A study on Impact of growth of digital network of internet on online apparel shopping

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ABSTRACT

The faster growth and development of the digital network of internet has led to the tremendous growth of fashion e-commerce of the world. Since 1990s, the explosive expansion of e-commerce has dramatically changed the fashion retail landscape in the world economy. It has transformed the world fashion retail infrastructure rapidly. In order to be successful in the e-commerce, many fashion retailers engage in reengineering their business model to keep up with changes in how consumers acquire fashion goods and services. With assistance from the latest development in communication and information technology, online fashion marketers are establishing positions in newly identified niches in an attempt to acquire new competitive advantages. The continuous growth and development of digital network of internet has helped the fashion e-commerce to bring more clarity in the conduct of online selling of fashion goods and good customer experience.

KEYWORD: *Internet, e-commerce, online shopping, online shopper, fashion apparels, digital networkB2B, B2C, virtual dressing room*

INTRODUCTION

For thousands of years people have engaged in trade; where a merchant and a customer meet face to face to exchange product or service for money. It was worked out well over time because both seller and buyer can instantly check whatever they exchange and agreed on. And the need of trust issue is secondary, if the one party expectation fails to meet other the deal just simply falls through. This fundamental truth of commerce has become seriously challenge over the past decades. The market place has become now global. People now no longer have to come face to face for conducting business of buying and selling things. The digital network of internet has made it possible for people to buy products from thousands of shops worldwide at any time day and night at any place. This is the new process of buying and selling of goods between buyer and seller where both the parties cannot see each other in the transaction. Buyers need to have lot of trust on seller because the buyer will not actual see with whom is he is dealing for the purchase of products and services. This process of buying and selling of products and services is known as online shopping.

Online shopping or online retailing or e-tailing or Internet retailing is a form of electronic commerce or electronic retailing/tailing which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Alternative names are: e-web-store, e-shop, e-store, Internet shop, web-shop, web-store, online store, and virtual store. An online shop evokes the physical analogy of buying products or services at a bricks-and-mortar retailer or shopping center; the process is called business-to-consumer (B2C) online shopping. In the case where a business buys from another business, the process is called business-to-business (B2B) online shopping. The largest of these online retailing corporations are Alibaba, Amazon.com, myntra.com, flipkart.com, jabong.com and eBay. All most all of these big online retailers conduct both B2C and B2B online shopping. They also provide platform to the small retailers to sell their products directly to the final consumers. Retail success is no longer all about physical stores, this is evident because of the increase in retailers now offering online store interfaces for consumers. With

the growth of online shopping, comes a wealth of new market footprint coverage opportunities for stores that can appropriately cater to offshore market demands and service requirements.

HISTORY AND GROWTH OF APPAREL E-TAILING IN INDIA

Late 1990's and early 2000's saw launch of several e-tailing sites like rediff.com, indiaplaza.com, etc. However, the real defining entry in this domain was that of Flipkart in 2007 and since then we have seen an increased urgency in the space with the entry of several new players across categories; highly discounted pricing; better interfaces and delivery; high decibel media campaigns; investments in players at high valuations - all leading to aggressive competition to grow and scale-up as quickly as possible. Though e-tailing is still a very small part of overall retail in India (0.2%), it is projected to grow at a fast pace (reaching ~2% by 2017) and it has reached 2.9% by April, 2018. Over the next decade its presence will be even more significant.

Retail e-commerce sales in India will rise 31.0% by 2018 to reach $32.70 billion, according to e-Marketer's latest forecast, India: Ecommerce and digital shopper metrics, 2018. That growth rate will trail only China and Indonesia in Asia-Pacific. This growth and development has been enabled in part by the ecommerce market leaders in India—Flipkart, Amazon and Paytm Mall, who have been expanding into new sectors, including grocery. This investment and development along with India's rising internet and smartphone use, as well as the country's young population and expanding middle class, have contributed to a growing number of digital buyers. It has been expected a quarter of the population will be digital shoppers this year. This share will rise to 41.6% by 2022.

Despite the strong growth rate (India's ecommerce market has more than tripled since 2015), retail ecommerce will make up just 2.9% of total retail sales in 2018. While this is low compared with more developed markets in the region, India is poised for significant ecommerce growth in the coming years as internet penetration expands. By 2022, India's ecommerce sector will be worth $71.94 billion.

"Ecommerce is booming in India thanks to increased internet users and cheaper smartphones," said Eric Haggstrom, forecasting analyst at eMarketer. "In tandem with this shift to online and mobile usage, Flipkart, Amazon and Paytm Mall have been competing fiercely to claim their share of the Indian market. All three of these companies are making large investments, which include improved logistics and payment systems, as well as offering deep discounts, which will fuel future growth in the market.

