

Retail Transformation from Traditional Retailing to Digital Retailing: Challenges and Opportunities

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Abstract

The diffusion of information technology and its services change the idea of retailing all over the world inexorably. In days of ours internet is more often used by both retailers and consumers to sell and buy and their goods/services globally. It lead to retail transformation which in turn change the way of shopping, but still it is not very common among the consumers due to various challenges that affect the speedy transformation of retail. Challenges such as lack of prompt & safe transportation, lack of reliable delivery system, lack of trust and confidence in digital payment and digital retailers. Against such a backdrop the present study focuses on the factors responsible for retail transformation from traditional retailing to digital retailing especially in metropolitan cities of India. The study also depicts what changes retail sector is going through as a result of digital transformation, what challenges have arisen out of the process, and how these challenges turns in to opportunities.

Keywords: Retail Transformation, Traditional Retailing, Digital Retailing, Challenges & Opportunities.

Introduction:

In contemporary retail sector the customers occupying the central position in digital retail, which in turn transform the retail scenario around the world. At present in retail businesses the use of websites is imperative for retailers to connect with customers. Digital retailing is attributing to various digital techniques used to interact with marketers/consumers internet. One or other forms of digital media is used by digital retailers' promotion of brands, products or services. Digital media is so prevalent that helps the customers in accessing the required information anywhere and anytime they want it. For moving from a physical store-based approach to multichannel approach retailers needs to change their conventional formats and ways of working. In fact in multichannel retailing, conventional physical stores can have a comparative advantage. Retailers adopting multichannel have witness an increase in online sales and retention of customers who live near the retail stores. In traditional retailing retailers directly target and find customers, while the main objective of digital retailing is to have people find them. The success of a digital

retailing mainly depends on the customers having Internet access and being familiar with the channels used.

The digital landscape is in a state of rapid transformation in India, particularly in traditional retail. The retail stores which we seen today are going through a significant makeover. These retailers are being users of technology themselves are easily adopting technology to attract consumers and expand their market share. Digital media is gradually becomes the desired choice for Indian consumers to place order for products and services. However, they still prefer to visit a nearby retail store to quick and prompt service. New technologies are also enabling traditional retailers to have more flexibility and efficiency. By using digital technology, traditional retailers are in a position to transform an easy and enjoyable experience while offering more value addition services. Now they can offer discount coupons, display merchandise effectively and run their own loyalty programs. They can automate credit management, inventory management and store operations cheaper than ever before.

Digital Transformation of Retail

The customers that today's retailers meet are not only extremely well informed, but— thanks to mobile devices and apps – they are also able to shop anywhere and at any time, by selecting different sales channels depending on the situation they find themselves in; whether sitting on the sofa at home checking websites on a laptop or using a smart phone on the bus to do some shopping and searching route to an evening out. The result of this 'always-on, always-informed' culture is that there has been a significant rise in customer expectations. Consumers now expect from the retailer to provide a fast, hassle-free service, irrespective of the device and sales channel used. Retailers need to make sure that their product lines include detailed information including quality, price and stock levels and more. Retailers who want to go through with these expectations needs to have seamless, quick dissemination of information with their partners and is depend on the application of smooth IT systems where all data is always up to date.

A serious challenge for retailers is related to all encompassing, all knowing services that consumers are now expect just because of the availability of huge amount of data and processes involved. Irrespective of the size consumers have the similar expectations from all retailers. As compared to small retailers it might easy for global retailers like Amazon to react quickly to

consumer expectations and demand. For becoming capable to deal with the full range of consumer products and to be able to offer best shopping experience throughout the customer shopping journey, it is inevitable for retailers to develop smooth internal processes as well as solutions for latent consumer needs. Digital retailing differs from traditional retailing because of the use of innovative business channels and methods that facilitates the retailers to study various retailing models and understand which model is actually working and which is not working. The digital retailers are characterizing by quick action on consumers feedback or requirements because of two way effective communication that creates the happier and satisfied consumers. All this become possible due to digital screen use to seen, how long and how many times, what retail content works and does not work etc. customer open their eye 24/7 to see what happening and what is up-coming.

WHAT IS CHANGING IN THE RETAIL CONSUMER JOURNEY?

