RECENT TRENDS IN ONLINE AND OFFLINE SALE OF MOBILE PHONES

B. ZIAVUDDEEN*
Dr. A. ABBAS MANTHIRI**

*Asst. Professor of Commerce in Computer Application, Dr. Zakir Husain College, Ilayangudi (Part Time Ph.D. Scholar, PG and Research Dept. of Commerce, Dr. Zakir Husain College, Ilayangudi, Sivagangai District, Tamil Nadu, India
**Principal, Dr. Zakir Husain College, Ilayangudi, Sivagangai District, Tamil Nadu, India

Abstract
         The retail sectors have some plan to changes with use of smart phones and internet by consumers. Huge number of online and offline retailers are running their business in India. Electronic payment system with secured encryption and various offers indicates more sales in online. Mobile app is the key factor operated by retailers connected with social media apps like face book and twitter to collect database of millions of customers to make changes in expected branded mobiles in online. Now everyone wishes to buy mobiles in online is just a one touch click away. Increasing the trend of online affected the offline retailers. Offline sale is going down day by day which create more challenges for offline retailers in future. The paper explains how various online mobile retailers are improving. I.e. how they are analyzing consumers in recent trends to increase profit by providing valuable services. The paper also describes the reasons for decline in offline mobile sales and conclude with some strategies and efforts followed by offline retailers to inspire the consumers in different ways to achieve success in future.

1. 1 Introduction

     In this scenario, a huge number of contactless technologies particularly automatic payment and self-checkout are emerging as the most promising way of supporting the retail process**.** Hence, consumers experience which modify their shopping behavior in terms of search, purchase, consumption and after sales behavior. Hence retailing is shifting to a new concept of space based on the extensive usage of mobile technologies which are much more integrated to daily life. Customers and potential buyers can visit the website and can place the order for the popular branded mobiles sold by the online retailer without moving from their workplace or home through internet. Mobile marketing strategies are based on how consumers access information through their own mobile phone, which firms use a means of delivering customized messages, services and offers. Recently mobile marketing has expanded to the advanced technologies such as mobile apps for smart phones which allow

18

customers to easily find compare and order products, access on new products and services, creating shopping lists, locate products and stores, etc.

1.2 Objectives

The current paper focuses on understanding the perception of Indian consumers with regard to online shopping. The objectives are as follows:

• To study the recent trends in sale and consumers preferences in mobile phones through mode of sales in online and offline

 • To study the growing trend of online shopping in India and offline challenges.

1.3 Review of Literature:

In this topic we are analyzing the past related studies regarding the approach off consumer's mobile phone preferences and recent trends analysis by retailer in online and offline mobile sale. Hence we discuss below:

Investing in consumer satisfaction from the online experience and creating brand or site loyalty are critically important for companies that want to have a long run presence on the Web. There are two approaches taken to induce loyalty into consumers in an online context. One approach is to focus on concrete factors. For example, creating a convenient and well-designed online store and offering secure transactions are the keystones of satisfying e-consumers (Szymanski and Hise, 2000).

Traditional retailing is different from e- retailing as traditional retailing involves interaction of human with human and e-retailing involves human interaction with machines. In traditional retailing, customers consider store layout as important factor while purchasing whereas browse and search functions, images are more important factor while purchasing online

Trust is a highly contextual construct; therefore, identifying its antecedents for different environments is a challenging task. Various attempts have been made to uncover the factors determining consumer trust in Internet shopping, characteristics of trustworthy online transactions, and external manifestations of trust in offline environments that can be used to build trust in an online context (Cheung and Lee, 2001; Friedman et al., 2000; Cassel and Bick more, 2000).