With changing demographics and an increase in the quality of life of urban people, the Indian retail sector is poised for a boom. Currently estimated at $500 billion, it is forecast to reach $1 trillion in 2020. However, with 0.1% penetration, the online market presently constitutes only $500 million of the total retail market, but is expected to grow 140 times and reach $70 billion by 2020, thanks to the demand from the so-called Generation Z. E-commerce has brought about a revolution in the shopping model of India. With over 10 million Indian consumers shopping online for commodities other than electronics, this sector is growing at a great pace. Opportunities for web exclusive brands are coming up in apparel, accessories, shoes etc. and also gathering momentum across all market segments with each passing day.

In the last two years, the $130 million apparel e-retailing space has attracted investments worth $70 million i.e. 40% of the total funding Indian e-retailers bagged during the period. In fact, the recent inflow of private equity investment into many garment start-ups is an indication that the apparel e-tailing platform is reaching a tipping point fast. Apparel e-tailing has experienced significant growth across the country due to increasing time-poverty, changing lifestyles, convenience and flexibility of shopping from home and option of free home delivery (in most cases). Factors such as dramatic increase in penetration of IT devices and communication solutions (especially tablets, broadband and smart-telephony), and emergence of exciting new "virtual reality" technologies are contributing to the expansion of apparel e-tailing. The average Indian consumer has been experiencing increasing time-poverty these days. People have been spending more time commuting to and at their offices, on leisure and recreation, on vacations, in grooming and maintaining their well-being, socializing, teaching school-going children etc. leading to limited time available for shopping and such activities. There is an increasing emphasis on reducing the stress and time taken for routine activities (household chores/ shopping etc.) and maximizing the time spent with families and friends. Convenience in terms of ease and time, information, decision-making, transactions and flexibility has been a major factor influencing adoption of e-commerce. This factor to a large extent also plays out for apparel e-tailing.

Technology has also played a major role in addressing some key concerns of apparel retailing on the web. High resolution graphics, streaming videos of garments donned by models, virtual dressing rooms and 360° viewing and zoom tools have made online shopping an interesting exercise. Customers can key in their vital measurements to find the right fit, and can also browse through multiple brands for the perfect dress. Players like Yempe.com, India's first online fashion brand, trying to get the first-mover advantage, aim to create experiences and craft consumer

memories, apart from offering private-label fashion brands. It has integrated, advanced and highly user-friendly facilities like 'Virtual Dressing Room' where users can "try" the merchandise before the actual purchase. Among big cities, consumers in Mumbai topped the numbers of online shoppers, followed by Ahmedabad and Delhi. However, shopping on the net is gaining traction with consumers beyond metros and Tier I cities as well and gaining momentum across the country.

Given these reasons, apparel e-tailing has started to boom. In doing so, it has taken three distinct routes: First is the Multi-brand route - Few players have cashed in on early-bird benefits and captured a significant online market share: Myntra.com – an online fashion store for women and men launched in 2007; Yebhi.com (Big Shoe Bazaar India Pvt Ltd) launched in 2008, is the fastest growing company in lifestyle category in India; Futurebazaar.com – an online retailer which caters to the fashion and apparel category, launched in 2007. Second is the Apparel brands going online - Brands like Zodiac, Madame, Fabindia, Mustard and La Senza, to name a few, have made their products available online. Third is the Niche route - Numerous pure-play e-tailers are entering into niche segments to cash in on these untapped categories. Strapsandstrings.com, promoted as India's first online lingerie shopping boutique, offers Indian women the opportunity to shop for international lingerie brands like Lise Charmel, Chantelle, Mimi Holliday and Cosabella, which are not available locally. Learning from the international success of Diapers.com, a number of baby products (including apparel) focussed ventures like BabyOye.com, FirstCry.com, HushBabies.com and LittleHood.com have emerged in the country.

Sources of Secondary data: The secondary data has been collected for this research from various related books, magazines, journals, newspapers, and Internet to analyse and understand the impact of technological innovations on increased online purchase of fashion apparels by consumers.

DATA ANALYSIS

Online apparel sales have seen a boom in recent years as consumers have gradually become more comfortable making wardrobe purchases from their computers and mobile devices. In its early days, e-commerce consumers quickly took to product categories like books and media entertainment, while Apparel & Accessories understandably had a slower adoption curve. It makes sense intuitively – there's inherently more risk that goes with purchasing an article of clothing online than with an item where you know exactly what you're going to get, such as a book or DVD. The apparel item might not fit or it might look different in person than in the photo. Consumers remained apprehensive about online apparel purchases for a long time, but are finally gaining comfort with it as online retailers lowered the risk through easy return policies and aggressive use of free shipping offers. As a result, the Apparel & Accessories category has grown at a faster year-over-year growth rate than total online retail for 11 of the past 13 quarters.