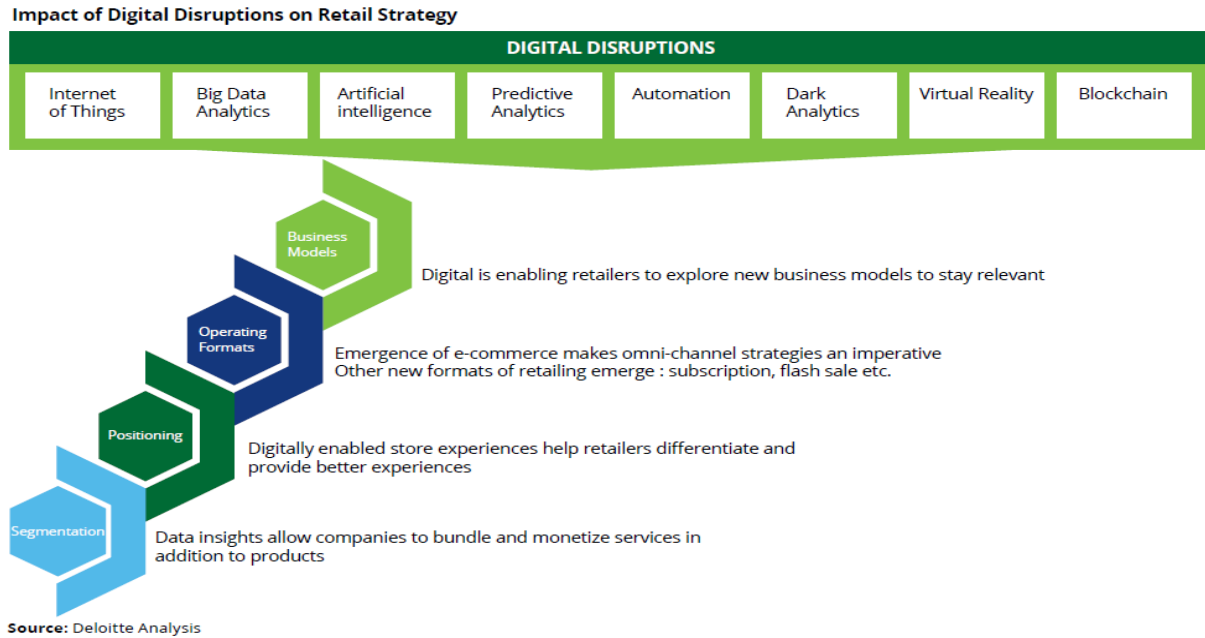
| 1990 to Early 2000 ▶ Mid 2000 to 2015 ▶ 2015 and beyond ▶ | | | |
|--|---|---|--|
| Retail Consumer Journeys | Digitally  Challenged | Digitally  Enabled | Digitally  Transformed |
|  Engagement | One way communication, no engagement or dialogue Mass media – TVs, banner ADs and occasional events being the mediums of engagement Customers driven by loyalty and brand recognition | Web2.0 enabled 2-way communication between brands and consumers Consumer generated content through reviews, blogs, social channels Brands going beyond mass engagement to engage with long-tail Loyalty becomes transient | Mobile devices at the center of customer experience and engagement Mass customization to hyper personalized engagements enabled through insights One-to-one relevant engagement and value in return for customer consent to share personal information Loyalty would be an outcome of new ways to create value and on real relationships with the brand – not just a discount, a coupon or points |
|  Product Discovery | Clear set of recognized needs Low mediums to conduct research Word of mouth (face to face) played critical role | Clear set of recognized needs much in advance Digital channels providing multiple modes of research Internet word of mouth, social media enabled viral marketing | Need is created on the go, at the point of discovery – not just restricted to physical or virtual retail channels (bus stops, train stations become points of sale) Interconnected digital mediums and interactive displays provide relevant context-aware messages leveraging IoT and deep analytics Brands, influencers, early adopters, force a collapse in time for adoption of new products |
|  Purchase | Only brick and mortar was available purchase and pick up was done at store level Limited payment options - cash and credit cards | Multi-channel transactions become mainstream with few pioneers attempting seamless Omnichannel fulfillments and experiences Self checkout options in-store Digital cash equivalents such as PayPal, Billmelater, Skype accounts, and Starbucks cards enable smoother transactions | True Omnichannel becomes mainstream Digital wallets become a reality NFC and contactless payments Unlikely players pioneering to solve fulfillment problems – e.g. Uber Grocery delivery service |
|  Post-Purchase | Servicing was tiresome for the customer with multiple touch-points Very low influence on other customers | Point of sale -> point of service mind-shift and expectations Online reviews and surveys creating huge influence Social channels extending to be support and help forums and means to interact with retailers and share experiences Self-service and diy know-how available widely | Point of service transforms with proactive insights to delight customers Customer 360 driven engagement and post purchase experiences - transactions, interactions, engagements, recommendations and actions coming together to resolve customer issues Self-service becomes easier with rich handholding that is automated and in some cases assisted |

