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Challenges of Endless Aisle in Omnichannel Retailing

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A B S T R A C T

Modern retailers are now entering a new era of retailing known as omnichannel retailing. Endless Aisle is a key service that an omnichannel retailer focuses. Despite being a key element of omnichannel retailing, implementing endless aisle program is a highly difficult task. The paper discusses the implementation challenges of endless aisle.

Current study is exploratory in nature, and uses secondary sources (Various reports, magazines, newspapers & websites) of data. The major challenges that have been found very serious are real time inventory updataion at every touch point, Logistics and delivery operations, and centralizing operations.

Keywords: Endless Aisle, Real Time Data Updating, Logistics and delivery

1. Introduction

Omnichannel retailing refers to the practice of providing a seamless and integrated shopping experience across multiple channels, including brick-and-mortar stores, websites, mobile apps, social media, and more. It involves using various channels to engage with customers and provide them with a consistent and personalized experience, regardless of how they choose to interact with the retailer.

In the past few years, retailers have been facing an ever-increasing challenge to provide a seamless customer experience. This challenge has been further compounded by the rise of the digital age, where customers have come to expect more than ever before.

One of the ways in which retailers have tried to meet this challenge is through the concept of the "endless aisle." The endless aisle is a term used to describe the ability of retailers to provide customers with access to a wider range of products than what is available in their physical stores. In this article, we will discuss the challenges that retailers face when implementing the endless aisle concept.

1.1. Endless Aisle

The endless aisle is a term that describes the ability of retailers to offer customers access to a wider range of products than what is available in their physical stores. This is achieved by leveraging technology such as kiosks, mobile devices, and online platforms. The endless aisle allows retailers to offer customers a broader selection of products without having to carry the inventory in their stores. This can help retailers increase sales, improve customer satisfaction, and reduce costs associated with

Physical retail is more competitive than it has ever been. While retail rents have fallen in recent years, inventory management is becoming more difficult. Customers expect a wide range of product options. They do not want the experience of leaving empty-handed. It is easier to meet those demands with an e-commerce store. Your entire product catalogue is available for purchase. Physical stores can only stock a limited number of products due to limited shelf space. However, there is an option for retailers who are running low on inventory: endless aisles.

Endless aisles refer to the idea of ordering items online for customers who visit a physical store or any other touchpoint. Customers can order out-of-stock items that are not immediately available for pick up but can be shipped to their homes a few days later. Because of this, it is also known as "buy in-store, ship to the customer."

Opening an endless aisle allows customers to browse a much broader range of products that may be available in a store, typically by using a tablet or other touchscreen device. An item may be out of stock or sold in another location, and the endless aisle allows a customer to have it shipped to their home or store. Retailers stock items in the most popular locations and then offers them for delivery elsewhere via the endless aisle. Opening an endless aisle, on the other hand, is not as simple as installing a touchscreen kiosk or putting your eCommerce website on an in-store tablet.

1.2. Research Problem& Objective

This study is being undertaken to know the Challenges in implementation of omnichannel retailing in Indian scenario.

Research Objective: To explore the challenges in implementation of omnichannel retailing in Indian scenario.

2. Research Methodology

2.1. Research design: This study is based on exploratory research design.

2,2 Data Sources: Companies' website, reports, Business news papers

3. Findings and Conclusions

The common challenges that have been identified are as follows:

3.1 Logistical challenges:

Logistics is a crucial aspect of the endless aisle concept. Retailers must be able to manage the supply chain efficiently to deliver products to customers on time and in good condition. However, this can be a challenge, especially when retailers have to deal with numerous suppliers and products.

"Endless Aisle" provides access to manufacturer inventory to the retailers, but the delivery of these items may create a bottleneck situation in retail operations in a lack of strong logistical support. Thus, the success of "endless aisle" largely depends on the logistic support developed by or available to retailers for dropshipping.

The following are some of the logistical challenges associated with the endless aisle:

Inventory management: Endless aisle requires retailers to manage a vast amount of inventory, which can be a daunting task. Retailers must have accurate inventory information and tracking systems to ensure they have sufficient stock levels to meet customer demand. They must also manage inventory across multiple locations, including warehouses, stores, and supplier locations.

If you sell in-store and in multiple online locations, your inventory will be constantly changing. Thus, the retailers must be aware of when and where stock is available at every touchpoint. Otherwise, they won't be able to provide customers with a variety of options. Thus, inventory levels across all touchpoints must be updated in real-time or very closely.

