Chapter - 6

CONCLUSIONS & SUGGESTIONS
The Retail sector across the world is undergoing cultural transformation as the traditional passive customer is becoming more assertive and skeptical. Increase in the literacy rate, a wave of information technology and whooping competition are asserting a voice to the customer to demand more varied and fashionable footwear. Competition, a growing number of footwear retail units, cost conscious customers who demand better standards of service forced the leather footwear industry to look for marketing practices in order to achieve the desired goals. Presently all most all the footwear retail units have been looking for ways to capture market share, expand their business and thus ensuring themselves of their survival in this competitive market.

Behind the scenes of this metamorphosis, many forces-- the rise of the demands by customer, the introduction of innovative technologies, a new breed of entrepreneurial providers and non providers changed attitude and paved the way for market driven footwear industry.

6.1 LEATHER INDUSTRY IN INDIA:

The Indian leather industry is spread over the formal as well as informal sectors and produces a wide range of products from raw hides to fashionable shoes. The industry comprises of firms in all capacities starting from small artisans to prominent global players. Specialised institutions like CLE (Council for leather exports) and CLRI (central leather research institute) have been set up to promote the overall performance of the industry.
India ranks first among major live stock holding countries in the world and thus has a rich endowment of raw materials in terms of the cattle population. It has the capacity to fulfill 10% of the global leather requirements. Export of leather and leather products during 2004-2005 registered an impressive growth at US $2,380 million, exceeding the target of US $ 2,284 million fixed by the commerce ministry. Leather footwear is the most leading product category driving the growth of the leather industry.

In 2005, leather footwear alone accounted for 30% of the total export of leather and leather products from India. The post liberalisation era has opened up a plethora of opportunities for the Indian leather industry. With global players looking for new sourcing options in addition to china, India stands to gain a bigger share of the global market. Leading brands from the US and Europe is planning to source leather and leather products from India.

Global players who participated at the India International leather fair, 2005, consider India as the market to be in. The 2006 leather fair was being designed to focus on the opportunities for sourcing from India.

This report looks at the leather industry from both the macro and micro perspectives. At the macro level it deals with international competitiveness of the industry, environmental and regulatory issues like PCP (penta chloro phenol) concentration and concerns on animal rights violations, employment creation and trade...
related details. It also provides information on the micro structure of the Indian leather industry, the major players and foreign collaborations.

India has a less than 3% share in the global trade in leather compared to China’s 20%. Realising the growth potential of the leather industry, the govt of India has been making significant efforts to promote rapid advancement of the industry. On June 30, 2005, the cabinet committee on economic affairs (CCEA) decided to implement Rs 2.9 billion scheme for the integrated development of the leather sector. Under this scheme, existing tanneries will be modernised and new units will be set up for footwear components and leather products. This scheme is expected to result in gains in terms of productivity, right sizing of capacity cost cutting and design development.

6.2 NEED OF MARKETING IN FOOTWEAR RETAIL OUTLETS:

The study reveals the necessity of integrating retail outlets with marketing concepts and plans to enrich the performance and viability of footwear retail stores. A number of retail outlets emerged during late nineties maximising the need for marketing products. The study explored ways and means to overcome the barriers of competition through an evaluation of elements of marketing mix of footwear retail outlets. At this juncture, the study attempted to remove the abuses of various professionals on retail marketing. With this study, the critics who make allegations have a consolation for their abuses regarding the implementations of marketing principles into the retail outlets.
The study encounters various problems and prospects faced by footwear retail outlets in promoting their products. The reasons for low customer turnover, unreasonable return on investment and soaring cost of new brands & products and low degree of marketing orientation have been explored through an objective evaluation. The study identifies the ways and means to strengthen retail outlet's performance. The study tried to fill the gap in the levels of expectation as defined by retail outlets and the levels of performance.

