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Fashion Retail in the Digital Age - A Strategic Shift Toward E-Commerce in India

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Abstract : The current study focuses on reviewing various selling models for fashion products, including online and offline retailers, and their market dynamics, sales criteria, customer focus, and a range of other tools and services. Compared to the West, India's enthusiasm for fashion is still developing. The current market includes diverse commercial operations such as vending machines, door-to-door sales, telephone sales, and mail-order highlighting the variety in retailing, including the fashion industry. The primary objective of this study is to highlight the growing impact of e-commerce on fashion retailers and consumers in India. It aims to analyze how digital transformation is reshaping traditional retailing methods and influencing customer buying behavior. The study is based on a review of existing literature and current market trends, focusing on the adoption of internet communication technologies (ICT) and digital tools by fashion retailers. Findings indicate that the Indian e-commerce fashion sector has expanded rapidly, with a notable shift in consumer preference toward online shopping for clothing and lifestyle products. Traditional retail models are gradually being replaced by digital alternatives. Many high-street retailers, previously hesitant to enter the e-commerce space, are now seeing substantial growth in their online sales. The online apparel segment currently accounts for over 52% of fashion product sales in India and continues to maintain its market share. E-commerce has become a significant growth driver for the fashion industry in India. It not only enhances sales but also offers advantages such as consumer trust, hassle-free returns, quick delivery, round-the-clock accessibility, and widespread employment opportunities. The ongoing digital transformation signals a strategic realignment of Indian fashion retailing toward an e-commerce-centric model.

Keywords: Fashion Retail, Digital Transformation, Online Apparel Sales, Consumer Behavior, ICT in Retail

1. INTRODUCTION

E-commerce is one of the most significant topics in consumer purchasing decisions among marketers and researchers. Researchers have conducted extensive survey on this trend of online purchases for many years. The number of physical retail stores worldwide has been decreasing in recent years, as the majority of consumers are increasingly turning to online shopping via websites, apps, and e-stores. Online sales are projected to expand rapidly in developing areas. The traditional model of how consumers buy products both locally and online has become more complex due to the availability of various digital tools and resources. Consumers want a consistent brand experience regardless of the chosen medium. As a result, it is imperative that businesses incorporate omni-channel retailing into their business models, which enables merchants to comprehend and capitalise on the interdependence of physical and digital channels. Along with the e-commerce business, the fashion industry has been on the cutting edge of technological advancement and has been a driving force for growth and new ideas. The impact of e-commerce on the fashion industry can be linked to the fact that it enables people to shop from the comfort of their own homes [1].
E-commerce also referred to as Online buying, is the practise of performing financial, logistical, and other forms of transactions online. Technology facilitates transactions between parties (individuals and businesses) [2]. In the context of the global retail industry, the retail value chain is undergoing a fundamental transformation. As new retail business models and competitors join the market, traditional merchants that operate out of brick-and-mortar locations face a number of issues. The majority of this may be linked to the expansion of e-commerce as a result of the growing impact of digitization, with the overall effect being a negative impact on the revenues and profits of brick-and-mortar merchants. In 2017, when it topped 10% of global retail sales, e-commerce made a significant contribution to the global economy [3].

E-commerce is a reality that is changing how people buy things, redefining customer experiences, upsetting old business models, and creating new growth opportunities for merchants of all sizes, as well as a new variety of pure-play e-commerce start-up companies like Noon and Jumia. Because digitalization solutions are getting easier to find and more people are using them, GCC consumers are also getting more connected. Most of the time, when customers move their activities online, businesses move right along with them. This helps the digital environment rise slowly but steadily in industries like media and online retail [4].
The spread of the coronavirus and the subsequent closing of stores around the world have sent the retail industry into a downward spiral. During the first few months of the shutdown, businesses that sold clothes, electronics, furniture, and food dropped the most consumers and sales. People are buying everything from online retailers, including food, groceries, cleaning supplies, clothing, cosmetics, home decor, and fitness equipment. The ongoing shift of consumers towards online shopping is accelerating [5]. The coronavirus-caused epidemic has influenced our consumption and engagement with the globe. Existing consumption patterns were already in transition prior to the beginning of the pandemic; the health crisis just accelerated some of these changes. In this regard, businesses have demonstrated a propensity to undertake substantial modifications to their operational procedures. A large number of organizations were pushed overnight to virtualize their procedures and operations. It is unknown how many people will return to their normal shopping habits or if they will do so at all once the pandemic has passed. Even after the pandemic has ended, it is possible that some of the changes will persist [6].

