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COMMERCE: THE NEXT GENERATION OF E-COMMERCE AND FACTORS INFLUENCING TRENDING BUSINESS

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ABSTRACT

The evolution of e-commerce has transitioned from static desktop browsing to dynamic, mobile-first, and socially integrated platforms. This study investigates the key factors influencing the rise of next-generation e-commerce models in Tamil Nadu, India. Using a descriptive, cross-sectional survey of 120 online shoppers, the research explores consumer perceptions of trust, app usability, influencer impact, and logistics. Findings highlight mobile app performance (85.8%), trust signals (82.5%), and social commerce (78.3%) as top purchase drivers. Data privacy, rapid delivery, and eco-conscious packaging also influence behavior. The study provides actionable insights for brands to enhance UX, fulfillment, and creator-driven engagement. It concludes with strategic recommendations to stay relevant in an increasingly competitive digital marketplace.

KEYWORDS: *E-Commerce, Next Generation E- Commerce, Social Commerce, Mobile Commerce*

INTRODUCTION

E-commerce has rapidly transitioned from static desktop browsing to dynamic, mobile-first, and data-driven experiences. The next generation of e-commerce (Next Gen Commerce) integrates social media, influencer-led discovery, conversational interfaces, and AR-based product trials. Features like one-click payments and same/next-day delivery now define consumer expectations. Alongside convenience, modern shoppers prioritize trust, data privacy, and sustainable practices. These shifts require businesses to rethink how they engage and retain digital consumers. Identifying which factors drive "trending" e-commerce success is crucial for competitive growth. This study investigates these factors through a structured survey of online shoppers in Tamil Nadu. It presents percentage-based insights into consumer awareness, usage, satisfaction, and intent. The findings offer strategic guidance for entrepreneurs and e-commerce brands navigating an increasingly competitive digital marketplace.

REVIEW OF LITERATURE

- **Pantano, E., Pizzi, G., Scarpi, D., & Dennis, C. (2020)** emphasize that mobile-first design is no longer optional in e-commerce; it is a necessity due to increased smartphone penetration and app-based shopping behavior. Their study suggests that responsive design, speed, and minimal checkout friction significantly influence purchase

intent and customer satisfaction. This aligns with your finding that 85.8% of respondents value mobile speed and one-tap checkout.

- **Gefen, D., Karahanna, E., & Straub, D. W. (2003)** demonstrated that trust, especially in the form of secure payments and positive reviews, is critical for online consumer adoption. Their work, grounded in the Technology Acceptance Model (TAM), shows that perceived trust directly affects intention to transact online. This supports your survey result where 82.5% prioritized trust signals.

- **Hajli, N. (2015)** introduced the concept of social commerce as a powerful extension of traditional e-commerce, driven by peer recommendations, user-generated content, and influencer marketing. His findings confirm that trust built via social platforms increases engagement and conversions. In your study, 78.3% of participants agreed that influencers help discover trending products.

- **Kwon, O., & Kim, J. (2012)** argue that mobile app usability, when paired with personalization (like tailored product recommendations), significantly improves user engagement and trust. Personalization that feels helpful rather than intrusive, as noted by 71.7% of your respondents, enhances perceived value and satisfaction.

- **Srinivasan, R., & Hanssens, D. M. (2009)** discussed how operational elements such as fast delivery and order accuracy are key to customer loyalty. In the Indian context, platforms like Big Basket and Blinkit have proven that same-day delivery is a strong competitive advantage. This is in line with your finding that 75% of respondents consider rapid delivery a deciding factor.

Statement of the Problem

The rapid shift from desktop-based to mobile-first and socially integrated e-commerce has transformed how consumers engage with brands. Despite advances like influencer marketing and personalized UX, it remains unclear which features truly drive trending businesses. In Tamil Nadu, there's a need to understand digital consumers' perceptions of next-gen commerce. Businesses face challenges in prioritizing trust, fulfillment, and sustainability without local insights. This study aims to fill that gap through data-driven analysis and strategic recommendations.

Objectives of the Study

- To identify core components of next-generation e-commerce.

- To examine consumer perceptions of factors that influence trending business adoption.

- To present a percentage analysis of key variables (awareness, usage, satisfaction, and intent).

- To derive managerial implications for e‑commerce entrepreneurs and brands.

RESEARCH METHODOLOGY

This study employed a descriptive, cross-sectional survey design to analyze consumer perceptions of factors influencing the adoption and success of next-generation e-commerce platforms. The goal was to capture a snapshot of current behaviors, preferences, and attitudes among online shoppers in Tamil Nadu, India.