Although, over the past decade a significant growth in retail have been observed, but still organized retail is accounted only for 8 per cent, on the other hand unorganized retail accounted for 92 per cent of the overall retail industry. At present the retail industry in India accounts almost 10 per cent of the country’s GDP and become a second important source of employment to the 8 per cent of the country’s workforce. It is expected that Indian retail sector reaches to 1.3 trillion US\$ by the end of 2020 from the current US\$ 672 billion. A large number of domestic and foreign corporate houses also enter into the Indian retail industry at an unprecedented speed. In fact, in coming years the digital retailing is expected no more will be just an urban

phenomenon, as it is expanded in tier 2 and tier 3 cities of India. This trend is expected to continue and open up the new door of possibilities for disruption of customer centric retailing and operational models.

Digital Transformation of Retail through Disruptions

Retail digitalization not only brings the challenges but it also brings the opportunities for retailers a greater level of operational effectiveness and customer satisfaction in their retail operations. Therefore, it is necessary that digital retail of any retail organization is driven to a new height. Consequently it intensifies the competition not only between the traditional and digital retailers, but also between the digital retailers. The skill to enhance the ability of participation is vital for any digital transformation in contemporary retail business. Digitization promises new business avenues for retailers to serve the customers in a better way through engaging with present customers, reduction in operation cost, fostering motivation of employees along with numerous other advantages and creating a positive effect from the margin and revenue point of view. In present study, digital retail has been defined as a technology which makes various combinations of resources such as processes, devices, instruments, teams, protocols, networks, methodologies and ensures the product related content like information regarding the price, durability, uses and its availability to make customer or retailer more competent to take appropriate judgment and satisfying their needs. The capacity to handle and sharing of huge amount of data that leads to some structural disruptions in the models of business design.



Drivers of Digital Retail Transformation

1. Growing Number of Internet and Social Media Users

There is a strong relationship between economic prosperity and the users of internet, adding the majority of Indians with the ocean of knowledge i.e. World Wide Web which becomes biggest opportunity and challenge for Indian retailers. Increasing in number of internet users and wireless enabled devices like public 4G and Wi-Fi has put mobility to next retail revolution.

2. Growing Number of Smart phone Users and Rising E-commerce

- The of Smart phone users are affirm to increase from 290 million in 2016 to around 470 million by 2024 in India.
- This is further affirmed to expand the retail pie of e-commerce in India’s e-retail industry.
- In the year 2016, almost 83 per cent of the smart phone users in India made shopping via mobile phones.

3. Supporting Demographics

India’s largest population of youths (aged 20-38 years) is more technologically inclined and prefer digital mode of marketing. As more as 400 million youths of India are having their birth after 1982 and constitutes 46% of its total workforce. India is moving on the path to become the world’s youngest country by 2020, with a mean age of 30, showing the determining role of its youth in accelerating the retail growth in retail sector. They are young and at the same time in

most of the households they are the chief wage earner contributing 70% of total household income. Youths are playing a major role in India's IT revolution with 84 per cent of youths who are depend on mobile broadband, spend 17 hours on an average a week on internet surfing.

4. Digital Infrastructure

Today's Industry is represented makes the line thin & blur between conventional and digital world by enabling people to have real-time access of information to existing and new data sources. Together with desired analytical tools for content analysis, and predictive understanding which is structurally changing how retailers operate. Retailers are now collecting vast data from various sources and facilities in real time, performing high degree of evaluation to create new visions, for implementing sound judgment. The digital revolution which we have seen today changing the methods of product design, timely delivery and has various implications for the value addition in retail business. The presence of omni-channel is facilitated by the quick transfer of money and rapid development in digital infrastructure.

