

The Strategic Pillars of building a Living Organism retailer for Self-Sustainability in Digital Transformation era

A case study of Egyptian Retailers

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Abstract:

Now, world system established post World War II - is witnessing radical changes that affected its economic, political and social components either negatively or positively. Firstly, there are negative impacts due to many crises, (e.g., Covid 19 Pandemic, Ukrainian-Russia war, supply chains shortages, and major changes in currency exchange system). On the other hand, the twenty-first century was called a behavioral economic era driven by big-data analysis and digital transformation. It is characterized with artificial intelligence, bio-technology, block chain, smart logistics, and internet of things (IOT). Therefore, the traditional approach of managing retailer as a machine - that needs input to produce output- is unquestionably obsolete. Many retailers face critical problems in creating or preserve a sustainable position in the retail market due to unpredictable business environment, risky competition, shortage in supply chains, and the political instability in many countries. Other retailers have lost their path to sustainability. However, Egyptian retailers - as part of the world retail industry- suffered of many barriers and challenges. They are in deep need to equip themselves with strategic tools to face these radical changes. Therefore, this research provided an innovative agile approach that considers retailer as a living organism that needs to continuously exchange utilities with its ecosystem components and to be fed by advanced innovation. The author suggested five main senses for a retailer to be a living organism. To achieve that, the author used a mix of quantitative and qualitative research approaches- to create an in-depth understanding of the living system characteristics, innovation applications, and managerial approaches. Egyptian's retailers' top managers can use the research's results as a road map to facilitate the utilization and adjustment of these

unique criteria to create what is called a dynamic self-sustainable living organism retailer.

Keywords: Strategy, retailing, living organism, digital transformation and self-sustainability.

الدعائم الإستراتيجية لبناء تاجر التجزئة (الكائن الحي) من أجل الاستدامة الذاتية في عصر التحول الرقمي

دراسة حالة عملية لتجار التجزئة المصريين

الملخص:

يشهد النظام العالمي الآن - والذي تم تأسيسه بعد الحرب العالمية الثانية - تغييرات جذرية أثرت على المكونات الاقتصادية والسياسية والاجتماعية سواء سلبيًا أو إيجابيًا. أولاً ، هناك آثار سلبية بسبب العديد من الأزمات على سبيل المثال (جائحة كوفيد 19 ، والحرب الأوكرانية الروسية ، ونقص سلاسل التوريد ، والتغيرات الرئيسية في نظام صرف العملات). علي الجانب الآخر، أطلق على القرن الحادي والعشرين حقبة الاقتصاد السلوكي مدفوعة بتحليل البيانات الضخمة والتحول الرقمي. تتميز هذه المرحلة بالذكاء الاصطناعي والتكنولوجيا الحيوية وسلسلة الدفع المشفر واللوجستيات الذكية وإنترنت الأشياء (IOT). لذلك ، فإن الأسلوب التقليدي لإدارة بائع التجزئة كآلة - والذي يحتاج إلى مدخلات لإنتاج المخرجات- قد عفا عليه الزمن بلا شك. فالعديد من تجار التجزئة تواجه مشاكل حرجة في إنشاء أو الحفاظ على مركز مستدام في سوق التجزئة بسبب بيئة الأعمال غير المتوقعة والمنافسة المحفوفة بالمخاطر ونقص سلاسل التوريد وعدم الاستقرار السياسي في العديد من البلدان. البعض الآخر من تجار التجزئة فقدوا طريقهم نحو الاستدامة. في كل الأحوال، فقد عانى تجار التجزئة المصريون - كجزء من صناعة التجزئة العالمية- من العديد من المعوقات والتحديات. لذلك فهم في حاجة ماسة إلى إعداد أنفسهم بأدوات استراتيجية لمواجهة هذه التغييرات الجذرية. وبناء عليه فإن هذا البحث قد قدم استراتيجية مبتكرة لاعتبارتاجر التجزئة فيها كائنًا حيًا يحتاج إلى تبادل المنافع باستمرار مع مكونات نظامه البيئي وتغذيته بالابتكارات الحديثة. واقترح المؤلف خمس حواس رئيسية (خصائص رئيسية) لبائع التجزئة ليكون كائنًا حيًا. لتحقيق ذلك ، استخدم المؤلف مزيجًا من مناهج البحث الكمية والنوعية - لإنشاء فهم متعمق لخصائص النظام الحي وتطبيقات الابتكار والأساليب الإدارية. يمكن لمديري بائعي التجزئة المصريين استخدام نتائج البحث كخريطة طريق لتسهيل استخدام وتعديل هذه المعايير الفريدة لإنشاء ما يسمى بائع التجزئة الكائن الحي الديناميكي والمستدام ذاتيًا.

الكلمات المفتاحية: الاستراتيجية، تجارة التجزئة، الكائن الحي ، التحول الرقمي ، الاستدامة الذاتية

1. Introduction:

Now, world system established post World War II - is witnessing dramatic changes that affected its economic, political and social components either negatively or positively. Firstly, there are negative impacts due to many crises, (e.g., Covid 19 Pandemic, Ukrainian-Russia war, supply chain shortages, and major changes in currency exchange system). On the other hand, the twenty-first century was called a behavioral economic era driven by big-data analysis and digital transformation. It is characterized with artificial intelligence, bio-technology, block chain, smart logistics, and internet of things (IOT). Obviously, retail industry represents an essential component of the world economy. In F.Y. 2020 annual sales amount of the retail stores around the world was \$26, 29 trillion and expected to be \$29,446 trillion by the end of F.Y. 2025, (Newswire, 2020). This amount reflects the high potentiality of this market. Meanwhile, the global business milieu has viewed the booming of giant retailers that are searching for self-sustainable competitive advantage, facing massive competition, increase of knowledgeable customers bargaining power and disintermediation. Unfortunately, the retail industry environment –like many other economic sectors- is becoming more and more unpredictable, economically foggy, and globally competitive. This complicated atmosphere permits a massive competition for market share, a pressure of higher costs and lower profit margins, and also forcing utilization of innovation as a survival need. Retailers have many issues (e.g., a decreasing year on year's sales growth as well as online speedily developing distribution channel. The top 200 retailers in the world control 30% of all global retail sales. Local retailers are suffering of the unfair competition. Combining this vast amount of money with the mentioned challenges, enforce Egyptian retailers to discover out-of-the box distinctive capabilities to establish self-sustainable competitive advantage through utilizing creative ideas and advanced technological methods. Traditional retailers that considered themselves as machines that need input to produce about- are turned to be obsolete,(M. Hassanin, 2012).

However, in F.Y. 2019-2020, Egypt's whole sale recorded US\$ 53 Billion and represented 14.5% of the gross domestic product (GDP), (Scene, 2020). Unfortunately, the Egyptian retailers-like many other organizations around the world- are facing many challenges, (M.; Hassanin & Hamada, 2022). On the other hand, artificial intelligence, knowledge sharing, and big-data analysis have created a knowledgeable global customer that needs to be served with innovative global-customized products/services, low prices, and faster delivery. The porter's sacrificing model has been changed, and the global customer refuses to scarify any component of the marketing mix, (M. Hassanin, 2012). Many researchers have proven that depending on sole competitive advantage (e.g., price reduction or traditional promotional offers) has gone and replaced with the dynamic self-sustainable competitive advantage,(Mahmoud Hassanin & Hamada, 2016). Therefore, a new strategy is requested to allow Egyptian retail stores to face the competition and expand its customer loyalty. Therefore, companies are forced to find a dynamic self-sustainable methodology to generate self-motivated capabilities that permit achieving a potential market share, (Dragone et al., 2020). However, a limited number of studies discussed the Egyptian retailers' efforts in facing related barriers and the adaptation of new strategies. Consequently, this research investigated the barriers that hindered the Egyptian retailers of adoption of living organism strategy. So, there were two main research questions of this study:

Q1:“What are the current barriers and challenges that face the Egyptian retailers?”

Q2: “How to adopt a living organism strategy to overcome these investigated barriers?”

Therefore, the researcher used a descriptive analysis approach with a collection of primary- mainly structured survey and secondary data to comprehensively answer these research questions. Also, this study provided a strategic guideline for the Egyptian retailers to create a comprehensive plan to solve the investigated obstacles. The research consisted of a holistic view of the Egyptian retailing industry, analysis of the challenges and barriers, and characteristics of a living organism retailer. These characteristics represent comprehensive strategic pillars Egyptian retailers' top managers to mitigate these observed problems.

