

Project Dissertation Report on
Online to Offline E – Commerce Market

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2K17/MBA/82

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CERTIFICATE FROM THE INSTITUTE

This is to certify that the Project Report titled “**Online to Offline E – Commerce Market**” is an original and bonafide work carried out by **Mr. Shivam Dabas** of MBA 2017-19 batch & was submitted to Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-110042 in partial fulfillment of the requirement for the award of the Degree of **Master of Business Administration**.

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DECLARATION

I, Shivam Dabas, student of MBA 2017-19 Batch of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 declare that the Major Research Project Report titled “**Online to Offline E – Commerce Market**” being submitted by me in partial fulfillment of the requirement for the award of the Degree of Master of Business Administration is an original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge. The report is not being submitted to any other University for the award of any other Degree, Diploma and/or Fellowship.

Shivam Dabas

Place:

Date:

ACKNOWLEDGEMENT

The satisfaction that accompanies the successful completion of any task would be incomplete without the mention of the people who have made this possible.

I would like to use this opportunity to express my deep gratitude and a special thanks to my mentor, **Mr. Mohit Beniwal** for the unending support, guidance and motivation in the completion of this report.

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I thank all those who knowingly and unknowingly have helped me in the fulfillment of the project.

Sincerely,

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Place: New Delhi

EXECUTIVE SUMMARY

I am Shivam Dabas (2K17/MBA/82), an MBA student of Delhi school of Management, Delhi Technological University. My report is on the scenario of e-commerce market in our country, India. This report is a descriptive research project which has encased various topics that concern the e-commerce markets of our country. This report gives an unbiased, clear idea as to what is e-marketing, what are the challenges that it carries with itself, the significance and opportunities available in the e-commerce markets of our country. The online-to-offline (O2O) commerce has been one of the hottest topics nowadays, but which features of the O2O commerce drive the consumers to be involved into are still blur. To figure out the question, two important features of O2O commerce, i.e., offline experience and the integration of online and offline information, were incorporated into an empirical model to examine their influences on the technology and economics attributes of O2O commerce from the perspective of consumers. The two features were confirmed to exert significant impacts on consumer's acceptance of O2O commerce. Finally, the implication and the direction of future study were discussed.

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Chapter 1 Introduction

1.1 Introduction

Recently, Consumers prefer to search and purchase online, and then enjoy the service offline, which is called online to offline (O2O) commerce by Rampell. He described the conception of O2O as finding consumers in cyberspace and then bringing them into physical stores. O2O is initiated in service industry, such as traveling booking, catering booking, and entertainment tickets. O2O platforms are very popular now, such as Groupon, Restaurant.com, Ctrip, Mei Tuan.com, Dianping.com, National express.com. Most of them focus on traveling and local living service industry. Since the inherent nature of inseparability of service, consumers have to take part in the offline consumption of purchased services online. Thus, O2O commerce model is very appropriate for personal living service industry.

The popularity of smart phone greatly prompts the process of O2O commerce. Ubiquity of connectivity makes it much easier for consumers to shift between online and offline. Consumers may visit physical stores while still enjoy online services. It is reported that 89% of U.S. consumers adopt Research Online, Purchase Offline (ROPO), and 84% of Chinese consumers search a good in real store before purchasing online. Consumers are becoming shrewder with the assistant of smart phones. Some department stores have just become “showrooming” of online shops, thus, sales of traditional retailing dropped dramatically. The pattern of “buy online, pick up in store” has been an important way to keep sales. Simultaneously, traditional pure online players also encounter the mediocre sales increase nowadays. Physical experience has been lost in online shopping, which is crucial to consumer, especially for those high-value or personalized products. Therefore, there is a severe demand of integrating two channels.

More and more merchants aim at the potential benefits of O2O commerce, but what drives consumer’s purchase in O2O manner is still blur to practitioners. This article aims to examine consumer adoption of O2O commerce, and verify the significant factors influencing consumer purchase in O2O context.

1.2 Online to Offline E – Commerce in India

In India, this first phase lasted till around 2008 and was quite similar. Apart from Fabmart/Fabmall, the only other ecommerce start-ups of note were auction site Baazee and air-ticketing website MakeMyTrip, in addition to the shopping channels on portals such as Rediff, Sify, and Indiatimes.

These pioneers faced a unique set of infrastructure issues: lack of payment gateways, content providers, third-party logistics companies, limited availability of merchants and merchandise. Moreover, everything had to be built from scratch. The market was virtually non-existent: less than 3 million Indians were online and only 20,000 people bought online, mostly from Amazon books.

As of 2005, offline retailers around the world have been slow to understand that their off-line assets (stores, warehouses, warehouses, offices) that suddenly seemed "passive" were essential to e-commerce. As a result, they began their own digital journey seriously, triggering the second phase of global e-commerce until around 2015. Tesco that are updated digitally online. retailers

The second phase of Indian e-commerce from 2008 to the present has been overwhelming. Led by a group of young entrepreneurs who founded companies like Flipkart, Myntra, Snapdeal, Big Basket, etc., backed by venture capital funds and aggressive risk funds abroad More than 50 million new customers online.

Global giants such as Amazon and Alibaba are investing billions of dollars in their quest for leadership in the Indian market. Off-line local retail brands, such as Future Group, Reliance and Tata, are investing heavily in their digital strategies. The key moment was the acquisition of Flipkart by Walmart, who, in a sense, lowered the curtains in the second phase and signalled the beginning of the third.

This third phase will be the most crucial for the future growth and development of ecommerce, both globally and in India. The underlying theme will be the integration of offline and online assets to deliver a high-quality omni-channel customer experience while leveraging new technologies like AI, big (or small and medium) data, chatbots etc.

Even in India, while companies are investing a lot of money to earn online against Flipkart and Alibaba, there are also offline movements. Amazon realizes that continued leadership in global e-commerce will require strong integration online and offline and that companies like Walmart with huge offline resources could take the lead. Hence the urgency. Even Alibaba is making similar movements offline.

The bugbear, however, remains sustainability. E-commerce is now 25 years old and, despite such exaggeration and investment, the profits are not uniform. Amazon extracts most of its money from other lines, while Alibaba benefits from a protected market. Amazon, Alibaba, Walmart, Reliance and other great dads need to find a way to continue providing an excellent customer experience while earning money. The excuse that "we are still in the early stages and we are not thinking about the benefits" will begin to apologize.

However, the Indian e-commerce market is very promising. This is the last large unconquered market where Amazon, Alibaba and Walmart will fight without restrictions, which has never happened anywhere so far.

1.3 Conception of O2O Market

Rampell abstracted the concept from group purchase website, which refers to attracting consumer online, conducting payment online, and enjoying the local living services offline. Most of the individual service industry might adopt this pattern, such as restaurant, hotel, airline, tourism, entertainment. The purchasing of goods could also adopt this pattern, i.e., consumer purchase online, pick up goods offline. Another pattern could be called offline to online, i.e., consumer visit show store, payment via scanning QR code by smart phone, and wait for delivery of the products, which could also be done in subway station, bus, or any other pop-up advertisements.

O2O commerce differs greatly from the concepts of B2C, ROPO, Brick and Click in many aspects. O2O commerce adopts an integrated channel of online with offline, focus on consumer participation and physical experience. In traditional B2C pattern, people order a product and pay for it online, and then wait for delivery, which remove the physical experience from the purchase process. As for ROPO, consumer just research the product online, in fact he or she does not really take part in the process

of ordering and payment online, which is very similar with the pattern of traditional brick and mortar. Brisk and click generally refers to merchant's multi-channels including offline and online channels, which allows consumer purchase online and wait for delivery or shop in real stores. Some chain stores also allow their customers to pick up the online orders at nearest physical store. Therefore, the concept of brick and click is larger than O2O concept.

According to the above discussion, we define O2O commerce in this article as online to offline or offline to online commerce pattern by which a merchant integrates online and offline presences into a seamless channel, which allows consumer take advantage of both online information, convenience, lower price, etc. and offline physical experience and customer services.

The consumers in O2O commerce have to consider both the attractiveness of the information technology and the economics of the adoption of the pattern. Therefore, our theory will be constructed based on the features of O2O commerce, technology factors, and economics factors. The driving desire for O2O pattern is that it may take advantage of both online and offline commerce. The features of rich physical experience and ubiquitous interaction between online and offline could meet the demand. In addition, from the perspective of consumer in O2O commerce, the classical constructs of TAM, i.e., "perceived usefulness" and "ease of use" may be still of great significance to their adoption behavior. Since consumer has to undertake all consequences of adoption O2O commerce, they must evaluate economic variables, such as benefit, cost, and risk resulting from the adoption decision, thus we also incorporate perceived value theory into our theory.

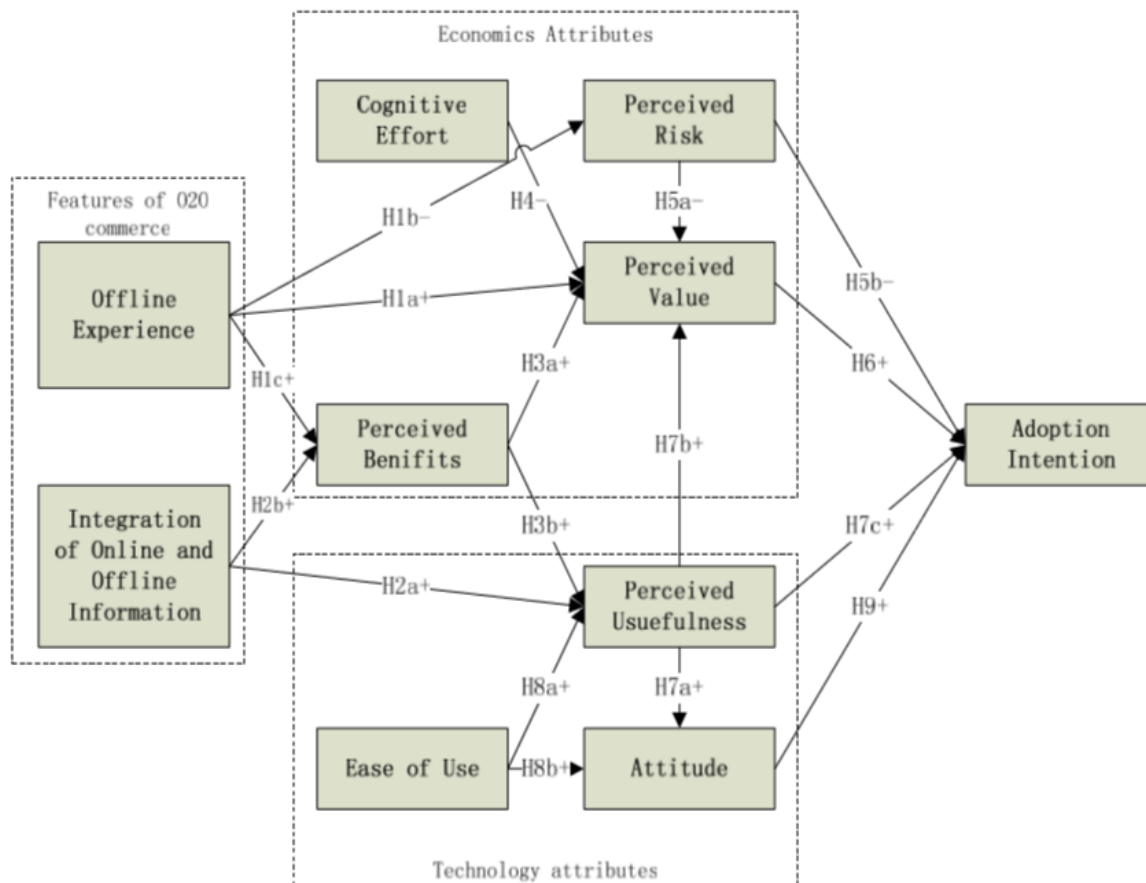


Figure 1

1.4 Features of O2O Commerce

Consumer Offline Experience - Compared with pure online commerce, O2O pattern may make difference in allowing customers to have great physical experience in real stores while keeping the advantages of online commerce, such as great convenience, high efficiency. In this study, the construct of “consumer offline experience” refers to personal experience on both goods and services in real stores, such as examining or trying on a good, involvement in a service.

