The Nature, Prospect and Challenges of e-commerce: Experiential Evidences from Online Shoppers of Dhaka City in Bangladesh

Farhana Zaman¹ & Sadia Tasnim²

ABSTRACT

Recent studies have suggested that e-commerce has opened up a window of opportunities for the national economy of Bangladesh with minimum capital investment by digitalizing the information. Thereby, it is important to unravel the ontology of e-commerce for deepening the understanding of this digital revolution. To serve this purpose the study has conducted a small-scale survey on 29 females and 21 males, ranging in age from 16 to more than 55, who are all online shoppers both in the form of buyers and sellers. To supplement data to the survey, 10 in-depth interviews, five sellers and five buyers, are also taken. The study finds that e-commerce is gradually getting popular among the growing young generation of 24-34 age groups. Almost 100% of female shoppers prefer clothing, personal products to buy while male shoppers prefer electronic goods more. E-commerce creates a substitute marketing channel by terminating the manipulative role of middleman. Moreover, it serves as an empowering tool for women entrepreneurs. On the contrary, a few shoppers perceive e-commerce negatively for de-socializing people and creating false needs among young generation. In addition, a lot of virtual risks are explored associated with online business. Despite having these risks, e-commerce has made people’s life easier and thereby people should welcome the positive sides to underwrite the gradual development of e-commerce for keeping pace with this fast-moving world.

Keywords: Challenges, de-socialization, Dhaka, e-commerce, online, perception, prospects, shoppers

¹Department of Sociology, Jagannath University, Dhaka, Bangladesh. Email: farhanazjnu@gmail.com
²Department of Sociology, Jagannath University, Dhaka, Bangladesh
1. Introduction

Electronic commerce, known as e-commerce, is gradually growing popular in an emerging global economy (Khan 2015; Nair 2017). E-commerce began in 1995 (Khan 2015). It is an electronic process by which people involve in transactions in multifarious ways such as buying, selling, transferring, or exchanging products, services and/or information (Turban et al. 2006). Breaking the flow of the conventional business model, e-commerce is undergoing through a process of profound transformation to reduce the eminence of the physical infrastructure, such as big cities, markets, shopping malls etc. as an inevitable prerequisite for the successful performance of business (Anjum & Tiwari 2011).

E-commerce has turned out as a new business reality which has got much popularity among all demographic categories of people. This new trend has enormously increased due to its quick and easy way of exchanging goods and services (Vadwala 2017). Transactions in e-commerce is paperless and occurs through electronic data exchange, emails, and electronic fund transfers (Nair 2017; Islam 2018). A number of studies has highlighted the variety of benefits that e-commerce offers (Vadwala 2017; Dutta and Acharjee 2018; Ishtiaque et al. 2017). Business happens with the use of credit card, debit cards, smart cards, e-money, electronic fund transfer, and other online payment methods and applications without facing any hassle of carrying physical cash or cheques. Customers also have the advantage of doing transactions at their convenient time as services are on twenty-four hours a day all over the world (Vadwala 2017).

E-commerce started its journey in the developed countries and continued to grow vigorously for their suitable technological tools to support it. Therefore, initially the growth and prospects of e-commerce developed as a major research field for developed countries only. However, the increasing excess to the internet and gradual technological advancement gave rise to the practice of e-commerce in the developing world too (Nair 2017; Alyoubi 2015). E-commerce opens a new trend of global business and a new economic avenue of which people of the developing world have also become a crucial witness (Nair 2017).

Though e-commerce has emerged in Bangladesh in the late 1990s, it is still in the budding phase. The government of Bangladesh has
proceeded with its considerable limitations to create an e-commerce friendly environment. National information and communication technology (ICT) policy, 2002, Information and communication technology (ICT) Act-2005, Industrial policy, 1999, the foreign private investment (promotion and protection) Act are few of the pioneer initiatives taken by the government of Bangladesh. Besides, some trade and commerce related legislation such as import and export policy order (1997-2002), the customs Act, 1969, sale of goods act, 1930, intellectual property rights, the money loan court and so on indicate government’s strong will to expand e-commerce in Bangladesh. Besides, development in the telecommunication sector, which is an integral part of e-commerce, contributes to create a positive environment for the growth and development of e-commerce in Bangladesh (Debnath & Mahmud 2007).

