

## CHAPTER- 3

### RETAILING IN INDIA AND INTERNATIONAL RETAILING



**WALMART**

**INDIAN WALMART**

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### RETAILING IN INDIA AND INTERNATIONAL RETAILING

#### 3.1 Introduction

Modern retail format is comparatively recent phenomenon in India, with a specially created ambience where customers can browse, window shop, make purchases, break off for a meal, take in some entertainment, and listen to music. This concept of organized retail marketing created distribution network that cuts out various intermediary costs and bring about direct interface between manufacturer and customer.

Retailing has now become a key growth area. There has been a change in the way the Indian consumers are thinking about shopping. What, where and how they buy is important for them. This change is noticed in large metros, and its impact is also seen in towns and cities. The change was because of the economic liberalization of the 1990's. (Earlier, the lack of consumer culture along with low incomes prevented the development of retail formats.) The organized retail industry in India had not evolved till the early 1990s. Until then, the industry was dominated by the un-organized sector. It was a seller's market, with a limited number of brands, and little choice available to customers, lack of trained manpower, tax laws and government regulations, this all discouraged the growth of organized retailing in India.

In India, the development of modern retailing has been supported by strong fundamentals of economy. The **Economic significance** of retailing in India can be seen through the following points:

1) India is rated as the 5<sup>th</sup> most attractive emerging retail market destination- A potential gold mine.

2) India is estimated to be 350US\$ billion, of which organized market makes up to 3% or 10.5US\$ billion.

3) According to KPMG report annual growth of departmental stores is estimated at 20%.

4) India is ranked in the first position twice by GRDI as the attractive destination for retailing out of the 30 countries worldwide.

5) Today retail employees 17% of the population and promises to employ more.

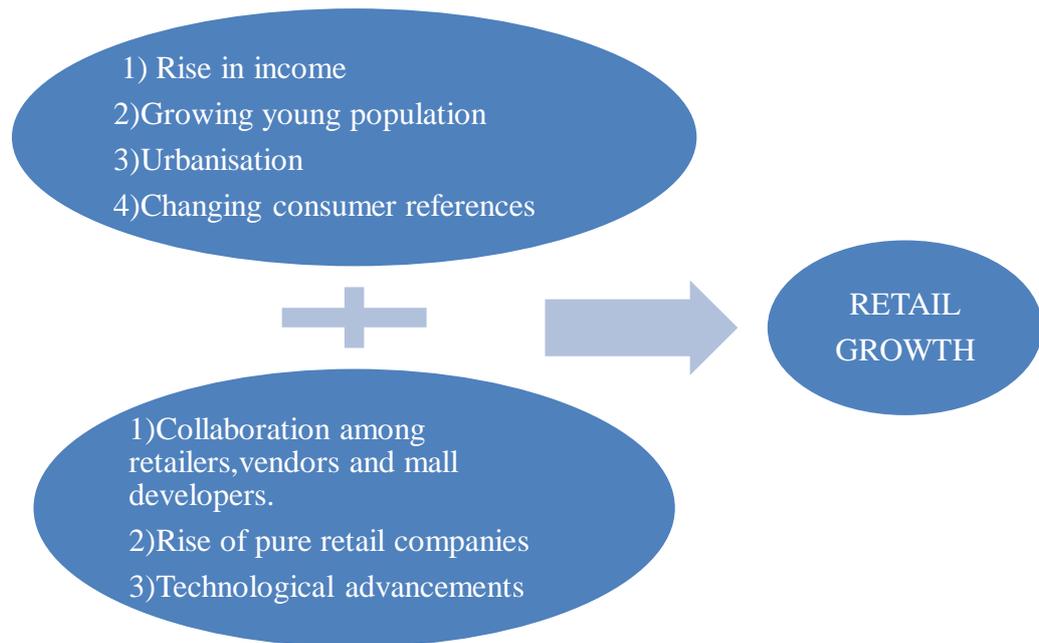
6) According to Price house water Copper retailing in India will create 8 million jobs in years to come.

7) Contract farming is the new mantra of organized retailing where by rural retailing will use latest technology, scientific farming methods and there will be increase in employment.

8) It is observed that organized retailing initiates management training opportunities and entrepreneurial opportunities.

The growth and development in organized retailing is due to the factors like-

**The demand side factors and the supply side factors.**



### 3.2 Spread of Retailing in India-The Past (early) and the Present Indian

#### Retail Scenario

India is one of the oldest civilizations in the history of mankind. Indian retail has seen different phases of development as<sup>1</sup>;

- 1) The barter system is considered to be the oldest form of retail trade. Haats, Mandis and Melas have always been a part of the Indian landscape. They continue to be present in most parts of the country and form an essential part of life and trade in various areas.
- 2) The evolution of the public distribution of grains in India has its origin in the ‘rationing’ system introduced by the British during the World War II. The System was started in 1939 in Bombay and subsequently extended to other cities and towns.
- 3) While tracing the evolution of Indian retail the canteen stores department and the post offices in India cannot be forgotten. The Khadi & Village Industries

(KVIC) was also set up in post independence. There are more than 7,050 KVIC stores across the country.

