Chapter - 4

PROFILE OF THE SELECTED LEATHER FOOTWEAR STORES IN TAMILNADU
4.1 ABOUT TAMILNADU:

Tamil Nadu is one of the 28 states of India. Its Capital is Chennai (formerly known as Madras) and is one of the largest cities in India. For over 2500 years, the region has been the home of the last surviving classical civilisation of the world, the Tamil Civilisation. Tamil Nadu is the eleventh largest state in India by area and the seventh most populous state. It is the fifth largest contributor to India’s GDP (Gross Domestic Product) and the most urbanised state in India. The state has the highest number of (10.56%) of business enterprises in India, compared to the population share of about 6%. It is one of the foremost states in the country in terms of overall development.

Tamil Nadu has lately emerged as the most literate state in India as announced by HRD ministry. Tamil Nadu has coast line of almost 1000 Kilometres (600m) which forms about 18% of the country’s coast line (third longest). Tamil Nadu is also home to the Tamil Film industry, the second largest film industry in India after Hindi Films. It is based in Chennai in Kodambakkam, the section of Chennai that houses cinema-related facilities, hence the portmanteau kollywood.

Tamil Nadu is the largest producer of Bananas, flowers, tapioca, the second largest producer of mango, coffee, natural rubber, coconut, ground nut.
4.2 LEATHER INDUSTRY IN TAMILNADU:

Leather industry is highly developed in Tamil nadu. In order to compete with china on the price front, the government gave its nod to 10 proposed dedicated parks for the leather Industry. According to sources, the ministry of commerce and Industry has given a positive response to this proposal and it has been sent to the planning commission. A public private partnership (PPP) model is under consideration for the project where 10% equality support would come from industry. Under the project there will be large scale tanneries in three separate tannery parks, a leather machinery park and six leather product parks. This project would require more than Rs.400 crores for infrastructure development, which would come from the National Manufacturing Competitive Council (NMCC) fund.

A Special Purpose Vehicle (SPV) model has been proposed for such parks with Rs.40 crore equity supports from industry. NMCC and the Department of Industrial Policy and Promotion (DIPP) would setup the SPV. At present, environmental factors and competition from low cost production like china have undermined the growth of Indian leather export in the international market.

The recent strengthening of the rupee has also hit the sector badly. The industry expects that the setting up of the 10 proposed leather parks during the eleventh five year plan would double leather exports to $7 billion by 2010-2011. Over the past decade, the industry’s growth rate has been 6.3 percent per annum.
For the industry to reach $7 billion by 2010, the growth rate would have to quadruple to almost 24 percent per annum. The 2007's leather Research – Industry gets Together (LERIG - 2007) with “Benign Environment and sustainable technology for Indian leather sector” as its theme gets under way. The Central leather institute which organises the three day event has lined up programmes including a panel discussion on technology for reject management and solid waste management and solid waste zero liquid discharge and funding for modernisation. Government of Tamil Nadu is keen in addressing the issues related to SSI sector under Industrial infrastructure up gradation scheme (IIUS) of Govt of India.

The India international leather fair held in Chennai from 31st Jan to 3 Feb 2009, the much sought after yearly event with programmes where 24 countries participated were in good attendance with their quality products such as finished leather, footwear and footwear components, leather goods, leather garments, machinery for different purposes etc. In a silent revolution, the Indian leather has evolved from a low-end product vendor to an acknowledged source for high quality designer Products. The Indian leather industry has clearly demonstrated its ability to understand and deliver top end products in footwear & finished leather says Council for leather exports (CLE), Chairman Irshad mirza.

The Leather industry is making its presence felt in the world market. The Industry has clearly moved up the value chain and this is a significant achievement. With an unprecedented emphasis on professionalism in every aspect, the industry is
gearing up to meet the challenges and opportunities ahead. Leather segment contributes an estimated 20% of the revenue generated by the Indian Leather Industry.

The Industry has a massive potential for employment generation, growth and exports with the annual exports touching 2 billion USD. Almost 60 to 65% of its total products are in the small sector. In the recent past, Government has come up with policy initiatives to upgrade the Industry. Later on the industry underwent a positive metamorphosis from a mere transporter of raw materials to an established exporter of value added and finished leather products. The post liberalisation period has bestowed vast opportunities for the Indian leather Industry. With global giants seeking alternatives for sourcing, India is a shining option. Realising the market potential of the country, the Government is making considerable efforts to promote the advancement of leather industries.

