

Print ISSN: 2288-4637 / Online ISSN 2288-4645
doi:10.13106/jafeb.2021.vol8.no4.0403

Omni-Channel Retailing and Digital Business: A Case Study in Malaysia

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Received: November 30, 2020 Revised: February 22, 2021 Accepted: March 02, 2021

Abstract

The COVID-19 pandemic has a great impact in various ways. It changes the normal routine of lives and businesses. Many businesses encounter tremendous financial pressure, some of them lay off workers or choose to close down. According to the statistics, e-commerce experiences a four-fold growth in sales during the pandemic period. There is an urgency for firms to digitalize their businesses to respond to the change in the landscape of purchasing patterns of consumers. The purpose of this study is to understand the success of a few popular apparel brands in digital businesses. This is a qualitative research, and secondary data is collected for the analysis. The findings reveal that all of them engage in omni-channel methods in digitizing their businesses while utilizing other forms of technologies in their product and operational management. All selected firms agree with the importance of digital business, and omni-channel retailing is their choice. In these unprecedented times, the sustainable success of the apparel firms in digital businesses requires a flexible and innovative approach and a commitment to achieving operational excellence. Continuous renewal and digital transformation are needed so that these companies have the capabilities to adapt to changes and reap the benefits of a satisfactory organizational performance.

Keywords: Omni-Channel Retailing, Apparel Industry, Dynamic Capabilities Theory, Talented Workforce

JEL Classification Code: M15, M16, M54, G15

1. Introduction

The COVID-19 pandemic has a great impact in various ways. It changes the normal routine of lives and businesses. Many businesses encounter tremendous financial pressure, some of them need to lay off workers, in addition, many firms choose to close down because of poor revenue during the lockdown period. This impacts on companies in entertainment, food & beverage, bookstores, and others. Overall, most of the industries were affected, such as tourism, hospitality, airlines, retailers, and so on.

According to the Department of Statistics, the sales revenue has declined by 36.6% in April 2020; this includes

the decline of 26.3% among the wholesalers, 32.4% among the retailers, and 93.2% in the motor vehicles (Department of Statistic, April 2020). Overall, the performance of the service sector and manufacturing sector experience a much slower economic growth, achieving only half of the growth of the last quarter in 2019 (Department of Statistic, May 2020). Similar trend has also happened in other marketplaces, including Indonesia (Patma, Wardana, & Wibawa, 2020).

Due to various changes, McKinsey urges firms to adapt to this new normal of post COVID-19 pandemic. McKinsey (March, 2020) proposes firms to navigate new normal in the workplace to adapt to the changes in the working environment. First and foremost, the crisis-response effort has to be in full motion. Also, firms need to be resilient when a health crisis turns into a financial crisis. After the Movement Control Order (MCO, a soft lockdown) in the country, businesses need to reactivate the whole supply chain, reassess their entire business system and plan for contingent actions in order to restore their effective production (McKinsey, March 2020).

Despite these negative impacts, new opportunities arise. During the time of MCO, the e-commerce experienced a four-fold sales growth (The Edge Markets, May 2020). The digital retail sales alone increase up to 28.9% in April (The Star, June 2020). Hence, it is urgent for firms to catch up

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with these changes and kick-starts their digital business to respond to the drastic change in the purchasing pattern

Although there is a great urgency for changes, many business owners are still operating in a conventional way. Hunt (2019) comments that in the Internet age, the retail industry is undergoing a massive transformation. However, many retail stores are still using business methods that were developed in the “pre-Internet” age. The most common reasons hindering firms to move forward are the shortage of relevant expertise and infrastructure. If larger firms are facing a shortage of talent, it is even more pressing among the smaller firms (Willdersdorf, 2014).

Resulting from the new normal that further shifts the purchasing pattern of clients, the best options for firms are to adapt to these changes and digitalize their business through appropriate talent and infrastructure. These changes do not exclude apparel retailers. In fact, apparel retailers have a higher chance of success in digital business as apparel products witness high online transactions in Malaysia (SME.org, 2016). There are various digital platforms for apparel firms to digitize their businesses using omni-channels, such as e-commerce marketplace, social media, e-wallet, etc. Thus, there is no excuse for the apparel firms to be reluctant to embark on digitization.

The objective of this study is to understand the successful journey of popular apparel brands in the digitalization of businesses using omni-channel retailing, which refers to their use of various digital platforms for their businesses.

