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E-COMMERCE KNOWLEDGE AND ONLINE BUYING BEHAVIOUR AMONG URBAN CONSUMERS

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Abstract
India's diversified urban consumer population has been shaped by quickly evolving e-commerce and digitally accessible consumers, especially in the cities. This paper investigates the level of consumer e-commerce literacy, and impacts this literacy has had on online shopping in urban India. One of the validated primary research questionnaires pertaining to age, occupation, and income, targeted one segment of the sub urban consumer, and analyzed responses from 100 respondents. It was established that consumers that were more cognizant of online shopping, as well as the safety provided in online payment; tools that allow product comparisons; and more favorable online shopping return policies, were more engaged and intentional about online shopping. The study also isolated the main facilitators of online shopping as the ease, lower prices, promotional offers, time efficiency, and convenience of the process; however, the concerns that consumers had towards their privacy being compromised, the authenticity of the products offered, and the delays in product delivery strongly affected consumer shopping behaviours. The study exposed that there was a direct positive correlation between the knowledge of e-commerce and the amount of online shopping done, as well as the monetary value of those purchases. This research further documents the effects of e-commerce on consumer behaviours attributed to a digitally literate population, more targeted to urban consumers, and it provides e-commerce companies with the tools to improve the elements of trust, user satisfaction, and targeted marketing. The study also documents the effects of e-commerce on consumer behaviours attributed to a digitally literate population more targeted to urban consumers.

Keywords: E-Commerce Knowledge, Online Buying Behaviour, Urban Consumers, Digital Literacy, Consumer Perception, Online Shopping Trends, Purchase Intention.

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1. Introduction

The last decade has seen great changes in India's e-commerce sector and how it has transformed the spending habits of the consumers in the country's many urban centers. More affordable data and better access to the Internet via smartphone has allowed urban consumers to engage in the digital economy (Ebrahimi et al., 2021). Digital technologies and online shopping have become more widespread, particularly in the COVID-19 pandemic, and what was previously perceived to be an extravagance, has become an integral aspect of consumers' daily lives. Therefore, consumers in the urban class of India, with their higher incomes and greater exposure and literacy in technology, are the most critical class of consumers in driving the growth of e-commerce in India. Considering the aforementioned factors, e-commerce literacy is very important in influencing the way consumers make buying decisions online. All such knowledge gives consumers more

confidence and leads to more frequent shopping (Hamsalekha & Srikant, 2025). Familiarity with technology gives consumers a better understanding of the digital safeguards in place to protect their online transactions and this reduces their apprehension and makes them more inclined to make online purchases. Furthermore, consumers' exposure to social media, targeted ads, and integrated apps all add to their satisfaction and trust in an overall shopping process.

The growth in research studies focusing on online consumer behaviour has yet to yield a literature study that examines the level of e-commerce knowledge and urban consumer buying behaviour. There are numerous studies that analyses trust, and quality of the website, and convenience, but very few studies measure e-commerce literacy, and the impact it has on purchase frequency, shopping intentions, or expenditure (Srikant, 2025). This is the gap on which the current research is built. par indent As far as this study is concerned, there is a lack of empirical studies in the Indian urban context that establish a relationship between digital literacy and online buying behaviour. This study investigates whether consumers with higher e-commerce literacy are more likely to shop online, and whether such knowledge increases consumers' spending levels and shopping satisfaction. The research study, with a sample of 100 urban respondents, is likely to provide insights to marketers, policymakers, and digital interface designers in understanding how knowledge-driven behaviour helps to increase customer engagement in the e-commerce ecosystem.

2. Review of Literature

An increasingly important factor influencing consumer behaviour in digitally advanced metropolitan areas is e-commerce literacy. It entails consumer knowledge and comprehension of components that characterize online shopping, including how to locate items, compare prices and features, secure payments, and familiarize themselves with return policies and refunds (Pettersson et al., 2018). Studies indicate that highly e-commerce literate consumers utilize digital shopping tools and make better purchasing choices. Most e-commerce theorists attribute improved decision-making to "knowledge of product features, the ability to price compare, and the assessment of the reliability of different sellers. Trust in online payments, a critical factor shaping purchase intention, is greatly enhanced by knowledge of online payment systems" (Urne & Aggrawal, 2020). Consumers that are knowledgeable of payment systems that employ encryption, OTP, two-factor verification, and secure payment gateways are less likely to perceive risk in online shopping and more likely to engage in online shopping.

