CHAPTER VI
SUMMARY OF FINDINGS, SUGGESTIONS
AND CONCLUSION

6.1. Introduction

The Indian retail sector is now among the top five fastest growing markets globally and is witnessing a huge revamping exercise as traditional markets make way for next formats such as departmental stores, hypermarkets, supermarkets and specialty stores. Retail industry in India, contributing over 10 per cent to the country’s GDP and accounting for around 8 per cent of the employment, is the largest among all the industries. Over the years, it has come forth as one of the most dynamic and fast paced industries. The retail industry in India is hailed as a sunrise sector, and is estimated to double in value from US$ 411.28 billion in 2011 to US$ 804.06 billion by 2015. Corporate retailing is a new phenomenon in India, and is still in the process of finding its feet in terms of location, size, format, product ranges, and segment targeting. Indian retail is still dominated by a large number of unorganized small retailers consisting of the local kirana shops, paan and beedi shops, hand-cart hawkers, pavement vendors, etc. Even today about 93 per cent of retail trade is run by the unorganized retailers and only about 7 per cent of retail trade is organized. In the coming years both unorganized and organized retail will see a massive scaling up of their activities and are set to achieve rapid and sustained growth. Large
retailers feel that bigger outlets are good for the country and stakeholders like farmers, vendors, small retailers or consumers. But all stakeholders except the consumers feel otherwise. The study conducted by the Indian Council for Research on International Economic Relations concluded the growth of organized retail headed by large corporations does not significantly impact small mom and pop retailers. In spite of this indifference, traditional retailers are making efforts to face stiff competition from organized retailers.

In this context the present study was conducted in Kerala to analyze the impact of corporate retailing on consumers and small traders with the sample size of 450 consumers and 225 small traders. The research was originally sparked off by research objectives, which led to the hypotheses outlined about the perception of the consumers and small traders towards corporate retailing, and the methodology followed is described in Chapter I. The reviews of previous studies are presented in Chapter II. A brief explanation of the corporate retailing and the profile of select corporate retailers are discussed in Chapter III. The association between demographic variables and satisfaction of the consumers towards working of corporate retail outlets, factors influencing them to prefer corporate retail outlets, their perception towards various operations of the corporate retail outlets and impact of corporate retail outlets on consumers are discussed in Chapter IV. The demographic and business profiles of the small traders, their perception
towards various attributes of corporate retail outlets, impact of corporate retail outlets on their business operations, relationship between demographic and business profiles of the respondents and their acceptance towards impact of corporate retail outlets, and coping strategies are discussed in Chapter V. In Chapter VI, the main findings emerging from the study are summarized, recommendations are made and scope for the future studies is outlined.

6.2. Findings

The findings of the study are given under two heads, namely perception of the consumers and perception of the small traders.

6.2.1. Perception of the Consumers

1. Out of 450 respondents, 55.33 per cent are male and 44.67 per cent are female. The predominant age group of the respondents is (33.56 per cent) upto 25 years. A good majority of the remaining respondents (24.22 per cent) are dispersed in the age group 26-35 years. 10.44%, 17.78% and 14% of the respondents are dispersed in the age group 36-45 years, 46-55 years and above 55 years respectively.

2. The predominant literacy group (26.67 per cent) of the respondents has Diploma/ITI qualification. 13.56%, 6.44%, and 8.89% of the respondents are having primary education, SSLC and H.Sc
qualifications respectively. 22.89 per cent of the respondents are graduates and 21.56 per cent have postgraduation and above qualifications.

3. 33.11 per cent of the respondents are businessmen, 17.33 per cent are employed, 23.78 per cent are professionals, 17.11 per cent are students, and 8.67 per cent of the respondents are housewives.

4. Out of 450 respondents, 34.44%, 23.33% and 10.89% of the respondents are dispersed in the monthly household income range upto Rs.15000, Rs.15001-25000 and Rs.25001-35000 respectively. 16.89% and 14.44% of the respondents are dispersed in the monthly household income range of Rs.35001-45000 and above Rs.45000 respectively.

5. 29.33 per cent of the respondents have family members 1 and 2, 19.56 per cent have 3 and 4 family members, 32.22 per cent have 5 and 6 family members and 18.89 per cent of the respondents have 7 and above family members.

