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The Impact of Technology Adoption on the Success and Failure of Two Toys Industry: Hasbro and Toys R Us

[1]*Lee Hooi Kun, [2]*Abdul Rafiez bin Abdul Raziff

[1]School of Business and Communications, Veritas University College
[2]School of Digital Transformation, Veritas University College

***Corresponding Author Email: leehooikun@gmail.com**

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ABSTRACT
The value of play has mainly stayed consistent throughout time. Playing is, without a doubt, one of the essential things we can do. Playing in addition to supporting motor, neurological, and social development improves adaptation by encouraging people to explore diverse perspectives on the world and assisting them in developing methods for dealing with problems in a safe setting. The way we play and what we play with have been heavily affected by the quickly evolving technology shaping our daily lives. Artificial intelligence (A.I.) is now found in many products, including vehicles, phones, and vacuum cleaners. This extends to children's items, with the creation of an "Internet of Toys." Many learning, remote control, and app-integrated toys include innovative playthings that employ speech recognition and machine learning to communicate with users. This study examines the impact of technology adoption on the success and failure of two toys industry – Hasbro, Inc and Toys R Us, Inc. The research methodology of this study is based on case studies where the comparison of the two industries was made from a few areas. The finding of the study determines that corporations that evolved consistently with the change of technology will continue to grow in the market. In contrast, the corporation that failed to adopt digital transformation will be a force out of the market.

Keywords*:* Toys Industry, Digital Transformation, Digital Technology, Hasbro, Inc, Toys R Us, Inc

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INTRODUCTION

In the year 2020, the breakout of pandemic also leads to the breakout of Artificial Intelligence. It is the year of the race for organizations to compete within themselves digitally and remain sustainable in the market. The pandemic crisis revealed supply chain vulnerabilities and limitations; organizations that effectively adapt will succeed, while those that fail will either go bankrupt, merge, or continue to thrive but face a significant financial strain. With the pandemic speeding up digital disruption in all sectors, it is essential to emphasize supply chains and their critical position in achieving sustainability goals. More outstanding sustainability initiatives will ensure the organization's growth, flexibility, and agility in adopting new technology as they work to reinvent themselves to succeed in these difficult times. Some companies might succeed in digital transformation and technology disruption in the industry, while some might fail.

This study examines the impact of technology adoption on the success and failure of the two toys industry. The first organization we will look into is Hasbro, Inc, which successfully transformed, while the second organization is Toys R Us, Inc, which failed in the transformation. In the second section, the researchers will define the disruption, the recent development of technology adoptions, the two organizations' backgrounds and business challenges faced by the industry. In the third section, the researchers will discuss the methodology based on the impact of the disruption on both organizations. In the fourth section, the researcher will determine the impact of the disruption, the successful elements in transformation for Hasbro, Inc, the failure elements in adopting the change for Toys R Us, Inc., and the financial performance for both organizations. In the final section, the researchers will discuss the proposal of digital trends which enable the organization to survive disruption.

LITERATURE REVIEW

The toy industry, as a significant industry in the corporate community, has faced several obstacles. Due to technological advancements, product design, price, and other barriers, challenges have arisen. Aside from that, the traditional toy industry's sales have been declining year after year due to the toys' lack of appeal. Based on the analysis report published by Grand View Research Group in 2019, the global toys and games market's valuation is USD 101.5 billion as of the year 2018. The demand is expected to grow at a compound annual growth rate (CAGR) of 4.6 % between 2019 and 2025 (Global Toys & Games Market Size, Share | Industry Report 2019-2025, 2019). The connected toys market demand is expected to increase dramatically from USD 5.7 billion to USD 13.8 billion within the year 2019 until the year 2024.

As a result of technological advancements such as AR/VR headsets, children increasingly adopt video games. According to research, millennial parents were raised with technology, which significantly affected their children's toy purchasing decisions (Bailey, 2016). These tech-savvy parents do their analysis before making a purchase (Yao, 2020). Hence, toys that are intact with technology will be their favourite choice compared to traditional toys. Further to that, as a part of the phenomenon of "kids becoming more developed at a young age," toy life spans are becoming shorter (Al Kurdi, 2017).