6.3 MARKETING ORIENTATION-ATTITUDE OF FOOTWEAR RETAIL OUTLETS:

Marketing concepts have been simply borrowed from larger organisations and applied to retail outlets. Retail outlets have to adopt marketing principles with a philosophy of delighting customer in place of customer satisfaction. A massive investment in retail outlets made them to implement marketing plans and strategies into the retail outlets.

A major portion of selected footwear stores though having positive attitude towards marketing, have some misconceptions in the eyes of retail outlets. Marketing is an activity to increase incumbents and doesn't influence the productivity of retail outlets. Retail outlets accept the relevance of marketing in helping the customer to select the best store. Referrals are the result of relationship marketing with sales professionals and others. Image of the outlet lays in the quality of products, new designs and styles,
innovative brands and a more satisfied customer. Marketing is a tool to create awareness about the facilities available and specialties offered. To achieve the financial viability and increased reputations to some extent, marketing practices can be adopted in the retail outlets. Marketing related advertising helps the user to know about competitive quality services and at prices they can afford.

Footwear stores at the outset opine that marketing is not unethical. Just like any other business investments in Lakhs to crores are needed for erecting the outlet set up. Marketing is a formidable weapon to forge competitive edge over competitors, when an outstanding array of excellent products, designs and brands is within the reach of the store.

Nowadays retail outlets are merging public relations with marketing and are of opinion that marketing is selling the products by adopting publicity. The element of scientific approach is lacking in the marketing orientation of retail outlets. Increased competition, emerging number of stores, informed customers who demand quality products and need for return on investment had forced outlets to emphasise more on marketing principles.

Retail stores have to learn systematic planning of marketing activities to achieve better results. They need to concentrate on diverse group of activities such as designing the product mix, adopting approximate mixing strategy, selecting the place, which refers to the channel of distribution of products, procedure for developing public
relations and establishing method for promotion of products. There is a need to combine a set of marketing tools to serve a particular segment of the population. How many marketing tools are required to make a good mix depends on particular product/service. The study has considered 5 P's product, price, place, promotion and public relations. A retail store that develops an optimum marketing mix emerges as the most successful player in the retail market.

Retail units at this juncture failed to develop an optimum marketing mix due to lack of managerial skills required for establishing marketing department and organising marketing planning programmes. Retail units are developing through introduction of the latest brands and designs, but fail to develop market talent. This develops a greater distance between market talent and other talents. This resulted in the failure of design of optimum marketing mix which is necessary to out-perform competitors.

6.4 MARKETING MIX OF RETAIL UNITS – A STUDY:

Today marketing touches every retail unit. It establishes a link between the provider and user. Marketing involves a large number of activities-- design of product mix, pricing, physical distribution, sales promotion & advertising, marketing research, public relations etc. Marketing combines several activities to serve and satisfy customer need while meeting the larger goals of retail outlet. The large scale retail outlet's establishment with their sound finance can establish a well structured marketing system, where it is a nightmare for small establishments because of their diversified
problems and limited resources. It is very sad to say that many retail units give little importance to the marketing mix. The study attempts to discuss the various elements of marketing mix under the headings products mix, price, place, promotion and public relations.

**Product Mix:-**

Products are tangible in nature and the provider also has to show their world class excellence while formulating the product mix. In the footwear retail units the most important thing is footwear i.e., the product. Products offered in footwear units are for all categories of people. Now a days the customer has become brand conscious so the units must provide different types of latest brands and designs. The study found that many retail units claim to be multi branded ones though they are not. Some retail outlets are unable to provide all the brands due to lack of investment. This develops a poor image among the customers, which creates dissatisfaction with the product provided.

In the outlet setup, designing the product mix is a complex phenomenon and has financial implications to add product/service to the product line. Outlets need to design by knowing what people want to buy from the footwear stores after considering resources available. What is needed is some common sense. Branding, brand name, brand image, building that image is important for retail outlets.
Several retail outlets perceive competitiveness of outlet in terms of variety of brands and designs.

