
Virtual Store-A Future of Retail Market

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ABSTRACT

Nowadays, in the new era of technology, innovation and creativity has given birth to the idea of virtual reality. One such innovation which is although in its infant stage is the use of virtual store in retail market which has revolutionalized the concept of personalized experience to the customer through a virtual wall, thus save time, money, effort. Virtual store is the future of retail marketing wherein advanced technology is used to display product on large touch screens and items bar codes are scanned via mobiles phones. This innovation would be a diffusion of physical and online stores providing a 3-dimensional experience to the customer and thereby enhancing their satisfaction. The paper highlights the concept, future of such store across the globe and the present development of virtual store as a part of retail marketing

Keywords-*innovation, technology, 3-dimensional, virtualstore, customersatisfaction*

INTRODUCTION

The idea of virtual store was first developed by TESCO HOME PLUS in South Korea in the year 2011 in the Seoul subway where 500 popular products were virtually displayed, and the customer could scan using the Home Plus application on their smart phones and get it delivered to their doorstep.

DW SEOL, executive vice president of corporate affairs at the TescoHome Plus said that he is extremely proud of the great work that the Tesco team has done to launch this idea and is the great achievement since it has made the shopping experience easier and more convenient for the customer. The success of this project can be judged by the fact that the home plus application was downloaded by 6, 00,000 people and the sales figure increased by 200% as compare to April 2011 only within 4 months of the launch.

In India, the first virtual store was launched at the Indira Gandhi International Airport, New Delhi by Ecommerce Company Home Shop 18 at the Delhi domestic terminal T3. The virtual wall is named 'SCAN N SHOP'. The wall offer premium merchandize easier and more convenient for the customer. The initiative was further taken by Yebhi.com who launched 30 virtual stores in Cafe Coffee Day in which customer can buy a large range of product like clothes, shoes, home appliances, mobile phone, accessories etc. quickly & easily. Moreover, they would get a discount of Rs 200 if they buy to the virtual store. In Japan, shoppers can virtually 'try on' different clothes without the inconvenience of physical doing so. This has been developed by 'TOSHIBA'. The shopper must simply stand in front of 3-dimensional screen where their bodies are scanned. They can even match different outfits before making purchases.

Walmart has also experimented with 'virtual toy store' displays in place like Toronto subway. 3-dimensional images of toys are presented on virtual wall. Customer can make purchase by scanning the QR code with their smartphone.

The biggest challenges for the retail industry would be to incorporate the face pace of innovation. Since the initial cost of installation of such stores would be quite high, many retailers would be reductant at first to make investment into this new project whose future is also not very clear. Technology changes at a rapid pace, artificial intelligence is used by the retail industry to display and attract customer who pass a public place nearly everyday even when they have no intention of buying a product.

OBJECTIVES OF THE RESEARCH PAPER

1. To study the impact of virtual stores on retailer and customer
2. To study the concept of virtual store in retail marketing
3. To study the present as well as future scope of virtual store

CONCEPT OF VIRTUAL STORE

Virtual store is formed with two words i.e. virtual&store. Virtual means not physically existing as such but made by software to appear to do so while store means a shop of any size or kind.As a whole virtual store is that kind of shop which display the product to the customer that is not actual but seem to be actual. Customer can buy product from these store without holding the product or waiting in long queue. Customer must use their smartphone to make purchase decision. These stores do not require cashier or salesperson for completing the sale. While shopping company also offer live text chat option in which the customer can interact with the company customer care representative. People have very hectic schedule and even their shopping preferences have change continuously. They don't want to spend a lot of time in shopping at store rather they want to buy products quickly and conveniently. Virtual store provides a new idea to the customer in retail market.

The idea of virtual shopping combined both 2-D and 3-D environment, having 2D online shopping environment is looked interesting but the user interaction with the real world is limited.In fact virtual shopping brings the user into an actual or real worldview through interactions and manipulations of objects. Virtual store helps us to stimulate the object much closer like real world objects.If we talk about traditional store, major earning is spent on paying shops rent, advertisement and small fraction of earning generate from sales but in virtual shop no requirement to pay rent or to spend heavy expenditure on advertisement.

