



RESEARCH ARTICLE

IMPACT OF OMNI CHANNEL FRAMEWORK ON THE ROLE OF SALES PERSON IN APPAREL RETAILING IN INDIA

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ABSTRACT

The advances in the information and communication technology have emerged as a major disruptor for businesses across all domains. The traditional channels have now modified due to these developments and they have transformed to omni channels. We have studied the effect that the omni channel Framework has had on the role of Sales person in Apparel Retailing in India. Data was collected through questionnaires that filled by the consumers as well as the business owners. The research indicates that the role of sales person is changing fast, from just being a source of information for the products the sales person's role has become much more complicated and sophisticated. The sales person has to be up to date with all the information available on the omni channel network to be able to better serve the customers.

INTRODUCTION

“Twenty years ago Vishal was 19 years old and was studying engineering in Pune. Whenever he or his friends wanted to purchase any clothes they would go to the apparel store of their choice at MG road, go through the collection over there and purchase the clothes of their choice. Today Vishal, works as a general manager at an MNC and has a very busy schedule. For purchasing his clothes he rarely visits MG road instead goes through the latest collection available at the e-store of his choice and orders it through their website or their mobile app and makes the payment through his e-wallet. If he has to return or exchange the product he contacts the store online and if he needs the apparel immediately he always has the choice of exchanging the apparel at the physical store which is on the way to his work place.” The above story describes how retailing has transformed into an omni channel retailing from just a brick and mortar retailing during the last few decade. This change has affected many aspects of the retailing business and one of the main affects has been on the role of the salesperson within the omni-channel framework. Our research tries to explore the way in which the omni-channel marketing can affect the role of salesperson in the apparel retailing in India. Over 200 respondents were surveyed and important insights were collected. The research clearly indicates that the role of sales person is evolving with the advancement of technology within the omni channel framework. The role of a sales person has become more complicated and sophisticated.

Literature Review

The concept of omni-channel marketing has developed over the time and has its roots in two other areas which are multi-channel marketing and IMC (Cummins et al, 2016). In multi-channel marketing, communication with the buyer and the offering of goods and services takes place through more than one channel which is synchronized (Rangaswamy and Van Bruggen, 2005). On the other hand IMC is defined as” an audience-driven business process of strategically managing stakeholders, content, channels and results of brand communication programs” (Kliatchko, 2008, p.140). Many aspects of the omni-channel marketing have been explored in the past by various researchers. One of the lesser explored fields of study is how the omni-channel marketing is affecting the role of the sales persons in the brick and mortar stores. Before the advent of internet and e-commerce, the sales person was the main source of information for the customers (Schuster & Danes, 1986). Undoubtedly the advancement of technology in the form of online retail and mobile based retail platforms has impacted the role of the salesperson. Some researchers have also proposed models that try to describe how the salesperson might sell to the customer within the framework of omni-channel marketing (Rippe et al, 2017). Research says that many consumers today tend to consult their mobile phones rather than asking the sales person at the retail store about product information (Harris Interactive, 2013). It has also been observed that such people spend around 25% more than those who occasionally use smart phones (Newman, 2013).

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In India the concept of omni channel marketing is still in its nascent stage, but the apparel retail industry has started taking a note of it and many retail outlets that started out as a brick and mortar store now have their own website and some even have their own mobile apps. Some other factors have also influenced this scenario and one of them was the recent decision of demonetization taken by the central government in November 2016. It has led to increased usage of mobile wallets as compared to physical wallets. (D'souza and Bhadury, 2017) The role of the sales person is still very important in the Indian context, but as the omni-channel network evolves, it will surely impact the way in which the sales person operate today. It is important to explore the way in which the Indian consumer interacts with the sales person in the omni-channel retailing framework. This interaction that takes place can give us a clue about the changing role of the sales person in this dynamic scenario and also about the developments in omni-channel retailing on whole.

