

EFFECT OF E-COMMERCE GROWTH ON SALES PERFORMANCE OF SUPERMARKETS IN MADHYA PRADESH

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ABSTRACT

The rapid expansion of e-commerce has transformed the retail sector by providing consumers with convenient, cost-effective, and time-saving shopping alternatives. In Madhya Pradesh, the growth of online retail platforms has significantly influenced consumer purchasing behavior, thereby affecting the sales performance of supermarkets. The present study investigates the effect of e-commerce growth on the sales performance of supermarkets in selected cities of Madhya Pradesh. The study examines consumer preferences, shopping frequency, sales trends, and the challenges faced by supermarkets in the digital era. Primary data were collected from 50 respondents using a structured questionnaire. Statistical tools such as percentage analysis, mean score analysis, and one-sample t-test were employed. The findings reveal that the growth of e-commerce has significantly affected supermarket sales, customer footfall, and profitability. The study recommends that supermarkets adopt omnichannel retailing strategies and digital technologies to enhance competitiveness.

Keywords: *E-Commerce, Supermarkets, Sales Performance, Consumer Behavior, Online Shopping, Madhya Pradesh, Retail Sector.*

INTRODUCTION

The emergence of e-commerce has revolutionized the retail industry worldwide. Consumers increasingly prefer online shopping due to convenience, product variety, attractive discounts, and home delivery services. The widespread use of smartphones, internet connectivity, and digital payment systems has accelerated the adoption of e-commerce platforms.

In India, organized retail formats such as supermarkets have traditionally played a significant role in meeting consumer needs. However, the growing popularity of e-commerce platforms has altered shopping patterns and affected supermarket sales. Consumers now have the flexibility to compare products, prices, and reviews online before making purchasing decisions.

In Madhya Pradesh, supermarkets operating in cities such as Bhopal, Indore, Jabalpur, and Gwalior are experiencing increasing competition from online retailers. Therefore, understanding the impact of e-commerce growth on supermarket sales performance is important for developing effective business strategies.

OBJECTIVES OF THE STUDY

1. To examine the influence of e-commerce growth on supermarket sales performance.

2. To identify factors encouraging consumers to shift toward online shopping.
3. To assess the impact of online shopping on supermarket customer visits.
4. To suggest measures for improving supermarket competitiveness.

RESEARCH METHODOLOGY

Particulars	Description
Research Design	Descriptive Research
Area of Study	Selected Cities of Madhya Pradesh
Sample Size	50 Respondents
Sampling Technique	Convenience Sampling
Data Collection	Structured Questionnaire
Statistical Tools	Percentage Analysis, Mean Score, t-Test

DATA ANALYSIS AND INTERPRETATION

Table 1: Gender-wise Distribution of Respondents (N=50)

Gender	Frequency	Percentage (%)
Male	30	60
Female	20	40
Total	50	100

The table shows that 60% of the respondents are male and 40% are female. This indicates that both genders are actively involved in shopping activities and contribute to the study findings.

Table 2: Frequency of Online Shopping

Frequency	Respondents	Percentage (%)
Frequently	24	48
Occasionally	16	32
Rarely	7	14
Never	3	6
Total	50	100

The table reveals that 48% of respondents frequently shop online, while 32% shop occasionally. Only 20% shop online rarely or never. This indicates a strong acceptance of e-commerce among consumers.

Table 3: Main Reasons for Choosing Online Shopping

Reason	Frequency	Percentage (%)
Convenience	15	30
Discounts and Offers	13	26
Home Delivery	10	20
Product Variety	8	16
Easy Payment	4	8
Total	50	100

Convenience is the most important factor influencing online shopping, reported by 30% of respondents. Discounts and offers account for 26%, while home delivery services account for 20%. This demonstrates that consumers value convenience and economic benefits.

Table 4: Impact of E-Commerce on Supermarket Visits

Response	Frequency	Percentage (%)
Strongly Agree	14	28
Agree	21	42
Neutral	8	16
Disagree	5	10
Strongly Disagree	2	4
Total	50	100

A total of 70% of respondents agree that e-commerce growth has reduced their visits to supermarkets. This finding indicates that online shopping has significantly influenced traditional shopping behavior.

