India's Emerging Retail Trend - A Review

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Abstract

This review article reads research papers published in various peer-reviewed journals and categorizes them into his five main areas of progress in the field. This article highlights key findings from each area and suggests issues for further research. A new retail area will also be introduced. It is hoped that this will encourage retailers and academics to conduct further research in these and other related areas in the future.

Keywords: Field, Encourage, Retailer

Introduction

Despite years of sophisticated retail environments, customer purchasing decisions are still driven by need. Nevertheless, the introduction of new business models and advances in technology has contributed significantly to providing customers with a different shopping experience. Therefore, it is important to build an understanding of the retail sector where innovation changes the game. This will also help us understand the trends and areas in which the retail industry will develop in the future. Today, the concept of omnichannel retail has been embraced by customers, giving them a broader view of various products and services. You can also get detailed information about various products and services. This gives retailers the opportunity to engage with their customers by providing them with targeted information, enabling focused customer engagement. Technology plays a big role here as it benefits both retailers and customers. Retailers can target the right customers, and customers can make smarter decisions by staying up-to-date on various products and services. However, in practice, not all customer decisions require such a detailed decision-making process. In some cases, the customer makes a quick decision and that decision is influenced by the product assortment and visual merchandising. This applies to both online and offline shops. When a customer makes a purchase from a retailer, the retailer captures all records including transactional, consumer environmental data. This helps us to predict consumer behavior, design more profitable strategies, and offer attractive offers to our customers. In return, retailers can increase their profitability.

Literature Review

This review article covers topics across his five areas: store location criteria, visual merchandising, technology advancements, the role of big data, and consumer engagement.

Technological progress

Technological advances in retail benefit retailers and consumers. It makes it easier for retailers to reach their target audience at a lower cost (e.g., via the Internet), while at the same time helping consumers make more informed decisions, better offers, and relatively faster be able to do service. A recent study by Inman & Nikolova (2017) highlights the benefits of technology for retailers and consumers, thereby increasing business profitability. They talked about mobile apps, self-checkout, scan-and-go technology, Que Vision, and smart shelf technology. With the help of self-checkout technology, customers can browse, take away and pay for selected items, for example, without contacting sales staff or cashiers. This gives customers full control over the transaction process,

while retailers save on labor costs by minimizing the number of cashiers and sales staff required. Smartphones are a boon to retailers. These have revolutionized the entire shopping experience today. Ease of internet access, mobile apps, and other advances in this space have changed consumer expectations. This also made it easier for retailers to engage with their target audience. For example, scan-and-go technology allows customers to browse products offered by retailers, make selections according to their needs, and pay through the retailer's app. Amazon Go takes this innovation to a new level by reducing the time it takes to scan an item online. Customers simply scan their smartphones upon entering the store, pick up their items, and exit the store. This technology tracks purchased or returned products and automatically processes transactions. As soon as the customer leaves the store, the amount is debited from the account and a receipt is generated and sent to the customer. Customers need a smartphone, an Amazon account, and the Amazon Go app to successfully complete this entire process (Amazon, 2016). Given the above literature review of technological advances, the following observations can be used for further research in the future. Will these technological advancements benefit retailers and consumers of all kinds? Perhaps retailer apps are suitable for customers looking for a variety of shopping offers. Will these apps be taken over by small retailers, or will small retailers have to act as pickup points for online retailers to survive?