MATERIALS AND METHODS

The research investigates the impact that the omni-channel retailing framework is having on the role of the sales person. The two most important stakeholders in this framework other than the sales person are the customers and the apparel businesses. Hence it becomes very important to understand what and how these two categories think. To get better insights on the topic two separate questionnaires were designed for the customers and the apparel business respectively. For the customers an online sample survey was conducted by floating a questionnaire through Google forms. The respondents were selected randomly and a total of 500 individuals were approached to participate in the survey of which 240 responded. Out of the 240 responses, 20 had to be dropped due to certain reasons like, incomplete response or lack of authenticity. Finally 220 responses were taken up for our research. For the apparel business, a total of 40 businesses were approached out of which 23 agreed to participate in the survey.

DISCUSSION

When we are talking about the role of a sales person in the apparel retail business it is very important to understand the reason why customers interact with the salesperson. The various reasons for which the customers interact with the sales person can be: to ask about the location of the product, to help compare options and to make the correct purchase.

Understanding the importance of Sales person in a high value purchase

Prabhat is a 25 year old executive and has to travel to Edinburgh, after 2 weeks for some official work. This will be the first time he will be visiting a foreign country. He knows that it is cold place but is not sure what kind of apparel to take along for his trip. Prabhat feels that a good leather jacket will be the best option and surfs the net to check the options and for some tips but ends up confusing himself with loads of suggestions available online on various forums and websites. As the jackets available online is costly he decides not to rush in purchasing the jacket and visit a well known apparel store at MG Road. As the store, he is greeted by a store employee who asks him if he was looking for something specific. On knowing that Prabhat wanted to purchase warm clothing for his trip

abroad, he calls Sandy who handles the warm apparel section to assist Prabhat. Sandy warmly greets Prabhat with a smile and asks him which country he will be traveling to and what kind of color and design he preferred. Prabhat said that he would like to purchase camel colored leather jacket. Sandy said leather would be a great choice but it would be heavy and considering that he would be traveling probably he would want to keep the luggage weight minimum. Prabhat had not thought about this and asked Sandy for other options. Sandy showed him a new collection of jackets which were made of a synthetic fabric and its texture and feel was just like leather, this jacket weighted less and was in fashion in Scotland. Prabhat was very impressed with the detailed knowledge that Sandy had about the product. He decided to purchase a couple of jackets. On Sandy's suggestion he also purchased a pair of gloves and a warm headgear. Prabhat was happy that he visited the store rather than purchasing a leather jacket online.

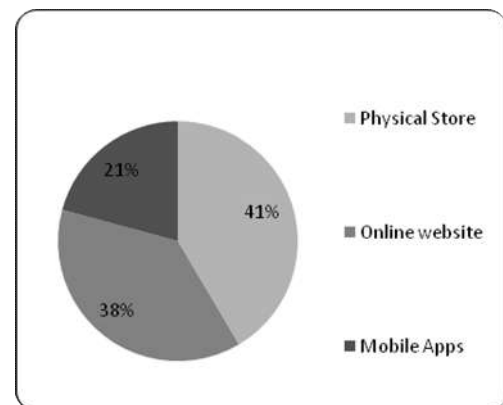


Figure 1. Preferred mode for buying apparel

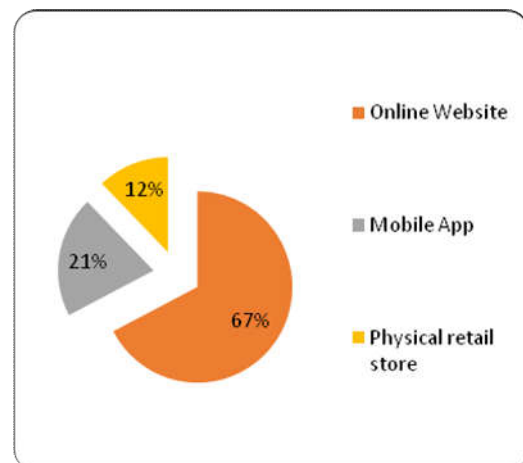


Figure 2. Preferred mode of purchase for expensive apparel

The above story highlights some important findings from our research. The preferred choice for purchasing apparel for most of the people who participated in the survey was physical store (41.5%) followed by online website (37.7%) and mobile apps (20.8%). However if we compare the offline verses offline mode of shopping people prefer online (58.5%) more than off line (41.5%). This is why when the need of purchasing first came up; Prabhat tried the online mode before visiting the physical store. Prabhat was confused on buying the jacket online because it was costly and he preferred to purchase it from a physical store after consulting the salesperson. Our research shows that around 79 % of customers value the interaction with the salesperson when purchasing costly apparel.