India has a very bright future for virtual shopping due to increasing number of online shoppers and smart phone users. But the success of virtual store depends upon the supply chain management system and delivery timing period. Since the competition is increasing day by day, the retailer is faced with the pressure to provide a real like and fascinating experience to the customer. The data needed to create such stores is obtained through artificial intelligence. Artificial intelligence technology is a concept that is just like a human brain which processes the information and act on it. It has opened the gates of innovation in retail industry to increase its potential and inducing impulse buying behavior in customer. Such a step may although not save their money but will save their time. This making a shopping a Hassel free experience.

HOW DOES IT REALLY WORK?

Virtual store is setup on big screen that are named as virtual wall. It is a 3-dimensional store which works on barcode. Each item in the retail shop has been provided it unique bar code. The customer just visitsto virtual store outlet. A large screen is present there. Customers must use their smartphones to scan the barcode. When the barcode is scanned, virtual wall provide option like add to cart, viewcart, buy now, check out. Customers can choose the desired option as they like most. If they want to purchase they choose the option add to cart and buy now. After making payment through their card, the product will be delivered at their home by the retailing company. Customer get the product at their desired destination with few hours or days depending upon retailing company delivery method.

These are some retail company examples who have successfully implemented virtual store

TESCO HOMEPLUS-Seoul, Korea.

JET SHOP-Stockholm, Sweden.

ALIQUA-berlin, Germany.

DISCO-Buenos Aires, Argentina

YEBHI.COM- Delhi and Bangalore, India.

eBay -London, United Kingdom.

HOW VIRTUAL RETAIL SHOP IS DIFFERENT FROM ONLINE SHOPPING

Most of the people think that online shopping is like virtual shopping. In both cases purchases are done from internet. It seems same but it is different from each other in many ways:

- 1) In virtual store, the customer can explore the product from all the angles by rotating, zooming in and out and scanning the product from all angles where as in online shopping only the image of the product is available.
- 2) In virtual store, the customer can be assured of the presence of physical store which provides a sense of security to them whereas in online shopping there is rarely a physical existence of a store.
- 3) Virtual stores are placed at convenient positions like subways, airports, stations etc. The customer is reminded of the grocery they need and provides the capability to quickly purchase with their smartphones but in online shopping such impulse buying is not created.
- 4) In virtual shopping, customer can see the product on big screen i.e. virtual wall. Big retail virtual stores place their virtual products in racks with proper sequence. But in case of online shopping this is not possible.

Virtual stores are a step ahead from online shopping. Limitations that are faced by online shopping are tried to be covered by these virtual retail shops. Customers have less trust in online transactions due to the presence of many fake sites but virtual shops provide a feeling of satisfaction to customers because of their physical place identity.

ADVANTAGES OF VIRTUAL STORE IN RETAILING

From the customer point of view

-)] **360-degree angle view**-one of the biggest advantages of virtual stores is that, it provides 360-degree view for all the products in the retail store. We can check the product from each angle.
-)] **Reduce time and effort**-It is very easy to shop from virtual stores. It saves time of driving down to a mall or shop. By just using smartphones customers can buy products from the virtual store. Customers do not need to carry heavy bags and no requirement to stand in long queues.
-)] **3-dimensional view of product**-Virtual stores provide a 3-dimensional view of all the products. The image forms on virtual walls seem so real that customers cannot contradict with virtual and real images. The images formed on screens provide the same satisfaction as like real images of products in retail stores.
-)] **Not to carry laptops, pc and other electronic devices**-Virtual stores simply run by mobile phones. Customers do not need to carry laptops with them for purchasing. They just must carry smartphones to do shopping.
-)] **Convenience shopping option**-Virtual shops can be set up at airports, mall bus stops with high foot traffic using very low space. When the customer is waiting at an airport or at a railway station, they can buy a product at there. When they reach at their destination, they get the product.
-)] **Delivery option**-In virtual shopping customers get the goods at their homes. The virtual stores also provide the same day delivery option to their customers.