In Marketing and Sales, Leather technologists use their scientific knowledge of leather processing to market the various qualities of leather advising on suitability for products to be manufactured. They communicate market demand to the production department with accurate specifications and requirements. The work of a leather technologist in a Leather Product industry for example in the shoe or garment industry depends on the size of the industry and often includes suppression of production line workers or even marketing & sales and some technologists also become designers. The Industry is largely privately owned. Indian
leather industry has an estimated turnover of Rs. 70 billions per annum. The industry has been blamed for calling substantial environmental damages and hence there may be a need to go back to the older processing methods.

4.3 SELECTED LEATHER FOOTWEAR STORES – A PROFILE:

Distribution of leather footwear stores across three districts of Tamil Nadu namely Chennai, Vellore and Erode vary greatly by number of show rooms and size. A major portion of leather footwear stores are located in Chennai because it being the state capital and the business capital of Tamil Nadu. The next place is occupied by Vellore and lastly by Erode. It is worthwhile to repeat that the study looks at a very specific segment of the leather footwear market. The footwear stores are chosen based on the form of ownership.

Based on the form of ownership, the study included proprietorship and partnership footwear stores. Proprietorship stores are more in number when compared to Partnership stores.
Table 4.1: Total No. of Leather Footwear retail units in selected
districts of Tamilnadu (Chennai, Vellore & Erode).

<table>
<thead>
<tr>
<th>Form of Organisation</th>
<th>Number of retail units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proprietorship</td>
<td>340</td>
</tr>
<tr>
<td>Partnership</td>
<td>180</td>
</tr>
<tr>
<td>Total No. of Leather Footwear Stores</td>
<td>520</td>
</tr>
</tbody>
</table>

Table 4.2: Location of Leather footwear stores in Tamilnadu (Chennai, Vellore and Erode).

<table>
<thead>
<tr>
<th>Location</th>
<th>No. of Leather Footwear stores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PROPRIETORSHIP</td>
</tr>
<tr>
<td>Chennai</td>
<td>198</td>
</tr>
<tr>
<td>Vellore</td>
<td>90</td>
</tr>
<tr>
<td>Erode</td>
<td>52</td>
</tr>
<tr>
<td>Total</td>
<td>340</td>
</tr>
</tbody>
</table>

Sample Leather footwear Stores:

The researcher has selected a sample size of 360 retail units distributed across three districts (Chennai, Vellore, and Erode). The number of proprietorship and partnership stores selected for study is approximately in the ratio of 5:3.
Table 4.3: Proprietorship and partnership stores selected for the study across the Districts (Chennai, Vellore and Erode).

<table>
<thead>
<tr>
<th>Region</th>
<th>Proprietorship</th>
<th>Partnership</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chennai</td>
<td>146(40.6)</td>
<td>97(26.9)</td>
<td>243(67.5)</td>
</tr>
<tr>
<td>Vellore</td>
<td>42(11.7)</td>
<td>29(8.0)</td>
<td>71(19.7)</td>
</tr>
<tr>
<td>Erode</td>
<td>32(9.0)</td>
<td>14(3.8)</td>
<td>46(12.8)</td>
</tr>
<tr>
<td>Total</td>
<td>220(61.3)</td>
<td>140(38.7)</td>
<td>360(100.00)</td>
</tr>
</tbody>
</table>

Source: Field Survey

Note: Figures In parenthesis indicate percentage.

The study is constrained by the fact that the researcher has replaced some stores, which are nonexistent which those exist. This is because some stores in the identified list are closed.

Period of Existence of Selected stores:

Selected sample for the study included the retail outlets which are established during eighties, nineties and before 2007. The least period of existence of the selected stores is one year and highest period of existence is 16 years. The mean period of existence of the outlets selected is 8 years as shown below.
Table 4.4: Mean period of existence of sample retail units:

<table>
<thead>
<tr>
<th>Number of years of existence</th>
<th>Mid value (X)</th>
<th>Number of outlets (f)</th>
<th>f ×</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-4</td>
<td>2.5</td>
<td>111</td>
<td>277</td>
</tr>
<tr>
<td>5-8</td>
<td>6.5</td>
<td>68</td>
<td>442</td>
</tr>
<tr>
<td>9-12</td>
<td>11.5</td>
<td>145</td>
<td>1667</td>
</tr>
<tr>
<td>13-16</td>
<td>14.5</td>
<td>36</td>
<td>522</td>
</tr>
</tbody>
</table>

\[ \sum fx = 2908 \]