Do customers want to reduce their dependence on the Sales person?

Rahul is a college student studying in Pune. He wants to purchase a new pair of branded jeans but does not have the budget right now. However he went to a nearby multi brand apparel retail store to check out the latest collection last weekend. He is a shy person and prefers to avoid interacting with the sales person. The store was very big and even after roaming around for 10 minutes he could not find the denim section finally he went up to a sales representative and asked him. Rahul wondered how nice it would have been if there was a digital display in the store which could assist him not just in finding the location of various apparels but also the collection available in the store. At the denim section he was greeted by an overenthusiastic sales person, who started asking him all sorts of questions about what he wanted to purchase. Rahul felt a little embarrassed as he was not going to make any purchase that day. He tried to avoid the salesperson but the salesperson kept following him. Finally Rahul came out of the store feeling frustrated and decided that he will not come back to this store to purchase the jeans.

The above scenario can be related to some of the facts that came up during our research. Our research showed that most of the customers interacted with the sales person to find the product location (50.2%) and they would wasn't to reduce their dependence on the salesperson as much as possible (47%). The physical stores realize this fact and most of them plan to install digital assistance devices to help the customer (65%) when inside the store. The apparel business professionals had a view that most of the customers approach the sales person to make the correct purchase and according to them very few customers interacted with the salesperson to ask about the location of the product. 47.8 % retailers believed that the customers interact with the sales person to know about the product, 43.5 % believed that the interaction was mostly to select the suitable option and only 8.7 % felt that the interaction was to help them navigate through the store or to know about the location of the product within the store.

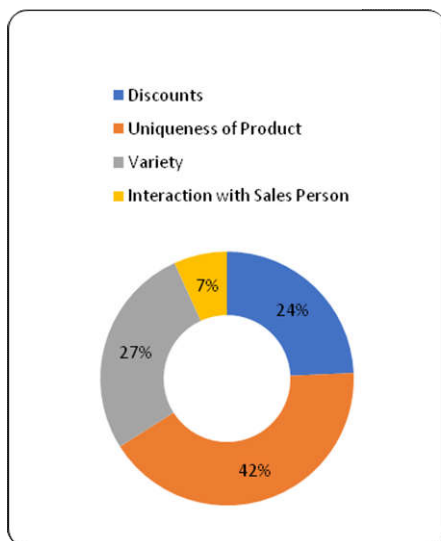


Figure 3 Motivation for buying apparel from physical store

This was contrary to the view of the customers who mostly interacted with the sales person to know about the product location.50.2 % customers interacted with the sales person to

get help in navigating through the retail store, 25.3 % did it to compare various options available and24,5% did it to make the correct purchase. Majority of the customers wanted to reduce their dependence on the salesperson and are using online and mobile platforms to access the product information. This can be inferred from the fact that 47.5% customers clearly want to reduce their dependence on the sales person while shopping at the apparel retail store, 25.7 % prefer to interact with the sales person and the remaining are not much effected by it. However, from the study it was observed that the when it comes to purchasing a costly apparel, the customers really