**Product Strategy:-**

Retail units, which market one product/brand, are rare today. Most of the outlets are offering many brands i.e., they are multi branded. The brand portfolio preferred by retail units depends on various factors such as availability of trained sales staff, demand for the specific product, design or brand, financial viability etc., though the retail stores are multi branded, in general, retail stores are focusing on specific brand/product to build image of the retail unit. Such a strategy allows retail unit to understand several factors:-

1. Market trend and reaction of customers towards store performance
2. Positioning of competitors and their products.
3. Offerings those are attractive to the customers.

In essence, specialisation focus rests on a narrow competitive scope. Retail units following specialisation strategy can achieve competitive advantage. This specialisation strategy is a variable option for retail units with limited resources. The study found that retail units with lower investment are focusing on a specific brand and are performing well.

Membership cards, discount coupon etc., form part of a brand portfolio offered by selected retail units. The above things are offered by small to large retail
stores. It is a boon, a gift to customers particularly in urban areas as they can receive desired products within no time.

**Some Products Offered by Retail Units:-**

Product planning and development is an important aspect of marketing. Marketers need to innovate new products to strengthen the product line. This holds good for retail sector. Continuous product innovation encompasses the technical activities of product research and design, need and wants of customers and the expected demand for the newer designs and products.

A footwear retail unit in order to excel has to plan and innovate newer and creative products and customer services to attract customers. Retail units need to concentrate on wellness activities. An equal emphasis on creative strategies is necessary to increase its market share. The study encountered various products offered by the retail units. Both primary and secondary sources of data have been explored to look into the product line offering of the retail units. Some of them are:-

**Membership cards:-**

Retail units larger in size are offering membership cards of different types for individuals and entire family. A membership card provides a percentage reduction in price charged for products offered by them. The purpose of the cards reveals that they are not tailor made and unable to meet the needs & expectations of card holders.
Retail Pro:

Retail pro is a world class point of sale software system that provides footwear store retailers the right business tool to help compete effectively in an ever-changing and demanding marketplace. Easy to install and use, this flexible, affordable point-of-service software solution helps effectively manage all aspects of the store’s inventory. It also manages a large range of merchandise shoe assortments — with ease. Keep track of every item — from seasonal, casual, dress to sportswear and anything in between. Understanding specific merchandise requirements, one can easily track and manage shoe assortments and non-inventory related items. Better buying decisions can be made based on accurate sales information and inventory records. Customers and employees are kept happy with item lookups. Speed at time of checkout and delivering better and improved customer service is easily achievable.

Retail units can achieve economies of scale by increasing its facilities. Majority of selected retail units have not installed retail pro due to various reasons such as lack of awareness and lack of investment.

Price:

Price is the payment that the commodity or product commands. It’s an exchange value for goods and services in terms of money. Price determines the profitability of the
firm. But higher price always doesn't lead to maximisation of profits. This may be due to the law of demand that states, demand is inversely proportional to price i.e., volume of sales will decline with increase in price and in turn reduce the profit. Hence organisation needs to fix an optimum price to obtain tradeoff between sales & profit.

Footwear retail stores in India are operating on a commercial basis in a market place, but don't respond to classic marketing principles of supply, demand, price & quality. Retail units are heavily burdened with good intentions of developing quality in products. This is leading to high societal cost of products and is considered right by many. Quality in the provision of products is multi-dimensional. High quality products are easily accessible; satisfy customers and produce good outcomes. During late eighties and early nineties quality competition increased in the retail sector due to technological innovation. Retail unit's huge investments in creating the best products & services increased non-price competition and in turn increased the price of products.

The present study initiated efforts to evaluate the present system of pricing, roles involved in pricing, economic, & non-economic factors considered in fixing price etc; to arrive at meaningful conclusions and thereby derive concrete suggestions for improving the pricing system of retail units.
Fixing the price:-

It is worth mentioning that, while fixing the price for a product offered by retail units, they are not exercising scientific method of pricing. Because many retail units perceive that pricing doesn't resume such a complicated exercise as it demands qualified personnel, time and money. In most of the retail units, prices are fixed arbitrarily, without any consideration of the components of cost.