4) The Co-operative movement in 1963 was started by the government which set up Kendriya Bhandars, Bombay Bazaar, and Apna Bazaars.

5) In the past decade, the Indian marketplace has transformed dramatically. However from the 1950's to the 80's investments in various industries was limited due to the low purchasing power in the hands of the consumer and the government's policies favouring the small- scale sector. Liberalization in the period of 1985-90 lifted restrictions on private companies and the Indian economy slowly progressed from state led, to becoming 'market friendly' economy.

6) Though independent retail stores chain like Akbarally's, Vivek's and Nalli's existed in India for a long time, the first attempts of organized retailing were noticed in the textiles sector. One of the pioneers in this field was Raymond's. Textile manufacturer Reliance also had set up own retail chains during that period– as Vimal Showrooms and Garden Silk Mills with Garden Vareli.

7) With the growth of textile retail, readymade branded apparel became the next wave of organized retail in India. Madura Garments, Arvind Mills also set up showrooms for branded men's wear. In India in the early nineties it was the beginning of new era retail.

8) In the post liberalization the economy had opened up and a new large middle class with more spending power emerged. The vast middle class market demanded value for money, a better shopping ambience, more convenience and one stop shopping.

Foundation for organized retail in India was laid by Kishore Biyani of Pantaloon Retails India Limited (PRIL). Seeing Pantaloon's successful venture a host of Indian business giants such as Reliance, Bharti, Birla and others started entering into retail sector<sup>2</sup>. This fuelled the growth of departmental stores, supermarkets and other specialty stores in India.

### **3.2.1 Early Retailing**

The spread of organized retail in India in the early years can be studied area wise as follows<sup>3</sup>:

#### ***Northern India***

The northern part of India comprises of some of the largest state in India it has seen very little development in terms of organized retailing. Some of the important cities and town which were termed as attractive retail destination are; Delhi , Faridabad, Dehra Dun, Noida, Nainital, Meerut, Agra, Lucknow, Kanpur, Allahabad, Gurgaon, Rohtak, Shimla, Srinagar, Jammu, Gulmarg Chandigarh, Amritsar, Ludhiana, Jalandhar, Patiala Jaipur, Jodhpur, and Moradabad .

The little growth has took place in the organized retail sector was in the apparel and fast food sectors. Many international readymade garment brands opened their exclusive outlets by giving franchisees throughout various parts of the country. Companies like Benetton, Arrow, La Coste, Van Heusen, Weekender, Raymond's, Lee, Adidas and Reebok have taken the lead in this regard and have opened many such stores all over the country, especially in northern India. Large multi-storied department stores like Ebony, Snow white, Big Jo's, Jainsons, Landmark and the Shoppers Stop have become popular.

These stores stock a variety of luxury goods ranging from garment to shoes and other garment accessories, books, stationery and electric items. They sold a variety of well-known national and international brands, and also lay great emphasis on marketing their own private labels for various product categories.

### ***Southern India***

The southern part of India is regarded as the most literate part of the entire country. It has the highest percentage of literacy and also has the highest number of organized retail stores compared to any other region. It is often said that organized retailing in India actually emerged from the south and it is from here that it has been gradually spreading to other part of the entire country. Some important cities and towns in retailing in the state of southern India are Hyderabad, Secunderabad, Vishakapatnam, Kottayam, Kannu, Chennai, Erode, Salem, Vellore, Coimbatore, Trichy, Kanyakumari, Bangalore, Belgaum, Mangalore, Mysore Trivandrum, Kochi, Calicut and Andaman & Nicobar Islands Port Blair, Pondicherry.

Nilgiris a chain of supermarkets has been operating very successfully in Bangalore, Chennai, Coimbatore, Erode and some other South Indian towns and cities. Food world was set up in May 1996, the hundred years old Chennai-based Spencer and Company was taken over by RPG enterprises in 1989, it started a supermarket chain from Chennai with the brand name 'Food World'. The 'Kids Kemp' department store in Bangalore was initially a kid's stores stocking very large variety of items for children, further it expanded by adding adult products as well as garments for ladies and gents and changed its name from 'Kids Kemp' to 'Big Kids Kemp'. The Vitan department stores chain, more popularly

known as 'Vitan' headed by its dynamics promoter, Mr. Vishnu Chokhani started retail operations in 1987. The stores product range included garments and garment accessories for all ages, crockery, provisions, novelties and miscellaneous household items, it sold high quality products at very economical price. Westside, Little woods International, was set up in 10,000 square feet in Bangalore in March 1995. Subiksha Trading Services Ltd (now closed)- food supermarket, Pushpa Shoppe a food supermarket, Vivek's a consumer electronic store, and Shoppers Stop were some organized stores in southern India.

