

ONLINE STORES: A DREAM OR REALITY FOR TIBETAN APPAREL RETAILERS IN INDIA

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Abstract: Exiled from their country, Tibetans as stateless citizens are facing various barriers in expanding their businesses. Access to only short-term loans is a major drawback to Tibetan retailers in sustaining and growing their businesses. This paper helps to provide the demographic profile of Tibetan apparel retailers and attempts to study the challenges faced by Tibetan retailers in detail. It aims to explore the reasons behind Tibetan retailers not owning online apparel stores too. 172 respondents were selected from four different regions namely Delhi, Bangalore, Bylakuppe and Mundgod where Tibetan population is relatively high in India. The research findings indicate that Changing Technology, Lack of financial support and Customer trust, and severe competition in the market are the major challenges perceived by Tibetan apparel retailers in not owning online apparel retail stores in India.

Index Terms - Tibetans in India, Challenges, Apparel Retailers, Online stores.

I. INTRODUCTION

Occupation of Tibet by China in the year 1959 led His holiness the 14th Dalai Lama and many Tibetans to flee from their own country land to India. (Tarodi, 2011) India then offered the God-king of Buddhism His Holiness the 14th Dalai Lama and 80,000 Tibetans a safe refuge from the Communist Chinese. It has been more than 50 years since the occupation. (Tarodi, 2011) Currently, there are 1, 06,972 Tibetan population in India. (Planning Commission, 2009) And it is also the largest number of Tibetan refugees residing outside Tibet. According to United Nations High Commission for Refugees (2000), 70% of the world's refugee's population is Tibetan refugees who are scattered and displaced from the developing world.

The government of India under Prime Minister Jawaharlal Nehru and many other State Government agreed to give lands to Tibetan for resettlement and to provide educational financial aid for Tibetan children. Mysore State (now called Karnataka State) was the first State to offer 1500 hectares of uninhabited jungle land in Bylakuppe on lease in the 1960s' to 3000 Tibetan refugees. This became the first ever Tibetan settlement in exile in India (Schrempf, 1995).

Tibetans who were expelled from their native land have struggled hard. Their living conditions in India were confused and miserable. They first started their livelihood as road construction laborers in the northern states of India and as farmers in southern states of India. Later most of them started engaging in various small and medium enterprises both collectively and individually to make their living. However, most of the Tibetan population were nomads or farmers in Tibet (Prakash, 2011). Having no prior experience and skill in the field of businesses was the biggest challenge for them in the host country. But there seems to be a rapid decline in agricultural activities among the Tibetan refugees as the second and third generation settlers are not interested in continuing the agricultural activities. (Rigzin, 2015)

II. REVIEW OF LITERATURE

2.1 Tibetan Diasporas impediment to growth in business

(Rigzin, 2015) Around 70% of the Tibetan Population residing in India engages in agriculture, handicraft and other small-scale business as their main source of income. Currently, there is a major downwards shift in agricultural activities. As the life continues in exile country, second and third generations of Tibetan people are showing more interest in starting small and medium enterprises, both collectively and individually. This particular sector among younger generations is growing. In spite of that Tibetans do face major legal problems which act as a hindrance to expansion and growth in their business.

(Tarodi, 2011) Most of the Tibetan population residing in India as a refugee cannot enter into business operations as they require paperwork and can work only in the informal sector. Tibetans' main occupation in the area they are allotted is agriculture. As the years pass on many Tibetans had managed to open shops and petty businesses but most of them desire to expand their business but fail to do so due to refugee status.

(Center, June 2016) Tibetans find it hard to plan a long-term growth in their business as they are granted only short-term loans. In order to run their small-scale business, they require License to operate. But in few states of India like Arunachal Pradesh, Tibetans cannot acquire a business license as they do not Permanent Domicile Cards (identity documentation specific to the state). Tibetans in Shillong, Meghalaya face the same issue.