However, success in e-commerce depends not only on the availability of the technical excellency, but also on the skill and fortitude of the entrepreneur in extracting the benefits and advantages of the e-commerce revolution. Adequate and appropriate marketing for the promotion and awareness-building among the mass people are required for the successful functioning and growth of e-commerce (Debnath & Mahmud 2007). Social media is playing an influential role in driving business through awareness generation. Both men and women without stepping out of their homes are generating shopping through WhatsApp, Facebook, Instagram and many other platforms (Hanafizadeh et al. 2012; Reuber & Fischer 2011). It provides consumers multiple options with detailed information online. It is now easier for the consumers to compare price and choose products based on their requirements. This provides more satisfaction to contemporaneous consumers who seek convenience and pace (Yu & Wu 2007). On the contrary, e-commerce produces a lot of virtual risks and generates consumers’ dissatisfaction.

However, the culture of e-commerce industry is serving as an empowering tool by giving chances for growth and development to women entrepreneurs (Dastourian et al. 2017; Gupta 2018). Women who are confined in household chores can earn profit by sparing limited time on e-business and can develop their self-identity. Besides, e-commerce is serving as a major driving force of social change. It is estimated in a recent study that at present around 1,000 e-commerce entrepreneurs are running their business nationwide and approximately 5-6 lakh parcel is distributed.
monthly. The study also predicted that within next five years, all commerce will gradually turn into e-commerce which will contribute to make the sector more mature (Islam 2018). Thus, at this phase of the massive development of e-commerce, it is important to deepen the understanding of the nature of this digital revolution in the context of Bangladesh.

2. Objectives of the study

Drawing on the above-mentioned background, this paper aims to unravel the ontology of e-commerce in the context of Dhaka city, Bangladesh. More specifically, the study intends

a) to understand the socio-demographic information of both buyers and sellers
b) to get acquaintance with the nature of e-commerce from the perspectives of both buyers and sellers;
c) to analyse the perception of both buyers and sellers towards e-commerce to envisage both the prospect and challenges of e-commerce in Bangladesh.

3. Factors influencing the growth and development of e-commerce in Bangladesh

Islam (2018) examines both the development and challenges of e-commerce in Bangladesh. It attempts to portray the overall scenario of e-commerce by using qualitative research tools. The study highlighted the major constraints of e-commerce that included technological, socio-economic and political factors. The study also accentuated the challenges of traditional business. Socio-cultural issues such as knowledge about customers’ attitudes, lack of recognition as entrepreneurs, socialization process was mentioned as a few influencing factors on e-business entrepreneurship development.

Bashir et al. (2015) explored five major variables including trust, time, product variety, convenience and privacy, determining consumer-buyer behavior in online shopping trends. Data was collected using a specified measuring instrument. The statistical analysis of the data reflected that trust and convenience had a great impact on the decision-making process regarding online shopping. Trust had also been found as the most relevant factor influencing the customer’s buying behavior particularly for the younger generation.
Ishtiaque et al. (2017) elucidated an overview of the growth and development of e-commerce in Bangladesh. The study found that young consumers found online shopping highly reliable and were gradually becoming more involved in both dimensions of buying and selling through e-commerce. The study also highlighted few major barriers of e-commerce in Bangladesh that included consumer behavior, culture, and perceptions of e-commerce. Despite considerable barriers, the study explored a number of factors such as convenience, competitive pricing, range of products, dedicated service, improved payment security, onsite delivery and flexibility that directed consumers to favor online shopping over the traditional one. The study finally argued that in addition to high-speed internet access, connectivity, and lower cost of the internet, a shift in consumer behavior was one of the major turning factors that played crucial role in bringing success in e-commerce.

Ahmed et al. (2016) aimed to identify the noticeable features of e-commerce in Bangladesh. To measure customers’ perception towards the performance of major B2C e-commerce sites, the study selected 11 attributes by following Martin Fishbein’s multi-attribute attitude models. It was found that out of eleven attributed the sample respondents believed that the performance of the B2C e-commerce sites in Bangladesh was up to the benchmark in case of only two attributes that included easy information accessibility and graphics quality of the site.

