Successful triumph of Retailers –Over e-tailers

DR. Sharuti Choudhary

Asst. Prof. in Information Technology
IILM Graduate School of Management
Greater Noida, India

Abstract: *The e-tailing market has experienced an increase in recent years. There can be no criticism that e-tailing takes place in an unforgettable boom phase, with e-tailers dominating news headlines on an almost daily basis. The emergence of this sector has opened doors to new opportunities along the chain of costs, including vendors, manufacturers and supplier companies such as logistics, cargo gateways, the web, packaging and many more. But there have been some very robust and exclusive critiques of some professionals and the business community in favor of brick and mortar stores that the growing e-tailing has created havoc for brick and mortar stores. This article suggests different strategies in brick and mortar stores to deal with this competition.*
Keywords: *e-tailer, Brick and Mortar*

Introduction:

The e-tailing market has enjoyed a dazzling boost in recent years. One can complain about the fact that e-tailing is taking place in an unprecedented boom phase, with dominant information carriers of e-tailers on an almost daily basis. The emergence of this sector has opened doors to new possibilities along the tariff chain, consisting of vendors, manufacturers and offers companies such as logistics, freight gateways, content and web enhancement, packaging and many others. But there have been generally very strong and exclusive criticisms for some professionals and the business community in favor of brick and mortar shops that the growing growth of e-tailing has created havoc for brick and mortar shops.

Literature review:

According to Turban (2006), e-tailing is defined as online retailing, on the Internet. Wang (2002) provided a broad definition of e-tailing by defining it as the sale of goods and services to the consumer market on the Internet. Rao (1999), e-commerce offers greater market activity for retailers in the form of increased market access and information, and lower operating and acquisition costs. Ratchford (2001) stated that consumers can gather information about products and compare products through inexpensive providers via the Internet. Zeithaml (2002) defined that the success of e-tailing depends on the efficient design of the product Website and fast delivery. Other e-store services are real-time, return and replacement process, online order fill form, response time to electronic inquiries.

Myerson (1998) stated that consumers are gaining more information on the use of e-tailers (and

search engines and online agents) for practical and practical purchases. Guttman (1998) describes several unique elements that make online shopping different from the traditional retail model. In addition to offering convenience and a wide variety of products, the online model also facilitates access and comparison of data from multiple sources. Meeker (1997), retailers could shout dirty, but the new paradigm of purchases they face is that premium customers are beginning to accept the e-tail alternative in greater numbers.

Objectives of the study:

- Draw the engines of e-tailing growth.
- Recommend various strategies to brick and mortar stores to control the impact of e-tailers.

The e-tailing boom

First, we will enter the definition of E-tailing. The sale of products and services via the Internet. Electronic retailing, or e-tailing, can include business-to-business and business-to-customer revenues. E-tailing revenues may come from the sale of services and products, through subscriptions to website content or through advertising. Although e-commerce in India remains in childhood compared to China and the United States, there can be only one way forward. Today the e-commerce industry in India is the place where United States was converted in 2003 and China in 2007. Currently, Internet penetration in India is 1/3 of China and the size of the industry is about 1/60 of China stating that fate will increase both net penetration expanded as well as high adoption. For starters, remember that as cellular technology develops across India, the range of Internet users is expected to reach 300 million by the end of this year. And as the biggest players go online, India's "economic Internet system" develops faster than any other country. In 2009, for example, India's e-commerce market gained about $ 2.5 billion. In 2011, this number rose to $ 6.3 billion. And in 2012, more than doubled to $ 14 billion. According to Google India, there were 35 million online shoppers in India in 2014 Q1 and is expected to cross 100 million marks by the end of 2016. CAGR faces a global growth rate of 8 to 10%. Electronics and clothing are the most important categories in terms of sales. India's e-tailing industry is estimated at 3,600 crores ($ 800 million) in 2011 and is expected to reach 53,000 crores ($ 11.8 billion) by 2015. A study carried out by the Internet and Mobile Association of India, it is estimated that the electronic commerce sector reaches Rs. 211,005 crore in December 2016. The study also said that online travel accounts for 61% of the e-commerce market.

