Physical and digital market places – where marketing meets operations
The digital revolution has profoundly changed the face of retail. Physical market places such as retail stores and agglomerations are now complemented by digital touch points (Galipoglu et al., 2018). Hence, the role of retailers has become more complex – that of an agent bringing together supply and demand by facilitating physical and digital market infrastructure. The resulting change in shopper behaviour has led to the adaption of traditional marketing and operations processes in retail organisations and a redefinition of supply chain partnerships (e.g. Teller et al., 2012, 2016; Blut et al., 2018).

This special issue features insights into contemporary phenomena in the context of physical as well as digital market places, and takes both the marketing and the operations perspective. The included research articles were presented at the Colloquium on European Research in Retailing 2018, hosted by the Department of Marketing and Retail Management (Surrey Business School) at the University of Surrey (England). In total, 11 contributions can be categorised into two areas, i.e., the supply side and the demand side of physical and digital market places. In the following, the papers are briefly described and visual abstracts presented to give the reader a quick overview on the aims, and theoretical and practical implications of the research.

BUSINESS MODEL INSIGHTS FOR OMNI-CHANNEL RETAILING

<table>
<thead>
<tr>
<th>VALUE PROPOSITION</th>
<th>KEY ACTIVITIES, RESOURCES AND PARTNERS</th>
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<tr>
<td>INTENSIVE CUSTOMER EXPERIENCE</td>
<td>Value-added services and broader range of retail channels</td>
</tr>
<tr>
<td>INTEGRATED ANALYTICS SYSTEM</td>
<td>Engage customers through social media and encourage their interaction</td>
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<tr>
<td>EFFECTIVE SUPPLY CHAIN AND LOGISTICS</td>
<td>Develop capabilities for coordinated data analysis across retail channels</td>
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<tr>
<td>INTEGRATED ANALYTICS SYSTEM</td>
<td>Present new partnerships that can fulfill diverse customer delivery demands</td>
</tr>
<tr>
<td>VALUE PROPOSITION</td>
<td>Invest in technology that can increase operational effectiveness</td>
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Guest editors thank the authors for their huge efforts in undertaking and presenting their research in this special issue, the reviewers for providing constructive and valuable guidance, and the growing audience of the Colloquium on European Research in Retailing for their collegiate feedback on the papers presented at the event.

The supply side of physical and digital market places – strategic and operational insights

Jocevski et al. investigate the process of implementing omni-channel strategies in three different retail sectors. Through a conceptual framework, they propose three dimensions for a successful changeover towards an omni-channel distribution.

Eriksson et al. focus on the process of configuring retailers’ online fulfilment centres during their transition towards omni-channel distribution. By applying a holistic approach, they empirically identify nine contextual factors that shape the change of distribution approach.

Xu and Cao investigate the in-store operations of omni-channel retailers. They develop an inventory model and examine an optimal and dynamic replenishment and allocation policy. Their results can assist store managers in optimising their decisions on stock levels for both online and offline demand.
Brea-Solis and Grifell-Tatjé explore the reasons behind the decline of the once-powerful retailer Kmart, by looking into their business model and its evolution. The learnings from this case highlight the importance of the correct implementation of all details of a business model in order to achieve success in the market.

Kim et al. provide detailed insights into the men’s clothing market and present a segmentation approach for that sector. Through a Rasch Tree analysis, they reveal the varying importance of the retail attributes of different formats, for shoppers belonging to different generations.

Through a bibliometric study, Delafenestre presents insights into new business models in supply chains, that can be invented from the advent of the latest technologies. With this
systematic review of the literature, he provides researchers with avenues for further research into new business models and their potential impact in supply chains.

The demand side of physical and digital market places – shoppers’ responses to retail marketing stimuli
Singh investigates the loyalty behaviour and shopping experiences of online grocery shoppers. The findings highlight 13 experiential factors that positively influence shoppers’ patronage behaviour.

Why Do Online Grocery Shoppers Switch or Stay?

Looking for Frictionless customer experience
- Service Excellence
  (A) Task related performance
    - Delivery
    - Order cancellation management
  (B) Demonstrated Expertise
    - Reliable customer service
    - Responsiveness
- Customer Return on Investment
  (A) Service efficiency
    - Ease of use
    - Website navigation
    - Fast delivery
  (B) Economic Benefit
    - Price
    - Product quality
    - Assortment

Looking for Pleasurable customer experience
- Aesthetics: Visual appeal
- Playfulness, Emotional lift: Enjoyment

Stay (+): Intention to repurchase and WOM
Switch (−): Intention to switch

Siregar and Kent explore shoppers’ experiences with interactive technology in fashion stores. They reveal four themes in this context that are related to shoppers’ control
and the challenges related to the interaction experience.

Tanner et al. evaluate shoppers’ use of digital labelling in a grocery retail context. The findings characterise the barriers to the adoption of QR codes in mobile marketing. The authors offer strategies digital marketers can use to enhance consumer acceptance of new technology in a retail environment.

Piris and Guibert research consumers’ attitudes towards and variety perception of digital product assortments. They offer new insights into how an assortment should be presented on a website. If a designer wants to enhance perceptions of variety, they recommend using an assortment organised by brand, or presenting all the products together. If, instead, the
goal is to encourage positive attitudes, the designer should pick assortments sorted by attribute or present all the products together.

Variety Perception and Attitude toward Digital Assortments
An experimental study in grocery online assortments settings

1. What impact of visual display on variety perception?
   - Visual display plays a key-role in variety perception

2. What impact of variety on preference?
   - ... and variety is not preferred in online environments!

With a square number of products in display, attribute based online assortments are perceived more varied than brand based assortments or altogether assortments...

Attribute based online assortments are preferred, even if perceived less varied than the other kinds (brand based or altogether assortments)

Murray et al. investigate the link between empathy, responsiveness and retail performance. For a high service delivery context, they find that empathy is of greater importance than responsiveness.

Is empathetic service rather than service responsiveness more important to generating loyalty?

Key Finding:
Empathy is more important than responsiveness to building loyalty in a high-services context

Key Managerial Implications:
Additional service investments may not be equally effective across different consumption contexts
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References