5. Omni Channel Presence

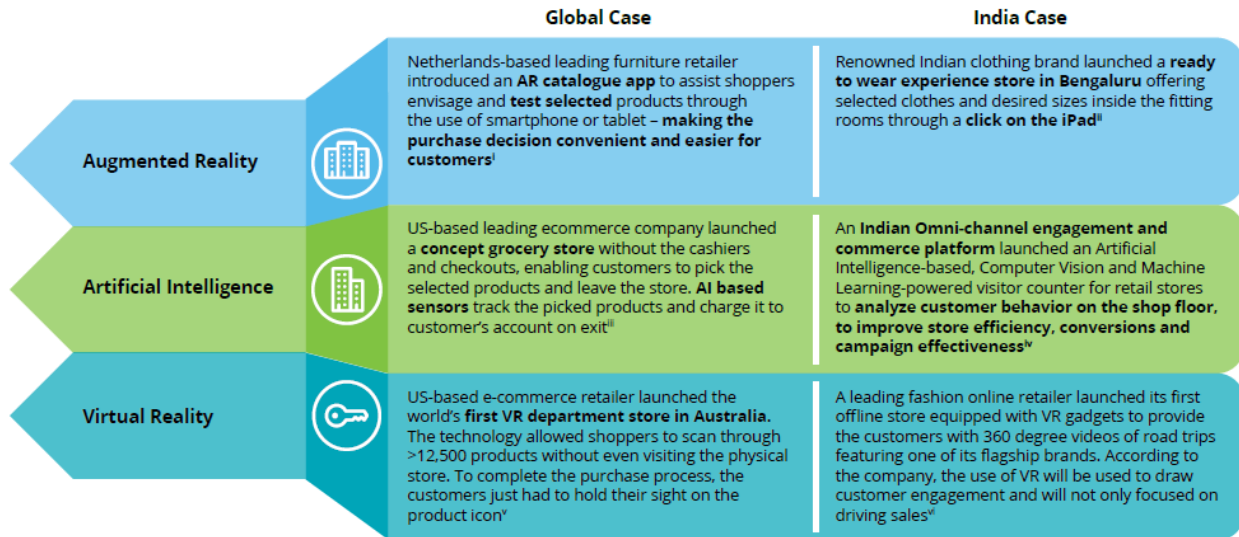
The use of omni-channel is becoming a competitive strategy for those retailers who want to transform themselves in accordance with changing customer's expectations pertaining to their purchase behaviour. Retailers are increasingly doing their business through digital media but simultaneously they are operating their conventional store based retailing along with digital retailing. The hassle free digital retailing motivate the customers to buy the products online and on other hand digital retailers need not to maintain the large inventories and thus reduces the cost of storage. Some of the digital retailers are also set up the conventional store based retail outlets to provide personal services along with tangible product experience. The presence of omni-channels not only benefits the retailers but it also benefits the customers. As a matter of fact a customer tends to buy more from an omni-channel as compared to single channel retailer.

6. Investments for Fostering Digital Growth

The World Investment Report of UNCTAD, 2017 reveals that 20 per cent of global retailers looking India as the most attractive retail market for the investment in 2017-19, placing the country on 3rd rank after China and USA. With stable macroeconomic business environment and with continuous policy reforms making the country's retail business more suitable and favorable, witnessed a stable rise in FDI inflows particularly in India's retail sector. Digitalization creates

opportunities for retailers to transform from traditional retailing to digital retailing. It helps them to expand their market size and creates an improved relation between customers and retailers.

Figure 4: Usage of digital technologies in retail - Global and India examples



Review of Literature:

