



REVIEW ARTICLE

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A Forward Way of Retailing: Internet Retailing

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Abstract: IT plays a vital role in every sector of society in the world. But the role of IT in corporate world is speechless; basically sustained and unpredictable growth in corporate world is result of IT sector. The rise in usage of internet has led to phenomenal changes in the business. In retailing sector, internet is new avenue to reach out to customers and suppliers of market where there is no possibility of physical presence. Internet retailing is mode of purchase and sale of goods/services through electronic system and in the more mature retail markets, the retailers are enable to conduct their business online through particular website: www.amazon.com, www.snapdeal.com, www.yepme.com etc. Internet retailing facilitate to customer and retailers buying and selling for 365 days a year, 24 hours a day and 7 days a week(24*7). Internet retailing provides great opportunity to those customers who have shortage of time, shortage in the availability of variety of products. E-Commerce provides fast gaining ground to customers. The paper is based on the study of comparison of brick and mortar retailing and internet retailing.

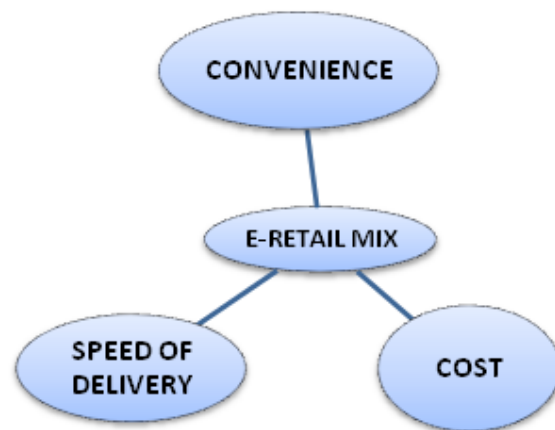
Keywords: Retailing, Customers, E-Commerce, IT, Internet

INTRODUCTION

Internet retailing also named as E-retailing. Retail industry of India is one of the main industries of India. India retail industry is ranked at 20th out of 30 developing countries retail industries indexed by the GRDI (Global Retail Development Index) in 2014. India retail industry is 5th largest industry in World. India retail sector is further categorized: organized retail sector and unorganized retail sector. Organized retail sector is activities of retailing done by registered dealer and that retailer who are liable to pay sale tax, income tax etc. In organized retail sector activities done by those retailers who are licensed retailers.

Unorganized retailers are dominated by large number of small retailers including local kirana stores, chemist, pan and birri shops etc. It is also named as traditional retail sector. The increasing use of internet there is dynamic changes in the businesses in conducted various industry. It also affects the retail industry lack of physical presence of retailer there is a need of E-retailing. E- Retailing or Internet retailing is a defined as a sale of goods and services by the internet or electronic modes for household consumers. Electronic commerce is differ from E- retailing because in E-commerce

the business conducted between B2B and also B2C but in internet retailing business conducted only in B2C. Internet retailing serves goods to consumer 365 days in year, 7 days in week and 24 hours a day (24*7).



Data base management: Use the system to organized, searching, managing and retrieving the data of simple purchase, vast amount of information of customer and products is termed as data base management. Data base management has two elements data warehouse and data mining. Data warehouse means the system or store computer which sends the information to the company central computer, manage and utilize the information to remain competitive world is known as data warehouse. Data mining refers to extraction of data for specific application with the use of technology. It is not new concept; it is used by statisticians for many years mining the data manually. Data mining find the relation between customer behavior and its variables.

LITERATURE REVIEW

- Sharma, Rohit: Concluded retail sector of India is divided into two sectors organized sector and unorganized sector. Mostly Indian consumers depend on the unorganized retail sector. But unorganized retail sector exploit the consumer than organized sector because that works without license.