Rahman et al. (2018) undertook a study to understand the behavior of online shoppers. By using a self-constructed questionnaire on 160 respondents from Dhaka city, the study found that consumers were not much accustomed with frequent online shopping. The study found no basic gender differences in the trend of online shopping. The survey revealed that consumers mostly received information from websites. They favored online shopping for saving time and for varieties of products and services. However, consumers also expressed their dissatisfaction for the inability to touch and feel the product before receiving it. For not having any physical contact between buyers and sellers, customers spoke out about their tension related to the security of the payment system.

A study by Khan et al. (2015) examined the consumer perception and prospect of e-retailing in Bangladesh. The study was conducted on 200 respondents who used to buy products from various supermarkets in Dhaka.
The study found that people used to buy the product online as they took it as a fun. The study calculated the ‘T’ value, 1.569 which was lower than the reference value, indicating a positive relationship between fun-loving consumer and consumer-purchase-decision. Most of the respondents were found to be impulsive and confused while shopping online.

Using an interviewer-administered structured questionnaire, Mahmud & Hossain (2014) underscored factors influencing online buyers’ attitudes. The study was conducted on 199 online buyers of Dhaka city. To test the hypotheses, exploratory factor analysis was conducted to reduce seventeen variables in order to use these for ANOVA. Website reliability, website design, website customer service, and website competency were identified to be the four dominant factors influencing consumer perceptions of online purchasing. The study also found that most online buyers were highly concerned about the security and privacy issues.

Datta & Acharjee (2018) aimed at identifying various factors that influenced young consumers’ attitudes towards online shopping in Dhaka. This study collected data from Dhaka University students through a structured questionnaire using convenience sampling. A multiple regression model was run to measure the impact. The result signified eight major factors keeping positive impact on young consumer’s attitude towards online shopping that included security (beta value: 0.160), after-sales service (0.062), time savings (0.191), return policy (0.170), website design (0.183), product quality (0.053), previous experience (0.084) and reputation of the online vendor (0.197).

Literature on e-commerce mentioned above highlighted factors influencing consumer’s behavior and perception towards e-commerce in Bangladesh. A very few studies are available analyzing the current trends of online shoppers, their choices, demands and priorities. This paper can be helpful for the starters who are seeking information about current online markets trends and are involved in a long-term process of market analysis. In addition to providing recent information about the online markets, this paper also attempts to explore the prospects and challenges to provide a fruitful insight about the growth and development of e-commerce in Bangladesh.
4. Methodology

The study is descriptive in nature using both quantitative and qualitative method. A survey was conducted in Dhaka city on approximately 50 respondents of different age groups ranging between 16 to 55+. Among them 29 were females and 21 were males (see Table 5.1). Respondents were representing both buyers and sellers at the same time as most of the online sellers are online buyers too as they prefer more direct purchases online. The researcher followed a non-probability sampling technique i.e. purposive sampling for selecting the sample size. A survey was conducted with a semi-structured questionnaire. Survey tools such as telephone interviews, mailed and online questionnaires had been exhausted when necessary. The technique of data analysis was SPSS. The authors could not manage to collect data from a large sample due to time constraints. To obtain greater depth of information, 10 in-depth interviews were taken purposively from five buyers and five sellers who used to make extensive transactions for purchasing and selling online via smartphone. In addition, secondary sources of information had been exhausted for supplementing primary sources of data.

5. Findings of the study

**Sociodemographic characteristics of the respondents**

| Table 5.1 Percentage distribution of the respondents by age and gender |
| --- | --- | --- | --- | --- | --- |
| | 16-24 | 25-34 | 35-54 | 55 or above |
| | f | P (%) | f | P (%) | f | P (%) | f | P (%) |
| Age Group |  |  |  |  |  |  |  |  |
| Gender |  |  |  |  |  |  |  |  |
| Male | 8 | 16 | 11 | 22 | 2 | 4 | 0 | 0 |
| Female | 7 | 14 | 18 | 36 | 4 | 8 | 0 | 0 |

**Source:** Field survey, 2018

N=50

**Notes:** “f” stands for frequency and “P” stands for percentage.
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It is observed in the above Table that 58% of respondents related to the e-commerce belonged to the age group 25-34 among whom 36% was female and 22% was male. Individuals belonging to the age group above 55 were not involved in e-commerce. Those aged 25-54 had occupied the highest share among online shoppers.