2. RETAIL SECTOR IN INDIA

In the past few years, the fashion industry has changed a lot, and a big part of that is because of new technologies. The practice of exchanging goods through bartering is considered the progenitor of the modern retail industry in the fashion industry. As a result of the progression of human civilization, the purpose of business has moved from manufacturer-to-consumer to business-to-consumer in modern times. A retailer is a person, agent, agency, firm, or organization that facilitates the distribution of products, commodities, or services to the end user. All of a retailer's efforts are directed towards drawing customers into their stores, where they try to convince them to spend more money and return for future purchases. In terms of markets and marketing basics, there is one thing about retail marketing that stays the same over time. This is shown by the fact that most Indians, including low- and middle-class people, still shop at one of the millions of local Kirana shops. The emphasis on classic and new shop formats coexisting. This is due to India's unique historical, demographic, geographical, and cultural background. Villagers as well as city residents in India continue to shop in unorganized marketplaces and neighborhood businesses [7]. This article is about retail marketing in the food and grocery industry, which is the largest consumer segment category regardless of socio-economic status.
India's income has increased by 10% over the past few years, according to a 2014 poll by Jones Lang LaSalle Retail. This has allowed a large number of Indians to move up the consumption, fashion, and lifestyle pyramids. As a direct result, there has been an increase in demand for retail space that is well organized as opposed to conventional convenience stores. As a direct result of the ubiquity of smartphone use and the expanding digital connection of the world, customers are becoming more price-conscious when making purchase decisions [8]. As a result, there has been a substantial increase in the number of online retailers operating in India's various sectors and regions. The manners in which customers make purchases, and the store layout have altered, resulting in a dramatic shift in the Indian shopping experience. Since its birth, the retail industry in India has undergone significant innovation in terms of both its business strategy and the way it categorizes its customers. Similar to other emerging economies, India's retail sector is undergoing significant transformations. The market is maturing as the majority of merchants now prioritise profitable expansion. Established merchants are capitalizing on the expanding retail market by adopting new technology, store formats, and payment methods in order to achieve market dominance. In contrast, the majority of India's retail economy is sustained by conventional stores. The development of mobile technologies and the widespread availability of the internet have fuelled the growth of online enterprises. The fact that Jeff Bezos, creator of Amazon.com, is the world's richest person according to Forbes confirms the growing influence of online businesses [9]. Many stores all around the world are making the switch from traditional "brick-and-mortar" operations to hybrid "click-and-mortar" ones.
As online shopping became more popular at the end of the 20th century and the beginning of the 21st century, it had a big effect on the fashion industry. In reality, the fashion industry adopted online commerce far more slowly than other industries. The majority of studies attribute this phenomenon to the nature of clothes, which "are regarded as a high-involvement product category, associated with personal ego, and things that must be

seen, touched, and tried on since they are difficult to evaluate" [10]. The fashion retail industry is a symbiosis of interdependent elements with complementary qualities. In this situation, for illustration purposes, only a general perspective has been considered, which should not be interpreted as implying that one aspect or the other is wholly positive or negative. One of the main goals of this paper is to dig deeper into the topic by doing a more in-depth analysis of a specific case study in order to get a better understanding of a complicated phenomenon. Shopping experience is a commonly used expression that is typically associated with the act of purchasing goods, such as selecting a dress at an offline or online store. This definition is not entirely inaccurate, although it appears incomplete. Currently, it reflects a broader concept that encompasses a process that begins well before the actual act of purchase and can last much beyond it. But reality isn't as simple as this makes it sound. There are many factors that create shadows and grey areas, and it's in these grey areas that the industry has the chance to shape all of these qualities and build the best configuration [11].