Visual Merchandising

Today, consumers are exposed to a myriad of different products and offers. It is a challenge for retailers to stand out in today's competitive environment while offering the best deals to their customers. Therefore, deciding on the design of these offers is a difficult task for retailers. This helps retailers consider channel format (in-store or on the website) to determine when, where, and how to showcase products and related offers. This also applies to manufacturers. Because manufacturers know how important it is for customers to pay attention to their products and offers. Kahn (2017) proposed a strategy to make it easier for consumers to process assortments. This includes reducing the assortment and amount of information, ensuring that each product fits within the context of the assortment, and carefully considering the spatial placement of products. The importance of the spatial location of commodities was previously discussed by Nordfalt et al. Examined. (2014) In a study examining the importance of orientation for different types of products, the authors found that customers purchased more frequently when products were oriented vertically than when products were oriented horizontally. We found that it tends to increase. They added that purchases of towels increased by more than 90% when displayed vertically compared to when displayed diagonally. In addition to product presentation on shelves and websites, product packaging also plays an important role in-store visual merchandising. Packaging usually refers to the design or shape of the product packaging (Kahn, 2017). This view was supported by Krishna et al. who sought to analyze the impact of packaging on consumer-product interactions. Each packaging layer (inner layer, middle layer, outer layer) influences the consumer's sensory experience and helps the consumer to ascertain the functional and physical dimensions of the product. For the retailer, it is important to consider the physical placement of the product and how it will be promoted when deciding on the visual merchandising in the store and on her website. This will have a significant impact on overall business profitability. For products with few participants, displaying the selling price of the product on the right side of the box instead of the left side may increase sales (Suri et al., 2017).

Role of Big Data

Retail is inundated with data all the time, but the lack of proper data management prevents it from being used effectively. Recently, with advances in technology, retailers have started embracing the possibility of organizing data, computing, and analytical systems for their businesses. Big data and analytics systems have helped retailers deal with the problem. Bradlow et al. (2017) presented measurements of big data related to customers, products, locations, time, and channels, and suggested how this data could be used strategically to optimize sales and maximize prices. We also organized data coming from various sources such as loyalty cards, websites, mobile apps, and corporate systems. In this way, big data can help retailers as well as researchers to better understand their customers. The advent of big data has led researchers to conduct field studies and experiments that can assess the basis between independent variables (price, display, assortment, etc.) and dependent variables (sales volume, profitability, etc.).

Customer Retention

Several studies have been conducted on consumer experience and engagement levels (Grewal, Levy & Kumar, 2009; Puccinelli et al., 2009; Accenture, 2015; Marketing Science Institute, 2016). 2009), but no studies looked at the potential for increasing customers. Feelings of commitment. Customer retention can be improved with increased awareness (Grewal et al., 2017). A hierarchical model of consumer engagement was developed by Grewal et al. developed. (2017) based on the principles of conscious capitalism (Mackey & Sisodia, 2017). This model proposed a three-step approach to improving customer retention. H. Customer experience, emotional connection, and shared identity. Conscious retailers can therefore build an emotional bond with their customers by influencing their goals and values. Another study by Wansink (2017) identified three key factors in his grocery retail space: the role of signage, store design, and employee service. These components help determine which product is most convenient for you to purchase and are considered standardized products. The authors also recommended innovative tools and techniques for signage and service components. Similarly, retailers should also consider visual ideas included in visual merchandising to attract customers in both physical and online stores. This creates an emotional connection to the store, reduces price sensitivity, and increases consumption (Roggeveen et al. 2015). Although much research has been done on the customer experience (Grewal, Levy & Kumar, 2009; Puccinelli et al., 2009; Accenture, 2015; Marketing Science Institute, 2016), Research should focus on employee engagement as well as employee engagement in retail leads to customer loyalty.

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Criteria of store selection
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Store performance, demography, store characteristics, and competition are the main categories considered in location analysis. In the next section, a literature review was performed for each category to help future researchers base their studies on store performance.

Store performance

Performance is one of the most important criteria when determining store locations. Equally important is to consider the factors that affect business performance. The quality of the criteria for choosing a store location model depends on the ability to estimate performance goals. These goals are often in terms of business profit (Walter & McKenzie, 1988), market share (Igene & Lusch, 1980; Durvasula et al., 1992), and demand (Igene & Lusch, 1980, Berman & Evans, 2010). Created from; Li & Liu, 2012)) and price elasticity (Hoch et al., 1995).

Therefore, the above measures for selecting store locations are important in order for the stores to gain maximum profits.

Demography

Population characteristics are very important when deciding on the location of a store. Demographic data helps retailers determine whether the population living in a particular location matches their target audience (Hasty & Reardon, 1997; Berman & Evan, 2010). In some cases, customers' economic circumstances and long-established habits make it very difficult to change their spending behavior (Redinbaugh, 1987). Therefore, it has been observed that when choosing a store location, retailers consider the buying habits of the people living there very important when describing their customers. For retailers, market demographics are therefore the most important factor in determining potential store locations (Hasty & Reardon, 1997).