2. Literature Review

A survey conducted by The Boston Consulting Group (2014) and Pike (August, 2015) finds that many executives in the fashion industry are like their peers in other industry, they are very concerned about securing talented professionals. About 50% to 60% of the global fashion and luxury firms indicated that they lacked creative talents. At the same time, 67% of these apparel firms said it is a challenge to get top-notch creative directors (Pike, 2015).

Traci Wilk, vice president of the HR department at Rag and Bone stresses that HR should not be an afterthought. Findings reveal that revenue growth among firms that excel in their recruitment is three and a half times faster, with a profit margin twice higher than their peers (Pike, 2015, as cited by Leu & Ridzuan, 2019).

According to the dynamic capabilities theory, Teece (2018) agrees that the design and operation of a business model rely on the capabilities of the firm. Dynamic capabilities are the ability of firms to integrate, build, and configure internal competencies for the changes and improvement to the firms. It is to refer to the capability of an organization to purposefully create, extend, or modify its resource (Helfat & Martin, 2016). As per the dynamic

capabilities theory, there are three important phases that need to be included in the design and implementation of a business model, namely, sensing, seizing, and transforming (Teece, 2018).

Sensing referring to identification and assessment of an opportunity; these include the ability of employees to learn quickly and to build new strategic assets (Teece et al., 1997). Seizing is to mobilize the resources to address an opportunity and to capture value; this covers the integration of new strategic assets. Lastly, transforming is to have continuous renewal (Teece et al., 1997). Both sensing and seizing lead to new positions and paths, resulting in the transformation of firms that affect performance (Wang, 2016).

Dynamic capabilities are change-oriented capabilities that assist firms to redeploy and reconfigure their resources to meet evolving customer demands and peers' strategies (Zahra & George, 2002). A key element in sensing new opportunities is the managerial competencies to devise and refine business models. This business model will guide the organizational transformation, which leads to an adequate profit that allows the firms to sustain and further strengthen its capabilities (Teece, 2018).

With these dynamic capabilities, Teece (2007) claims that firms gain a competitive advantage in rapid technological changes in the market.

Bharadwaj (2000) claims that a strong partnering relationship between a firm's IT and business unit management will influence a firm's ability to deploy IT for strategic objectives. This statement is supported by Amit and Schoemaker (1993, cited by Bharadwaj, 2000) that the integration of the Japanese airline's internationalization system and the workforce (human capital) are the primary sources of its business growth and competitiveness. Having IT infrastructure alone is not the solution, the synergy of IT infrastructure with the IT-related talents are crucial. IT-related talents comprise of the technical IT skills and managerial IT skills. Technical IT skills cover programming, creation of webpages, creation of a link system for different outlets, and so on. While managerial IT skills include the effective management of the information system, coordination, and interaction with consumer groups, etc.

Sabherwal and King (1991) comment that a firm's ability to respond to changes in the environment is determined by how the firm is implanted with its databases and other decision-supporting system. The entire IT infrastructure, IT-related expertise, and the ability of firms to leverage benefits from this combination create the capability of the firm. Realistically, many firms may not aim to be IT leaders, instead, they are more likely to bridge the gaps in resources and skills to avoid a situation that places them at a competitive disadvantage (Bharadwaj, 1993).

Subsequently, firms with more focus on innovation tend to have the capability to develop more international

connections than their counterparts. At the same time, these firms are more proactive in their internationalization approach. As such, the development of the Internet and related devices may have greater impacts among knowledge-intensive firms. Firms with high technology tend to internationalize more quickly than their low-technology peers (Crick & Jones, 2000; Jones & Crick, 2004; as cited by Tseng & Johanson, 2011). High-technology firms are able to leverage benefits from technological capabilities in their products and their business relationships. Apart from that, firms need constant improvement and renewal in their technological tools and overall capabilities.

3. Methodology

This is a qualitative research using a multiple case studies method. A qualitative approach is for exploring and understanding the individuals or groups ascribed to a social or human problem (Creswell, 2014). It involves the collection and analysis of non-numerical data to comprehend certain views, opinions, or experiences (Bhandari, 2020). It can be used to gather in-depth insights into a problem or an issue.

A case study is a method of inquiry by exploring in-depth an event, issue, process, or individual (Creswell, 2014). It is also suitable when the study aims to answer the questions of ‘how’ and ‘why’. In this research, a multiple case study is used; it is to explore or describe a phenomenon in context using various data sources (Yin, 2004). Multiple case studies attempt to make choices from several possible events, people and organizations (Denscombe, 2007).