- Bansal and Insan: Concluded E-Retailing promotes the Indian retail sector national level as well as international. It ranked India at number 20th in the world of developing countries. The various initiatives done in retail sector through E-Retailing to promoting retailing.
 - Kumar, Kanika and Sidana : Explained retailing sector and E-Retailing is challenge and opportunities in retailing sector for retailers that is depends on the use of it and also depends on the working of retailers. The major retailers of India: Pantaloon, Tata group, RPG Group, Birla and reliance plays a curial role in India retail sector.
 - Pahuja: Explained E-Retailing is dynamic retailing. There is not a single type of retailing use in India. He explained the various types retailing available in retailing sector which fulfill the need of all types of consumer.
- **Increase in the technology:** With the increase in IT sector. The need of IT sector is emerged in also retail sector because with the increase in size of market. It is impossible to serve a product with physical presence of retailers everywhere to each consumer. That arise a need of internet retailing besides traditional retailing “brick and mortar” retailing.
- **Increase in the demand of variety of products:** The consumer wants number of variety in a similar product which is not possible for retailer to store the numerous variety of similar product in his godown and show-rooms. To fulfill the demand of each and every consumers regarding varieties in a similar product. There is a need of internet retailing which offers to consumer a numerous variety in the similar product at same time in single screen. The variety of products can be availed only through E- Retailing.

OBJECTIVES OF STUDY

- To study about the new concept of internet retailing.
- To study the current scenario and initiatives in internet retailing
- To study the need, benefits and determinants of internet retailing

RESEARCH METHODOLOGY

The study for this paper is totally based on secondary data. The data for this study is collected from magazines, newspaper, journal, websites and books.

NEED OF IT IN RETAIL SECTOR

- **Product identification:** A retail store of a hundred units of product to consumer for selling. The retailer is not capable to remembered and understand about the order what he sold and which products are re-ordered and also quantity, types, colours, size and other specific characteristics of particular product. So , there is a need of developing a machine readable system which could help in indentify the product. The UPC or bar code is the developed in 1952 in retail sector.UPC is the IT tool which is used to automatic data capture. It represent the information in alpha numeric form made of series of bars and spaces.UPC is follow in India and at international level EAN/GTIN is follow.

IMPORTANCE OF IT IN RETAIL

The importance of IT in retail is not only for providing the relevant data but it also provide important information for decision making. It provides right information in right form to right set of peoples at right time. It is a greatest tool for decision making for retailing.

Efficient stocking of merchandise – IT provides information continuously for purchasing, selling and balance of stock to merchant who helps in sale analysis and decisions of re-ordering and merchandise planning. Merchant timely provide information to manufacture which helps in reducing of production period and provided fashionable products.

Collection of data- IT plays a crucial role in a data collection. IT provides a data about consumer, their purchases, and frequency of buying and relevant data which assist to retailers for decision making.

Efficiency in operation- IT provides right information at right time to retailers which help the retailers to decide about the use of power, use of money in that way which increase the efficiency and profitability of concern.

Helps in communication- the communication within and outside of organization can be faster only through the use of software.EDI is also used for communication between suppliers and vendors that are possible through networks.

Global E-Commerce sales volume: Current and Future Prospects

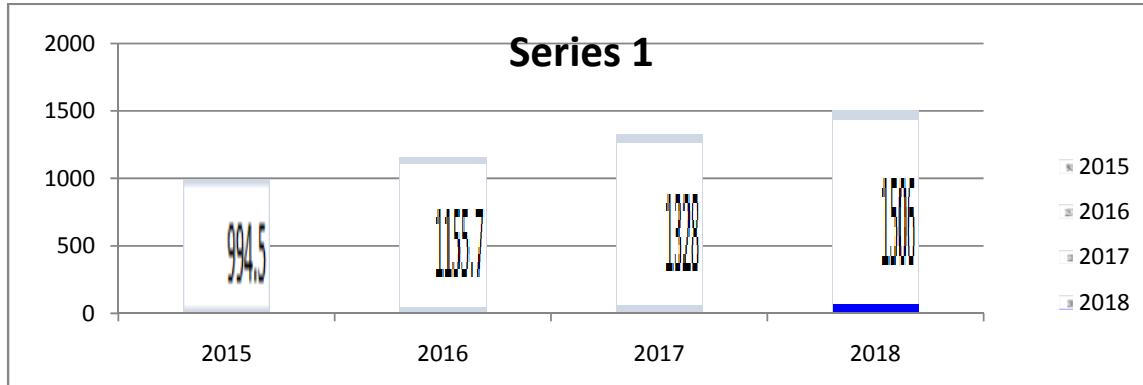


Fig 1: Global E-Commerce Sales in US dollars in Billions

FACTORS AFFECTING THE USE OF IT IN RETAIL SECTOR

Scale and scope of operations- the size and scale of a business effect the operations of the concern as well as use of IT in business. In the case of small retailers, he offer their products directly to the customers and in small chain. In case of large retailers, it is not possible to provide product directly to the customers and chase large supply chain. So, small retailer uses less technology than large retailers.