One of the salient problems of online shopping is that consumers are not able to have a try before ordering. Without physical tactility, consumer gets information about the goods just through browsing webpage or communicate with online sales assistants in traditional e-commerce. This always leads to consumer’s concern about the quality, texture, size, etc. Sometimes, shopping online could be a disappointed experience just because the good received is not as consumer desired. Online retailers could establish showrooms for their products to increase consumer physical experience, which would

improve their understanding about the products and encourage online purchase subsequently. As for a service purchased online, consumer engagement is indispensable for service fulfilment, thus consumer experience will be more important for their future buying. Offline experience provides consumer with real tactility in e-commerce, which may greatly improve consumer's perception about the value of O2O pattern.

Integration of Online & Offline Information - The integration of online and offline information (IOOI) plays a crucial role in bridging online and offline business. IOOI refers to the extent to which the merchant's online database keeps consistent information with offline stores simultaneously, the offline consumption information could be easily checked and confirmed, and customers could conveniently switch from online to offline.

Consumer can access the webpage of the product being browsed in store via smart phone by scanning QR bars, NFC zones, or mobile apps, by which consumer may get to know the information about the quality, features, inventory, other's reviews, etc., and pay for it if deciding to buy. Online order information could be verified by salesman in real store, which will facilitate picking up the goods bought online or service consumption in hotel, restaurant, spas, etc.

IOOI is the unique feature of O2O commerce, which solves the problem of the information communication of online platforms and offline stores. From the consumer perspective, O2O commerce differs from brick-and-mortar in the availability of seamless integration of online and offline, which allows them to glide between online and offline freely and conveniently.

1.5 Economic Attributes of O2O Commerce

Perceived Benefit - Perceived benefits refer to consumer's perceptions of what could be received in O2O commerce. One of the most important purpose of O2O operation for merchants is to take advantage of both online and offline commerce, by which consumer can also benefit from online and offline presence of retailers. Online benefits include ubiquitous convenience of ordering, seamless access of online information of

products and comments, attractive price discounts, and so on. Whereas for offline benefits, consumer may examine the goods by themselves, feel the texture tactility, or pick up the goods in real stores. Of course, they can also consume an offline service if the purchase item is a service.

Perceived value theory indicates that perceived benefit has a positive influence on perceived value, some present researches also validated that theory in the domain of mobile commerce. However, little empirical evidence was found about the relationship in O2O commerce context. In addition, these benefits of O2O commerce definitely solve some problems in consumer buying process. For example, instantly accessing the webpage of the product browsing in the store will provide plenty useful information for consumer, such as price, other's reviews, online sales data, which improve the efficiency of consumer's purchase. Physical experience enhances consumer's tactility of the products, which may help consumer select the desired products.

Perceived Sacrifice – Sacrifice that consumer undertaken in O2O commerce consists of monetary cost and nonmonetary cost. As for the former, since most of O2O commerce adopters are smart phone user, and the mobile communication network fee has been paid, as such, the adoption of O2O will not lead to additional monetary cost, i.e., marginal cost for consumer. It is also validated that consumer's perceived monetary cost does not influence perceived value significantly in mobile payment service. Therefore, we mainly focus on the nonmonetary cost for consumer. Prior literature indicates nonmonetary cost consists of cognitive effort and perceived risk.

Cognitive effort refers to the effort put into understanding the process of O2O commerce and learning how to operate the application system, which could be regard as the effort cost for consumer. Generally, consumers are not familiar with O2O pattern firstly, especially when using the interaction technology in the real store. Cognitive effort was verified as a negative predictor of perceived value of mobile channel usage. In order to examine the impact of consumer's perception about cognitive effort on perceived value in O2O commerce.

Perceived risk is another nonmonetary cost factor of O2O pattern adoption. Perceived risk, as a main hindering factor, has been widely reported to have negative influences

on innovation adoption in online banking, mobile services, e-services, mobile payment, etc. Yang and Zhang et al. suggested that perceived risk exert adverse influences on both perceived value and adoption intention of mobile payment service, which is also consistent with the finding of Wood and Scheer.

1.6 Dissertation Plan

The dissertation is divided into five different parts and its specifications have been explained below:

Introduction – The first chapter is introduction which provide a detailed overview of the project undertaken and introductory information of project. This part also covers the information regarding online and offline e-commerce system.

Literature Review – Literature review is the second and longest chapter which explain about the other similar studies being undertaken by previous authors but have significant impact on current study too.

Research Methodology – This is third chapter which covers the information regarding the method of research being employed while conducting the research and data analysis.

Data Analysis – Data analysis is fourth and most important part of study as this explain the actual crux of the study on basis of statistical calculation.

Conclusion – Conclusion is the last and important chapter which conclude and summarise the entire study.

Chapter 2 Review of Literature

2.1 Literature Review

Nowadays, the rapid development of the Internet and mobile technologies has driven e-business to make a breakthrough. More and more traditional retailers are developing virtual online channels (Chen, Wang, & Jiang, 2016). Since the rise in electronic and mobile commerce in recent years, consumers tend to adopt multiple channels for researching and purchasing products and services. Nielsen (2014) reports that 96% of Web users in Taiwan shop online, while among them, those who search for and purchase products through mobile devices (smart phones and tablets) has increased from 24% to 32%. eMarketer (2018) mentions that mobile phones with better location tracking and identity graphs are better tools for judging the full impact of online media. These O2O capabilities have made advertisers able to refine goals, change creative activities, and rethink their media mixes. Demand for O2O measurements has increased in most industries over these past 2 years.

Consumers have enhanced their cross-channel shopping behavior by applying more functions through mobile devices. According to TNS (2013), 24% of people used a smartphone or tablet to search for information on products at home, 21% used mobile devices to compare prices in stores, 16% viewed product information, 16% used coupons, and 15% used mobile commerce to purchase products. ComScore (2013) investigates 3,000 consumers, 44% of which report that they prefer to patronize stores that provide online ordering and in-store pickup. Stores that adopt the online-to-offline (O2O) marketing model attract consumers to visit the store and purchase products. Therefore, understanding the O2O marketing model is crucial. In this study, we introduce a model for finding how to efficiently mix marketing resources on offline and online channels to create a successful O2O marketing strategy. Based on the description above, the research purposes of this study are to (a) draw conclusions from past literature to establish O2O adoption behaviors and factors to confirm these factors through factor analysis, (b) establish a measurement model of O2O adoption behaviors and factors, and then explore the relationship between O2O adoption behavior and factors, (c) explore the relationship between the transfer behavior of

each channel and the factors of transfer consideration, and (d) propose references and suggestions for researchers and marketing personnel related to O2O in the future.

2.2 Online to Offline Marketing

The O2O marketing model is also known as the online and offline integration model. Alex Rampell, the chief executive officer and founder of TrialPay, states that the key to O2O marketing is locating consumers online and bringing them into real-world stores (TechCrunch, 2010). The model is a combination of a payment model and foot traffic generator for merchants (and a discovery mechanism for consumers) that enables offline purchasing. For example, an online channel can't provide an actual restaurant experience and is only used to trade goods unilaterally. In contrast, an offline channel can't provide people with information on store locations or promotions. Hence, a corresponding model that companies adopt to attract additional consumers to physical stores is vital. The Online Economy (2012) indicates that since the increase of social networking sites and location-based services, consumers now obtain preferential information on products through both channels and then purchase products from physical stores.

Business Insider (2011) surveys four available methods for O2O models: the traditional online store, location-based services, social commerce, and group purchasing. Also, the O2O marketing model has become a serious topic in channel integration. Consumers consider various factors for adopting the most appropriate channel to execute their transactions. For instance, if consumers seek to find information quickly, they will select online stores, often using mobile device to do so. In contrast, if consumers want to try on a product, they will visit a physical store. Therefore, we speculate that understanding the factors leading to consumers' searching and purchasing, as well as those of subsequent behaviors is crucial. Moreover, marketers must mix their marketing resources on offline and online/mobile channels to effectively and efficiently attract target consumers.

2.3 Online to Offline Adoption Factors for the Search Process

Information Availability - Verhoef, Neslin, & Vroomen (2007) consider the availability of product information and find that the amount of useful information influences consumers when choosing the most appropriate channel for searching. Wolfinbarger and Gilly (2001) reveal that material availability is a reason for customers to use online means for searching goods. Scholars have stated that the Internet provides the most efficient means for consumers to obtain product information. If consumers can easily receive information and compare prices by using one channel, they tend to search and purchase using that same channel (Noble, Griffith & Weinberger, 2005).

Search Convenience - Many consumers will select channels that can quickly provide product information (Verhoef et al., 2007). Gupta, Su, and Walter (2004) argue that online channels could offer quicker outcomes in searching for product information. In addition, Bang, Lee, Han, Hwang and Ahn (2013) state that mobile devices enable one to search for information anytime and anywhere. Several studies have also indicated that searching convenience affects channel choice for consumers (Kacen, Hess, & Kevin, 2013; Schröder & Zaharia, 2008; Verhoef, Neslin, & Vroomen, 2007).

Search Enjoyment - Forsythe, Liu, Shannon, and Gardner (2006) determine that many consumers are highly concerned about enjoying the search process. Consumers require hedonic elements from the shopping experience (Schröder & Zaharia, 2008). Many scholars have deduced that such customers use channels that provide enjoyable shopping experiences. Customers who prefer to search for goods in stores do so because they experience more shopping pleasure and have more face-to-face interactions with sales staff than they do online (Jones, 1999; Rohm & Swaminathan, 2004; Levin, Levin, & Weller, 2005; Schröder & Zaharia, 2008).

Tangibility - Shin (2007) indicates that consumers who did not purchase goods through an online channel behave in such a way because they cannot assess the actual quality of products while purchasing, remaining uncertain about the goods. Customers tend to examine physical products at stores to reduce uncertainty (Jiang & Balasubramanian, 2014). Also, several studies have indicated that tangibility is crucial in O2O marketing (Kacen et al., 2013; Levin et al., 2005; Yu, Niehm, & Russell, 2011).

Media Richness - Media richness enables marketing channels to convey information to consumers and help them make decisions (Maity & Dass, 2014). Relevant literature has reported that media richness affects the way people search for information. Brunelle (2009) indicates that consumers who have been affected by media richness changed their intentions and adopted e-commerce to search for information. Maity and Dass (2014) state that offline, online, and mobile channels provide different degrees of media richness. If consumers want to acquire in-depth information or timely feedback, they could ask a salesperson in a physical store. As such, we speculate that media richness affects the search channel choice for consumers.

2.4 Online to Offline Adoption Factors for the Purchasing Process

Price & Promotion - Several scholars have indicated that price and promotion influence channel choice for consumers in the purchasing process. Bakos (1997) indicates that price is a critical factor influencing the choice of a channel for purchasing goods. For instance, consumers believe that they can find inexpensive products through online channels and thus use these channels to search for prices and promotions. Several studies have also revealed that customers look for products by using offline channels; however, these same customers use online stores for purchasing these products when the prices through offline channels are comparatively higher (Crespo & Del Bosque, 2010; Kacen et al., 2013; Konuş et al., 2008; Maity & Dass, 2014; Schröder & Zaharia, 2008; Van Baal & Dach, 2005; Verhoef et al., 2007). So, we assume that prices and promotions are very important factors in the O2O marketing model.