3.1. Data Collection Method

The data was collected from secondary data, which fulfil the following criteria: these firms are apparel firms that successfully implement digital business and they have remarkable sales records in both the domestic market and neighbouring countries. Secondary data collection is based on existing annual reports of the firms selected. The scope of the analysis focuses on the three phases of sensing opportunities, seizing opportunities, and transforming their capabilities.

In sensing opportunities, firms are able to sense new opportunities in the market while they observe changes. Seizing opportunities is the strategies implemented by firms to capture and materialize these opportunities. In the process, they may need to transform or continuously strengthen certain factors or processes to ensure the effective execution of plans. When all these have taken place, firms are ready to reap the benefits of a good business.

3.2. Data Analysis

Thematic analysis is applied in this study, which is to identify and interpret patterns and themes found in the

secondary data (Bhandari, 2020). Thematic analysis is to find out people’s views, opinions, knowledge, or experiences from a set of qualitative data (Caulfield, 2019). In this analysis, a deduction approach is used, some preconceived themes are expected from the secondary data (Caulfield, 2019). As the annual report is a thick report with different categories of information, therefore, only those relevant materials related to digital businesses, omni-channel methods, brand management, and other key focuses are analyzed.

4. Results and Findings

Four annual reports from the large apparel firms have been selected, namely, Bonia, Timberland, Padini, and Uniqlo. These firms offer home-grown local brands and foreign brands that operate in the domestic market (Malaysia).

4.1. Firm 1: Bonia

Bonia is a local brand that sells leather handbags, footwear, and other leather-related accessories. The annual sales turnover of Bonia in 2018 was RM379,241,000 (Bonita Annual Report, 2018). Bonia has outlets in Malaysia, Singapore, Indonesia, Vietnam, and the Middle East.

The board of directors of Bonia is the key talent in leading the firm and driving it to greater progress. The responsibilities of the board of directors include: reviewing and adopting the overall strategic planning for the board and the firm; identifying principal risks and ensuring implementation of appropriate internal controls; and reviewing the adequacy of the management information and internal controls. In the report of Bonia on the materiality matrix, the top five priorities are employee management, customer satisfaction, digitization and innovation, economic performance, and brand and product management (Bonita Annual Report, 2018; Bonita Annual Report, 2019).

In brand management, Bonia claims that its consumers experience modern lifestyle through contemporary creations. One of the key factors for the success of an apparel firm is the brand building and brand awareness. Firms that are lacking of brand awareness will encounter various shortcomings, first is the problem to retain consumers and build consumers’ loyalty. Secondly, if the brand building is not strong, consumers may have difficulties in identifying the products from their competitors. As such, apparel firms need continuous effort in getting new consumers, which is not cost-effective, compared to having loyal long-term consumers.

Bonia senses the new opportunities using risk assessment. They find a few keys risks that will be encounter in the apparel industry, namely, the paradigm shift in the consumer behaviour, consumers’ spending power, brand strength, competition, availability of trained candidates, and general economic conditions (Bonita Annual Report, 2018;

Bonia Annual Report, 2019). Apart from that, Bonia applies stringent criteria in the selection of retail locations; the retail outlets have a modern and elegant design. Bonia commits to produce creative up-to-date designs that are aligned with the preferences of consumers.

Next key aspect of success will be content marketing by using digital marketing and social media to reach out young buyers who may prefer online purchases. Bonia is aware of the importance of online and omni-channel retailing in the future (Bonia Annual Report, 2019). As such, Bonia embarks into digital businesses using an omni-channel strategy, such as e-commerce marketplace, and digital applications, as ways to communicate with buyers. At the same time, Bonia engages social influencers to promote their products online. It seizes this new opportunity via omni-channel method and it strives to tap into the preferences of consumers. In 2019, Bonia further refines the digitization and innovation of their business by offering e-voucher and e-warranty to consumers. E-voucher is to replace paper vouchers, which has simplified the process of distribution, storage, and updating the data. E-warranty is to eliminate the plastic warranty cards, enabling Bonia to manage consumers' purchase records effectively.

Besides that, Bonia uses electronic notifications to alert its consumers about updated events and product via social media or emails (Bonia Annual Report, 2019). This is to abandon the conventional way of using printed materials to touch base with their clients. As for the retail stores, it is linked to the headquarter using a centralized system to keep track of the sales performance. With this system, the salesperson can scan the barcodes of produces via a mobile application that is linked to the internal system. In this way, product sales and storage information can be tracked effectively.