Source: Field survey

Mean = \[ \frac{\sum fx}{\sum f} \]

= \[ \frac{2908}{360} = 8.0 \]

Social Status of Promoters:

Selected leather footwear stores are mainly promoted by seasoned footwear professionals with lot of experience in footwear trade. Promoters hail from various social groups - Landlords, professionals, Business people, chairman of companies etc. Due to various constraints the study is unable to present an exhaustive list of all the partners of the selected retail stores.
Capital Investment:

Investment is mobilised in the form of equity and debt. Many of the stores are reluctant to disclose the amount of term. The researcher tried hard to get the minimum information about capital investment.

Table 4.5:- Capital investment

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low investment</td>
<td>71(19.7)</td>
</tr>
<tr>
<td>Medium investment</td>
<td>102(28.3)</td>
</tr>
<tr>
<td>High investment</td>
<td>187(52.0)</td>
</tr>
</tbody>
</table>

Source: Field Survey

Note: Figures In parenthesis indicate percentage

Display of new products and designs:-

Frequency of getting new products and designs is an indicator as to how much is the store market oriented. The retail units selected are displaying new products and designs monthly, quarterly or half yearly.
Table 4.6: Display of new products and designs

<table>
<thead>
<tr>
<th>Frequency of New products &amp; designs</th>
<th>Number of retail units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>70(19.5)</td>
</tr>
<tr>
<td>Quarterly</td>
<td>155(43.0)</td>
</tr>
<tr>
<td>Half Yearly</td>
<td>135(37.5)</td>
</tr>
<tr>
<td>Total</td>
<td>360(100.00)</td>
</tr>
</tbody>
</table>

Source: Field Survey

Note: Figures in parenthesis indicate percentage

4.4 BRANDS OFFERED:

In general retail outlets perceives competitiveness in terms of its ability to provide a variety of brands with designs, style and quality. Many leather footwear stores do not offer all designs and brands even though they claim so. There are a wide difference in the range of designs and brands offered by the leather footwear stores. Some stores are monobranded while others are multi branded, offering more than one brand.

The maximum number of brands offered by the outlets in the sample selected is more than 20.
Table 4.7:- Brands offered.

<table>
<thead>
<tr>
<th>Number of Brands Offered</th>
<th>Number of leather footwear stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>45(12.5)</td>
</tr>
<tr>
<td>≤3</td>
<td>46(12.7)</td>
</tr>
<tr>
<td>3-5</td>
<td>85(23.6)</td>
</tr>
<tr>
<td>6-8</td>
<td>86(24.0)</td>
</tr>
<tr>
<td>≥8</td>
<td>98(27.2)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>360(100.00)</strong></td>
</tr>
</tbody>
</table>

Source: Field Survey

Note: Figures in parenthesis indicate percentage.

A growing economy and the resultant increase in purchasing power have made Indians more brands conscious. Definitely brand consciousness is on the rise in the Indian market, which is why there are many brands available in the country and most of them are doing well. Manufacturers normally upgrade their brands every year to select new directions in fashion. The market is substantially brand driven as is evident from the fact that branded footwear constitutes more than 42% of the total market size. In recent years the market has seen entry of a host of new domestic and foreign brands like Drish, Lotto, Lotus Bawa, Now, Oakridge, Royal Elastic, Sketchers, Teenage, Teva, Timberland and Vans. Fashionable brands like Stryde and Red Tape and MNC brands like Allen Cooper, Franco Leone, Gaitonde, Gucci, Guess, Lee Cooper, are further developing the market by creating new segments. Proper branding and promotion can
greatly increase the domestic demand in footwear. Bata, liberty, Francoleone, ID, Florsheim, Woodlands, Adidas, Gaitonde, Lee cooper, Gucci, Reebok, Red tape, Hushpuppies, Dr. Scholl's are the most commonly offered brands in the selected outlets.