Product Variety - Keeney (1999) argues that if stores provide more product variety, more potential consumers could purchase products there. Verhoef et al. (2007) indicate that if stores provide assorted products (e.g., popular or new products), consumers might change their purchase channel in response. In addition, numerous studies have shown that e-retailing can provide a wide assortment of products and abundant information. These benefits are often discussed in the context of superior e-merchandizing motivating people to shop online (Clemes, Gan, & Zhang, 2013; Evanschitzky, Iyer, Hesse, & Ahlert, 2004).

Purchase Convenience - Verhoef et al. (2007) determine that many customers prefer to purchase goods through channels which offer highly efficient purchasing processes. In addition, Schröder and Zaharia (2008) indicate that convenience orientation characterizes consumers who regard shopping as a rational problem-solving process. Acquiring a sought-after product with minimal investment in time and physical or mental effort is crucial to consumers. Gupta et al. (2004) indicates that when consumers want to search for and purchase products, they consider whether considerable effort or time will be taken when purchasing those products. For instance, if consumers search for products at a physical store, they expend much time and effort. In addition, if consumers can't find an appropriate product (when prices are exceedingly high or the products do not have favorable attributes), they must expend additional time and effort searching. Lee, Han, Hwang, and Ahn (2013) state that the advantage of mobile devices is that information can be searched for and products can be purchased anytime and anywhere. Several studies have shown that purchase convenience is a crucial factor in the purchasing process (Chocarro, Cortiñas, & Villanueva, 2013; Kwon & Jain, 2009; Schröder & Zaharia, 2008).

Online Purchase Risk - Cox and Rich (1964) define risk perception as the perception of uncertainty in the purchasing process. Taylor (1974) indicates that consumers change their purchase channels because of the different risks that influence their decisions; he also states that product performance risk and security risk might affect purchase decisions. Featherman and Pavlou (2003) indicate that consumers could be concerned about the potential loss of control over personal information, for example, consumers seldom purchase from online stores that use their personal information without permission. Several studies have indicated that online purchase risk affects the channel choice of consumers (Clemes et al., 2013; Liu & Forsythe, 2011; Schröder & Zaharia, 2008).

Sales Service Quality - Numerous studies have indicated that if stores provide superior sales service quality, then consumers might change their final purchase channel choice. Parasuraman, Zeithaml, and Berry (1988) indicate that sales service quality includes tangibility, reliability, responsiveness, assurance, and empathy. Parasuraman, Zeithaml, and Malhotra (2005) discuss e-sales service quality, asserting the quality difference between offline and online, and propose that including

e-quality could offer various means of returns or increase the availability of items for delivery within a suitable time frame. In addition, Kacen et al. (2013) shows that customers who care about sales service quality incline to purchase from offline stores. Numerous studies have indicated that sales service quality is a critical factor in the purchase process (Verhoef, Neslin, & Vroomen, 2007; Yu, Niehm & Russell, 2011).

Immediate Possession - Several studies suggest that direct marketers can reduce consumer resistance to catalogues or making Internet purchases by reducing the delivery time. Thus, consumers might decide to use offline stores rather than online stores to gain immediate possession of products (Balasubramanian, 1998; Rohm & Swaminathan, 2004). Alba et al. (1997) states that brick and mortar retailers provide instantaneous possession of products, whereas purchasing through online retailers incurs a time delay. Many studies have indicated that if customers can receive products immediately, they will be inclined to change the purchase channel to do so (Chiang, Zhang, & Zhou, 2006; Kacen et al., 2013; Noble, Griffith & Weinberger, 2005; Rohm & Swaminathan, 2004).

2.5 Size of Online Sales Related to Offline Sales

To take the broadest possible look at the data, it is useful to start with the e-commerce information collected by the U.S. Census Bureau, which compiles some of the most comprehensive data on e-commerce activity available.² The Census separately tracks online- and offline-related sales activity in four major sectors: manufacturing, wholesale, retail, and a select set of services. In 2008, total e-commerce-related sales in these sectors were \$3.7 trillion. Offline sales were \$18.7 trillion. Therefore, transactions using some sort of online channel accounted for just over 16 percent of all sales. Not surprisingly, the online channel is growing faster. Nominal e-commerce sales grew by over 120 percent between 2002 and 2008, while nominal offline sales grew by only 30 percent. As a greater fraction of the population goes online—and uses the internet more intensively while doing so—e-commerce's share will almost surely rise.

The relative contribution of online-based sales activity varies considerably across sectors, however. Looking again at 2008, e-commerce accounted for 39 percent of

sales in the manufacturing sector and 21 percent in wholesale trade, but only 3.6 percent in retail and 2.1 percent in services. If we make a simple but broadly accurate classification of deeming manufacturing and wholesale sales as business-to-business (B2B), and retail and services as business-to-consumer (B2C), online sales are considerably more salient in relative terms in B2B sales than in B2C markets. Because total B2B and B2C sales (thus classified) are roughly equal in size, the vast majority of online sales, 92 percent, are B2B related, that said, B2C ecommerce is growing faster: it rose by 174 percent in nominal terms between 2002 and 2008, compared to the 118 percent growth seen in B2B sectors. In terms of shares, e-commerce related B2B sales grew by about half (from 19 to 29 percent) from 2002 to 2008, while more than doubling (from 1.3 to 2.7 percent) in B2C sectors over the same period.

When considering the predominance of B2B e-commerce, it is helpful to keep in mind that the data classify as e-commerce activity not just transactions conducted over open markets like the internet, but also sales mediated via proprietary networks as well. Within many B2B sectors, the use of Electronic Data Interchange as a means of conducting business was already common before the burgeoning use of the internet as a sales channel during the mid-1990s. While some research has looked at the use of less open networks (e.g. Mukhopadhyay, Kekre, and Kalathur, 1995), the academic literature has focused on open-network commerce much more extensively. We believe that much of the economics of the more B2C-oriented literature discussed in this paper applies equally or nearly as well to B2B settings. Still, it is useful to keep the somewhat distinct focal points of the data and the literature in mind.

2.6 Online Sellers

In addition to the variation in online sales intensity across broad sectors that we just discussed, there is also considerable heterogeneity within sectors. Within the NAICS manufacturing industry, the share of online-related sales ranges from 21 percent in Leather and Allied Products to 54 percent in Transportation Equipment. In retail, less than one third of one percent of sales at Food and Beverage stores are online; on the other hand, in the Electronic Shopping and Mail-Order Houses, online sales account for 47 percent of all sales. Similar diversity holds across industries in the wholesale and service sectors.

Variations in the comparative size of online sales across many narrowly defined industries can arise from many sources. Certain personal and business services (e.g. plumbing, dentistry, copier machine repair) are inherently unsuited for online sales, though obviously certain logistical aspects of these businesses, such as advertising and billing, can be partially conducted online. Similarly, customer goods that are typically consumed nearly after production or otherwise difficult to deliver with a delay (e.g., food at restaurants or gasoline) are also very rarely sold online.

We study a series of variables that could explain the heterogeneity of the portion of online channel sales in manufacturing: the dollar value per tonne of industry output (a measure of the product's transportability), we use its logarithm), R & D expenses as a fraction of sales (an indicator of the "high technology" industry), the total recorded sales of the industry (to take into account the size of the industry), and an index of differentiation of physical products within the industry. We construct these measures by the three-digit NAICS industry for the manufacturing industries and compare them to the industry's online sales channel share.

Gross pairwise correlations between the fraction of commerce within an e-commerce industry and the four factors just described do not reveal strong models. If, on the other hand, we refer the four factors to the fraction of e-commerce, we find that the only significant predictor is the trace of the size of the industry. Although the small size of our sample makes inference difficult, the results do not indicate an important role of these factors in explaining the heterogeneity of the importance of e-commerce in manufacturing industries.

By analyzing differences in online sales activity between firms, Forman et al. (2003) study business investment in e-commerce capabilities. The authors use the CI Technology database from Harte Hanks Market Intelligence from June 1998 to December 2000. It includes information on the use of technology in more than 300,000 institutions. The survey covers three areas: the characteristics of each institution (sector, location, number of employees, for example), the use of settlement hardware and software, and the use of Internet applications and network services. .

With these data, the authors rank investments in e-commerce capabilities into two categories: participation and improvement. The first involves developing basic communication capabilities such as email support, creating an active website, and passive document exchange. Improvement involves adopting technologies that modify internal operations or lead to new services. Participation rates, as defined, are high: about 90% in most industries, although a little lower in others. The investment rates for improvement were certainly lower, but they were considerable. Only 12% of companies have adopted Internet technologies that fall into the category of improvements. The two-digit NAICS industry, with the highest adoption rate (28%), was the Business and Business Administration (NAICS 55). The lowest adoption rate (6.2%) was observed in Educational Services (NAICS 61). For example, while most companies have adopted some Internet technologies, only a fraction of them have adopted technologies that have fundamentally changed their business.

Online Buyers

We can use the 2005 survey data from Forrester Research Technographics to get a picture of how online shoppers look. The Technographics survey is a representative survey of North America that asks several questions about respondents' attitudes about technology and its use. First, we observe Internet users on a regular basis (not necessarily for online purchases) through the profit regression of an indicator of whether the respondent is using the Internet in a series of demographic variables. At the time of the survey, more than 75% of the sample's members reported that they were online. As a result, the results do not reflect the attributes of a small number of early adopters with technological knowledge.

Internet users have higher incomes, are more educated and younger. The indicator coefficients for the household income categories in the survey imply that an annual income of less than \$ 20,000 is associated with an online connection probability of 22% lower than a household with an income greater than \$ 20,000. USD 125,000, group excluded from the regression. The use of the Internet increases monotonically with income of up to \$ 70,000-90,000. Additional income seems to play a minor role in explaining the use of the Internet after this threshold.

The results indicate that education is also a determining factor in determining who is online, including controlling income. Compared to obtaining a high school diploma (excluded category), the fact of not graduating from high school reduces the probability of using the Internet between 8 and 9 percentage points (we include categorical variables for the education of male heads of household and female), while having a university degree increases from 6 to 8 points.

Not in vain, the propensity to be online decreases with age. The coefficient in the age square is negative and significant; therefore, the magnitude of the marginal effect increases slightly with age. For example, a 35-year-old Internet user is 5.5% less likely to be online than a 25-year-old user, while a 60-year-old user is 6.8% less than a 50-year-old user. The race also explains some variations in the use of the Internet, taking into account these other factors, although the marginal effect is modest. Blacks are about 4% less likely to be online than whites, while Asians are 3% more likely. Hispanics are online at the same pace as whites. Sex does not seem to be an explanatory factor for online behavior.

The estimated qualitative patterns are quite similar to those of probit in the use of the Internet, although the magnitude of many marginal effects is greater. Therefore, even if a low-income person (household income of less than \$ 20,000 per year) is approximately 22 percentage points less likely to be online than a household member earning \$ 125,000 or more, it is 31 points. less likely to buy something online. Similarly, not having a high school diploma reduces the likelihood of online purchases compared to graduation of 11 to 13 percentage points (compared to 8 to 9). Internet use). to 11 percentage points (it is 6 to 8 points for use). The effects of age are also greater and now oscillate between 8 and 13 percentage points over 10 years, depending on the ages that are compared (the magnitude of the effect of age is always convex). In terms of race, the gap between blacks and other races is interesting. While blacks were 4% less likely to be online, they are approximately 11% less likely to buy online. On the other hand, although Asians are more likely to be online than whites and Hispanics, they are not much more likely to report on the purchase of goods or services online.