(Bernabei, 2014)The status of the 1, 00,000 Tibetans living in exile country is neither secure nor guaranteed in future as India is not a part of a signatory to the 1951 UN Refugee Convention or the 1967 Protocol on the Status of Refugees.

(Bisht, 2015)The Tibetans in India have considered an exiled diasporas having a unique strategy in their adaptation and livelihood in the alien land. Challenges relating to their roots as well as to the existential socio-cultural and economic issues often make the Tibetan community unique. However, due to strong social networking, they are able to engage in informal economic activities. Occupations such as handicrafts, carpet making, woolen-making, traditional arteries, ethnic food-costumes and ornaments businesses, travel, and restaurant business etc. are the major sources of their livelihood. They face socio-economic and political deprivation in the absence of legal as well as other benefits that the permanent citizens are entitled to.

2.2 Factors Affecting Retailers in Adopting E-Retailing

According to (Wang, Head, & Archer, 2000), e-retailing is an electronic form of doing retailing activities i.e. selling goods and services to the end customer via the internet.(Chandra & Sunitha, April 2012) In the U.S., e-tailing industry revenue grew at a CAGR of 20% in the year between 2003 and 2008. Even when the economic slowdown, e-tailing industry continues to grow due to increasing usage of the internet all over the world and due to other various factors.

In (Teo, Tan, & Buk, December 1997) examined the factors affecting internet adoption in Singapore, it revealed that organizational and technological factors play amore important role in the adoption of the internet rather than environmental factors. In this study (Vadapalli & Ramamurthy, 1997) has explored motivational factors affecting the adoption of online based business. Transaction costs, organizational boundaries, economics and organizational cognition are the factors found which will affect the adoption of internet business.

From the literature review, it can be found out that no study has been conducted among Tibetan retailers to understand their challenges in adopting online retail stores. Thus, this study will focus on understanding challenges faced by Tibetan apparel retailers in owning online retail stores.

III. OBJECTIVES OF THE STUDY

- To study the demographic profile of Tibetan apparel retailers in India
- To analyze the factors affecting Tibetan retailers in owning online apparel stores in India

IV. RESEARCH METHODOLOGY

This research study is a descriptive study and the method of data collection is both primary and secondary data. Primary data includes Questionnaire distribution to the Tibetan apparel retailers and Secondary data includes journals, reports, books and internet portals. This study covers four regions namely Delhi, Bangalore, Bylakuppe and Mundgod which are the four major Tibetan settlements in India (Rigzin, 2015). It takes into consideration the entire population of Tibetan apparel retailers from the above mentioned four geographical areas. The total number of respondents taken for this research study is 172. The data acquired for this study were analyzed using IBM SPSS Statistics 21. Descriptive Statistics was used for analyzing thedemographic profile of Tibetan apparel retailers. Exploratory Factor analysis has been used for identifying the major challenges faced by Tibetan apparel retailers in the adoption of the online store.

V. RESULTS AND DISCUSSIONS

5.1 Discussions on Objective 1

Table 1: Demographic Profile of Tibetan Apparel Retailers

Demography	Categories	Frequency	Percentage (%)
Gender	Male	98	57
	Female	74	43
	Total	172	100
Age	15-24	6	3.5
	25-34	79	45.9
	35-44	54	31.4
	45-54	22	12.8
	55-64	8	4.7
	65+	3	1.7
	Total	172	100
Level of education	Illiterate	7	4.1
	Literate but no formal schooling	8	4.7

	completed		
	Primary education	38	22.1
	Secondary education	58	33.7
	Higher Secondary education	28	16.3
	Graduation	30	17.4
	Post-Graduation	3	1.7
	Total	172	100
Annual Turnover	Less than 5 lakhs	53	30.8
	5 to 9 lakhs	91	52.9
	10 to 14 lakhs	16	9.3
	15 to 20 lakhs	7	4.1
	More than 20 lakhs	5	2.9
	Total	172	100
Experience	Less than 5 year	61	35.5
	5 to 9 years	72	41.9
	10 to 14 years	18	10.5
	15 to 20 years	8	4.7
	More than 20 years	13	7.6
	Total	172	100
Location of retail store	Delhi	73	42.4
	Bangalore	55	32.0
	Bylakuppe	24	14.0
	Mundgod	20	11.6
	Total	172	100

