

Strategising for Traditional retailers to gain a competitive advantage

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Abstract: India has the largest population of Youths were the current trend and change in economy are by them and for them. Also in today's fast growing economy, the Indian online retailing has pushed the traditional Brick& mortar retailing aside. The purpose of this thesis is to gain in depth knowledge about the shopping preferences of Indian youth over the category of Apparels and the kind of change they would like to experience in the online and offline retail market. So, the study focuses on the Indian youth and their preference over their shopping based on the current economic trend. In order to gain in depth knowledge required for the thesis case study 130 members were surveyed to gain knowledge over the customers shopping preference through online & offline and also to know about their feedback and suggestions. The questionnaire was based on the reasons they are attracted towards either (Online & Offline) the shopping models and the changes they would like to have in the market to have charm in shopping over traditional retail store. This would help the apparel market to have a clear idea about reaching their right customer according to their shopping preference and also will help the success run of business for the traditional brick& mortar store.

Key Words: Online retailing, Brick& mortar, Offline retailing.

I. Introduction

The Youths are the largest population in India their likes and dislikes are changing the trends on every stage of economy. They have the power to create and destroy a trend, the whole economy is targeting the Youths in a narrow or wider angle in a way it would help their business. Their shopping preference based on the convenience and availability of each individual preferred brands in the market also the preferences and reviews goes viral through internet once they experience a new product or any kind of event happening in the economy and create a perception among the new customers for the particular product or any events in the society. The most questionable topic in the current years is the solution to save the Brick& Mortar store from extinction due to the new trend of e-shopping. This research focuses on the Indian youth in knowing their expectations and shopping preference over the Brick& Mortar and e-tailing model of shopping. This would help the traditional retailers to understand the flaws or the track which they are missing from serving their customers and also this analysis would help them to strategise themselves from the online shopping model and gain their competitive advantage. This would strategise them to be a independent model and serve their customers according to their preferences and their current trend and expectations.

II. Literature Review

The online shopping is being the most trending model in this era even people started to expect all category of products in their day-to-day life to be made online due to their busy and sophisticated life expectancy in the economy i.e. trending towards e-lifestyle. The market has its own promotional activities and strategies to gain their potential customers (Pandey & Chawla, 2014) with the interest to shop online according to their convenience. The e-com is gaining its competitive advantage over the traditional retail sector which doesn't mean they are profit making sectors (Reddy & Divekar, 2014) they are just gaining their attraction towards them with their site's Visual merchandising for their online customers. The purchasing behaviour of a online shopper is based on the customer attitude (Renny, Guritno, & Siringoringo, 2013) and also customers refer for price and trust among the online retailers, which is the element that triggers the customer in their shopping behaviour (Kim, Xu, & Gupta, 2012) The customer from age group 15-29 were targeted in shopping behaviour where the findings are the hedonic and convenience motives play a predominant role in shopping of these young customers (Sane & Chopra, 2014)The apparel shopping online these days brings the hike in e-com shopping as well its own cons like the fitness of the apparel to their desired customers even though each brand tires to have their own measurement model yet the basic issues is each brand depends on different type of size and shape measurement (E.A.Gribbin, 2014) The actual risk reducers of apparel shopping online are established product brand image and online store image which influences the customer intensions to shop apparels online based on their value proposition among their customers (Simonian, Forsythe, Kwon, & Chattaraman, 2012) The

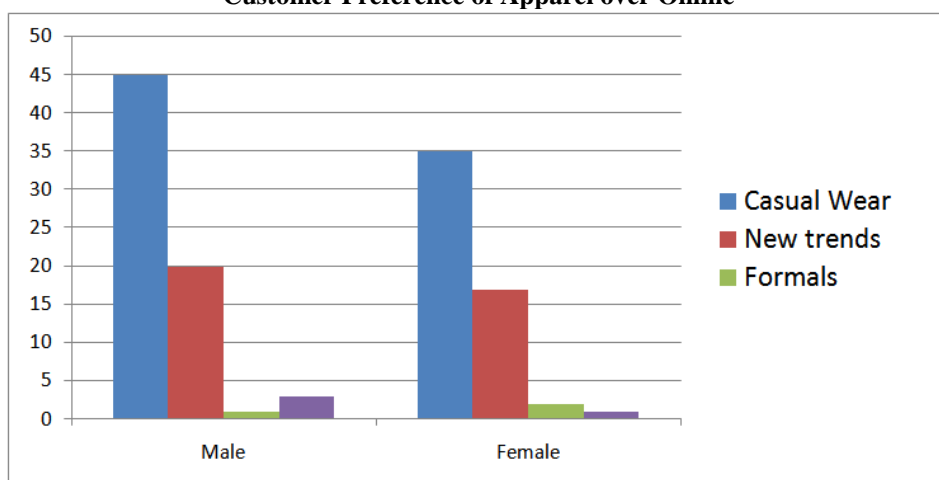
shopping format choices in the areas which attract customers are based on the customers varied shopping attitudes like Discount stores, Exclusive stores and Multi-brand outlets (Tripathi & Dave, 2013)

The emerging new retailers in the market are adapting to the concept of Brick& Click, the model of being available online as well in traditional retail store. The new trend of online and offline integration was a helpful tool to bring back the customers to the offline store and gained a competitive advantage rather than channel cannibalization (Herhausen, Binder, Schoegel, & Hermann, 2015) this channel extension actually didn't affect their store revenue of the either channels (Pauwels & Neslin, 2015)) it's not about gaining profit but is to gain the customers strategic necessity (Bernstein, Song, & Zheng, 2008). The vendors do create different strategies for initial and repeated sales by impact of pricing on initial customers and non-monetary factors on repeated customers. Even the Online visual Merchandising would help the brand to leads competitive advantage in the e-tailing market of apparels.