**Table 4.8 - Most commonly offered brands of footwear by selected leather footwear stores.**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Brands</th>
<th>No. of stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bata</td>
<td>89(24.72)</td>
</tr>
<tr>
<td>2</td>
<td>Liberty</td>
<td>61(16.94)</td>
</tr>
<tr>
<td>3</td>
<td>Metro</td>
<td>92(25.55)</td>
</tr>
<tr>
<td>4</td>
<td>Franco Leone</td>
<td>281(78.05)</td>
</tr>
<tr>
<td>5</td>
<td>ID</td>
<td>87(24.1)</td>
</tr>
<tr>
<td>6</td>
<td>Florsheim</td>
<td>276(76.6)</td>
</tr>
<tr>
<td>7</td>
<td>Woodlands</td>
<td>158(44.0)</td>
</tr>
<tr>
<td>8</td>
<td>Adidas</td>
<td>195(54.16)</td>
</tr>
<tr>
<td>9</td>
<td>Gaitonde</td>
<td>312(86.66)</td>
</tr>
<tr>
<td>10</td>
<td>Lee cooper</td>
<td>300(83.33)</td>
</tr>
<tr>
<td>11</td>
<td>Gucci</td>
<td>1614(44.72)</td>
</tr>
<tr>
<td>12</td>
<td>Reebok</td>
<td>84(23.33)</td>
</tr>
<tr>
<td>13</td>
<td>Red tape</td>
<td>123(34.16)</td>
</tr>
<tr>
<td>14</td>
<td>Hushpuppies</td>
<td>271(75.27)</td>
</tr>
<tr>
<td>15</td>
<td>Dr Scholl’s</td>
<td>279(77.5)</td>
</tr>
</tbody>
</table>

Source: Field Survey

Note: Figures in parenthesis indicate percentage
4.5 CATEGORIES OR TYPES OF FOOTWEAR:

The outlets selected for study displayed a wide range of footwear for men, to choose from, which included dress shoes, casual shoes, boots and sandals. The footwear has best quality and the very latest in design. The stores have the best exclusive range of footwear for women carefully designed to dress up ladies feet. Carefully chosen designs with special emphasis on comfort, style and quality was given preference.

Kids wear in the outlets provided a colourful and exclusive range for boys and girls adding a dash of colour to life. The range of kids wear included school wear part from casual wear. The stores displayed a variety of sports shoes meant for both men and women. Medical footwear includes, medical shoes specialising in orthopaedic shoes, diabetic shoes and other types of footwear designed to alleviate health problems. The outlet also displays a variety of ethnic wear also.
Table 4.9: Most commonly offered categories or types of footwear by selected leather footwear stores.

<table>
<thead>
<tr>
<th>S.No</th>
<th>Types of Footwear</th>
<th>No. Of Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Men's Casual Shoes</td>
<td>329(91.3)</td>
</tr>
<tr>
<td>2</td>
<td>Men's Dress Shoes</td>
<td>360(100.00)</td>
</tr>
<tr>
<td>3</td>
<td>Women's Casual Shoes</td>
<td>259(72.0)</td>
</tr>
<tr>
<td>4</td>
<td>Women's Dress Shoes</td>
<td>360(100.00)</td>
</tr>
<tr>
<td>5</td>
<td>Men's Sandals</td>
<td>169(47.0)</td>
</tr>
<tr>
<td>6</td>
<td>Women's Sandals</td>
<td>121(33.6)</td>
</tr>
<tr>
<td>7</td>
<td>Sports Wear</td>
<td>360(100.00)</td>
</tr>
<tr>
<td>8</td>
<td>Boys Footwear</td>
<td>360(100.00)</td>
</tr>
<tr>
<td>9</td>
<td>Girls Footwear</td>
<td>360(100.00)</td>
</tr>
<tr>
<td>10</td>
<td>Baby Shoes</td>
<td>47(13.0)</td>
</tr>
<tr>
<td>11</td>
<td>School Wear</td>
<td>279(77.5)</td>
</tr>
<tr>
<td>12</td>
<td>Men's Boots</td>
<td>319(88.6)</td>
</tr>
<tr>
<td>13</td>
<td>Women's Boots</td>
<td>301(83.6)</td>
</tr>
<tr>
<td>14</td>
<td>Medical Footwear</td>
<td>111(31.0)</td>
</tr>
<tr>
<td>15</td>
<td>Ethnic Wear</td>
<td>47(13.0)</td>
</tr>
</tbody>
</table>

Source: - field survey

Note: - figures in parenthesis indicate percentages.
4.6 RETAIL CHAIN – NUMBER OF BRANCHES:

Leather footwear stores are developing the concept of providing facilities at
different locations so as to make convenient to the customers located in a specific
region. The factors underlying in the multi location system are promoting efficiency in
leather industry, the intensified competition and a more sophisticated and demanding
population. Therefore leather footwear stores are being attracted to multi location
system in order to benefit from the economics of scale in such operations. Despite
criticism on certain performance aspects, there is a strong evidence to suggest that multi
location system will emerge successfully from their growing pains and will continue to
solidify their position.

