

Technology Revolutionizing Retail Practices in Digital Era

Neha Wadhawan¹, Dr. Amit Seth²

¹Ph.D. Research Scholar, FMS, Manav Rachna International University, Faridabad.

²Professor, Manav Rachna International University, Faridabad.

Abstract: Technological up gradations and changes in the overall economic scenario has changed the overall dynamics of retail practices and consumer base. Professionals in organizations are looking for consumer insights to enhance the profitability and growth index of their businesses. They are working with their clientele to have a better knowhow on the beliefs, attitudes and notions shared by consumers throughout their purchase making journey. Various tools and techniques from the vicinity of interdisciplinary approaches and research base are used, that could help clients to generate a holistic view of their consumers – one that could develop their product better, making it more promising and successful. The paper is highlighting how e-commerce is overpowering other sectors in terms of growth and is expected to reach new heights in the current digital era driven by huge investment in the sector, hiking internet user base and changing economic scenario of the country. This digital era retail will soon bridge the gap to come at par with the traditional physical retail in the next few years. Retailers in India need to get ready to keep up with use of technology or digitalization in retail. Digitalization in businesses or retail was a choice earlier, but now it has become a necessity.

Key words: Digitalization, innovation, consumer insights, e-commerce, holistic etc

I. INTRODUCTION

Retail is the process of changing the ownership of goods or services from company representative or intermediaries to the final customer with the motive to earn profit and boost sales. Organizations all over, are advertising and promoting the product using different strategies to persuade consumers to buy more and boost up sales and thus demand also increases. With the dynamic changes in technology, the retail practices are revolutionizing gradually. Tech-savvy consumers equipped with smart weapons are ready to make a cut through in the already existing web of traditional retailing practices. These consumers expect the retailers to connect with them through holistic communication platform i.e., making use of in-store, online, social media and other smart approaches accessible to them on their mobiles besides other traditional forms. Retailers are also getting handy with these newer formats to bridge the gap between consumer's expectations and retailers' endeavours to reach new heights of consumer satisfaction.

Retail market of India, which was worth US\$ 600 billion in year 2015, is expected to rise up to US\$ 1 trillion by year 2020, driven by factors like growth in income, urbanization, change in life style of people, attitudinal shifts, gradual drift in purchasing patterns and sources and many more. The overall retail scenario is expected to steep up and grow by 12 % per annum, comprising of both modern and traditional trade practices wherein modern trade is expected to grow with nearly double the percentage of traditional trade.

II. CHANGES IN THE RETAIL SECTOR IN INDIA

The retail industry in India has undergone numerous transformations making new benchmarks and milestones for companies to achieve. The companies on the other hand have also strategized their channels to meet up to these alignments efficiently and effectively. Technology is playing a very significant role in this complete process. A brief highlight of the retail journey is given as under.

III. RETAIL IN THE 70's

This era of retail was ruled by shopkeepers or producers. Consumers had a very little say on the offered products due to limitations in the availability of product choices. Due to low choice in the products' available in the market, shopkeepers used to show a complete control over the scenario. The demand was more in comparison to the supply in the market. In turn, shopkeepers used to demand money from consumers based on their judgement about consumers' paying capacity and depending upon their scale of relationship with them. The discrimination in product availability was also grounded on the bases of different income groups with variations in the sold quality of products as per the status of consumers. Similarly, after-sales services and benefits also used to differ.

The huge markets known as 'bazaar', a local version of traditional markets came into being, where manual record keeping was prevailing.

IV. RETAIL IN THE 90's

In 90's globalization became more existent. Keeping growth in mind, many multinational companies started penetrating Indian market with their products which even lead to price

war. More and more expenditure on advertisements and promotions was made to attract the large consumers base. Moreover, focus from sale oriented marketing started drifting to consumer oriented marketing. The purpose was to make product easily available and at economical price. All services and products were marketed at equal base to all consumers. But the placing sector of marketing mix was still overpowered with traditional distribution channels of time. In Short, technological boom was initiated but the technology was yet to be utilized effectively.

