

## Foreword

Globalization has shown significant impact on consumption and technology applications among all levels of consumers. The bottom of the pyramid market segment which is constituted by a large number of small consumers has become the principal target of most of the consumer brands emerging from multinational firms. Large retailing firms penetrated into the bottom line markets using advanced technologies in inventory management, transportation, customer services, on-line buying and through multi-channel retailing. As the use of technology is increasing among retailers, consumer's choices significantly widen to shop among brick-and-mortar stores, catalogues, and e-retailers. Young retailing firms thrive in the global marketplace through a creative use of their resources, people, technologies, brands, suppliers, and effective strategies<sup>1</sup>.

There are remarkable changes incorporated into retailing practices in the recent past with the increase of Internet usage among urban and semi-urban shoppers. The prominence of retailing technology is observed with the rise of non-store retailing in reference to direct marketing, catalogues, telephone and the Internet as some of the convenient channels for consumers as well as for the retailers to sell the goods<sup>2</sup>. Retailing firms are giving increasing importance to shifting consumer habits through ingenious market research methods and then using creative communication and sales induction strategies. In this hypercompetitive markets, retailing firms are developing strategies to move into the provision of innovative combinations of products and services as *high-technology integrated solutions* tailored to each customer's needs<sup>3</sup>. Though information and internet based technologies have also promoted new supply chain initiatives in the retailing industry, management research is still to go a long way to conceptualize new strategies and evaluate performance and efficiency impacts of technology on retailing operations.

There is a new retailing concept emerging fast in the multinational firms which is expressed as *rocket science retailing*, a blend of conventional and information

and communication technology (ICT) based forecasting systems<sup>4</sup>. This concept is largely based on the strength of the operational efficiency in retailing with the prowess of information technology. Similarly, radio frequency identification (RFID) technologies that use radio waves to automatically identify individual items that carry such identification tags are also being increasingly used by large retailers. As the cost of this new technology falls, the rate of adoption of RFID technology will be significant in the future by the retailing firms<sup>5</sup>. This book addresses the rocket model and RFID applications in retailing and contextualizes these concepts in building customer value. Arguments made by authors in the book critically examine the role of technology in reshaping the conventional wisdom in retailing and delivering value to the customers and identify diverse managerial implications of this stream of innovative ideas.

In this book Dr. Rajagopal and other authors have delineated applied arguments for managers to capitalize on the advantage in retailing through the application of ICT and bridging the customer-technology gap. The *up shot* of the book emerges in redefining the role of technology led retailing strategy frameworks and building synergy towards high performance of retailing firms. The authors develop taxonomy of strategy for integrating technology in the retailing operations which includes communication technology, information systems and diagnostic technologies used in logistics management. They argue that convergence of retailing operations with technology applications is required to enhance not only the business performance of the retailing firms but also to augment the customer value in the competitive marketplace.

In this edited book Dr. Rajagopal has adequately addressed the complex issues of technology and retailing efficiency in the contemporary context. I find a right balance of conceptual and empirical investigation based discussions in the book that determine the pedagogic construct of the book. Dr. Rajagopal must be congratulated for his efforts of bringing two distinct disciplines of technology and retailing under one applied framework and bringing out prolific managerial inputs. I am confident that the contributions made in this volume will serve as a think tank for strategists and researchers to nurture new thoughts towards future research in the area of technological retailing. I hope this book will also be useful to industrial engineers, business managers and students pursuing their studies in the business stream.

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## ENDNOTES

- <sup>1</sup> Christensen, C. M. & Overdorf, M. (2000). Meeting the challenge of disruptive Change, *Harvard Business Review*, 78 (2), 66-76.
- <sup>2</sup> Crittenden, V. L. & Wilson, E. J. (2002). Success factors in non-store retailing: Exploring the great merchants framework, *Journal of Strategic Marketing*, 10(4), 255 - 272.
- <sup>3</sup> Rajagopal (2008). Outsourcing salespeople in building arousal towards retail buying. *Journal of Database Marketing and Customer Strategy Management*, 15(2), 106-118.
- <sup>4</sup> Fisher, M. L., Raman, A. & McClelland, A. (2000). Rocket science retailing is almost here: Are you ready? *Harvard Business Review*, 78(4), 115-124.
- <sup>5</sup> Jones, P., Clarke-Hill, C., Shears, P., Comfort, D., & Hillier, D. (2005). Radio frequency identification in the UK: Opportunities and challenges. *International Journal of Retail & Distribution Management*, 32(3), 164-171.

**Luis Herrera Y Marquiz** holds a Bachelor's degree in chemical engineering and obtained his graduate and Doctorate degree in business administration. Dr. Herrera's executive career spanned 15 years during which he held managerial and directive positions in marketing, sales and strategic planning at Coleman de Mexico, Richardson Merrell, Union Carbide and Fabricas de Papel San Rafael, acting afterwards as a General Director in MYRSA, Belco Mexicana and Litografica Cultural, all located in Mexico. Dr. Herrera became an independent consultant in 1993 providing advice in marketing, sales, service quality, strategic planning and reengineering to companies like Wal-Mart, IBM, BBVABancomer, Nestle, Cadbury Schweppes, Cadbury Adams, Frito Lay, Chanel de Mexico, Hasbro de Mexico, Bertelsmann Mexico, Baiersdorf Mexico, DHL Internacional, ICI de Mexico, Pepsico Food System, Institute of Management Resources, Anixter, Janssen Cilag, Schering Plough, Grupo Lala, AstraZeneca, Bayer de Mexico, Sterigenics, Equan, Grace Packaging, Checkpoint de Mexico, Goodyear and Grupo Ilusion, among others. He is currently a member of several boards. Dr. Herrera is serving as Associate Dean in the Mexico City Campus of the Graduate School of Business Administration and Leadership (EGADE) at the Monterrey Institute of Technology and Higher Education (ITESM) with effect from January 2008, where he has been a professor uninterruptedly since 1977. Dr. Herrera is engaged in teaching courses mainly in the marketing field, but also related to strategy, reengineering and business management, and along this period Dr. Herrera has participated intensely in executive training programs in his areas of expertise. He has received several recognitions for his teaching performance both in the graduate and the executive training programs.