

Consumers' Perception on Adoption of Comprehensive E-Commerce Strategies for a Brick- And-Mortar Retailer in Tamilnadu

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Abstract— Brick-And-Mortar Retailers are today operating in an environment where technological advancements are constantly changing the retail environment. A lack of e-commerce adoption strategies can negatively affect the sustainability of traditional small retail businesses. Business leaders of traditional small retail businesses who fail to implement e-commerce strategies can experience a loss of market share to e-commerce small retail companies.

Objectives: Grounded in the technology-organization-environment framework, the purpose of this study is to explore the strategies used by Brick-And-Mortar Retailers in Tamilnadu to foster the sustainability of their business successfully through e-commerce adoption. It also tries to study the challenges in the implementation of this strategy. **Methodology:** Literature Review and expert customer interviews were done to understand the need for an adoption of comprehensive E-Commerce strategies for a Brick-And Mortar Retailer in the current scenario. Survey from the consumers has been done to understand the customer attributes to the beneficial impact of an E-Commerce strategy, implementation challenges and role of Brick-And-Mortar retail stores in future.

Conclusion: E-commerce has fostered the ability for traditional small retail business leaders to project business worldwide, created jobs and promoted positive social change. E-commerce adoption strategies enabled traditional small retail business leaders to achieve optimum business performance through increased revenue. Customers value the retail store experience on multiple levels and continue to make the vast majority of their purchases in stores. The retail store of the future will no longer be just a point of sale. It will be an experience zone, where technology will be used to transform the customer buying process

Index Terms- Brick-And-Mortar Retailers, E-Commerce Strategies and technology-organization-environment framework

I. INTRODUCTION

In an era dominated by online shopping, brick and mortar retail stores have faced significant challenges. However, these physical stores continue to play a vital role in the retail landscape. This article explores the evolution, importance, and future of brick and mortar retail stores in the face of digital competition. Brick and mortar stores have a rich history, dating back to the origins of commerce. From traditional marketplaces to department stores and malls, the retail industry has continually evolved to meet changing consumer needs and preferences. The first physical retail stores emerged in the 18th century, when shopkeepers began displaying their goods in windows for customers to see.¹ These “windows” were actually showcases that allowed shoppers to examine the merchandise before making a purchase. By the 19th century, department stores had evolved into shopping destinations where customers could experience a wide range of products under one roof.

II. THE IMPORTANCE OF BRICK-AND-MORTAR STORES

Brick and mortar stores offer unique advantages that online retailers cannot replicate. They provide a tangible shopping experience, immediate product gratification, and personalized customer service. Additionally, physical stores contribute to local economies and foster community connections. There is an undeniable appeal to the physical shopping

experience. Brick and mortar stores give customers the opportunity to browse, touch, and test products before buying them. They can also be used as places for entertainment and social interaction.²

III. PROBLEM STATEMENT

The surge in e-commerce has posed a real threat to traditional small retail businesses.³ The traditional small retail businesses grew less than 50% in revenue than their e-commerce counterpart.⁴ The specific business problem was that some business leaders of traditional small retail businesses lacked e-commerce adoption strategies to foster the sustainability of their businesses. The survival and growth of small and medium enterprises like Brick and Mortar mainly depend on leaders who understand the importance of change. The ability to effectively implement strategies for innovation is the definitive component that fosters sustainability for the future of SMEs.⁵ Consumers have transitioned into the era of convenience afforded to them by the presence of online transactions and e-commerce.⁶ The purpose of this study was to explore the e-commerce adoption strategies used by business leaders of traditional small retail businesses to foster the sustainability of their businesses.

IV. LITERATURE REVIEWS

Peng (2017), explored the current state of the art of customer to customer business relationship model with the concern points on the exemplified level of technical feasibilities. Mostly this study suggested including the business performance software with the application of e-commerce, specifically this study focused on the SAP software which was recommended to integrate with e-commerce for balancing the supply-demand curvature

Fauska et al. (2014), studied the application of e-commerce with narrow-specialized companies with the conscious of information oriented management. This study includes the various perspectives of managerial implications of e-commerce with the application of narrow-specialized markets.

Fan et al. (2019), suggested including the business performance software with the application of e-commerce, specifically this study focused on the SAP

software which was recommended to integrate with e-commerce for balancing the supply-demand curvature. Sheenam Bajaj and G. Padmavathi (2015), in their research article on "A Study on Factors Affecting E-Commerce Adoption by SME's in Delhi", aims to identify the expected barriers in the adoption of E-Commerce in Delhi, India. The prominent results of the study indicates that among the usage of internet resources by the SMEs like e-mail, website, social media accounts like Twitter and Facebook, for reach of the customers, social media accounts ranks high.