6. Out of 450 respondents, 56.67 per cent of the respondents belong to nuclear family pattern and 43.33 per cent of the respondents belong to joint family pattern. Out of 450 respondents, 58.67 per cent are married and 41.33 per cent of the respondents are unmarried.
7. Out of 450 respondents, 38%, 26.22% and 35.78% of the respondents belong to Hindu, Muslim and Christian religions respectively. 150 consumers each from Reliance Fresh, Megamart and Himalaya Drug retail outlets were selected for this study. 33.33%, 33.33% and 33.33% of the respondents belong to Calicut Corporation, Cochin Corporation and Trivandrum Corporation respectively.

8. Price, quality of products, one stop shopping and customer relationship are the factors influencing the respondents to prefer corporate retail outlets at 21.33%, 24%, 27.56% and 36% respectively. 44%, 48.22%, 50% and 53.78% of the respondents prefer corporate retail outlets because of service quality, availability of more brands, more variants and freedom in choosing brands respectively.

9. Respondents ranging from 36 per cent to 48.22 per cent are aware of corporate retail outlets through newspapers and magazines; notices, pamphlets and leaflets; posters, banners and hoardings; and advertisements in radio. 54%, 57.11% and 59.78% of the respondents are aware of corporate retail outlets with the help of advertisements in television; internet; and friends, neighbours and relatives respectively.

10. Out of 450 respondents, 37.56 per cent of the respondents belong to less than 3 km distance from the corporate retail outlets. 27.33 per cent and 22.67 per cent of the respondents belong to 3 km to 6 km distance
and 6 km to 9 km distance respectively from the corporate retail outlets. 12.44 per cent of the respondents belong to above 9 km distance from the corporate retail outlets.

11. 6.89 per cent of the respondents purchase products at corporate retail outlets by alone. 21.11 per cent and 13.78 per cent of the respondents purchase products by companions with their spouse and children respectively. Parents, siblings, and friends/neighbours are the companions of the sample consumers for the purchase of products in the corporate retail outlets at 12.67%, 9.56% and 8.22% respectively.

12. 7.78 per cent of the respondents purchase products at corporate retail outlets by companions with their whole family. Out of 450 respondents, 6.22 per cent walk, 8.67 per cent of the respondents are using bicycle, 22.67 per cent are using bus/public transport, 13.33 per cent are using auto, 20.88 per cent are using car and 28.22 per cent of the respondents are using scooter/motor cycle for purchase at corporate retail outlets in Kerala.

13. There is no significant association between the satisfaction levels of the respondents belonging to different genders, age groups, educational status groups, occupations, monthly household income groups and different corporate retail outlets towards working of corporate retail outlets in Kerala.
14. Female respondents, respondents in the age groups 46-55 years, respondents having primary education, students, respondents who have monthly household income Rs.15001-25000 and consumers of Reliance Fresh are highly satisfied with the working of corporate retail outlets in Kerala.

15. There has been a low degree of correlation (0.052) between the personal variables and satisfaction with the working of corporate retail outlets. The R square indicates that 0.30 per cent of variation in satisfaction towards working of corporate retail outlets is explained by all personal variables taken together. The F value indicates that the multiple correlation coefficients are not significant. Gender, age, educational status, and monthly household income have no significant effect on the respondents’ satisfaction with the working of corporate retail outlets in Kerala.

16. There exists a significant difference in the average amount spent per purchase in the unorganized food and grocery store and Reliance Fresh retail outlet. The consumers spent on an average of Rs.344.38 as extra while purchasing at Reliance Fresh retail outlet in Kerala.

17. A significant difference is found between average amount spent per purchase in the unorganized fashion and accessories store and
Megamart retail outlet. The consumers saved, on an average, Rs.327.03 while purchasing at Megamart retail outlet in Kerala.

18. There is no significant difference in the average amount spent per purchase in the unorganized medical store and Himalaya Drug. The consumers saved, on an average, Rs.7.09 while purchasing at Himalaya Drug in Kerala.

19. There is no significant relationship among the respondents belonging to different genders, age groups, educational status groups, monthly household income groups, occupations and retail outlets towards the impact of corporate retail outlets in Kerala.