Table 1: US Retail Ecommerce Sales Share, by Product Category (2011, 2016 & 2021) by %

Product Category	2011	2016	2021
Electronics & appliances/ computer & office products	19%	24%	32%
Books & magazines/ music & videos	15%	21%	33%
Toys & sporting goods	10%	19%	28%
Apparel & footwear	9%	17%	28%
Furniture & home furnishings	6%	12%	18%
Drugs, health & beauty care	3%	6%	13%
Food & alcohol	1%	2%	5%
Note: read as in 2021, 5% of food and alcohol sales will be made digitally and 95% will be made in-store			

Source: eMarketer Editors, 2019

The technology transition – namely, the advent of digital shopping – has always been a driving force for creativity in the retail industry. The use of "third-platform technology to improve decision-making" is what digital transformation is all about. Rather than just updating or modernizing current legacy technologies, retailers must use innovations to open new creativity sources. A single feature, such as a shopping cart website, does not characterize digital disruption in retail. Operational, supply chain, product control, and customer relationship management systems must all undergo significant changes. The retailer must analyze data to forecast demand correctly, respond to consumer demands quickly, and ship goods efficiently. According to Kantar Retail reports (Table 1), e-commerce is estimated will account for 28% of overall toy and sporting goods revenue in the United States in 2021 (eMarketer Editors, 2019).

The two organizations that will be examining in this study are both very pioneers in the toys industry. Both Hasbro and Toys R Us was established and ventured into the toys industry in the earlier 19s. In the below section, the researcher briefly studies the background of both organizations.

Company Background Review

Hasbro, Inc

Hasbro, Inc. (Hasbro), formerly Hassenfeld Brothers, is a toy, board game, and media conglomerate based in the United States. Henry Hassenfeld and Hilal Hassenfeld formed the company in 1923. The company started to produce pencils boxes and cotton zipper pouches for 45 years before it shifted its focus to toys in 1942.

Today, under Hasbro's umbrella, brands like Transformers, Monopoly, G.I. Joe, Power Rangers, Rom, Micronauts, M.A.S.K., Furby, Nerf, Twister, and My Little Pony. Hasbro categorizes its products into four segments: Franchise Brands, Partner Brands, Hasbro Gaming and Emerging Brands (Investor Relations | Hasbro, Inc., 2021). Hasbro divided its operations into three segments, U.S. and Canada, International. Entertainment, Licensing and Digital, and eOne (Hasbro Reports Fourth Quarter and Full-Year 2020 Financial Results, 2021). Hasbro operates in 35 locations across the Americans, Europe, Middle East, Africa, and Asia. The toy products are available in more than 120 countries with collaboration through the world's leading retail and e-commerce platform.

Toys R Us, Inc

Toys "R" Us Inc., founded by Charles Lazarus in April 1948, is a major manufacturer of toys, children's wear, and infant goods in the United States (Toys "R" Us, Inc. - Company Profile, Information, Business Description, History, Background Information on Toys "R" Us, Inc., 2019). In the early 2000s, Toys "R" Us was the only national toy store chain in the United States. The company started as a baby furniture shop to meet the post-World War II baby boom generation's needs, followed by cradle gym toys, tricycles, books, and other products (Blakemore, 2019).

The corporation has been in the toy industry for over 65 years, with about 800 stores across the United States and approximately 800 worldwide, though these figures have slowly decreased over time. Toys "R" Us was once regarded as a classic example of a category killer. As of 2018, Toys R Us has more than 755 overseas stores and 250 licensed stores in 37 countries, with more than 70,000 employees worldwide.

METHODOLOGY

This study analyzed the impact of the technology transformation's disruption towards the two organizations – Hasbro and Toys R Us. The researchers selected the organizations based on the organizations' achievements in the industry. Both organizations were the pioneer in the toys' industry, incorporated in the early 19's. However, the results in the adoption of technology were significantly different between each other. The strategies implemented by both organizations were examined to determine each organization's success and failure elements towards adopting the technology in the toys' industry. The comparison of the financial ratio was analyzed for both organizations for 2016; as Toys R Us filled in bankruptcy in the year 2017, the financial data for the company after 2016 was not completed report. The researchers discussed and proposed the strategies which enable the organizations to survive through the disruption of technologies. Figure 1 below demonstrates the strategy used by the researchers in this study.