Empirical studies conducted over the past few decades have described the changes in the behaviour of urban consumers owing to the growth of digitization in cities and sub-cities. According to (Todarwal & Chawda, 2024), urban consumers value convenience highly among the factors that lead to the use of e-commerce. Such consumers, in addition to the elimination of the need to visit a physical marketplace which allows them to shop when and where they want, appreciate the time savings involved and the ability to receive deliveries of products immediately. Discounts, offers, cashback, reward points, and other such promotional activities also contribute to consumers' attraction to e-commerce. Nevertheless, urban consumers have serious complaints that define their e-commerce experience despite the positive aspects (Arumugam et al., 2023). The majority of consumers have the same complaints, such as their questions regarding the authenticity of products, the security of their private information, and the purported risks of delayed or damaged deliveries. The literature suggests that the complaints influence satisfaction and the behaviour of consumers subsequent to the purchase, which reinforces the need for e-commerce companies to develop and improve their trust-building strategies.

Models such as the Technology Acceptance Model (TAM), the Unified Theory of Acceptance and Use of Technology (UTAUT), and the Consumer Decision Funnel offer insights into how and why technology-based systems are adopted by consumers (Fernandes et al., 2023). TAM posits that online shopping platforms will be used by consumers if they perceive them to be useful and easy to traverse. UTAUT builds on this by adding social influence and some dealing with urban contexts. Consumer Decision Funnel works from the stages of awareness to the stages of purchase and post purchase, and describes some of the cognitive and emotional factors that affect buying.

3. Research Methodology

This study employs a cross-sectional approach to describe the knowledge concerning e-commerce and the online buying behavior of consumers in the urban areas. Primary data was collected using a structured questionnaire that had twelve questions of a demographic nature and other questions concerning knowledge, perception of risk, and behavior of buying. The participants were selected using a convenience sampling technique, and data was gathered from a total of 100 respondents using a stratified schema with respect to the different zones of the town in order to obtain a representative sample.

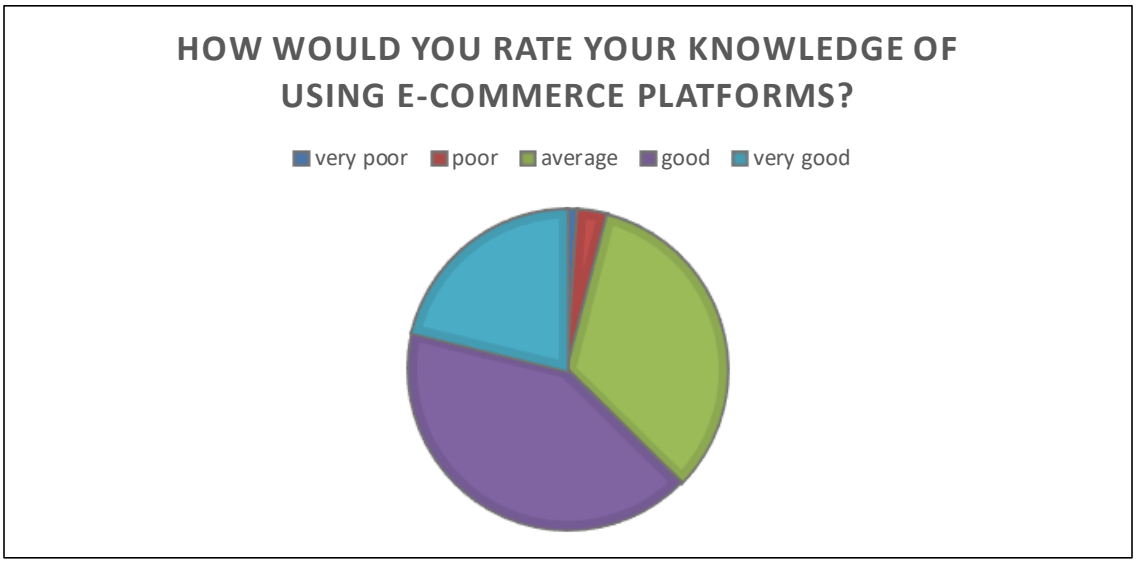
Data was gathered through online mode. The independent variable of the study is e-commerce knowledge, which includes awareness of digital payment safety, product comparison tools, website/app features, and return policies. The dependent variable is online buying behaviour, measured through frequency of purchases, intention to shop online, and monthly expenditure on e-commerce platforms. The use of descriptive approach is justifiable, given that the research focuses on the observation, analysis and interpretation of the individual consumer behavior. The questionnaire was comprised of twelve items pertaining to the demographics of the respondent including age, sex, level of education, occupation and income, as well as items that sought to measure the respondent's knowledge of e-commerce, the risks he/she perceive in buying online, and his/her online buying behavior. Some of the items that were intended to measure consumer awareness of digital payment, comparison of products, features of websites, and the policies of the sellers on return and refund of the products.