Among the selected retail stores, some stores are having branches in the
same city, while some others stores are operating in different towns. 39.44% of leather
stores are having no branches. The number of branches varies from 1 to 3 for different
leather stores taken for study.
Table 4.10: Branches of different footwear stores

<table>
<thead>
<tr>
<th>Branches</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>142 (39.44)</td>
</tr>
<tr>
<td>1-3</td>
<td>57 (15.84)</td>
</tr>
<tr>
<td>≥3</td>
<td>161 (44.72)</td>
</tr>
<tr>
<td>Total</td>
<td>360 (100.00)</td>
</tr>
</tbody>
</table>

Source: Field Survey

Note: Figures in parenthesis indicate percentage.

4.7 HOME DELIVERY:-

Home delivery is an important feature of the footwear stores. In these times home delivery services is increasing phenomenally as more and more people get busy with their lives and wish to be served with in the comfort of their homes. These facilities require sales persons to deliver the products as quickly as possible. Most of the leather stores without any exception said that they provide this kind of services round the clock.

4.8 SOURCES OF INVESTMENT:

Investment varies greatly across the selected footwear stores. There are stores investing less than 50 lakhs and greater than 3 crores. The investment is made in the
form of equity and debt. Many of the leather stores procured goods through financing from bank loans. Partnership stores are having partners with varying shares of capital. The partners are both providers and non-providers. The researchers are unable to provide the complete information as leather stores hesitated to give factual information.

4.9 INFRASTRUCTURAL FACILITIES:

"The shoe retail business is a competitive field ".

The infrastructure (design) and environment of the retail outlet represent the aggregate elements which determine the style of the material framework of the location and create a special atmosphere for the customer. The creation of favourable environment is an art which requires considerable financial and time efforts.

The physical atmosphere and the manner in which operations are done by the front office staff play an important role in the creation of specific institutional image and in creation of experience and customer is going to live.

The environment in which the products is marketed is often considered by the customer as a reflection of the quality of the outlets services and thus retail outlets make efforts to stimulate quality with the purpose acquiring a strong image. Exterior design elements which includes architectural style of the retail outlet, the size of the building, the exterior colour, the material of the exterior walls and other signs, the façade of the store, parking lot etc; interior design elements include aspect of walls, ceiling and floor, illumination of the store, sound background, olfactive elements,
inferior temperature etc; contribute to a good store environment by creating a modern feeling.

**Plinth area of Leather Stores:**

The Plinth area of leather stores will have bearing on the overall cost of delivering services. Table which is given below shows that nearly 34% of the leather footwear outlets have less than or equal to 2500 Sq.ft of Plinth area. 42% of retail stores have 2501-5000 Sq.ft of plinth area and 15% have 5001-7500 Sq.ft of plinth area. The area given reflects the overall space available for administrative purpose, reception, rest rooms, fixtures, and store rooms etc; the area given includes space available in all the floors. Many of the leather stores have more than one floor.

**Table 4.11:- Plinth area of the retail units:**

<table>
<thead>
<tr>
<th>Area (Sq.ft)</th>
<th>No. of Leather Stores</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤2500</td>
<td>122</td>
<td>34.00</td>
</tr>
<tr>
<td>2501-5000</td>
<td>152</td>
<td>42.00</td>
</tr>
<tr>
<td>5001-7500</td>
<td>54</td>
<td>15.00</td>
</tr>
<tr>
<td>≥7501</td>
<td>32</td>
<td>9.00</td>
</tr>
</tbody>
</table>

Source - Field Survey
Leather Store Ownership:-

Ownership of leather store buildings will have an impact on expansion programme of the leather store. The scope for expansion will be comparatively low in case the store is rented. Nearly 60% of selected leather footwear outlets are located in rented buildings.

Exterior design elements:-

An adequate management of the exterior components can lead to the achievement of a competition advantage in the sense that customer attracted by the general atmosphere of a retail store would want to revisit the store or to purchase more often in a certain location.