In the effort of continuous renewal and transforming its capabilities, Bonia has taken some initiatives to mitigate these situations, these include periodic customer surveys; close monitoring of the performance of outlets to proactively ensure that products are available; continued strengthening of the brand management; continued efforts to attract and retain a trained workforce to cope with the ever-changing preferences of consumers.

Due to the recent economic uncertainties, Bonia will focus on prudent cost management at the same time continue to invest in product design, market research, marketing, new retail platforms, and invest in the workforce (Bonia Annual Report, 2018; Bonia Annual Report, 2019). As the board of directors is the key talent in the firm, Bonia continues to support them in various training so that they are well equipped with the relevant knowledge and updated skills and technologies available in the market.

In conclusion, Bonia sums up a few key areas that the firm needs to address; these include consumer behaviors

using new disruptive retail channels; general economic conditions and the purchasing power of consumers; brand awareness and reputation; and a trained workforce.

4.2. Firm 2: Timberland

Timberland is an apparel firm in leisure and sports clothing, footwear, and other accessories with net revenue of USD433,648,000 in the Asia Pacific Region (Under Amour Annual Report, 2018). Timberland is a foreign brand from the US, and does not have an outlet in the Asia Pacific region, but it cooperates with the wholesale firms that work closely with them using the same concept. It offers a variety of styles and fits to enhance comfort, mobility, and to improve performance.

In Timberland, the key talents involve in sensing and the product development team will handle the seizing of new opportunities. The product development team works closely with the sports marketing and sales team to identify product trends and determine market needs (Under Amour Annual Report, 2018). Timberland is aware that their success depends on the ability to identify and originate product trends as well as to anticipate changing consumer demands in a timely fashion.

There are a few key areas as the main focus of Timberland, namely, brand awareness; sports marketing; retail presentation; the registration of trademarks and copyrights; and forward-looking strategies (Under Amour Annual Report 2018; Under Amour Annual Report, 2019).

The focus of brand management is to build the image of an active lifestyle. While in sports marketing, the marketing strategy begins by providing and selling the product to high-performance athletes and teams in high schools, colleges, and professional levels. Timberland executes this strategy through outfitting agreements, professionals, clubs, and college sponsorship, individual athletes, and social media influencer agreements.

In seizing opportunities in digital business, the firm utilizes social and mobile media to engage consumers and promote connectivity with the brand. Hence, Timberland gives more attention to digital-led marketing approaches for the launch of products. Mobile app and social media platforms are some of the common platforms to connect with their consumers (Under Amour Annual Report, 2019). Although digital business is playing the main role, the retail presentation continues to be one of the main focuses of Timberland. The retail outlets display the concept to enhance the brand's presentation. In brief, the overall image and appearance of the products are still significant in product management. It is confident about the prospect due to the brand image and recognition, the performance and quality of the products.

In the phase of transforming and forward-looking strategies, Timberland strives to give more concerns to these

few areas: to anticipate and respond timely to the changes in consumers' demands; digital commerce platforms; and forecasts of inventory needs (Under Armour Annual Report, 2019). As consumer shopping experiences and purchasing patterns continue to evolve, apparel firms have to provide attractive in-store experiences as well as user-friendly digital commerce platforms. Timberland acknowledges these changes and is committed to engaging their consumers using digital commerce to reach out to new buyers or to retain old customers.

Subsequently, the ability to adequately react to them and anticipate these preferences is crucial too. Timberland views these abilities to respond adequately as a way to develop and introduce innovative, high-quality products. These include inventory control, the forecast of consumer demand, inbound logistics, and so on. Overall, continuous improvement of capabilities is the assurance of long-term organizational performance.

4.3. Firm 3: Padini Holding Bhd

Padini is a local apparel firm that operates in Malaysia, Brunei, Cambodia, Thailand, Myanmar, and some countries in the Middle East, with 2018 sales turnover of RM1,678,790,000 (Padini Annual Report, 2018). According to Padini, apparel retailing needs to be ever iridescent in the eyes of consumers to attract and retain their interests.

Globalization, the advancement in technology, the intense competition in the industry, and the penetration of international players have made this industry more challenging for retailers to stay relevant. Thus, Padini claims that understanding the consumers' needs is the utmost important thing. The apparel firms need to respond rapidly to the latest fashion trend and make it available in the market in the shortest time possible, before it loses appeal.