Most of the retail units are adhering to market price that is a price commonly adopted by other retail units. A deviation from market price leads to premium price or affordable price, which the retail units practise. Premium price may also be called as psychological cum prestige price which builds an elite image combined with the profile of a retail unit where everything is world class—the products and their quality, customer services, supportive services and many more. Affordable price is psychologically satisfying price which is lower than prevailing charges at industry level.

Value based pricing is not so much practised by most of the selected retail units. Retail units need to adopt a scientific way of computing prices of products and to keep control on cost and expenses down. The adaptation of economic credentialing will help the retail units to utilise resources optimally and keep prices much lower than the competitors.
Published price—Informed customers:-

The best way to create positive attitude among customers about products is possible by developing knowledgeable customers. The more the customers know about price, quality and other things, the more effective the retail unit. Customers are generally confused and not knowledgeable relative to prices of products. Retail units need to develop a system of published price to create awareness to customers about price. This helps customers to assess the prices in relation to his paying capacity and decide whether to retain with the retail unit or not. It is advisable that the retail units must develop a system of transparency and develop informed customers.

Differential pricing of retail units:-

Customers can’t know the difference of product produced by two or more producers. Hence they select a provider based on lowest price or availability.

The study identified retail units differentiating their products through price. Differential pricing has been adopted by almost all the retail units selected. But there exists some differences in adopting basis for differential pricing. In the retail unit set up differential pricing is lower price than actually designed and is implemented to create favourable impression on the retail units.
Differential pricing is based on type of customer, Payment terms, quantity ordered and referral sources. Retail units are adopting differential pricing based on all the factors with some variations in the degree of influence.

**Price of products—a comparative Analysis:-**

A comparative approach may help the retail units in deciding the best price for the products. The empirical study has shown that majority of the retail units are adhering to at par prices without any consolation of quality of products, demand for the products, elasticity of demand, competitor evaluation prices etc. The study has shown a few retail units adopting a higher price by differentiating their products over the other retail units. Even there are some retail units offering lower prices to attract and retain poor customers who are sensitive to price.

**Place (Distribution):-**

Place is an important component of marketing mix that finds customers to fit the service rather than fitting the service to the needs of the customers. The primary goals of the distribution of products are

- Identifying the locations where products can be delivered.
- Demonstrating the product delivery process from customers point of view and to define customers involvement.
→ Defining various components, roles and interactions involved in product delivery to ensure customer satisfaction.

→ Identifying critical areas where product delivery breakdowns occur.

→ Developing plans to ensure efficiency in the delivery process.

Retail units to endure success, they should locate at a place convenient to the customers as well as to cover large catchment area. As the physical presence of the customer is required to get the desired product or brand, the focus should be on the size of the catchment area. The footwear retail units need to know how far customers can travel to use the service. This requires an assessment of connectivity of the place of retail unit to other areas.

The present study identified retail units as urban concentrated to facilitate access to connectivity to other places. Even retail units have developed a tendency of locating units in urban areas expecting a good market for their products.

**Components of product delivery – A study of retail units:**

Products delivery undergoes a sequential flow of activities and interactions between the customer's frontline employees, support employees. These flow in a distribution channel in the delivery of products. In retailing structure, distribution channel comprises of people—manufacturer or importer, whole sale, retailer. Retailers are at the end of the supply chain. Online retailing, a type of electronic commerce (B2C)
transactions and mail order, are forms of nonstop retailing. Home delivery facility is advancement in the delivery of products to serve the elite people in the society.

Retail outlet set up has an owner, store manager (to look after store operations). Apart from that certain divisions like marketing division (visual displays, Public relations, Promotions), Merchandising (Planning, Buying, inventory control, HR (personnel, trained), Finance (Accounting, credit), technology are present.