User satisfaction can be defined as an individual's positive and negative reaction to the use of information or computer technology (Bailey and Pearson, 1983). Information search requires less effort online than offline. Alba et al. (1997) contends that a significant benefit of online search and shopping is the vast number of alternatives accessible to

19

consumers without physical strain in a brick and-mortar retail environment. For example, it takes far less time and effort to visit a virtual store than a local retail outlet. This great flexibility, in the electronic shopping environment, increases consumers' satisfaction (Kulviwat al. 2004)

1.4 Trends in sale of mobiles in online and offline:

Smartphone's were among the first electronic devices to be sold online and remain among the highest selling segments for ecommerce and also high demand because manufacturers come up with new models almost every other month

While physical stores were far behind in the price offering, online stores did offer good discounts. However, the maximum retail price (MRP) had high variations across e-tailers as well, which, in turn, meant big differences in the discounts offered.

Mobile commerce is continuing to rise thanks to one new technology: digital wallets. Examples of digital wallets and one-touch payments include:

Amazon Pay

Apple Pay

PayPal One-Touch

Visa Checkout

Retailers with a mobile-first mentality will outperform those that treat mobile as a second priority. This mobile-first mentality applies to everything: web design, email layouts, reward programs and more.

In the year 2018, less of a squeeze on consumers should be good news for retailers, but rising costs will continue to exert pressure on margins and force retailers to focus on cost reduction and operational efficiency even as demand starts to pick up. Further acceleration in store closures as retailers finally get to grips with transforming their real estate portfolios, to be fit for a market where online continues to outperform the rest of the market. The store still has a key role to play, but there will be fewer of them.

Retailers are also facing increasing competition from a number of consumer brands that all want a closer connection with their consumers. There will be more competition for consumers, for the best locations and for the best people as automotive manufacturers and consumer product companies look to develop their presence on the high street and in shopping centres

Everyone wants to be a retailer. New technologies and platforms are already enabling brands to go direct to consumers, and we predict an increase in activity in the year 2018.

20

Brands are targeting individual consumers with individual offers and experiences and retailers need to respond by intensifying their focus on their consumers and what their offer means to them

Many online platforms and the devices people use to access them will become increasingly integrated in the year 2018. It won't be enough anymore to have a presence on multiple channels. They must be integrated with each other to be competitive.

Retailers need to ensure that their stores remain relevant and are places that consumers want to keep coming back to. Experience is more important than ever, and retailers' stores need to be more than just places to transact.

Video is the fastest growing ad format. It is estimated that by 2020, video will make up 80% of all online consumer Internet traffic. As the technology improves, video will be the closest the online retailer can get to a face to face conversation with their audience (consumers).

Shop window today have largely become bigger and transparent and show much of what is going on in store. Keep windows for particular branded mobiles and seasonal or special event promotions. Visual search is changing the way that consumers shop for products, with more and more consumer journeys starting with an image or a photograph.

Chat bots will provide an instant connection with customers on a 24/7 basis. Chatbots that operate through messenger apps will likely play a larger role in the year 2018, and businesses can use them to send customers personalized content, suggest purchases, and offer special deals. With over 1.2 billion people on FB Messenger every month, marketers can expect explosive reach and engagement rates.

Artificial intelligence (AI) allows retailers to personalize the shopping and products experience and to do so at scale, utilising large amounts of data.

Retailers are realising that the biggest impact that digital can have on their business is in-store. Some of the most innovative and compelling stores make digital a core part of the store experience.

1.5 Recent growth in online sale of popular branded mobiles:
E- Venture becomes successful only if it really adds value to the customer. The value proposition has to be clear, compelling and easily understood by the customer. Use the strength of customer of internet technology to enhance your product value in online.

Globalisation, changes in consumer behaviour, technological changes, and increase in competition pose many challenges to business organisation. As cell phone technology

21

becomes common around the world, inventors and companies areworking at converting this little device from simply a mobile means of one to one voice communication to an access device for the internet. Here we have to analyse the growth of market share is listed by popular branded mobile basis they are as:

List of Market share in Growth Rate of Popular branded Mobiles.