Fulfilment: Order fulfilment is another critical logistical challenge associated with the endless aisle. Retailers must ensure that they can fulfil customer orders quickly and efficiently, which requires streamlined order processing systems, efficient picking and packing processes, and reliable delivery mechanisms.

Shipping: Shipping is another logistical challenge associated with the endless aisle. Retailers must work with reliable shipping partners to ensure that products are delivered to customers on time and in good condition. They must also be able to manage shipping costs, which can be high when dealing with multiple suppliers and products.

3.2 Operational challenges

The endless aisle concept also presents several operational challenges that retailers must overcome to ensure its success. To ensure visibility into your products, real-time inventory updates necessitate system integration and inventory management technology. Not only the technology must be there but, if not automated, a system to update the records is needed. The following are some of the operational challenges associated with the endless aisle:

Integration: Endless aisle requires retailers to integrate their digital channels seamlessly with their physical stores. This integration is crucial to provide customers with a seamless shopping experience across channels. Retailers must also integrate their backend systems to ensure that inventory, pricing, and other product information are consistent across channels.

Technology: Technology is another operational challenge associated with the endless aisle. Retailers must use advanced technologies, such as artificial intelligence (AI) and machine learning, to manage the vast amount of data associated with the endless aisle. They must also use technologies such as chatbots and voice assistants to provide customers with a personalized and seamless shopping experience.

It is critical to invest in the right inventory and warehouse management software powered by AI and IoT in order to weave operational resilience through tracking, forecasting, and real-time data, inventory and warehouse management software can provide end-to-end inventory visibility and updation.

Centralized Operations: All orders need to be managed by a centralized team to track and update levels of inventory across all sales channels. This helps give you visibility into inventory regardless of the location or delivery channel. This ensures that your fulfilment practices are optimized.

Companies in a variety of industries agree that managing order management systems and fulfilment processes is becoming more multifaceted and, as a result, complicated. By manging these operations centrally any problem regarding order management can be resolved quickly. But these operations or highly affected and influenced by workforce productivity and labour management inventory visibility across the locations.

Customer service: Endless aisle requires retailers to provide exceptional customer service across channels. Retailers must provide customers with access to knowledgeable staff who can assist them with their purchases. They must also provide customers with multiple options for contacting customer service, such as phone, email, chat, and social media.

3.3 Customer experience challenges

The customer experience is the most critical aspect of the endless aisle concept. Retailers must ensure that they provide customers with a seamless and personalized shopping experience across channels. Enabling customers for ordering the off-the selves' item is one part of the story, customizing the item and dropshipping is the other end. But providing real-time status updates to the customer is also a very crucial and costly affair that not only requires technology at every customer touchpoint but data up-gradation at also. Thus, end-to-end visibility and data upgradation are required not only while managing the inventory within the organization but it is also required when items are sent to customers and still in transit.

The following are some of the customer experience challenges associated with the endless aisle:

Product discovery: Endless aisle requires retailers to provide customers with an intuitive and easy-to-use product discovery system. Customers must be able to browse and search for products easily, and they must be able to filter products based on their preferences.

Product information: Endless aisle requires retailers to provide customers with detailed and accurate product information. Customers must be able to access product specifications, images, reviews, and other relevant information to make informed purchase decisions.

Returns and exchanges: The retailer should provide clear information on their return and exchange policies for endless aisle purchases, including information on timelines, eligibility, and any associated fees. They should also offer convenient options for customers to return or exchange their purchases, such as in-store, online, or through mail.

It is essential for retailers to have an efficient system in place for processing returns and exchanges for endless aisle purchases. This ensures that customers have a positive experience and feel confident in making purchases through the endless aisle in the future. Retailers may also use data gathered from returns and exchanges to improve their product offerings and inventory management.

3.4 Challenges of Managing Supplier:

Managing suppliers is a key to implementing endless aisle. If a retailer does not have a fully automated order processing system, such as an EDI connection, a retailer may need to set up a vendor portal for their suppliers to access in order for them to pull orders and upload tracking information, but it is an expensive endeavour. Getting your collaborators to deliver consistent required information is usually the real challenge.

The most difficult aspect of the endless aisle is managing order processes with dropship suppliers. Retailers must implement a three-way match that includes the vendor's invoice for the order, the retailer's purchase order, and the retailer's receiving report. When working with drop shippers, you must ensure that vendors are correctly billed for items ordered, at the price you anticipated, and that the items were delivered to the customer.

Despite several challenges, the endless aisle can be a strategic advantage for any retail organization. And retailers are trying hard to get a breakthrough in it.

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