2. Retailing Industry in Egypt

Modern hypermarket chains operating in Egypt are approximately twenty one hypermarkets distributed all over the country ranged from local and international brands (e.g., Carrefour, hyper one, Fathallah and metro), (G Naik, 2021). According to (Vasquez & Mohamed, 2015), the retail market in Egypt is a fragmented industry. It has three main categories (e.g., hypermarket, supermarket, and Convenience Stores). Egyptian government has established nine public retailers (e.g. Alex market, Aman stores, national service projects organization stores, and public service organization stores) as a way to achieve prices' equilibrium by offering bulk discounts and less prices,(Mostafa & Elseidi, 2018). Additionally, there are 3,913 supermarket and convince market that demonstrate around 26% of the market-share. However, small traditional grocery retailers have 113,724 stores remain the dominant retail outlet and constitute 76% of the market-share, (Giles & Paulo, 2019). Most of the retailers depend on 80% of local products. At the same time, international retailers have the financial budget to import foreign products. The market is promising due to many reasons. First, Egypt has a population of about 102 million people and expected to double by 2078. The population is currently growing at a rate of 1.94%, a rate that adds about 2 million people to the population every year, (Ministry of Planning and Economic Development, 2021). Second, Egyptian government has established a broad economic developing strategy to make a radical change in many different sectors (e.g., infrastructure, digital transformation, and financial operations. These replenishments permitted many global retailers either to start or to expand their businesses in the Egyptian market. In F.Y. 2019, UAE based golf retailer, Alfuttain investments in Egypt have reached \$2.6 billion, (Nokrashy & Communities, 2019). In F.Y. 2022, they announced a new expansion in Cairo with \$1.5 billion, (HOQUE, 2013). Meanwhile, Egyptian currency devaluation and economic reforms have massively impacted the retail market specifically the fast-moving consumer goods (FMCG) and food retailers. Many retailers have suffered a massive decrease in sales and customers opt to cheaper brands or stopped buying in specific categories, (Scene, 2020). In the meantime, others have focused on weathering the storm by adopting a flexible strategy to shifting consumer preferences during the wide economic hardship, (e.g., innovation,

technological applications, and marketing solutions). These responses have allowed domestic retailers to survive and to be re-connected to retail ecosystem. As a result, there was a decrease in unemployment rate from 10.9% in FY 2018/2019 to 8.6 % in FY 2019/2020, (Scene, 2020). Additionally, in March 2020 covid 19 crisis and obligatory lockdown have hugely affected the Egyptian retail market and caused many financial, sales and logistics problems for the ill sector. Furthermore, The Ukrainian-Russia war has affected the supply chain lines; increase the prices of imported goods increase the cost of goods transportation and insurance and increase the dollar exchange rate. Therefore, there is a need for an innovative strategy that permits this potential sector to overcome these challenges and sustain in the unpredictable environment.

3. Research Methodology

This research used a descriptive analysis approach with a collection of primary and secondary data to comprehensively answer research's questions. In this study, a combination of quantitative -mainly- semi-structured survey and qualitative research methods was used to allow systematic yet flexible analysis and interpretation (M. Hassanin, 2017). The survey method is frequently used to answer who, what, where how much, and how many questions. It tends to be used for exploratory and descriptive research. Surveys are popular because they allow the collection of a large amount of data from a sizeable population in a highly economical way. Using a survey approach should give more control over the research process, and when sampling is employed, it is probably to generate results permitting the representation of the whole population at a lower cost, (Suskie, 1996). Meanwhile, the application of qualitative approach is to answer "why" and "how" propositions and to analyze a contemporary phenomenon (MASON, 2002).

The first main objective of this research is to investigate the barriers and challenges that hinder the development of the Egyptian retailers. Consequently, a survey was done to investigate the Egyptian retailers' barriers and what is missed to adapt to the surrounding risky business environment. Thus, five large retailers in Egypt (e.g., Carrefour, Fathallah, Ragab sons, Kazyon and Metro) were selected as a representative sample of

the population for the study to generalize the results for the population. (Baker, 1995) has defined the benefits to be adjustable to practically every change and to investigate objectives, whether a descriptive or casual design. Besides, it is an essential tool for gathering extensive data. The survey was conducted between December, 2020 and February, 2021. Based on the analysis and the interpretation of the collected data, substantial concepts were recognized and permitted the researcher to provide many recommendations to local retailers based upon a constant comparison of the data.

Regarding the survey, the total number of two hundreds-fifteen questionnaires was sent to 500 participants. A number -of 174 responses- was received with a response rate 34.8%. The study population extracted from a list of top managers and departments' chiefs (e.g., marketing, finance, procurements, sales, I.T., and human resources) in the five mentioned retailers. The analysis of the questionnaire and the interpretations were simple, clear, and logical. Distribution on each of the five retailers was based on accessibility and achieving the research goals. The following table shows the distribution analysis of the total number of questionnaires managed and the percentage degree of responses.

Table1 : Distribution / and collection of the questionnaire

Retailer	Questionnaires Administered	Questionnaires Retrieved	% of Respondents
Metro	95	25	26%
Carrefour	165	47	28%
Fathallah	145	51	35%
Ragab Sons	65	34	52%
Kazyon	30	17	56%
Total	500	174	34.8%

The quantitative data was collected and analyzed via SPSS. This survey was based on semi-structured questions to permit collecting comprehensive answers of the barriers and challenges that face the Egyptian retailers. This analysis was a pre-requisite to the researcher to provide a conceptual

proposal for the living organism model. Meanwhile, the reliability and validity of the survey were based on two methods. The researcher confirmed the appropriateness of the questions to the research by testing them with Cronbach alpha. Statistics confirmed the reliability of all questions with overall average .958 using 48 respondents as per the following table

Table2 : Reliability Statistics

No. of participants	Cronbach's Alpha	No of Items
48	0.958	25

Similarly, the validity for the measurement model was tested using SPSS that mainly tested Q9, 10, 13 in which the Likert scale was used. The analysis revealed the cumulative % was 58.429 as per the following table:

Table3 : Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.753	58.429	58.429	1.753	58.429	58.429
2	0.750	24.989	83.418			
3	0.497	16.582	100.000			

Additionally, for the rest of the questions used in the survey, the researcher used face validity to measure and ensures that the questionnaire was answering the research questions. Face validity has been conducted by three experts to ensure the validity of the questions to achieve the research goals.

The second research method was a qualitative documentation to answer the second research question. The aim is to find the strategic pillars of a living organism retailer. This approach included two giant retailers (e.g., Wal-Mart from USA and Tesco from the U.K.) to use their strategic approach as a benchmark for customization a strategic guideline for Egyptian retailers. The choice of these two retailers was grounded on many facts: Firstly, Wal-Mart is ranked as the biggest company in the world based on sales revenues with \$572.75 Billion (Statista, 2022). It is the biggest employer in the United States of America, with approximately 2.3 million employees. Wall-Mart consists of 11,527 branches in 27 different countries (e.g., the USA, Brazil, India, South Korea, and the United Kingdom), (Wal-Mart, 2021). According to the Fortune Global 500 list in F.Y. 2021, Wall-Mart has been recognized as the most significant global company with the achievement of net sales \$555.23 billion with 8.7% increase in comparison with F.Y. 2020, (Statista, 2022). Wall-Mart commits to utilizing innovation capabilities and resources to advance it-self and enhance society, (Wal-Mart, 2021). Wal-Mart is a pioneer in achieving a self-sustainable competitive advantage based on an innovative strategic approach. Secondly, Tesco is the third biggest retailer in the world measured by profits, (Raqib et al., 2020) and ranked as number seventeen by sales revenues (e.g., \$56.404 billion in 2022), (Statista, 2022). It has branches in 12 countries across Asia and Europe and is the grocery market leader in the U.K. (where it has a market share of around 28.4%), Ireland, Hungary, Malaysia, and Thailand, (Tesco PLC, 2020). This expansion of its attractiveness was successful and witnessed the chain grows from 500 stores in the mid-1990s to 2,500 stores fifteen years later (Altenburg et al., 2016). The reason of choosing Tesco is because it has utilized an innovative strategy to enlarge its market share and establish a robust financial position. In 2020, it established many innovative projects that maximized its market share and increase customer satisfaction. Tesco has adopted the living organism approach successfully, which permits achieving a self-sustainable competitive advantage. The documentation analysis was based on the inspection of retailers' publications to establish: a company profile (e.g., retailer type, purpose, goals, mission, research and development, and organizational culture), current strategy (e.g., leadership, innovation tools, best practices), and current innovative activities.

4. Literature Review

4.1. Living organism organization

Taylor – the father of scientific management- has created the functional image of the organization. Any organization consists of many parts that act together to achieve a specific goal/s. However, this old notion depended on the input-output mechanism. However, the system approach viewed the organization as a connected and integrated purposive system that consists of several business sections, (Zopounidis, C.; Pardalos, 2010). Gibson- the system philosophers- suggested that systems can be categorized in three ways: 1) Conceptual system: any organization consists of individuals, groups, operations, structure, strategy, and decision-makers, (Adolph & Kretch, 2015). These components represent a system that allows the understanding of the role of every single part and its effectiveness internally and externally, (Peterson,1994) in (Dhiman & Marques, 2022). 2) Concrete system: in this system, every single component executes its mentioned task. The organization seeks for required resources from an external broader environment and provides goods and service to the same environment. It is called a utility exchange relationship, (Mahmoud Hassanin & Hamada, 2016). 3) Abstract system: Any organization as a system should be considered as a part of a more extensive system (e.g., industry, company, subsidiary), which is a part of a larger system called the local economy that could be a part of a global economy (Takashi, 2010).

