ABSTRACT

The Indian retail market is going through a revolution. Increasing urban demographics, rapid development of shopping malls, emerging breed of brand conscious consumers, and various influences from the western world are changing the face of the Indian retail industry. Investment in the retail sector is estimated at US$400-500 million in 2006 and it’s estimated to grow to US$4 billion by the end of 2010. The increased spending on clothing may be driven by the new comfort level with the use of credit cards. About 45 per cent of the credit card spending is contributed by shopping for clothing. In comparison, internationally, only 28 per cent respondents went shopping for entertainment while 26 per cent did not. In every way, the Indian consumer is ready for new retail formats, new brands and new price points.

Increase in disposable income of the Indian middle class, growth in private consumer spending, growing working women population, adoption of nuclear family culture, baby boomer effect, growth in urban population, plastic money becoming a greater pie of credit, internet driving awareness and online purchases, increasing technology are the demand side drivers in the apparel retail market in India. The retailers or supply-side drivers like Increased investment in retail, growth of modern retail in Tier II & III cities are the success of their business. It is highly imperative to analyze their strength, weaknesses, opportunities and threats initially. It is equally important to examine the consumers’ behavior in the retail market. In order to provide some basic tips to the retailers, the present study has made an attempt to examine the retailers and consumers’ view on the apparel retailing in Tamil Nadu. The Indian consumers expect a standardized retail service quality from their retailers. The domestic retailers are struggling to survive in the apparel market because of their lacking in capital resources, the brand diversity, and lack of supply chains and logistics. The large retailers are eating the small retailers in the apparel retailing gradually.
In the process of study the objectives are pre determined. The methodology has been designed to fulfill the objectives for the study, research design, sampling procedure and sample size, method of data collection, framework of analysis and limitations.

For analyzing the data collected during the investigation, the following statistical values were used according to the relevance of its application.


The present study concludes that the marketers in apparel market are moderate in their implementation of marketing strategies and practices whereas it is very poor among the small retailers. Even though, the problems are highly perceived by the retailers, there is a higher opportunity for apparel retailing in the study area. The performance of the large retailers is better than the small retailers. There is a significant positive impact of implementation of marketing strategies and policies on the marketing performance of the retailers. Hence the study conclude that if the apparel retailing is done at a large scale, their level of performance may be enriched.

The study on the consumer behaviour in apparel retailing reveals that the significantly influencing factors on their purchase intention are need for uniqueness, clothing interest, and perceived quality. The important store choice factors among the consumers are ambience and facilities, brand spread, specialty outlet and parking facilities. The consumers in large retailing are giving more weight age on these factors compared to other consumers. Regarding the retail service quality factors, the negative service quality gap is seen among all groups of consumers. Their level of perception retail service quality is not up to their level of expectation in apparel retailing. The
perception on retail service quality has a significant positive impact on consumers’ satisfaction. But regarding the consumers loyalty, there is no significant direct impact of retail service quality. But the indirect impact of retail service quality on consumers’ loyalty is found. Based on these findings related to study among retailers and consumers, the study conclude that there is better scope for apparel retailing in India if the retailers are enriching their service quality up to the expectation of their consumers.

It is advised to train the small and medium retailers to enrich their level of implementation of marketing strategies and practices with the help of their retailers association.

The problems in apparel retailing are higher among the small and medium retailers than among the large retailers. But the problem of taxation is slowly increasing when their turnover is increasing. Hence, the Taxation authority is advised to remove the problems related to taxation in the apparel retailing. The other problems in apparel retailing may be solved with the help of proper training to the retailers and appropriate encouragement by the state and central governments can be provided.

Since the large retailers’ are perceiving that the opportunities for apparel retailing is higher than the challenges in it, the large retailers still more motivated to do better than at present. At the same time, the small and medium retailers perceive more on challenges than the opportunities; they should be properly guided by the traders association and also the large retailers in the apparel market.