20. Male respondents, respondents in the age group 46-55 years, respondents having Diploma/ITI qualification, respondents belonging to monthly household income upto Rs.15000, students and consumers of Megamart have higher acceptance level towards the impact of corporate retail outlets in Kerala.

21. There exists consistency in the acceptance level of male respondents, respondents belonging to 36-45 years, respondents who have degree qualification, respondents who have a monthly household income of above Rs.45000, employed category and consumers of Megamart towards the impact of corporate retail outlets in Kerala.
22. There has been a low degree of correlation (0.061) between the personal variables and acceptance with the impact of corporate retail outlets. The R square indicates that 0.40 per cent of variation in acceptance towards the impact of corporate retail outlets is explained by all personal variables taken together. The F value indicates that the multiple correlation coefficients are not significant. Gender, age, educational status, and monthly household income have no significant effect on the respondents’ acceptance towards the impact of corporate retail outlets in Kerala.

23. In regards to various criteria that contribute to the impact of corporate retail outlets, the majority of the respondents (40.88%) partially agree, followed by agree (33.78%) and disagree (25.33%). The average acceptance score reveals that the respondents have higher acceptance (2.20) towards the role of corporate retail outlets in increasing the social status of the consumers, followed by its role in saving customers’ time (2.14). In case of saving money, the respondents have lower acceptance level towards corporate retail outlets (2.01).

24. The result of factor analysis technique is applied in this study to find out the underlying dimensions in the set of statements relating to the level of acceptance towards various operations of the corporate retail outlets. The 50 variables in the data were reduced to 9 factor model, which include shopping environment, product range, customer
orientation, accessibility, product navigation, schemes and offers, compliant management, attitude of sales persons and entertainment.

25. Out of 450 respondents, majority of the respondents indicate that they agree (56.89%) with the shopping environment at the corporate retail outlets, followed closely by neither agree nor disagree (19.11%) and strongly agree (15.56%). 5.78% and 2.67% of the respondents disagree and strongly disagree respectively towards shopping environment at the corporate retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards ease in shopping (3.96), followed by the general decoration of the retail outlets (3.89). On the other hand, the respondents have low acceptance score towards use of modern technology in the corporate retail outlets (2.60).

26. The majority of respondents indicate that they agree (57.78%) with the product range in the select corporate retail outlets in Kerala, followed by neither agree nor disagree (22.22%) and strongly agree (12.22%). 5.33% and 2.44% of the respondents disagree and strongly disagree respectively towards product range in the select corporate retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards better quality of the products (3.90), followed by offering more brands (3.77). In the case of providing short cash waiting lines, the respondents have low acceptance score (3.62).
27. In regards to customer orientation at the corporate retail outlets, majority of the respondents (50%) agree, followed by neither agree nor disagree (24.89%) and strongly agree (14.22%). 8% and 2.89% of the respondents disagree and strongly disagree respectively towards customer orientation at the corporate retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards customers informed (3.77), followed by having enough suppliers and supply chain (3.74). In case of reputation of the outlets, the respondents have low acceptance score (3.47).

28. Out of 450 respondents, majority of the respondents reveal that they agree (51.56%) with the accessibility of the select corporate retail outlets, followed closely by neither agree nor disagree (27.78%) and strongly agree (10.44%). 6.67% and 3.56% of the respondents disagree and strongly disagree respectively towards accessibility of the select corporate retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards visibility of the stores (3.70), followed by nearness to home/work place (3.63). In case of parking facility, the respondents have low acceptance score (3.46).

29. Majority of the respondents report that they agree (56.67%) with the product navigation at the select corporate retail outlets in Kerala, followed closely by neither agree nor disagree (22.67%) and strongly
agree (13.56%). 4.44% and 2.67% of the respondents disagree and strongly disagree respectively towards product navigation at the select corporate retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards fresh/new stocks available at the retail outlets (3.89), followed by price points of the stores (3.79). In the case of storing materials properly, respondents have low acceptance score (3.66).

30. Out of 450 respondents, majority of the respondents express that they strongly agree (36.89%) with the schemes and offers, followed by agree (23.11%) and neither agree nor disagree (14.22%). 13.33% and 12.44% of the respondents disagree and strongly disagree respectively towards schemes and offers of the corporate retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards the promotional schemes of the retail outlets (4.14), followed by the value and value chain of the retail outlets (3.63). On the other hand, the respondents have lower acceptance level towards special offer/discount/lesser price (3.30).