Steve Burt and Leigh Sparks (2003). They were reviews the various published articles regarding the effect of E-commerce on the conventional retail business. They are more interested in reviewing the present day retail rather to introduce new evidence. Their main focus is on the business to consumer (B2C) activity that influences the retail business processes and procedures. They were least concerned with impact on sales by traditional merchandising and products typologies. On the basis of their analysis three major conclusions were drawn. First, the digital retailer are now enjoying internet enabled advantages, reduces the cost of operation and enhance competitive position in terms customer relationship management. Secondly, the understanding of customer reactions to real and virtual plays a significant role in success or in failure of digital retail. Thirdly, the expansion and renovation of the existing digital media used for retail business must continue for the improvement in quality of retail services. **Fawad Khan and Dr Kamran Siddiqui (2013)**. On the basis of their study they opined that digital marketing tools and methods take over the conventional methods of marketing globally, but still it is a new phenomenon for most of the retailers. Their survey reveals that most of the conventional retailers are doubtful about the application and benefits of digital retailing. Store based retailers accepting the

digitalization as a significant tool for the promotion of products and sales, but at the same time they are more concerned about the privacy and misleading information. The lack of understanding of various MMS and SMS due to wide spread illiteracy is also a major hindrance faced by the digital retailers and marketing professionals. **PWC (2013)**. The use of digitalization is rapidly becoming a necessity for every retail company and in every industry. Companies prefer the use of information technology at a rapid speed, due to the fast change in buying behaviour of customers. As a result there is a revolutionary change in the way of interaction between consumers and retail companies. This makes it imperative for the companies to get head by building up capabilities to lead digital retailing. If they are failed in doing so, their marketing efforts not given them desired results and ultimately they are losing their business. **Artur Sawicki (2016)**. He opined that digital marketing is a broader term as compared to internet marketing. Digital marketing is not all about the use of internet, but it also includes application software and the use of various electronic devices for the exchange/transfer of data. Hence digital marketing is a combination of both i.e. digital and network technology used to interact with target customers. **Hamed Taherdoost and Neda Jalaliyoon (2014)**. They opened that Internet is the basic tool for doing retail business via digital retailing. Now a days various marketers use the information technology in their marketing strategy. This study suggests that for ensuring success in marketing retailers necessarily use the strength of digital media for sustaining the conventional retailing. The combination of internet and 4 Ps of marketing i.e. product, price, place and promotion is considered the best marketing strategy in current business environment. The application of Web in B2C and B2B is an important marketing tool and seen as a 5th P of marketing. Because of the digital retailing consumers can enjoy 24X7 availability of product/services and facilitates the buying decisions without any delay. The relevance of digital marketing and conventional marketing is goes beyond debate as both the format have their own significance particularly in India's retail sector. **Marc Wiefel (2015)**. The ever increasing consumer expectation pushes the retail business to ensure better customer shopping experience across all channels of retailing. For customer excellence in one channel is no longer sufficient because customers are now want the same frictionless shopping experience in digital retailing as and when they doing online shopping. Moreover it is reveals from the study that 69 per cent customers buying the goods through conventional retailing having a poor shopping experience. A healthy competition is the foundation for better customer experience and digital

transformation. It is the responsibility of leadership team to look after and fix every error bad experience with digital retailing. **R G. Revanth Kumar and Ayjemal Nazarova (2016)**. Their study depicts that E-marketing impact in various numbers of ways upon businesses. When it is used efficiently, E-marketing campaigns and strategies have the potential to reach target customers in a speedy and low-cost manner and can promote a wide range of products and services. The development of e-marketing and social media advertising has unveiled many businesses opportunities in recent years. Despite globalization speed and the extent of information that can be obtained from E-marketing will surely help the business to develop, when implemented properly. On the other hand information technology ways of E-marketing makes certain businesses vulnerable and over dependence upon IT services. The information technology also empowers the customers who are not satisfied from digital retailing lead to spread the bad reviews and pose a negative picture of digital operations. However, despite of these problems it can be affirm that E-marketing by and large have a positive effect on retail business despite of some danger from it.

From the above review of literature it can be concluded that digital marketing is a modern concept of retailing which is well renowned in current scenario of information technology. Digital marketing enables the marketers doing retail business with ease and helps in selection of target customers in a more precisely manner than ever before. Thus a product or service can easily modify in accordance with customer preference. Digital retailing ‘makes life easier’ as compared to conventional retailing and forms the basis of digital transformation of retail.

Statement of the Problem

The advent of internet and technological advancements has been a boon for the retailers to reach the customers easily any time at their doorstep. The traditional retailers in the organized sector are now exploring the opportunities of doing multi channels retailing by having both online and offline sales in order to capture the attention of customers. The changing of life style of people and changing family structure have redefined the shopping patterns of customers in this modern era. So, there is a need to study the factors in digital retailing which would help the retailers improve their digital sales by understanding the minds of e-shopping. Several studies has been conducted pertaining to prospects and challenges of digital marketing, but none of them taking the issue of digital retailing. The present study is of great relevance because there is a paucity of

research in the area of digital retailing in India. In order to realize the market potential of digital retail, it is necessary to understand the factors causing retail transformation from traditional to digital retailing.