V. RETAIL IN THE 2000's

With the change in time, retail practices changed the horoscope of the complete market. Consumers who were once dominated, were now considered as the king and the brands and their people were at their service to provide maximum satisfaction through delivery of desired product comfortable to their pockets too. Technology was widespread on wide range of mediums. Concept of home delivery came into existence. This was made possible only with outburst of technological spread. Consumers could order products sitting at home, anytime, from anywhere and could even return back the product if it is not as per expectations. Number of payment modes like card payment, mobile payment, online transfer etc. were made available to consumers. Technology which was penetrating in 90's, got infused in retail finally and completely Consumers were taking help of technology at every point of purchase now.

VI. RETAIL IN THE LAST 10 YEARS

In the last 10 years, technology is striving new and different modes to reach maximum consumers through telecom, mobile and internet. Youngsters and young adults, with good buying power but lack time for physical shopping, were particularly on the move. This era was completely getting ruled by digitalization, making people do communication of all types using tech-devices, tech-media, and social media like whatsapp, facebook, twitter, linkedin and many more.

The products were increasingly getting sold through online retail or shopping. Many online retailers like Flipkart, Jabong, Amazon, Snapdeal have started giving best deals to consumers sitting at home with comfort zone and total online security. Not only physical goods, but even services like insurance, banking, cooking, ticketing etc. are being delivered online to consumers globally

It's not an end but a continuous journey which will unfold many more variables of modern day technology in the times to come.

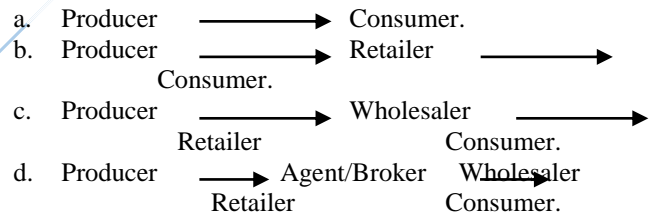
VII. CATEGORIZATION OF INDIAN RETAIL MARKET

The retail market in India has been categorized into following:

- Traditional Outlets including sale of vegetables, fruits or grain markets or fairs.
- Established retail outlets like independent retail stores, departmental stores, kiosks, super markets, franchises, speciality outlets, hypermarkets, wholesale retail outlets or cash and carry outlets.
- Cooperative or Government stores like Mother Dairy, Khaadi retail outlets and village products outlets, Cottage industry retail base, Army and defence canteens or fair-price shops.
- E-commerce including commercing of physical goods like electronics, leisure and household products, grocery etc. and various services like travel ticket booking, hotel accommodation, entertainment, insurance, hospitality, education etc.

As per the research, segments contributing to the retail industry are lead by food and grocery, apparel, electronics, telecom, food services, jewellery, pharmacy and few others.

The retail as an industry follows four kinds of channels to direct the products from the producer to the final consumer.



Modern retail these days adopt Omni-channel approach wherein they integrate various channels to make the product better accessible to the consumers and making them the decision maker to choose the most convenient mode of purchase to them.

VIII. BENEFITS OF TECHNOLOGY IN TRADING

Technology has improvised business in following ways:

- Reduced cost of inventory
- Improved customer satisfaction
- Automation in inventory control
- Maintaining good a relationship with suppliers
- Improved forecasting
- Track of margins and profits

IX. CONCLUSION

To succeed in the digital business era, retailers have to stretch their boundaries. They need to wake up and smell the world going internet savvy around them. Currently, we have small business men or retailers, hawkers, cobblers, tea stall owners

and many more like them, who are conveniently running their businesses with the help of Pay TM and other modes of electronic payment. Retailers in India need to get ready to keep up with them. This requires rethinking their business model, deciding how to transform into digital businesses and making the right technology investments to become digital leaders. Digitalization in businesses was a choice earlier, but now it has become a necessity.

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