**Nature of online shopping**

<table>
<thead>
<tr>
<th>Table 5.2 Percentage distribution of the respondents by hours spent online</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Have a social networking site and stayed online</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Postgraduate</td>
</tr>
<tr>
<td>Graduate</td>
</tr>
<tr>
<td>Higher secondary school certificate</td>
</tr>
<tr>
<td>High School certificate</td>
</tr>
</tbody>
</table>

**Source:** Field survey, 2018

**Notes:** “f” stands for frequency and “P” stands for percentage.

Table 5.2 shows the time duration that respondents used to stay online. About 22% of postgraduates stayed 0-3h and 2% spent 9-12h per day. Approximately 20% of graduates stayed online 3-6h. Only 4% stayed online above 12h per day. Respondents said that the more time they could stay online the best their sell would be. One of the sellers stated-

‘In fact, we need to remain attached to the smart phone 24 hours so that we do not miss any order. Moreover, we need to remain up-dated about the recent fashion trends. This is why, we are continuously surfing the internet to explore the innovative marketing strategies.’

-(A seller of 27, Trendy Sarcees)

Almost all the sellers of in-depth interviews stated that they could not think a single moment without smartphone and network. This excessive use of smartphone sometimes interrupted their family interaction too. However, their family members accepted it for the sake of business. A female seller stated,
'Due to the pressure of too many orders, I cannot feed my kids on time. Even I do not get time to teach my children regularly.'

-(Owner of Baking and Cooking)

Activities that respondents remained busy with included Facebook live, communicating and bargaining with customers, sending messages related to delivery, taking orders online, exploring the current market trends and so on. Thus, technology orientation is crucial in online shopping.

**Table 5.3** How frequently respondents sell or buy things through e-commerce websites

<table>
<thead>
<tr>
<th>Time</th>
<th>Frequency(f)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Seller</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most frequently</td>
<td>17</td>
<td>34</td>
</tr>
<tr>
<td>Frequently</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Rarely</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>Never</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td><strong>Buyer</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Most frequently</td>
<td>16</td>
<td>32</td>
</tr>
<tr>
<td>Frequently</td>
<td>26</td>
<td>52</td>
</tr>
<tr>
<td>Rarely</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>Never</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Source:** Field survey, 2018

Table 5.3 presents how frequently respondents sell or buy things through e-commerce websites. It was seen that 40% of sellers and 52% of buyers were frequently engaged in e-commerce. More than 30% of buyers and sellers were most frequently engaged in buying or selling their products. Respondents, who were most frequently engaged in online business, took it as their main profession and committed to give much effort and time on it. Besides, online shopping is time saving which has motivated many people to be involved in this process. One of the buyers stated-
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‘I was not that much oriented with online shopping few years ago. But recently considering jam and time factor, I have become a regular online buyer. I buy maximum household essentials particularly packaged goods from online shops.’

(-A male buyer of 43)

Table 5.4 Percentage distribution of respondents by the items they prefer to buy

<table>
<thead>
<tr>
<th>Products</th>
<th>Male</th>
<th></th>
<th>Female</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency (f)</td>
<td>Percentage (%)</td>
<td>Frequency (f)</td>
<td>Percentage (%)</td>
</tr>
<tr>
<td>Clothing</td>
<td>15</td>
<td>71.4</td>
<td>29</td>
<td>100</td>
</tr>
<tr>
<td>Personal products</td>
<td>15</td>
<td>71.4</td>
<td>28</td>
<td>96.6</td>
</tr>
<tr>
<td>(perfumes, beauty creams, razors, toothbrush)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobiles/ tablets</td>
<td>7</td>
<td>33.3</td>
<td>7</td>
<td>24.1</td>
</tr>
<tr>
<td>Laptops and accessories</td>
<td>6</td>
<td>28.6</td>
<td>7</td>
<td>24.1</td>
</tr>
<tr>
<td>Cameras</td>
<td>6</td>
<td>28.6</td>
<td>3</td>
<td>10.3</td>
</tr>
<tr>
<td>Books</td>
<td>12</td>
<td>57.1</td>
<td>10</td>
<td>34.5</td>
</tr>
<tr>
<td>Digital products</td>
<td>17</td>
<td>80.95</td>
<td>14</td>
<td>48.3</td>
</tr>
<tr>
<td>Others</td>
<td>12</td>
<td>57.1</td>
<td>24</td>
<td>82.8</td>
</tr>
</tbody>
</table>