Objectives of the Study:

On the basis of the review of literature, the broad objectives of the study are as follows:

1. To provide a comprehensive picture of current status of digital retailing.
2. To review the present scenario of digital retailing in India.
3. To identify the opportunities and challenges of digital retailing, in India.
4. To study and develop a conceptual model on online retail buying behaviour.
5. To provide suggestions for further increase in digital retailing and for the profitability of digital retail in India.

Research Methodology:

The study is carried out by using Secondary data. The data has been collected from the research papers, journals, articles, books and various websites. Additionally, the web addresses of various digital retailers have also visited to collect the information regarding content, process, elements and functions of digital retailing. The collected information has been organized, explained and analyzed by drawing inferences and figures. The present study depicts its outcome in both i.e. descriptive and in analytical nature.

Findings and Discussion:

The digital vision will determine ambition and power for the journey of transformation. It is an overall view of how the retailer will operate in future in order to engage tech-savvy customers in a multi-channel environment. However, the difference between where the business is now and where it needs to be in the future may challenge the existing retail player and involve a significant amount of disruption, so the digital vision needs to be clear and visual.

Opportunities for Digital Retailing: Present day businesses are en-cashing the benefits of digital retailing and having an edge over traditional retailing. Digital retailing has its influence on the way of interactions between retailers and consumers. The various opportunities available to digital retailers are given below.

- **Availability of Skilled Workforces and New Ways of Working:** Nowadays in India is promoting the work of small in-house teams. However it is yet to by using the web and technology. This method of working indeed has many advantages, such as, employees no more will stuck in an organization, and rather they will work only on their pet projects with passion which will ultimately make a big difference to the end results.

- **Internet of Things (IoT):** IOT refers to the use of flare and ocular solutions to enhance consumer experiences. It connects people and devices in an unprecedented way. Thus, it creates rich possibilities for consumer engagement. The crux of IOT is timing. For example, if someone is too early he may fail, and if he is too late, he may lose his place in the industry. Thus retailers in order to provide more value to consumers need to ponder over how to use the devices.

- **Innovative Creation:** Modern information technology and its diffusion have leveled the playing field for smart retailers. Companies instead of replicating others should try to differentiate their brands. In-depth consumer insight, different selling proposition and an attractive visual retailing strategy will not suffice for digital retailing. What is required is the application of optimized approach to digital retailing.

- **Innovation & Evolution of Services:** A retailer invests in its products or services. The role of social media and mouth publicity cannot be effective in case of a mediocre product offering. Unique product/service and intelligence are the guiding factors for effective digital retailing. As a matter of fact time has set in for marketers to decide whether they have to adopt innovation or stuck with the time tested traditional marketing strategies that will produce results and keep their innovation in lime light.

- **Steady Optimization of Knowledge & Processes:** It refers to an approach of digital retailers for steady refinement. It is based on feedback mechanism supported by regular innovation and development of the services mix. An evaluation of contemporary processes and team skills is necessary to unveil numerous opportunities to improve customer services. Consistent R&D results are amazing experience for consumers as they discover brand and buy those products which suit to their needs.

- **Advanced Communication and Service Channels:** Admittedly, conventional offline channel of distribution will continue to be relevant. However business to business retailers have more

scope and potential for improving market channels in near future. Now-a-days purchase decisions are taken by the customers before connecting with a particular brand of a company. The prospective customers are doing online research for collecting the information regarding a product or brand. Today's buyers are tech savvy and having smart phones. Therefore B2B companies can hardly ignore the channel digitalization.

- **Greater Engagement:** Advertisers through digital retailing can encourage their prospects to gain information about the products and services through visiting their websites for buying, rating and providing product related feedback to the companies. An online retailer can be seen anywhere in the world forming B2C engagement. Thus it does not take more time to increase volume of business through good publicity.

Connect with Mobile Consumers: Dominant online presence can affect the buying behavior of Smartphone and Tablet users. On an average more than 80 percent of mobile users use their phones to check on prospective in-store purchases. 65% look for the most relevant information to their queries around 33 percent of mobile users have opted for a brand different from the one they had in mind because of the free dissemination of information.

