WEBROOMING: WOOING CUSTOMERS BACK TO GARMENT RETAIL STORES

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Abstract: *Webrooming or "Reverse Showrooming" is the new term being used when net-savvy customers come and buy in Brick and Mortar Retail Stores after researching the products online. A new report by BI Intelligence shows that 69% of Americans have used Webrooming to buy products whereas only 49% have used Showrooming. This paper analyses the current trend of Webrooming and the business benefits and functional benefits of shifting from Showrooming to Webrooming. A survey was done with garment retail stores in Bangalore to check the importance of Webrooming in Garment retail operations.*

Keywords: *Webrooming, Showrooming, Apparel, Retail*

1. INTRODUCTION

Web rooming or Reverse Show rooming is the term used when customers research about the product they want to buy online, but make the actual purchase in a Brick and Mortar retail store. Online shopping has exploded and smart phones have become the norm, the show rooming phenomenon - consumers using their phones to comparison shop in stores - seemed poised to gut the revenue of offline retailers. Show rooming is the practice of examining merchandise in a traditional brick and mortar retail store or other offline setting, and then buying it online, sometimes at a lower price. Online stores often offer lower prices than their brick and mortar counterparts because they do not have the same overhead cost. Show rooming can be costly to retailers, not only in terms of the loss of the sale, but also due to damage caused to the store's floor samples of a product through constant examination from consumers. One innovative US online retailer Proper Cloth has not only opened a bricks-and-mortar store in America, they have also adopted show rooming as a unique way of selling; keeping in-store merchandise light by having customers complete online purchases while they are in-store, trying on products.

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Click-to-Brick: Online Retailers need Brick and Mortar Stores

Not so long ago that brick-and-mortar retailers were rushing to develop online stores. Now that evolution happens in reverse: Retailers start online and migrate to the real world, where customers can touch, taste, and try on their products. Fashion accessories startup BaubleBar, which has experimented with a variety of brick-and-mortar models to appeal to women for whom shopping is a social activity.

Custom shirt maker Proper Cloth is the latest to join the click-to-brick crowd with a SoHo showroom that opened in June. Founder Seph Skerritt says the startup needed a physical presence to establish its brand. "Our goal is to be a timeless menswear brand," he says. "That's a tough sell if you're only online." Many retailers have tried to compete with showroomers by slashing their own prices. Independent businesses, however, are advised to counter showrooming by adding value via included services and other tactics, such as making information and reviews more readily available to customers so that they might not choose to seek it out online. Some major retailers, such as Target, are attempting to battle showrooming by selling products exclusive to their stores. Walmart is allowing customers to avoid the shipping charges of online purchases by picking up the items in the stores. The same practice is expanding to European countries. Some specialty fashion stores in the U.S. and Australia have introduced a "fitting fee" for browsing, which is refunded in full if the customer makes a purchase. Best Buy has guaranteed to match the online price of goods listed on Amazon.com, and in April 2013 announced it would begin to lease out space to manufacturers such as Samsung, so customers can view working products and then purchase them at the MRP.

Web Rooming in India

E-commerce has picked up very fast in India with big investments being made by e-commerce companies like Amazon, Flipkart, Snapdeal and many others. The Indian market has become huge because of the economic boom, particularly in the metros and tier I cities. Customers would visit retail stores and decide what to buy after seeing the products, but many would go buy online because of better prices. This came to be know as showrooming, where showrooms were loosing sales to e-commerce. Brick and Mortar retail stores were worried that they will loose their business to these online portals, and started working on new strategies to overcome the online competition. Many brick and mortar retail chains started their own web portals and then realized that their online presence was actually helping them to get the customers to buy at their stores. Many customers burnt their fingers when they got duped by some online sellers with inferior products, refurbished products, duplicate goods, problems with warranty, delays in delivery, etc. Now the customers wanted to check the variety, price, similar products online first then physically check the products at stores and compare other products online and then select and purchase at the store itself. This came to be known as webrooming also known as reverse showrooming where

customers are coming back to buy at showrooms after checking the products online. Webrooming has become popular in the metros in India because of bad experiences online, hence a survey has been made to check this reality at branded men's clothing stores in the city of Bangalore.

