

A Review on impact of E-commerce on Retailers

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ABSTRACT

E-commerce is becoming a vital area for customers as well as those stakeholders who are engaged in selling and marketing related activities across the world. This study focuses to explore dimensions shaping e-commerce and its influence on retailers. This conceptual design is derived through considering last 10 years research papers which are peer reviewed and indexed in major databases like Google scholar, Scopus and dimensions AI. It is quite essential to leverage e-commerce facilities to get major advantages in retailing. Findings are useful for policy makers working in e-commerce industry attracting diverse set of retailers. From economic and business point of view, it is quite important perspectives to explore the components of e-commerce and its impact to retailers from different industries. Consumers sentiments study and designing marketing efforts will be helpful by referring this study. This paper is exploring the various factors which are shaping the e-commerce interventions specially in managing the retailers' functions.

Keywords: E-commerce, Retailers, Consumer sentiments, Marketing Efforts, Retailers Function.

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INTRODUCTION

In technology driven economic activities, the influence of internet-based operations on business core functions is obvious but it lacks clear cut modelling. Burt & Sparks (2003), explored that big retailers are adopting internet related advancements to cut cost and streamline their business processes. E-commerce is widely recognised with its platforms offering opportunities to independent sellers, local vendors and other stakeholders. According to Aebersold (2023), "Electronic commerce, sometimes known as e-Commerce, is a form of business that enables consumers and organizations to engage in online purchasing and selling. There are six major e-Commerce business models:

Business to Consumer (B2C) 2. Business to Business (B2B) 3. Business to Government (B2G) 4. Business to Business to Consumer (B2B2C) 5. Consumer to Consumer (C2C) and 6. Consumer to Business (C2B)." In this way, it is evident that retailers are adopting electronic commerce with the help of diversifying and segmenting its for the benefits of diverse set of stakeholders.

According to Manso (2024), "Retailers must cater to the unique habits and preferences of Gen Z, particularly in their tendency to seek guidance from reliable online sources. Consumers from Gen Z and millennials are

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twice as likely as older shoppers to indicate that viewing an online video was their most impactful shopping experience. YouTube stands out among video and social media platforms in addressing the primary shopping requirements of Gen Z, whether they are looking to make a swift impulse purchase or seeking reliable information and guidance for a more thoughtful decision".

In this way, it is essential conceptual work to check and draw insights on e-commerce trends and its impact on retailing strategies as well as influences on major global retailers. This work caters such attention to highlight major dimensions on retailing specifically with respect to e-commerce.

REVIEW OF LITERATURE

In research by Patil & Divekar (2014) the issues faced by B2C e-commerce enterprises or online merchants, including demand swings, reverse logistics, seasonal variations, and stockless inventory management policies, as well as the associated risks of lost sales, customer attrition, and reduced customer satisfaction were highlighted. It shows the prominence of further research on investigating macro level factors. Khalifa & Volkov (2024) articulated that e-commerce players should utilise mobile based applications & responses for user friendly experience as customers are involving themselves on many channels like social media apps etc. Choice and control are important variables in e-commerce segments (Balodis, 2024).

One side to measure the influence of e-commerce is to consider the amount to which it either supplements traditional brick-and-mortar retailing, serves as an alternate channel, or completely changing the traditional channels (Burt & Sparks, 2003). Lim et al. (2018) finds that e-commerce is customer driven industry. It further emphasises that retailers need to work on customer satisfactions frameworks. Mishra et al. (2021) observed that Omnichannel retailing has significant research scope. In this way, it is quite important to explore new dimensions in e-commerce industry and analysing key factors impacting retailers.

Objectives of Study:

- To identify major dimensions of e-commerce and retailing business.
- To analyse the factors affecting e-commerce and retailers.