Analysis of the summary of the mean scores and percentages of the behavioral and demographic data was done. Correlation analysis was performed to examine the relationship between e-commerce knowledge and online buying behavior, as well as the impact of digital literacy on consumer behavior in urban India.

4. Data Analysis & Results

Surveys that rely on online participation frequently show that younger age groups are more inclined to take part in them. In this research, respondents aged 20 to 29 years made up 33% of the total sample population. In addition, 22% of respondents were younger than 20 years. Everyone 50 years and older were the least likely to participate; this group made up only 7% of the respondents.

Out of 100 responses received, the most frequently occurring income brackets are ₹20, 001 - ₹40,000 (30.3%) and ₹40, 001 - ₹60,000 (27.3%). Together, these two middle income ranges make up more than half of the total sample. In contrast, the highest income bracket (over ₹80,000) constitutes the lowest percentage of the total sample at 10.1%.

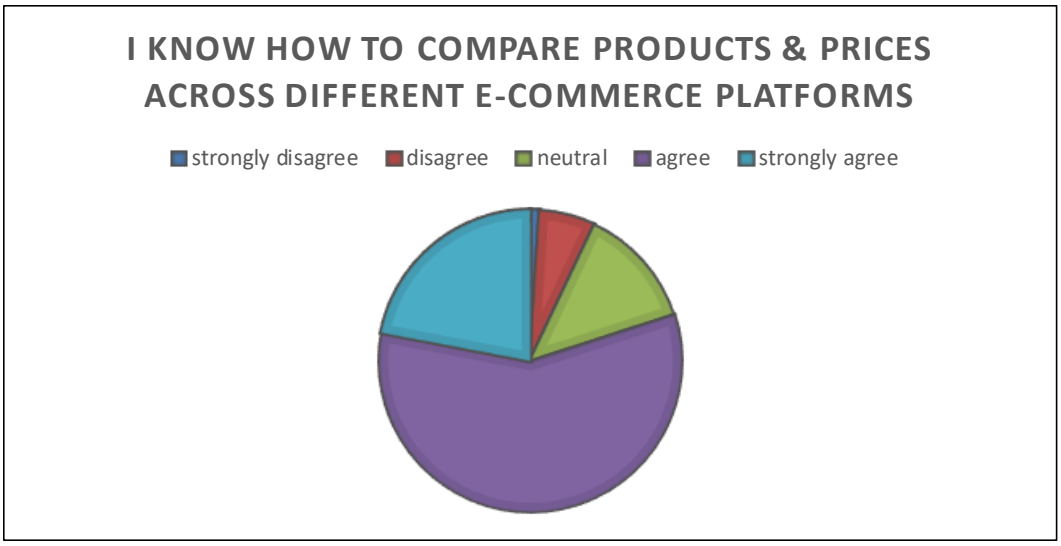


Over sixty percent of survey participants exhibit strong knowledge levels which means 60% are digitally competent. 41.4% consider themselves as having knowledge that is, "Good," and 21.2% believe their knowledge is "Very Good." On the other hand, if no more than 5% of participants assess themselves as having poor to very poor knowledge, the average knowledge of the participants should be accepted as digitally informed.