Financial resources- The retailer who have huge amount of financial resources use the technology more than the retailers who has less financial resources because to implement the Technology there need lot of finance.

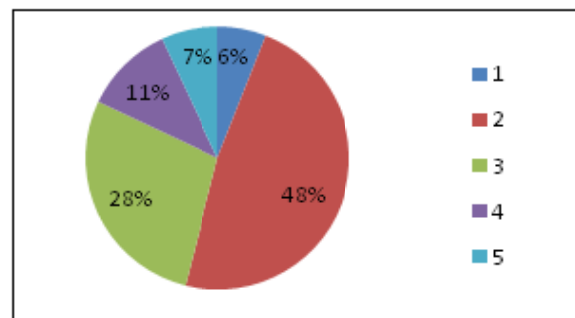
Nature of business- The nature of business also affects the requirement and use of technology in retailing. For example the fashion industry retailing business needs more use technology than durable retail industry.

Availability of human resources- Human resource plays a crucial role in organization success as well as in use of technology. If the concern has skilled labour then it can use latest technology otherwise not. No skill workers as well as the number of workers depend use of technology because

lack of adequate workers no one can use technology because no one can perfect.

Demographic Break-Up of Online shoppers in India: The Scene of B2C in India market

AGE GROUP	PERCENTAGE
15-20	6
21-30	48
31-40	28
41-49	11
>50	7



LATEST INITIATIVES IN RETAIL SECTOR

S.NO	INVESTING CO.	INITIATIVES
1	Japanese Firm Soft Bank	Invested 627 Us dollars millions in Snap deal
2	American fast food chain burger king	Open 12 outlets in India, 6-6 in each in Delhi and Mumbai in location of areas of food court and high street.
3	Amazon and Future Group	Co-operative work together to sell goods online with build up new product line. Future group starts sell more than 45 own labels products.
4	Myntra	Provides wedding store to wedding couples that facilitate one time shopping of all goods regarding wedding
5	GoJavas	Provides of new form of service that is "Try-Before-You-Buy".

BENEFITS OF INTERNET RETAILING

- Internet retailing provides a facility of EDI. EDI is exchange of data through standard interferences of use the computer. It is share of information through electronic modes between the organizations.
- It saves the time of both consumers as well as retailers because data interchange easily and no time wastage in useless activities.

- It reduces the manual errors regarding avoidance of consumers preference, recording of data etc.
- It eliminates the waste activities like paper handling, filling documents manually, storage of products in adequate way and maintains the relations between retailer and consumers.
- It provides longer believed relationship between the parties: retailers and manufacturers and wholesalers, retailers and consumers. Retailers steadily invested in business and growing.

DIFFERENCE BETWEEN BRICK AND MORTAR RETAILING AND INTERNET RETAILING

POINTS OF DIFFERENCE	BRICK AND MORTAR RETAILING	INTERNET RETAILING
Physical presence and location	Physical presence and location of building easily find by consumers	No physical presence available but it can easily find through common websites which easily done.
Vendor	Use the stores, other product information , fixturing of product done by vendor	Layout the WebPages, designing and regular upgrade and update the advertising has done by vendor
Options for promotional activities	Pricing strategies, policies and competitor awareness done on daily basis.	Pricing strategies, policies, competitor awareness can be done on irregular basis.
Options for inventory	Products must be available on multiple store locations for fulfill the demands of consumers continuously, LIFO and FIFO method used.	A multiple store available, mostly JIT (Just in time) inventory valuation method is follows.

CONCLUSION

Internet retailing plays a vital role in retailing sector of India. India’s retail sector is 5th largest retail sector in World. Internet retailing helps to consumer in many ways: it provide right product in right time in right place to consumer and offers variety in similar kind of product. When Bata Company decided to developed a product online then there is more inclined in buying of shoes online than traditional retailing. In a world when the customer capable to buy a product then they preferred to buy a product through electronic mode rather than deciding where and when the product will be buy. Internet retailing don’t provide the facility to customers only but also provides facility to the retailers like reduced the storage cost, always physical presence front of the consumer and no time consuming on single buyer and increase the sales of retailers. At the end concluded that internet retailing build up trustworthy relations between retailer and consumer among selves.

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