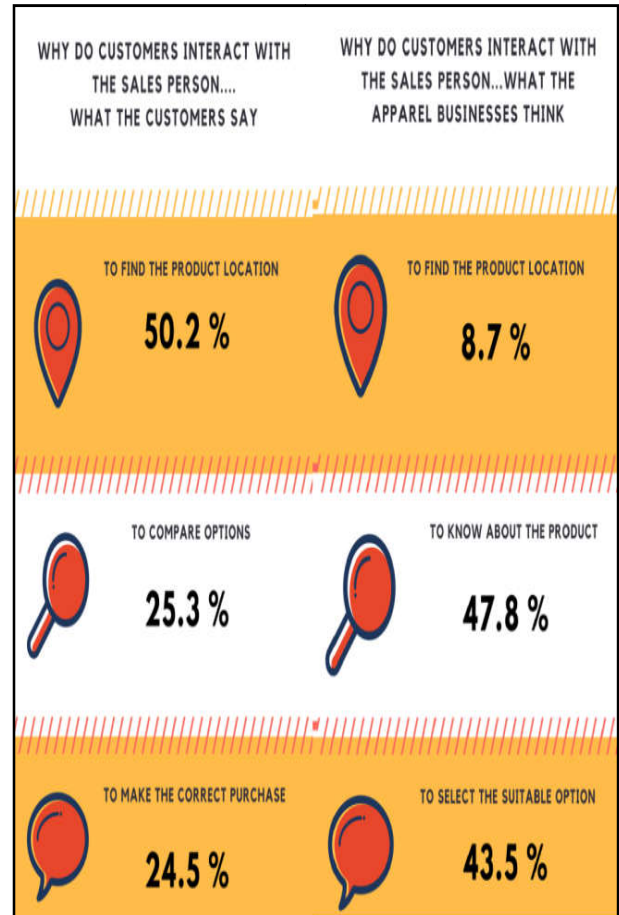


Figure 4. Viewpoint of Customers and Businesses on the role of Sales person

value the role of a sales person. While buying costly apparel 42 % customers highly valued the interaction with the sales person and 37% moderately valued it. Most of the physical apparel stores are open to the idea of installing digital assistance devices, which will help the customers to easily access the information about the product. As high as 65.2% of the apparel retailers were open to the idea of installing digital assistance technologies in their stores which will help the customers in easily accessing the product information when in the store and navigate through the store. This will make the role of sales person redundant.

Sales person should well versed with the information on their online website

There is an upcoming family event at Riya’s grandparents place. She feels that she should get some good ethnic wear for herself. She browses the website of a popular branded retail store and checks the collection online.



Figure 5. Customer and Business expectations

She finds a couple of really nice dresses but is not sure how they will look on her. So she decides to visit the physical retail store of the brand and check out the dresses and even see if she can find something else that interests her. At the store she tells the salesperson about the dresses that she had seen online and requests him to help her out, the sales person however no clue about the online collection and tries to find out some other sales person who could help her out. Riya waits for around 15 minutes but no one turns up, she finally goes up to the manager and asks him what the problem is. He tells her the salespersons were not aware of the online collection of the store. Riya gets a little annoyed but still takes out her phone and shows them what she saw online. The sales person finally showed her the dress that she was looking for.

She notices that the price was almost 20% more than what she saw online. When she inquires about the price difference she again sees a totally blank face. She gets really frustrated this time and just walks out of the store. The apparel retailers understand that within the omni-channel marketing framework it is very important for the sales person to be well versed with the product information available on line. As high as 69.9% retailers believed that it is important for the sales person to be well aware about the product information that is available on line. This belief of the businesses is in line with the view of the customers, who also expect that the salesperson is aware about the product information available online. 37.5 % customers expected the sales person to be well aware about the product information available on line.

Conclusion

The research gave us insights on how there is a significant gap between the understanding of the apparel retailers and what the majority of customers expect. Most of the customers interact with the sales person to get product related information that can be accessed through other platforms like their smart phones and devices/technologies that are available at the stores. The customers would want to reduce such kind of interactions with the sales person as it leads to waste of time due to shortage or unavailability of sale person and some customers can also shy away from interacting with the sales person. This makes the role of the sales person redundant, as a source of product information. On the other hand it was also found that the when purchasing costly apparel, the importance of the sales person for the customer goes up significantly. From this observation we can conclude that the role of sales person as the provider of product information is being replaced by other technology based platforms within the omni-channel retail framework. However, the role of sales person is becoming more sophisticated because when the customer is buying costly apparel they tend to interact more with the sales person. The customers expect the sales person to be up to date with the product related information available on other platforms within the omni-channel framework and the apparel retailers also seem to realize this fact.

Scope

The research has suggested that most of the interaction between the customer and the sales person is related to getting access to the information related to the product or its location at the store. It would be interesting to study the characteristics of these buyers and the impact they have on the apparel retail business. Another area that needs to be further studied is the skills that a sales person would require to perform efficiently within the dynamic omni-channel retail framework.

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