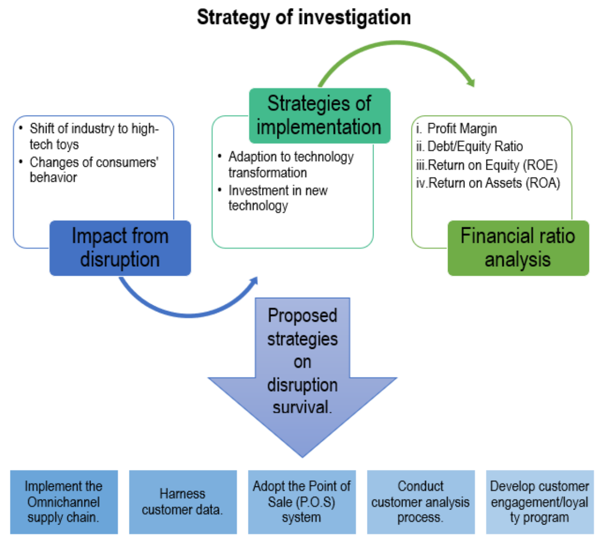

Figure 1: Strategy of investigation

RESULTS AND ANALYSIS

Table 2 below summarises the three components that researchers analyzed for both organizations. The first component is the impact of the disruption on both Hasbro and Toys R Us. The second component is the strategies implemented by both organizations in handling the disruption in the industry. The third element is the financial ratio comparison based on the annual report of 2016 for both organizations. The detail of every element will be explained in separate sections below.

Table 2: Summaries of the Finding

Descriptions	Hasbro, Inc	Toys R Us, Inc
Impact from disruption i. Industry shift to high-tech toys resulting intense rivalry in the market. ii. Consumer change their buying habits impacting sales of the company.	Beside competing with the traditional toys market, also need to compete with the new emerging high-tech toys in the market. Sales in the stores decrease due to online e-commerce platform.	Problem of retail apocalypse and intensely competitive rivalry from stores like Walmart, Amazon, and Target which offer discount price. Consumers prefer to choose and browse their choices from online platform.
Strategies implementation i. Adaption to technology transformation ii. Invest in new growing technology	Successful develop digital approach which includes the content that tailored according to the target audience. Collaborate with major gaming companies and successful transform the traditional game into online game.	Remained relatively unchanged the traditional way of its retailing stores business. Failure in adapting and fulfilling to the new Omnichannel demand approach
Financial Ratio Analysis (2016 Annual Report) i. Profit Margin ii. Debt/Equity Ratio iii. Return on Equity (ROE) iv. Return on Assets (ROA) *(Note: Analysis was made using 2016 annual report as in 2017 Toys R Us had filed in bankruptcy)*	10.98% 0.92 28.62 10.47 *Source: Hasbro Financial Ratios for Analysis 2005-2021 | HAS, 2021*	-29.6% Negative Equity Negative Equity -35.2 *Source: Toys R US Inc earnings, ROA, ROE benchmarking (quarterly), 2017*

Impact of the Disruption

Hasbro, Inc

The industry shift for high-tech toys significantly impacts Hasbro. The company has to deal with other companies that produce video games, robotic toys, cell phones, and other similar products. When retailers compete in selling their private-label toys, the sales, and allocating shelf space to one form of product over another, the rivalry becomes intense. Online platforms such as Shopee and Amazon allow vendors to sell a wide range of toys and serve a wide range of product makers while maintaining low overhead, resulting in increased competition in the industry. The trend of e-commerce is driven by exponential consumer demand during the global pandemic crisis. Consumers were pushed to adapt to online shopping as stay-at-home orders moved from weeks to months, fueling exponential growth in the market. The retail e-commerce sales grow by 16.5% worldwide in the year 2020, which impact Hasbro which its' main distributor channel is physical retailers such as Toys R Us (Samet, 2020).

