

## Prognosticating the retail evolution in emerging markets with special focus on India - A descriptive study

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### Abstract

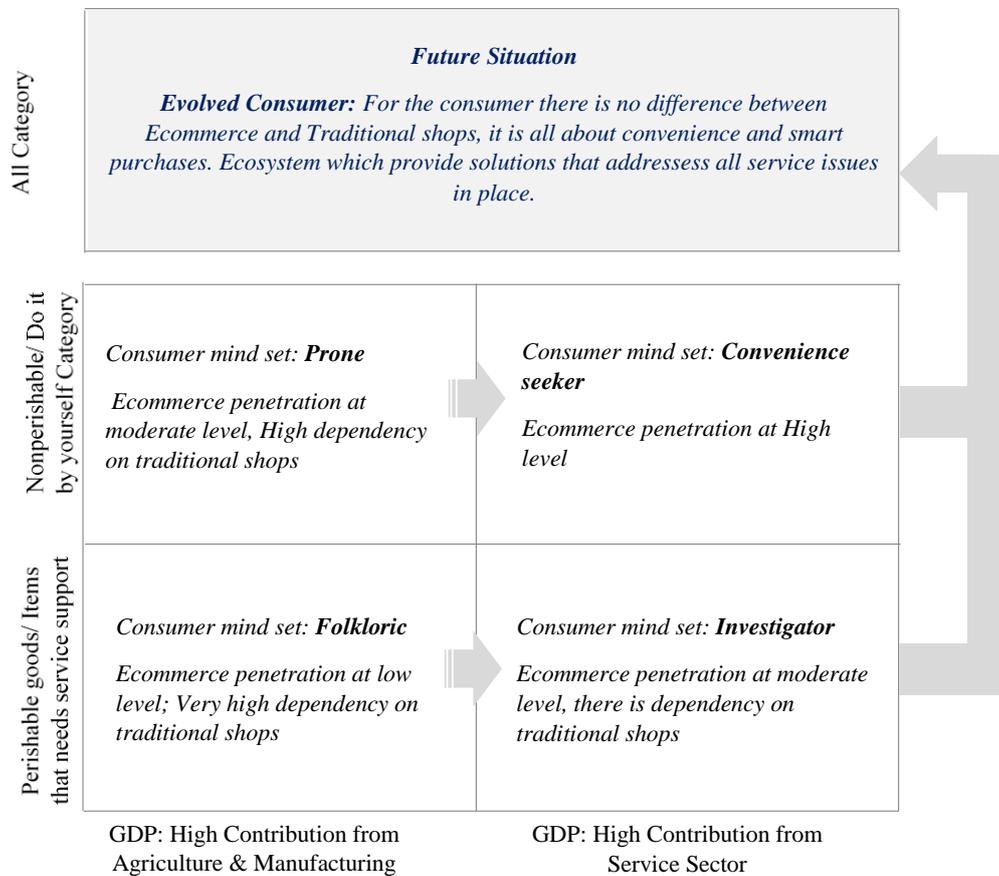
With the dot-com boom, we started hearing words like disruptive marketing, Omni-channel etc. very often and business houses are discussing these topics very seriously. What could be the reason for this? It is simple. With the increasing rate of digital literacy, consumers and sellers are migrating to the digital world, there everything is transparent and enough information is available for the consumer to take smart and empowered purchase decisions, and it makes the customer more opportunistic. Similarly, digital market places make new entries easy and simple, and sellers are under pressure due to increase in competition.

In this study researchers studied different research works happened in the area of online retailing across the world in different economic and market situations and identified how customer preference towards online retailing changes in different economic stages by product category. Also identified barriers to online purchase in different stages of online retail evolution. The objectives of this study are (1) Assess the capability of ecommerce to grow or sustain (2) Draw an ecommerce evolution road map (3) Recommend action areas for small retailers to make the digital commerce an opportunity (4) Recommend the right ecosystem for ecommerce.

Researchers concluded that all the markets will evolve to a stage where there is seamless flow between Online and offline channels and Omni-channel capability is the basic requirement for the traditional shops to maintain competency and sustain in the new retail world. However, researchers suggest that the Omni-channel ecosystem should not be in the hands of private entities, it should be with the government to ensure that retailers as well as the consumers are not exploited and monopoly is not established. Additionally, in this study researches call out focus areas for the traditional shops to leverage the digital revolution.

The Retail evolution model proposed by the researchers is given below:

**Retail evolution model:**



Some of the key takeaways from this research are narrated below:

Growth of ecommerce is an unavoidable reality. Currently, e-commerce is not able to penetrate into many segments because this channel does not have solutions for many service problems. Once ecommerce develops ecosystem that provides right solutions to bridge these gaps, it will challenge the existence of traditional retail shops and create monopoly. This revolution may take short to long period depending on the economic stage of the country. The only way traditional retailers can survive is by developing online channel capabilities. Government should be cognizant of the fact that small retailers play a major role in the economic system especially in terms of ensuring equality in income distribution. Developing an Omni-channel ecosystem for the scattered traditional retailers to come together, collaborate and provide complete solution to the consumer will be the key factor for the survival of this Mom and Pop shops retail community, but this Omni –channel ecosystem should be managed by government to avoid monopoly.

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