Source: Field survey, 2018

Table 5.4 shows that all the female respondents preferred to buy clothes followed by around 97% preferring personal products such as cosmetics. Respondents stated that clothes and cosmetics were the most popular items based on sales. An almost similar trend was observed among male respondents as on an average 71% of men preferred clothing and personal products to buy. Men usually buy shaving gears, perfumes, screen protectors of mobile phones or laptops, wallets etc. unlikely women, men mostly preferred digital products (80.95%) such as laptops, tablets, smart phones etc. A buyer stated-

‘I mostly prefer to buy electronic items particularly electronic gadgets online. All the specifications are clearly written. We can easily choose exactly what we want sitting at home. Even if the product is not available within the country, you can easily get it through international online market places such as Daraz or Amazon.’

(A buyer of 17, a student of class X)
Besides, industrial raw materials, birds, various services such as ac servicing, sofa cleaning, showpieces, kitchen materials, etc. were few other items/services available online to buy as mentioned by the respondents.

**Table 5.5** Percentage distribution of the respondents by the items they prefer to sell

<table>
<thead>
<tr>
<th>Products</th>
<th>Male Frequency</th>
<th>Male Percentage</th>
<th>Female Frequency</th>
<th>Female Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing</td>
<td>17</td>
<td>80.95</td>
<td>27</td>
<td>93.1</td>
</tr>
<tr>
<td>Personal products</td>
<td>12</td>
<td>57.1</td>
<td>26</td>
<td>89.7</td>
</tr>
<tr>
<td>Mobiles/ tablets</td>
<td>3</td>
<td>14.3</td>
<td>5</td>
<td>17.2</td>
</tr>
<tr>
<td>Laptops and accessories</td>
<td>4</td>
<td>19.04</td>
<td>5</td>
<td>17.2</td>
</tr>
<tr>
<td>Cameras</td>
<td>3</td>
<td>14.3</td>
<td>6</td>
<td>20.7</td>
</tr>
<tr>
<td>Books</td>
<td>6</td>
<td>28.6</td>
<td>8</td>
<td>27.6</td>
</tr>
<tr>
<td>Digital products</td>
<td>19</td>
<td>90.5</td>
<td>22</td>
<td>75.9</td>
</tr>
<tr>
<td>Others</td>
<td>20</td>
<td>95.2</td>
<td>21</td>
<td>72.4</td>
</tr>
</tbody>
</table>

**Source:** Field survey, 2018

In Table 5.5, it was found that buying and selling showed a similar trend in terms of transaction of products. About 93% of female and around 81% of male respondents preferred clothing to sell for its high rate of purchase. Again around 90% of females preferred personal products such as parlour items, body shapers, cosmetics etc. to sell as compared to only 57% male respondents. A female seller stated-

‘*Before starting online business, I observed the nature of online shopping for two years and found that clothing and cosmetics were at the peak of online sale. I then decided to import clothes from abroad. Now I have a plan to run a side e-business on ornaments and cosmetics too.*’

(Co-founder of Sarafan’s Boutique)

Men were engaged more in selling digital products (90.5%). Besides these major products, most of the respondents used to sell a variety of things such as industrial raw materials, showpieces, umbrella,
raincoat, cleaning kit, detergent, mosquito spray, etc. which still people preferred to buy in conventional way. However, online exchange of grocery items was gradually becoming popular among the consumers as respondents mentioned.