Smart phone Market Share	2016	2017
XIAOMI	9%	25%
SAMSUNG	24%	23%
LENOVO	9%	6%
VIVO	10%	6%
OPPO	8%	6%
OTHERS	40%	34%
TOTAL	100%	100%

According to the Economic Times articles, reported that brand such as Xiaomi, Oppo, VivO in the Smartphone segment and players such as Reliance Jio, Nokia HMD and item in the feature phone segment all able to disrupt the market with high-quality and attractively-priced offerings. During the second half, players such as Xiaomi were particularly disruptive with an aggressively-priced, broad portfolio taken to market with an effective channel expansion strategy. This helped Xiao to surpass the long-time market leader, Samsung, for the first time ever is next to Xiaomi. This performance ended Samsungs six year market dominance.

According the recent report the latest survey of Economic times shown that the top list in recent trends of popular branded mobile sale are:

List of Top Popular branded Mobile Rankings:

TOP SMART PHONE IN INDIA (CY2017)	RANK
XIAOMI REDMI NOTE	1
XIAOMI REDMI 4	2
SAMSUNG GALAXY J2	3
OPPO A37	4
XIAOMI REDMI 4A	5
SAMSUNG GALAXY J7 NXT	6
SAMSUNG GALAXY J7 PRIME	7
SAMSUNG GALAXY J2 2016	8
VIVO Y55L	9
VIVO Y53	10

So the online retailers like flip kart, Amazon, Snap deal to sold more popular brands like xiaomi, is the top list next to Samsung and oppo finally vivo is followed by 9, 10th place.

22

Smart phones have been taking the world by storm. Look at the mobile phone advertisements and you will know what we are talking about. While earlier mobile phone advertisements talked only about the product, these days they paint a picture of society. Younger people taunting technologically-challenged older people for not using smartphones, People finding directions on Google Maps instead of asking people that is how powerful smartphones are today. They have changed the face of society and given a new definition to social status.

This situation is even more widespread in India, which is the fastest-growing smart phone market in the world. India reportedly accounts for nearly 30 million Smartphone purchases every quarter, and this percentage keeps increasing several times a year.

Where online brands are concerned, customers are always in for huge discounts and deals. There are festive offers, inaugural offers, end-of-season sale, and low-cost EMIs that enable even the lower middle class to own a Smartphone. Services necessary services have rolled out Smartphone apps, driving people to learn more about the technology in order to be able to use certain services. The convenience offered by app cabs and food delivery apps are also major drivers among the educated middle class for getting smartphones.

With 4G services entering the Indian market, Smartphone sales are expected to be at an all-time high. By 2025, India will have 700 million internet users, with the telecom market touching Rs. 10 trillion. The India government has been playing a vital role in making the country tech-savvy. Some of the policies planed by the government include providing Wi-Fi to 550,000 villages by March 2019 and setting up a 5G India 2020 Forum for the early deployment of 5G in India.

The Smartphone market in India is strong enough to ensure a healthy competition among new, upcoming, and existing brands. There are over 100 mobile phone brands in India right now, and new ones are coming up every quarter. A number of factors will ensure the market remains on an upward curve, including low Smartphone penetration, ease of foreign investment in India, and the ascendency of Long-Term Evolution (LTE).

The Indian Smartphone industry looks fertile, with new brands entering the market and making space with the existing ones. With budget phones a big hit with the educated middle class, more and more brands are jostling for space in the segment. At the same time, more expensive models are also gaining popularity. Market researchers predict that it isn't too difficult for India to become the leading handset market in the years to come.

1.6 Recent Smartphone growth level for usage of consumers

- Bezel less, dual front and back camera devices under $100-150 and expansive AI and face recognition to become popular

- Initial wave of dual displays, fingerprint scanner through glass to be seen

- Mobile wallet players to tie up with OEMs to ensure upfront value of smart phones remains low, driving affordability

- Internet users to cross 500 million driven by Reel Join and feature phone users using internet

- Consumers to prefer memory capacity of 64GB, with 4 GB RAM

1.7 Strategies to be followed by the online retailers

- Get close to customers, listen to them
- Involve them,
- Serve them,
- Add value,
- Find the best ones,
- Nurture them into lifelong customers and replicate them.

1.8 Recent challenges in Offline sale of popular branded mobiles

According to the counterpoint research, Xiaomi claims almost a third of the share of online sales and some 10% of the overall smart phone sales. Lenovo claims two-thirds of its sales come from offline channels.