According to a study by the Indian Institute of Electronic Commerce, by 2020, India is expected to generate online retail revenues of $ 100 billion, of which $ 35 billion will be made through e-commerce. Online clothing sales are expected to multiply in the coming years.

India's retail market is estimated at 470 billion dollars in 2011 and is expected to reach 675 billion dollars in 2016 and 850 billion dollars in 2020. - It is estimated that the CAGR of 10%. According to Forrester, the e-commerce market in India is expected to grow the fastest in the Asia-Pacific

region at a CAGR of more than 57% between 2012-16. In addition to the jump in web usage; there are other key factors behind the growth of e-commerce in India:

- Higher standard of living and a prosperous middle class with higher earnings available. The evolution of the web market, made through websites such as Amazon, eBay, Flipkart and Snapdeal. These stores also offer lower rates compared to brick and mortar retail stores.
- Busier lifestyles and a growing population, resulting in additional traffic congestion and major buyers to do more, buy online.
- Increased broadband connectivity and 3G penetration.
- More use of online sales websites.

In addition, about 75% of e-commerce revenues in India are associated with travel: airline and train tickets, hotel bookings, car rentals and many more.The rests is online retail trade - an area that is developed at an estimated annual compound growth rate (CAGR) of 30%. This breaks the average global growth rate of between 8% and 10%. Not surprisingly, the e-commerce market in India currently reaches $ 24 billion by 2015. Indian online retailers have increased the budget to expand and compete with Amazon's largest rival.Com that more Indians save on the Internet.

Flipkart raised $ 1 billion (over 6,000 crores) and the day Flipkart announced this funding, Amazon introduced $ 2 billion (more than 12 billion rupees) in India. Softbank has just announced plans to invest approximately $ 627 million (more than 3,850 crores) in Snapdeal - and Softbank would have planned to invest $ 10 billion (more than 60,000 crores) in the region over the next 10 years. Although the retail market in India is huge, it is basically now disorganized retail, and you would be hard to discover sales that could compete with online stores

Millions of consumers across India are often attracted to the largest suppliers of e-tailers with the most important offers, delicious offers, competitive prices and the most convenient of all home shopping.

The autumn-winter vacation period has seen major players from the electronic commerce industry coming forward and from the chimney in all cylinders. Flipkart, Snapdeal, Jabong and extra have all offers of pronunciation of saturated vehicles too good to be true. The "Big Billion Day" by Flipkart became a fight on October 6 against Snapdeal's "Bachate Raho" campaign and Amazon's "Dhamaka Online Shopping." As Arvind Singhal, president of the retail consulting firm Technopak Advisors says October will be the turning point of online retailing in India. "With the collective effect of promoting and marketing with the use of all major players, the Indian e-tailing area will see a new wave of first-time online shoppers during the holiday months."

Threats to Brick and Mortar Stores
Already the unorganized retail sector is facing the heat of the organized area and now digital retailers have posed more threats that hinder their recovery and boom.

The biggest competitive approach followed by the use of e-tailers is low priced, which in particular boosted sales and reduced the sale of brick and mortar stores. The following elements that can be awesome for electronic sellers threaten and disrupt the potential of retailers to manage the business profitably.

- Online consumer price research.
- Convenience of door-to-door transportation.
- Advantages of the widest range.
- EMI option.
- Cash payment (COD).
- The online positioning of the product in which a few brands are the most efficient online free due to reasons that cannot be disconnected or do not have bandwidth.
- Electronic merchants make bulk purchases from producers and can control cash bills. They can find money to offer huge discounts.
- Ease of return if you are not satisfied with the gadgets sent.
  Growing buoyancy in the sector is driving the growth of online retailing.
- Increase access to an inaccessible area. This will honestly have a more detrimental impact on the brick and mortar stores in the near future.