Study of Web Rooming At Branded Garment Retail outlets in Bangalore

A survey of 106 respondents was conducted in the city of Bangalore. The questionnaire was tested with a pilot batch and after suitable modification was administered to other respondents. The city was divided geographically into five zones, namely North, South, East, West and Central and the survey was done. All respondents were male and using smart phones and internet savvy. Survey was done outside branded men's clothing stores with online presence like Van Heusen, Peter England, Arrow, Park Avenue, Raymond, United colors of Benetton and Allen Solly.

A. Objectives of Study

• To examine the impact of Web rooming in costumer buying decisions.

• To examine the efficiency of Web rooming in branded men's clothing retail stores in Bangalore.

This study attempts to answer such research questions. This research is conducted to fill the knowledge gap in the context of the influence of individual and organizational factors on the usage of Web rooming in Garment retailing.

B. Literature Review, Research Gap and Justification for Research

Not many studies had been carried out on Web rooming in Garment sector. Adler and Emily have researched on Reverse show rooming and how the retailers are fighting back (2014). Ellison and Scott have applied for patent for Reverse Show rooming and Merchant-Customer Engagement System (2015). One more study on reverse show rooming has been conducted by Mehra, Amit., *et al.* (2013). But there is no specific empirical study on Web rooming in Indian Garment retail sector. This study will close the research gap in the study of Web rooming and its effect on sales of Garment retailers in Bangalore which accounted for nearly one fifth of garment retail sales by appropriate technologies and strategies and to improve the profits. The beneficiaries of this study would be branded garment retail business organizations operating in India.

C. Individual and Organizational Factors Influencing Web Rooming

In today's competitive retail environment a retailer cannot afford to consider merchandising as a 'frill'. Everyone is competing for the customers' dollar. There are more choices out there for consumers than ever before. Posters covering the

door and windows, hand lettered signs, lack of lighting and untidy displays send the message that your business is not serious. If your store looks like a bargain basement, customers will expect bargain basement prices and may draw the conclusion that your product is poor quality. This judgment may have little to do with the product itself, but be the result of poor presentation. Melanie McIntosh, a retail consultant and founder of Inspire Retail Solutions, a British Columbia firm that helps retailers create strong, professional business images that attract customers.

D. Research Hypothesis (s)

H_0: Web rooming has a favorable impact on consumer buying decision.

H_1: Web rooming does not have a favorable impact on consumer buying decision.

E. Research Methodology

Research Design: Descriptive Research,

Sampling Technique: Convenience sampling, only net savvy male respondents with Smartphone were chosen.

Sample Area: Exit branded men's clothing store customers in Bangalore

Sample Size: 106

Data Collection: Primary Data,

Software used for compilation of Data: MS Excel.

Data Collection: The data collected is Primary data. A Questionnaire was prepared to collect the data. Primary data was collected from 106 respondents through a closed ended questionnaire. Convenient sampling was used to collect the answers for the questions of the questionnaire.

RESULTS

The following are the results of the study.

FINDINGS

• Most of the respondents were in the age group of 25-35 years, showing that they were the young working males.

• A majority of the respondents were repeat customers at the showrooms, showing that products, services and displays both online and in-store, were able to pull the customer back to the stores for repeat purchases.