Online selling is cheaper to test the market. Brands will go offline only when they see consumer response.

Strategies like offering prices, excellent quality, securing transactions more convenience is for major reason that offline sales decrease to some extent due to the appearance of the online channel; this is the business stealing effect.

In recent technological growth and convenience offline retailers will face more challenges instead of online strong competitive position. In this situation they need to apply some strategies to motivate the consumers in offline purchase. First they should analyse the attitude of consumers to provide some facilities in showrooms like to install some mobile app in store shop in website so the customer to know about the prices and offers also try to the compare the same product is cheaper than online.

Location is very important in offline retailing hence the outlet its more far means no one is interest to go on long way to buy any brands of mobiles so the retailers should think

about the nearest location and space available in outlet, image display in shop, is necessary for attract more customers.

Offline retailers will have to make some effort to fulfil the consumer's expectation and perform equally with online competitors to run the mobile retail business with successful way.

1.10 Conclusion

In this paper we are explaining the recent trends in online sector to improve more in regarding the different way for attracting customers like excellent offers and attractive prices, convenience, and securing transactions. But in compared to offline, they have to take some measures like installing store app, more space available in outlet, image display, low prices, and maintain quality of branded mobiles. On this competitive world they are equally to improve the sales in offline so they never follow the single strategy use different strategies like Direct Mail, Discount Pricing, Loyalty Programs, is to be attract more customers in offline for future.

References

1. Alba, Joseph, John Lynch, Barton Weitz, Chris Janiszewski, Richard Lutz, Alan Sawyer, and Stacey Wood (1997), "Interactive Home Shopping: Consumer, Retailer, and Manufacturer Incentives to Participate in Electronic Marketplaces," Journal of Marketing, 61 (July), 38- 53.
2. Cassell, J. and Bickmore, T. "External Manifestations of Trustworthiness in the Interface," Communications of the ACM (43:12), 2000, pp. 50-56
3. Cheung, C. M. K. , and Lee, M. K. O., "Trust in Internet Shopping: Instrument Development and Validation Through Classical and Modern Approaches," Journal of Global Information Management, Volume 9, Number 3, 2001, pp. 23-35.
4. E-commerce by Dr.K. Abiramiidevi –Overview of E-commerce pp-7
5. Friedman, B., Kahn, P.H., Jr. and Howe, D.C. "Trust Online," Communications of the ACM (43:12), 2000, pp. 34-40.
6. http://www.iosrjournals.org/iosr-jbm/papers/Vol19-issue6/Version-1/B1906011216/
7. https://economictimes.indiatimes.com/tech/hardware/with-over-100-handset-brands-in-a-15-billion-market-consolidation-is-just-around-the-corner/articleshow/57782305.cms
8. https://economictimes.indiatimes.com/tech/software/top-10-smartphone-trends-to-watch-out-for-in-india-in-2018/articleshow/62302255.cms
9. https://www.bigcommerce.com/blog/ecommerce-trends/
10. https://www.campaignlive.co.uk/article/2018-will-mark-death-online-vs-offline-retail-war1452289
11. https://www.counterpointresearch.com/xiaomi-became-leading-smartphone-brand-india-reliance-jio-leads-featurephone-segment-q4-2017/
12. https://www.ibef.org/blogs/current-standing-and-growth-potential-of-india-s-handset-market
13. https://www.scribd.com/doc/205620537/Bailey-Pearson-1983-Development-of-a-Tool-for-Measuring-and-Analyzing-Computer-User-Satisfaction
14. https://www2.deloitte.com/uk/en/pages/consumer-business/articles/retail-   trends.html
15. Kulviwat, S., Guo C., Engchanil, N. (2004), "Determinants of Online InformationSearch: A Critical Review and Assessment", Internet Research, Vol.14 No. 3, pp.245-253.
16. Szymanski, David M. and Richard T. Hise (2000), "e-Satisfaction: AnInitial Examination, "Journal of Retailing, 76 (3), 309-22

25