In order to delight the customer, retail units need to integrate all these components into the distribution system. To make distribution system of retail units effective these components must be balanced. If any link of the distribution system is weak, the result is poor service delivery.

**Tie up with other players of footwear industry:-**

Growing retail industry and severe competition has resulted in Cross-promotions and tie ups. These gain an even greater significance in the Indian context with the absence of legislation favouring foreign direct investment in the retail sector. These tie-ups enable international players to ride on the existing distribution network of local players and go a long way in creating visibility for the foreign brand. For example, it has been noticed that Reebok India tied up with Bata in 2001 for sale of its Reebok and Rockport footwear in Bata outlets. Global brands such as Nike, Adidas and Reebok also sell their footwear in India, either directly through their own outlets or through tie-ups with players such as Bata. Still the tie ups have not gained that much significance but
definitely growing to increase in near future. The effects of selecting retail units in establishment of tie ups with other players of the footwear industry are nominal.

**Promotion:-**

Promotion is one of the tools of marketing mix intended to communicate information about products/services offered by producers with a view to influence the present and prospective customer’s purchase decision. Retail stores promotion mix includes advertising, publicity, attracting referral sources, personal selling, public relations and seminars & exhibitions. The retail units need to combine the elements of promotion mix to produce a marketing programme. In designing the promotion mix, retails units need to design communication objectives, decide on target audience and allocate budget. After this has been established, the objectives, target audience and budget are to be divided among different elements of promotion mix. This is the process of matching the objectives and target audience with the capabilities of communication channels.

An attempt is made to known the preference of retail stores over various promotional devices— advertising, publicity, referrals, public relations and educational programmes. Advertising stands first in the footwear store’s preferences of promotional mix followed by referrals, public relations, publicity and seminars & exhibitions.
Advertising:-

Advertising is paid form of non-personal communication through paid media by an identified sponsor. The various media preferred in today's marketing environment are television, radio, newspapers, magazines, hoardings and internet. Television advertising can reach very broad audience, but it is not very selective except in the variation of audience across channels. It is unlikely to go for television advertising if the target audience is tightly defined. Now a day's radio has been displaced by television, hence most of the audience is interested in viewing television programmes than listening to radio. News papers and magazines offer selective focus, as they themselves are targeted at specific audience. Internet advertising is only suitable if the target audience is techno-savvy. Hoardings are display boards that draw the attention of people who navigate the road. Retail units need to select various media based on the target audience.

The study identified the television advertising as the most preferred media by retail units followed by newspapers and magazines, hoardings, radio and internet. Outlet selection of media for advertising should be preceded by research-- identification of target audience, assessment of communication reach, viability of the outlet etc; otherwise advertising is doomed to fail. Outlets have to conduct this simple research before they spend enormous amount of money on advertising.
Communication messages - Guidelines for Success:-

In advertising footwear products, important thing to remember is design of advertising messages. Advertising messages have to be carefully planned and designed to develop trust in the retail outlet. They need to communicate promises that are possible only. Almost an equal emphasis is given by retail outlets over selection of various messages—store image, products and brands offered, discounts offered, type of footwear offered.

Publicity:-

Publicity is another form of marketing communication created by the firm and generated by media to provide information to the public. Unlike advertising, publicity uses unpaid media to disseminate information. The content of publicity may not be as designed or the coverage may be uncontrolled. Every enterprise has direct bearing on social, economic & political life of the community. News media look upon various enterprises for coverage of news. Even the firms have desire for news coverage by media.

Good publicity produces good relations and sustainable public support for the firm. Bad publicity is mostly the result of lack of information and stained relations with media. It is in the interest of the firm to supply the information and develop an understanding with the media.
The study evaluated the efforts of retail stores in handling publicity and their willingness to share the news with media. A less number of retail units are willing to release news for coverage. The news is mainly related to store events and public interest topics. Retail units have not fully realised the role of messages and other programmes in the retail unit publicity.