**Perception towards the future of e-commerce**

**Table 5.6** Percentage distribution of the respondents by the future of E-commerce in Bangladesh

<table>
<thead>
<tr>
<th>Domain name</th>
<th>Frequency (f)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very good</td>
<td>36</td>
<td>72</td>
</tr>
<tr>
<td>Good</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Not so good</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Do not have a future</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Source:** Field Survey; 2018

Table 5.6 describes that 72% of the respondents believed, the future of e-commerce was very good in Bangladesh as it was expanding very swiftly. They said that anyone could start e-business with minimum cash investment. All the sellers of in-depth interviews agreed upon the fact that the online shopping was flourishing and more profitable as compared to traditional offline shopping. One seller stated-

‘*Our showroom is only for the people who live nearby. Sometimes people visit showroom to clarify the items or colour of the products. However, online shopping is the main source of profit as compared to offline shopping.*’

(A seller of 26, TaTi online)

A similar statement was given by another seller who stated-

‘*Online shopping is undoubtedly more profitable than offline shopping. For example, if we can sell 100 products online per day, only 5 to 10 products are sold offline.*’

(A seller of 27, Trendy Sarees)

Thus, it is clearly evident that online shopping is growing faster than the offline traditional shopping. On part of the female sellers, they all stated that a feeling of empowerment and a sense of self-respect have been developed among themselves. A female seller stated-
‘Now I can feel my existence at home.’

-(A female online entrepreneur of 28, a member of Women and e-Commerce forum)

However, only 8% thought otherwise as they argued, many online exchange services were not reliable. Customers sometimes were disappointed for the poor-quality products and were sometimes cheated.

**Table 5.7** Perception of the respondents towards the impacts of E-commerce

<table>
<thead>
<tr>
<th>Content</th>
<th>Agree</th>
<th>Disagree</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-commerce can provide a substitute marketing channel by terminating the manipulative role of middleman</td>
<td>43</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td>E-commerce creates virtual risk</td>
<td>11</td>
<td>37</td>
<td>2</td>
</tr>
<tr>
<td>E-commerce creates de-socialization (with less and less direct contact with their peers, their co-workers and their community)</td>
<td>11</td>
<td>38</td>
<td>1</td>
</tr>
<tr>
<td>E-commerce creates a social, psychological and physical hazard</td>
<td>12</td>
<td>35</td>
<td>3</td>
</tr>
</tbody>
</table>

**Source:** Field survey, 2018

Table 5.7 explains that 86% of respondent thought e-commerce could provide a substitute marketing channel by terminating the manipulative role of the middleman. Respondents stated that direct communication with the buyers or sellers helped to keep the price reasonable which was not possible in the presence of a middleman, who sometimes played the manipulative role and exploited workers. Besides,
another advantage of online shopping is that anyone can get a lot of copies of a single product online which is not actually available in the showroom. About 74% thought that e-commerce did not create any virtual risk though around 22% agreed with the statement. These virtual risks included creating fake online pages, publishing bad review comments, physical invisibility of the product, mismatch between the product description and actual product in hand and so on. One seller stated-

‘A good review comment of a product can attract hundreds of new buyers. On the contrary, a bad review comments may eliminate a large number of buyers at a time. Moreover, creating false online page of fake products by the competitors sometimes ruins the impression of original online page and thereby increases the risk.’

(Co-founder of Sarafan’s boutique)

Another seller mentioned-

‘In case of clothing, the problems arise mostly with the colours and fabrics. Sometimes, customers return products without giving the delivery charge. In case of free delivery system, it is a total loss.’

(A seller of 26, TaTi online)

Thus, both risks and opportunities are high in online shopping. Despite having risks, various offers attract a lot of buyers. A buyer stated -

‘Recently I have bought a washing machine online and I have got almost 50% cashback opportunity. But I think virtual risk is always there in online shopping. Therefore, I suggest, buyers should not take virtual risks in case of expensive items,’

(A government service holder of 32)

A large proportion of the respondents i. e. 76% disagreed that e-commerce de-socialized people for less direct contact with their peers, co-workers and their community. They argued, customers/sellers did not have much opportunity to bargain or to interact with the sellers or buyers in a conventional way by observing the facial expression of each other. But this is not advantageous for all types of products. An online ghee seller stated-

‘Anyhow I have to manage money for renting a showroom so that
customers get the opportunity to clarify the products. Most of the time, buyers bargain by comparing the prices of other pages. But the ghee that I bring from Pabna district is original and its smell is totally different from those of others. But the opportunity of taking smell of my product is not possible online.’