On the other hand, systems could be recognized as a closed system or an open system. The closed system allowed the rise of cybernetics and permitted the application of a group of principles of system control and regulation (Takashi, 2010). It has been realized as the principles of system design that allowed mechanical engineers to design thermostats for air-conditioning units, industrial engineers to control product quality, astronomers to define the behavior of planets, and accountants to design budgetary control systems. These systems can be understood as a return to equilibrium after being disturbed by regulating themselves through feedback information. This concept is called a post-action correction method, (Takashi, 2010).

Based on open system theory, a business organization can be considered as a living organism. It considers the environment, condition, and circumstances, and need nourishment. The concept of living a business organization transcends the simple models of the brain, heart, and soul (Tarride & González, 2014). These models have to be operational and serving the strategic objectives in order to benefit the whole company. So, every single employee, manager, the department has to behave as parts and components of a living organism (Tarride & González, 2014)

According to (Making, 2006) the living organism notion is based on some assumptions that disclose the nature of such organizations. A business organization must be self-produced (e.g., knowledge, technology, management, and strategy), directed by its purposes, goals, and objectives. A business corporation should be created and managed autopoietic-ally (self-produced by itself, evolved internally) as a network of interrelationships and influences (M. Hassanin, 2012). It ought to be developing, evolving, dynamic, changing, growing, multiplying, adapting-through its interactions and influences on its ecosystem, Jackson (1995) in (Dhiman & Marques, 2022). A business corporation must be capable of regeneration, self-renewal, and reproduction, maintaining its identity beyond present members and constituents. A business entity should consider its members as human workers in human communities- not only resources or reserves for externally controlled operations (Zeleny, 2008). Additionally, a business enterprise should be a learning organization that can learn as an entity and through all of its components and partners.

According to (M. Hassanin, 2012), this recent paradigm identified organization through the complicated relationships between its components, which require to collaborate effectively and efficiently to satisfy the biological requirements of the living organization to keep it healthy, able to grow, sustainable, and continually improved. Hawthorne studies conducted in the USA by Mayo (1995) grabbed the attention to the importance of employees' motivation and relationships to achieve organizational goals and success, (Elam, 2010). It has cleared the vision - that works as biological organisms worked for the benefit of the whole body, operate most effectively when they exchange utilities, and their needs are satisfied, (Elbeltagi & Agag, 2016). (Bertalanffy, 1969) advanced the biologist school with the open system theory. This approach considered the

organization as an organism that has a permeable border that allows dual contact with the surrounded environment. An open system has many critiques because it considered an organization consisting of subsystems (e.g., workers, teams, departments, branches, factories). Each subsystem works to guarantee the success of the –whole body- organization. The synergy between the elements, the high level of specialization, and the capability to adjust itself quickly, taking into suitable consideration the situation and requests to execute efficiently, is the way for an organism to survive, (Moorman & Kreitman, 1997) in (Martin, 2019). Also, we can describe healthy organisms, as (Lencioni, 2012) wrote, "*An integrated organization is healthy – when it is consistent and complete when its management, operations, strategy, and culture fit together and make sense*". Organizations' survival in such a perspective becomes a matter of adaptability.

The organization grows changes, adjusts, needs, and can take action. They are just like any other biological entity, except for the fact that they are not biologically determined, and therefore, they may have broader probabilities. (Lencioni, 2012) has defined many obvious signs that point-out organizations' health and wellness (*e.g., minimal ambiguity, a high degree of death and productivity, and very low turnover among good employees.*)

The real added value of the organization lies in the values that they create, share, and build rather than in the production line. It is a fact that a production line can be replicated easily. Still, to survive and create the proper conditions of its survival, an organization needs to capitalize on values and the constant interaction with the environment and the internal subsystems. Therefore, if in the body, such co-operation and inter-communication are mediated and granted by neurotransmitters and complex exchange mechanisms among the parts, so the organization needs to improve practices that enact and mimic such complicated mechanisms, (Maturana, H. ; Varela, 1987).

In such cases, enforcing a strategy that improves the organisms' reflection and exchange where all parts interact, express themselves, share ideas, and visions become a vital exercise to improve the processes that can grant the organization's survival. Any method could be fit to help the organization, given that it takes away the existing tensions using situated

identities that allow a constructive process to take place where people can share, and construct meaning and improve their ability to share ideas and communicate.

Based on Autopoietic theory, retail stores could be observed as a living organism that can learn from past experiences, adapt to changes and uncertainties, and could be a self-sustainable with its co-produced environment, (Zeleny, 2010). At the same time, organisms consider the environment, conditions, and circumstances, and need nourishment. A retailing store ought to be self-produced (e.g., innovation technology, management, and strategy), directed by its purposes, goals, and objectives. A retailing store should be created and managed auto-poetically (self-produced by itself, evolved internally) as a network of interrelationships and influences. It must be developing, evolving, dynamic, can change, grow, multiply, adapt- through its self-interactions and influences on its ecosystem. A retailing store could be capable of regeneration, self-renewal, and reproduction, maintaining its identity beyond present members and constituents (Zopounidis, C.; Pardalos, 2010). A retailing store should consider its members as human workers in human communities- not only resources or reserves for externally controlled operations (M.; Hassanin & Hamada, 2022).

Traditionally, sustainability is defined as the organization's capability to increasingly maximize its return, earnings, and profits to maintain its competent survival or to protect its long-term competitive advantage (Porter, 1998) in (M. Hassanin, 2012). Additionally, Hoffman (2000) in (Lawson & Samson, 2001) mentioned that organization needs innovation to sustain. (Zeleny, 2010) criticized Porter's view of the strategic position and competitive advantage, not self-sustainable without trade-offs. Zeleny –through a simple resource allocation problem based on a linear programming model- confirmed that competitive advantage could be self-sustainable and trade-offs-free. He established that the existence of trade-offs is a sign of inefficiency- not efficiency (Zeleny, 2010). A sustainable organization that depends on external factors (e.g., governmental support, purchasing ideas) can be sustained for long periods. Once this support disappeared, the organization will collapse suddenly like a pile of sand. Based on this point of view, the author agreed with Zeleny's opinion and believed that a retailer's senior managers should look for a long-term

competitive advantage that is based on dynamic self-sustainability, (M. Hassanin, 2012).

Based on the analysis of the literature review, Short-term competitive advantage is dogmatic. The retailer should build its ecosystem as a living organism to co-operate to enrich its capabilities and resources not to compete. It must look for long-term alliances and a self-sustainability. Based on the analysis of the literature review, Short-term competitive advantage is dogmatic. A retailer should build its ecosystem as a living organism to co-operate to enrich its capabilities and resources not to compete. As a result, it must look for long-term alliances and a self-sustainable competitive advantage. A retailer should focus on the adding-value process to serve the global customer well. The global customer is searching for the best quality at the lowest cost and the highest speed. In the sustainability and autopoietic studies, there is a lack of a guideline to define the living organism components and how a retailer achieves this approach.

5. Analysis and Discussion of Barriers in Retailing Industry in Egypt

To answer the research questions, the researcher used the questionnaire that covered the first research question that is “What are the current barriers and challenges that hinder the development of the Egyptian retailers”. The findings are presented in the following order: first, findings that elaborated the demographic classification to the selected sample, second, findings that showed different communication channels between retailers and customers, and third, findings which demonstrated the main barriers and challenges.

5.1. Demographic Classification

In the selected sample, the number of male respondents was 67%, while females were 33%. And this nearly matched the percentage of male to female in Egypt. As per statista’s (2020) updated employment distribution per/sector report, the total number of retailing employees in Egypt in 2020 was about four million employees with a percentage of 13.4% of the total Egyptian employment capacity. Another reason that justified a higher response rate in males than females was that, male employees showed relatively more acceptance towards disclosing barriers

than females, so most of non-respondents were females. Geographic locations of all respondents 174 out of 215 responded with a response rate of 80.9 %. Table 1 illustrates all geographical details.

Table 4: Number of Respondents and Their Locations

<i>Number</i>	<i>City</i>	<i>Number of Respondents</i>
1	Cairo	90
2	Alexandria	50
3	Tanta	10
4	6 October	24

Most of the large hyper markets are mainly located in big cities with high technological access, large financial investment and comfortable infrastructure. Therefore, the geographical areas covered as per Table 4 were four cities (e.g., Cairo, Alexandria, Tanta and 6 of October). High response rate was from Cairo and Alexandria.