Architectural style: - Exterior aspects:-

The outlets studied here are with wooden glass facades having a double purpose, to create the impression of modern and at same time, to contribute the increase in services tangibility, through the view of the way in which operations proceed inside. The architectural style and the exterior aspects contribute to the formation of strong feelings towards the retail outlet.
Parking Lot:-

When they exist, are sufficient and adequately disposed, parking lots may be ignored by customers. However, if they are insufficient (or) if the access to and from them is done with difficulty, customers may then think whether to enter in contact with retail store or with another. Most of the selected stores had enough parking spaces.

Interior design elements:-

Interior elements are numerous and safer to multiple aspects: the aspect of walls, of the ceiling and floor, as well as the materials with which they are covered/prepared, the manner in which the store is enlightened, the music.(sound background) olfactory elements, interior temperature, possibilities to move inside. Other interior elements of the store include fire alarms, restroom upgrades, heating, Air conditioning, displays, show cases, shelves/racks, sales counters ,sales registers etc;

These interior design elements help creating positive feelings towards the retail outlet. Associated to certain scenery, music may have a powerful effect on perceptions and behaviours. The presence of perfume highly influences the customer's affective reactions, perceptions, intentions to purchase the products as studied in the selected retail outlets. Thus the study has shown that respondents in the presence of a perfumed environment appreciate the store image as being positive, the store décor as being modern and the quality of services as superior.
Colour also plays an important role as it can be stimulant, expressive, exuberant and symbolic.

**Space Organisation Functionality:-**

This category includes grouping work posts, equipments, the way of placing cashiers, furniture, posters, panels the signalling system within the commercial space. Spatial organisation and functionality of the retail store contribute to brand building from the point of view of recognition, performances, representation and feelings.

**Signs, Symbols artefacts:-**

A series of elements forming the atmosphere of a service have the role of transporting a stores image, of allowing customers to orientate themselves of indicating the rules to be followed. Customers who enter the store for first time are unable to receive a clear message and would feel confused. The use of signs, symbols and artefacts would allow explaining the process of unfolding services, reducing time spent by customers. In the case of multi brand retail stores, signs and symbols help in brand recognition. The rapid display of operations results in obtaining an answer from customers regarding service performances, in the brand building process.

**Equipment:**

The equipment of the leather footwear store includes computers, credit cards check processing machines, barcode reader, cash drawer, cash register, POS software and fax...
Some leather footwear stores are using security cameras, sales floor equipment etc.

4.10 SUPPORTIVE SERVICES:

**Value Additions:-**

Few leather footwear outlets are offerings in house cobber service, pedicure centre, huge parking space in an otherwise confined city, large delivery counters, all this is done to enhance the shopping experience.

**Accessories:-**

Most of the retail outlets for the study are providing accessories apart from footwear. The accessories include leather handbags belts, jewellery, umbrellas, toys, wallets etc; few footwear outlets are also providing apparels along with footwear.

**Footwear Accessories:-**

Footwear accessories like socks, laces, polishes, foot care products, pumice stones to insoles scrubs, foot powder are offered by most of the selected retail outlets.

**Payment options:-**

Most of the retail outlets selected has payment options through credit cards & debit cards.
4.11 E-COMMERCE:

While there has been a frenetic activity in the global environment to gear up for the anticipated boom in e-commerce, an internet strategy of retail outlets which is focusing on the information and suggestions regarding the footwear brands and designs. E-commerce provides a seamless customer experience and offers in depth customer information and automation of back end processes person sitting in his drawing room or office can know via net regarding the latest brands and designs of footwear.

4.12 EXTENSIONS TO RELATED BUSINESS:

Some leather footwear stores larger in size have ventured into putting up of products other than footwear like apparels, accessories like leather belts, hand bags, school bags, wallets etc.; Even the retail outlets are also providing foot care accessories like socks, polishes, laces, foot care products, pumice stones to insoles, scrubs, foot powder etc.; These are direct extension to their line of business. All this is done with the aim of attracting customers.

4.13 COMPETITION - A STIMULUS FOR INNOVATION AND PRODUCTIVITY:

Many of the leather shops seem to think if they are professionally competent there is no question of failures. Retail outlets in Tamil Nadu are facing stiff competition
due to entry of many playacts into the leather industry. To overcome the competition, leather stores are participating in the creation of infrastructure to provide qualitative goods. This was future strong themed by the liberalised policy of government in the form of free import of leather goods, tax concessions and incentives.