In fact, in the year 2018, the company's earnings for the crucial holiday period fell well short of projections, weighed down by inventory left on the shelves because of Toys R Us' demise. Hasbro's chairman and C.E.O., Brian Goldner, stated that shifting customer buying habits, a constantly developing online e-commerce platform, and decreased store inventory all lead to the company's sales decline of 13% that year (Vena, 2019). The absence of a new movie and Toys R Us' distribution network were not the only reasons for impacting sales. Hasbro also had to contend with a weakening economy in the United Kingdom due to the country's vote to abandon the European Union, also known as Brexit. Examining Hasbro's total revenue for the past ten years (Figure 2), the toys and games industry has been faced with an intense rivalry.

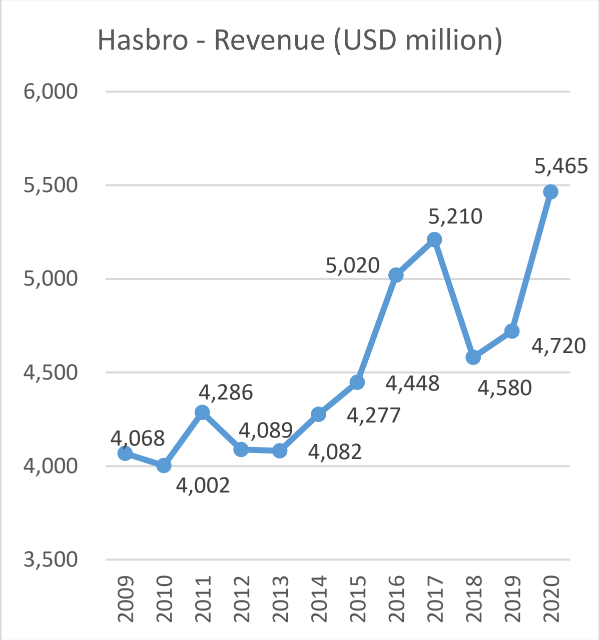

Figure 2: Hasbro Revenue 2009 – 2020
Source: Hasbro Revenue 2006-2020 | HAS, (2021)

Toys R Us, Inc

Toys R Us faced problems on the "retail apocalypse", which began around 2010 and intensely competitive rivalry from Walmart, Amazon, and Target, financial analysts place all the blame on management's shoulders. They reported that Toys R Us was having trouble driving innovation in its business strategy, incorporating technology, and adapting to changing consumer behaviour. Since 2013, the organization has not made a profit (Figure 3).

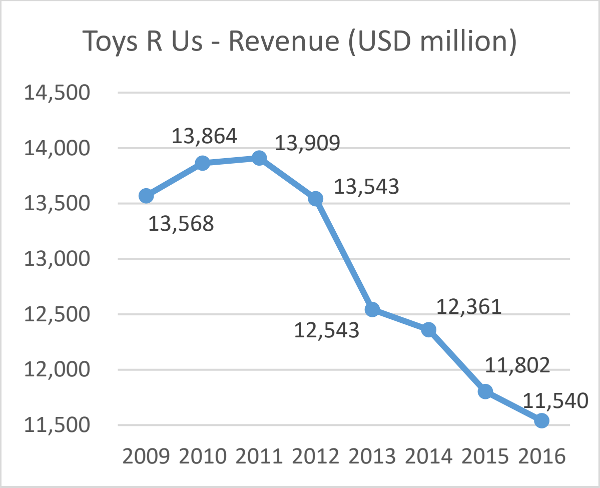

Figure 3: Toys R Us Revenue 2009 – 2016
Source: hermesauto, (2018)

In the quarter ended April 29, 2017, the organization announced a net loss of US 164 million. In the same timeframe the previous year, it cost US 126 million. It has been paying US 400 million a year to repay its loans, preventing it from investing in in-store investments (Figure 4).