The respondents showed their financial literacy concerning UPI and COD online payments methods, where 78.8% stated that that they know more than enough to explain these online payment methods. Given the supporting e-commerce financial literacy of the survey group, which had few users that disagreed, 53.5% of respondents stated and 25.3% of them strongly stated to knowing these payment methods.

Consumers' understanding of returns, refunds, and cancellations in e-commerce transactions is validated by the survey result, with the majority (78%) feeling confident. Among the respondents, 28% said they 'strongly understand' the policies, and 50% said they 'somewhat understand' them. Inversely, only 3% said they had no understanding of the policies. This demonstrates the policy communication effectiveness, and the clarity with which they are communicated digitally.

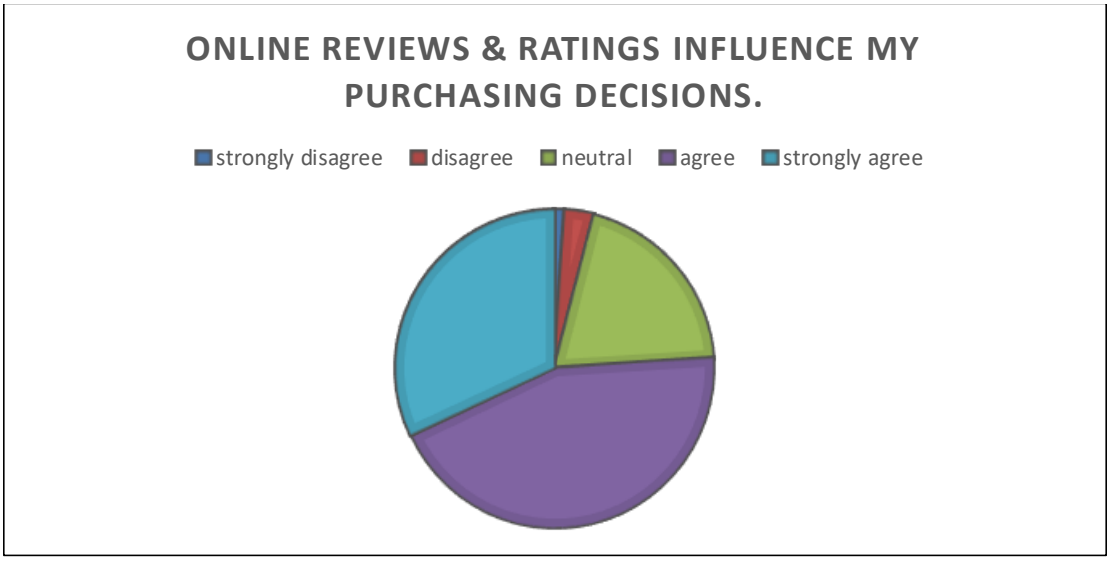
The survey shows the consumer base's intelligence, as 85% of respondents acknowledged online shopping's risk of scams and theft of personal information. This understanding of risks relates to their knowledge of the e-commerce platform and online shopping financing safety.



Eighty clients, which forms the majority, can be classified as smart shoppers, as they engage in cross-platform product and price comparisons. The survey revealed that 58% of respondents acknowledged this, and 22% strongly concurred. In contrast, a mere 7% admitted to having no such capability.

The information shows that many people in the survey shop online regularly, as 63% of them do so 2-3 times a month or even weekly. More active participation is likely due to consumer awareness. 85% of users aware the risks that online shopping hold, and 80% of users know how to compare prices in other shopping websites.

Remarkably, almost two-thirds, or 59%, of the respondents are flexible consumers who stated that they shop online for all categories: clothes, electronics, and groceries. The respondents' extensive buying behavior may be related to the high shopping frequency of 63% who said they shop online every week or two to three times a month.



The survey clarifies the fact that the influence of social proof is profound as 76% of participants indicated that systems of reviews and ratings have influenced their buying behavior. Such

dependence on the feedback of the peers with accentuates why the e-commerce brands need to manage their reputations, especially considering that only 4% of participants chose the rating systems as irrelevant to their decision making.