Research Design

A descriptive research design was chosen to systematically observe and describe the characteristics of the target population without manipulating any variables. The cross-sectional nature of the survey allowed data collection at a single point in time, making it efficient and appropriate for gauging consumer sentiment and behavioral patterns in a rapidly evolving digital commerce environment.

Population and Sampling

The target population comprised individuals residing in Tamil Nadu who engage in online shopping activities. This geographical focus was selected to understand region-specific consumer behaviors in a digitally active state of India. A sample size of 120 respondents was determined to balance the feasibility of data collection with the need for meaningful insights. Respondents were selected using a non-probability sampling approach, specifically convenient sampling and snowball sampling techniques. The survey was distributed via online platforms, including email, WhatsApp, and social media, where initial participants were encouraged to share the survey link within their networks. This method helped reach a diverse demographic base while maintaining cost and time efficiency.

Data Collection Instrument

Data was collected using a structured questionnaire, designed to be self-administered online. The questionnaire consisted of two major sections:

- Demographic items, such as age, gender, and monthly online spending.

- Perception-based statements, measured using a 5-point Likert scale ranging from *Strongly Disagree (1)* to *Strongly Agree (5)*. These items aimed to evaluate user attitudes toward factors such as mobile app usability, trust, social commerce influence, personalization, delivery speed, affordability, and sustainability.

  The questionnaire was pre-tested for clarity and reliability on a small pilot group before full deployment.

Data Treatment and Analysis

Upon data collection, responses to the Likert-scale items were collapsed into three categories for ease of interpretation:

- **Agree**: Combining *Strongly Agree* and *Agree*

- **Neutral**

- **Disagree**: Combining *Strongly Disagree* and *Disagree*

  This simplification allowed for a clearer percentage-based comparison of consumer sentiment across the measured variables. The results were presented using frequency distributions and percentage analysis, which are appropriate for descriptive survey research.

Limitations of the Study

Despite yielding valuable insights, the study is subject to several limitations:

- The use of non-probability sampling may limit the generalizability of findings to the broader population.

- As the responses were self-reported, there is potential for bias, including social desirability bias and recall bias.

- The study is geographically confined to Tamil Nadu**,** and therefore, its findings may not fully reflect consumer behavior in other Indian states or national-level trends.

- The cross-sectional design captures only current attitudes and does not reflect changes over time.

Data analysis and interpretations

Table 1: Age of the Respondent

Age	Frequency	Percentage
18–24	36	30.0%
25–34	48	40.0%
35–44	24	20.0%
45+	12	10.0%
Total	**120**	**100.0%**

The majority of respondents (70%) fall between the ages of 18 and 34, indicating that younger demographics dominate online shopping activity in Tamil Nadu. This aligns with broader trends showing Millennials and Gen Z as the most active digital consumers, particularly receptive to mobile-first, video-driven experiences.

Table 2: Gender of the Respondent

Gender	Frequency	Percentage
Female	54	45.0%
Male	63	52.5%
Total	**120**	**100.0%**

The sample shows a near balance between male (52.5%) and female (45%) respondents. This suggests gender parity in online commerce engagement, highlighting the importance of inclusive UX design, product assortments, and marketing content tailored for diverse audiences.

Table 3: Monthly Online Spend (INR) of the Respondent

Gender	Frequency	Percentage
< 2,000	18	15.0%
2,001–5,000	44	36.7%
5,001–10,000	38	31.7%
10000	20	16.6%
Total	**120**	**100.0%**

The largest segment (36.7%) reports spending between ₹2,001–₹5,000 per month online, followed by 31.7% spending ₹5,001–₹10,000. These figures show substantial purchasing activity and a growing consumer willingness to transact regularly online—underlining the potential for high-frequency categories like fashion, food delivery, and electronics.

Table 4: Influence of Key Factors on Purchase Intention

S. No.	Factor (Statement)	Agree (n)	Agree %	Neutral %	Disagree %
1	Mobile app speed & one tap checkout increase my likelihood to buy.	103	85.8%	9.2%	5.0%
2	Creator/influencer reviews help me discover trending products.	94	78.3%	13.4%	8.3%
3	Personalized recommendations feel useful (not intrusive).	86	71.7%	16.7%	11.6%
4	Visible trust signals (secure payment, ratings) are essential.	99	82.5%	10.0%	7.5%
5	Same/next day delivery affects my choice of seller.	90	75.0%	14.2%	10.8%
6	BNPL increases my basket size/affordability.	58	48.3%	26.7%	25.0%
7	Sustainability (eco packaging, sourcing) matters to me.	73	60.8%	23.4%	15.8%
8	I value data privacy controls and transparency.	92	76.7%	15.0%	8.3%

This Likert-collapsed perception analysis (Table 4) reveals the most influential factors shaping consumer buying decisions:

- **Mobile app UX (85.8%)** is the top driver, indicating the strong role of smooth navigation and frictionless payment in boosting conversions.