31. Out of 450 respondents, majority of the respondents say that they agree (57.11%) with the complaint management of the select corporate retail outlets, followed closely by neither agree nor disagree (18.67%), and strongly agree (17.11%). 5.78% and 1.33% of the respondents disagree
and strongly disagree respectively with the complaint management. The average acceptance score reveals that the respondents have higher acceptance level towards efficient complaint management system (3.93), followed by costliness of the goods at the retail outlets (3.78). The respondents have lower acceptance level towards avoidance of hidden charges in the retail outlets (3.77).

32. Majority of the respondents indicate that they agree (35.56%) with the attitude of sales persons of the select corporate retail outlets in Kerala, followed by disagree (22.67%) and neither agree nor disagree (22%). 13.11% and 6.67% of the respondents strongly agree and strongly disagree respectively with the attitude of sales persons of the select retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards courteous and friendliness of the staff (3.27), followed by treating customers with respect (3.24). The respondents have lower acceptance level towards competence of people of the select retail outlets (3.12).

33. Out of 450 respondents, majority of the respondents report that they agree (55.11%) with entertainment facility in the corporate retail outlets, followed closely by neither agree nor disagree (22.89%) and strongly agree (13.33%). 5.78% and 2.89% of the respondents disagree
and strongly disagree respectively with the entertainment facility in the
 corporate retail outlets.

34. In regards to various operations of the select retail outlets, complaint
 management, shopping environment, product navigation, product
 range and entertainment stand at the first, second, third, fourth and fifth
 places with a mean score of 3.83, 3.77, 3.74, 3.72 and 3.70
 respectively. Customer orientation, schemes and offers, accessibility
 and attitude of sales persons stand at the sixth, seventh, eighth and
 ninth places with a mean score of 3.65, 3.59, 3.56 and 3.26
 respectively.

35. Absence of private label brand, inadequate visual merchandising, poor
 reply on enquiry and inadequate advertisement are the problems of the
 consumers ranging from 42.67 per cent to 54 per cent with the
 corporate retail outlets in Kerala. Incompetent sales personnel, undue
 delay in billing, absence of customer database and inadequate sales
 promotion are the problems of the consumers ranging from 58.67 per
 cent to 71.33 per cent with the corporate retail outlets in Kerala.

36. Respondents ranging from 42 per cent to 51.33 per cent suggest that
 private label brand, adequate visual merchandising, prompt reply to
 enquiry and adequate advertisement will enhance the effective
 functioning of the corporate retail outlets. Ranging from 55.33 per cent
to 70 per cent suggest that cooperation of the staff, faster billing, customer database and adequate sales promotion will improve the effective functioning of the corporate retail outlets in Kerala.

6.2.2. Perception of the Small Traders

1. Out of 225 respondents, 87.11 per cent are male and 12.89 per cent are female. A good majority of the respondents (35.11 per cent) are dispersed in the age group 41-50 years. 13.78%, 27.56% and 23.56% of the respondents are dispersed in the age group upto 30 years, 31-40 years and above 50 years respectively.

2. The predominant literacy group (30.22 per cent) of the respondents has Diploma/ITI qualification. 28 per cent of the respondents have SSLC qualification. 9.98 per cent of the respondents have studied H.Sc. 21.33 per cent and 10.67 per cent of the respondents have degree, and postgraduation and above qualifications respectively.

3. Out of 225 respondents, 46.67 per cent of the respondents have upto 5 years of experience in retail business. 15.11 per cent and 15.11 per cent of the respondents have 6-10 years and 11-15 years of experience respectively. 23.11 per cent of the respondents have above 15 years of business experience.
4. 33.33%, 33.33% and 33.33% of the respondents belong to Calicut, Cochin and Trivandrum corporations respectively. 75.56 per cent of the retail outlets were started by the sample small traders, 15.56 per cent were instituted by their parents and 8.88 per cent of the retail formats were established by their forefathers.

5. Out of 225 respondents, 33.33%, 33.33 and 33.33% of the respondents deal in food and grocery, fashion and accessories and pharmaceutical products respectively.

