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STRATEGY OF GEOFENCING IN RETAIL APPARELS INDUSTRY

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Abstract:
Geofencing strategy has been used by retailers which creates a virtual geographic radius boundary by means of digital technologies for inclusion of individual, which operates via GPS or RFID, It enables software to trigger a response when a mobile gadget moves within the targeted area. Geofencing is used to supercharge customer experience. It basically gives them an ability to target personalised content; improve customer experiences and boosting retailer's sales.
So the objective states that retailer faces problem to attract new customers and customer faces problem while shopping apparels at new location, this research will explain how digital technologies help retailers to target new mobile customers and same from the customer point of view to get best option of shopping apparels out of various retail outlets at new location.
The paper will derive the relationship between retailers and customers towards next level by understating and engaging each other well in advance with the help of digital technologies. The research is an attempt to understand the consumer buying behaviour and source of information generated by Geofencing. After understanding customers in advance it help retailers of apparel industry to explain about their product accordingly, which ultimately leads to close the sale in an easier way, that save time and energy of both which again helps to increase the profit.

Keywords: *Geo Fencing, Customer Experience, Targeted audience, Apparels Retail Outlets, Consumer Behaviour*

Introduction:

Nowadays we're diversifying our mind onto how we can apply digital technologies solution via geofencing in our retailers marketing strategy, which benefit our customers with a comprehensive omnichannel experience.

Geofencing is a virtual boundary which operates via GPS or RFID around a predefined location digitally, and allows sending required notifications within a set boundaries. These notification helps customer to understand new marketing apparels trends. These ultimately helps customer to turnout behaviourally as well as vendors in to profit.

Retailers can run a campaign on geofencing marketing techniques which can be used for different brands and businesses of any size and any requirement all around the world. Boundaries size can be up to 1 KM and as less as 0.2 KMs. It is robust methods that engage businesses with their users based "hyper-local" location. This helps

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to increase footfalls and strengthen their customers' loyalty. By knowing customers well in advance, and helps retailer to stay relevant with their customers'. Although this represents best practice to run an omnichannel campaign, retailers can also send more generic content and offers to help drive new customers to their brand.

Mobile consumers have integrated location-based services into their daily lives; they are interested more in check-ins and likes. The current study says that they are receiving more special offers and other mobile alerts than earlier based on their geographic location. It is a virtual geographical perimeter around a physical space such as bus stop, railway station, airport or any market place. A number of branded companies are already looking for experimenting geofencing to place their products in the targeted market. Considering it as a campaign, Geofencing is more than we think about, simply to mark a territory and waiting for customers to walk by.

For any successful campaign, companies need to follow their customers with Geofencing marketing strategy, which improves the effectiveness of their efforts. If retailers' message is just an Ad, than they will not get any desired result. The message must be in brief, relevant to location and take a call in action, it must be important enough to engage the targeted user. Distance should be nearby to travel from the target location to save customers time.

To summarize how it works, companies create a geofencing boundary for a predefined area or a location and an Ad campaign for that particular geofencing boundary. Then a user steps in the targeted area and gets included in the advertising activities. The companies start pushing Ads to the users via coupons, in-app ads, or notifications. It may contain discounts, promotions, invitations, or even just a message for greeting. Companies can choose when the Ads should appear, with geofencing market. For instance, considering higher the traffic Ads can be set to appear during that time frame or peak hours on various apps and WebPages to get the best out of it.

Objectives of the Study:

The objectives are enlisted as below:

1. To understand the awareness level of geofencing concepts among youngsters.
2. To understand current trends of geofencing strategies to attract consumers.
3. To determine different kind of geofencing strategies, applied by retailers of apparels industry.
4. To analyse the benefits for retailers, post implementing geofencing strategies.
5. To compare and contrast the value addition of geofencing among retailers who had implemented geofencing v/s who have not.

Literature Review:

(Moyers, n.d.) in his article explains in depth about what geofencing means for consumer and companies and also how it integrates in companies marketing strategies. He has given many examples which states that how geofencing has been used from long time by the multinational companies and how it gets benefited to them.

a) Coca Cola: In this example from the same article was all about, how Coca Cola implemented a unique fencing strategy which was generally to entice more potential customers to use their vending machines and fine-tune their supply chain. The data gathered from the vending machines' payment software and facial recognition systems was allowed Coca Cola to answer the question like which drinks sold the best?, which locations were the busiest?, and which vending machines needed attention or repositioning?. Company has announced plans to streamline not to only draw customers to their physical retail locations but also encourage them to spend more time.

b) The Whole Food: In another example he explain all about, how Whole Food Company revolves around using a potential customer's location data

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for their advantage and how difficult it was to convince customers. How they created an aggressive geofencing strategy and benefited from the same. It was divided in to two parts. First, how the whole food company erected geofences around every store location and when customers come into that geofencing boundaries, how they automatically received all alerts and offers and the second part was all about how it gets implemented as a "geo-conquest" strategy which leveraged geofences placed around local competitors.

ADI Robertson (2012), the author has given a successful example of geofencing campaign which was run by GAP clothing stores. He says people who are waiting for buses and other public transportation in New York, San Francisco, and Chicago can see a coupon offer of GAP which creates an awareness among the geofencing concepts among other retailers and consumers. It also shows how geofencing can be used parallel to other marketing tools such as the physical advertising for greater emphasis and within mediums such as games that many of your customers are already interacting with.