Brick-and-mortar retail stores are closing at their fastest pace in years and its apparel companies that are bearing the brunt of this fallout. Despite a healthy economy and consumer sentiment more positive than at any time since the recession, several factors are contributing to the downturn in retail perhaps the most notable being the channel shift from offline spending to online. Internet shopping not only provides access to products from home, but also provides discount benefits and allows customers to compare prices offered by various companies. There are a number of online retailers such as such Flipkart, Jabong, and Myntra present in the market, offering a variety of apparels with exclusive services and discounts to attract consumers. Hence, online shopping is appealing to youth in India and the demand for apparels is expected to grow during the forecast period. One of the main drivers is the increase in young population has resulted in more demand for apparels, as the youth of India are more educated and savvy about brands and the latest fashion and styles. This has boosted the demand for varied brands, driving the sales in the Apparel market in India. Unique to India (and potentially to other developing countries), cash on delivery is a preferred payment method. India has a vibrant cash economy as a result of which 80% of Indian e-commerce tends to be Cash on Delivery. Similarly, direct imports constitute a large component of online sales. Demand for international consumer products (including long-tail items) is growing much faster than in-country supply from authorized distributors and e-commerce offerings.

Consumers are attracted to online purchasing not only because of high levels of convenience, but also because of broader selection options, competitive pricing, and greater access to information in the form of feedbacks and reviews. Marketer seek to offer online shopping not only because it is of much lower cost compared to bricks and mortar stores, but also because it offers access to a worldwide market, increases consumer value, and builds sustainable capabilities. Designers of online shops are concerned with the effect of information load and details. The information load on the website is actually helping in stimulating and attracting the consumer spatial and temporal. Compared to conventional retail shopping, the information environment of virtual shopping is enhanced by

providing additional product information such as comparative products and services, as well as various alternative and attributes of each option, etc. two major dimensions of information load are complexity and novelty. Complexity refers to the number of different features of a website, often the result of increased information diversity. Novelty involves the unexpected, suppressed, new, and unfamiliar aspects of the website. The new features of website may keep consumers exploring a shopping website, whereas the complexity dimension may influence impulse purchases.

A successful webstore is not just a good looking attractive website with dynamic innovative technical features and elements, listed in many search engines. In addition to broadcasting of information, it is also about building a relationship with customers and earning money. Many businesses often attempt to adopt online selling techniques without understanding them and without a sound e-business model. Sometimes, businesses produce webstores that support the organizations' culture and brand name without satisfying consumer needs and expectations. User centred design of website is most critical. Understanding customer's preferences is most essential and living up to their expectations help builds strong relationship with them. Living up to the company's promises gives customers a reason to come back and meeting their expectations makes customer loyal. It is important for the company website to communicate how much it values their customers in fulfilling their needs and expectations. Needs and expectations from the product will not be same for all the customers. Based on age, gender, income, culture, lifestyle, region of customer their preferences and expectation from the products will be different. These factors are most important for company to plan for their products and service. In purchasing, customers show different level of involvement for different products and services. It depends on various factors like price, brand, usage, durability of product. Customers' emotional feelings will be different for different products. Hence, it has become more important for companies' to focus on giving good customer experience on their webstore. Customers with more online experience focus more on the factors that directly influence the purchasing process, while new customers focus more on understanding the information and shopping process.

To increase online purchases, business organizations must use significant time and money to define, design, test, implement, and maintain their website. It is easier to lose a customer than to gain one. And attracting new customer is always expensive than the retaining the customer. Even a top-rated website will not succeed it if the organization fails to common professional business ethics and etiquette in responding to customer queries in time, customer problems and complaints, being honest and good towards fulfilling the customers' requirements. It is important for online seller's website to be more clear, comfortable, attractive and appealing to the online shoppers. Hence, it is most important to the business organizations to spend quality time to understand the expectations of online customers about the webstore, design, information need to be stored on the website. Many website have been designed, developed and maintained very well by the business organizations by making use of advancement of digital technology, and information technology. Growth and development of digital technology and information technology is helping business organizations to eliminate mistakes gradually in their webstore design and content.