### ***Eastern India***

The eastern region places included West Bengal, Durgapur, Assam, Bihar, Orissa, Nagaland, Shillong, Sikkim, Arunachal Pradesh, Manipur etc. Retailers of the Eastern regions include Vishal Garments, it was the first store located on prime Chowringhee road. The primary focus of the store was on garments for all ages. It followed the policies of 'everyday low prices.' Pantaloon was the first true international retailer to be successful in the city of Kolkata. It is a department store format with a policy of low-cost high- volume products.

### ***Western India***

Western India is the most advanced and progressive region of the country. This region is also economically the most advanced region; the major part of the population here has greater purchasing power. The important cities and town in the various states of Western India, which are attractive retail

destination are: Mumbai, Pune, Nasik, Nagpur Bhopal, Indore, Raipur, Jabalpur, Gwalior Ahmedabad, Baroda, Rajkot, Gandhinagar, Surat and in Goa–Panjim.

Retailing in Maharashtra has grown tremendously. Pune as a town is fairly advanced in all areas and has good retail outlets. In October 1991, Shopper's Stop made its first serious attempt to create a world class store in Maharashtra. The store is primarily an apparel store offering garment and garment accessories for both men and women of all ages including a very attractive special section for children. Westside, the retailing outfit of Tata's, has also created a department store format with emphasis on garment and garment accessories. Piramal Enterprises, a part of the renowned Piramal group of companies, has also expanded into the 'mall management business. Their first ambitious project called 'Crossroads' was opened to the public in heart of South Mumbai at Haji Ali. 'Globus' a retail wing of the Raheja group of companies ventured into the retail business. They opened their first retail store in June 1999, the product mix of the store was primarily concentrated on garments and garment accessories, cosmetics, toys and sportswear. 'Poonam's Super Bazaars' is the most popular super market in Nagpur.

### **3.2.2 Present Indian Retail Scenario**

In the year 2004, the size of Indian organized retail industry was Rs 28,000 crores, which was only 3.3% of the total retailing market. Top major organized retail players entered and are increasing their market share day by day. Today's retail in India comprises of organized and traditional retail formats. Indian Retail market is estimated to be worth US\$ 511 billion, and is poised to grow to US\$ 833 billion by 2013<sup>4</sup>. The organized retail which accounts for less

than 5 per cent of the total retail market is expected to register a compound annual growth rate (CAGR) of 40 per cent and swell to US\$ 107 billion by 2013. In the report by global consultancy firm, A.T Kearney revealed that ‘The consumer spending in India has increased by an impressive 75 per cent in the last four years and will quadruple in the next 20 years’. Moreover, India recently has topped the Nielsen Global Consumer Confidence study, conducted by Nielsen, a market research company. According to the study the size of organized retail in India will exceed US\$22bn mark from the level of about US\$4bn with its space requirement touching over 220mn sq. ft., in 2010.

Associated Chambers of Commerce and Industry of India (ASSOCHAM), in a paper, brought out on ‘Retail Scenario in India and its related Issues’, stated that approx. 40mn sq. ft. is currently generating a business of about US\$4bn in organized retail. India’s vast middle-class and its almost untapped retail industry are key attractions for global retail giants who want to enter newer markets in India with the ideal locations. Naturally, the large players prefer to put up their shops by sourcing their supplies from the places convenient to them. Some of the key areas in which retail boom is now prevailing in towns beyond metros and even large cities include food items, FMCG products, grocery, sportswear, outerwear, clothing, eyewear, watches, footwear and accessories.

The following table shows Growth of Indian Retail –Total / Organized<sup>5</sup>

**Table 3.1: Total Indian Retail (Rs. in bn.)**

Category	2003-04	2004-05	2005-06	2006-07	CAGR% 2004-07
1.Food-Grocery	7028	7064	7418	8680	7.3
2.Beverages	212	309	373	518	34.7
3.Clothing-Footwear	777	993	1036	1356	20.4
4.Furniture,appliances, services	512	656	746	986	24.4
5.Non-institutional-Health care	950	972	1022	1159	6.9
6.Sports,entertainment, books	212	272	308	395	23.0
7.Personal care	371	433	465	617	18.5
8.Jewellery-Watches	530	610	655	863	17.7
Total Retail	10,591	11,308	12,023	14,574	11.2

**Observation** It is observed that in the total retail every segment of organized retailing has shown considerable increase every year, and that there is enough scope for further growth and development of organized retailing in India.