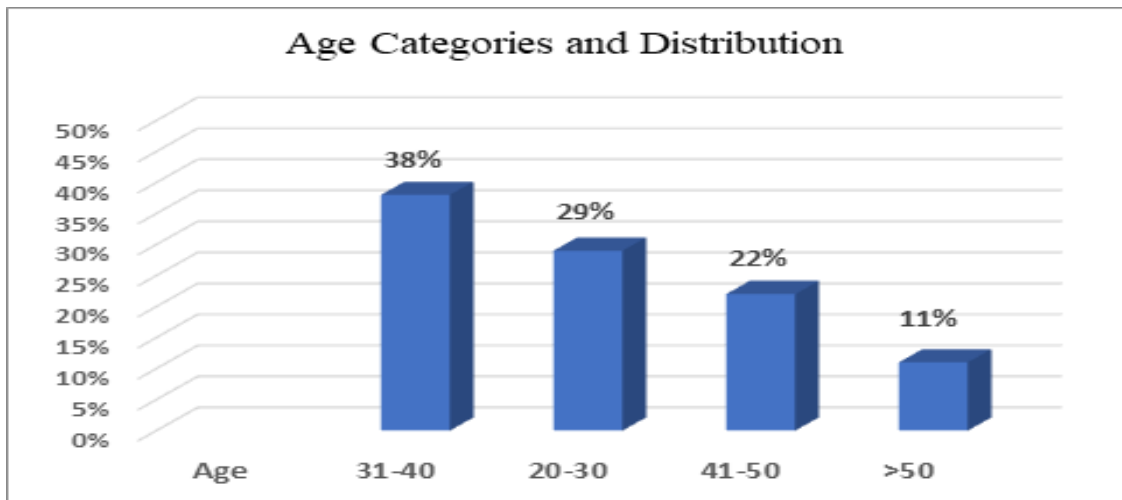


Figure 1: Age Categories and Distribution

The previous figure indicated that all different ages were involved in the survey. However, the highest response rate 38% was from 31 to 40 years of age, which is the average age of most employees in Egypt. Such a high response rate denoted the urgent need of all employees of different ages to the crucial effect of the barriers in retailing performance. In addition, it was

highly important to categorize the participants based on their positions to develop more meaningful analysis of the data. Therefore, the following figure illustrates the categories of respondents and their contributions.

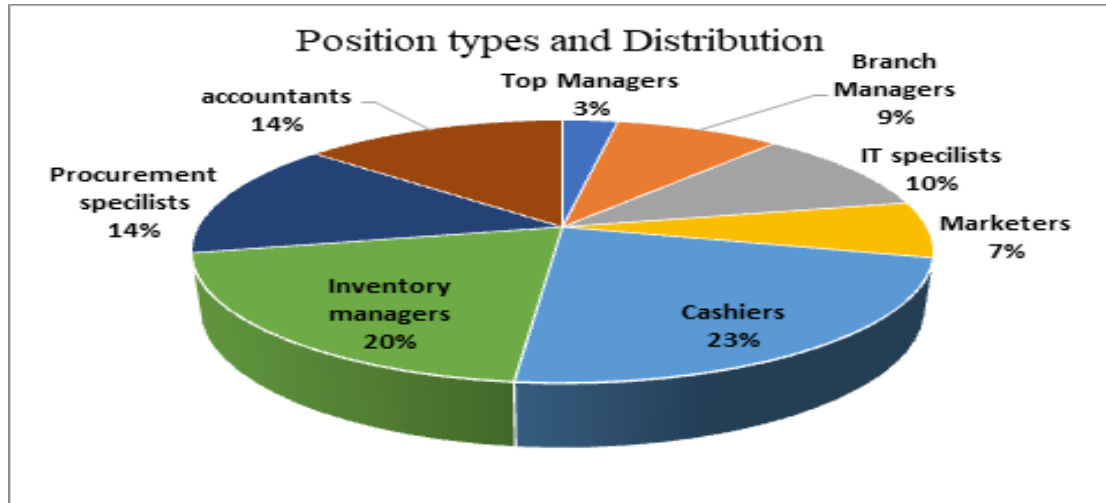


Figure 2: Position types and Distribution

The previous figures demonstrate that the highest contributors were from the cashiers with 23%, followed by the inventory managers with 20%. These two job categories face many challenges with customers and logistics as explained later. The procurement specialists and accountants' contribution was relatively moderate, 14%, and this was justified by the focused job responsibilities they had. Although, IT specialists and branch managers have lower contribution but they add in-depth answers for qualitative questions that highlighted many obstacles that prevent the application of the proposed model. The lowest contribution, 5%, was for top managers who were had limited time. In fact, it is fair to say that top managers' answers revealed significant barriers and challenges that hinder the advancement of the Egyptian retailers.

5.2. Analysis of Barriers in Egyptian Retail Market

These barriers can be categorized based on value chain analysis. The benefits of using this analysis is to break products and services activities to smaller components to comprehensively analyze the nature of the component, the association between parts and places of issues and differentiation. This approach can support organizational strategy to reduce

cost, optimize efforts, and remove waste to increase profitability. This tactic permits the identification of the core competencies responsible for self-sustainability. Therefore, there were nine sets of barriers that prevent the development of a retailer and delay the creation of a competitive advantage. The following (Figure 3) demonstrated the value chain in retail industry.

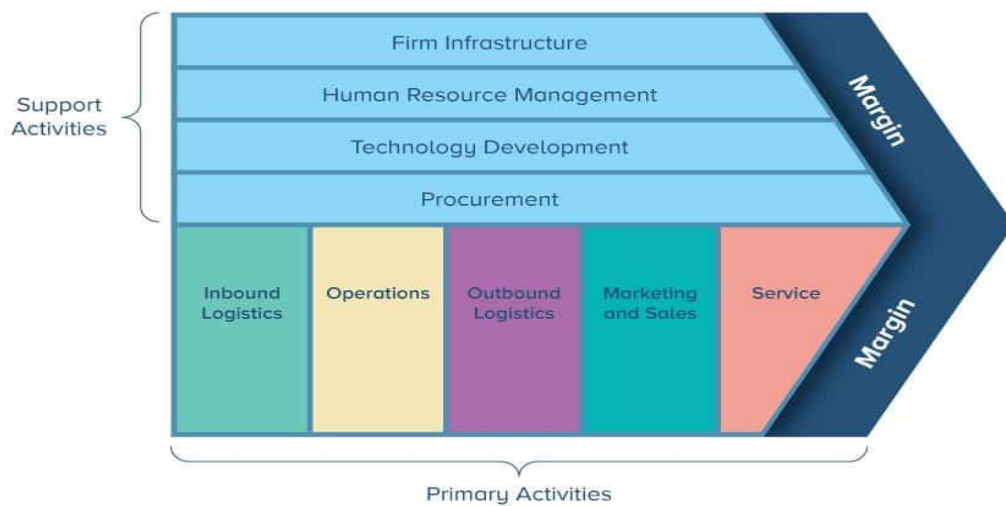


Figure 3: Value Chain Analysis in Retail Industry

5.2.1. Suppliers Barriers

According to Porter, suppliers bargaining power represented a potential effect on building a retailer self-sustainable competitive advantage, (Hassanin, 2012). The success of a retailer is based on establishing a network of suppliers that permit the satisfaction of dynamic and unpredictable customers’ demand. The following (Figure 4) demonstrated the main barriers in suppliers’ network.



Figure 4: Suppliers Challenges

Ukrainian –Russia war and Covid 19 pandemic have vastly affected the distribution channels and supply chain management. 95% of responses chose distribution complications as a massive barrier due to its effect on product shortage, increase prices and losing customer loyalty. A retailer top manager said” wars and supply chain lines cuts can destroy your strategy in one step and cause dramatic loses in different ways. Also, global warming risks (e.g., weather disasters, deforestation, and shrinking agriculture lands) have represented a potential risk for 93% of participants. The success of a retailer management is to maintain the suppliers’ network in an effective condition”. Additionally, inventory and change management demonstrated another barrier for 91% of the participants. It is the process of guaranteeing that the retailer has economic scale of purchases needed by customers. It is a challenge to have the quantity of the purchases that satisfy the customer needs in this unpredictable environment. Increase inventory over the limit can be costly and erode profits and lack of products can destroy customers’ loyalty. However, 90% of participants selected political and legal risks as a potential barrier. It means political instability, wars, governments’ change strikes and riots. Furthermore, legal risks are for example, change in governmental regulations, increase taxes, and change in import/export regulations). However, Relationship management has been chosen by 85% of respondents. It is a systematic approach to assess suppliers’ activities to satisfy retailer’s demand of products and services. It is a costly process, takes time and needs a technological solution.