Store feature

Retail competitiveness is closely related to business characteristics. Retailers should focus on these characteristics to gain an edge in the market. The decision to choose a store location is driven by accessibility (how easy it is to find the store), store image variables (assortment, atmosphere, etc.), and associated costs. Accessibility is discussed in many studies when choosing branch locations. With many customers commuting by car, it is important to pay attention to the availability of roads and parking lots so that customers can easily shop at the store. Store sales potential is positively or negatively affected by store accessibility (Redinbaugh, 1987). Additionally, retailers need to analyze the impact on store profits before making changes to improve store image. Improving product assortment and store atmosphere using new and improved layout and mapping techniques not only affects sales flow but also spending (Igene & Lusch, 1980). Finally, retailers should also consider the impact of cost on store performance when choosing store locations. Expenses for buildings, rent, renovation of shops, etc. Included in the costs considered in decision-making (Irwingh, 1986).

Competition

It is important for retailers to understand the competitive landscape while searching for suitable locations for potential business (Reinartz & Kumar, 1999). It has been observed that inequality in price elasticity among stores is due to competitive factors (Hoch et al., 1995). Competition is direct or indirect. In direct competition, new stores attempt to compete with existing stores offering the same products to increase market share (Durvasula et al., 1992). On the other hand, in indirect competition (stores offering different products), each retailer tries to do so. Compete with each other for a larger share of customer spending (Redinbaugh, 1987). Therefore, it is imperative to evaluate your competitors when choosing a branch location. Distance to competitors' businesses, number of competitors, competitiveness, etc. should also be considered when choosing a location. The above factors give retailers an indication of the store's success in a particular location. Therefore, managers should consider factors related to store location when evaluating store performance. However, retail location preferences change over time. Locations that initially appear to be profitable may become unattractive due to future competitive distortions. In addition, Ingene & Lusch (1980) argued that demographic changes make meeting customer needs and desires uncertain. For retailers, it is important to consider the changing competitive landscape. This requires recognition of the factors that affect store performance (Ghosh & Craig, 1983). Therefore, in order to position retailers in the changing consumption environment, retailers are encouraged to conduct timely research on factors affecting retailer's performance.

Approaching retail trends

Advances in technology and changes in consumer behavior are accelerating progress in retail. Today, omnichannel retail and big data concepts are essential to staying competitive. The future of retail depends on new technologies such as smart devices, media, virtual reality, and artificial intelligence (Deloitte, 2016). Further research in the future should address the concept of the "Internet of Things" to clarify how purchasing behavior is affected as well as to understand the role of shop floor managers. For example, a smart house or smart car might have relevant information about when the basic products stored in the refrigerator (or other device) need to be reordered, or when the car needs to be serviced next. It is therefore important to investigate whether this increases customer loyalty to shopkeepers and retailers, or decreases customer loyalty and initiates a new phase of machine-to-machine interaction. Applications based on artificial intelligence (AI) are also in high demand and can positively impact consumer shopping in both virtual and brick-and-mortar stores. AI-based responses not only provide information about products, in-store locations, and features but also help suggest other products that may be a good match for the product you are purchasing. As a result, customers are more informed and more engaged than before, but to support customers with the high-level information stored in AI applications, service agents' business needs to be reorganized. Companies are testing self-driving cars controlled by AI-based technology. Many retailers and manufacturers are looking to capitalize on the opportunities presented by technological advances in robotics and drones (Van Doorn et al., 2016). Recently, Amazon announced plans to add drone delivery as an option to enhance its current delivery system. Such applications open the door to research in this area to examine the benefits and subsequent impacts of these delivery options.

Conclusion

Emerging trends in retail will continue to influence customer shopping behavior. It also helps users choose the right channel, product, or service for them and ultimately make the final purchase. Online and offline retail concepts are merging, and retailers are adopting the concept of omnichannel retail. New trends and developments in technology are enabling customers to make smarter decisions in less time and feel much happier and more confident in their choices. Retailers, on the other hand, must adopt these new technologies to improve customer retention. Achieving this deserves further research through further exploration in this area.

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