Among the survey respondents, 91 percent (56 percent Agree, 35 percent Strongly Agree) state that discount offers, and thereby, the use of promotional tools, stimulate purchase and, as a result, activate e-commerce. The findings suggest that respondents are, indeed, nomadic e-consumers as they were almost unwilling to entertain any comments to the contrary.

The survey indicates a high degree of satisfaction among the shoppers, with 86% of the shoppers stating that they were satisfied or very satisfied with the experience of shopping online. Such a high degree of satisfaction indicates that the respondent population are sophisticated shoppers who know how to navigate the platform, understand the policies and are mindful of the risks involved.

5. Discussion

The outcomes of the current research are in agreement with previously published studies concerning the impact of digital awareness on consumer behavior in Ghana. Previous studies show online platforms, digital tools, and secure payment mechanisms, positively impact consumer confidence, and increase the likelihood of purchase. This study's results show urban consumers with more e-commerce knowledge shop and spend more than those with less e-commerce knowledge, supporting earlier studies. This supports the conclusions of (Wigayha et al., 2025) that digital literacy significantly drives confidence and trust in the use of e-commerce. Understanding digital tools is particularly important for consumers of online shopping because it is a sophisticated environment that requires high levels of technology. Users need to be tech-savvy to perform tasks such as navigating websites, filtering and sorting products, price comparison, and making payments, and those processes are complex, and require an understanding of the functions and features of the digital platforms.

Increased understanding of e-commerce reduces apprehension for consumers by helping them securely process payments and understand the policies related to encryption and refunds. Therefore, the fear of fraud and financial loss decline. Knowledge, and subsequently, the absent of fear, increase levels of trust, which is an important mediator in the phenomenon of knowledge and behavior in the context of e-commerce (Ghosal et al., 2021). Getting motivated by the e-commerce facilitators such as convenience, low prices, discounts, and saving time is easy for

consumers in big cities. However, the e-commerce users from the big cities worry about privacy, the authenticity of the products, and delays in deliveries, which negatively impacts motivation. Combing these contradicting defactor and factors is challenging, especially in Indian e-commerce where many digital services and products are provided together with an amount of uncertainty.
Offering a smooth user experience is crucial for urban customers as they appreciate it. Therefore, it is important for e-commerce companies to invest in high-quality interface and navigation, easy-to-use mobile apps, and safety warnings. Setting trust by explaining how the privacy and payment system works is important (Ebrahimi et al., 2021). In order to make online shopping a habit for consumers in urban areas, it is very important to increase knowledge and trust of consumers.

6. Implications, Recommendations & Policy Suggestions

This study outlines several managerial strategies for e-commerce businesses. Haltering transaction anxiety and settling worries about purchase legitimacy can be done by improving and extending refunds and return policies. Customers' demand for sophisticated and enhanced comparison of products is evident. Customers vis-a-vis their knowledge of data protection and the empathy involved in data protection need to be educated about data privacy.
About the policymakers, the most important conclusion is, in the absence of unprotected and unrewarded consumer policies, the need for a more sophisticated consumer protection policy focused on the transparency of the seller and the product is clear. Regulatory bodies may require online marketplaces to have seller verification and authenticity of the seller. Consumers may have more trust, and digital marketplace governance may become more responsible, if there are more clear and accessible mechanisms for logging grievances.

7. Conclusion

This research describes a validated positive relationship between knowledge of e-commerce and the online purchasing behavior of the urban population. Digitally literate consumers demonstrate greater confidence, trust, and frequency in completing online transactions. Therefore, the level of digital consumer understanding is critical in determining purchasing behavior. The present study attempts to measure the knowledge-behavior discrepancy in the urban Indian context, which is an under-explored area in existing literature. Given its narrow focus and small sample size, the study can be legitimately criticized for concentrating on the urban population and ignoring the semi-urban and rural populations. Future research may focus on cross-regional studies, studies of behavior by platforms, and studies of digital literacy within a time spectrum. Above all, consumer awareness is crucial in advancing the e-commerce ecosystem in India.

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