6. 28.44 per cent of the respondents positioned their shops at large shopping complexes, 8.88 per cent of the shops are situated at popular big shopping malls, and 21.33 per cent are located at local neighborhood. 11.56 per cent and 16.44 per cent of the retail shops are so called market popular special product and stand alone respectively. Besides, 13.33 per cent of the shops are roadside/street hawkers.

7. Out of 225 respondents, 83.56 per cent of the respondents are engaged in the retail business and 16.44 per cent of the respondents are engaged in retail cum wholesale business.

8. About 40.44 per cent of the retail shops are positioned at a space below 200 sq. ft, 14.22 per cent of the shops are sited at 201-300 sq. ft. and 28.44 per cent of the shops are placed at a space of 301-400 sq. ft.
16.89 per cent of the select retail shops are found at a space of more than 400 sq. ft.

9. In regards to investment, 17.33 per cent of the traders have invested less than Rs.2 lakh in their business, 21.78 per cent have invested Rs.2 lakh-4 lakh and 37.33 per cent of the respondents have invested Rs.4 lakh-6 lakh. 23.56 per cent of the respondents have made an investment of above Rs.6 lakh in their business.

10. Out of 225 respondents, majority of the respondents are dissatisfied (33.33%) with their present business, followed closely by highly dissatisfied (24.89%) and neither satisfied nor dissatisfied (22.22%). 12.89% and 6.67 per cent of the respondents are highly satisfied and satisfied respectively with their present business in Kerala.

11. Majority of the respondents indicate that they disagree (35.56%) with the attributes of corporate retail outlets, followed closely by neither agree nor disagree (21.78%) and strongly agree (17.33%). 16% and 9.33% of the respondents agree and strongly disagree respectively with the attributes of corporate retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards product offerings in more varieties by the corporate retail outlets (3.20), followed by bringing more customers (3.11). On the other hand,
the respondents have lower acceptance score (2.78) towards the role of corporate retailing in promoting local economy.

12. A significant change is found in the business operations of small traders engaged in food and grocery business, fashion and accessories and pharmaceuticals business with regard to number of customers on a weekday, percentage of regular customers, number of hired personnel, number of family members working and average monthly turnover between before and after the appearance of corporate retail outlets. In opposition, no significant change is found with regard to number of customers on a weekend and average profit per month.

13. After coming of corporate retail outlets, on an average the small traders engaged in the food and grocery business have lost 2.36% of regular customers, 26.04 customers on a weekday and 3.12 customers on a weekend. More to the point, on an average they have reduced 0.76 hired personnel and 0.36 family members who worked at their retail outlets. As well, they have lost an average monthly sales amounting Rs.3640 after coming of corporate retailers. Besides, they have lost an average monthly profit amounting Rs.1880 after coming of corporate retailers.

14. After the arrival of the corporate retail outlets, on an average the small traders engaged in the pharmaceutical business have lost 2.36% of
regular customers, 23.80 customers on a weekday and 7.16 customers on a weekend. Moreover, on an average they have reduced 1.08 hired personnel and 0.36 family members, who are working at their retail outlets. In addition, they have lost an average monthly sales amounting Rs.3160 after the arrival of corporate retail outlets. Further, they have lost an average monthly profit amounting Rs.1740 after coming of corporate retailers.

15. Later than the arrival of corporate retail outlets, on an average the small traders engaged in the pharmaceuticals business have lost 2.36% of regular customers, 23.80 customers on a weekday and 7.16 customers on a weekend. Moreover, on an average they have reduced 0.72 hired personnel and 0.60 family members, who are working at their retail outlets. Furthermore, they have lost an average monthly sales amounting Rs.3480 after coming of corporate retailers. Besides, they have lost an average monthly profit amounting Rs.2340 after coming of corporate retailers.

16. A significant difference is found between the acceptance levels of male and female respondents towards impact of corporate retail outlets on their business. However, there is no significant difference between the acceptance level of the traders of retail business and retail cum
wholesale business towards impact of corporate retail outlets on their business.

17. There is no significant relationship among the acceptance levels of the respondents belonging to different age groups, educational status groups, corporations, varied years of experience, different product categories, different locations, different store sizes and different investment groups towards impact of corporate retail outlets on small traders.