• Majority of respondents had come with a firm intention to buy an apparel, showing that the intent to buy was high. Casual visitors were also there to check the clothes.
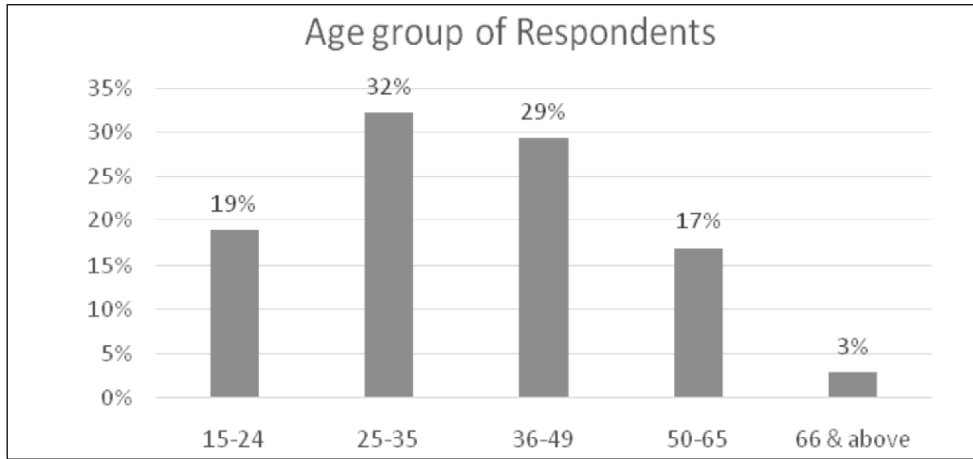
Chart 4.1: Chart showing age group of customers

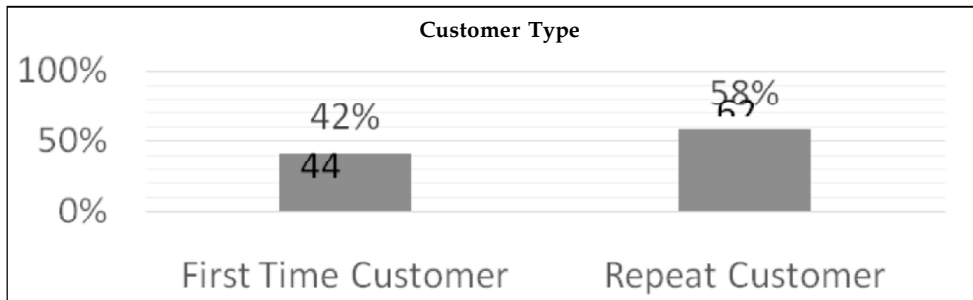**Chart 4.2: Chart showing Customer Type**
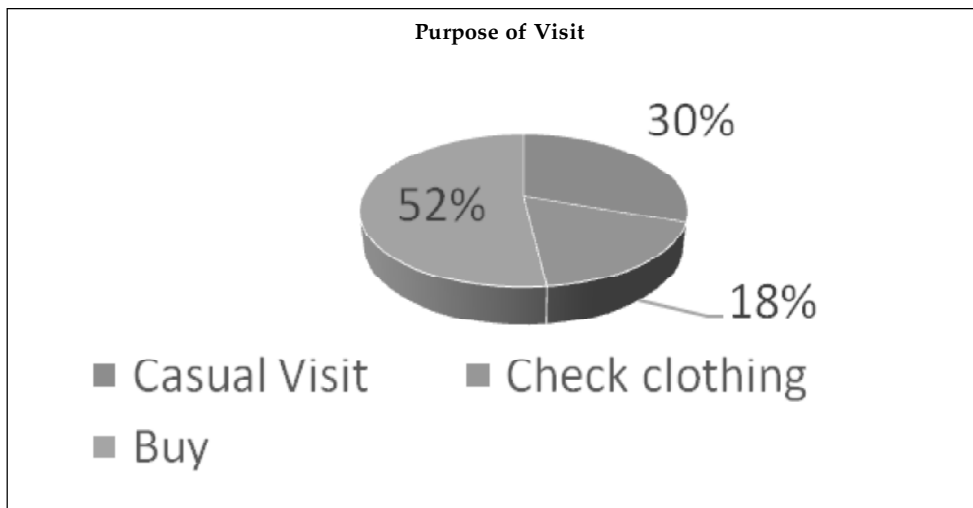

Chart 4.3: Chart showing Purpose of Visit

Chart 4.4: Chart showing respondents buying clothes online

Do you buy clothes Online?