5.2.2. Operations Management Barriers

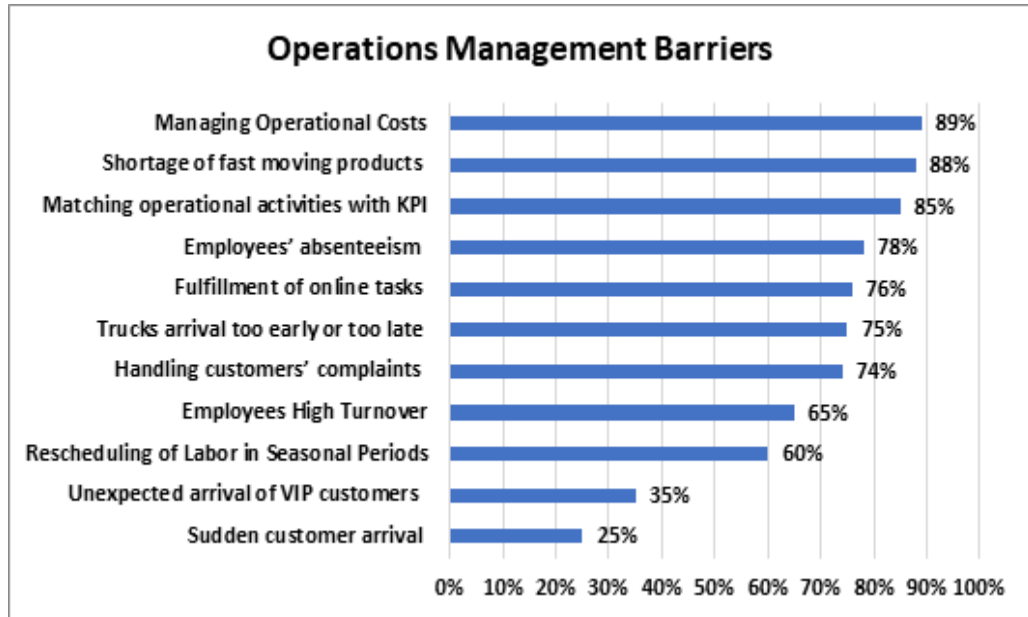


Figure 5: Operations Management Challenges

As shown in (Figure 5), responses are divided into four categories (e.g., potential, high, moderate, and low risks). The first category is potential risks. 89% of the respondent agreed that controlling the cost of on-line or off-line operations (e.g., employees' wages, recruitment, utilities, maintenance, repair, marketing, and logistics) - demonstrated a critical issue. These costs are crucial for running the business and if controlled effectively, it certainly affects the maximization of the retailer's profit. Cost control plays a pivot role in monitoring this behavior. Also, 88% of the participants selected shortage of the fast moving products as a dangerous challenge because of logistics issues and central bank regulations for import and export. Furthermore, 85% of responses chose running a retail store with KPI standards as a potential issue because it needs a harmony between employees' recruitment, managerial style, strategic approach and the suitability of the applied standards. Additionally, the second category is high risks- included three potential types such as: fulfillment of on-line-tasks because of its nature issues and online customers' are in-need to be treated as physical and regular customers. And, dealing with instable schedule of trucks arrival can represent a serious problem for the inventory

management of the store and its consequences could be catastrophic. In addition, handling customers' complaints are critical to the retailer's sustainability if inadequately handled. However, the third category is moderate risks that involved two forms of risks (e.g., employees' high turnover and rescheduling of employees in seasonal periods). Two risks are partially related. In Egyptian high sales seasons, such as: back to school, holy feasts, and Christmas period), the retailer's manager increases the HR capacity to fulfill the raise in demand and the high customers' number. Therefore, they hire more employees specifically, part-timer students. Meanwhile, the small wages and the work's pressures are essential reasons for employees to leave. Managers are in need to enlarge the pool of candidates to select if there is an urgent need. The fourth category is low risks. 35% of responses answered that unexpected arrival of customers specifically in regular days can represent a problem. And, 25% of the participants ensured that the sudden arrival of VIP customers can be a potential issue for managers. These challenges require a high responsible manager to play an essential role in day-to-day activities.

5.2.3. Logistics Barriers

Logistics is an important component of the retailing industry and recently considered as a potential source of creating a competitive advantage. Retailers should consider logistics as the blood supply of the store and to think of it as a comprehensive ecosystem that should cooperate effectively. There are many investments in this industry to advance its tools and to permit the related digital transformation. The following figure (Figure 6) showed the serious issues in this industry.

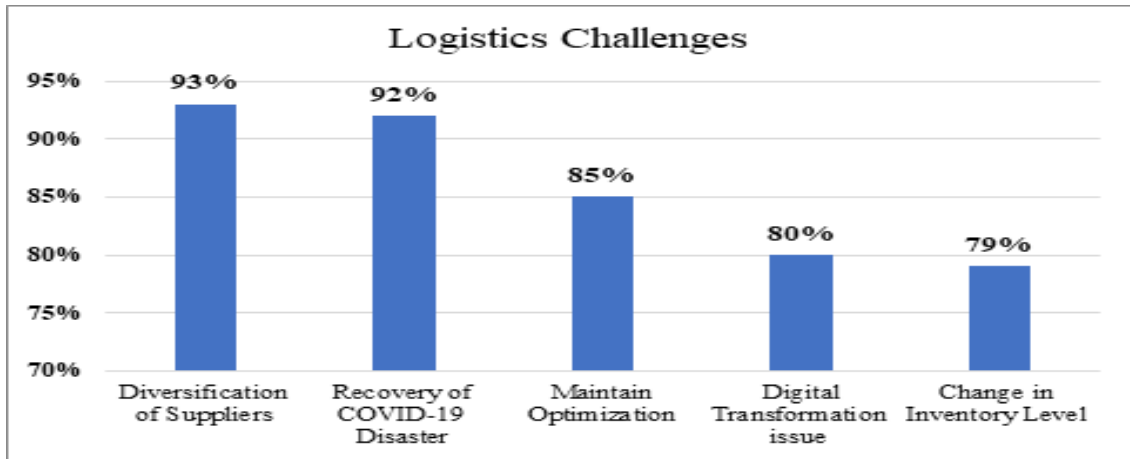


Figure 6: Logistics Challenges

a. **Diversification of Suppliers**

In 2021, many retailers have experienced the side-effect (e.g., high costs, and delays) of depending on only one supplier specifically when Chinese manufacturers closed as a result of lockdown. Therefore, 93 % of the participants selected this issue as a serious challenge because of the related costs, change in routes, delays and the different production standards. This challenge requires the diversification of the sources and to be agile.

b. **Recovery of COVID-19 Disaster**

Radical change after COVID-19 pandemic exposed the catastrophic weaknesses in global supply chains. This disaster questioned the resilience, reliability and the dynamism of the supply chains and the recovery steps of global retailers. These challenges have affected many retailers and cause a lot of changes in this industry. 92% of participants answered this issue as a backbone for the following years.

c. **Maintain Optimization**

Sustainability means staying a life in logistics industry. Consequently, continuous optimization of its components is highly essential to maintain its existence. Therefore, 85% of the participants chose sustaining optimization as a dangerous issue because of many reasons (e.g., its cost, radical changes in this field, bottlenecks' solutions, and the obvious differences between used technologies in many retailers around the world).

d. **Digital Transformation issue**

The COVID 19 crisis has affected many global retailers and thus, it accelerated the digital transformation processes. 80% of the responses selected this problem as a serious issue. Digital transformation is an important requirement for any retailer to collaborate and adopt with unpredictable changes in global business environment. This digitization issue is a challenge because of many reasons such as: cost of technology, lack of specialists, management requirements and continuous updates.

e. **Change in inventory level**

Change in inventory level demonstrated an important risk because it directly affects the inventory management and demand satisfaction. Choosing the economic volume of the order in the right time from the right supplier can affect the store existence. Therefore, 79 % of the participants mentioned this as a serious problem. COVID-19 and the sudden stop of the supply chains represented a challenge for all suppliers and manufacturers and enforced them to think more in practical alternatives. For example, automated inventory management software, background integration, horizontal integration and just-in-time system are essential tools for many cases.