Leather stores today are facing both price competition and non-price competition brought down the costs of leather footwear.

At the other end non-price competition is created by leather stores by providing value added service through the investment of cores of rupees in infrastructural facilities. The leather footwear retail outlets have lot of competition now-a-days thus competitions have stimulated innovation & productivity.

4.14 MARKETING PRACTICES IN LEATHER STORES:

Leather footwear stores in Tamil nadu are practicing marketing in or thus form. It is surprise to know that many of the retail outlets don't realise them as marketing functions. But they accepted marketing as integral function in the operations of leather stores.

Leather stores have a dilemma regarding the functions of marketing. It was identified that main leather stores are with neither marketing department nor public relations department. Marketing activities are performed by manager with the help of sales person.
Many of the leather stores are unaware of results oriented marketing plans and are combining to old traditional method of selling are one of the several functions of marketing. Leather goods marketing is basically seeing what the community perceives as its needs, identifying those needs. The study of sample revealed the following marketing programmers adopted by leather stores.

**Advertising:-**

The most important objective of advertising is to effect sales of a new product or increases the sales of existing products. Advertising persuade the potential customers to buy the products. There are broadly two types – image advertising and product advertising the organization. It mainly emphasises.

- To bridge gap between the retail outlet and public
- To communicate the public about leather stores products, varieties and designs.
- To build trust in the public.

Product advertising is used to create awareness about products and to promote them among public who need it. Product advertising performs role of a salesman.

Leather stores studied are mainly concentrating on products advertising to inform buyers / users about their products the leather stores prefer print media that too mainly daily newspapers to give information about various products offered and date and time of arrivals of new products and discount offers.
Images advertising is adopted by very few stores. These stores are sponsoring
tale retails to develop the image of retail outlets. Some of them are using internet based
advertising through own website.

Referral Network Development:

Best referrals in the world are word of mouth recommendations from friends &
associations. Leather stores have developed a strong referral system. There is a large
skew in favor of retail outlets in terms of availability of various brands & designs. The
referrals sources are generally the long standing customers referrals also come in the
form of personal endowments from well known people from movie & sports industries.

The retail outlets are attracting referrals by developing an understanding with
every footwear outlets has developed a referrals system. In today’s retail outlets
referrals form a considerable proportion of customers. Leather footwear stores selected
knowingly or unknowingly adopted relationship marketing to attract the customers.

Public relations:

Leather stores which are smaller in size and which are not financially well of
designed a programmer for effective and successful marketing without marketing
department and public relations. Public relations programmer maintain image of the
leather stores and don’t require expensive advertising, unlike other retail outlets. The
Various activities practiced by selected retail outlets to enhance public relations are:-
Good Signage System:

Leather stores provide an effective and easy-to-follow signage system to facilitate customers find their footwear brands through the complex number of designs found in leather stores. All stores are numbered and facilities large brands bearing the names of brands & designs.

Clean and pleasant conditions:

The internal environment of the stores helps in creating positive feelings towards the retail outlets overall cleanliness air conditions environment, music, perfumed environment, good colour of the outlets building are all going to have a very positive & powerful effect on the customers.

News media relations:

Establishing and maintaining media relations in one of the most important function of public relations. Retail outlets media relations are built on mutual trust and co-operation. This facilities accurate information and eliminates wild rumours about the retail outlets. Every retail outlet irrespective of size, location and whether or not has public relations departments, offered an official policy for developing media relations.
Reception:-

Reception is the most important activity of the leather store that builds image of the leather store among customers. A reception is a wide range of subjects – about various brands, designs, purchase guarantee and discount offers, membership options etc- enquires are endless leather strews are providing well-informed receptionists round the clock.

Personal selling:-

“Oral presentation is a conversation with one or more prospective purchasers for the purpose of making sales”. This definition for personal selling was given by committee of marketing teachers association of U.S.A.

Personal Selling is found instrumental in promoting the business of service generating organisation. It is basically a method of communication. Personal selling in the retail outlets is

- Convincing the public over the service & products offered.
- Convincing referrals sources over the technologies edge & the product offered.

The leather retail outlets offering various products and brands are persuading the public to buy whether or not having marketing departments; the outlets are involving in personal selling activity to persuade the customers.
All the leather footwear stores have developed a list of referral source and are persuading them to refer the customers to their store.