RESEARCH METHOD

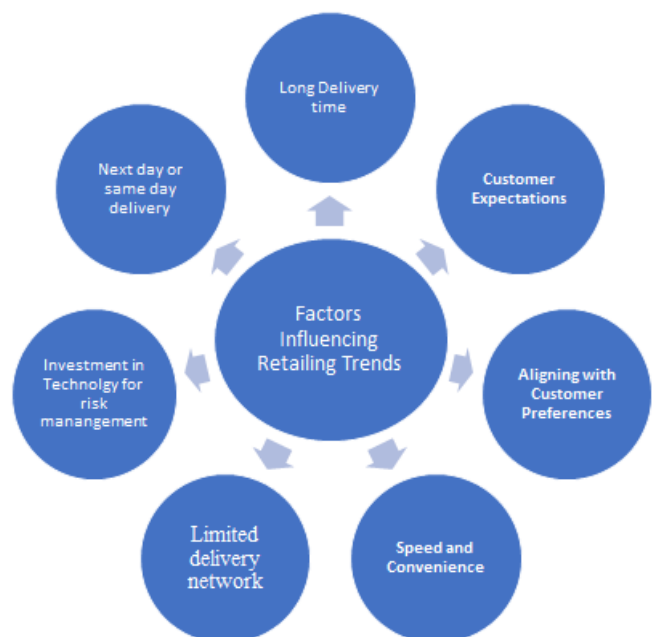
A theoretical design based on review of literature has been adopted in this study. It is based on published peer reviewed article specifically published during 2014 to 2024. This paper is drawing theme-based insights useful in shaping ecommerce policies on customer satisfaction. Conceptualisation of main findings based on exploring the inter-linkages of various variables had been given preference under this study.

Recent Trends on e-commerce on retailers

Major social networks like Instagram, X, Pinterest and Facebook are prominent ways to do business. Around 49% of purchasers stated that social networks motivate them to make a purchase decision. Eighty-four percent of people who shop online in the United States have

looked at at least one social media site before making a final purchase (Vyshnova, 2022). E-commerce platforms are offering seamless advantages in terms of attracting customers and providing best products as well post sales services. Marketing efforts are changing with new facets like reviews and comments so companies need to be vigilant on such newer metrics. Customer relationship management (CRM) is facing new challenges due to e-commerce new transitions like AI based alerts to end users. Orzoł & Szopik-Depczyńska (2023) observed that "Among the several trends that are currently operating in the realm of e-commerce, there are a few that have the potential to play a big role in the years to come. Identifying the trends and information technology solutions for e-commerce and discussing the significance of these trends and solutions in the growth of this industry were observed in their study". E-commerce is playing an increasingly significant role in deciding the future of the retail industry, which is experiencing rapid change. Many new trends in e-commerce industry are being discussed. These developments are altering the retail business and transforming the shopping experiences of consumers (Nodirovna & Sharif o'g'li, 2024). Key components of retail trends can be highlighted in following manner:

This above image caters the most important factors that are driving developments in retailing during 2024. Components such as lengthy delivery periods, consumer expectations, preferences that are aligned,



Source: www.onerail.com

Image 1: Key Trends on Retailers- 2024



speed, convenience, limited delivery networks, and technological expenditures for risk management are at the core of the evolution of retail. In addition, modern retail strategies are shaped by same-day or next-day delivery services, which place an emphasis on efficiency and the delight of customers (Robinson, 2024).

Business Imperatives for Retailers

Present review work explores key factors from e-commerce industry which are shaping the functional and strategic initiatives by the global retailers. Stakeholders of this industry can take advantages by incorporating best practices to do retail business transactions.

The following are the suggestions that can be utilised by retailers and other stakeholders: 1) There is a need for shops to improve their digital presence and make use of social media marketing methods. 2) Customer-Focused Strategies are important in e-commerce. 3) e-commerce platforms are now concentrating their efforts on acquiring and retaining customers by offering competitive price, high-quality products, and outstanding care after the sale has been completed. 4) Change in customer relationship management (CRM) tactics is indicated by the incorporation of comments, reviews, and notifications based on artificial intelligence (AI). Artificial intelligence (AI) and other technical breakthroughs need to be embraced by retailers in order to improve customer relationship management. 5) Emerging technologies must be utilised to make retailing as more cost effective.

CONCLUSION

Present conceptual research explores that e-commerce has immense opportunities for retailers working in diverse set of products and services. The need of hour is to align business strategies which include latest technologies in e-commerce industry. Retailers must leverage the latest trends of technologies to improve their operational efficiency. This study finds that retailers are working on factors like improving delivery process, enriched customer experiences and speedy services options. Present study highlights the key factors which influencing the retailing operations with the help of emerging models of e-commerce. This research is important to get insights on developing relevant strategies which is useful for retailers into e-commerce industry. Further researchers can investigate factors affecting consumer sentiments when they are exposed to AI driven tools.

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