Phygital and Omnichannel Retail Market: Its Impact on buying behaviour of Indore's Customer

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Abstract: This research explores the influence of phygital and omnichannel retail strategies on the purchasing behavior of customers in Indore, India. Combining qualitative and quantitative methods, the study reveals significant shifts in consumer preferences and buying patterns due to the convenience and accessibility offered by omnichannel platforms. The integration of digital and physical retail channels has led to a seamless shopping experience, enhancing customer satisfaction and loyalty. Insights from this study can assist retailers in developing effective strategies to leverage these trends and remain competitive in the evolving retail landscape of Indore.

Keywords: Phygital, omnichannel, retail market, buying behavior, Indore, customer

1.INTRODUCTION

The retail industry is witnessing a paradigm shift with the emergence of phygital and omnichannel retailing. In this digital era, where online and offline channels converge seamlessly, understanding their impact on consumer behavior is crucial for retailers to stay competitive. This study delves into the implications of phygital and omnichannel retail strategies on the buying behavior of customers in Indore, India. By examining how these trends shape consumer preferences and purchasing patterns, this research aims to provide valuable insights for retailers to adapt and thrive in the dynamic retail landscape of Indore.

2.CONCEPT

1.The concept of "Phygital and Omnichannel Retail Market: Its Impact on Buying Behavior of Indore's Customer" revolves around the integration of physical and digital retail channels and its influence on consumer behavior in the city of Indore, India.

2."Phygital" refers to the blending of physical and digital elements within the retail environment, creating a seamless and immersive shopping experience. This concept acknowledges the growing trend of consumers using both online and offline channels interchangeably during their purchasing journey.

3."Omnichannel retailing" extends this idea further by emphasizing the importance of providing a unified shopping experience across all channels, including brick-and-mortar stores, websites, mobile apps, social media platforms, and more.

4.The research aims to examine how the implementation of phygital and omnichannel strategies impacts the buying behavior of consumers in Indore. This includes understanding how consumers navigate between online and offline channels, their preferences for certain shopping experiences, and the factors influencing their purchasing decisions.

5.By exploring this concept, the research seeks to provide valuable insights for retailers in Indore to develop effective strategies that cater to the evolving needs and preferences of their customers. This understanding can help retailers enhance customer satisfaction, foster loyalty, and ultimately drive growth and competitiveness in the retail market of Indore.

3.LITERATURE REVIEW

(Peter C. Verhoef, P.K. Kannan, J. Jeffrey Inman, 2015) stated in their research that Multichannel is evolving to Omni-channel retailing and it is taking a broader perspective on channels and how shoppers are influenced and move through channels in their search and buying process.

Innovations and creativity have become embedded in our value and culture in many different ways.

Particularly, in the age of e-commerce marketing, the customer can easily peruse, search, and research his needs at various places to eventually make a decision to purchase from a completely different place (Roblek , 2015)

In terms of managerial contribution, this research adds insights into omnichannel shopping behaviour by providing evidence on how consumers shop with a smartphone in a physical retail setting. By showing that the smartphone can be a shopping companion outside and/or inside the store, this research goes beyond the view of the mobile as an additional channel and considers it as a new touch point with the consumer participating in a retail ecosystem (Aubrey/Judge 2012).

The OC uses cross-channel strategy to integrate user experience with better communication, orchestrated and designed to cooperate. Therefore, OC supplants multichannel like e-commerce, social media, mobile applications, and physical locations, to enhance customer values and engage them with multiple avenues for application in healthcare, government, financial service, and telecommunication industry. The method and technology the retailer uses for their communication to select and offer the product, customer needs are critical and decisive to customer involvement, engagement, and competitive success (Lazaris, 2014).

Multichannel literature throughout the years has dealt with several concepts, such as: strategy, pricing, consumer decision-making process, channel cannibalization, service quality, brand loyalty, customer satisfaction, multichannel attribution, channel mix optimization, channel switching, customer experience, coordination, integration, synergies & dyssynergies. The last seven of them are the most relevant to omnichannel by definition.

The review of the relevant literature reveals that the origins of omnichannel arise from the notion of "click 'n' mortar". Specifically, in 2000, Otto & Chung wonder how can e-commerce techniques be combined with traditional physical retailing, in order to enhance the value of the shopping experience. They named this concept "cyber-enhanced retailing" and propose e-commerce practices that can be used in conjunction with conventional retailing.

