Abbreviations

A.T.Kearney- Andrew Thomas (Tom) Kearney
B2B-Business to Business
CAGR- Compounded Annual Growth Rate
CDS- Canteen Stores Department
CFO-Chief Financial Officer
CMIE-Centre for monitoring Indian Economy
CRISIL -Credit Rating Information Services of India Limited
CSPL - Crossroads Shoppertainment Private Limited
DMPL- Del Monte Pacific Limited
DOF- Degree of Freedom
EDLP-Every Day Low Price
EMI-Equated Monthly Instalment
ET Retail- Economic Times Retail
FDI-Foreign Direct Investment
FHPC- Food, home & personal care businesses
FICCI- Federation of Indian Chambers of Commerce and Industry
FNSD-Fast moving items, Normal moving items, Slow moving items, Dead items
FMCG-Fast Moving Consumer Goods
FY-Financial Year
GDP-Gross Domestic Product
GRDI-Global Retail Development Index
IBEF-India Brand Equity Foundation
IIM- Indian Institute of Management
KMO- Kaiser-Mayer-Olkin Test
KPMG – Klynveld (Piet Klynveld), Peat (William Barclay Peat), Marwick (James Marwick), Goerdeler (Dr. Reinhard Goerdeler) are Principal founding members of firms offering audit, tax and advisory services

KSA - Kurt Salmon Associates (KSA Technopak is the Indian subsidiary of Kurt Salmon Associates, a US-based global management consulting firm)

KVIC- Khadi & Village Industries Commission

MICA- Mudra Institute of Communications, Ahmedabad

NTC-National Textile Corporation

PDS – Public Distribution System

POS- Point of Sale

POP- Point of Purchase

PRMPL- Pyramid Retail and Merchandising Private Limited

PWC- Price Water house Coopers

RAI-Retailers Association of India

RBI-Reserve Bank of India

ROI-Return on Investment

RRL- Reliance Retail Limited

RPG retail- R.P. Goenka Retail

SCM-Supply Chain Management

SKU-Stock Keeping Units

SPSS-Statistical Package for Social Sciences

TCS- Tata Consultancy Services

USD- United States Dollar

VAT- Value Added Tax
Major Definitions
In the Context of Present Research

**Competitive edge:** The fact that a company has an advantage over its competitors. The business needs to innovate in order to gain/maintain/retain a competitive edge.

**Complementary products:** A product that is typically used in conjunction with another product, such that a change in the demand for one product results in a change in the demand for the other. Here complementary products are Grocery with household complementary products, Apparel with fashion accessories and consumer durable with product accessories.

**Consumer Behaviour:** Consumer behaviour is all about understanding how people choose to spend their money and time in buying and consuming various goods and services that they desire.

**Convenience stores:** Usually located near residential areas and open for long hours. Generally selling food—grocery and household products.

**Demographic variables:** Demographics are largely the personal factors influencing the format choice.

**Departmental stores:** Large stores selling several product lines, with each operating as a department. Product mix is largely non-food like apparel, accessories, books, music, footwear etc. These are general retail merchandisers offering quality products and services. These stores are typically lifestyle stores. These stores offer high quality service to consumers. These stores stock lesser merchandise than other formats since the merchandise is stored in a presentable manner.
**Discount stores:** Discount stores or factory outlets, offer discounts on the MRP through selling in bulk reaching economies of scale or excess stock left over at the season. The focus of these stores is to offer merchandise at a price that is lower than the market price, and to gain profit from volumes. These stores keep merchandise mainly on the basis of its saleability.

**Elasticity to travel:** It means the distance to which consumers show readiness to travel to reach to the desired destination, here sopping destination as either organized or unorganized retail format

**Evoked set:** It refers to the specific brands (or models) a consumer considers in making a purchase within a particular product category

**FNSD Classification:** Based on the consumption pattern of the items, analysts classified the items as fast-moving, normal moving, slow-moving and dead (or non-moving) items. The speed classification helps in the arrangement of stocks and in determining the distribution and handling patterns

**Hypermarkets:** It is a large self-service store selling a mix of products. The notion of hypermarket is to provide everything under same roof. These stores offer large depth in the product mix which includes food and non-food item like apparel, footwear etc. The low price for the products is a key attraction for the customer

**Kirana store:** It is a retail outlet that is owned and operated by individuals fulfilling basic daily needs. The range of products are very selective and few in numbers. These stores are seen in local community often are family-run businesses. They typically stock a range of goods that range from staples to FMCG products and in many cases ready to eat snacks supplied by small suppliers.