5.2.4. Marketing and Sales Barriers

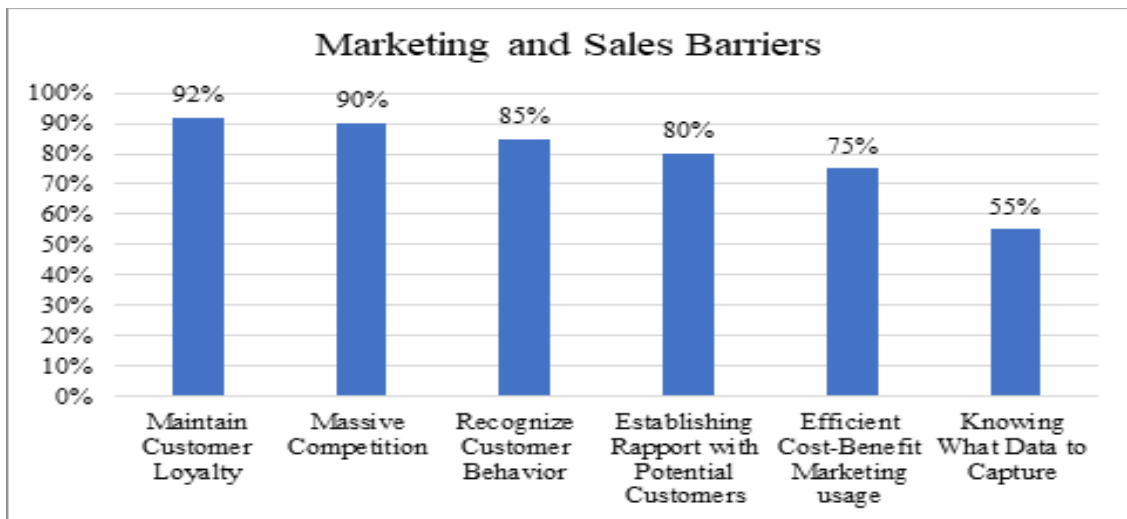


Figure 7: Marketing and Sales Barriers

In Today's data driven environment, Marketing in retail industry is struggling around identity and data due to many reasons. 92% of the participant selected maintaining the customer loyalty is a challenge because customers now have many opportunities and choices. Therefore, using data to forecast preferences and provide more customized product- is a great choice for maintaining loyalty. Additionally, 90% of the responses chose massive competition specifically from online retailers as a threat that can shrink the retailer market share and destroy profit. E-commerce shopping provides customers with a widespread range of choices that can be delivered to their homes. Furthermore, 85% of responses said that recognizing the customer's behavior and gathering suitable amount of data to create a customer's profile needs a lot of efforts and experiences. This customer's single requires a retailer to spend more time in collecting, analyzing and interpreting variety of data used in many platforms to customize a suitable promotional message. In addition, 80% of the participants selected establishing rapport with potential customers as a challenge because massive competition and unethical behavior of many online retailers has affected the customer's trust and loyalty. Also, efficient cost-benefit marketing usage is an additional risk because competitors' marketing plans and the dynamic change in customers' loyalty. Finally, knowing the specific data to capture about your customers is an additional barrier because of the large amount of data that are available and can create an ambiguous data set.

5.2.5. Customer Services Barriers

The bargaining power of customer has never been higher than it is right now because of many reasons (e.g., availability of substitutions, dis-intermediaries, Customer's protection laws, increased number of knowledgeable clients, and radical change in customers' preferences). This customer is willing to buy a good quality product with suitable price in a short time. He / She are no longer able to scarify any of the marketing mix components. This customer will spend a lot of time to seek their acquisitions, shift between brands, and think heavily before being a loyal customer. This means a massive challenge for retailers to satisfy these unpredictable preferences. Consequently, the number of retailers has

increased exponentially to satisfy the raised diversity of demand. Also, the function of the retailer has been transformed from a buying center into a life style satisfaction center. The following figure () represents the most obvious customer barriers

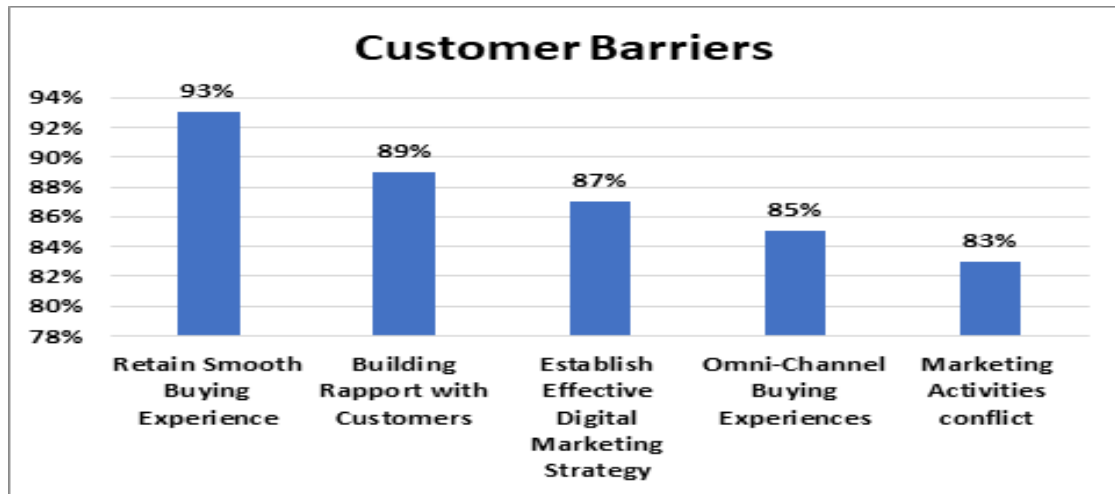


Figure 8: Customer Barriers

The figure (Figure 8) summarized the customers' barriers. The 93% of responses chose retain smooth buying experience as a potential challenge. Customers need to receive the same experience while shifting between online and off-line purchasing. They need to be treated as regular customers in all cases. Additionally, the 89% of responses focused on loyalty as a milestone for the retailer's sustainability. Customers want to feel special and have a customized treatment. Any negative experience will affect the likelihood to repeat a visit. Meanwhile, establishing an effective Digital Marketing strategy was chosen by 87% of the responses. Advanced customer technologies require a potential financial and technical support. Marketing data has increased exponentially from different sources and therefore the cost - of gathering, analysis, and interpreting of this huge data – has enormously increased. Also, promotion strategy if inefficiently used will cost the company a huge amount, affect loyalty and could be a wasting of time. In addition, 85% of the responses highlighted the sustaining of Omni-channel buying experience as a potential barrier. The ability of a retailer to have many alternatives of point of sales and payment methods- is highly important to serve larger number of clients in prompt time. This

choice is costly, requires a radical business process re-engineering and needs qualified staff to assure standardized quality. Finally, 83% of responses chose marketing activities conflict as a clear barrier. Marketing department components if worked as isolated island can damage the main purpose of marketing plan.

5.2.6. Information management system barriers

Information technology and data management represents a highly essential component of the retailer strategy. The information system should continuously create competitive advantages for a retailer to face the surrounding savage competition, support decision making, facilitate operations management, support customers' interactions, evaluate and increase productivity and support strategic initiatives. The following (Figure 9)

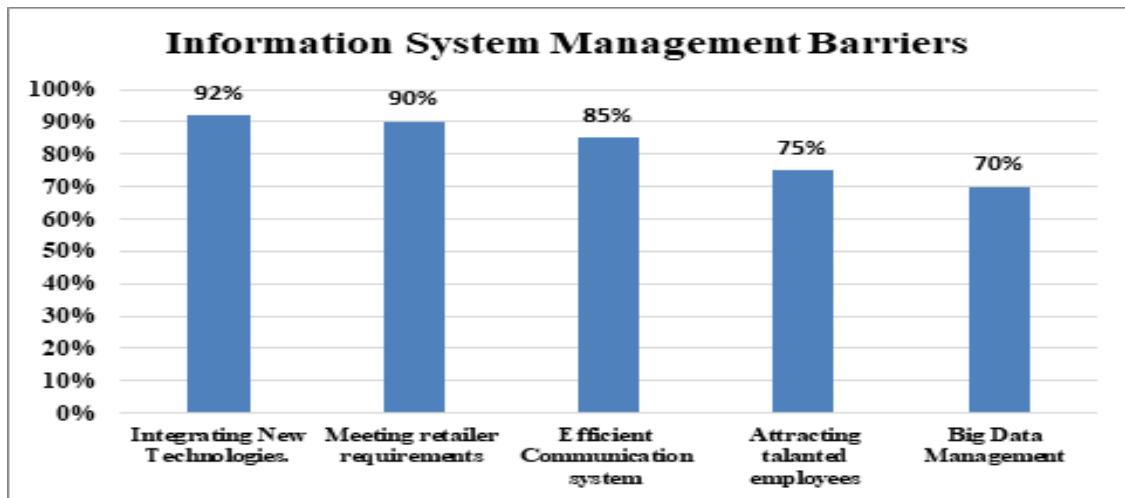


Figure 9: Information System Management Barriers

There are many information system management barriers specifically large scale retails. Many retailers have established an information system to serve the retailer requirements. 92% of responses selected integrating new technologies to the used system as a risky alternative because of technical and financial issues (e.g., Cost, installation, training, maintenance and integration). Also, 90% of the participants chose the optimal information system that can meet the retailer requirements- is another challenge. Additionally, 85% selected inefficient communication system is another

challenge to large retailers with many departments and complex operations and can disrupt the business processes. Furthermore, 75% of the responses selected attracting talented employees is highly hard in Egypt because of the low salary schema and the shortage in information system specialists. Lastly, 70% selected big data management as a massive challenge. Big data challenges could be (e.g., the variety of data sources, data processing challenges and the lack to data science specialists who are capable to interpret this data).

