# E-Tailing A Benchmark In Modern Marketing

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**Abstract:** *Few years back technology brought the shopping information on to the laptops, today it brings the products right to the doorstep. With the use of internet as a medium a person can buy products from a virtual store (shopping website). Though detractors to this technological advancement thought that this would take the joy off shopping, it has only added a whole new perspective to shopping. Electronic retailing (e-tailing) is a buzzword for any business-to-consumer (B2C) transactions that take place over the Internet. Simply put, e-tailing is the sale of goods online. Companies like Amazon and Dell created the online retail industry by putting the entire customer experience - from browsing products to placing orders to paying for purchases - on the Internet. The success of these and other companies encouraged more traditional retailers to create an online presence to augment their brick-and-mortar outlets. Online retailing portals such as eBay.in, Snapdeal.com, and Naaptol.com are registering anywhere between 40 and 60% of their sales from rural areas apart from the tier II and III cities. The penetration rate is quite low in comparison to other countries worldwide; however the number of users is significantly high. The present scenarios of e-tailing opportunities, its market, the viabilities and trends etc., have been discussed in this paper*

**Keywords:** *E-tailing, Multichannel, Product, Diversity, Service, etc*

## I.    Introduction

An innovative idea can go a long way toward creating a successful small business. But ultimately, a company can't be profitable unless it can convince consumers to try its products. The Internet is a channel that businesses are using in todays world  to advertise, connect with customers, make sales above all to retain the customers for a longer period.

The Indian Online Retailing business is having a wider scope which is yet to be exploited. Internet is a potent medium that can serve as a unique platform for the growth of retail brands in India. The medium holds many virtues favourable for the retail industry including a higher customer penetration, increased visibility, and convenient operations. The current web-based models for e-tailing are part of an embryonic phase preceding an era of rapid transformation, challenge, and opportunity in Indian retail market. The Indian retail market is witnessing a revolutionary phrase. The growth of internet has enabled the new retail format of the virtual retailer to emerge and forced the existing retailers to consider e-tailing model of retailing as well. Online retailing or e-tailing is described as transactions that are conducted through interactive online computer systems, which link consumers with sellers electronically, where the buyer and merchant are not at the same physical location. In a very short span of time  , internet retailing or e-tailing has occupied a predominant place in marketing businesss especially  in India.

According to Rao (1999), e-commerce offers increased market activity for retailers in the form of growing market access and information and decreased operating and procurement costs. The consumers can gain better prices due to the competition and also can enrich their knowledge on goods and services. According to a survey conducted by Internet and Mobile Association of India (IAMAI) and Indian Market Research Bureau (IMRB), the e-commerce market in India has garnered Rs. 9210 crore in 2007-08, whereas e-tailing market was only about Rs. 1150 crore). In general, e-tailing industry, from a business perspective offers an opportunity to cater to consumers across geographies, no operational timings, unlimited shelf space – and all this with miniscule quantity of infrastructure. For a country like India, the growth in the e-tailing market is driven by the need to save time by urban India.

## II.    Objectives Of E-Marketing

E-marketing objectives define what you want to achieve through your e-marketing campaign. They set the reasons why your business wants to go online and allow you to estimate and monitor the progress of your online marketing activities. They also provide an incentive to focus on critical areas and formulate strategies to help achieve intended objectives. Different businesses may develop different e-marketing objectives depending on their individual circumstances.

**A useful framework for developing effective e-marketing objectives is the five S's framework, which includes:**
1. Sell – using the internet to sell products and services
2. Serve – using the internet to serve customers
3. Speak – using the internet to communicate with customers (both existing and potential)
4. Save – using the internet to save/ reduce cost
5. Sizzle – using the internet to build brand identity

**When setting your e-marketing objectives, you need to make sure that they are:**
- Specific – specify what is to be achieved
- Measureable – expressed in measurable terms such as key performance indicators, outcomes numbers, percentage, dollars, etc.
- Action-oriented – state which actions need to be taken and who will take them
- Realistic – achievable with the resources available

## III.    Literature Review

There  is lot of data available on e-tailing  but only a few has been given, related to the paper.

Eroglu et al. (2001) have advocated that the most important thing in the traditional retailing is physical store setting. According to them, it is largely determined by the cost of real estate and the various physical objects required creating different sounds, aromas, colours and lighting. Online constraints tend to be related to the screen resolution and the hardware that exists at the consumer end of the channel. The hedonic factors in designing the web-site interface can be enhanced with symbolic, nonverbal elements, which can be created by images, colours, fonts and videos and music.

Zeithaml (2002) has defined that the success of e-tailing depends on the efficient web site design, effective shopping and prompt delivery. The other e-store services are delivery on real time , return and replacement process, period of filling out online orders form, speed of response time to e-customers" queries.

Kim and Lee (2002) have suggested that the design of e-store influences consumers" access to e-store. In the e-store, website design, design of product and service comparison and information, time to complete online order form, easy of searching product and service, screen layout, screen complexity, page composition, information retrieval methods, information display, use of colour and background, assistance to the user and speed of accessing the e-store are notable factors attracting e-customers.

Doolin (2004) has specifically pointed out that e-tailing is the sale of products and services to individual customers. According to him, the definition of e-tailing encompasses the sales of products or services online.Rabinovich (2004) and Cao and Zhao (2004) have identified the challenges of e-tailing industry. This challenge begins with the response time of the web-server; moves to the amount of time the customer must wait until the order ships, and also includes the time the shipping process takes.

Delone and Reif (2004) have found that at present customers are more likely to continue shopping online when they have a greater experience of online shopping. It is also found that young adults have a more positive attitude towards online buying.