Customer experience was also addressed by Burke (2002). He conducted an empirical quantitative study investigating how consumers want to shop online and offline, including 128 different aspects of the shopping experience. He found out that shoppers were fond of shopping features that assisted them in multichannel shopping (e.g., research online – purchase in store, shop online – pickup in store) and concluded that retailers should integrate channels so as to assist consumers to move transparently between them. Similarly, Görsch, D. (2002, p.757) showed that "the goal of multichannel integration must be to provide a superior customer experience that is consistent and seamless across channels".

Also, Shankar et al. (2011) suggested that a seamless shopping experience leads to satisfaction and shopper retain, which can be achieved by providing "the same style and tone across the channels" (p.33).

Nash et al. (2013) signified the importance of enabling technologies to provide data-enabled customer interactions and advanced analytics, in order to create enhanced customer experience, which results in increased customer satisfaction, loyalty and greater customer lifetime value.

Regarding channel integration, synergies & coordination, Steinfield et al. (2002) underlined the importance of seamless integration across channels and recognize that it is a difficult task.

At the same year, Schoenbachler & Gordon (2002) elaborate on the consistency of brand image and propose that advertising should maintain the consistency of image, integrated across channels and the focus should be on customers, not channels. Also, Bendoly (2005) discovered through quantitative research that firms simultaneously managing both online and in-store channels should adopt seamless & transparent channel integration, which is associated with increased loyalty.

Next, Sousa & Voss (2006) proposed "integration quality" as a component of quality in multichannel service and define it as: "the ability to provide customers with a seamless service experience across multiple channels" (p.365), comprising of two dimensions: channel-service configuration and integrated interactions.

Chatterjee (2006) suggests that cross-channel retailers that adopt coordinated order online– purchase offline strategies can be more profitable than those who employ multiple channels independently. On the other hand, studying a different selection of online & offline shopping channels during at home (TV, catalogs, and the web), Joo & Park (2008) discovered that there is

no cross-channel synergy among in home channels and that firms should clarify the role of each channel and link the channels appropriately. Furthermore, Kwon & Lennon (2009) conducted a quantitative research and underlined the significance of seamless integration and consistent image management in multichannel environments.

On the other hand, Cassab (2009) predicted the powerful impact that the mobile channel will have in channel integration, marketing and customizing of retail mix offerings, while Hahn & Kim (2009) concluded that consumers' trust can be retained by ensuring offline to online and vice versa seamless transactions, with minimum of hassle. To this end, Pookulangara et al. (2011) using quantitative empirical research discovered the importance of retailers to utilize a retailing strategy of "uninterrupted flow of communication with their consumers" (p.319) through the use of blogs, customer-generated reviews and electronic word of mouth.

Finally, Yang et al. (2011) introduced the concept of perceived entitativity ("the degree to which a collection of individual entities is perceived as belonging to a group", p.1689) as a construct to evaluate the benefits of multichannel seamless integration. Channel switching, consumer decisionmaking & brand loyalty are subjects of utmost importance in omnichannel environments. In relation to these, Dijk et al. (2005), through an exploratory empirical study found out that consumers actively assess the acquired information from several channels in order to obtain the best deal offered by the channel that suits them best at that moment

4.RESEARCH METHODOLOGY

Objectives of the study
To understand the awareness of consumers of a small city (Indore) regarding the Omnichannel and phygital market(retail).
To understand the interaction of consumers on Instore (brick and mortar) interactive digital technology.
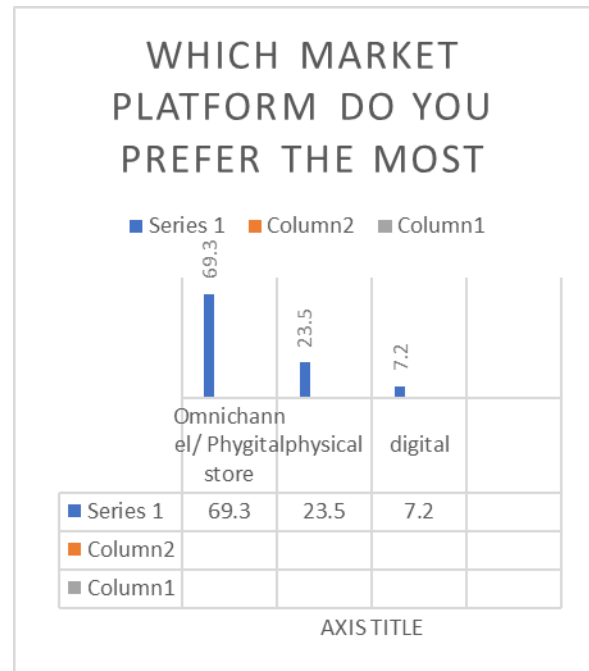To understand the impact of phygital technology on consumers decision making and purchase.
To find customers preference of human help in store or digital help. To find Market channel most preferred by consumers