**Merchandise mix:** Merchandise mix is the total set of all products offered for sale by a retailer, including all product lines sold to all consumer groups. It is the combination of goods that a business decides to sell in order to increase its profits

**Mode of payment:** It means by which a payment is made, such as cash, cheque or credit card
Organized retail: Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed hypermarkets and retail chains, departmental store, discount stores, drug stores, factory outlets, and also the privately owned large retail businesses.

In the present study according to evolution of Indian retail industry given by KSA Technopak study (2005) modern formats mid 80s onwards Hyper markets, Shopping malls, Departmental stores and Super markets are taken as organized formats.

Payment/Financial assistance: Financial option provided to pay for the consumer durable while its purchase such as, EMI, zero percent (interest free) finance scheme etc.

Product category v/s Items offered –Product category is a particular group of related products offering the same general functionality. Here group of related products forming the product categories are Grocery, Apparel and Consumer Durable.

Offerings into the product category are known as items or list of items to serve the consumers’ need.

Purchase pal: A person who accompany and indirectly assist an individual in shopping.

Quality as an attribute:

- Grocery- Overall quality of merchandise inclusive of branded and unbranded items
- Apparel-Overall quality of merchandise along with fabric
- Consumer durable: Overall quality of merchandise along with the quality of technical support given to the consumers on displayed merchandise

Retail: Retail is derived from the French word “Retaillier”, which means to cut of a piece or to break bulk.

Retailing: Retailing might be understood as the final step in the distribution of merchandise, for consumption by the end consumers. It consists of all activities involved in the marketing of goods and services directly to the consumers for their personal, family or household use.

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**Retail Consumer:** A retail consumer is a person (or group) who pays to consume the goods and/or services provided by a retailer

**Retail Format and Store:** The retail format is the store ‘package’ that the retailer presents to the shopper. It is a type of retail mix, used by a set of retailers. Here the type of retail mix broadly represents ‘organized retail mix (Modern retail)’ as organized formats and ‘unorganized retail mix (Traditional retail)’ as unorganized retail formats

- Store is a variant available or provided in the specific format. Here the shopping mall, hyper market, super market, departmental store are taken as the variants provided in organized retail format known as organized stores. And neighborhood/kirana store are taken as variants of unorganized retail format known as unorganized stores.

**Retail shopping behaviour:** Retail shopping behaviour is the act of identifying the store and purchasing the product

**Situational variables:** A shopping situation is a particular act of buying behaviour occurring at a specific point in space and time

**Shopping malls:** The biggest form of retail in India, malls offers customers a mix of all types of products and services including entertainment and food under a single roof. It is a complex containing variety of shops/stores representing various merchandisers, with interconnecting walkways enabling visitors to walk from unit to unit. Other establishments including movie theatres and restaurants are also often included.

**Shopping Orientation:** A shopping specific lifestyle encompassing shopping activities, interests, and opinions and reflecting a view of shopping as a complex social and recreational, as well as economic phenomenon

**SKU Rationalization:** Stock keeping unit rationalization is an important technique in inventory management that helps retailers optimize their assortments by decommissioning some of the non-productive merchandise
**Specialty stores:** Specialty stores are retail chains focus on brand or a particular category. They offer a narrow product line but good depth. These stores usually ‘specialise’ in one line/category of merchandise. As these stores are concerned with only one type of merchandise, they are able to offer a wider range of products. Level of service is very high.

**Stock replenishment:** It is an operation that consists in making the stock full again in order to avoid stock-out.

**Store Attributes:** Store evaluative criteria, which include a variety of dimensions such as the merchandise dimensions and the service dimension.

**Supermarkets:** A supermarket is a self-service store offering food and household merchandise. They are low cost, low margin and high volume operators. Supermarket is larger in size and offers wider selection than a traditional convenience store and it is smaller than a hyper market.

**Task definition:** Task definition is found most influencing and appealing situation as every shopping occasion will have tasks associated with it. Task definition is applicable to both purchase situation and usage situation. The purchase situation refers to the circumstances of the purchase and usage situation refers to the circumstances of the usage of the product or service.

**Unorganized retail:** Unorganized retailing refers to the traditional formats of low-cost retailing. For example, the local kirana shops, owner manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors, etc.

In the present study according to evolution of Indian retail industry given by KSA Technopak study (2005) pre 80s Traditional formats Neighbor hood/kirana stores are taken as Unorganized formats.

**Visual merchandising:** Visual merchandise is the presentation of a store and its merchandise in such a manner that will attract the attention of potential customers. It involves decorating the store keeping along with the interior presentation.