Hypothesis of the Study:

The null hypotheses for researcher study are as follows:

H_{01} The youngsters are not aware of geofencing concepts.

H_{02} The retailers are not using geofencing strategies extensively to attract young customers.

H_{03} There is no awareness of geofencing applications among genders.

H_{04} The retailers have not increased their revenues after applying geofencing strategies.

H_{05} There is no value addition for consumers due to geofencing.

Research Methodology:

Research Design:

A research framework will be conducted through a structured questionnaire tested for reliability and data will be collected throughout Mumbai and MMR Region.

Sampling Method:

Researcher, collected data and tested hypothesis with the help of SPSS software, for data analysis simple cross tabulation tool has chosen under descriptive statistics. A total 150 respondents are covered throughout different segments of Mumbai City for the research. Stratified random sampling has been used to collect data through structured questionnaire across 03 strata which are as follows:

Tourist Destination	Sample size
Central Line	68
Western Line	32
Harbour Line	50
TOTAL	**150**

Data Analysis & Findings:

Table 1

		Are You Aware About Geofencing And Its Strategies?		Total
		Yes	No	
Age	20 - 30	81	53	134
	31 - 40	5	4	9
	41 - 50	1	5	6
	51 & Above	0	1	1
Total		87	63	150

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Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.941[a]	3	.015
Likelihood Ratio	6.446	3	.092
Linear-by-Linear Association	5.117	1	.024
N of Valid Cases	150		

Findings of Study:

From the above table 1, we can say that the students between 20 to 30 age group are more aware about the geofencing and its strategies. Out of that female students are Maximum.

As p-value is less than 0.05, H_{01} is rejected and alternative is accepted. Therefore, youngsters are aware of geofencing concepts.

Table 2

		Do You Think Companies Use Geofencing Strategies To Attract Customers?		Total
		Yes	No	
Age	20 - 30	127	7	134
	31 - 40	9	0	9
	41 - 50	6	0	6
	51 & Above	1	0	1
Total		143	7	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.877[a]	3	.031
Likelihood Ratio	1.619	3	.655
Linear-by-Linear Association	.734	1	.392
N of Valid Cases	150		

Findings of Study:

From the above table 2, we can say that the majority the youngsters are attracted towards geofencing strategies when companies implement it in reality.

As p-value is less than 0.05, H_{02} is rejected and alternative is accepted. Therefore, retailers are using geofencing strategies extensively to attract young customers.

Table 3

		Are You Aware About Geofencing And Its Strategies?		Total
		Yes	No	
Gender	Male	39	33	72
	Female	48	30	78
Total		87	63	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.835[a]	1	.041
Continuity Correction[b]	.560	1	.454
Likelihood Ratio	.836	1	.361
Fisher's Exact Test			
Linear-by-Linear Association	.830	1	.362
N of Valid Cases	150		

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Findings of Study:

From the above table 3 we analysis that, both male and female genders are aware about geofencing and its strategies. Out of which female are more aware of it.

As p-value is less than 0.05, H_{03} is rejected and alternative is accepted. Therefore, both the genders are well aware about geofencing and its strategies.

Table 4

		Do You Feel Retailer's Revenues Get Generated By Post Implementing Geofencing Strategies?		Total
		Yes	No	
Occupation	Student	93	18	111
	Professional	13	4	17
	Self - Employeed	3	2	5
	Service	15	2	17
Total		124	26	150

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.713[a]	3	.038
Likelihood Ratio	2.345	3	.504
Linear-by-Linear Association	.011	1	.918
N of Valid Cases	150		

Findings of Study:

From the above table 4, we come to know that respondents feel more about retailer's that revenues get generated by post implementing strategies.

As p-value is less than 0.05, H_{04} is rejected and alternative is accepted. Therefore, revenues get generated after applying geofencing strategies.

Table 5

		Do You Feel It Gives Value Addition For Your Shopping?		Total
		Yes	No	
Age	20 - 30	122	12	134
	31 - 40	8	1	9
	41 - 50	5	1	6
	51 & Above	1	0	1
Total		136	14	150

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.540[a]	3	.010
Likelihood Ratio	.567	3	.904
Linear-by-Linear Association	.178	1	.673
N of Valid Cases	150		

Table 6

		Do You Feel It Gives Value Addition For Your Shopping?		Total
		Yes	No	
Gender	Male	66	6	72
	Female	70	8	78
Total		136	14	150

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Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.164[a]	1	.046		
Continuity Correction[b]	.015	1	.902		
Likelihood Ratio	.164	1	.685		
Fisher's Exact Test				.783	.452
Linear-by-Linear Association	.163	1	.687		
N of Valid Cases	150				

Findings of study:

From the above table 5 & 6 we can say that respondents of different age groups and gender groups get value addition while shopping.

As p-value is less than 0.05, H_{05} is rejected and alternative is accepted, in both the case of table 5 & 6 respondents of different age groups and genders ge**1.** value addition for consumers due to geofencing.

Conclusion & Recommendation:

From the above study we come to know that youngsters are more aware about the concepts of geofencing and its strategies, still we need to aware about it among others so, that our retailers and customers both get benefited especially after post Covid era.

The author recommended that every retailers should join this campaign so that maximum people can be targeted and also customers by getting their needs and wants fulfilled with best offers. More male members has to be targeted and let them aware about the geofencing, for the same conduct more seminars and awareness campaigns. Digital technology is changing the world so customers should get maximum value addition out of it.

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