(Source: Primary Data)

Table 1 shows the demographic profile of Tibetan apparel retailers residing in India. 172 respondents were taken from four different regions namely Delhi, Bangalore, Bylakuppe, and Mundgod. 57% and 43% of the total respondents were male and female respectively. 45.9% of the total respondents were between 25-34 years age category. 31.4% of the total respondents were between 35-44 years age category and 12.8% of the total respondents were between 45-54 years age category. Thus more than 80% of the Tibetan apparel retailers are between 25 and 54 years of age. 33.7% of the total respondents have completed their Secondary level education and 22.1% of the total respondents have completed their education only till Primary level. 52.9% of the total respondents' annual turnover is in between 5 to 9 lakhs and 30.8% of the total respondents' annual turnover is less than 5 lakhs. 41.9% of the total respondents have 5 to 9 years of experience in the retailing business and 35.5% of the total respondents have less than 5 years of experience in the retailing business. 42.4% of Tibetan apparel retailers are located in Delhi, 32% of Tibetan apparel retailers have located their business in Bangalore, 14% and 11.6% of the Tibetan apparel retailers are located in Bylakuppe and Mundgod respectively. Delhi holds the largest number of Tibetan apparel retailing business.

5.2 Discussion on Objective 2

Table 2: Frequency of Tibetan Apparel Retailers Owning Online Stores

Status of owning Online Store		Frequency	Percentage (%)
	Yes	4	2.3
	No	168	97.7
	Total	172	100.0

(Source: Primary Data)

Table 2 depicts the frequency of respondents owning online apparel stores. It is evident that only 2.3% of the total respondents own online stores and 97.7% of the total respondents do not have online stores at all. It was observed during the study, majority of the Tibetan retailers are reluctant to start an online business due to various reasons.

Out of Total 172 respondents, 168 respondents denied engagement in the online store. Exploratory Factor analysis has been used to identify the reasons behind not engaging in online apparel retail store.

Table 3: KMO and Bartlett's Test for Data suitability for Factor Analysis

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.525
Bartlett's Test of Sphericity	Approx. Chi-Square	222.620
	Df	36
	Sig.	.000

KMO Testing and Bartlett's Test of Sphericity is conducted to check whether the data is suitable for factor analysis. From the Table 3, it is said to be found that Kaiser-Meyer-Olkin Measure of Sampling Adequacy is .525, which means the number of samples used for collecting data is adequate enough to carry out factor analysis. And Bartlett's Test of Sphericity is significant at 0.000, indicating that factor analysis is suitable.

Table 4: Extraction of Factors

Total Variance Explained									
Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.321	25.794	25.794	2.321	25.794	25.794	1.845	20.497	20.497
2	1.248	13.872	39.666	1.248	13.872	39.666	1.556	17.291	37.788
3	1.213	13.479	53.145	1.213	13.479	53.145	1.327	14.744	52.532
4	1.047	11.637	64.781	1.047	11.637	64.781	1.102	12.250	64.781
5	.936	10.398	75.179						
6	.895	9.949	85.128						

7	.582	6.469	91.597					
8	.405	4.499	96.097					
9	.351	3.903	100.000					
Extraction Method: Principal Component Analysis.								

Table 4 shows that four factors have been extracted from the mentioned ninefactors. These four factors are able to explain 64.781% of the total variance i.e. the 64.781% of reasons behind not engaging in online apparel retail store by Tibetan retailers is explained by these four factors. Thus, ninefactors are reduced to four factors.

