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Impact of the Booming Online Selling Industry on Business Owners of The Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City

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ABSTRACT

This study examines the impact of the booming online selling industry on fashion business owners operating physical stores at Teodoro Arcenas Trade Center, Roxas City. It explores the demographic profile of respondents, including sex, age, civil status, estimated monthly profit, and educational attainment. Findings reveal a dominance of females, younger age groups, single status, lower income, and high school educational attainment among respondents. The results indicate that the booming online selling industry has extremely affected the number of customers and the monthly profit of business owners of the physical store's fashion industry in Teodoro Arcenas Trade Center, Roxas City. This also indicates that the booming online selling industry has severely affected the manpower of business owners of the physical store's fashion industry in Teodoro Arcenas Trade Center, Roxas City. However, there is no significant difference in the impact of online selling based on sex, age, civil status, estimated profit, or educational attainment. This implies that these factors do not play a significant role in determining the impact of the online selling industry on physical stores in the fashion industry at the Teodoro Arcenas Trade Center, Roxas City.

Keywords: *Online selling industry, Physical stores, Fashion business owners*

1. INTRODUCTION

The rapid growth of the online selling industry has significantly impacted business, especially in the fashion sector. Shifts in consumer preferences, marketing strategies, and business models have forced many physical stores to close as more owners move their operations online. This shift has led to job losses, reduced income streams, and in some cases, the closure of entire businesses. Consumers increasingly prefer online shopping, making physical retail locations less relevant. As e-commerce expands, traditional stores see declining sales and reduced customer loyalty. To adapt, many retailers now maintain an online presence. The internet has transformed fast-fashion retailers, enabling them to streamline operations and expand rapidly, often replacing larger traditional stores. Shopping center developers are responding to these changes by reassessing the role of brick-and-mortar stores. Research has observed that e-commerce giants, with their growing number of fulfillment centers, are encouraging consumers to shift from traditional stores to online platforms by reducing shipping times (Ellis, 2015). This study examines the impact of the booming online selling industry on fashion business owners with physical stores at the Teodoro Arcenas Trade Center in Roxas City.

Statement of the Problem

Generally, this study aimed to determine the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City. Specifically, this study aimed to answer the following questions:

1. What is the socio-demographic profile of the business owners in terms of sex, age, civil status, estimated monthly profit, and educational attainment?
2. What is the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City in terms of number of customers, monthly profit, and manpower?
3. Is there a significant difference in the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City in terms of number of customers, monthly profit, and manpower considering their sex, age, civil status, estimated monthly profit, and educational attainment?

Objectives of the Study

This study aimed to:

1. Determine the socio-demographic profile of the business owners in terms of sex, age, civil status, estimated monthly profit, and educational attainment.
2. Determine the impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City in terms of number of customers, monthly profit, and manpower.
3. Determine the significant difference in the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City in terms of number of customers, monthly profit, and manpower considering their sex, age, civil status, estimated monthly profit, and educational attainment.

Hypotheses of the Study

There is no significant difference in the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City such as the number of customers, monthly profit, and manpower considering their sex, age, civil status, estimated monthly profit, and educational attainment.

Theoretical Framework

This study is anchored on the Theory of Digital Darwinism, which posits that companies unable to adapt to rapid technological trends and changing consumer preferences will eventually become extinct. As consumers increasingly shift to online shopping, fashion retailers without an online presence may struggle to survive. Digital Darwinism, based on Darwin's theory of natural selection, highlights that businesses must adapt to thrive in a fast-evolving digital environment. Companies that fail to adjust to these changes may face reduced revenue, loss of customers, or even closure. Examples include the fall of large chain bookstores like Borders, which couldn't compete with online retailers, and the declining sales of traditional department stores. To avoid Digital Darwinism, businesses must embrace change, invest in new technologies, adapt their models, hire flexible employees, and respond to consumer needs. Ultimately, innovation and adaptation are essential for survival in the digital era (Techslang, 2021).

Conceptual Framework

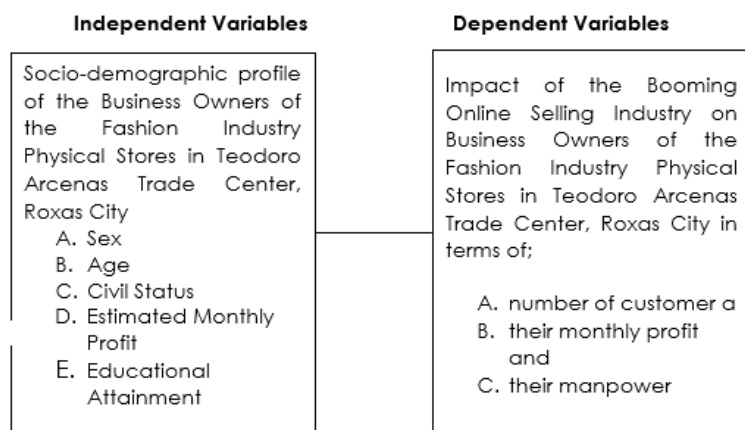


Figure 1. Conceptual Framework showing the Independent and Dependent Variables of the study