18. Female respondents, respondents in the age group of above 50 years, respondents having H.Sc qualification, respondents belonging to Cochin corporation, respondents belonging to above 15 years of experience, respondents engaged in pharmaceuticals business, traders who located their shops in popular big shopping malls, respondents who have retail cum wholesale business, respondents who have store size below 200 sq. ft., and respondents who have an investment of above Rs.6 lakh have higher acceptance level towards impact of corporate retail outlets on small traders.

19. There exists consistency in the acceptance level of female respondents, respondents belonging to age group upto 30 years, respondents who have H.Sc qualification, respondents belonging to Trivandrum corporation, respondents who have less than 5 years of experience,
respondents engaged in fashion and accessories business, respondents having shops at local neighbourhood, respondents who have retail business, respondents who have store size of 201-300 sq. ft. and respondents who have an investment above Rs.6 lakh towards impact of corporate retail outlets on small traders.

20. There has been a low degree of correlation (0.289) between the selected independent variables and acceptance towards the impact of corporate retail outlets on small traders. The R square indicates that 8.30 per cent of variation in acceptance towards impact of corporate retail outlets is explained by all independent variables taken together. The F value indicates that the multiple correlation coefficients are significant at 5 per cent level of significance. Gender, age, educational status, experience and types of business have no significant effect on the respondents’ acceptance towards impact of corporate retail outlets on small traders. Size of the store and amount of the investment have significant effect on the respondents’ acceptance towards impact of corporate retail outlets on small traders at 5 per cent and 1 per cent significance levels respectively.

21. The majority of respondents indicate that they neither agree nor disagree (21.78%) with the impact of corporate retail outlets, followed by disagree (21.33%) and strongly agree (20.44%). 19.56% and 16.89
per cent of the respondents agree and strongly disagree respectively towards the impact of corporate retail outlets on small traders in Kerala. The average acceptance score reveals that the respondents have higher acceptance (3.24) towards the impact of corporate retail outlets on small traders with respect to increase in number of brands, followed by adding new product lines and better display of products (3.23). In case of improved home delivery, the respondents have lower acceptance level (2.74).

22. All the respondents are aware of the closure of unorganized retail formats in their vicinity in the recent past. Ranging from 5.33 per cent to 13.33 per cent of the respondents’ reasons to closure the retail formats in their vicinity are unknown one, shifted to profitable business and migrated for other reasons. Reduced margin, competition from unorganized retailers and competition from corporate retailers are the reasons for the closure of retail outlets at 19.11%, 22.67% and 32% respectively.

23. Out of 225 respondents, 26.67 per cent and 26.67 per cent of the respondents reveal that they disagree and strongly disagree with the use of strategies to cope with the challenges of the corporate retail outlets. 23.11 per cent, 12.89 per cent and 10.67 per cent of the respondents strongly agree, agree, and neither agree nor disagree
respectively with the use of strategies to cope with the challenges of the corporate retail outlets. The average acceptance score reveals that the respondents have higher acceptance level towards the need to observe the government budget every year to be aware of policies that affect the business (3.31), followed by the need to know the business practices of the closest competitors (3.30). In case of required changes to satisfy customers, the respondents have lower acceptance score (2.40).

24. Respondents ranging from 18.22 per cent to 35.11 per cent suggest that adequate training and guidance, arrangement for shopping complex, regulation of corporate retailing, industry status to unorganized retail sector and access to financial options will protect them from the clutch of corporate retail outlets. 36.88% and 47.55% of the respondents suggest effective linkage with development schemes and provision of necessary infrastructure respectively for the survival and effective functioning of the unorganized small traders in Kerala.

6.3. Suggestions

Based on the perception of the consumers and small traders, the following suggestions are given for the effective functioning of corporate retail outlets:
1. There is no denying the fact the corporate retailing has very positive implications on the system like improving quality, integrating the producers to the marketing system, better accountability, enforcing minimum labour standards, fostering gender equality by employing women, giving consumer wider choices, etc. We cannot afford to shut out these positive externalities that corporate retailing brings to the business. Corporate retailers benefit only when consumers perceive their stores’ brands to have consistent and comparable quality and available in relation to the branded products. Private labels play an important role here, in bridging the gaps like special and desired price points, exclusivity and regional tastes. A private label can add significant value when it is well-recognized and has built positive association in the minds of the consumers. Therefore, the select corporate retail outlets have to provide more assortments for private label brands to compete with suppliers’ brand.

