

‘Information and Communication Technology’ Enabled Rural Organized Retail

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Abstract

India is nearly turning into a financial force. It is prepared to release its colossal undiscovered potential for the individuals who are eager to step forward. Throughout the most recent couple of years, retail has gotten one of the quickest developing areas in the Indian economy. ICT (Information and Communication Technology) has changed present-day retail work on, making synergistic inventory network the executives conceivable. The paper assesses the job of ICT in the activities of the retail association. The reason for this paper is to address the basic pretend of Information Technology and IT empowered Services (ITeS) in Retail division, which is blasting in India, and the extent of its extension in the provincial retail.

Keywords: *Information technology, Retail, Supply Chain Management (SCM), IT enabled services.*

Introduction:

Retailing is an "innovation escalated" industry. The retail industry consistently chips away at next to no edges and the way to endurance lies in the enhancement of assets both in existence measurements just as the expansion of consumer loyalty. Effective retailers today work intimately with their merchants to foresee customer request, abbreviate lead times, diminish stock holding and at last spare expense. Access to on schedule and continuous data to a wide assortment of the channel and exchanging accomplices deals workforce, line directors, head supervisors and so on is the way to accomplishing this. ICT reception in retail segment gives definite data about the Information Technology (IT) industry in India all in all followed by the IT showcase situation inside the retail division illustrating the portion of retail inside IT industry and the IT spending example of retail players. It further clarifies the components affecting IT selection in retail including expanded operational proficiency, ideal socioeconomics, Government activities and accessibility of gifted labour. Key difficulties recognized for the IT reception in retail incorporates significant expense. It further examines the determination criteria of ICT apparatuses/applications for retailers followed by a short depiction of the key ICT arrangements usually utilized in retail part. This area additionally includes a merchant's chance fragment wherein it gives an away from about the sort of ICT instruments/applications utilized in different retailing groups.

Retail and land are the two blasting segments of India in the current occasions. Retail, perhaps the biggest business, has by and by prospered as one of the most unique and quick-paced

ventures with a few new and furthermore remote players entering the market. The administration of India has expanded the level of FDI to 51% in the multi-brand retail area and 100% in a single brand. It right now represents more than 10 per cent of the nation's GDP and around 8 per cent of the work in India and is steadily expanding. As per specialists, the Indian retail industry investigation expects the market size to develop from US\$450 billion out of 2012 to US\$574 billion by 2015. India is being viewed as a potential goldmine for retail financial specialists from over the world and most recent research has appraised India as the top goal for retailers for an appealing developing retail advertise. We can have faith in the way of thinking as said: "There is No Right Price for the Wrong Product or Services". The current retail segment in India is reflected in broad strip malls, multiplex-shopping centers and tremendous buildings like markets, hypermarkets offer shopping, diversion and nourishment all under one rooftop. Components which have contributed to the development of retailing division in India are:

- Low level of resistance among clients to purchase items from the showcase and various shops.
- Increase in discretionary cash flow and client want.
- Increase in the number of immaturities in Indian shopping.
- Increase in use for extravagance things.

Various rural marketing projects launched on the basis of IT are:

- **E-Mitra:** This administration is propelled by the RAJASTHAN Government just because for its country residents, so they can send the I.T. empowered advantages to its fullest. E- Mitra is State Government began ventures, which before long become exceptionally famous in the area. In the year 2002, two activities appeared in particular; Lok Mitra and Jan Mitra. Where Jan Mitra is a coordinated electronic stage through which the residents of Rajasthan can profit the advantage if getting the ideal data with respect to any Governmental Department at stands which is close to their doorstep. These Initiative programs of Rajasthan government have not just helped the Government by lessening the weight of going to each call, it possesses decreased the hanging tight energy for the administration and has lead to give solace to the residents likewise, similarly as with the commencement of this administration they can without much of a stretch get the data required at their doorstep.