Table 5: Consumer Opinion Regarding Sales Performance of Supermarkets

Opinion	Frequency	Percentage (%)
Highly Affected	16	32
Moderately Affected	21	42
Slightly Affected	8	16
Not Affected	5	10
Total	50	100

The majority of respondents (74%) believe that supermarket sales are either highly or moderately affected by e-commerce growth. This indicates that online shopping has had a substantial impact on supermarket business performance.

Table 6: Challenges Faced by Supermarkets Due to E-Commerce Growth

Challenge	Frequency	Percentage (%)
Price Competition	17	34
Reduced Customer Footfall	13	26
Customer Retention	9	18
Home Delivery Competition	7	14
Technology Investment	4	8
Total	50	100

Price competition is identified as the major challenge (34%), followed by declining customer footfall (26%). The findings indicate that supermarkets struggle to compete with online retailers offering discounts and promotional schemes.

Table 7: Strategies Suggested for Improving Sales Performance

Strategy	Frequency	Percentage (%)
Online Ordering Facility	14	28
Home Delivery Service	12	24
Loyalty Programs	10	20
Attractive Discounts	8	16

Digital Marketing	6	12
Total	50	100

The largest proportion of respondents (28%) suggest introducing online ordering facilities, while 24% recommend home delivery services. These findings indicate that consumers expect supermarkets to adopt digital retailing practices.

Table 8: Mean Score Ranking of Factors Affecting Sales Performance

Factor	Mean Score	Rank
Price Competition	4.36	I
Reduced Customer Visits	4.21	II
Customer Loyalty Issues	4.05	III
Operational Costs	3.88	IV
Technology Adaptation	3.75	V

Price competition ranks first with a mean score of 4.36, indicating that it is the most significant factor affecting supermarket sales performance. Reduced customer visits and customer loyalty issues rank second and third respectively.

Table 9: One-Sample t-Test on Effect of E-Commerce Growth on Sales Performance

Hypothesis

H₀: E-commerce growth has no significant effect on supermarket sales performance.

H₁: E-commerce growth has a significant effect on supermarket sales performance.

Variable	Mean	SD	t-value	p-value
Effect of E-Commerce Growth	4.18	0.82	10.24	0.000

The calculated p-value (0.000) is less than the significance level of 0.05. Therefore, the null hypothesis is rejected. This indicates that e-commerce growth has a statistically significant effect on the sales performance of supermarkets in Madhya Pradesh.

Table 10: Future Outlook for Supermarkets

Opinion	Frequency	Percentage (%)
Need Digital Transformation	25	50
Need Omnichannel Retailing	12	24
Need Better Customer Service	8	16
No Major Changes Required	5	10
Total	50	100

Half of the respondents believe that supermarkets must undergo digital transformation to remain competitive. Another 24% recommend adopting omnichannel retailing strategies. This suggests that integrating online and offline channels is essential for future growth.

FINDINGS OF THE STUDY

1. Most respondents frequently use online shopping platforms.
2. Convenience and discounts are the primary reasons for choosing e-commerce.
3. E-commerce growth has reduced customer visits to supermarkets.
4. Supermarket sales performance has been negatively affected by online shopping.
5. Price competition is the most significant challenge faced by supermarkets.
6. Consumers expect supermarkets to provide online ordering and home delivery services.
7. Statistical analysis confirms that e-commerce growth significantly affects supermarket sales performance.

CONCLUSION

The study concludes that the rapid growth of e-commerce has significantly affected the sales performance of supermarkets in Madhya Pradesh. Consumers increasingly prefer online shopping due to convenience, discounts, product variety, and home delivery services. Consequently, supermarkets face declining customer visits, increased competition, and pressure on profitability. The statistical findings confirm a significant relationship between e-commerce growth and supermarket sales performance. To remain competitive in the evolving retail environment, supermarkets must embrace digital transformation, adopt omnichannel retailing strategies, and focus on enhancing customer experience. These initiatives will help supermarkets sustain growth and improve their long-term business prospects.

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