which shopping channel do you use often
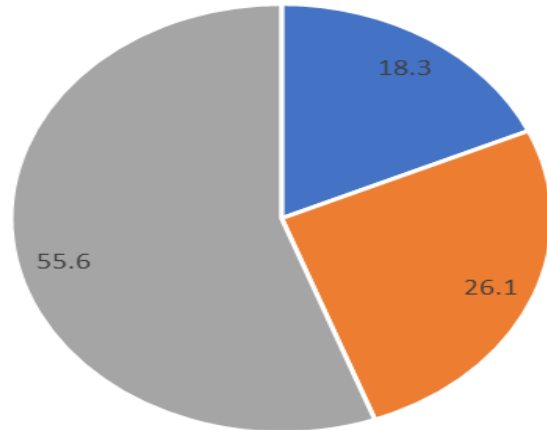
Interpretation:- It represents the most oftenly used shopping channel by the respondents. Out of 102 respondents, (7.8 %) respondents use Digital channels of shopping where as (25.5 %) of respondents use Physical means of shopping. Although majority of (66.7%) of the respondents use both the shopping channel

WHICH MARKET PLATFORM DO YOU PREFER THE MOST

	Series 1	Column2	Column1
	Omnichannel/ Phygital store	physical	digital
Series 1	69.3	23.5	7.2
Column2			
Column1			

AXIS TITLE

Shows the market channel most preferred by the customers.

OBSERVATION:

1.(69.6%) out of 102 prefer Omnichannel/phygital store

2. (26.5%) prefer PHYSICAL market

3.(4%) prefer DIGITAL market. Research Limitations – There are certain limitations with this research that must be considered.
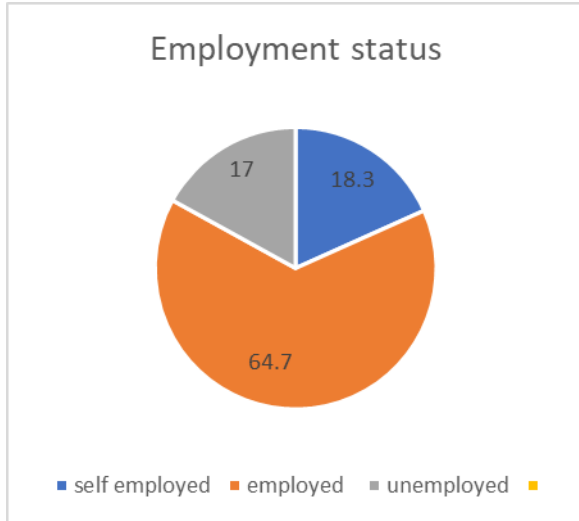
shows the Employment status of the 102 respondents amongst which , (73.5%) of the respondents are employed whereas (11.8%) respondents marked themselves as Unemployed and (14.7 %) are self - employed.

5.Findings

As of my last update in January 2022, I don't have access to specific research findings or results on the impact of phygital and omnichannel retail on the buying behavior of customers in Indore or any other specific location. However, I can provide you with a general understanding of the concepts and potential impacts based on existing knowledge.

 1.Phygital Retail: Phygital retail refers to the blending of physical and digital elements within the retail experience. This might include technologies like augmented reality (AR) or virtual reality (VR) for product visualization, interactive digital displays in physical stores, or the integration of online and offline channels for seamless shopping experiences.

2.Omnichannel Retail: Omnichannel retail is an approach that provides customers with an integrated shopping experience across multiple channels, including brick-and-mortar stores, online platforms, mobile apps, social media, etc. The goal is to create a cohesive and consistent experience for customers regardless of how they choose to interact with the brand.

6.CONCLUSION

Consumer Preference for Omnichannel Experiences: Consumers in Indore exhibit a strong preference for omnichannel shopping experiences that seamlessly integrate both online and offline channels. This preference is driven by factors such as convenience, product assortment, price transparency, and the ability to interact with products before making a purchase decision.

Impact on Purchase Decisions: The adoption of Phygital and Omnichannel retail strategies has a direct impact on the purchase decisions of customers in Indore. By providing a unified shopping experience across multiple touchpoints, retailers can influence consumer behavior and drive sales.

Enhanced Customer Satisfaction and Loyalty: Omnichannel shoppers tend to exhibit higher levels of satisfaction and loyalty compared to single-channel shoppers. The ability to access products and services through various channels enables customers to make informed purchase decisions and enjoy greater flexibility in their shopping journey.

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