(A female online entrepreneur of 28, a member of Women and e-Commerce forum)

About 70% respondents disagreed that e-commerce creates social, psychological and physical hazards though a very few believed that e-commerce might be hazardous for the young generation by creating false needs. A buyer stated-

‘My son cannot control himself whenever he finds a latest device (mp3, mp4, mobile, Ipad etc.) and keeps on convincing us to buy that product. Sometimes we the parents become trapped by the exciting presentation of the products.’

(A female buyer of 40)

About 24% buyers argued, online shopping sometimes caused wastage of money by alluring people to place orders of items which they did not need. Moreover, as they argued, e-commerce kept both buyers and sellers busy with browsing continuously for getting something new on the part of buyers and for the expectation of getting new orders on the part of sellers.

6. Discussion & Conclusion

Drawing on the findings it is clear that e-commerce is gradually getting popular as a sustainable livelihood option among the growing young generation which is evident in other studies too (Ishtiaque et al. 2017; Dillon & Reif 2004). More females are involved in e-commerce as compared to men. E-commerce is working as an empowering tool particularly for the women, who have young kids and do not have the opportunity to go outside for job. However, gender difference is still poorly understood in current setting of e-commerce (Lin et al. 2019).

The frequency of exchange in the form of buying and selling is good which indicates that the prospect of e-commerce is promising in the context of Bangladesh. Usually, female shoppers prefer clothing, personal products such as cosmetics to buy while male shoppers prefer
digital and electronic goods more. Market analysis is important before starting a new business. Young entrepreneurs who are planning to start a new business, sometimes spend huge time in market analysis and to decide the nature of business. This paper can help the young starters to get an initial idea about the choices and priorities of online buyers of recent times.

E-commerce has a high prospect in society, as it has created an effective substitute marketing channel by eliminating the middleman who traditionally contributes to bridge the gap between production and consumption through market networking (Gadde and Snehota 2001). As sometimes workers become exploited by the manipulative role of the middleman, the absence of this person contributes to minimize workers’ exploitation by keeping the price reasonable. Buyers also get the unlimited opportunities to compare price which is identified as one of the crucial factors motivating buyers to make their decisions with full satisfaction. Other advantages of online shopping include time saving nature, detail product description and varieties of products which have been found in other studies too (Ishtiaque et al. 2017; Rahman et al. 2018; Datta & Acharjee 2018). In addition, various cashback offers draw the attention of online buyers and make the decision-making process easier.

Besides these advantages, constant attachment to smartphone for the sake of profit making may turn into a smartphone addiction and may interrupt the process of family as well as social interaction. Moreover, people often perceive e-commerce negatively for creating false needs and thereby producing psychological hazards. It is also perceived that e-commerce dissocializes people by minimizing physical direct contact among e-shoppers and thereby creating a virtual risk. Buyers are deprived of getting direct physical visibility of the products and sometimes get confused after receiving the products. Khan et al. (2015) also identified the fact of confusion that arises among online buyers due to lack of physical visibility of products. The dissimilarity between online visibility and direct physical visibility of the products often create social conflict between buyers and sellers. Consequently, they become involved in online bullying which ultimately destroys the social image of both buyers and sellers. Despite having these risks, a good review of a particular page or product in online shopping help sellers to attract large scale buyers within a short period of time which is not possible in case of traditional shopping.
Everything good in this world has come with some negative sides. So, it is in the hand of humans to get the best benefits by exploiting all positives of e-commerce which has currently evolved as an important tool for the smooth functioning of life in this fast-moving world. Similarly, e-commerce, with a lot of risk factors, has opened up a new window of opportunities for both buyers and sellers by digitizing the information. However, e-commerce requires uninterrupted network services which is possible only in big cities of Bangladesh such as Dhaka. Thereby, further research is needed to explore the prospect of e-commerce in the small towns of Bangladesh where internet connection is slow.

References


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