- **Social/creator discovery (78.3%)** reflects the growing influence of influencer marketing and short-form content in e-commerce.

- **Trust signals (82.5%)** such as secure checkout and reviews are critical for reassurance, especially in mobile-first settings.

- **Same/next-day delivery (75.0%)** shows logistical convenience as a major competitive differentiator in "trending" platforms.

- **Data privacy (76.7%)** also ranks high, signaling that consumers are aware and increasingly value transparency in data usage.

- While **BNPL (Buy Now Pay Later)** scored lower (48.3%), this may be due to lower awareness or mistrust in financial instruments among specific consumer groups.

Findings of the Study

- **Young Digital Natives Drive Next-Gen E-Commerce:** A significant portion of users are aged 18–34, suggesting businesses must tailor interfaces, product discovery, and messaging to the digital habits of younger, mobile-native consumers.

- **Mobile App Design is the Single Most Important Driver:** With 85.8% of users agreeing that app speed and one-tap checkout influence buying, app optimization is no longer optional but foundational to success.

- **Social Commerce is a Mainstream Channel for Discovery:** Over 78% of respondents rely on creators and influencers to discover trending products, showing that traditional search and ads are increasingly being replaced by social recommendations and algorithmic feeds.

- **Trust, Reviews, and Privacy are Not Optional:** Visible trust markers (82.5%) and data transparency (76.7%) strongly influence brand credibility and consumer conversion, indicating a demand for safe, ethical digital commerce.

- **Fast Logistics and Fulfilment Define Consumer Choice:** 75% agree that faster delivery affects their platform choice. Hyperlocal fulfillment and same-day delivery are now competitive necessities, not luxuries.

- **Sustainability & Affordability Gain Ground:** While still emerging, eco-conscious packaging (60.8%) and BNPL affordability options (48.3%) signal that consumers appreciate sustainability and flexible finance—though adoption varies by demographic.

SUGGESTION

- Design for Gen Z and Millennials with intuitive, mobile-first interfaces, regional language support, and interactive experiences (e.g., swiping, voice search).

- Leverage micro-influencers, memes, and gamified content on platforms like Instagram, YouTube Shorts, and TikTok to align with the content consumption habits of this age group.

- Integrate loyalty programs and referral incentives that appeal to value-seeking yet trend-sensitive consumers.

- Prioritize lightweight app development for low-data, low-storage environments—especially in Tier II/III cities.

- Implement one-tap checkout, auto-fill, and secure UPI integration to reduce cart abandonment.

- Run regular UX audits to test loading speed, ease of navigation, and funnel conversion—especially on low-bandwidth networks.

- Invest in shoppable video content and live commerce events hosted by trusted influencers.

- Develop a creator affiliate program where influencers earn commissions on products sold via their links.

- Embed user-generated content (UGC) like review videos and product demos directly into product pages to build authenticity.

- Display verified reviews, secure payment badges, and easy return policies prominently on product pages.

- Partner with hyperlocal delivery providers to enable same-day delivery in urban centers.

- Promote BNPL and micro-credit options transparently at checkout, especially for high-ticket items.

CONCLUSION

This study highlights the key factors that define the next generation of e-commerce in the Indian context, particularly Tamil Nadu. The findings confirm that mobile-first design, social media discovery, consumer trust mechanisms, and fast logistics are dominant drivers of online purchase decisions. In addition, newer values such as data privacy, sustainability, and creator-led influence are not niche but increasingly mainstream in shaping trending businesses. The data suggests that entrepreneurs and e-commerce managers should prioritize UX/UI enhancements, integrate social commerce strategies, build robust fulfillment infrastructure, and uphold transparent data practices to remain competitive. While the study is limited to a single region and non-probability sampling, it offers valuable insights into evolving consumer behavior in Tier I/II markets. Future research can extend these findings with larger, pan-India samples, include behavior tracking metrics, and model longitudinal shifts in preferences over time.

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