Venkatesh, J., & Kumari, M. R. L (2015), made a conceptual study on the topic "The Application of E-Commerce in Indian MSME Sector". The study has rightfully highlighted the impact of Electronic Commerce on the business processes of Micro, Small and Medium Enterprises in India. The significant part of the study records that the scope of adoption of E-Commerce is directly related with technologies like Television, Cable and Telephones.

Objectives of the Study

1. To assess the level of E-Commerce Adoption among Brick- And-Mortar Retailer
2. To study the impact of E-Commerce Adoption on Business Performance in Brick- And-Mortar Retailer

V. RESEARCH METHODOLOGY

The Research Methodology adopted for the study is both analytical and descriptive. It is analytical, as the information, facts, and figures are analyzed and evaluated. It is descriptive, as the study highlights the current state of affairs in E-Commerce adoption by the Brick- And-Mortar Retailer. In the descriptive type of study, the techniques used are online survey. The research instrument for the survey is a well-structured printed questionnaire.

VI. STUDY POPULATION AND SAMPLE SIZE

Study population for this article is the repeat customers of major cities in Tamilnadu. For the collection of empirical data, a survey research design was used, in which questionnaires were either mailed or personally handed over to the respondents. The

quantitative survey was targeted at repeat customers from Top five major cities of Tamilnadu by population namely Chennai, Coimbatore, Madurai, Thiruchirappalli and Salem that constitutes 30 customers from each city to arrive at the total of 150 samples.

VII. ANALYSIS AND INTERPRETATION

- Analysis of Demographic Profile of the Respondents

The sample consists of a sizeable preponderance (96, 64%) of male respondents over female (54, 36%) respondents. The range of age of the respondents is 22 to 70 years. 56.80% of the respondents fall in the age group between 22 to 40 Years. 30.30% of the respondents fall in the age group between 41 to 50 Years and the remaining 12.9% of the respondents fall in the age group between 51 to 70 years. In terms of qualification, majority of the respondents (78, 52%) are UG / PGs. 28% (42) of them have School/Diploma education and 20% (30) of them are Professionals

- E-Commerce Strategy used

It is observed that the top application used by the Brick and Mortar Stores is ‘Electronic/Online Advertisement’ (78.90%), while 76.50% agreed and satisfied with ‘Order and Return Management’. The least applied E-Commerce strategy is ‘Information search’ (62.80%). Other E-Commerce strategies are having above average acceptance as follows: ‘Enquiry’ (72.40%), ‘Electronic Payment System’ (73.10%), ‘Exchange of information with suppliers’ (68.60%), and ‘Intra-Company Communication’ (62.60).

- Types of Customers

As far as types of Customers are concerned, 46. % (69) of the respondents deal with Industrial Consumers/Users. 42. % (63) of the respondents have General Consumers/Users and the remaining 12% (18) have Intermediary (Wholesalers, Retailers, Distributors and Agents) type of customers.

- The Evolution of Brick-and-Mortar Retail on Embracing E-Commerce strategies

Table.1

	N	Mean	SD
1.Enhancing the In-Store Experience			
Store Layout and Visual Merchandising	150	3.99	.940
Interactive Displays and Technologies	150	3.96	.809
Knowledgeable and Engaging Staff	150	3.84	.836
		11.79	2.585
2.Embracing Digital Integration			
Online Presence and E-Commerce Integration	150	4.11	.905
Click-and-Collect Services	150	3.99	.791
Personalized Customer Experiences	150	3.91	.803
		12.01	2.499
3.Creating a Seamless Omni channel Experience			
Integrated Inventory Management	150	3.77	.956
Streamlined Checkout and Payment Options	150	3.74	.927
Loyalty Programs and Customer Data Utilization	150	3.66	.892
		11.17	2.775
4.Adapting to Changing Consumer Expectations			
Sustainability and Ethical Practices	150	4.19	.880
Convenience and Accessibility	150	4.03	.818
Personalization and Customization	150	3.93	.833
		12.15	2.531

Source: Primary Data

In terms of adoption of E-Commerce strategies, the results have highlighted that ‘Adopting to Changing Consumers Expectation’ followed by ‘Embracing Digital Integration’ have great influence on the adoption of E-Commerce by Brick and Mortar Retail

business. As shown in the table no.1, Majority of the consumer respondents indicated that ‘Adopting to Changing Consumers Expectation’ (M = 12.15) as the significant factor followed by ‘Embracing Digital Integration’ (M = 12.01). Very few respondents have agreed that ‘Enhancing the In-Store Experience’ (M = 11.79) contributes to the adoption of E-Commerce.