Retail units must realise that lack of publicity will adversely affect the image and even business. On the other side, publicity can make or break retail unit reputation and its very existence. Hence establishing and maintaining good news media relations is one of the most important functions of retail unit. Every retail unit regardless of its size, location and whether or not public relations department or marketing department has needs to develop and enforce an official policy to deal with news media.

Public relations:-

Public relations is an important component of promotional mix and touches almost every department of the retail unit. Public relations programmes is apparent in the retail unit set up and helps to create a favourable image in the minds of claimants of the store. It is needless to say that, well planned public relations will pay handsome dividends in the long run. The focus of public relations in the retail units must be distinguished in terms of variety of public community, the personnel of the outlet, media professionals, sales professional, govt. agencies, guests, visitors, referrals sources, suppliers and others who are interested in the retail units.
The main function of public relations is developing and promoting an understanding and appreciation of the outlet by the public. Public relations must build a strong, positive relationship with the media to diffuse criticism, customers by providing excellent customers services, outlet’s staff to develop high morale & productivity, referral sources to increase referral cases. The major responsibilities of public relations are --interpretative, advisory, marketing and communication. Public relations whether it exists or not as a separate department it is necessary for a store to make appropriate actions and develop programmes to build public relations.

The present study identified the existence of public relations departments in more than 21.42% retail units selected for the study. The various promotional tools adopted for public relations by retails units.

- News Letter
- Leather fairs
- Free leather Camps
- Brochures and pamphlets
- Community programmes

**Newsletters:-**

Retail units release newsletters to create awareness and provide information on various aspects to investor’s, well wishers of the retail units, institutions & business.
The newsletters cover various features - store’s achievements, articles on latest footwear, services, products and fashion etc.

Majority of retail units studied were releasing newsletter with main emphasis on store achievements and products offered.

**Leather Fairs:-**

Leather fairs are organised and taken part by very few retails units selected. Retail units may coordinate with each other to organise leather fairs. Retail units distribute literature on awareness, promotion material etc.

**Free leather camps:-**

A considerable percentage of selected footwear retail units are organising free leather camps now & then to develop positive image among the public and in turn to enhance public relations.

Retail units are conducting free leather camps especially in the rural areas and are providing footwear at a reasonably low price. Retail units can show their social responsibility by conducting leather fairs & camps and in turn can derive good public relations with the community & there by attracting customers to their outlets.
Referral sources:

The study with reference to above revealed that, referrals form a major percentage of footwear retail unit's customers.

Attracting referral sources stands important in increasing volume of sales. All the selected retail outlets are relying on potential customers to increase referral cases. Retail units are adopting all ways and means to develop good relations with referral sources. Retail outlets can strengthen public relations with referral sources by giving them assurance of comprehensive feedback about their customers on a regular basis along with a word of thank.

Word of mouth publicity:

Advertising and other forms of promoting may be used to leverage word of mouth publicity. Retail units can persuade satisfied customers to tell other customers. Even word of mouth publicity can be used directly in media advertising in the form of testimonials from satisfied customers. Retail units can create programmes to reward customers who introduce their relatives, friends & colleagues to the retail units.

6.5 CUSTOMER EXIT INTERVIEWS - AN OPPORTUNITY TO FIND PITFALLS:

Retail units can organise customer exit interviews to know about the strength and weaknesses of the system. Customers form different opinions on the store, based on
their contacts with the store personnel, store environment, infrastructure and facilities. Ordinarily customers don't exert their dissatisfaction in front due to many reasons. There is no doubt, a dissatisfied customer will inform ten people and develop a bad image of the outlet. Retail units can conduct customer exit interviews to know the reasons for dissatisfaction and assure him/her that it will not happen in the next visit. This nullifies negative impression developed by the customer. No footwear retail unit selected is organising planned exit interviews. Retail units need to realise the importance of exit interviews in building up a strong customer relationship with no extra effort & cost.