2. Literature Review

The COVID-19 pandemic has significantly shifted consumer behavior in the Philippines towards e-commerce. Lockdowns and store closures have fueled a surge in online shopping, especially for food. A specialized poll forecasts that one-third of goods will be produced through e-commerce by 2024. The pandemic has prompted changes in shopping habits, with 52% avoiding crowded areas, and 36% postponing in-person shopping until after vaccination. A local study demonstrates how geography influences variables like firm size and internet access, reducing the impact of location on online business performance. Foreign studies, notably one from Indonesia, show a preference for offline retailers in fashion purchases due to perceived utility and trust. Another study emphasizes the role of strong brand portfolios and store image in affecting customer purchase activity in retail stores. Contrary to the belief that e-commerce will replace physical stores, findings suggest consumers' value both environments based on convenience, trends, prices, and discounts. The fashion sector has faced challenges, leading to store closures and a focus on producing fewer, higher-quality products. Social media marketing has become crucial, emphasizing the need for a mediator variable to enhance the relationship between purchase intention and social media marketing. Overall, the synthesis highlights a complex interplay of factors in the evolving e-commerce landscape, urging businesses to adopt hybrid models combining online and offline strategies.

3. Research Method

Research Design

Descriptive quantitative research is a systematic approach that employs numerical data to objectively characterize and analyze the attributes, patterns, or relationships within a specific population. This methodology focuses on gathering and statistically interpreting data to provide an accurate representation of phenomena without manipulating variables, thereby facilitating informed decision-making and insights.

Data Gathering Procedure

After the validation of the instrument and computation of the reliability, the researchers asked permission from the market administrator of Teodoro Arcenas Trade Center, Roxas City to conduct a study. The researchers personally handed down the questionnaires to clarify inquiries from the respondents.

4. Result and Discussion

Socio-Demographic Profile of the Respondents

The Table 1 shows the socio-demographic profile of the respondents. In terms of Sex, 14 or 35% of the respondents were male while 26 or 65% were female. Out of 40 respondent's majority of them were female. In terms of Age, 26 or 65% are aged below 35, 9 or 22.5% are aged above 46 and 5 or 12.5% are aged between 36 to 45. Majority of them are aged below 35. In terms of Civil status, 21 or 52.5% were single, 18 or 45% were married, 1 or 2.5% was separated and none of them are widowed. Overall majority of them were single. In terms of estimated monthly profit, 23 or 57.5% earn below 20,000K, 14 or 35% earn between 21,000K to 30,000K, 3 or 7.5% earn above 31,000K. Majority of them earn below 20,000K. In terms of educational attainment, 21 or 52.5% were high school graduates, 13 or 32.5% were college degree holders, 5 or 12.5% were post-graduate and 1 or 2.5% was elementary graduates. Majority of them were high school graduates.

Table 1. Demographic Profile of the Respondents

Demographics	Category	Frequency	Percentage
Sex	Male	14	35
	Female	26	65
Age	35 and below	26	65
	36-45	5	12.5
	46 and above	9	22.5
Civil Status	Single	21	52.5
	Married	18	45
	Widowed	0	0
	Separated	1	2.5
Estimated Monthly Profit	31,000 and above	3	7.5
	21,000 to 30,000	14	35
	20,000 and below	23	57.5
Educational Attainment	Elementary Graduate	1	2.5
	High School Graduate	21	52.5
	College Graduate	13	32.5
	Postgraduate	5	12.5

Note. Total of 40 respondents.

Impact of the booming online selling industry to business owners in terms of Number of Customers

Table 2 shows the mean score of 4.50 indicates an extremely affected on the number of customers. This implies that the booming online selling industry has had an extremely and potentially challenging impact on the footfall or customer traffic in the physical stores of the fashion industry at Teodoro Arcenas Trade Center, Roxas City.