MAJOR FINDINGS OF THE STUDY

- There is tremendous growth of online buying for fashion apparels, it all because of continuous growth and development of digital technology and information technology. Growth of information technology has made consumer more comfortable in online shopping of fashion apparels. The website design, virtual trial room and secured payment options due to growth and development of information technology and digital technology is contributed for the increased purchasing of fashion apparel. Earlier consumers were having lot of discrepancy about products pictures showed on website and the actual products. But now that difference between image of the product and actual product has been reduced and it has happened because of the advancement of the digital technology. The growth and development of information technology and digital technology is actually supporting the reasons increased online purchase of fashion apparels by the consumers.
- Technological innovations in virtual trial room, wearable tech, and connected fitting rooms are all making big waves in online fashion in India. Technological innovations in online sizing and online search have contributed for tremendous increase in online shopping for fashion apparels in India. Earlier, there used to be more returning of fashion apparels due to not matching with image of product shown on webstore and actual product, fit issues, quality and finishing issues. Even the well-defined return policies of online businesses has made consumers comfortable and convinced to purchase fashion apparels online.
- Smart fitting technologies like virtualsize enabling online customers to buy the right size either measuring the clothes in their closet or by comparing specific fashion apparel brands and styles. Rhone Apparel website has implemented Fit Me' Fit Origin and within the first month, among the users the customer

conversion rates have raised from 3.7% to 9.8% and it also has delivered an impressive more than 20% in increment in revenue to Rhone's website. This shows how the growth and innovative development in digital and information technology is contributing for the faster growth in online purchasing fashion apparels by the consumers.

- Virtual fitting room apps go beyond smart fitting and let consumers use their smartphones to conduct 3D body or face scan ensuring accuracy when consumers wants to try on cosmetics, jewellery or fashion apparels online before making a purchase. Perhaps the most simple and useful form of artificial intelligence and machine learning revolves around online search and helps in predicting most searched and popular products for customers. This helps consumers to save time by displaying the popular and most frequently searched products by them.

- Due to technological innovations online stores are able to describe products for sale with text, images, and multimedia files. Some online stores provide or link to supplemental product information, such as instructions, demonstrations, safety procedures, and manufacturers' specifications. Some websites provide background information, advice, guidelines designed to help consumers decide which product to buy. Online stores even allow customers to write remarks or rate their items. There are also some dedicated review websites where the host users can review for different products. Reviews and even some blogs can give customers option to shop for cheaper purchases from all over the world. Some online stores provide real time chat features to help customers to get the answers for their questions related to products and services. And some online retailers use e-mails or phone calls to handle customers' questions.

CONCLUSION

The technological innovations in online shopping have been supporting the consumers' reasons for increased purchasing of fashion apparels online. Online stores are working 24 hours a day and no time limit. Due to growth and development of digital technology and information technology made internet accessibility more wide with lesser cost. Many consumers have internet access both at work place and at home. Other establishment such as internet cafes, internet accessibility at restaurants, bus stations, railway stations, airports, colleges and schools also provide internet access at a very low price or at free of cost as complementary. Customers can purchase products at any place at any time online. In contrast, customers buying from conventional stores require customers to travel and visit the store during prescribed business hours. The average Indian consumer has been experiencing increased time poverty these days. People are spending more time commuting to and at their offices, on recreation activities, on vacations, in grooming and maintaining their well-being, socializing, etc., leading to limited time available for household chores and shopping. The technological innovations in website designs, features, transaction process, etc., have added an advantage for consumers to moving from traditional buying of fashion apparels to purchasing of fashion apparels online. Well-defined return policy and secured payment options by the webstores have made consumer buying online easier and comfortable. If customers have any problem with the online purchased fashion apparel in terms of design, style, size, fit, colour, fabric, etc., they can return the item and get the refund or exchange with other item without any cost reduction. Many online retail stores have more generous return policies to compensate for the traditional advantage of physical stores. Many big fashion brands and designers are making use of technological innovations to enter into e-commerce to create their own webstores to sell their products online. Growth of digital technology and development of information technology has creating waves in online buying and selling of fashion apparels.

Advancement and innovations in technology is also playing a major role in addressing some key concerns and issues of fashion apparel retailing on the website. Technological innovations have contributed for creating high resolution graphics, streaming videos of garments, virtual dressing rooms and 360° viewing and zooming tools have made online shopping more interesting and entertainment activity. Customers are becoming delighted and spending more time on online stores with the kind of innovative online website experience provided by the online stores. Customers can have their vital measurements to find the right fit, and can also browse through multiple brands and multiple websites for the perfect dress. Players like myntra.com, amazon.com, flipkart, etc., in India first online fashion brand, trying to get the first-mover advantage as exclusive online fashion websites, aimed to create experiences and craft consumer memories, apart from offering private-label fashion apparels. These top rated fashion online stores have integrated, advanced and highly user-friendly facilities like 'Virtual Dressing Room' where users can "try" the merchandise before the actual purchase.

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