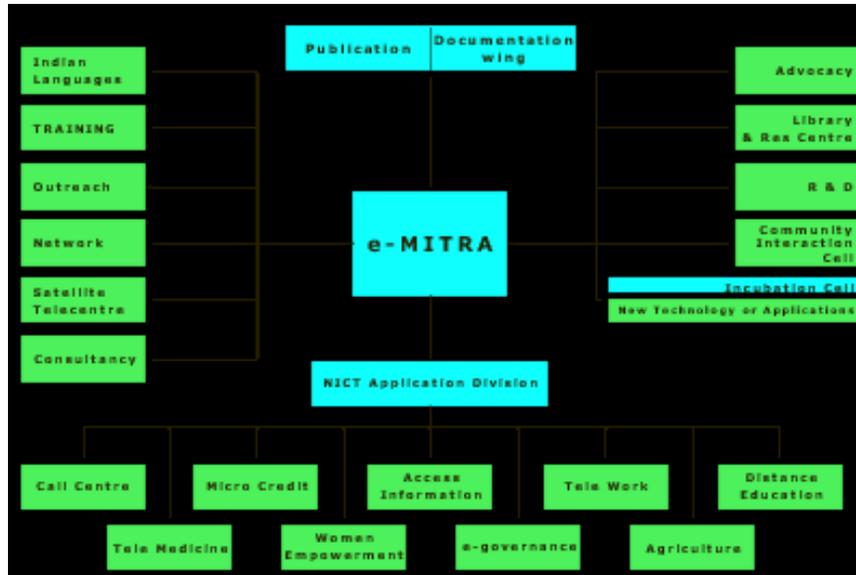


Figure 1. E-Mitra

- **Gyandoot:** It was built up in January in the year 2000. It is an e-governance based module intended for the provincial residents. The venture was at first started by the Government of MADHYA PRADESH. Gyandoot caters the need of the locals by giving the data identified with the common paces of the agro-based products and the pace of land. Each Gyandoot Info booths takes into account around 15 panchayats and 30 towns. The module is planned with the mean to give savvy and manageable conveyance model to the individuals.
- **E-choupal:** It is planned particularly for the ranchers of India. Through e-choupal, ranchers who are living in the remote territory of the nation and can't figure out how to have direct contact with the buyer can approach to have immediate contact. It gives an e-procurement framework through which the ranchers can get to the most recent and refreshed data (nearby, national and universal) identified with various cultivating rehearses. It gives ongoing data and redid information to the ranchers through which the rancher can take better choices and can have direct contact with the client, lessening the sum squandered by travelling through the dissemination channel of the delegate. E-choupal has just gotten the biggest activity among all internet-based intercessions in Rural India. E-choupal is available in 36,000 towns through about 6,000 booths across nine states. ITC (Indian Tobacco Company) is wanting to grow the idea of e-choupal further in 15 conditions of India.



Figure 2. E-Choupals

Objectives:

While rural organized retailing in India is at a very nascent stage, India's massive population offers tremendous potential to modern organized retailers.

I want to study that:

- What is the scope of rural organized retail in India?
- How the use of ICT can be leveraged upon in the untapped rural market of India?

Research Gap and Need for the Study

The retailing in rural India is rising and several researchers have surveyed on the scope of the retail in rural areas. But nowhere could I find the satisfactory research on what are the prospects of using ICT in these rural areas and how will it further enhance the scope of retailing in rural areas. There I felt the need to understand and research this aspect.

Research Methodology

- Sample size- 180 customers
- Research Design- Descriptive.
- Method of sampling- Convenience Sampling.
- Area of research: Bathinda District
- Data collection method:
 - Primary Source- Questionnaires, Observation.
 - Secondary Source-websites, articles.

Findings and Inprepretations

- **Due return on Cost of Technology**

The start-up cost of the implementation of ICT in retail sector is very huge. The retailers incur heavy amount on various security systems on the implementation for the co-ordination of IT systems. Then the cost of RFID tags to be implemented on every unit and every SKU is huge. But once implemented, then the operational running cost is thin. These IT systems can give very good returns if the target audience which is untapped is huge. And this is very much possible in the rural market where the untapped market is very high.

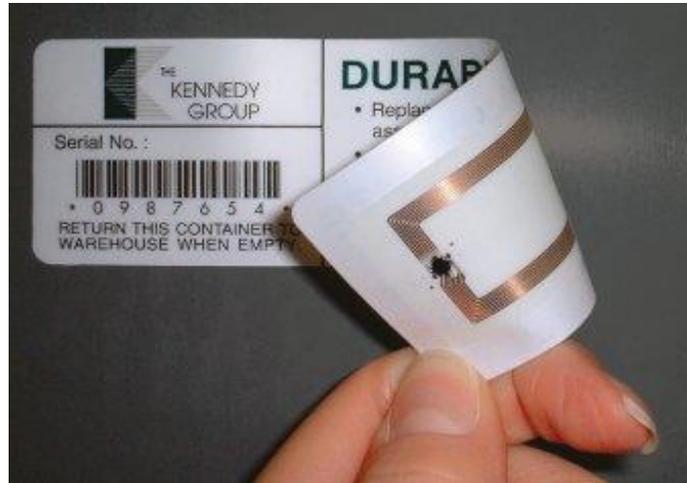


Figure 3. Radio Frequency Identification Tag

- **Debit/ Credit Card Usage**



Figure 4. Debit Card usage

The use of debit / credit cards in the rural areas is on the rise. Government of India has issued various instruments for the customers in rural areas such as ‘Kissan Credit Cards’. The

customer in the rural areas is also used to this method of buying goods on credit and his earning has been on the rise which he can repay his credit bills. The employment of the credit / debit card payment in the organized stores in rural areas can help the rural customer to purchase the goods he requires on credit from Banks / GOI and can repay it on the time of his farm produce.