Table 2. Number of Customers

Items	Mean	Std. Deviation
1. Our physical store has suffered due to the increasing popularity of online shopping.	4.70	.464
2. Our store became underappreciated when online shopping became popular	4.60	.591
3. Due to the booming industry of online selling, fewer consumers were interested in our products.	4.52	.506
4. Due to the booming industry of online selling that greatly affects our number of customers, I may be considering closing our physical stores.	4.50	.599
5. Due to the booming industry of online selling, fewer customers visited our store.	4.50	.555
6. Due to the booming industry of online selling, our frequent loyal customers (suki) are no longer buying from our store.	4.48	.640
7. Due to the increase in online selling, the foot traffic in our store has been decreased.	4.48	.599
8. Due to the booming industry of online selling, our number of customers decreased.	4.48	.640

9. Our physical store has been struggling to attract customers due to the convenience of online shopping.	4.40	.632
10. Due to the booming industry of online selling the demand for our products decreased.	4.32	.656
Overall	4.50	

Note: 1.00-1.80 –Not affected at all, 1.81-2.60 – Slightly affected, 2.61-3.40 –Moderately affected, 3.41-4.20 –Severely affected, 4.21-5.00 – Extremely affected

Impact of the booming online selling industry to business owners in terms of Estimated Monthly Profit

Table 3 shows the mean score of 4.42, this indicates an extremely affected on business owner's monthly profits. This implies that the business owners in the fashion industry's physical stores are experiencing a substantial negative effect on their monthly profits due to the growth of online selling.

Table 3. Estimated Monthly Profit

Items	Mean	Std. Deviation
1. Our monthly profit decreased when online selling grew.	4.53	.554
2. Due to online trends, I might have to make changes to my inventory and offer new products to keep up with the competition.	4.53	.679
3. Due to the increased competition from the online business, I have considered collaborating with other business owners to offer joint promotions, share marketing costs, or cross-promote complementary products or services.	4.50	.599
4. Due to the need to compete with online sellers, I may have had to adjust my pricing resulting to lower profit.	4.48	.554
5. Due to the increasing competition from online retailers, we have experienced a decrease in our sales.	4.48	.599
6. Due to the rising industry of online selling, I must develop marketing campaigns or implement promotions to promote sales resulting in increased expenses.	4.45	.639
7. Due to the current market trend, I considered transitioning my business to an online-based platform.	4.35	.580
8. Obtaining new stocks is challenging due to the low profit.	4.32	.656
9. Due to the rising industry of online selling, I may have consulted with a financial advisor or accountant to analyze my business and develop strategies to prevent bankruptcy.	4.30	.648
10. Due to not having many customers for a long time, our inventory has been damaged resulting in lower profit	4.25	.494

Overall	4.42
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Note: 1.00-1.80 –Not affected at all, 1.81-2.60 – Slightly affected, 2.61-3.40 –Moderately affected, 3.41-4.20 –Severely affected, 4.21-5.00 – Extremely affected

Impact of the booming online selling industry to business owners in terms of Manpower

Table 4 shows the mean score of 3.87, this indicates a severely affected situation in terms of manpower. This implies that the booming online selling industry has led to a severe impact on the workforce employed in the physical stores of the fashion industry at Teodoro Arcenas Trade Center, Roxas City.

Table 4. Manpower

Items	Mean	Std. Deviation
1. I had to resort pay cuts from my employees.	4.00	.784
2. Due to the impact of online selling on my business, I have seen a decrease in employee morale.	3.98	.733
3. Due to decreased profits, the number of our employees was reduced.	3.93	.797
4. Due to decreased profits, the company has had to cut employee benefits or perks.	3.90	.744
5. We had to implement a hiring freeze due to the decrease in profits caused by online shopping.	3.90	.672
6. To stay afloat in the competitive market, we had to reduce the number of full-time employees and rely more on part-time or contract workers.	3.88	.607
7. Due to the impact of the rising industry that had caused low profit, I may have implemented cost-saving measures such as reducing employee working hours.	3.85	.834
8. Due to the decrease in salaries, some of our workers voluntarily resigned.	3.78	.698
9. Due to decreased profits, we had to delay hiring for open positions and redistribute workload among existing employees.	3.77	.620
10. There were alterations in the job assignment of employees.	3.72	.716
Overall	3.87	

Note: 1.00-1.80 –Not affected at all, 1.81-2.60 – Slightly affected, 2.61-3.40 –Moderately affected, 3.41-4.20 –Severely affected, 4.21-5.00 – Extremely affected

Differences on the impact of the booming online selling industry to business owners

The table 5 shows that there was no significant difference in the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City in terms of number of customers considering their sex ($p=.137>0.05$), age ($p=.89>0.05$), civil status ($p=.668>0.05$), estimated monthly profit ($p=.823>0.05$), and educational attainment ($p=.429>0.05$). These findings imply that factors such as sex, age, civil status, estimated monthly profit, and educational attainment in terms of number of customers do not play a significant role in determining the impact of the online selling industry on physical stores in the fashion industry at the Teodoro Arcenas Trade Center, Roxas City.