2. Corporate retail outlets can reduce the perception of waiting, without necessarily reducing the actual wait. They can make outlets by displaying merchandise to change customers’ perceptions of waiting. Besides, they can enhance the store atmospherics through visual communications, lighting, colours and odors. Therefore, the select corporate retail outlets have to give more emphasis on display, visual merchandising, lighting, signages and specialized props. The
merchandise presentation ought to be very creative and displays are often on non-standard fixtures and forms to generate interest and add on attitude to the merchandise.

3. The message conveyed to the target consumers must be effective enough in differentiating the retailers offering from that of their competitors. The main purpose is to inform the target consumers about the offering of the retailers, persuade them to visit the retail outlets and remind them of the retailers. Therefore, the corporate outlets can create awareness about the offering among the target consumers in a number of ways such as advertising, buzz market, celebrity endorsement, and use of print media, press releases, and viral marketing. Once the message is conveyed, the corporate retail outlets must add a personal touch to their message by carrying out door-to-door campaign in order to reinforce the message.

4. Each activity of the corporate retail outlet should lead to satisfaction of the consumer or even to a higher degree called customer delight. There are factors that define satisfaction like low level prices, high quality, high ethical standards and environmentally friendly products, prompt complaint handling, skillful and professional salesmen, safe mode of payment, better layout of the store, honest dealings by the store, prompt service, early opening of the store and least billing errors. As
people expect, good quality products at reasonable price, the corporate retail outlets shall offer products at reasonable price with good quality. New products, aggressive retail mix as well as everyday low pricing strategy can be the strategy to get edge over suppliers’ brand. The select retail outlets should consider all these factors to increase the level of satisfaction among the consumers.

5. The select corporate retail outlets must ensure that sales personnel have sufficient knowledge of the products offered, and also must be capable of handling complaints. They must also exhibit willingness to handle returns, and should be available for advice or clarification. Overall, the select corporate outlets must ensure courteous behaviour of sales personnel. Well mannered and helpful staff can always lead to store patronage decisions.

6. In an age of quick services, technology is a necessary ingredient for success of any retail outlet. Consumers would prefer to visit such outlets that would provide prompt and error-free billing services. Retailers may adopt different technologies to manage faster billing. Therefore, the select corporate retail outlets should work on having multiple payment options like cash, credit cards, debit cards, and so on to facilitate consumers.
7. In order to appeal to all classes of society, corporate retail outlets would have to identify with different lifestyles and socio-economic strata of the consumers and respond to their respective requirements and shopping patterns. So as to satisfy the consumer needs, the corporate retail outlets must have a thorough understanding of how consumers make store choice and purchase decision. Perceptual mapping of the consumers provides some valuable insights into the process and therefore is useful for the store management decision making. For this purpose, the select corporate retail outlets shall update database at least for high-valued consumers.

8. The small traders comprise less educated. Therefore, education of small traders needs to be stressed. Education on planning, marketing and evaluation of trade activities will make the small traders undertake trade activities. It is suggested that appropriate educational programmes will make them aware of technical know-how and face the practical difficulties of the trade activities. Moreover, the small traders shall be given education on banking operations and personality development i.e. self-esteem, self-confidence, communication skills, and leadership qualities.

9. The small traders are facing stiff competition from corporate and organized retail outlets. Hence, it is suggested that reservation of
certain products should be exclusively made for unorganized retail sector in order to protect them from the competition from corporate and organized retail outlets. Moreover, industry status should be given to unorganized retail sector to improve retail development, to facilitate organized financing and to establish insurance norms.

10. Presently, only 12% of unorganized retail enjoys access to institutional credit. The unorganized retail sector is severely constrained by limited availability of bank finance. The Reserve Bank of India needs to evolve suitable lending policies that will enable small traders to expand and improve efficiencies. Further, the co-operative and commercial banks should advance adequate amount of working capital loans to the small traders. Instead of following the routine norms for sanctioning loans, the small traders who are competent and capable of carrying out the useful activities should be given adequate financial assistance. Further, the banks should sanction additional loan as and when the small traders require and pay off their previous loans promptly.