Challenges for Digital Retailing

Digital transformation will lead to customer satisfaction and retention. This will be only possible if required product and service is provided to the customer when they need it. However, the path of digital transformation of retail faces various challenges.

General Challenges:

1. **Commitment:** Admittedly, initiatives are under-way. But they yet to be transformational in most cases either come to an end just with a new mobile app or website. This marginally improves customer experience. As a matter of fact, commitment to bring digital transformation in an organization need top leadership level focus, availability of promised budget and resources with an ability and willingness to pursue the initiative with conviction.

2. **Management Outlook:** Most of departments act on their own accord. They define and manage their touch-points differently. They also adhere to various metrics and standards. Transformation becomes a threat for the conventional way of doing business. It also provides a

self-defense mechanism that resisted the change. Thus, there is always a reluctance and doubtful association with transformation.

3. Technology: For a successful transformation the foundation has to be strong – be it single view of customer, orders, inventory, products, etc. or a scalable architecture to support dynamic changes in business. Besides, there is a challenge of choosing the appropriate technologies that can really add value. Further it is also necessary to measure the risks to understand how new technologies and infrastructure would work effectively for an organization.

4. Complexity: Digital transformation is too critical and complex for traditional retailers to handle all by themselves. However outsourcing can ease the burden considerably. But retailers must choose their partners carefully. It forms a different kind of partnership to create meaningful digital journeys for all stakeholders i.e. customers and retailers. The need is to unearth those digital moments in a customer's experience or a retailer's operational journey which are helpful to create transformational impact.

5. Training: The digital orientation employee for their skill enhancement and empowerment in the field of information technology is one of the difficult task, since all employees not have the same digital orientation. In spite of data abundance, the lack of infrastructural facilities on the part of the company is a serious obstacle to extract trained and skilled workforce from available manpower.

Specific Challenges

1. Budget Allocation for Retail Digitalization: Retailers are still struggling for getting sufficient funds for retail digitalization due to the lack of a clear path for investment of money in sales oriented schemes. In conventional media the past experience suggest that allocation of budget in sales oriented schemes lead to increase in sales. Thus it is more important for a sales manager that he should make an accurate prediction of sale. Many digital retailers claim, they are doing more with less, which implies that target customers, territories, increasing budget taken into consideration while allocation of budget. Hence it leads to continuous struggle for budget allocation for digital transformation of retail.

2. Allocation of Budget and Right Marketing Mix: The main metrics for a brand that has been driven by TV advertisement have taken into account the reach and frequency, which create

product related awareness and increases sales. There are certain exception to this where awareness no longer the challenge for marketing. Therefore, more television advertisement may not account any increase in sales. Some other strategies do better at early stage of consumer buying decision. If the digital retailers addressed the consumers' needs properly, it will lead to increase in sales and creating new opportunities for allocating the marketing expenses to address the consumers' needs.

3. Searching and Retaining the People who can Digitally Transform: Some people have the ability to create the great shopping experiences, which makes a difference to consumers' life. But searching and retailing the IT skilled personnel will be a great challenge for retailers' creating an environment for healthy consumer interaction is an art as well as it is an skill. The best talent must be extracted to retail companies for doing unique and cutting edge stuff. It means a company that wants digital success must be technology savvy. Retailers have to ensure the presence of right personnel to handle the fundamental change taking place in the retail business.

4. The Age of Consumer Centricity: On the basis of a survey it is concluded that, the top online retail companies in 2020 are planning to focus on consumer personalization and experience. These trends encompass numerous business avenues. It indicates a strategic retail shift of companies towards greater consumer centricity. Having a more comprehensive view of a customer is the key of success for retailers who always ready to fulfill their brand expectations.

5. Integration and Unification of Digital and Traditional: A number of companies have already done a lot of experiments in the field of digital retail. Now, when their managers are breathing down and asking for results and metrics, they are taking a step back and reassessing whether these strategies yielded any business impact. In most cases, they haven't. But for going forward they are looking for new ways to make digital and traditional retailing strategies work better together and ensure good return on investment.