6.6 MARKETING DEPARTMENT-TO BE OR NOT TO BE:

In majority of the selected retail units there is no separate designed department for marketing. Marketing activities are organised by the head of the retail unit i.e. the store manager. In some retail units it is function of public relation officer or administrative officer. Small and medium sized retail units don't find it economical to have a separate department. A few large retail units are having marketing department. The study identified retail units performing various marketing activities without having a formal marketing department. The empirical study recognises that marketing department to be or not to be doesn't matter as long as retail units recognise the important of marketing.
6.7 MARKETING ORIENTATION AND MARKETING DEPARTMENT:

Presence of marketing department doesn't make retail unit more marketing oriented. But marketing department is necessary to perform various activities with a bit of professionalism. Hence retail units that can afford resources can go for organised marketing department.

6.8 MARKETING GOALS AND MARKETING ACTIVITIES ACROSS THE ORGANISATION TYPE - PROPRIETORSHIP VS PARTNERSHIP:

Examination of marketing goals of the retail units reported a high level of agreement on preferences of marketing goals by proprietorship and partnership retail outlets. Among these goals there is no discrepancy between proprietorship & partnership retail units. Both types of retail units ranked increasing market share as their primary goal followed by increasing return on investment and to increase customers. It is interesting to know that agreement on reducing cost of products and increase in customers is quite similar.

This makes us to understand that retail units are primarily concentrating on increasing market share and return on investment by increasing customers. Optimum utilisation of facilities and equipment --rest rooms, infrastructure etc., is possible by increasing customers. The degree of acceptance of marketing activities by proprietorship and partnership retail units appears to be quite similar with minor variations in accordance with the primary marketing goal - increasing market share.
Retail units, both proprietorship and partnership accepted provision of product / service as their prima - facie activity. We can understand that retail units are concentrating on increasing the product line to increase more & more customers. Pricing strategy is assumed important in partnership retail units where as public relations in proprietorship type of retail units next to product / service offering. In the preferential ranking of marketing activities, image development & marketing planning stand last in both proprietorship and partnership retail units. This may be due to not having department in many retail units.

6.9 MARKETING ORIENTATION - VARIOUS DIMENSIONS OF SELECTED FOOTWEAR RETAIL UNITS:

Various dimensions of marketing orientation of retail units are volume of investment, frequency of getting new products and designs, brand portfolio, attitude towards marketing and perceived level of competition.

Retail units tend to be more marketing oriented if larger the volume of investment, more the frequency of getting new products and designs, larger the brand portfolio, positive the attitude towards marketing and more the perceived level of competition.

Form of ownership, number of branches, return on investment and categories of footwear have no influence on marketing orientation as per the study.
6.10 INVESTMENT VS PRICE:

In the footwear retail industry, retail units compete with one another by offering superior brands and products coupled with great customer services. The increased investment in the advanced state-of-the-art equipment, developing store environment and the higher remuneration to the sales professionals and other things send the costs of the retail units spiralling. But heavy competition prevailing between the footwear retail units leads them to both price competition and non-price competition. In such situations investment and price are independent of each other. Pricing is determined on the basis of competitive analysis rather than on investment. Another reason may be marginal cost approach in pricing. This method is adopted by retail units after the recovery of investment made on equipment and other infrastructural facilities.

6.11 SUMMARY OF CONCLUSIONS:

* Footwear retail unit entrepreneurs are experienced and motivated individuals but are lacking managerial and technical skills to manage and market their products effectively.

* Several retail units expressed concern over the “intense competition in the market “and how, as a result, they are “not doing well financially “. They attempted to give a picture of low return on investment.
Many of the footwear retail units restricted their products & brands due to various reasons. They failed to offer full range of products and brands to the customers. This subsidised the competition in favour of large retail units offering full range of products with all the latest fashionable & comfortable brands.