From the retailer point of view

-)] **Focus on customer-based marketing**- It is not possible for any retail shop to capture all the requirements of all the employees. Retailers can focus on individual classes of people and according to that they create their virtual walls and advertise it.
-)] **Increasing brand awareness** -People follow those brands that are up to date with the environment. New technologies create curiosity among the customers. Ultimately it creates brand awareness among the customers.
-)] **Store extension possible**-When the firm enters a new market or untapped region, it requires so much investment for redesigning the store, carrying cost, holding cost but by using virtual store firms can easily set their business by using the virtual store software program.

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-) **Lower overhead cost-** At initial it requires heavy cost but later these stores would be run at very low overhead cost because stores have not maintained the stock level and chances of damaging product is decreased.
 -) **No requirement of sales person-**Customer can buy products as its own by using their smart phones. Salesperson need not to display product to an individual product and no requirement to convince the customer by their word of mouth. This will decrease the cost of recruitment of the sales staff.

DISADVANTAGES OF VIRTUAL STORE IN RETAILING

-) **Non-availability of smartphones-**The idea of virtual wall can only work in situation when the customer has the smartphone. If the customers have not smartphone they cannot buy from the virtual wall. In India, all people have not smartphones if people have they don't know how to use it.
-) **It is on emerging stage-**People cannot hear about the virtual store they think that virtual store shopping is same as online shopping. The virtual retail shops are less in number across the world. In India, only 30 stores are available for 130 crore population.
-) **Create virtual wall for retail shopping-**It is not easy to create virtual wall. For installation of this wall, we require software program and hardware system that will work on this type of wall.
-) **Lack of technical staff-**To start virtual store there is a requirement of technician to set up software to create virtual wall. But most of the technician are not aware about these types of wall. They are not in position to set up such kind of wall for retail shopping.
-) **Uneducated customer-**Nation like Bangladesh, Nepal, Srilanka, India are not fully technology wise developed. People of these country are illiterate. Even they don't know how to use simple mobile. For these types of people using virtual wall is like a dream come true.
-) **No feedback-**One of the major issue with virtual wall is that there is no direct relationship between the customer and seller group. Sellers are not aware to the response of customer. In today era customer purchasing pattern is so complicated, each buyer has its own likes or dislikes. without getting feedback, it become for difficult to seller to satisfy all buyer needs.
-) **Not physical existence of goods-** Virtual store provide 3-dimensional view that seems so real but in actuality it is not real. We can't touch, check the product at point of sale. We just get the 3-d view in front of our eyes. Like clothing product, we cannot check the fitting of different clothes.
-) **Difficulties in selling certain product-** Virtual retail store become successful only in those products which have low value like grocery store products but high valued product is not preferable by customer to buy from virtual wall because it want huge investment and these types of decisions are irreversible during short period. Customer may buy low value product or daily use items from such virtual retail store.

CONCLUSION

Overall the future of virtual reality seem very bright and such shopping experience can bring about a revolution in the lives of customer who are increasingly becoming more conscious and educated. It provides multi-sensory experience of shopping to the customer. It used 3-dimensional technology to display product which can be viewed from every angle. Earlier in the previous centuries, this idea would not have been possible due to limited use of information technology. But now as the information technology sector has gained momentum and various innovation have taken place the idea of virtual store can be practically implemented. Considering the scope of such stores it is necessary that the required hardware must be available, and people must be made aware of the modern technology. They get product in less time by doing less effort at lower cost.

It is also beneficial for the retailer as they will have saving in cost and it is a flexible and convenient solution to carry on and expand the business. In the coming years as customer become more educated about the technology such store has a great future. It creates curiosity among customer and induce impulse buying. Although such store may never be able to replace technical store, but it will be a viable choice for most businesses and customer.

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