2.7 Difference between Online & Offline Channel

E-commerce technology can affect both the fundamentals of demand and the supply of markets. On the demand side, e-commerce prevents potential customers from inspecting products prior to purchase. In addition, online sellers tend to be newer companies and may therefore have less brand or reputational value for reporting and / or linking quality. These factors can lead to information asymmetries between buyers and sellers absent from offline purchases. Online sales also involve a delay in consumption when a product has to be delivered physically. At the same time, however, e-commerce technologies reduce consumers' search costs, which facilitates (virtual) comparison of the products and prices of different producers. On the supply side, e-commerce enables new distribution technologies that can reduce costs throughout the supply chain, improve service, or both. Reduced consumer search costs and new distribution technologies combine to change the geography of the markets; Space may be less important online. Finally, combining both sides of the market, online sales are subject to different tax treatment than offline sales. Each of these factors is treated in turn in this section.

Asymmetric Information: Information asymmetries are more important when purchased online for several reasons. The most obvious is that the consumer does not have the opportunity to physically examine the product at the time of purchase. This poses a potential problem of lemons in which lower unobservable varieties on the market are selected. In addition, as online commerce is relatively new, retailers have less brand equity than established traditional retailers. A related factor is the concern of some consumers about the security of online transactions.

As information asymmetries can lead to inefficiencies in the market, buyers and sellers (and in particular sellers of high-quality products) are encouraged to structure transactions and build market institutions that mitigate problems. Of type. Lemons There are many examples of such efforts by online marketers. Companies like Zappos.com offer free shipping on purchases and returns, allowing consumers to efficiently package the purchase at an inspection. However, there is a delay between the decision to order and the ability to consume property that is inherent in online commerce, but largely absent from traditional offline channels.

Another approach is to try to transmit before buying the information that would be obtained during the inspection of the product. Garicano and Kaplan (2001) examine used cars sold through an online auction, Autodaq and physical auctions. They find little evidence of adverse selection or other information asymmetries. They attribute this to the actions undertaken by Autodaq to reduce information asymmetries. In addition to providing detailed information on the attributes and conditions of each car, which e-commerce tools really facilitate, Autodaq will negotiate agreements between potential buyers and third-party control services. Jin and Kato (2007) examine the market for collectible baseball cards and explain how the use of third-party certification has reduced information asymmetries. They note a significant increase in the use of professional assessment services when eBay was connected and began to be used to buy and sell baseball cards. Another form of disclosure is highlighted in Lewis (2009). Using eBay Motors data, find a positive correlation between the number of photos published by the seller and the winning price of the auction. However, there is no evidence that the information voluntarily disclosed by the seller affects the likelihood that the auction on the list will result in a sale.

Instead of informing consumers about the product itself, companies can try to establish a quality reputation or some other brand equity. Smith and Brynjolfsson (2001) use data from an online shopbot to study the behavior of consumers of books online. They find that the brand has a significant effect on the willingness of consumers to pay. Consumers are willing to pay an additional \$ 1.72 (the typical price of the item in the sample is approximately \$ 50) to buy from one of the three large online book retailers: Amazon, Barnes & Noble or Borders. There is evidence that the premium is due to the perceived reliability of the quality of the grouped services, and in particular to the shipping times. In online auction markets, rating systems provide a mechanism for even small sellers to acquire a reputation, although Bajari and Hortaçsu (2004) review the empirical research that evaluates the premium received by highly qualified sellers and conclude that the Evidence in general is ambiguous. Perhaps a cleaner metric of the effect of reputation in these markets comes from the field experiment conducted by Resnick et al. (2006). There, an experienced eBay seller with a very good comment rating sold a lot of postcards. The experienced eBay seller sold a random subset of the lots, using his own identity. The other part of the subset was sold by the same seller, but using a new eBay seller identity without any history of buyer feedback. The

lots sold with the identity of the experienced eBay seller received winning offers that were approximately eight percent higher. In a more recent article, Adams, Hosken and Newberry (2009) assess whether sellers' ratings affect the price people are willing to pay for Corvettes on eBay Motors. Most of the previous investigations had dealt with elements of little value in which the role of reputation could have a relatively modest influence. The collector sports cars, however, are clearly high-value items. In that market, Adams et al. Find very little (even negative) effect of the seller's ratings.

Delay between purchase and use: While a large number of digital media purchased online can be used / consumed almost immediately after purchase (assuming download times are not a factor), online purchases of Physical goods generally involve a delay in delivery that can range from hours A days and, occasionally, weeks. In addition, these items of delayed consumption are the type of product that will most likely coexist in online and offline stores, so this delay can be particularly important when considering the interaction between online and offline channels of a market.

Reduction of consumer search costs: it is generally accepted that online search costs are lower than in offline markets. While the sequential search of individual stores online is very similar to simply calling physical stores, the profits are due to the aggregation of consumer information in a single location. The increase in consumer information sites, from comparing prices to shopping carts to discussion and product discussion forums, has led to a large decrease in the costs for consumers to gather information. This has important implications for market outcomes, such as prices, market shares and profitability.

Lower distribution costs: E-commerce has affected the way goods pass from producers to consumers. In some industries, the Internet has led to disintermediation, diminishing the roles of, or in some cases completely eliminating, the links in the supply chain. For example, the number of travel agency offices decreased by 47 percent from approximately 29,500 to 15,700 in the 10 years between 1997 and 2007. This was accompanied by a large increase in the propensity of consumers to make arrangements. travel, and buy airline tickets in particular, directly, using online technologies.

E-commerce technologies have also brought changes in how sellers fulfill orders. Firms can quickly assess the state of demand for their products and turn this information into orders sent to an upstream wholesaler or manufacturer. This has reduced the need for inventory holding. For example, retail inventory-to-sales ratios have dropped from around 1.65 in 1992 to 1.35 in early 2010, and from 1.55 to 1.25 over the same period for "total business," a sum of the manufacturing, wholesale, and retail sectors.

Randall, Netessine and Rudi (2006) study the determinants of choice in the supply chain. Markets in which retailers are more likely to embrace direct shipping offer a wider variety of products, a greater proportion of retailers than wholesalers, and larger or larger products relative to their value. The variety of products creates a reason for direct shipping because the unexpected peculiarities of the specific demand of the variety make it expensive to maintain the correct inventory mix at the retailer level. It is easier to allow a wholesaler with a larger stock to assume and diversify some of these inventory risks. Similar reasoning shows that direct shipping is more advantageous when the retail / wholesale ratio is high. Relatively large or heavy products are more likely to be shipped directly: the physical distribution of these products is more costly and skipping an extra step in shipping throughout the supply chain (from wholesaler to retailer) can reduce the substantial costs

Market geography: E-commerce allows buyers to browse potential online sellers more easily than in offline retail outlets. This weakening of the geographic boundaries of markets is related to the reduction of search costs in online channels. In addition, e-commerce technologies can often reduce the cost of distributing products across large geographic areas. The direct shipping practice described above is an example. By eliminating the need to ship to retailers, it would be easier for supply chains to serve larger geographic markets.

This notion of "death at a distance" is empirically corroborated (Cairncross, 1997). Kolko (2000) finds that cities furthest away from other cities are more likely to use the Internet. Forman, Goldfarb and Greenstein (2005) found that rural areas are most likely to adopt participatory technologies, as defined above, that facilitate communication between institutions. and Sinai and Waldfogel (2004) find that,

depending on the amount of local content on the Internet, residents of smaller cities are more likely to connect to the Internet than those in larger cities.

However, despite this, several studies suggest that spatial factors are still important. Hortaçsu et al (2009) analyze data from two Internet auction sites, eBay and MercadoLibre. They find that the volume of trade decreases with distance. In particular, buyers and sellers who live in the same city have a considerable preference to trade with each other rather than outside the metropolitan area. They assume that it is the cultural factors and the easiest ability to directly apply the contracts in case of violation. Blum and Goldfarb (2006) believe that geography is important online, even for some purely digital products, such as music, images and downloadable films, for which transportation and other commercial costs are zero. They attribute this to culturally correlated tastes between producers and consumers who live in relative proximity. Sinai and Waldfogel (2004) have highlighted broader complementarities between the Internet and cities. Using data from Media Metrix and Current Population Survey, they show that big cities have much more local content online than small cities and that this content forces people to connect to the Internet.

Tax Treatment: The absence of a sales tax is one of the advantages of many online transactions compared to transactions in a physical store. Legally, the citizens of the USA UU They are required to pay their sales or taxes based on their online purchases. This rarely happens in practice because the reports and payments are left entirely to the consumer. Only when the online seller "has a connection" in the consumer's state, the sales tax is automatically added to the price of the transaction by the company. This inequality in the application of sales taxes could generate a significant advantage for online retail purchases. For example, Chicago consumers who buy online at the end of 2009 would avoid the applicable sales tax of 10.25%, which represents significant savings.

Goolsbee (2000) provides the first empirical evidence on this subject. Using the Forrester Research Technographics survey, it estimates around 3.5 the elasticity of the likelihood that consumers will buy products over the Internet compared to the local tax rate. This estimate implies a substantial sensitivity of online purchases for tax

treatment: if the average sales tax on your data (6.6%) would apply to all online transactions, the number of people who buy products online would be lower than 24%

Chapter 3 Research Method

3.1 Scope of the Study

The study will be carried out in Delhi. The information will be collected from different people who are making purchase from both offline and online outlet of particular organization. The study will be based on descriptive analysis.

3.2 Research Objective

- To know about the benefits posed by the business organizations providing both online and offline services
- To analyse the customer attraction rate for those organization operating on both offline and online scenario.
- To know the difference posed by the organization at online and offline retail counter.

3.3 Research Design & Survey Design

- Research approach would be based on the qualitative & quantitative section. Here, the data and information gathered would be in moreover in the form of text, comments or numeric value. We have to screen all the collected data and information and scratch out the required information out of that.
- Here, we have to rely on the information, comments and data provided by the consumers and previous books, journals and web – information.
- The data would be gathered and distributed in form of text and numeric only and put at the required stages.
- The survey would be started by preparing a concrete questionnaire and getting that filled from the consumers of online and offline organizations.

3.4 Sampling Method

- Here, in this case, the information can be extracted from the people buying products from both online and offline stores of various organizations in Delhi NCR.
- The Sample will be chosen out of the shopping group belonging from different demographic segments.

- The respondents will be contacted during their purchase period.
- There are total 50 samples chosen for the study.

3.5 Data Analysis

The Data would be analysed from the texts, numeric information provided by the customers and samples. This information would be segregated as per the requirement and the concrete information will be distributed according to the required heads.

- **Primary Data** – The data would be collected from the questionnaire filled by the respondents and information collected by personal interview.
- **Secondary Data** – The data would be collected from the earlier Journals, and data collected from the different sources.

The data would be moreover in the form of numeric value of text information, so that has to be converted into presentable or graphical form as per the requirement of the project.

3.6 Research Methodology

Historical research

It generates descriptions & sometimes attempted explanations, of conditions, situations and events that have occurred in the past. For Example, A study that documents the evolution of teacher training program since the turn of century, with the aim of explaining the historical origins of the content and processes of current programs.

Here, in this study, this methodology cannot solve the problem because, the issues studied here is ***Online to Offline E- Commerce Market***, and the study has to be done on the basis of future prospects.

Descriptive research

It provides information about conditions, situations and events that occur in the present. For example, a survey of the physical conditions of school building in order to establish a descriptive profile of the facilities that exist in a typical school.

This is a very elaborative and correct kind of research method, where we not only rely on the past trends and studies but also can observe the current studies and current concepts.

Correlation research

It involves the search for relationship between variables through the use of various measures of statistical association. For example, a study of the relationship between teachers' satisfaction with their job and various factors describing the provision and quality of teacher housing, earnings, leave entitlements, and the convenience of class room supplies.