Table 5: Rotated Component Matrix

	Component			
	1	2	3	4
Increasing security concerns	.817	-.087	.018	.107
Not comfortable with changing the system	.805	.205	.037	-.189
It demands wide range of delivery mechanism	.512	.151	.256	.338
It is expensive to create and maintain	-.035	.786	.056	.096
Lack of knowledge	.368	.712	-.095	-.166
Profits are enough	.052	.314	-.710	.141
It is difficult to build trust and relationship with my customers	.351	.182	.635	-.013
Products need to be shown properly and felt before purchase	-.053	.478	.579	.246
Increasing competition for online stores	.018	.003	-.065	.907
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 7 iterations.				

With the help of Rotated Component Matrix, Variables that have Factor Loadings more than 0.50 have been chosen in table 5. There are 3 variables that have high factor loadings on factor 1; 2 variables that have high factor loadings on factor 2; 2 variables that have high factor loadings on factor 3 and 1 variable that have high factor loadings on factor 4.

Table 6: Explorative Factor Analysis

Dimensions	Items	Component				Total Variance Explained
		1	2	3	4	
Technology Change Barrier	Increasing security concerns	.817				2.321
	Not comfortable with changing the system	.805				
	It demands wide range of delivery mechanism	.512				
Financial And Knowledge Barrier	It is expensive to create and maintain		.786			1.248
	Lack of knowledge		.712			
Customer Trust Barrier	It is difficult to build trust and relationship with my customers			.635		1.213
	Products need to be shown properly and felt before purchase			.579		
Market Competition Barrier	Increasing competition for online stores				.907	1.047

(Source: Primary Data)

Table 6 reveals four main factors as the reasons for not owning online apparel retail store. The following are the four reasons for Tibetan retailers not owning online stores.

Component 1: Tibetan apparel retailers' major constraint in adopting e-stores for their business is Technology change barrier. It is a supreme challenge for them to change the traditional way of buying and selling. They are reluctant to change in terms of security concerns.

Component 2: Finance and knowledge are another main barriers for Tibetan apparel retailers for not engaging in online stores. Most of the Tibetan retailers are not able to meet their end needs. So they restrict their operations to only offline stores.

Component 3: Building customer trust is a major factor in growing their business. Customers are the most valuable asset for the retailers. That is why Tibetan apparel retailers are less attracted towards online retailing. As they feel customers inclined to buy more when they are taken good care.

Component 4: The fourth major barrier to adopting and owning online apparel store for the Tibetan retailers is market competition barrier. Tibetan retailers are reluctant in owning apparel store because there are already numerous online stores available in the market like Amazon, Flipkart, Ajio online stores. So they feel their store would not stand a chance against giants online companies.

VI. FINDINGS AND CONCLUSIONS

Tibetan refugees have been staying in India since 1959 with the massive support from the Government of India. Agriculture was the major source of income for the first generation Tibetan refugees in India. Gradually majority of them have moved from agriculture to doing businesses. The economic conditions of the Tibetan refugees have relatively improved over the years. However, for continued sustenance of the Tibetan retailers' economic conditions, they must also get into doing business online which is the need of the hour. The research findings indicate that majority of Tibetan apparel retailers do not engage in online businesses. Acquaintance with technology, lack of financial support, poor customer trust, and severe competition in the market are the four challenges that hamper the Tibetan retailers exploring the possibility of doing business online.

VII. RESEARCH IMPLICATION

This study will help the Tibetan apparel retailers in recognizing their challenges which obstruct them to engage in the online world of business. It is important for the Tibetan retailers to understand their challenges so that they can overcome these challenges and will be able to enjoy the fruits of the online business. Tibetan apparel retailers should overcome these challenges to attract customers from all over the world so as to increase their sale and brighten their future.

VIII. LIMITATION OF THE STUDY AND SCOPE OF FURTHER RESEARCH

This research was confined only to four major regions of Tibetan settlements in India. So the findings of this study may not be applicable to other Tibetan settlements across the world. The present study had only focussed on apparel retailers. Hence, studies can be conducted on other types of Tibetan retailers in future.

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