- **Storage of Information**

The ICT organization in the rustic zones will assist the retailers with storing the important data of the client's buys and in this manner to shape a fantastic database. Today as innovation drives advancement and organizations look for a progressively compelling approach to misuse the market Technology is unique in relation to some other kind of new item. For a certain something, the market reacts distinctively to innovation; the client is delayed to acknowledge another innovation with which they are not well-known. IT includes the e- handling, stockpiling and trade of data, where anything that can be spoken to in computerized structure is remembered for the term 'data'. In this way reports, beguilement, individual correspondences, learning material, clear and filled-out structures, declarations, plans, etc are all data. Programming programs that procedure information (looking, classifying, and ascertaining, for instance) are likewise data right now, a specific sort of moderate great. This stockpiling of data and its preparing will assist the retailers with calculating the business estimate and plan appropriately which will additionally lessen the decay and wastage.

- **Making nearly exact Sales Forecast**

The use of Information Technology in the retail helps the retailers to accurately forecast the future demand. This helps the rural retailers to order and receive the appropriate quantity of the goods and hence the chances of spoilage or expiry are tremendously reduced. This usage of IT also helps the retailers to forecast the new goods demand (if any) and hence give timely notice to the HO.

- **Reducing the Lead Time**

Lead Time is the time to place order and to receive the material. With the help of ICT in rural retail, the retailer gets more time to place the order and he can take more rational decision. In the absence of this technology, the retailers had to order much in advance and in the meantime if the market taste changes, the retailer used to suffer losses. But now with the advent of ICT, it has happened that most retailers not even need to order the goods. The store sales and inventory are linked to the warehouse directly which tracks the product sales and sends the order after discussion with the store manager.

- **Proper Physical Communication Facilities**

No doubt the communication facilities are improving in rural areas with the passage of time, but still it is very less. The deployment of efficient ICT can help the retailer communicate both frontways and backwards properly.

- **Revenue per customer**

Revenue per customer for the ICT based rural retailer is expected to be three times higher than for the follower over the same period. The leader company can also expect to have full-time employee growth of 280 percent, while the follower can expect a decline of nearly 50 percent. Leader businesses will not only prosper in coming years, but will also play a pivotal role in the development of a new retail business model: The omni-channel. The model combines digital and traditional models, and, according to the research, better enables retailers to move to meet new customer needs and wants.

- **Penetration of mobile internet**

It has been discovered that the entrance of web in the provincial regions particularly on the cell phones is expanding colossally. By sending of ICT in rustic regions and following (just as putting away) the client buy propensities and individual data; the retailers will be all the more effectively to target and hold their clients by online just as SMS on the web. Clients will, likewise, have the option to rapidly get to item data on the web, settle on educated choices, and find close by stores.

- **Beating rivalry by better CRM**

The ICT in retail will assist retailers with making solid client connections, and will assist them with bettering foresee client wants. Huge information will be significant for increasing an upper hand, empowering retailers to augment snaps and exchanges by better understanding their clients, tasks, and supply chains. This constant following will assist the organizations with managing their clients adequately and to beat the opposition.

- **Customization and client maintenance**

It is turning out to be progressively apparent that accomplishment of ICT will be driven by how successfully retailers can bridle the intensity of new advancements to convey one of a kind incentive to clients with the speed, effectiveness, and pervasiveness they request. The retailers will have the option to assemble and the convey the ideal items/administrations to their clients in provincial zones and consequently make these country region clients routine of customization. This convenient conveyance is just conceivable if ICT is utilized in Retail.

- **Fulfilling country data needs**

The greater lump of the populace in provincial regions is subject to agribusiness. The basic rancher is by and large tricked by the mediators because of poor accessibility of data and henceforth enduring colossal misfortunes. By work of this ICT, the retailers can help the ranchers appropriately and genuinely directing for their necessities and furthermore giving them the great nature of required items.

Simultaneously they can purchase the last produce of these ranchers under the homestead to fork model which will be of extremely immense advantages.

Conclusion

The usage and expanding utilization of ICTs in many parts of the day by day life is irreversible; and keeping in mind that choices are progressively plentiful and complex in specific degrees of rustic retail, retailers have expanded and improved access to new ICTs, picking up right now more extensive access to data on business sectors. Governments ought to elevate strategies to lessen the advanced partition by opening the broadcast communications advertise, just as supporting enactments to control rivalry and the improvement of the framework to encourage ICT access to country regions. It is fundamental to advance open strategies, programs and inventive open and private activities that encourage equivalent access to ICTs and to imperative data required by various retailers for settling on monetary choices, particularly, the social-burdened gatherings in disengaged and remote provincial networks.

The private part is and will be one of the principle advertisers of ICTs, particularly among those degrees of the evolved way of life that can possibly profit the most (merchants, retailers, dealers, and so on.), which thus have a constructive outcome all through different degrees of the worth chain. The development and entrance of versatile ICTs in country regions (particularly cell phones), and advancements in electronic media to help instruction and preparing (e-learning), speak to new chances to expand the improvement of human and social capital, among different viewpoints. Versatile ICTs can add to the reinforcing of relations between partners in the worth chain; it is conceivable to advance the "way of life" of the utilization of ICTs through 'e-learning', just as the improvement of data aptitudes of various partners in chains. This is the main path by which this ICT system can give colossal returns and can enable the sorted-out retailers to tap the undiscovered rustic market of India.

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