CLASS NOTES

Class: 12	**Topic- Unit 2- NONSTORE RETAILING (E-Retailing)**
Subject: RETAIL	

E-RETAILING

E– retailing means selling products online via internet and giving various payment option to customers and deliver the products at customer‟s desired location.

Advantages of e-retailing for Retailers

1. Location is unimportant.
2. Size does not matter.
3. Saves on the wages and premises costs.
4. Reach a larger audience.
5. Higher disposable income profile than average.
6. Accepts orders 24-hours a day. More opportunities for – CRM and micro-marketing. – Cross and up-selling.

Disadvantages of e-retailing for Retailers

1. May lack know-how and technology.
2. Substantial set-up, investment and ongoing costs.
3. Complex logistics of fulfillment.
4. Uptake slows for goods selected by taste or smell.
5. Less impulse purchases.
6. Legal problems.
7. Less role for traditional high street retail expertise.
8. Pressure on margins and prices in-store.
9. After-sales care difficulties.

Relevance of Information and Communication Technologies (ICT) in e-retailing.

Business to Business (B2B) transactions comprise 95 percent of all e commerce. ICTs have been particularly influential in the retail of services. The Internet has allowed companies to out source activities and services to more cost-effective locations or access new clients in foreign markets. Rapid growth in retail activities and increasing consumer base is resulting in an increased amount of daily transactions, thereby forcing retail players to implement IT services.

Factors responsible for the success of e-retailing.

Following are the success factors for e-retailing with special focus on managing e-retailing site:

1. **Search Engine Optimization:-**
   a) Google sitemaps help webmasters to get their new stuff crawled by Google boot faster than before.
   b) Auto-generated keyword-rich URLs based on product and category names.

2. **Site Management**-
   a) Automatic upgrades when hosted in data center.
   b) Entries can be posted with an expiry date to display content that will automatically expire; ideal for mentioning sales and specials, etc. Advanced content management system for informational pages.

3. **Marketing Promotions and Tools**
   a) Entries can be sorted by Recent, Most Commented, Most Viewed.
   b) Multi-tier pricing for quantity discounts.
   c) RSS feed allow users to subscribe to your content feeds.
   d) Support for multiple product feeds.

4. **Shopping Cart**
   a) Customer management.
   b) Product management.
   c) Variety of payment and shipping modules.
   d) Order receipt emails.

5. **Checkout**
   a) Automatically apply customer balance to order.
   b) Sales tax by state, country, municipality based on zip code.

6. **Content Managed Pages**
   a) Add unlimited pages to your website.
   b) Customizable navigation.
   c) Organize your pages into unlimited sections (categories).

7. **Reporting**
   a) Sophisticated ready-to-go reporting, no need to add any code to your web pages.
   b) Track abandon rates and where customers abandon in online shop.
   c) Tracking Sales, Payment, Shipping Options and discount Codes.
   d) Report on Detailed visitors including new Vs returning.
   e) Products can be searched/filtered and added to the order.

Process/procedure of Product Delivery.

Once a payment has been accepted, the goods or services can be delivered in the following ways:

1 Downloading: The method often used for digital media products such as software, music, movies, or images.

2. Drop shipping: The order is passed to the manufacturer or third-party distributor, who then ships the item directly to the consumer, bypassing the retailer's physical location to save time, money, and space.

3. In-store pick-up: The customer selects a local store using locator software and picks up the delivered product at the selected location. This is the method often used in the bricks and clicks business model.

4. Printing out: A provision of a code for, or e-mailing of such items as admission tickets and scrip (e.g., gift certificates and coupons).

5. Shipping: The product is shipped to a customer-designated address.

6. Will call, lCOBO (In Care Of Box Office), or "at the door" pickup: The patron picks up prepurchased tickets for an event, such as a play, sporting event, or concert, either just before the event or in advance.

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