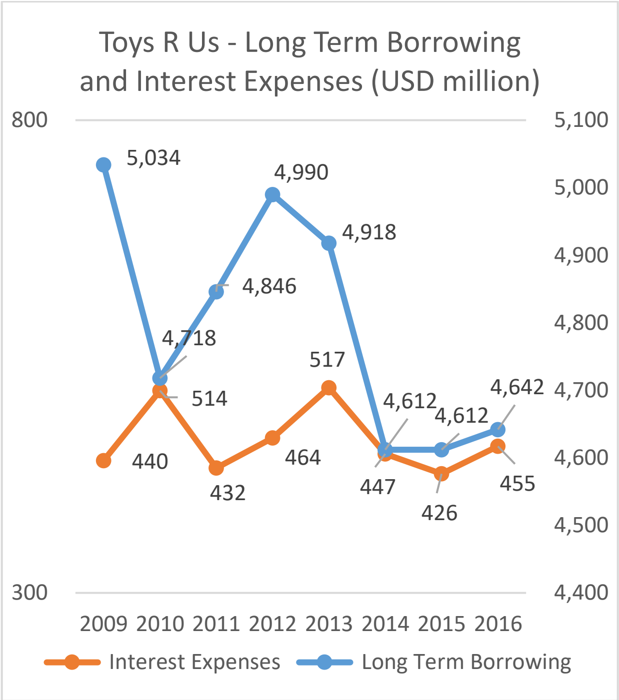

Figure 4: Toys R Us Long-Term Loan and Interest Expenses 2009 – 2017
Source: Sec.gov (2017)

Toys R Us' bankruptcy filing is partly due to fierce competition from discount stores, but the changing digital world continues to be the retailer's single most pressing obstacle. Even though Toys R Us e-commerce sales increased by 12.3% in the year 2016, however, it still cannot cope with the sales decrease from its retail store. Toys "R" Us has undergone sales losses for at least five years in a row since 2013. While digital outlets pose challenges to physical retailers in all stripes, the toy segment poses a unique set of challenges for toy retailers. First, consumers are more likely to 'play' online games rather than with physical toys. Second, as an impact of interactive play, the purchase trend has changed; consumers tend to choose their toys and games through digital browsing.

Today's customers would prefer a brand that can provide them with the best value of their purchase, and additional value-added services are always a good selling point. Customers expected the brands meet their expectations if the company fail to deliver and respond to customer, customers will tend to choose other brands. Customer engagement is one of the essential aspects that retail companies need to look into. Companies that failed to drive direct customer interaction will be out of business in the next five years. Toys R Us failed in customer engagement; when it should focus on delivering a quality experience to its core customer base, it focused on acquiring new business through an outdated digital experience. The importance of digital transformation can be illustrated by how it engages consumers personally, not by a shopping cart on a website. The most crucial objective is to keep track of the customer's lifecycle. Further, the data also use to educate future product offerings or new ways of supplying consumers with knowledge about getting the best out of their products.

Toys R Us struggled to comprehend how, where, and why consumers engaged with their company, such as making sales and accessing material (Fulkerson, 2018). The failure in using customers analysis to enhance the digital and in-store customer experience make the situation worse. Meeting customer expectations during the customer experience is what direct customer engagement is all about, which Toys R Us ultimately struggled to do (Grover, 2019).

Strategies Implementation

Hasbro, Inc

In the year 2018, Hasbro has been caught in the backblast due to the most high-profile retail company in the toys industry, Toys R Us collapsed. If the company's revenue has taken a hit, the company has moved quickly to address the issue, not only by finding new physical outlets like Walmart and Target but also by beefing up its online business to gain more control over its route to market.

The first successful strategy that Hasbro developed is to include reviewing current consumer records in its digital development approach. Instead of concentrating on children, Hasbro noticed that it should be selling to their guardians, who are the ones who make the purchases. This approach enables Hasbro to customize its ads to cater to their actual clients by looking at how parents purchased their goods shopped. Data are used to develop tailored content strategies across various platforms, including a more robust social media drive. The information allowed the company to understand its consumers better and make specific toy and game recommendations to parents. Hasbro was able to build a frictionless interface related to data, and it was able to understand consumers better and anticipate their needs. Hasbro boosted its marketing budget by 1100%, using multimedia ads that made it possible to sell to their parents, who are the real consumers and reach these customers for product purchases (Sundaram et al., 2020). The investment was worth it as Hasbro sales increased dramatically after that.