Lavie and Tractinsky (2004) have expressed the expressive aesthetics of web-sites that convey a sense of creativity and uniqueness. This type of aesthetics is likely to serve an important role when shopping for specialty goods. The expressive design is relevant to specialty goods because of their unique characteristics that emphasized the shopping experience. Bauer et al., (2006) have compared the services of online retail service vs. traditional retail services. They have identified that the online retail services are broken into two rather distinct phases: the client interaction phase taking place online and the fulfillment phase taking place offline. They also have suggested that web-site quality is a matter of delivering both hedonic and utilitarian elements.

The total market size of B2C and C2C E-Commerce industry in India was around Rs. 7080 crores at the end of 2006-07. It rose to Rs. 9210 crores by the end of 2007-08. Within E-Commerce industry,  the size of eTailing.

Market for the year 2006-07 was computed to be Rs. 850 crores. eTailing contributed around 12% to the total E-Commerce Market size in the year 2006-07 and in the year 2007-2008.

The E-learning industry is witnessing a strong demand in the academic sector also, with changing teaching methods and courseware likewise in schools and colleges. Technological advancements in teaching methods has made it possible for students in the country to attend customized tutoring from teachers anywhere in the country or even in the world. Additionally virtual and blended-learning programs will facilitate mass customization in education. E-learning in K-12 is a rapidly growing segment.

## IV.     Need Of The Study
Retailers are increasingly leveraging their presence across channels of catalogue, web, stores and kiosks, to increase their share of the customer's wallet and expand across consumer segments. Recent studies on consumer shopping behaviour indicate that multichannel shoppers show a significantly higher value and frequency of purchase than single channel shoppers.

## V.     Objectives Of The Study
• To review the present status of online trading in retailing in India.
• To identify the problems in online trading in retailing from the point of view of providers and consumers.
  **Problems in Online Trading with View Point of Companies Following are the problems faced by companies adopting online trading in retailing**.
• The world is used to conducting business and commerce on signed paper documents. Electronic documents and messages, without familiar signatures and marks have changed the scene and trade wants to be assured that the electronic world is safe. The e-commerce system must therefore offer at least the same level of reliability as that which obtains in the paper world.
• The legal issues of e-commerce have generated tremendous interest among technologists, traders and legal experts. The Indian parliament passed the Information Technology Act in 2000. The legal requirement is to establish the authenticity of an electronic document or message. This includes integrity, confidentiality and non-repudiation of origin and receipt of electronic document in case of dispute.
• Major legal issues foe e-commerce are raised through the provision of services like Online Marketing, Online retailing e.g. ordering of products and services, financial services such as banking and trading of services, Online publishing, Exchange of electronic messages and documents EDI, electronic filing, remote employee access, electronic transactions and Online contract formation. The common problems are legal problems in trademarks and domain names. The company takes a domain name from the registry in its name. Unlike the traditional commercial world where different companies may have the same trademark in different products and services, in cyberspace, only one name can be assigned as Name.com. Thus, the company which registers its name for the domain name eliminates all others from using that name in the cyberspace
• Leading Indian online retailers feel the pressure from risk capital investors and growing consolidation in an industry where the leaders are outpacing the laggards is forcing online retailers to identify newer revenue streams and cut down on costs.
• Most of these retailers feel that the profitability depends on the scale of operations. They also feel that they have to make a choice between sales at any cost or sustainable growth.

## VI.     Methodology
The study purely depends upon secondary data which was collected from various sources like Internet, Newpapers ,review of literature,etc.

## VII.     Suggestions
What E-Tailers Can Learn From Their Counterparts?
        Traditional retailers have several competencies which a pure e-tailer can be hard pressed to match, but which are equally important when competing in a digital format.

**Two such skills that can prove extremely important to retail success are outlined below:**
A.  **Merchandising Skills And Assortment Planning:** One of the core strengths of a good retailer is the ability to plan merchandise assortments based on early detection of customer trends and to source products through a network of trusted suppliers. An efficient supply chain plus the ability to allocate adequate resources to merchandising needs in a timely fashion add to the ability to stay on top of competition.

B.  **Forecasting And Demand Management:** Although many retailers would like to get an accurate handle on future customer demand, only a few have succeeded in harnessing information technology to solve this problem. Matching supply to demand remains one of the most pressing problems for any retail organization. Harnessing the power of information technology through large and accurate data warehouses, and using focused data mining solutions should help both retailers and e-tailers reduce stockouts, manage inventory and respond accurately to customer demand. E-tailers are finding that the process of data collection is more dynamic in a digital environment, but not necessarily easier to analyze or act upon. They have to address problems which have been around in retail operations for a long time, and which critically impact success at the end of the day.

# VIII. Conclusions

There exists a wider gap between traditional way of marketing and the digital e-tail world. While skills like speed, differentiation, and branding are equally if not more important in the digital world, Online trading is here to stay and will be extensively used in future. Leading online retail traders are finding out the ways to retain profitability and long term sustainable development, it is the ability to transform core operations and practices to his new medium which might make the difference between success and failure. Retailers need to examine the viability of such a transition, and look into the synergies of using the new channel of e-tail.

E-tailers, on the other hand, need to revise some basic and fundamental retail functions, and develop core competencies in the areas of merchandising, demand analysis, channel of distribution, which can act as a new success mantra for their business.

The government has initiated the process to amend the Consumer Protection Act to safeguard buyers from online frauds in e-commerce, Parliament was informed on Friday.

"Keeping in view the increased number of online fraud/cheating cases, the government has also initiated steps for incorporating sufficient provisions for protection of consumers of online shopping/e-commerce under Consumer Protection Act, 1986," Minister of State for Finance Jayant Sinha said in a written reply in the Lok Sabha.

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