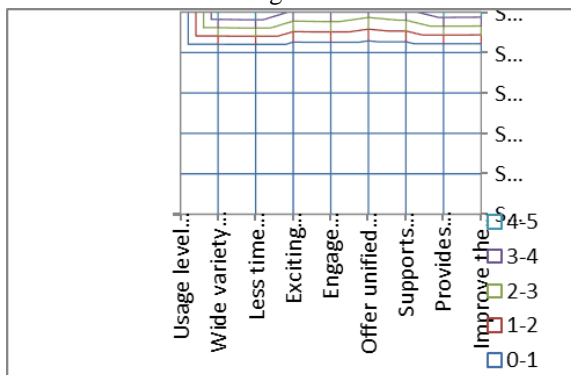
- Usage level of E-Commerce in Brick and Mortar Retail by consumers

Table .2

Usage level of E-Commerce	N	Mean
Wide variety of products	150	4.88
Less time purchasing and faster consumer consumption	150	4.95
Exciting offers and shopping deals notifications	150	3.86
Engage customers of all generation	150	3.92
Offer unified shopping experience	150	3.46
Supports Post-Purchase Engagement/ Customer Retention Efforts	150	3.76
Provides better access to information	150	4.61
Improve the product/service delivery system	150	4.58

Source: Primary Data

Figure.1



It is inferred from the table .2 that usage level of E-Commerce strategy by the consumers is very high to the aspect of “Less time purchasing and faster consumer consumption” with the mean value of 4.98 followed by “Wide variety of products” with the value 4.88, the second highest in the row. The least used

strategy of E-Commerce by the consumer is “Offer unified shopping experience” the mean value of which stands as 3.76.

- Usage of E-Commerce with Impact of E-Commerce Adoption

Table.3

Variable	N	‘r’ Value	P-Value	Relationship	Significant
Level of Usage of E-Commerce in Bricks and Mortar Retail	380	0.420**	0.000	Positive	***

Source: Primary Data **Correlation is significant at 1% level (2-tailed).

It is found that the p-value is lesser than 0.01. Further, it is also found that there exists a moderate positive correlation between Level of Usage of E-Commerce and the Impact of E-Commerce on Business Performance (r = 0.420). Hence, there is a significant relationship between Level of Usage of E-Commerce. Major Finding and Suggestion

The sample consists of a sizeable preponderance (96, 64%) of male respondents. 56.80% of the respondents fall in the age group between 22 to 40 Years who mostly involved in E-Commerce that traditional buying. In terms of qualification, majority of the respondents (78, 52%) are UG / PGs. 28% (42) of them have School/Diploma education and 20% (30) of them are Professionals. It is observed that the top application used by the Brick and Mortar Stores is ‘Electronic/Online Advertisement’ (78.90%). The least applied E-Commerce strategy is ‘Information search’ (62.80%). As far as types of Customers are concerned, 46. % (69) of the respondents deal with Industrial Consumers/Users. 42. % (63) of the respondents have General Consumers/Users and the remaining 12% (18) have Intermediary (Wholesalers,

Retailers, Distributors and Agents) type of customers. Majority of the consumer respondents indicated that 'Adopting to Changing Consumers Expectation' (M = 12.15) as the significant factor followed by 'Embracing Digital Integration' (M = 12.01). Very few respondents have agreed that 'Enhancing the In-Store Experience' (M = 11.79) contributes to the adoption of E-Commerce. The usage level of E-Commerce strategy by the consumers is very high to the aspect of "*Less time purchasing and faster consumer consumption*" with the mean value of 4.98. The data collected during this study suggested that the consumer perception aspect of consumer expectations positively influences the decision-making process of a consumer purchasing from an e-commerce only retailer. While consumer expectations positively influenced the customer when using an e-commerce sales channel, this was not as clear for the salesperson and ease of use factors. Specifically, the results suggested an e-commerce retailer's sales channel is similar to the brick-and-mortar retailer's e-commerce sales channel, where consumer expectations influence the consumer's decision-making process when using an e-commerce sales channel. The results of this study also indicated that the consumer perception of the e-commerce sales channel favorably influences the success of the brick-and-mortar retailer's e-commerce sales channel, meaning that a brick-and-mortar retailer benefits from a positive perception of their online option.

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