5.2.7. Human Resources Management Barriers

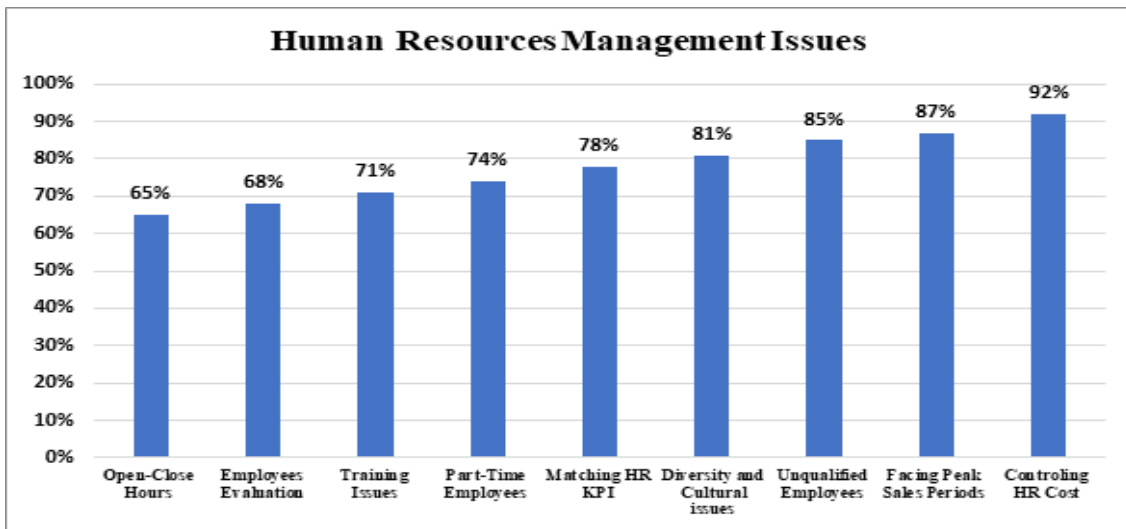


Figure 10: Human Resources Management Issues

Human resources management is one of the essential departments in any retailer. In Egypt, retailers face many barriers. 92% of responses selected controlling HR cost that related to high turnover and training in this industry. 87% of the participants mentioned facing peak time as a major problem specifically in seasonal periods. 85% of the responses selected unqualified employees as a major issue precisely in core departments (e.g., inventory, IT and finance). 78% of responses chose diversity and cultural issues as a reason to affect performance and increase training cost. Part-time employees represented another problem for the retailer-according to 74% of the responses because they are temporary employees and their

sudden disappearance can create a disaster. 71% of the participants mentioned training issues as a result of the desire to shorten the retailer's cost and 68% of the responses selected employees' evaluation can be a serious problem due to lack of KPIs that leads to supervisors' bias as a result of lack of training and cultural differences. Lastly, open-close hours represented for 65% of the responses a problem in seasons such as: holly feasts, Christmas and back to school occasions.

5.2.8. Innovation and Retailer Infrastructure Barriers

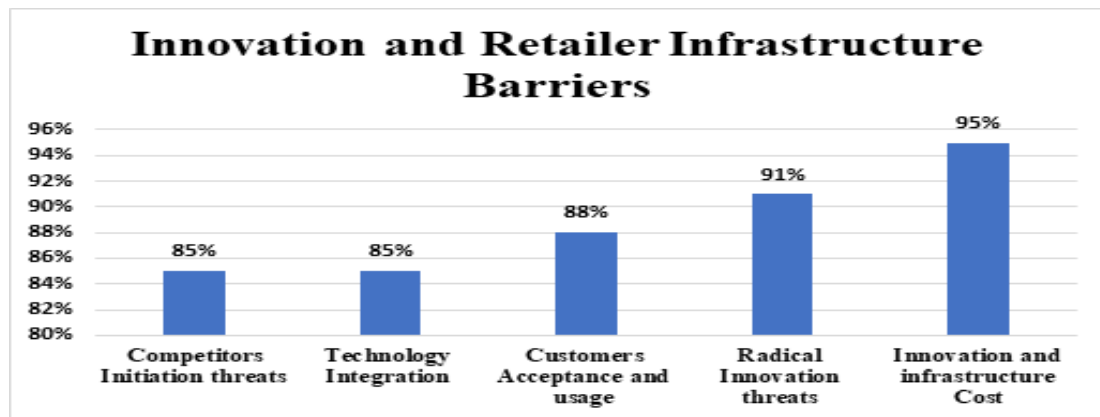


Figure 11: Innovation and Retailer Infrastructure Barriers

Innovation and the retailer infrastructure can create a competitive advantage and maintain sustainability. Although many retailers have established a well-built infrastructure based on innovative technology, there are many retailers who struggle to cope with the rapid developmental change in retailing field. Analysis showed that innovation and infrastructure barriers are interconnected and dependable on each other's. 95% of the responses selected innovation and infrastructure cost as a major barrier that hinders the progress of the retail stores. 91% of responses selected radical innovation threats as a major risk. Obsolescence is a hazard because of the technological short durability and the cost of change. Additionally, customers are looking for maximizing the benefits and could be easily attracted by advanced technology and welfare infrastructure. 85% of the responses selected customers' acceptance of the innovation and advanced technology as a determinate of the successful implementation of

this infrastructure. Finally, 85% of the responses chose competitors- specifically global retailers- innovative activities as a serious risk because many Egyptian retailers lack to the adequate financial resources and technical support to adopt the up-to-date technologies.

5.2.9. Financial Management Barriers

There are many activities associated with the financial management of a retailer (e.g., budgeting, forecasting, profit planning, pricing system, financial leverage, assets management, and optimization of resource allocation). Implementation of these mentioned activities can be difficult specifically in this unpredictable filled with competitive harshness.

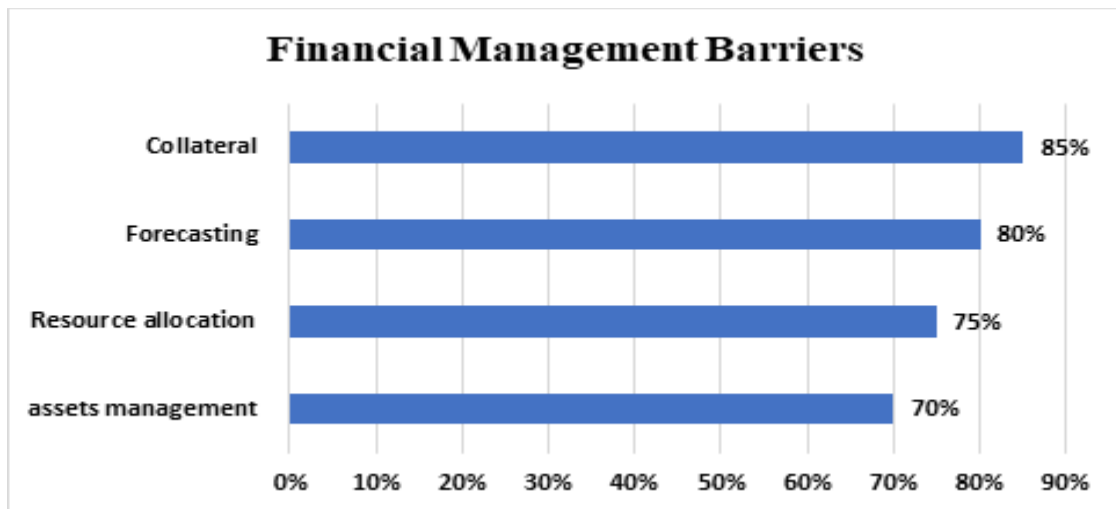


Figure 12: Financial Management Barriers

According to 85% of the responses, collateral represented a serious problem for retailers. Finding loans to run the business operations is highly important for all businesses. Banking system in Egypt is developed and can support but the interest rate is high. 80% of the participants mentioned forecasting of the financial budgeting is a major risk because of the sever malleability and unpredictability of the business environment. Also, resource allocation for 75% of the responses is another issue because in many cases the difficulty of west control and the mistakes of unqualified employees. 70% of the responses selected assets management as additional example of major financial barriers. Looking for additional investment to

increase wealth, profit and market share is a risky task that can damage the brand name or affect the decision making of the retailer.

6. The Pillars of the living organism retailer

The author suggested the following strategic approach that consists of five pillars for a retail store. The goal is to solve the mentioned problems and to create and maintain its self-sustainability competitive advantage. These pillars permit a retailer and its ecosystem's components to do the following: 1) generate added-value successfully via continuously improving processes, 2) think for long-term- when faced with a challenge, step back to look at the whole rather than just the present 'small' slice of history. The following figure shows the pillars of a dynamic self-sustainable competitive advantage.