Similar to the case of Bonia, the directors of Padini are the key talents who lead the firm and are the driving force of the organization. They are the group to sense and seize new opportunities, followed by continuous transformation of the firm (Padini Annual Report, 2018; Padini Annual Report, 2019). The main duties of the directors include conducting the risk assessment, strategic planning and allocation of resources, execution of plans and other business operations, and conduct periodic performance assessment.

At Padini, sensing new opportunities are related to the risk assessment, so that they can anticipate both internal and external changes. In the process of risk assessment, the management will look into the risks that are related to any business processes, the likelihood of a risk occurrence, and its impact on the business process. In this management, the board has to ensure the assessment is aligned with the organizational goals and plans, assigning relevant roles and tasks, allocating resources, followed by the actual execution and evaluation of the organizational performance.

In using digital retailing as a way to seize new opportunities, the management is aware that it is a growing feature in the retail industry. Padini continues to leverage technology so that it can understand and serve customers better (Padini Annual Report, 2018; Padini Annual Report, 2019). Padini believes that both experiences in retail outlets and online shopping complement one another for a better shopping experience, as digital retailing has the potential in years to come.

In brief, Padini is aware of the changes taking place in the fashion industry with the digital adoption of consumers. Shopping landscape no longer merely on the traditional model but a combination of both online and offline touchpoints. In addition, the purchasing patterns and decisions are greatly affected by the new communication channels, particularly social media, video streaming, and peer reviews. Hence, Padini continues to strengthen its online platforms via omni-channels in the phase of transformation. Padini nurtures the growth of online business by developing new online shopping experiences and strengthen online shopping convenience to consumers.

Subsequently, Padini embraces a workforce that contributes abundantly to the organization. It will continue to nurture local talents to have a local workforce with competencies and capabilities.

From the perspective of challenges, Padini faces similar challenges as its peers, such as economic uncertainties, intense competition, and the capabilities in the supply change management, such as effective logistic management or inventory control.

4.4. Firm 4: Uniqlo

Uniqlo is a foreign brand with branches in Malaysia. Although it is a foreign brand, it is very alert about the changing trend in the apparel industry, hence, the success story of Uniqlo is significant to local apparel firms that wish to do well in this industry. The total sales turnover of Uniqlo in the Southeast Asia region is 140 billion yen in 2018 (Fast Retailing Annual Report, 2018).

Similar to other firms, the board of directors is the key talent group to guide and lead the firm. Apart from risk management, financial integrity, and internal control, the board gives more emphasis on the technology, such as the automation management of warehouse; RFID driven logistic reforms; and the collection of relevant data with the collaboration from Google (Fast Retailing Annual Report, 2018; Fast Retailing Annual Report, 2019). Uniqlo aims to establish an internal control system that is promoting full compliance, building a risk management framework, and pursue thorough internal auditing.

In sensing new opportunities, Uniqlo claims that the secret of success relies on e-commerce and brand visibility. The e-commerce operation is growing rapidly due to an

attractive range of semi-order made items. Online sales account for about 20% of the total sales.

In seizing the opportunities of digital business, apart from the trend of offline-to-online (O2O), Uniqlo implements online-to-offline links too, which means customers can purchase online and collect from the retail outlets, with the desire to expand the online operation and effective management of the O2O business. Uniqlo views the business model that closely links online and physical store operations together is extremely important to them. In 2018, almost one-third of the online purchased products were picked up at a Uniqlo outlet (Fast Retailing Annual Report, 2018). Overall, online sales have grown rapidly and Uniqlo aspires to achieve 30% online sales growth through the O2O concept. Uniqlo uses various platforms to advertise its products, such as e-commerce and social media to attract potential buyers.

In 2019, Uniqlo continues to strengthen e-commerce as the core of its business. The effort involves reforming the entire business processes and transforming various frameworks to fit into the digital society. Uniqlo uses AI for the analysis of customer product search and purchase history (Fast Retailing Annual Report, 2019). From there, Uniqlo tries to offer product information that is a perfect fit for each customer. Currently, Uniqlo focuses on enhancing the synergies between online business and physical stores.