6. Speed and Innovation: Through digital channel of distribution, retailing of goods can take place a much faster speed. Once a product is advertise by using digital media immediate actions and reactions about the product can be seen. It does not take a longer time in compilation of reports regarding the product performance in the market. But an often company fails to respond quickly to various customer problems and market opportunities. Therefore, it is necessary to

identify the customers' problem and then formulate an action plan to resolve these problems. This approach enables the company to innovate new services or even product in question to take the advantage of speed and innovation.

7. The Importance of Cyber Security: in digital retailing the issue of cyber security is a matter of great concern. For the successful digital retailing it is necessary for the companies to protect computer programmes and data from an unauthorized access. Network outages, data compromised by hackers, computer viruses and other incidents affect our lives in ways that range from inconvenient to life-threatening. With rise of digital world, the need to protect it is also arises. The growing volume and sophistication of cyber attacks require serious attention to protect sensitive files and personal information, as well as safeguard national security.

Conclusion

With an increasing in pace of technological penetration, the smart-phones, tablets and other electronic gadgets have become very common in our daily life. Consequently, people who use internet, social media and e-mails have also use digital media for shopping. Search engines make web surfing much easier for people. For companies who want to embrace Digital Transformation, a complete re-think of the organization and corporate culture is required. What are the challenges facing the company? How can they be successfully managed? How can IT solutions support Digital Transformation in areas such as retail? 'Creating the Successful Digital Transformation' provides a concise overview of these challenges and their solutions.

For many retailers, the quest for digital excellence has become a matter of survival. In highly competitive markets with squeezed margins and ever increasing customer expectations, businesses can ill afford to lag behind their competitors when it comes to digital maturity. While most retailers recognize that there has been a huge power switch to the consumer, acknowledging this trend is only the first small step on the journey towards the full digital transformation that many retail organizations need to embark on. Digital disruptors are adding new functionality every day, making it harder and harder for local retailers to compete. Yet, for those who move now, there's so much opportunity to get it right and take market share. The retail digitalization unveils various opportunities for retailers to bring greater levels of customer centricity and operational efficiency in their present day retail business. Digitalization helps

firms to stay connected with the network of employees, vendors and customers on a real time basis and collect the feedback and use it into business operations on a day to day basis. Hence it is concluded that the retail business model and its performance in the future will be driven by how quickly digital retailer respond to increase cohesion, agility and responsiveness within retail industry.

Suggestion for Effectiveness of Digital Retailing

Digital retailing makes the product brand and retailing is more relevant and more useful for the large number of customers. Retailers also find that digital media is an effective tool when it used in digital retailing as it is an important strategy for building a long term relationship with the consumer. The suggestions need to be considered for an effective digital retailing are as follows.

Understand Buyer Behavior: At the time of developing retail strategy, it is essential to understand from where and how customers obtain information of a product. A large of purchases takes place through a multichannel retailing. It is also important for retailers to keep in mind that buying decisions – both business to business (B2B) and business to customer (B2C) – have multiple effects. In order to create friendly and cohesive interactions, retail strategy must be based on consumer purchase journey and take the entire customer lifecycle into consideration.

Integrate Marketing Technology Infrastructure: Today's consumers come across the multiple devices and channels, and they expect a frictionless experience from retailers. As an architect has a blueprint to construct a house, similarly retail strategy needs to be constructed from a customer point of view. The integration of all channel and analytics platforms with retail automation software is necessary to create customize and consistent retail experiences. When buyers choose a channel, the retailers must ensure a personalized experience that presents product and organization specific information.

Coordinated Multichannel Distribution: Today's buyers are well informed and depicting a high degree cross channel behaviour during the buying process. In contemporary retail businesses, it is imperative for a retailer to make the use of omni-channel for delivering the goods to consumers. For that purpose retailers need to coordinate the store based retailing and modern digital retailing. Both channel of distribution must be coordinated to correlate with other channel used to deliver the goods within a short span of time.

Optimize Lead Management and Reporting: it is the need of the time that marketers have to manage the entire life cycle of customers across touch points. It requires an effective retail process that moves from retailers to other front desk staffs. Management has to ensure a pre-alignment with sales and service team at various stages of product launch. When a shopper is engaged with digital media, the retailers have to validate the buyer interest in the product. By the time when an order is received retailer immediately takes the necessary steps to initiate the timely delivery of goods.

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