Figure 13: Pillars of the Living Organism Retailer

6.1. Self-Development

A retailer as a living system searches for preserving its identity; meanwhile, it can be adopted to change when faced with risk (Hassanin, 2012). Retailers that actively engage with their surrounding environment – can support the renewal of capabilities and self-sustainability (Zeleny, 2007). No organization works as an isolated island and all are parts of a network (Hassanin, 2018). The Egyptian retailer should create an accumulated

resources profile nourished from many different innovation sources. This tactic must be based on the innovation of the retailer ecosystem's stakeholders. This approach permits the retailer to enrich its innovation pool with multidisciplinary innovation that can be a problem solver for many of the mentioned barriers, (Chesbrough, 2006). It means that innovation should be simple but built in a hidden and complicated ways that prevent other competitors from transferring this knowledge. This retailer resources profile has to improve the efficiency, effectiveness, and adaptability of resources' utilization to create and maintain a self-sustainable competitive advantage. This approach has to be flexible enough to be adjusted to global and environmental barriers and able to achieve success now and in the future. For example, wall-mart has developed a patent of a shopping game that is based on augmented reality to create a pleasant shopping experience for parents and their young children. The game allows the parents to create a shopping list and forward it to the children to buy. The parents can monitor their children through a mobile device. Children also can score points by going around and select specified items. Based on the scored points, they can receive gifts and free games. This approach has its restriction and rules to allow monitoring children, specify the weight allowed and controlling the children movements inside the store, (Wal-Mart patent, 2017). Meanwhile, Tesco utilized video analytics to standardize its automated refill activities for shelves further. Installed video cameras inside its thirty stores, Tesco can periodically combine these pictures with taken pictures of a point of sale (POS) data, to optimize the forecasting of inventory levels.

6.2. Adjustability

According to a dynamic capabilities approach, a retailer has to arrange, adjust, and reconfigure its resources' profile overtime (Teece et al., 1997). In other words, a retailer requires performing four kinds of activities: (e.g., resource picking, capability building, bonding all together to achieve synergy and reviewing and changing this profile when necessary to face challenges), (Hassanin, 2012). For instance, in 2012, Tesco installed Global Electronic Article Surveillance (EAS) across the U.K. in more than 900 locations to save 75% of energy from reducing operational costs and carbon footprint, (Tesco, 2014). Also, Wall-mart has started a bio-metric program to measure the level of customers' dissatisfaction, such as face

recognition, heart rate, blood pressure, and body gestures and movements. Once the dissatisfaction of customers ranges at a pre-defined level, or there are a certain number of angry customers, supplementary employees may be directed to an area to assist customers (wall-mart, 2015). This system can retain customers, take proactive activities to prevent dissatisfied customers, and re-attract lost customers because of dissatisfaction. On the other hand, Tesco provides a drive-through service with a significant collection of points to permit customers to gather pre-ordered baskets without leaving their cars. This system is a powerful advertising technique and cost-saving. Wall-mart has utilized a system to monitor the spill of materials by using cameras. The system is advanced and complex enough to specify the precise nature of the spill, either it is a liquid spill or solid matter. This system can be a cost-efficient tool to reduce employees' costs, (Wal-Mart, 2014). Tesco also has decided to reduce energy consumption and associated costs and participate in British energy security and resource efficiency by decreasing carbon dioxide emissions. Tesco omitted 5.7 million tons of carbon dioxide in 2012 and planned to become a zero-carbon dioxide company by 2050, (Tesco, 2015).

6.3. Collaboration

They are the bloodline of a retailer. Informal relationships are often more effective than the formal structure in getting things done. It explains how a retailer textures together its different parts (assets, functions), which make it unique and impact its effectiveness and sustainability (Bosch, 2005). Tesco shared its vision with its partners to maintain a coherent relationship between retailers and its network. For instance, Tesco has developed a system to allow the vendors to access the aggregated Point of Sale (POS) and a related loyalty card for free (Tesco, 2015). Wall-Mart, to achieve its self-sustainable competitive advantage- has developed a new type of partnership called sustainable value networks. It depends on non-profit networking members who can support the giant retailer to discover profitable methods to handle environmental problems (e.g., fishery depletion, climate change and decrease pollution), in exchange for the benefits gained from the co-operation with the large scale of Wal-Mart's operations. Additionally, Wall-mart has partnered with the Marine Stewardship Council to prevent additional depletion of fish stocks and to

use sustainable-certified fishing practices (Wal-Mart, 2015). Meanwhile, Wal-Mart has participated with the Organic Trade Association and Organic Exchange to adopt the U.S. Department of Agriculture standards to grow organic cotton. Wal-Mart tried to guarantee to certify every single component practices of its supply chain to be organic (Wal-Mart, 2016). In an interview with McMillon D., president, and chief executive officer of Wal-Mart Stores, he explained that Wal-Mart and its partners have recognized that co-operation is a golden key to maintain sustainability and provide an optimal solution to all customers. He added that sustainability starts from creating a system that permits the transferability of one supply chain to another. It is about how products are made, grown, transferred, and sold. Therefore, Wal-Mart, with Procter & Gamble, has broadcasted an agreement to reduce 25% of water per unit for all liquid laundry detergent, (Wal-Mart, 2016).

6.4. Connectivity

Retailer's connectivity means continuously interacting with the surrounding environment to exchange utilities. A retailer can simultaneously change itself and the related ecosystem in a harmonizing method. Any retailer efficiency can be evaluated based on the effectiveness of its network and the association between its ecosystem components (e.g., Suppliers, customers, employees, managers, and competitors). A retailer can use the open innovation approach to bring new ways to do things. Self-sustainability requires a retailer to build, improve, maintain, and expand its communications and suitable actions between its components. Wal-Mart CEO has joined many global corporations' top managers to sign a commitment that accelerates innovation in sustainable agriculture and recycling. They established a recycling initiative named the Closed Loop Fund, intending to make recycling available to all society, (Wal-Mart Annual Report, 2018).

Additionally, in this agreement, eight of the giant foods companies have announced initiation to support ensure that the future's food is affordable and sustainable for the whole plant's population by 2050. Moreover, Wal-Mart is using smart shelves that permit the accurate calculation of the inventory based on customer selection. This information is available to Wal-Mart partners for free (Hassanin, 2017). On the other hand, Tesco prepared a system to allow its vendors to have a more responsive supply

chain to shorten the transportation time. Additionally, Tesco Connect and Tesco Link are systems that allowed vendors to use to evaluate their performance to effectively improve and correct their mistakes at once (Hassanin, 2012). Similarly, vendors have access to a Tesco sales system that permits forecasting sales, discounts will be applied, and how it will be featured in store-by-store. Tesco also has participated jointly with its suppliers to develop one style of try and trolley to create the harmonized look and decrease inefficiencies, (Tesco Report, 2018).

6.5. Result-Orientation

A retailer should utilize the opportunity cost method in every single decision-making process to ensure the result-orientation. Self-sustainability depends on feeding the market with new innovative products and services to maximize customer satisfaction to maintain its profits and existing for a long-time. The global customer is looking for the best quality at the lowest cost delivered fast (Hassanin, 2017). Achieving this combination is an essential condition for obtaining a self-sustainable competitive advantage. Wal-Mart has shortened the time of transportation by using a logistic practice called - cross-docking system. This system allows the direct transfer of products from inbound to outbound truck retailers without extra storage. The Cross-docking system reduces inventory cost, transportation time, and eliminates inefficiencies (Wal-Mart, 2018). Wal-Mart was the first company in the world to implement a Universal Product Code bar code by which all information in store-level is immediately gathered through a global satellite system and then analyzed with excellent big-data analytical tools to forecast the demand of the customers and transferred at once to suppliers' distribution centers. On the other hand, Tesco has a potential concern with green society. To ensure the reduction of the truck's emission and reduce the cost of transportation, Tesco has used front-haul trucking that prevents vehicles from not to travel empty after delivering its load to Tesco and use them to deliver orders to other Tesco's stores, (Tesco, 2015). Tesco also uses Group Ordering System (GOS) developed by Oracle in 2012 to support retailers to maintain fewer inventory levels. Tesco used (GOS) to have an optimal prediction of fresh food by feeding the system with pre-calculated acceptable waste level to permit the optimal Economic order quantity. This application has reduced food waste in stores.

Conclusion

Living organism strategy in retail management is a potential empowering source that creates distinctive competencies and dynamic capabilities to maintain Egyptian retailers' self- sustainability. Therefore, Egyptian retailers should adopt this robust strategy for many advantages. Unfortunately, there are many obstacles that hinder the survival of the Egyptian retailers. Therefore, this research tried to discover the most shared barriers and their reasons. This study depended on a descriptive analysis – mainly a combination of qualitative and quantitative approaches to answer the two main research questions. Consequently, an in-depth analysis of the survey revealed nine supply chain sets of barriers. Additionally, this study answered the second research's question by introducing a comprehensive guideline to Egyptian local retailers to discover these barriers and to create an advanced strategy. This research provided a comprehensive methodology for Egyptian retailers' top managers to overcome the mentioned barriers and to advance their stores activities.

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