Concerning the issue of employees in the workplace, Uniqlo continues to give various support to employees, at the same time encourages workforce diversity and well-being. The Retail Management and Innovation Centre (FRMIC) will lead the internal training programs to provide a variety of employee education programs for better competencies and skills. Tables 1 and 2 summarize key messages for Bonia, Timberland, Padini, and Uniqlo.

Table 1: Digital Business

Firm	Digital business
Bonia	Acknowledges the importance of online and omni-channel retailing Utilizes digital marketing, e-commerce platform, and social media to reach out to young buyers Engages social media influencers
Timberland	Utilizes social media and mobile media to engage consumers Gives more attention to digital led marketing approaches Uses e-commerce platform, social media, mobile app, and social media influencers as the common ways to communicate with buyers
Padini	Continues to leverage technology in order to understand and serve the consumers better Consumers experiences in retail stores and online purchase can complement one another Put more effort in online retailing
Uniqlo	The firm claims that digital business and brand visibility are the secret of success Plans to expand the online operation, provide not just online-to-offline purchases, but offline to online (O2O) business to pick up products which have been purchased Important to link online and physical store operations together

Table 2: Integration of Technology and Workforce

Firm	Integration of technology and workforce
Bonia	The firm highlights the importance to attract and retain trained workforce Supports employees in training and development Supports the top management with various training programs as they are the key talents
Timberland	The firm does not mention much about the workforce, however, all challenging tasks in the firm will not be accomplished without a trained workforce. As such, it is acceptable to assume the firm gives adequate emphasize on a trained workforce to carry out the tasks
Padini	The firm commits to invest in their staff and provides assistance to staff in the career development Will continue to nurture local talents Provides various training opportunities to the board as they are the key talents
Uniqlo	The firm will continue to give various supports to employees. The retail management and innovation center (FRMIC) will lead the internal training for employees

Machion, Moretto, and Caniato (2017) analyze how the use of e-commerce improves organizational performance in the apparel industry. They found that e-commerce yields positive performance in the aspects of business, innovation, and operation. E-commerce enables firms to widen the consumer market, encourages firms to be more innovative and improves the operational system. With the use of e-commerce, the products of firms are visible to buyers from overseas, as such, there are fewer geographical barriers.

Nevertheless, Machion et al. (2017) remind that firms need to assess both the benefits and drawbacks of e-commerce and enter into host markets with cautions to avoid any potential financial pitfall in the future. Machion et al. (2017) suggest firms to start e-commerce in the domestic market; once they gain enough knowledge about the market and demand, they can then move on to host markets.

Kim and Johanson (2008) talk about the influence of technology on the apparel firms too. They forecast that advanced technology is the agent of change to transform the fashion production and retailing in the US. Many managers believe that technology will improve productivity, performance, and business expansion (Kim & Johanson, 2008). Unlike conventional retail outlets, online shopping provides convenience that is beyond time and space. Overall, the consumers and retailers are very positive about online shopping, as it enhances technology and efficiency. Additionally, the sales data and mining of results provide better information to the apparel firms about the demand and trends in the market.

Ye, Lau, and Teo (2018) point out that there is a key difference between firms that use multi-channel retailing and omni-channel retailing. Unlike multi-channel retailing, which operates separately, omni-channel retailing requires integration between different channels. Firms may have to address the problems that occur from the omni-channel retailing, such as a lack of fully integrated fulfilment processes, isolation of information database, and misaligned corporate motivation (Lewis et al., 2014; as cited by Ye, Lau & Teo, 2018). To have effective outcomes, more integrations and improvement in omni-channel retailing are needed. To achieve this, specific talent in the digital business, both from the technical side and the managerial aspects, are required.

Overall, these four firms are concerned with the design of the products; software to use; innovativeness; utilization of data; logistics; brand building; customer services; managerial attitudes; and embrace of technology. In brief, they need the appropriate workforce or talent to lead the firms so that the whole operation of the businesses can be accomplished effectively.

Among these four large firms, all view the board of directors as the key talents that make a difference in the organizations, except Timberland. The board of directors

in Bonia, Padini, and Uniqlo are the leaders who determine the strategic planning for the firms. Subsequently, they have the responsibilities to oversee the whole operations of firms; review the adequacy and effectiveness of the internal system; ensure financial integrity; and to conduct a risk assessment to identify potential changes in consumers behaviour and their preferences, from there they identify the potential risks, have strategic planning to address these risks and identify new opportunities. In the case of Timberland, it is the product development team that will identify new opportunities through product trends and determine market needs, while their board of directors will handle the issue of financial integrity, internal control system.

