00,000	53	44.2
	Rs. 1,00,001 – Rs. 2,00,000	33	27.5
	Rs. 2,00,001 – Rs. 3,00,000	21	17.5
	Above Rs. 3,00,000	13	10.8
Total		120	100

Source: Primary data

The socio-economic analysis of the 120 respondents indicates a demographic largely composed of young, unmarried individuals residing in rural areas. A majority of the respondents are male (59.2%) and fall within the 21–40 age group (77.5%), representing a technologically active segment of the population. Educational standards are high, with 38.3% holding undergraduate degrees and 37.5% having completed postgraduate studies. This aligns with the occupational data showing that 38.3% are students and 35.8% are employed in the private sector. The social structure is predominantly defined by unmarried (86.7%) individuals living in nuclear families (60.0%) with a typical size of 4–6 members (60.8%). Economically, the profile suggests a moderate financial background, as 45.8% of families have two earning members, yet a plurality of 44.2% reports a family annual income of up to Rs. 1,00,000, indicating that while there is dual-income support, the overall purchasing power remains within the lower-to-middle income bracket.

Table 7.2
Factors Influencing Preference between Retail Shop and Online

Factors Influencing Preference	Retail Shop	Online	Weighted Average	Ranking
Low Price	100	70	1.42	III
Offers/Discounts	70	85	1.29	II
Convenience	120	60	1.5	V
Variety	102	69	1.43	IV
Home Delivery	68	86	1.28	I
Immediate Quality Check	174	33	1.73	VIII
Personal Interaction	162	39	1.68	VI
Trust	174	33	1.73	IX
Satisfaction	168	36	1.7	VII

Source: Primary Data

The analysis of factors influencing consumer preference between traditional retail shops and online platforms highlights a clear distinction between logistical benefits and experiential trust. "Home Delivery" emerged as the primary influencer with the lowest weighted average of 1.28 (Rank I), closely followed by "Offers/Discounts" (1.29, Rank II), indicating that modern consumers prioritize doorstep service and financial incentives, which are typically hallmarks of digital commerce. Conversely, traditional retail attributes such as "Immediate Quality Check" and "Trust" received the highest weighted averages of 1.73 (Ranks VIII and IX). This suggests that while physical stores excel in providing reliability and tactile verification, these factors are currently secondary to the convenience and cost-saving measures offered by alternative channels. The data reflects a shifting consumer mindset where the functional ease of delivery and pricing outweighs the traditional values of personal interaction and sensory product evaluation.

CORRELATION ANALYSIS

The statistical data from Pollachi Taluk suggests that shopping behaviour is a situational correlation rather than a fixed preference, as evidenced by the 39.2% of respondents who utilize both modes equally. While e-commerce captures the technologically active demographic—comprised of 77.5% young adults and 74.1% students or private employees—its dominance is strictly tied to functional efficiency, specifically Home Delivery (Rank I, 1.28) and Time Saving (45.8%). Conversely, a pivot toward traditional retail occurs when risk mitigation is required, driven by the 31.1% of users who experience online quality issues; this results in 36.7% favouring retail for Better Trust and 33.3% for Instant Purchase. Because Chi-square results show that preferences are independent of age ($\chi^2 = 2.730$) and income ($\chi^2 = 2.678$), the choice is dictated by the nature of the purchase, creating a hybrid consumer profile that balances digital convenience with physical reliability.

CHI-SQUARE ANALYSIS

(i) Age group and preference towards E-commerce vs. Traditional outlets

Age group and preference towards E-commerce vs. Traditional outlets were analyzed. The chi-square test result ($\chi^2 = 2.730 < 9.488$) shows that there is no significant relationship between age and shopping preference, meaning that preference for retail or online shopping is similar across different age groups.

(ii) Family income and preference towards E-commerce vs. Traditional outlets

Age group and preference towards E-commerce vs. Traditional outlets were analyzed. The calculated chi-square value (2.678) is less than the table value at the 5% significance level (12.592) with 6 degrees of freedom. Therefore, the difference in shopping preference across income groups is not statistically significant.

8. MAJOR FINDINGS

The study outlines a demographic and behavioural profile of the respondents, characterized by a male majority (59.2%) predominantly within the 21–40 age group (77.5%), most of whom reside in rural areas (64.2%). The sample is largely composed of unmarried individuals (86.7%) and students (38.3%) with undergraduate qualifications (38.3%), typically living in nuclear families (60%) of 4–6 members (60.8%) with two earning members (45.8%) and an annual income up to Rs. 1,00,000 (44.2%). While respondents visit retail shops frequently or occasionally, there is a significant lean toward digital commerce, with 50.8% willing to shop online and a majority ranking online grocery purchasing (1.36) and home delivery (1.28) as their top priorities.

Although retail shops are still preferred for better trust (36.7%), e-commerce is highly valued for saving time (45.8%), supported by a 66.7% satisfaction rate with online return policies. Ultimately, despite a slight majority experiencing issues with traditional retail shopping, the transition toward online platforms is driven by convenience and logistical efficiency.

9. SUGGESTIONS

The study on customers' choice of e-commerce platforms over traditional retail shops, with special reference to Pollachi town, highlights a significant shift in consumer buying behaviour in semi-urban areas. Pollachi, traditionally dependent on local retail stores for daily needs, is gradually adapting to digital shopping due to increased smartphone usage, affordable internet access, and exposure to online platforms. Customers, especially the younger population, prefer e-commerce because of its convenience, time-saving nature, wide variety of products, and attractive discounts. Online platforms allow users to compare prices easily and access goods that may not be available in local markets.

However, traditional retail shops continue to play an important role in the town's economy, particularly for essential items such as groceries and daily-use products, where immediate availability and personal trust with shopkeepers are key factors. Many consumers still value the physical inspection of products and the familiarity of local businesses, which often offer flexible payment options like credit. As a result, consumer behaviour in Pollachi reflects a balanced approach, where people combine both online and offline shopping depending on their needs. This indicates that while e-commerce is growing rapidly, it is not completely replacing traditional retail but rather coexisting with it, creating a hybrid model of consumption in the town.

10. CONCLUSION

The study concludes that consumers in Pollachi town show a gradual shift towards e-commerce platforms while still maintaining reliance on traditional retail shops. The majority of respondents are young, rural-based, unmarried individuals with moderate income, which influences their shopping preferences. E-commerce is increasingly preferred due to convenience, home delivery, time-saving benefits, and attractive offers, with many respondents expressing willingness to shop online and satisfaction with return policies. At the

same time, traditional retail shops remain important due to trust, immediate availability of goods, and personal interaction with shopkeepers. Consumers continue to visit retail stores frequently, especially for essential purchases. The findings indicate that both online and offline shopping methods coexist, with each serving different needs. Overall, the buying behavior in Pollachi reflects a hybrid pattern, where e-commerce is growing rapidly but has not replaced traditional retail, highlighting the continued relevance of both systems in the evolving retail landscape.

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