Correlation research method makes relationship between two variables. And our study does not satisfy this methodology because we are studying only about the ***Online to Offline E- Commerce Market***. In case, we are studying the trend of two different motivational tools and comparing the trends of both, then this kind of study would be suitable.

Causal research

It aims to propose casual linkages between variables by perceiving current phenomena and then looking back through presented data in order to try to identify plausible casual relationships. For example, a study of aspects related to student drop out from secondary school using data obtained from school records over the past decade.

Our study regarding "***Online to Offline E- Commerce Market***" does not satisfy this kind of research methodology because, this study is completely depended on the factual data and theories, and casual method simply solves the problems which have been already almost solved. It means, this method is suitable when you already know the results but you simply need any fact to support that.

Experimental research

Experimental Research is used in situations where variables defining one or more causes can be operated in a systematic fashion in order to discern effects on other

variables. For Example, an investigation of the effectiveness of two new textbooks using random assignment of teachers and students of three groups – two groups for each of the new books, and one group acts as a control group to use the existing textbook.

Experimental research methodology is suitable where we are completely studying any field or study which is altogether virgin and has not been touched earlier. And the researcher has to make various experiments to come out on one result. Here, we are studying a field where, we are moreover relied on the persons and information which is already existed in this field.

Case study research

Generally, it refers to two different search approaches. The first is a student, class or school in particular, with the goal of producing a nuanced description of the dominant cultural environment that affects education and a list of interactions that occur between students and others involved. . . For example, in an in-depth exploration of student-to-student models of the same class, the second approach of case study research involves the application of quantitative research methods to non-probability samples, which provide results. which are not necessarily relevant. designed to generalize. to larger populations. For example, a survey of reading achievement of students in a rural area of a given country.

The case studies focus more on past data and past information. We are studying a case that is almost similar to our current problem or study. Therefore, we do not deal with this type of problem. study or case, we pick desecrated. information from different places and meeting in a common place to make a judgment.

Ethnographic research

It usually consists of a description of the events that occur in the life of a group, with particular reference to the interaction of individuals in the context of sociocultural norms, rituals and beliefs shared by the group. The researcher usually participates in a part of the group's normal life and uses what he has learned from his participation to understand the interactions among the group members. For example, a detailed

description of the day-to-day tasks and interactions found by the principal of a school using the observations collected by an investigator placed in the position of deputy director to participate fully in the daily life of the school.

This type of method is sufficient for the type of research that does not rely on data and facts, but on the social and cultural behaviour of individuals. For example, to understand the buying behaviour of customers, etc., our study does not fit this method.

Research and development research

It differs from the previous types of research in that, instead of highlighting new information, it focuses on the interaction between research and production and on the evaluation of a new product. This type of research can be "formative". For example, a survey of teachers' reactions to different projects and new versions of a new math teaching kit, the information collected at each stage is used to improve each step of the writing process. Alternatively, you can use summative. For example, a comparison of the mathematical results of a student exposed to a new mathematics education kit versus a student exposed to the established mathematics curriculum.

Well, this type of method defines that it is not suitable for our study, which we carry out in the "off-line electronic commerce market".

Thus, finally, from all the research methodology mentioned above, we have reached the point that this study entitled "Offline online e-commerce market" satisfies the method of descriptive research. Because here, we are supposed to process information and data based on facts and figures from the past, as well as judgments and ongoing studies.

3.7 Research Design

Phase I- Exploratory work

Exploratory information has been collected from the interviews (mentioned in various papers) of the various senior officials related to O2O business scenario.

Phase II- Descriptive research

Descriptive study is done from the various journals, websites & from the books of the authors, who have specifically written about the ***Online to Offline E- Commerce Market***.

Research Type: Descriptive.

3.8 Hypothesis

The hypothesis of the study has been developed on basis of gender of respondents.

The hypothesis has been shown below:

H₀₀ – Online to offline business scenario is liked by the customers

H₀₁ - Online to offline business scenario is disliked by the customers

Chapter 4 Data Analysis

4.1 Analysis

The questionnaire is consisting multiple choice question and also questions on Likert scale. The results are shown below:

1. Do you know about O2O market?

Table 1: Information about O2O market

Particulars	Responses
Yes	42
No	1
Little Bit	7

Graph 1: Information about O2O market

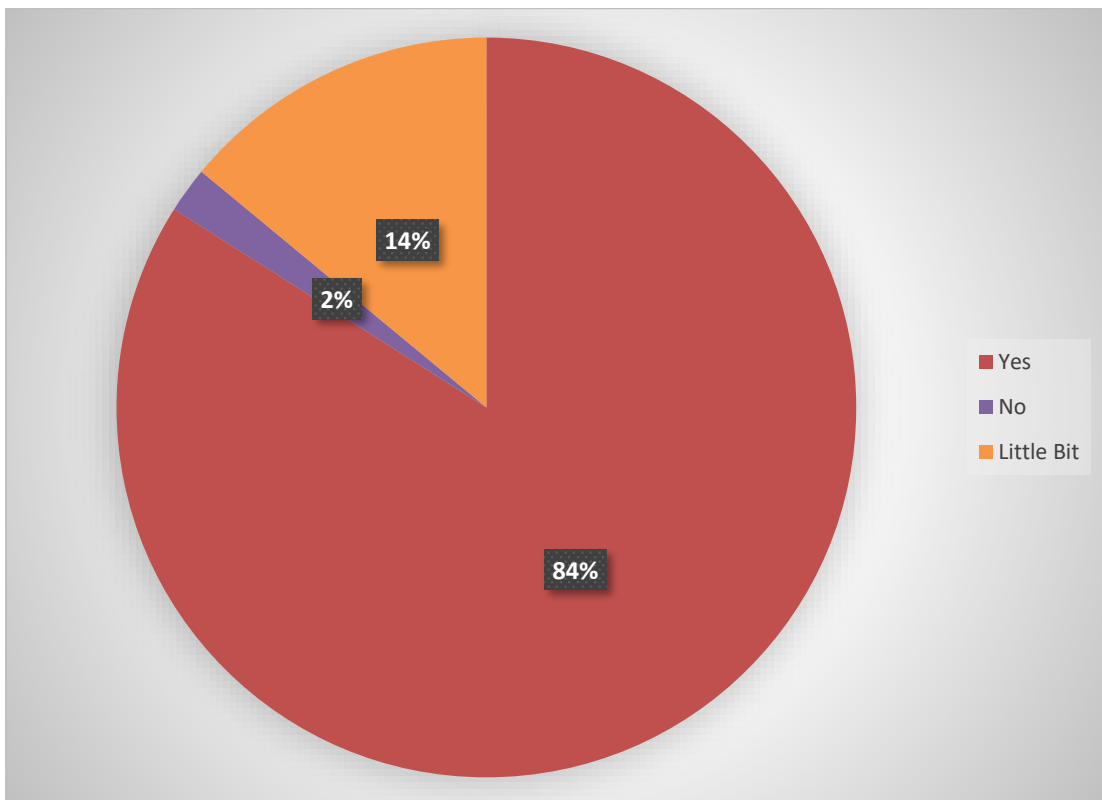


Table 1 and Graph 1 shows that, there are 84% of the respondents know about existence of O2O market as there are number of such outlets are opened such as Bata.com, Tanishq, Firstcry.com etc. However, there are 2% of the respondents, who were still not having knowledge of existence of O2O market in India and lastly 14% of the respondents know little about the same. In simple, now a days, the business organizations are coming up with different retail

format as targeting the customer is quite important and also there are different customers exists in India as per their thought process and demographic behavior.

2. Have you made shopping from such organizations operating on O2O format?

Table 2: Usage of O2O market Service

Particulars	Responses
Yes	40
No	10

Graph 2: Usage of O2O market Service

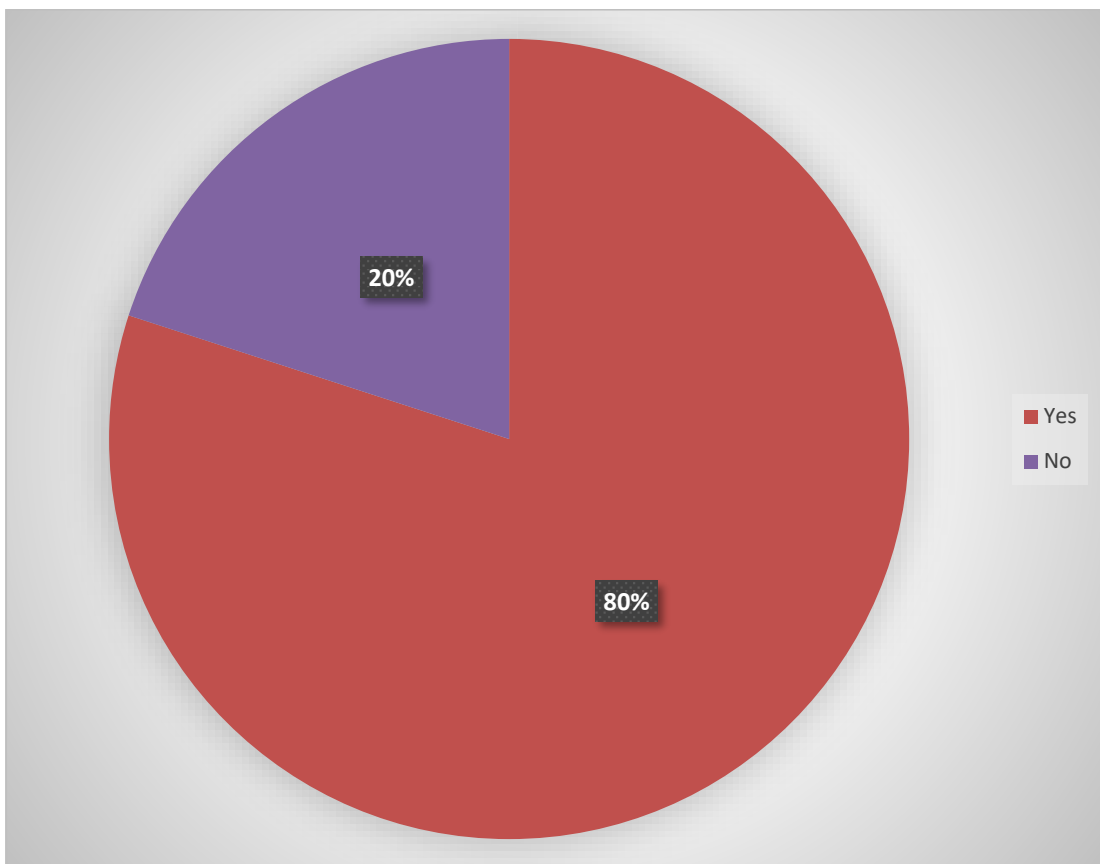


Table 2 and Graph 2 shows that there are 80% of the respondents who agree with the fact that they have made shopping from O2O format whereas 20% of the respondents disagree as they have not tried to shop from such market place. However, In India there are some of the popular e-tailers who have come up with their brick and mortar setting in order to cover a greater number of customers. Firstcry.com is the prominent brand which was selling baby products online but having its own retail store too. In the similar there are other business houses such as Lenskart.com dealing in spectacles and sunglasses,

pepperfry.com dealing in furniture, Yepme.com is a prominent fashion brand which is existing both online and offline, Zivame.com for female lingerie, Chumbak.com for its quirky products and also Caratlane.com a prominent jeweler which is now having both online and offline presence.

