



Study the Impact of Online Retailing on the Fashion Industry and Consumer Shopping Behavior

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Abstract

The fashion industry and customer support behavior have been significantly changed by the emergence of online retailing. This study examines how e-commerce has affected traditional fashion retail, taking into account changes in customer behavior, the development of business models and technological developments. Additionally, it looks at how internet shopping has affected customer service, emphasizing social media interaction, personalization and how technology might improve the consumer experience. The study offers insights into the dynamics of the fashion business both now and in the future by examining these components. The fashion industry and customer support behavior have been significantly changed by the emergence of online retailing. This study examines how e-commerce has affected traditional fashion retail, taking into account changes in customer behavior, the development of business models and technological developments. Additionally, it looks at how internet shopping has affected customer service, emphasizing social media interaction, personalization and how technology might improve the consumer experience. The study offers insights into the dynamics of the fashion business both now and in the future by examining these components.

Keywords: DTC; E-commerce; Ethical fashion; Business; Personalization

Introduction

The rapid expansion of online selling has brought about substantial changes in the fashion sector. E-commerce has completely changed how companies market their goods, connect with customers and address their requirements. Online shopping has changed consumer expectations for ease, customisation and customer service in addition to democratizing access to fashion. By analyzing shifts in business models, marketing tactics and customer engagement techniques, this research aims to assess the effects of online shopping on the fashion industry and consumer support behavior [1].

The fashion industry and customer purchasing habits have changed dramatically as a result of the growth of online retailing. Increased accessibility, shifting consumer preferences and the incorporation of cutting-edge technologies are the hallmarks of this transition [2].

Literature Review

The evolution of online retailing in fashion

Growth of e-commerce in fashion: The rising number of internet users, technological developments and shifting consumer tastes for convenience and variety have all contributed to the expansion of e-commerce. One of the industries most impacted has been fashion retail, where traditional brick-and-mortar businesses are up against fierce competition from online platforms. In order to reach a larger audience and save operating costs related to physical stores, both independent designers and global fashion firms have embraced online channels. E-commerce's growth in the fashion industry with a Cumulative Annual Growth Rate (CAGR) of 9.1%, the global e-commerce apparel market is expected to exceed \$600 billion in 2022 and reach \$1.4 trillion by 2032. Retail e-commerce sales are expected to reach \$6.3 trillion globally in 2024, driven by an increasing number of people choosing to purchase online. The convenience of internet shopping allows people to view and purchase fashion goods from anywhere, contributing to a bigger audience and greater revenues for shops [3].

Transformation of business models: The shift from traditional to digital retailing has forced fashion brands to rethink their business models. The rise of Direct-to-Consumer (DTC) models, where brands sell directly to customers through their websites, has become a dominant trend. This model allows for better control over pricing, brand image and customer data. Subscription-based models, where customers receive curated fashion items regularly, have also emerged, providing convenience and personalized shopping experiences [4].

Impact on traditional brick-and-mortar stores: While online retailing has contributed to the closure of many physical stores, it has also spurred the growth of "click-and-mortar" strategies, where online retailers establish physical stores to enhance their brand presence. The integration of online and offline shopping experiences through omnichannel retailing has become critical for maintaining customer loyalty [5].

Discussion

The Influence on consumer behavior in fashion

Changes in shopping habits: Because online commerce makes fashion products accessible around-the-clock and makes it simple to compare prices across many platforms, it has significantly altered consumer purchasing behavior. Traditional retail businesses are seeing a decrease in foot traffic as a result of the convenience of home delivery and the range of payment choices that make online shopping more enticing [6].

Focus on customization and personalization: Customers now anticipate tailored purchasing experiences, including suggestions based on browsing or previous purchases. Artificial Intelligence (AI) and data analytics are used by online merchants to better understand customer preferences and offer personalized product

recommendations. This kind of customisation is less attainable in traditional retail locations, providing internet businesses an advantage.

Rise of social media and influencer marketing: Influencers have a big impact on consumer choices on social media sites like Instagram and TikTok, which have developed into important avenues for fashion promotion. Customers can now find and purchase new fashion items more easily thanks to the opportunity to shop straight from social media platforms [7].

The impact on consumer support behavior

Shifting expectations for customer service: The growth of online retailing has raised consumer expectations for fast and efficient customer service. Customers expect real-time responses to inquiries, easy return policies and proactive problem-solving from brands. Traditional customer support channels, such as phone and email, have been supplemented or replaced by live chat, chatbots and social media interactions.

Technology's contribution to improving customer service: Chatbots and other automated customer care systems that can answer common questions have been made possible by technological developments like Artificial Intelligence (AI) and machine learning. These tools enhance client satisfaction and speed up response times. However, human aid is still necessary for more complicated problems, resulting in a hybrid paradigm that blends automated and human support.