The study envisaged that most of the retail units mostly smaller ones are not providing various categories of footwear. This is not true with large retail units which are financially sound enough to provide all the categories and types of footwear.

Even though many footwear retail units are having positive attitude towards marketing, there is no separate designated marketing department in majority of the retail units. This may be somewhat true with respect to financial strength of the retail unit.

Retail units larger in number failed in developing a comprehensive marketing programme to strengthen the customer base and ensure affordable products to the customers. They have designed adhoc marketing plans just to sustain in the retail industry. They have not recognised marketing as a formal function, even though they are practising various marketing activities such as advertising, developing referral network, public relations programme etc. Marketing function has not been effectively integrated into a cohesive long term strategy.
Marketing as an operational strategy received less attention, hence retail units failed in developing optimum marketing mix. Lack of professionalism, misunderstanding about marketing and increased concentration on the development of talent superseded sound marketing practices resulting in poorer marketing mix.

The pricing mechanism prevalent in the retail units is very difficult to understand. Retail units sometimes are fixing price through an interaction with the customer. Absence of published price schedule with many of the retail units supports the above. Retail units have adopted insidious form of pricing strategy.

Retail units seen from the marketing perspective failed to devise an elaborate and well defined promotional strategy. The reasons would be

- Strong referral system established over years with long standing customers etc.

- Lack of marketing professionals.

- Investment for upgradation of excellent infrastructure over the years.

- Top priority assigned by the retail units for publicity of brand portfolio and sales professionals who provide service.

Retail pro has not received much attention in the Indian environment. Except a few large retail units; many have not made efforts in installing this software.
* Tie-ups with other players of footwear industry are seen in few selected retail units. This is done with the purpose of increasing sales growth.

* Retail units are mainly urban concentrated. Some retail units which are large have established branches in different locations of the same city or in other cities, but not in semi urban or rural areas.

* An analysis of secondary data concludes that some of the products of retail units appear to be costly. Hence they failed to draw the attention of public.

6.12 SUGGESTIONS:

✦ Retail units need to be more marketing oriented. Such retail units can understand trends of the footwear retail industry, so that they can increase investment, frequency of getting new products and designs and add newer products.

✦ A marketing department with well defined goals needs to be created in the retail units to design marketing planning and to succeed in the competitive markets. Marketing department needs to be headed by qualified experienced marketing professional. A fair chance may be given to the head of marketing to interact closely with all divisions of the retail unit. By establishing marketing department, a retail store can capitalize on these trends rather than be victimised by them.
Retail units to experience better net revenues need to understand customers, availability of new products and offerings of their competition. Marketing can no longer be limited to advertising and public relations.

The most damaging feature of footwear retail units is they are caught in a “be better” trap surfaces when they build strategies upon a heritage of comparison programmes. These initiatives often accelerate the loss of competitive edge over competitors.

In the absence of true strategies that uniquely fulfill customer needs, they cannot produce competitive edge. Retail units need to realise that doing things differently is more powerful in the market place than doing things better.

Finding your customers and creating what they want before competitors do is now imperative.

Retail units need to develop a well - designed system to obtain immediate feedback about the performance of retail store and store personnel. A follow up of customer’s satisfaction need to be assessed by developing and administering a structured questionnaire at the exit point of service. This makes retail units realise weakness and loopholes in the system leading to customer dissatisfaction.

Footwear retail’s advertising in particular must concentrate not only on encouraging customers to buy, but also on encouraging retail unit personnel to interact in a friendly & reassuring manner.
Tie-ups with other players of the footwear retail industry helps in sales growth.
So retail units can think about it.

Footwear retail units may develop a brochure which provides information relating to history of the retail unit, description of brands, availability of various categories of footwear, customers services, prices of the products, easy payment options etc, to avoid misconception among the customers about the retail unit & its functioning.