Table 5. *Difference in terms of number of customers considering their sex, age, civil status, estimated monthly profit, and educational attainment.*

	P-value	Significance
Sex	.137	Not Significant
Age	.89	Not Significant
Civil Status	.668	Not Significant
Estimated Monthly Profit	.823	Not Significant
Educational Attainment	.429	Not Significant

Note: $\alpha = 0.05$

The table 6 shows that there was no significant difference in the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City in terms of monthly profit considering their sex ($p=.976>0.05$), age ($p=.263>0.05$), civil status ($p=.375>0.05$), estimated monthly profit ($p=.823>0.05$), and educational attainment ($p=.681>0.05$). These findings imply that factors such as sex, age, civil status, estimated monthly profit, and educational attainment in terms of monthly profit do not play a significant role in determining the impact of the online selling industry on physical stores in the fashion industry at the Teodoro Arcenas Trade Center, Roxas City.

Table 6. *Differences in terms of monthly profit considering their sex, age, civil status, estimated monthly profit, and educational attainment.*

	P-value	Significance
Sex	.976	Not Significant
Age	.263	Not Significant
Civil Status	.375	Not Significant
Estimated Monthly Profit	.681	Not Significant
Educational Attainment	.202	Not Significant

Note: $\alpha = 0.05$

The table 7 shows that there was no significant difference in the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City in terms of manpower considering their sex ($p=.437>0.05$), age ($p=.368>0.05$), civil status ($p=.133>0.05$), estimated monthly profit ($p=.287>0.05$), and educational attainment ($p=.231>0.05$). These findings imply that factors such as sex, age, civil status, estimated monthly profit, and educational attainment in terms of manpower do not play a significant role in determining the impact of the online selling industry on physical stores in the fashion industry at the Teodoro Arcenas Trade Center, Roxas City.

Table 7. *Differences in terms manpower considering their sex, age, civil status, estimated monthly profit, and educational attainment.*

	P-value	Significance
Sex	.437	Not Significant
Age	.368	Not Significant
Civil Status	.133	Not Significant
Estimated Monthly Profit	.287	Not Significant
Educational Attainment	.231	Not Significant

Note: $\alpha = 0.05$

DISCUSSION

The survey data reveals that the respondents consist of 35% males and 65% females. Age distribution shows that 65% are aged below 35, 12.5% are aged between 36 to 45, and 22.5% are above 46 years old. In terms of civil status, 52.5% were single, 45% were married, 2.5% are separated, and none are widowed. Regarding monthly profit, 7.5% earn above 31,000K, 35% earn between 21,000K to 30,000K, and 57.5% earn below 20,000K. Educational attainment is diverse, with 2.5% elementary graduates, 52.5% high school graduates, 32.5% college degree holders, and 12.5% with post-graduate education. This summary underscores the dominance of females, younger age groups, single status, lower income brackets, and high school educational attainment within the surveyed population.

The data also shows that the booming online selling industry has extremely affected the number of customers and the monthly profit of business owners of the physical store's fashion industry in Teodoro Arcenas Trade Center, Roxas City. While, it also shows that the booming online selling industry has severely affected the manpower of business owners of the physical store's fashion industry in Teodoro Arcenas Trade Center, Roxas City. The overall data indicates that the fashion industry's physical stores in Teodoro Arcenas Trade Center, Roxas City, are facing substantial challenges due to the rise of online selling

There was no significant difference in the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City such as the number of customers, monthly profit, and manpower considering their sex, age, civil status, estimated monthly profit, and educational attainment. These findings implies that factors such as sex, age, civil status, estimated monthly profit, and educational attainment in terms of number of costumers, monthly profit and manpower do not play a significant role in determining the impact of the online selling industry on physical stores in the fashion industry at the Teodoro Arcenas Trade Center, Roxas City.

5. Conclusions

Based on the gathered data the following conclusions were drawn by the researchers.

1. The business owners' socio-demographic profile reveals a majority of 65% females and 35% males, with 65% aged below 35. Civil status shows 52.5% single and 45% married individuals. Monthly profit distribution includes 7.5% earning above 31,000K, 35% between 21,000K to 30,000K, and 57.5% below 20,000K. Educational attainment varies, from 52.5% high school graduates, 32.5% college degree holders, 12.5% post-graduate education and 2.5% elementary graduates
2. The booming online selling industry has extremely affected the number of customers and the monthly profit of business owners of the physical store's fashion industry in Teodoro Arcenas Trade Center, Roxas City. While, it has severely affected the manpower of business owners of the physical store's fashion industry in Teodoro Arcenas Trade Center, Roxas City.
3. There was no significant difference in the Impact of the Booming Online Selling Industry on Business Owners of the Fashion Industry Physical Stores in Teodoro Arcenas Trade Center, Roxas City such as the number of customers, monthly profit, and manpower considering their sex, age, civil status, estimated monthly profit, and educational attainment.

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