The second strategy that helps boost the company's revenue is the successful investment in growing technologies and making the company stand out from its rivals. Through the acquisition of Backflip Studios and collaborations with major gaming companies such as Tencent, Ubisoft, and others, Hasbro has developed its robust pipeline of games. The free-to-play digital collectable card game has successfully transformed the traditional card game online (Perez, 2019). The swift has granted Hasbro the capacity to tap into the fast-expanding US109 billion-dollar streaming gaming industry rapidly. Besides that, Hasbro also realized that traditional T.V. subscriptions are no longer the only way to get video content. S.V.O.D., or subscription video on demand, is expected to rise 86% by 2021, according to Statista. The collaboration with Netflix, Amazon Prime, and other S.V.O.D.s is immensely beneficial, and they allow Hasbro to capitalize on potential growth opportunities. The content subsequently promotes commerce and improves Hasbro's Omni-Channel Ecosystem development over time. Further to the above strategies, as a pioneer in providing customers with new brand experiences. Hasbro introduced iOS mixed reality gaming Nerf Lazer Tag, HasCon (Hasbro's convention), theatre presentations, interactive amusement park rides, and virtual reality content as part of the new entertainment medium customers. Customers of all ages and backgrounds are enthralled by these events, which provide a fresh outlook on their preferred labels and boost sales through the brand blueprint (Figure 5).

Figure 5: Hasbro Brand Blueprint, 2020
Source: Investor Fact Sheet (2021)

The world we live in is now digital; the organization that accepts its effect on customers' daily personal and professional lives will prosper today, tomorrow, and far into the future. As one of the world's iconic toymakers, Hasbro has consistently evolved and witnessed a significant increase in its revenue due to digital transformation.

Toys R Us, Inc

How could a company like Toys R Us, a Goliath in the toys and games industry for more than 65 years, have been forced into bankruptcy? Today's retailers, particularly those in the trend segments, must continuously innovate. Retailers must be able to adapt to developments in the industry as well as consumer behaviour. A company like Toys R Us failed to grasp the necessary changes, and as a result, it has lost market share and out of existence.

Toys R Us's failure mainly derives from its inability to change and adapt to the rising tides of e-commerce, industry globalization, and game transition to the digital platform. When market pace and consumers' choice were changing quickly, the giant corporation remained relatively unchanged is a disadvantage in the industry. Toys R Us was unable to keep up with the rapidly changing business environment. In contrast to the competitors who embraced technology and innovation to respond to the new generation changing preferences and purchasing behaviour, the company also lost its market status because it could not keep ahead of technology. A good example to refer to is The Build-A-Bear store, where children can create their own personalized stuffed animals, which can be found in malls and cruise ships and at ballparks. The company also added a digital element to its products, such as bathe an online-created bear in a virtual tub. The company spends extra time and money, making the toys more engaging and competitive in the digital toy industry. Companies that tried to adapt and respond to the changes will thrive. In contrast, companies like Toys R Us failed to make sustained efforts to present themselves more interactively and appealingly will be forced out of the market.

The second element that has essentially impact the growth of Toys R us is a failure in supply chain management. The supply chain system has changed dramatically because of the structural transition, as digitization has increased the ability to track the supply chain. To adapt to omnichannel demand, retailers must reconsider their business model more broadly. To thrive today, stores must now serve as logistics hubs, which necessitates a new approach to fulfilling omnichannel demand (Verhoef et al., 2015). The retailer must first comprehend the essence of the omnichannel retail world, in which sales in one channel will suffocate sales in another. Retailers must provide online ordering and schedule, log, and deliver orders in real-time to provide consumers with choices such as in-store delivery. When contemplating the whole omnichannel environment, rethinking the in-store experience to online pricing is addressed (Beck & Rygl, 2015). Toys R Us introduced "play labs" in a handful of its stores to differentiate itself from competitors. However, it was not generally adopted enough to make a significant difference in their losses, and their online costs remained consistently higher than those of their rivals.

In today's business world, retailers can use customer and market data to create personalized and tailored assortments as never before. Most retailers use Geotracking and inventory labelling technology, but they also require systemwide inventory visibility and deep forecasting capability to act as an effective fulfilment centre. Retailers must know what will appeal to consumers, and they must use data to define market behaviour and predictive planning models to predict accurately (Schallmo et al., 2017). The loss of the baseline for Toys R Us is due to failure to use the data, lack of preparation, and slowly adjusting and adaptation in the digital transformation era.

Financial Ratio Analysis (2016 Annual Report)

On September 18, 2017, Toys R Us filed for Chapter 11 bankruptcy in the United States, stating that it must liquidate its operations, which would result in the closing of hundreds of stores (Bolton et al., 2019). Based on the last financial report tabled by Toys R Us, the organization's profit margin at the end of 2016 is -29.6%. While at the same period, Hasbro, which is in the same industry, has achieved 10.98% profit margin.