4.15 A SAMPLE PROFILE OF LEATHER FOOTWEAR STORE:

A leather footwear store with over 800 new designs let us call it ABC leather store a name synonym with excellence in footwear is situated in the city of Chennai. ABC leather footwear outlet is geared to provide the best in footwear retailing a store backed by quality and trust.

Established in 2007 with a valued aim of introducing the customers in Chennai to the range of stylish and comfortable footwear brands. The store is spread across a lavish 3100 sq.ft. It offers customers a comfortable trendy shopping experience in air conditioning environment comfort. The large format enables proper display of the shoe line with over 800 designs, each design is elegant stylish, smart & sporty on offer is a range of lifestyle shoe line that excludes confidence & style of the 21st century youth. Wide variety of confidence & smart footwear like Lee Copper, woodlands, Franco Leone and Clarks Gannett to name of few are also available for those looking for day long comfort. Tiny tots can walk out with their favourite range.
Types of footwear offered:-

The outlet displayed a wide range of footwear for men, to choose from, which included dress shoes, casual shoes, boots and sandals. The footwear has best quality and the very latest in design.

The stores have the best exclusive range of footwear for women carefully designed to dress up ladies feet. Carefully chosen designs with special emphasis on comfort, style and quality was given preference.

Kids wear in the outlets provided a colourful and exclusive range for boys and girls adding a dash of colour to life. The range of kids wear included school wear part from casual wear. The outlet displays a variety of sports shoes meant for both men and women.

Medical footwear includes, medical shoes specializing in orthopaedic shoes, diabetic shoes and other types of footwear designed to alleviate health problems. The outlet also displays a variety of ethnic wear, party wear and for wedding occasions.

Promotions campaigns:

The store offers money saving coupons, membership cards, discount offers and gifts vouchers. All this is done to attract customers.
Customer services offered by ABC footwear retail outlet:-

According to the book "Discovery -based retail ", customer service is the "sum of acts and elements that allow "customers to receive what they need or desire from your "retail establishment.

Customer services provided by this outlet reflect a lot about the store philosophy. The most important thing in retailing business is customer. The ABC retail outlets services to attract customers are:

- **Purchase guarantee:-**

  This outlet provides its customers with purchase guarantee whereby if the purchase shoes cause any problem they are replaced with another one in a particular period of time.

- **Assured quality:-**

  This outlet has employed trained and experienced personnel which assures the customer of quality footwear.

- **Personalised attention: -**

  Trained professional sales staff employed here to pay personalized attention to every customer. Sales staff is always ready to solve the queries of customers.
Product details:-

This store provides complete details of all their products in the most convenient way. Each item carrier’s tags that clearly mentions type, price and size (or) other necessary information. This not only saves time but also helps the customers in section.

Wide collection:

With over 800 designs the store has one of the widest collections of shoes. Size chart, shoe fitting tips, shoe care tips are all provided by this retail outlet.

Various Brands offered at ABC footwear store:-

Brands offered:-

1) Lee Cooper:

Lee Cooper footwear today is a very successful and well reputed footwear brand in the Indian market. This collection is available for both men and women, targeting the upwardly mobile and independent customer.

2) ID:

This range of shoes was launched in India in Nov 2002. These are smart casuals, the most striking range of footwear to hit the market in the recent time. ID footwear epitomises the aspiration and attitude of the contemporary youth and their mindset.
3) Geox:

The Geox brand name comes from the Greek word, geo i.e. earth on which we all walk and X which stands for the technology element.

4) Red Tape:

Red Tape is world fashion and its styles colour and textures reflect the latest fashion trends across the globe.

5) Clarks Gannett:

The Gannett is a stylish water proof leather boot available in the store and is with seam-sealed for added protection from the elements. Has an ortholite cushioned foot bed and is airport friendly.

6) Franco Leone:

These are high quality shoes for men and are perfect for casual wear.

7) Ganuchi casuals:

These shoes are classic example of design artistry and the new age footwear technology. The shoes come with uppers, adjustable leather straps with Velcro (a material ensuring a secure foot).
8) Gaitonde:

These shoes are made in premium Italian brush off leathers with Argentinean leather soles, fully leather lined; these shoes are the top of the line offers.

9) Florsheim:

This is leading brand in men's dress and casual footwear. These shoes are classic among men's footwear over 100 years. With an unsurpassed range of prices and widths, there is a Florsheim shoe for nearly a guy. This shoe exhibits greater craftsman's ship, lots of comfort features and truly great looks.
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