3. Is O2O is a good option to attract the customers?

Table 3: Good Option as O2O

Particulars	Responses
Yes	34
No	6
Can't Say	10

Graph 3: Good Option as O2O

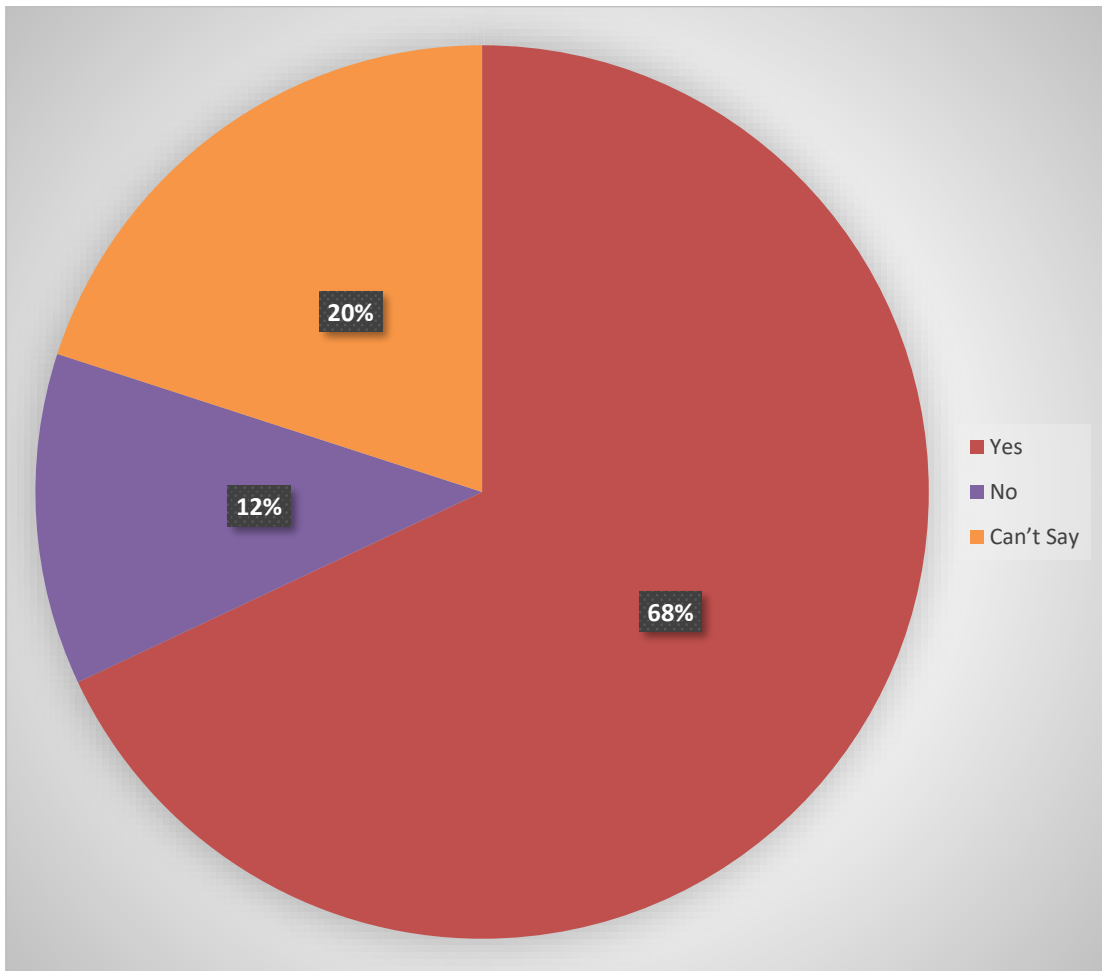


Table 3 and Graph 3 shows that, there are 68% of the respondents state that presence in both online and offline market option is a good method to attract the customers as the organization will be able to target both type of customers,

who likes to make shopping via online platform and also those customers who would like to roam and check the products by feeling and touching them and then make a purchase. However, 12% of the respondents' state that this method doesn't make sense in terms of attracting a greater number of customers and lastly 20% of the respondents' state that they are not sure that whether this is a goof option or not.

4. What benefits are provided by O2O market format?

Table 4: Benefits of O2O

Particulars	Responses
Touch & Feel	13
Size & Color	12
Price Negotiation	0
All of the Above	25

Graph 4: Benefits of O2O

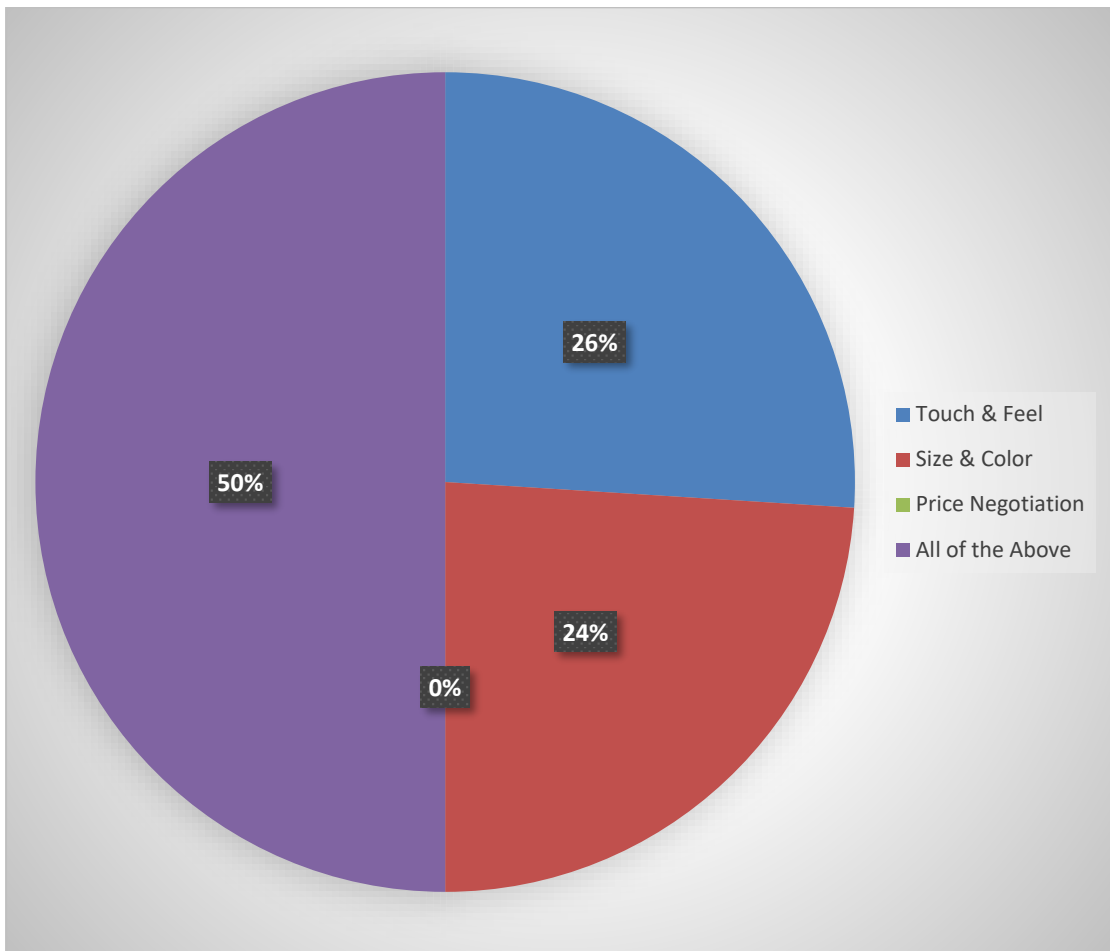


Table 4 and graph 4 shows that, there are 26% of the respondents' state that they can touch and feel the products via offline format and can make purchase at online format as per the convenience. In fact, 24% of the respondents' state that when they find something attractive and appealing on online format then instead of ordering online, they go to offline store of the same company and buy the same product from there after checking the size, color and quality of product. However, there is no one who favored price negotiation but 50% of the respondents' agreed with all the above responses.

5. Which platform is expensive?

Table 5: Expensiveness of O2O

Particulars	Responses
Online	15
Offline	12
Both	23

Graph 5: Expensiveness of O2O

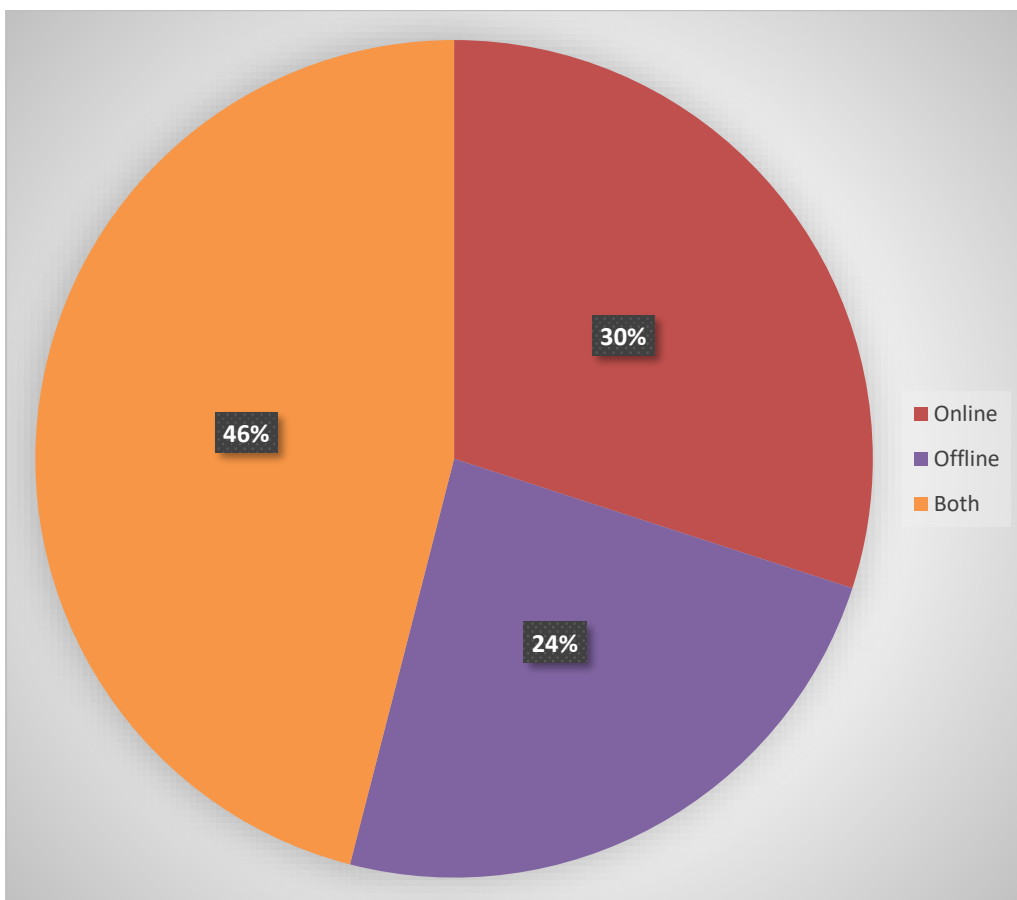


Table 5 and Graph 5 show that there are 30% of the respondents state that online platform is expensive as there is no chance of bargaining with seller whereas 24% of the respondents state that offline platform is expensive as the seller include the cost of managing a store too with the price of product and lastly 46% of the respondents' state that such type of companies maintain expensive price list of their products as they don't like to change their price for online and offline system which result into buying expensive products at both the retail format.

4.2 Likert Scale Analysis - Frequency

Table 6 - Companies are extremely benefitted because of both online and offline e-commerce market

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very True	14	28.0	28.0	28.0
Somewhat True	24	48.0	48.0	76.0
Neither True nor False	7	14.0	14.0	90.0
Somewhat False	3	6.0	6.0	96.0
Very much False	2	4.0	4.0	100.0
Total	50	100.0	100.0	

Table 6 shows that there are 28% of the respondents who consider the statement as very true that companies using O2O business model are benefitted whereas 48% of the respondents' find the same as somewhat true, however 14% of the respondents find the same as neutral but rest 10% of the respondents consider the same as false.