Strategies to compete with e-tailers

With such demanding situations for brick and mortar stores, and in the context of the many changes in the behavior of Indian customers, it is likely that "e" emerges as the most attractive retail channel to satisfy the desires of " buying a mass segment of the Indian urban consumer and offering maximum competition to the corporatized physical format store, especially those operating on predominant streets and shopping centers in predominant Indian cities. As a result, the earliest store owners / owners (after some brand owners) accept "e-tail" and take steps to move toward these fundamental changes, the better it might be for them. In fact, there are many opportunities for owners and mall owners to claim their spaces and business models to choose e tailers as partners rather than consider them as adversaries.

Many have chosen to ignore, minimize or even ease the effect of e-commerce. Thinking of the buyer's experience in the store or more advertising on television will solve the problem will be more effective to speed up the decline and no longer stop the trend. Second, the eye wants to show a consumer-driven business model rather than a real estate model. Retailers will need to focus on the experience of their best asset (their customers) and what a new advertising and marketing model based on customer ideas means. The "location, location, location" will become "customer, customer, customer". Retailers must recognize that the buyer is now under control. Customers do not own outlets. They park now, despite the fact that they have a credit card at the store or a frequent buyer card. Unless you understand how much you spend on competition, online and in

the store, you might be surprised by the bad news too late to react. Identifying markets most at risk from online competition can be an amazing place to start.

Conclusion:

There are several vital classes that are learned in the passage of brick and mortar retail to the digital e-tail world. While competitions such as pace, differentiation and branding are equal even though they are no longer essential in the digital world, it is possible to transform operations and basic practices into this new the difference between success and failure Retailers want to study the feasibility of this type of transition and examine the synergies of using the new e-tail chain. Three conclusions are drawn. First, large retailers are now looking for Internet benefits and cost reductions in operations that can translate into an increased competitive position in terms of system, structure and relationship. Second, customers' reactions to new real and virtual offers will be critical to their realization and failure, but as customer feedback is no longer fully understood. Third, the current retailer area will need to improve the quality and presentation if it wants to continue to provide the retail function. Retailers must discover greater opportunities and integrate technological developments to develop with the unstable situation and compete with the giant named e-tailing.

"He who has no foresight and who underestimates his enemy will be definitely captured by him."

References:

- Baye, M. R., Morgan, J. & Scholten, P (2003), "The Value of Information in an Online Consumer Electronics Market". Journal of Public Policy & Marketing, 22, pg.no:17-25.
- Guttman, Robert H., Moukas, Alexandros G. and Maes, Pattie (1998), "Agents as Mediators in Electronic Commerce". International Journal of Electronic Markets 8(2): pg.no:22–7.
- Haubl, G. & Trifts V (2000), "Consumer Decision Making in Online Shopping Environments: The Effects of Interactive Decision Aids". Marketing Science, 19(1), pg.no:4-21.
- Kalyanam, K., and McIntyre, S (2002), "The E-Marketing Mix: A Contribution of the E-tailing Wars. Journal of Academy of Marketing Science", 30(4), pg.no:487-499.
- Kim S.Y, Lim Y.J (2001), "Consumers' Perceived Importance of and Satisfaction with Internet Shopping", Electronic Markets, vol.11, no. 3, pg no: 148-154.
- Metters, R. & Walton, S (2007), "Strategic supply chain choices for multi-channel Internet retailers". Service Business1, pg.no: 317-331.
- Rabinovich, E (2004), "Internet Retailing Intermediation: A Multilevel Analysis of Inventory Liquidity and Fulfillment Guarantees", Journal of Business Logistics, vol. 25, pg.no:139-170.
- Rao, Bharat (1999), "The Internet and the revolution in distribution: a cross-industry examination". Technology in Society. 21(1), pg.no:287-306.