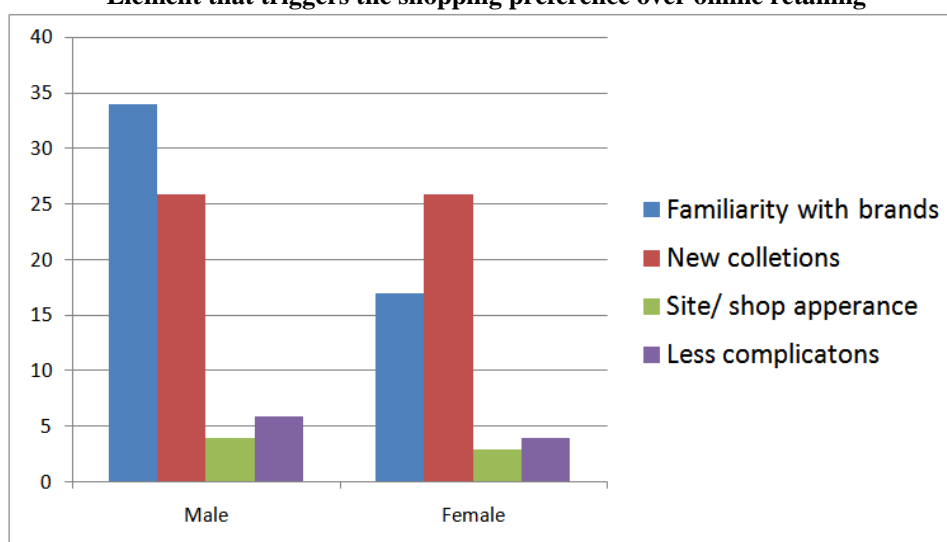
III. Methodology

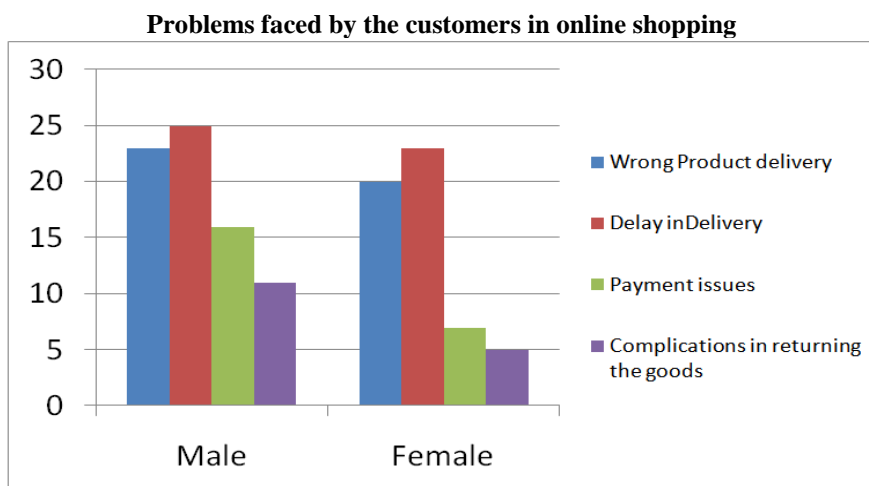
The literature review shows the major impacts as their behaviour as their convenience, trust, price, more product availability as their customer preference. My survey questionnaire consist of the main elements on their demand on product availability, trust, attraction by the online site and the element which attracts them to shop which was asked to understand their shopping behaviour which falls as a positive and negative point towards either the shopping model of Online and Traditional retailing. The survey was conducted over 130 young shoppers with age group of 18 – 28 who resides in various locations of India and their feedback and suggestions are analysed. Their answers are measured in 4 point likert scale. Their purchase preference over online shopping against the traditional retail shopping are categorised in the survey separately.

Customer Preference of Apparel over Online



Element that triggers the shopping preference over online retailing





IV. Conclusion

The study states the different factors the customers look for during their shopping are their varied purchase preferences and behaviour over their trusted and un-trusted brands in online even though the current market relies on online shopping over the traditional retailing to reach their potential customers. The customers who shop online are not loyal customers most of the e-shoppers are the person who relies on the offers and products made available in their site were very low percentage are the loyal customers. Also customers are ready for their future shopping in the same site only when they are satisfied with their service also they expect that from a well established brand. So, the branded items which have their products available in their store as well online gain more attraction among regular customers. The occasional customers seek for offers and the regular customers seek for trust with the brand value.

During the year of 2014 the traditional retailers extended to the online availability to reach their wide spread of existing and potential customers and they got their basic strategy to serve their customers online as well offline (traditional store). Their strategy was a success and all the emerging retailers are gaining this model of Brick & Click and they could also consider the customer behaviour and attitude towards their product availability and the type of service they imply to satisfy their customers to gain their potential and loyal customers.

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