Table 7 - Companies are able to attract a greater number of customers

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very True	10	20.0	20.0	20.0
Somewhat True	29	58.0	58.0	78.0
Neither True nor False	8	16.0	16.0	94.0
Somewhat False	2	4.0	4.0	98.0
Very much False	1	2.0	2.0	100.0
Total	50	100.0	100.0	

Table 7 shows that, 78% of the respondents feel that the companies are able to attract a greater number of customers whereas 16% of the respondents are neutral as they think that it is neither true and nor false. However, 6% of the respondents consider the statement as false because they think that the company has simply increased their cost of operation as there is no such change happened in attraction level of customers.

Table 8 - Online and offline presence leads to better target & coverage of customer

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very True	11	22.0	22.0	22.0
Somewhat True	24	48.0	48.0	70.0
Neither True nor False	9	18.0	18.0	88.0
Somewhat False	4	8.0	8.0	96.0
Very much False	2	4.0	4.0	100.0
Total	50	100.0	100.0	

Table 8 shows that, there are 70% of the respondents agree with the statement that O2O business model is making the company to target a greater number of customers as they are able to target both type of customers who are interested in shopping via online store and also brick and mortar store.

Table 9 - Online platform is better than offline platform

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very True	2	4.0	4.0	4.0
Somewhat True	13	26.0	26.0	30.0
Neither True nor False	25	50.0	50.0	80.0
Somewhat False	8	16.0	16.0	96.0
Very much False	2	4.0	4.0	100.0
Total	50	100.0	100.0	

Table 9 shows that, there are 34% of the respondents state that online platform is better than offline platform whereas 50% of the respondents state that they are neutral as they don't find it true or false and lastly 20% of the respondents consider the same as false because they think that if organization is able to attract the number of customers then that particular platform is better for the business organization.

Table 10 - Offline platform is better than online platform

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very True	2	4.0	4.0	4.0
Somewhat True	28	56.0	56.0	60.0
Neither True nor False	18	36.0	36.0	96.0
Somewhat False	2	4.0	4.0	100.0
Total	50	100.0	100.0	

Table 10 shows that, there 60% of the respondents consider that offline platform is better than online platform as it gives confidence to customer regarding their physical presence whereas 36% of the respondents are neutral towards the same and lastly 4% of the respondents' state that the statement is somewhat false.

4.3 Factor Analysis

Table 11 – Communalities

	Initial	Extraction
Companies are extremely benefitted because of both online and offline e-commerce market	1.000	.565
Companies are able to attract a greater number of customers	1.000	.844
Online and offline presence leads to better target & coverage of customer	1.000	.780
Online platform is better than offline platform	1.000	.709
Offline platform is better than online platform	1.000	.775

Extraction Method: Principal Component Analysis.

Table 11 shows the principle component analysis where targeted value is 1 which refers that the statement is true or somewhat true and value of 0.5 refers to neutral and less than that refers to negation of statement. In this study, the extracted values are more than 0.565 which means that most of the statement are true and accepted by the respondents.

Table 12 - Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.478	29.552	29.552	1.478	29.552	29.552
2	1.148	22.969	52.520	1.148	22.969	52.520
3	1.047	20.942	73.462	1.047	20.942	73.462
4	.734	14.683	88.145			
5	.593	11.855	100.000			

Extraction Method: Principal Component Analysis.

Table 13 - Component Matrix

	Component		
	1	2	3
Companies are extremely benefitted because of both online and offline e-commerce market	.708	-.010	.252
Companies are able to attract a greater number of customers	-.293	.718	.492
Online and offline presence leads to better target & coverage of customer	-.575	-.205	.639
Online platform is better than offline platform	.663	.468	.223
Offline platform is better than online platform	.347	-.609	.533

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

Table 13 shows the component matrix where most of the values are positive which means that most of the respondents are inclined towards true or somewhat true aspect. The null hypothesis is proved that most of the respondents are preferred for O2O business model.

Chapter 5 Conclusions

5.1 Findings

The findings of the study are as below:

- 84% of the respondents know about existence of O2O market as there are number of such outlets are opened such as Bata.com, Tanishq, Firstcry.com etc. However, there are 2% of the respondents, who were still not having knowledge of existence of O2O market in India and lastly 14% of the respondents know little about the same. In simple, now a days, the business organizations are coming up with different retail format as targeting the customer is quite important and also there are different customers exists in India as per their thought process and demographic behavior.
- 80% of the respondents who agree with the fact that they have made shopping from O2O format whereas 20% of the respondents disagree as they have not tried to shop from such market place. However, In India there are some of the popular e-tailers who have come up with their brick and mortar setting in order to cover a greater number of customers. Firstcry.com is the prominent brand which was selling baby products online but having its own retail store too. In the similar there are other business houses such as Lenskart.com dealing in spectacles and sunglasses, pepperfry.com dealing in furniture, Yepme.com is a prominent fashion brand which is existing both online and offline, Zivame.com for female lingerie, Chumbak.com for its quirky products and also Caratlane.com a prominent jeweler which is now having both online and offline presence
- 68% of the respondents state that presence in both online and offline market option is a good method to attract the customers as the organization will be able to target both type of customers, who likes to make shopping via online platform and also those customers who would like to roam and check the products by feeling and touching them and then make a purchase. However, 12% of the respondents' state that this method doesn't make sense in terms of attracting a greater number of customers and lastly 20% of the respondents' state that they are not sure that whether this is a goof option or not.

- 26% of the respondents' state that they can touch and feel the products via offline format and can make purchase at online format as per the convenience. In fact, 24% of the respondents' state that when they find something attractive and appealing on online format then instead of ordering online, they go to offline store of the same company and buy the same product from there after checking the size, color and quality of product. However, there is no one who favored price negotiation but 50% of the respondents' agreed with all the above responses.
- 30% of the respondents state that online platform is expensive as there is no chance of bargaining with seller whereas 24% of the respondents state that offline platform is expensive as the seller include the cost of managing a store too with the price of product and lastly 46% of the respondents' state that such type of companies maintain expensive price list of their products as they don't like to change their price for online and offline system which result into buying expensive products at both the retail format.
- 28% of the respondents who consider the statement as very true that companies using O2O business model are benefitted whereas 48% of the respondents' find the same as somewhat true, however 14% of the respondents find the same as neutral but rest 10% of the respondents consider the same as false.
- 78% of the respondents feel that the companies are able to attract a greater number of customers whereas 16% of the respondents are neutral as they think that it is neither true and nor false. However, 6% of the respondents consider the statement as false because they think that the company has simply increased their cost of operation as there is no such change happened in attraction level of customers.
- 70% of the respondents agree with the statement that O2O business model is making the company to target a greater number of customers as they are able to target both type of customers who are interested in shopping via online store and also brick and mortar store.
- 34% of the respondents state that online platform is better than offline platform whereas 50% of the respondents state that they are neutral as they don't find it true or false and lastly 20% of the respondents consider the same as false

because they think that if organization is able to attract the number of customers then that particular platform is better for the business organization.

- 60% of the respondents consider that offline platform is better than online platform as it gives confidence to customer regarding their physical presence whereas 36% of the respondents are neutral towards the same and lastly 4% of the respondents' state that the statement is somewhat false.

5.2 Discussions

Online to offline is the key to success for most players that want to keep engaging with their customer base in India in the long term. In combining offline and online channels, businesses can be on the spot whenever customers need them, which makes service simple and convenient for people. This is relevant both for traditional and mobile-first businesses and for all verticals.

Major O2O activities in India are emerging in retail at the moment and are ruled by a few digital giants. The Boston Global Consulting found that 5% of the purchase made in India's retail, accounting for 16% of value of India's retail, is a result of an O2O experience.

Major Indian online stores such as Firstcry, Lenskart, and Pepperfry opened franchises to reach shoppers who were still uncomfortable with making online transactions, and in that way created additional points of sale. In a more diverse model, Tata Group partnered its multi-brand network of brands from fashion and electronics to luxury products with the Unicommerce, a platform connecting it to its own base of over 10,000 local sellers.

In the past year, the foundations for O2O were laid with global competitors growing their offline networks in India. Amazon grew their offline presence in India by acquiring a stake in Shoppers Stop, a national department store across major Indian cities, and they're continuing with a \$5 billion investment to expand its e-commerce. Following the trend, Walmart is becoming the largest shareholder of India's e-commerce giant

Flipkart to expand its grocery business in India. “Grocery was a difficult category to offer without an offline presence,” Satish Meena, a Forrester analyst comments.

Paytm Mall, an online marketplace and part of an Alibaba backed mobile wallet service, recently collaborated with Samsung Electronics to bring Samsung smartphones to Paytm’s online marketplace as online sales of smartphones rise. Paytm facilitates an offline presence by providing a QR code to each device sold to make training and support accessible. What is interesting, Paytm’s network includes small shops especially throughout rural, non-digitized India, which are highly frequented by customers. Do small shops make the difference for Paytm? Well, we’re speaking of six million sellers in its platform. In return, Paytm helps out those shops lacking scale and variety of products and resources to provide digital payment options and loans to customers.

When talking about Paytm, we also have to mention its banking service has a major impact on India’s financial services sector, offering digital debit cards to 180 million mobile wallet customers, and integrating 100,000 banking outlets into its existing network of physical stores. While ATMs continue to get shut down in India, we are seeing the physical commerce landscape taking new shapes, yielding fusions such as Paytm pharmacies offering Paytm banking services.

So, what does the future hold of retail in India? With smartphone usage continuing to increase in India, and people making an increasing number of purchases online, digital retail is likely to remain the fastest growing economy in the world, expected to rise over 1,200% to \$200 billion by 2026. The future of O2O is promising as offline retail is remaining to grow and account for a majority of sales.

5.3 Conclusions

India’s app economy is booming, and it’s increasingly becoming a battlefield for non-Indian apps. Marketers who want to ride this wave need to take into account that massive competition can hold them back from creating long-term relations with Indian customers. The latest State of App Marketing India report by Appsflyer exposes to us the realities of a highly competitive app market, which are high app-uninstall rates—

32% of installed apps are deleted within 30 days—as well as low retention rates—5% of users active 30 days after installing an app. In short, customers tend to jump to the next app more easily. If that isn't enough, you are facing competition on two fronts since offline business dominates verticals such as retail or travel.

Considering how competitive the Indian market is, marketers are constantly trying to push the boundaries of innovation, and are very open to any idea that can help them get ahead of their competition. Even the government helps out with solving specific needs apps can't tackle directly such as connecting thousands of villages to the internet in the next few years. For getting ahead in mobile, companies need to tap into specific verticals and take advantage of the 530 million smartphones used in India in 2018.

Although the mobile penetration is the second highest globally, we see marketers being aware of the importance of offline activities to reinforce their messaging and keep attracting new or re-engaging existing users. Online to offline marketing—O2O—is on the rise in India. We witnessed marketers leveraging both online and offline channels to create new customer touchpoints. While know-how and practices on connecting these dimensions are still in the beginning phases, it is vital to explore the forces pushing India's market in the direction of inseparable marketing channels.

Until now, we have explained the issues and various scenarios of O2O marketing in the business field. To sum up, O2O services are very similar to open market services and they are one of the most successful Internet business models. Moreover, O2O commerce usually handles not only products, but also services. Nowadays companies tend to pursue O2O marketing because it permits smarter consumption for consumers as well as successful promotion for companies.