Social media as a customer support channel: Social media platforms are now an essential customer support channel, enabling firms to promptly and publicly address customer issues. This visibility can increase brand reputation when handled successfully, but it also raises concerns if negative criticism is not managed efficiently. Companies need to take proactive measures to keep an eye on social media for consumer feedback and react quickly.

Shifting customer preferences: Consumer expectations and habits have changed as a result of online buying. 43% of purchases are impacted by tailored recommendations, indicating that consumers now place a high value on customisation. Customers are better able to make decisions when they can quickly compare prices and merchandise from several stores, which encourages them to look for the greatest offers without being restricted by in-person store visits. Additionally, customers can virtually try on clothes thanks to the integration of technology like Augmented Reality (AR), which improves their shopping experience and lowers return rates [8].

Difficulties online fashion retailers face

Reverse logistics and returns: Online fashion sellers have logistical obstacles and higher expenses as a result of the high return rates, which are sometimes caused by sizing problems or unfulfilled expectations.

Issues with sustainability: Online shopping's ease and frequent returns have sparked worries about e-commerce's effects on the environment.

DATA privacy and security: With online retailing, consumers share significant amounts of personal data, making privacy and data protection critical issues. Brands must prioritize data security to build trust with customers while using the data to provide personalized shopping experiences.

Successful online fashion retailers' case studies

Zalando: A fashion platform and online retailer: From being an online shoe store, Zalando has developed into a fashion platform that links third-party merchants, consumers and brands. The company's success has been largely attributed to its robust logistical network and use of data-driven insights to provide individualized shopping experiences.

ASOS: Using influencer marketing and social media: ASOS has targeted younger customers by utilizing influencer partnerships and social media. With features like one-click payment and AR-based sizing tools, their emphasis on offering a flawless online buying experience has helped it keep its competitive advantage.

Nike: Combining online and offline retail: Customers can get individualized services like product personalization and virtual try-on experiences through Nike's direct-to-consumer strategy, which integrates its digital and physical retail channels. Customers' relationships have been further enhanced by the company's usage of mobile apps for fitness tracking and tailored involvement.

Upcoming developments in online fashion retailing

Virtual Reality (VR) and augmented reality adoption: Virtual fitting rooms and immersive shopping experiences are made possible by AR and VR technologies, which are anticipated to have a big impact on online fashion retail. By offering a more engaging experience, these technologies can aid in bridging the gap between online and offline buying.

Development of ethical and sustainable fashion: Online fashion companies will need to implement sustainable practices as consumers grow more ecologically sensitive. Brands that prioritize openness in their supply chains, use eco-friendly products and promote sustainable consumption will likely appeal with future consumers [9].

Social commerce growth: Social commerce, where consumers buy things directly through social media sites, is poised to rise. In order to increase sales and sustain consumer engagement, fashion firms will need to invest in social content strategy as social media incorporates more e-commerce aspects.

Benefits to retailers: Both big companies and small merchants can compete equally thanks to e-commerce. By creating an online presence, smaller businesses can effectively compete and frequently generate sizable revenues through e-tailing. E-commerce is now a key component of the business plans of major fashion businesses like Nike and Zara, who have recorded significant gains in their online sales.

Integration of technology: The apparel retail industry has undergone yet another upheaval thanks to the introduction of cutting-edge technologies. Retailers can use data analytics to learn about customer preferences and develop more focused marketing campaigns. By providing features like virtual try-ons that connect online and physical shopping experiences, brands are increasingly utilizing Augmented Reality (AR) and Virtual Reality (VR) to improve consumer engagement. Additionally, blockchain technology is being investigated to improve supply chain transparency, enabling customers to confirm the legitimacy of products and track the provenance of their purchases.

Upcoming patterns: E-commerce is expected to continue growing in the future of fashion retail as it gets more ingrained in consumer habits. It is anticipated that the trend toward omnichannel retailing

where physical and online stores complement one another will continue, enabling businesses to increase consumer loyalty and optimize sales prospects. Technology will play an ever-more-important role in influencing customer experiences as it develops. In conclusion, internet commerce has had a significant impact on the fashion business by reaching a wider audience, changing consumer behavior through increased convenience and customisation and incorporating cutting-edge technology that completely reimagine the shopping experience. The continuous development indicates that e-commerce will continue to be a key component of the fashion industry's growth strategy in the future.

Conclusion

The rise of online retailing has significantly impacted the fashion industry, transforming business models and altering consumer support behavior. While it has introduced new challenges, such as higher return rates and sustainability concerns, it has also provided opportunities for brands to innovate and better engage with customers. The integration of technology in customer support, along with the adoption of personalized and sustainable practices, will be crucial for the continued success of fashion brands in the digital age.

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