Never — 59%
Sometimes — 38%
Always — 3%

0% 20% 40% 60% 80%

Chart 4.5: Chart showing research over internet before coming to store-Web rooming

Do you Research over internet before purchasing from Store-Webrooming

Always 31%
Sometimes 43%
Never 25%
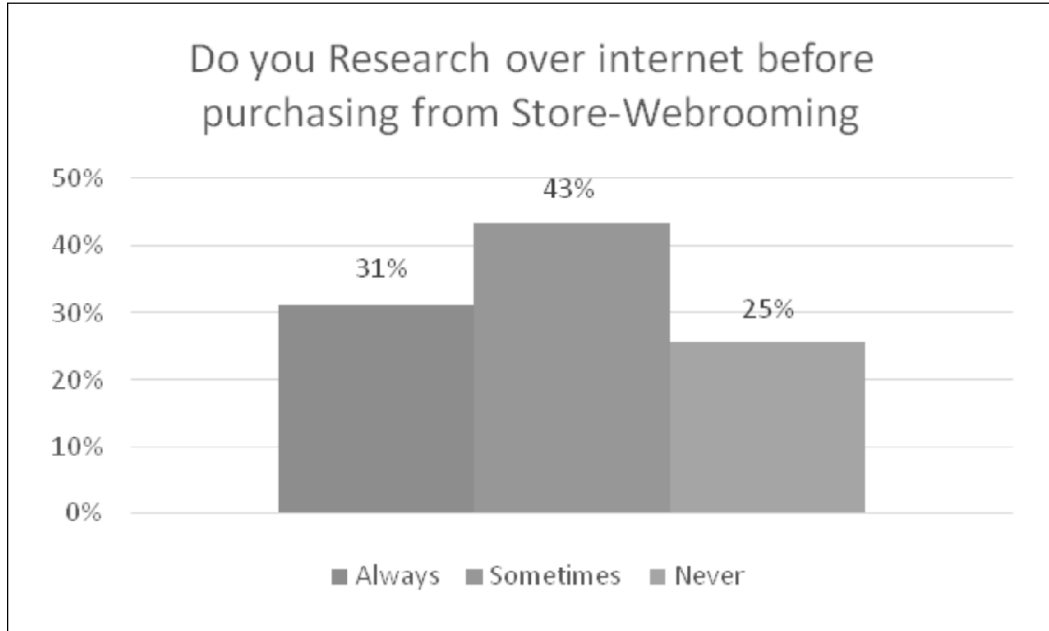
■ Always ■ Sometimes ■ Never

Chart 4.6: Chart showing type of clothing item purchased at store

- Almost 59% of respondents would never buy apparel online. This could be due to bad experiences online, fitting problems or comfort.

- 43% of the respondents agreed that they check out clothes on the internet before purchasing at the store. So the internet presence of the brand allows customers to explore before deciding at the store. Thus web rooming concept is catching up and hypothesis H_0: Web rooming has a favorable impact on consumer buying decision, is proved right.

- Major purchased clothing was formal shirts, since major customers were in the working age group.

LIMITATIONS

First, the findings are based on the sample of 106 respondents. The sample size is considered small to represent the population. Second, the data generated from this study are based on self-administrated survey, consisting of only net savvy males outside branded men's clothing stores. Additionally, data accuracy would depend on the respondents' willingness and honesty in answering all the questions honestly. However, to avoid respondents' biasness and clear understanding, clear explanations were given to respondents.

CONCLUSION

The study concludes that Web rooming is here to stay and will continuously evolve and integrate with the supply chain providing more and more value added services to customers, management and employees. Web rooming is being integrated with payment gateways, RFID, CRM, Inventory management, Loyalty management and a host of others, making it a important part of garment retail operations. Web rooming like Show rooming is still in its infancy today and has a great potential in the future of Garment retail. Web rooming is being integrated with other systems like accounting systems, Customer Relationship Management systems and inventory management systems. This brings in a whole lot of higher efficiencies in garment retail store operations. Customer service is taken to new level with greater transparency, faster service and better communication. The study concluded that Garment retailers want latest technologies and are ready to adapt to the new realities of business where speed, transparency and multi-channel competition is here to stay. Retailers want full integration with other systems to increase their sales and give better service to the customers. For all this the right Web rooming tools play a very important role.

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