All of these large firms agree that building brand awareness and brand image is essential. Apart from the quality and designs of the products, these firms also emphasize the retail store appearance in building brand awareness. Bonia applies stringent criteria in the selection of retail stores. Timberland strives to provide attractive in-store experience and at the same time build the image of an active lifestyle. Padini comments that apparel retailing needs to be iridescent in the eyes of consumers, while Uniqlo stresses that brand visibility and retail store experiences are crucial for brand building.

In the effort to seize and transform their digital businesses, all of them acknowledge the importance of online and omni-channel retailing. All firms commit to leveraging technology to communicate with their consumers through various digital platforms, such as the companies' websites, e-commerce websites, social media, mobile app, and so on.

Bonia and Timberland take one step further by engaging social media influencers to build brand awareness and to stimulate sales. On the other hand, Uniqlo also provides online-to-offline (O2O) services, which means shoppers can purchase online and pick up their products at certain retail outlets. Padini commits the firm to put in more effort into online retailing.

For the integration of technology with skilled workforce, first and foremost, all of them invest in digital devices or software to enhance efficiencies in the business operation. For example, Uniqlo applies RFID and automation management in its operation.

Concerning the issue of a talented workforce, all firms value their workforce as the crucial factors contributing to the success of their organizations. These four firms are committed to developing their workforce through reskilling and upskilling programs, particularly the board of directors who will lead the firms and form strategic planning.

Coming to the aspects of digital business, Mesenbourg (2000) identifies three primary components for digital businesses to be classified as part of a digital economy, namely, the supporting infrastructure for digital businesses;

online-business processes; and online-business transactions. In these aspects, the four firms have fulfilled the criteria. They had initiated a digital business. Not only that, they have also applied omni-channel retailing in their business operation. This is strongly encouraged by Bell et al. (2014) and Ye, Lau, and Teo (2018), as all information is easier to reach out to the consumers and information is accessible online. In addition, Yakean (2020) highlights the similar situations in Thailand and comments that the government should promote e-wallet to the public. Also, Effendi, Sugandini, and Istanto (2020) comment that it is a necessity for firms to find innovative solutions to cope with changes and preferences of consumers in times of pandemic.

Subsequently, The Deloitte Swiss Watch Report (2016) and The Fashion Industry Report (2019), both give adequate emphasis to the use of technology, such as online stores and digital media in the fashion industry. Apart from that, these four firms also utilize other technological devices to keep track of the supply chain, logistic arrangement, and inventory control, all these efforts enhance the effectiveness of the business process and promise a speedy delivery of the products to consumers.

With all the effective strategies and infrastructure readied, firms are in a better position to globalize their businesses or to have cross-boarder export. It is an undoubted fact that firms need a compensating market and technological advancement to overcome the costs in a foreign market.

5. Conclusion

In these unprecedented times, the success of the apparel firms in digital business requires flexible and innovative approach and a commitment to achieving operational excellence. The innovation in technologies has changed how we live or how businesses operate. Apart from the use of omni-channel methods, brand management, and risk assessment are some of the key focuses of the apparel firms. From the retailing side, there are also technological advancements in production, logistics, and so on.

In the production of apparels, the use of 3D printing can be an option in years to come. Furthermore, 3D printing may eventually replace the triangle manufacturing, and local apparel firms can produce their materials and products locally. Firms may need to take note of this to capture the advantage of technologies.

As for warehouse management, apart from the choices of using RFID or robotic inventory control, now the use of drones is available. An innovative drone-based technology reduces human errors in manual counting of inventory, it improves space utilization, enhances accuracies, and efficiencies.

For inbound logistics, to ensure speedy and satisfactory delivery of products, apparel firms need to collaborate logistics providers with regional distribution centers or

branch locations. The logistics providers that can offer additional values, able to create a centralized cost-saving model to ensure performance is garnered and surpassed. The apparel firms may need to assess the performance of these logistics providers from a few aspects, such as transportation planning, routing compliance, and so on. This is to ensure an operation flow that drives efficiencies. For digital businesses that involve shipping, apart from conventional ways, firms may explore new options. Some service providers may assist businesses with automation of the different parts of the shipment process and identify different courier prices.

These are some technological progress that may benefit the apparel firms in digital business and the whole operations. These technologies can be cost-effective, efficient, and time-saving. The apparel firms may utilize them according to the needs and scales of their business, and their financial capabilities.

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