11. The small traders’ associations should be linked with various welfare programmes of the government. The welfare programmes which are meant for social welfare like mid day meals, supply of free books and notes, free uniform, and so on may be assigned to the best performing small traders’ associations in order to enlarge their trade activities.
Further, 23.55 per cent of the small traders demand for common shopping complex, sanitary facilities, transport facilities for carrying their products, water facilities, free or concessionional rate electricity, etc. Therefore, the appropriate authorities can provide the aforesaid necessary facilities to the small traders.

12. The small traders should employ more strategies in their business practices like creative merchandising, discounts, etc. as they can provide good result. Besides, as part of the corporate social responsibility, the large retailers can work in partnership with the small traders and supply a certain assortment of merchandise at a discount. Thus, the larger retailers won’t be seen as a threat and also can offer corporate social responsibility to the community.

13. A system of licensing should be introduced for corporate retail outlets. Any retail outlet with floor area over an appropriate minimum floor area should require prior license from local authorities. A dedicated committee/board/department should be set up by the urban local bodies, with representation from street vendors and small retailers’ associations, which should be empowered to grant licenses to corporate retail outlets. Besides a system of licensing for corporate retail outlets, a number of steps need to be taken by the government to prevent the emergence of private monopolies in retail trade. A single large format
retailer should not be allowed to capture a large market share. For this it is important to restrict the number of retail outlets that a single private entity can open in a city.

14. The State Government or urban local bodies should levy an access on the VAT on all goods sold by large format retail outlets including those in the public sector in order to create a level playing field between the organized and unorganized retail sectors. Revenues generated from the access can be used to create a dedicated fund to provide infrastructure support, financial assistance or cheap credit for unorganized retailers to improve and upgrade their operations.

15. Traditional retailers shall engage in doing primary market research to understand the pulse of consumers, their buying behaviour and new brands which they are not aware which will make them aware of their surroundings and help them take corrective measures to withstand competition from the corporate retail formats. Traditional retail outlets should undergo a transformation process, bringing in new changes which in turn increase their competitiveness.

6.4. Conclusion

The Indian retail sector is witnessing a huge revamping exercise as the traditional retailers are making way for new formats. When India opened its economy to the global marketplace in the early 1990’s, many
multinational corporations rushed in to pursue their middle-class consumers. International exposure and availability of products and brands communication are the attributes that are driving the organized retail in India. India emerges as one of the most potential markets for global brands and retailers and retail reinvents the way modern Indians celebrate their spending power. The dynamics of the demographics, double income, urbanization and internet revolution are the factors contributing to retail growth in India. The attitudinal shift of the Indian consumers and the emergence of organized retail formats have transformed the face of retailing in India. As a consequence, Indian corporate houses are refocusing their strategic perspective on retail marketing with the idea to use resources optimally in order to create core competence and gain competitive advantage. In the present study the focus has been completely on this segment and its impact on consumers and small traders. The results of the study reveal that absence of private label brand, inadequate visual merchandising, poor reply on enquiry, inadequate advertisement, incompetent sales personnel, undue delay in billing, absence of customer database and inadequate sales promotion are the problems of the consumers with the corporate retail outlets in Kerala. Besides, majority of small traders are dissatisfied with their present business due to stiff competition from the organized and corporate retail outlets. Based on the results of the surveys, the study has made a number of specific policy recommendations for
effective functioning of the corporate retail outlets and for strengthening the competitive response of the small traders. If this study provokes the people concerned to take some positive measures in order to improve it, the researcher will feel amply rewarded.

6.5. Future Research

In the course of the literature survey and field study, it is found that the corporate retailing is gaining momentum in the recent years. As this study is confined to corporate retail outlets in Kerala, the findings cannot be generalized in a wider context. There is enough scope to study the impact of corporate retailing on unorganized retailing, particularly the impact on type of products being sold in the two types of retailing in a nationwide survey. Future researchers may address the dimensions of service quality factors for Indian retail industry. This research excluded the owners of the businesses that have closed down. It would be interesting to find their perspective of the impact of large retailers on the business. Hence, further research on these lines can be done. A study can be undertaken to find how the customers’ evaluation of service quality factors differs within the different regions of the country, influenced by the cultural factors. The above list is illustrative of further research in the related fields.