By creating win-win situations for both consumers and corporations, O2O marketing has a huge potential. According to KT Economic Research Institute last year, the O2O market, which is considered as a next-generation business with substantial value, is predicted to grow to about 300 trillion won. Future competition not only exists in products and existing channels, but also in the resource integration and terminal

consumers. The O2O services model is an innovative commercial model that does a deeper investigation of the sales channels, and has excellent prospects in the future.

Furthermore, we have to focus on China's market first, as China leads in O2O industries. Those Chinese industries have already expanded into the O2O markets of other countries. Even though the Korean market itself is relatively small, it is very conducive for Chinese O2O companies to use it for testing. Therefore, now is a good time for South Korea and other global companies because they will have a chance to gain experience about O2O market.

In particular, while overcoming the restrictions of existing offline businesses, Korea is expected to attract a large number of offline businesses online. Concurrently, if we want to resolve the side effects of O2O companies, we would have to develop a policy. Therefore, there should be sustained government efforts to suitably address O2O's side effects along with an enterprise's efforts to develop innovative O2O services. As a result, the O2O industry is predicted to grow faster in future.

Nevertheless, we have to keep striving to enhance core technology related to mobile payment services in order to advance O2O commerce. One of the priorities is how to develop offline mobile payment between large global multinational companies, and the competition has begun in earnest with Samsung and Apple handling this trend. Both "Samsung Pay" and "Google Wallet" lacked success in the early stages, but they kept trying new methods to succeed. It is absolutely necessary that technologies of smart phone services are linked to a big data approach such as IC card, QR code, and NFC. Marketers are using digital codes to investigate consumption patterns and habits of consumers and to concentrate on valuable data for market research and development.

To conclude, Korea appears to be well positioned for the spread of O2O and rapid growth is expected in this cutting-edge O2O commerce international market. That is because those main sections of O2O service are the best, which are inroad rate of smart phones and frequency of mobile shopping. It is vital that online and offline companies quickly read and follow trends in consumer behavior related to marketing strategies, thereby becoming global leaders in the O2O services industry.

5.4 Limitations of O2O Model

As is known, people are able to utilize O2O services in every field, from ordering food, calling a taxi, making bookings, and even real-estate transactions. Just by using a smartphone, numerous tasks are possible. Although O2O techniques have made such an impression on the contemporary economy, they have their limitations. In addition to its diffusion of business, problems such as a vague business model including fee issue, violation towards local, offline business bring about O2O trend unclear. Therefore, we will examine some limitations of O2O techniques and trend.

First, its profitability was unclear from the beginning. In Korea, most popular O2O services do not have their own attractive system. Compared to their broad usage and fame, these businesses elected to advertise their business first, rather than charge a fee. This resulted in huge losses in most businesses. For example, “Woo-ah han brothers,” with the motto “Race of Delivery” showed 49.5 billion won of sales, but 24.9 billion won of business loss. Users feel very comfortable using the O2O technique. However, as businesses do not give notable incentives to consumers, imposing an additional fee is dangerous.

Charging a fee has presented a huge dilemma. It can contribute to a stable profit structure, but at the same time, service suppliers and consumers can have wander in order to avoid fees and escape from the connection provided from the system. The O2O home-cleaning service “Homejoy” faces this dilemma. Established in 2012, “Homejoy” had connected experienced and qualified home cleaning experts to customers. When it was first launched, the market saw its potential and invested 40 million US dollars in it. From the 25 US dollars per hour fee, the system deducted 25% of the fee. However, customers who wanted to use this system repetitively recognized that they could have used this system for much cheaper if they had not examined the system. This dilemma, along with suppliers’ demand to have this arrangement modified from contracted to permanent, consequently caused it to close in July 2015. These cases indicate that O2O companies should do an in-depth study of their charging system.

Some companies have investigated other methods to attain a stable profit structure. For example, the above-mentioned Chinese food-delivery O2O service, “e le me(饿了么)” wasted fee from every order. In order to manage their suppliers, they sold their own software at 3,000~4,000 CNY. By doing so, they could avoid the dilemma presented above by excluding their consumers from the benefit structure.

Second, consumers are quite concerned about trust and security. Although consumers see consumer reviews of the system, they are absolutely subjective opinions, and could still lead them to suspect the utility of the system. We might even discover manipulations of the reviews in O2O services such as deleting critiques and only retaining the complimentary and positive reviews. Six O2O delivery cases were charged for review manipulation this July. Both suspicion about the product itself and the system are fatal problems that should be solved. The case of “Ocado,” a British O2O grocery service, demonstrates a clever method to solve the trust issues surrounding a product. It wanted to establish trust with its customers, and therefore roped in the British grocery store “Waitrose,” which was highly reputed for their fresh products; however, most of their stores were concentrated in northern England. In order to achieve their common needs and strengthen each other, they formed a strategic alliance.

“Ocado” collaborated with the credible brand “Waitrose” in the hope that customers would trust the quality of goods they buy. “Ocado” even extended their business area by entering into a deal with “Morrison’s,” another very trustworthy British brand, with a view to give their customers a quality product. Nonetheless, O2O is still quite an unfamiliar system to customers, and companies have to direct objectively credible factors to customers. In order to allay fears with regard to concerns about trusting the system, the government should investigate O2O services. In the case mentioned above, Fair Trade Commission (FTC) has unravelled the case and levied fines. This type of vigilance must be displayed consistently to assure that customers use O2O services.

Furthermore, customer privacy is another problem associated with trust issues of O2O services. Although O2O services are useful and all about convenience, if the system’s

processes are too complicated for consumers, they would prefer to revert to their offline habits. Some O2O companies are applying the “convenient payment system.” For example, “NaverPay,” “SyrupPay,” “Payco,” etc., have been utilized in diverse O2O services to facilitate quick payments. The “Korea Internet & Security Agency” has reported research results on this issue. Among respondents, 86.1% have selected “enhancement of security” as the most pressing issue to be resolved in order to achieve O2O service dispersion. From this arises another dilemma. Complicated and multistep processes could preserve customer privacy, but it would also make customers feel uncomfortable. That is why companies should develop quick, but trustworthy security processes. The Korean O2O accommodation system, “Yanolja,” for example, had their system Information Security Management Systems (ISMS) certified by the government. O2O services should offer this type of certification to customers in order to alleviate them regarding online security. Moreover, not only companies, but also legal and governmental enhancement and development of security process would invigorate the O2O business.

5.5 Future Research

Owing to the limitations mentioned above, investment in the O2O business has been, of late, decreasing. On the other hand, the reduction in investment is rather a chance for O2O operators that secured abundant funding such as Uber and other large online companies such as Amazon. These companies are leveraging their resources to extend to other O2O services and improve their performance as a platform.

These large operators can use O2O to strengthen their other services. In this case, as it does not have to sell to the value of the O2O business right now, by emphasizing effect more than expense, it can be more powerful marketing to O2O service. Even if they incur a loss in the O2O business, it can be offset by the profits of other services. Using these tactics, either large operators can take over small competitors or they can destroy them through marketing. O2O startups are predicted to face even more challenging circumstances if large operators adopt this approach. If the O2O business tends to be reorganized founded on these strategies of large companies, there may arise problems of monopoly, which has already become a reality in China. This has led to startups with low competitiveness to wind up from last year. On the other hand,

Baidu, Alibaba, and Tencent, collectively called BAT, actively invested in the O2O area, and therefore, the O2O business is being restructured around them.

This is a prevalent platform business with a winner take-all structure. The reorganization into the market among large companies is an unavoidable reality. Likewise, as the O2O business is also a platform business, it tends to fructify. It is forecasted that the market will come to be more dominant, led by global large-scale operators. Nevertheless, since O2O business is founded offline, operators have to meet different consumer needs in each country. There will certainly be an opportunity for startups to differentiate their strategies.

There are two types of limitations in the other case. First, the O2O service arises out of customer want, which we refer to as “customer needs.” It can offer the appropriate response to customer needs individually, rapidly, and conveniently. Owing to the increasing number of mobile users, life has become more personalized and customers always have to depend on their mobiles for data. In this situation, the need to connect online and offline activities has increased. Technologies for communication such as beacons with big data and location services have progressed, and effective reaction has become possible, making it easy to access markets. These technologies will be advanced to help companies react immediately by bridging customer needs without their having to wait. In one study, it was very high at 52% to the rate of explaining O2O reuse intention. It means that it should offer some of the most useful profit to bring about continuous use.

Various attempts have been made to combine the merits of the diversity and affordability of online activities and the credibility and immediacy of offline activities as the result would expand the range of applications and uses. These advantages will result in marketing to more strategically targeted customers, startup companies, and major domestic and foreign companies such as Google, Amazon, Apple, Naver, and Kakao. This would result in personalized and successful O2O penetration pertaining to quality certainty and degree of understanding of system quality levels

Second, companies indicate an active attitude towards solving legal matters. Until now, the law has been ineffectual due to their lack of experience with such situations,

but with enhancement in the right direction, the market will become a huge powerhouse with the momentum to become much bigger. And there is a struggle to move it. How to use the data is key, but is there a danger of breaking the law? A company will be able to handle non-identifying personal information better, if there are proper guidelines. Jung, a representative of Kakao, stated that the regulations, for example, in the medical industry in Germany and Japan permit the delivery of medicines. On the other hand, Korea is permitted to sell pharmaceuticals only in pharmacies and the delivery of medicines is impossible. However, licenses issued to do so will support the growth of the medical industry. Likewise, the healthcare industry will benefit if it is integrated with the IT industry and should also be free from medical regulations.

In order to discuss the activation of the information and communication technology (ICT) fusion complex, the Korea Institute of Information and Communications Policy (KISDI) held a seminar at the K Hotel Seoul in Seoul. Representatives and startups leading the domestic O2O industry participated in this seminar. Companies raised an appeal to address their need to handle legal problems, which the government is gradually considering. Reorganization of the Internet normative system is needed, from being scattered across industries into a new environment (Kim, 2016). Essentially, a related report was published in 2009. A study on the improvement of Internet-based service legislation by Korea Information Technology Promotion Agency defends “self-regulation.” The government contemplated the system as a possible solution and the O2O services’ potential power, which is to voluntarily create rules and preserve themselves by operators and users (Kim, 2016).

As we are aware, O2O services have already been integrated as part of our lives. Thanks to the development of smart mobile services and technology, O2O services have the ability to access customers individually and closely. However, O2O services have much more potential as a business model and marketing service in the future. Therefore, this study will benefit many companies that are interested in the O2O business and help them understand the trend of the O2O market.

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Questionnaire

Delhi School of Management

NEW DELHI

Hello, I am the student of Delhi School of Management. I am conducting a research to know about the critical information regarding “**Online to Offline E- Commerce Market**”. It is therefore requested you to please fill this questionnaire with your respective attention.

QUESTIONNAIRE FOR CUSTOMERS OF O2O BUSINESS MODEL

PRIMARY QUESTIONS

- Name of the Respondent -
- Age of the Respondent -
- Gender of Respondent –

SECONDARY QUESTIONS

1. Do you know about O2O market?
 - Yes
 - No
 - Little Bit
2. Have you made shopping from such organization operating on O2O format?
 - Yes
 - No
3. Is O2O is a good option to attract the customers?

- Yes
- No
- Can't Say

4. What benefits is provided by O2O market format?

- Touch and feel
- Size and colour
- Price negotiation
- All of the above

5. Which platform is expensive?

- Online
- Offline
- Both

6. The below mentioned questions are on 5-point Likert scale:

Particular	1	2	3	4	5
Companies are extremely benefitted because of both online and offline e-commerce market					
Companies are able to attract a greater number of customers					
Online and offline presence leads to better target & coverage of customer					
Online platform is better than offline platform					
Offline platform is better than online platform					