Examining the financial ratio of Toys R Us, for 2016, one of the most important ratios debt-to-equity ratios was negative, which indirectly means that the company does not have its capital. The debt-to-equity ratio is a crucial financial ratio used to judge a company's financial standing, which the average value should be equal to or less than 1.5. On the other hand, for Hasbro for the same period, the debt-to-equity ratio was 0.92 within the normal range.
Return on equity (ROE), one of the important ratios that reflects the shareholders' profitability of the investment. The ratio for Toys R Us was negative for that period, which means the company was unable to generate any profit before leverage. The average, acceptable value for this ratio is 12% and above. The ratio for Hasbro for the same period is 28.62%.

The return of assets (ROA) ratio for Toys R Us for 2016 was also in a negative figure, -35.2 % which means the organization did not has a profitable asset. The acceptable value for ROA is 6% and above. For the same period, Hasbro's ROA ratio is 10.47%.

According to the results of the conducted analysis, Toys R Us was in critical financial status, which the organization does not have its sources of financing. The organization reported a loss in earnings before interest and taxes, and both investment and assets of the organization did not generate any profit.

Discussion and Conclusion

The toy and gaming business were shattered in 2017 when Toys R Us went bankrupt. It left many curious about what the future of the industry is. Moving ahead, the digital toys that use technology in inventive ways to enrich the experience are the trends that are penetrating the entire toy retail industry. Technology moves its way into physical toy stores and online platforms. Retail toy stores have been established as a disruptive model in the technology and gadget sectors. There are many digital touchpoints in the store, which children and their parents can shop in a more immersive manner. Digital is also having a significant impact on toy retail sales through online platforms. Walmart's online toy lab, which opened in 2019, features an immersive interface that aims to mimic how you would engage with a toy in person.

The new norm of shopping trend, Omnichannel, required retail companies to be ready for smooth and fast delivery. To create an actual omnichannel footprint, retailers complement their physical stores and e-commerce services with creative applications and social media. Retailers, e-tailers, and vertically integrated players with direct-to-consumer businesses will all benefit from expanding their omnichannel experiences (Piotrowicz & Cuthbertson, 2014). Based on Mckinsey's research, customers who shop online prefer to buy more, and they also make additional in-store purchases (Aryapadi et al.,2020). The study also identifies seven building blocks of a successful omnichannel supply chain (Figure 6).

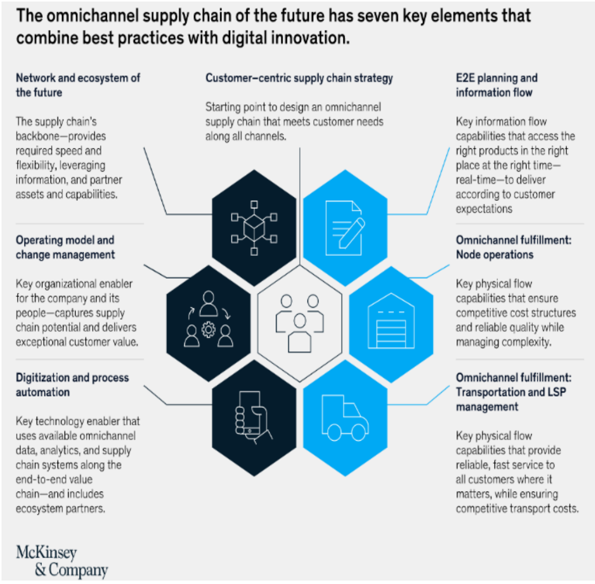

Figure 6: The Seven Supply Chain Building Blocks for Omnichannel Excellence
Source: Aryapadi et al. (2020)

Customer data must be harnessed to develop a detailed view of consumers. Customer-behaviour perspectives gleaned from customer interviews, findings, and the most current analysis from industry analysts, as well as evaluations of rivals' e-commerce offers, can be paired with this evidence. The advanced analytics tool is essential in analyzing all this data to better view consumer needs. A new way of thinking about supply chains is needed to enable a fully end-to-end omnichannel experience (Melacini et al., 2018). Companies should follow an agile strategy that helps businesses adapt rapidly to evolving patterns, choices, and consumer demands. The supply chain should be readjusted depending on changing business conditions.