Even though electronic commerce can be seen as one of the new technologies that came out during the fourth industrial revolution, the growth and development of this industry have also been affected by a large number of other technological advances. Enjoying one's time spent shopping online is made easier by a variety of factors, including augmented reality, cutting-edge visual tools, speedier production processes, and others [12]. Customers are beginning to see shopping online as having the same level of excitement as shopping in physical stores [13].

3. SIGNIFICANCE OF E-COMMERCE: RETAIL SECTOR

The buying and selling of products and services via Internet is known as "E-Commerce." Before the origin of e-commerce, buying and selling were done physically in the markets and did not make use of the internet. But since e-commerce came to India, our everyday lives have become easier because of all the good things it brings. The ability to shop online for anything at any time and from any location is one of the many advantages of e-commerce. Other advantages include the ability for users to find things on e-commerce websites that are unavailable in brick & Mortar markets, savings in both money and time, and product delivery without leaving the house [14].

In addition to "e-commerce", "e-business" is another prevalent phrase. This refers to the increase in businesses doing their operations electronically with the aid of the internet. Consequently, these businesses are able to reach a larger number of customers, leading to a rise in sales. People use "e-commerce" and "e-business" interchangeably, as neither term has a universally accepted definition. On this market, tradable assets and currencies are exchangeable. There are three distinct types of financial markets: the stock market, where stocks are traded; the bond market, where bonds are traded; and the foreign exchange market, also known as the currency market [15].

Due to the internet's ability to communicate with a huge number of customers, the cost of offline promotion can be decreased, and the money formerly spent on advertising can be redirected to other areas of the business. Through e-commerce, products may be promoted directly to customers in an engaging manner and with a richness of information, reducing the expense of offline promotion. In the past, advertising was supposed to communicate in a one-way manner to attract customers and inform them about new items or markets. The rise of e-commerce has made it feasible for advertisers to engage in a two-way discussion with consumers [16]. As a result, customers may now browse the marketplace and items, compare prices, and ask online retailers questions.

E-commerce has a lot of good effects on markets, like lowering the cost of advertising because the internet can bring in a lot of customers. It also makes it possible to create new brands, keep good relationships with customers, and make products that fit their needs. But e-commerce hurts traditional stores because people buy cheap things from online shops. As a result, brick-and-mortar retailers are forced to lower their prices and do not make a profit. Additionally, physical stores cannot maintain large inventories like online shops can because doing so would result in significant financial losses [17].

4. CONSLUSION

E-commerce presents fashion enterprises with both a challenge and an opportunity. It has a positive impact on retail markets, particularly in the fashion industry, since it reduces the cost of advertising, enables the development of new brands, facilitates the maintenance of positive customer relationships, and enables the production of personalized products. Ordinary shops who also sell their items via online channels, on the other hand, had the problem of adapting their business to a different business model in order to leverage it and gain an edge. However, e-commerce has a negative impact on offline fashion retailers due to the fact that customers purchase low-priced items from online shops. As a result, offline fashion retailers are forced to lower their prices and do not make a profit. Also, traditional clothing stores can't keep as many things in stock as they can online because it would cost them a lot of money to do so. To attract additional customers, they must expand their offline advertising expenditures. E-commerce offers a variety of benefits, but it also poses a number of difficulties for markets and sellers. Some of these obstacles include website costs (it is costly to establish and maintain a website), infrastructure costs (in order to fulfil orders, online retailers must store a huge stock in a large warehouse), and security and fraud challenges (as a result of the popularity of online shops). While it is difficult for people to trust a new fashion brand without seeing, feeling, and having a face-to-face encounter, they also inspire client confidence. Cybercriminals who can access and misuse personal information is also drawn to them. Cybercriminals can obtain and misuse personal information.

Author contributions

Neha Arora led the research, as significant and prime contributor. Dr. Kavita Chaudhary as the faculty guide and co-author, provided supervision, contributed to the critical analysis, refinement of content, and final review of the manuscript.

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Data availability statement

The data supporting the findings of this study are available from the author upon reasonable request.

Declaration

Authors hereby declare that this is original work and has not been submitted or published elsewhere. All sources used have been properly cited, and any external contributions have been acknowledged.

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