The rapid advancement in technology has improved the supply chain, especially in the digital supply chain. If the century progresses, we can see a more integrated supply chain with more effective, reliable, and technologically sophisticated systems integration (Sundaram et al., 2020). The challenge is not about the amount of product they have on hand for a retail business, as it is about delivering it to the shop or the customer promptly. Retailers have traditionally handled supply chain data-based reorders from retailers to warehouses rather than factoring in frontline sales data, putting them months behind the loop, missing sales, and creating a slew of issues as a result (Frederico et al., 2019). Having a Point of Sale (P.O.S.) system that automatically registers any object in the network makes managing several warehouses and hundreds of product lines much simpler (Shankar et al., 2020). The system enables retailers to provide consumers with reliable product delivery times forecasts and better forecast demand, allowing retailers to eliminate customer waiting time.

For a company to achieve a successful marketing plan, the customer analysis process is essential. Companies can more reliably and accurately advertise their goods and services by using data and demographics, keeping interested — and revenue — strong. Discover the variables that influence the purchasing decisions of the existing and potential customers. Customer analysis uses market segmentation, predictive analytics, and other data collection tools to capture and analyze customer data to plan marketing strategies, customer experience, and overall business decisions. It enables the retailer to monitor the whole duration of the company's consumer engagement, determine what works and what does not, and make data-driven business decisions. Consequently, with AI-guided machine learning research that evolved in recent years, there are numbers of business intelligence tools available in the market today which allow the company to work with not just the quantitative data of total numbers, statistics, and percentages, but also the qualitative data of open-ended survey data, social media tracking, and collaborative filtering to get to the emotion and intention of customer input. Customer analytics also assists in detecting disgruntled consumers and avoiding brand degradation (Kitchens et al., 2018). The company can automatically review consumer feedback data for opinion polarity using text analytics techniques, including sentiment analysis (positive, negative, neutral, and beyond). Furthermore, emerging technology allows the company better to understand consumers' purchasing patterns and lifestyle preferences. Companies that can gather more knowledge about their customers will have more precise estimates of consumer behaviour.

Customers nowadays expect to connect with brands through social media and email and loyalty programs, customized content, and other methods. Customer engagement involves establishing and nurturing relationships with customers to foster brand loyalty. Customers who feel disconnected from the company will make them less likely to return. To keep up with this modern breed of "always-connected" consumers, the company must adopt technology to have an unparalleled service level. Emerging innovations such as augmented reality (A.R.) (Hilken et al., 2017; Yim et al., 2017), virtual reality (V.R.) (Beck & Crié, 2018), the internet of things (IoT) (Ng & Wakenshaw, 2017; Scholz & Duffy, 2018), smartphone applications (Narang & Shankar, 2019; Shi & Kalyanam, 2018), and facial recognition technology (Kodra et al., 2013) could have both planned and unintentional effects towards the customer relationship and the future of retailing. The result of positive consumer service is customer loyalty. In certain instances, the company's consumer service became the brand, for example, — Amazon. Customers' engagement is essential for understanding what they want when they need goods and where they need them. Excellent customer engagement is vital because it fosters trust, dedication to outstanding service, improved connectivity, positive customer relationships, sound customer awareness, and customer loyalty.

In today's ever-changing world, the pace of execution and resource efficiency are essential. Consequently, it's vital to take advantage of the current infrastructure and technologies on the market. Companies should keep their thinking agile and form a cross-functional team to build the potential supply-chain network, which involves identifying the right distribution solutions for each customer, product, and location segment and specifying the proper product flow. Lead time is the most challenging factor in every segment; each segment's best fulfilment solution must be determined when operating demands, such as costs to serve and volume constraints, are considered.

Consumers have become more technologically advanced, and they use digital tools to learn more about a product and equate it to other options, allowing them to decide who to trust and buy from. Since its inception, people are using the internet while handling their social, household, retail, and entertainment needs. Simultaneously, businesses must rethink their corporate strategies, generate optimum demand, and take advantage of opportunities to become more efficient.

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