**Table 3.2: Organized Retail (Rs. in bn.)**

Category	2003-04	2004-05	2005-06	2006-07	CAGR % 2004-07
1. Food-Grocery	39	44	50	61	16.5
2. Beverages	11	12	13	16	14.7
3.Clothing-Footwear	168	189	212	251	14.3
4.Furniture,appliances, services	67	75	85	101	14.8
5. Non-institutional-Health care	14	16	19	24	20.0
6. Sports, entertain-	25	33	44	63	37.0

ment, books					
7. Personal care	11	15	22	33	46.9
8. Jewellery-Watches	18	24	33	49	40.5
Total Organized Retail	350	408	479	598	19.5
% Share of organized retail in Total retail	3.3	3.6	4.0	4.1	

**Observation** It is observed that the share of organized retailing in total retail is only 4.1% (2006-07) which means that there is tremendous potential which should be tapped. India has the potential to be the third largest economy in terms of GDP in next few years.

The Indus Entrepreneurs Report shows the overview of the different sectors of retailing in India of 2010 and the projected market size in 2015<sup>6</sup> (Table 3.3)

**Table 3.3: Overview of the different sectors of retailing**

Product Category	Market share USD billion 2010	% Share 2010	Market share USD billion 2015	% Share 2015
1. Food-Beverages	256	57	342	54
2. Clothing	33	9	60	10
3. Footwear	7	2	11	2
4. Furniture and furnishing	23	5	40	6
5. Health care	12	3	21	3
6. Entertainment and others	26	7	50	9
7. Personal care	23	5	35	5

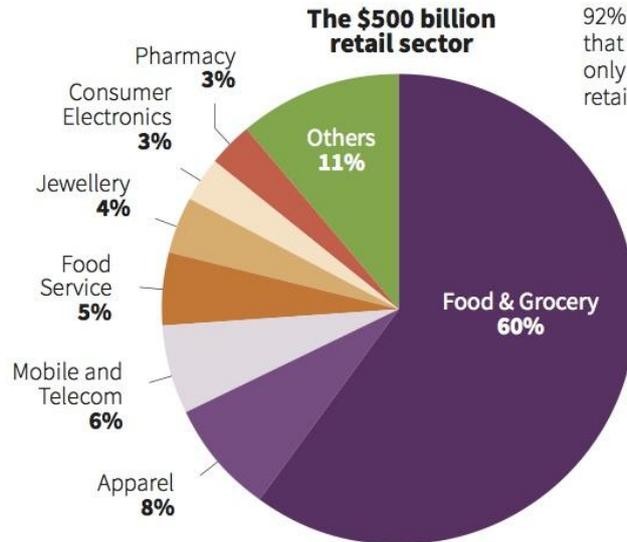
8.Jewellery-Watches	24	6	37	5
9.Durables and IT	24	6	43	6
	428	100	639	100

**Observation 1) The 2 categories of retail that are selected for study are justifiable. They show the customers inclination towards changing life style.**

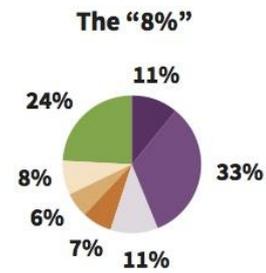
**2) Food is associated with life style hence it is observed that the growth rate of luxury and life style items like apparel, home furnishing, consumer durables and entertainment is also increasing.**

# India's retail market

## HOW THE SECTOR IS DIVIDED

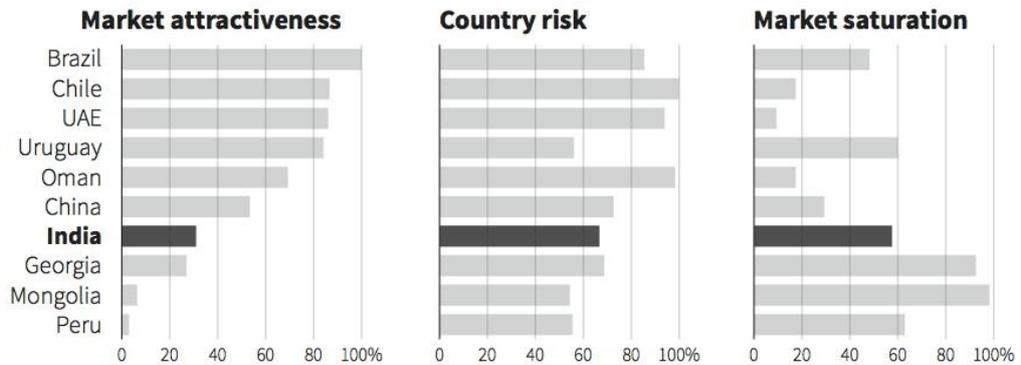


92% of the sector is *unorganised*, those that fall under “mom and pop” stores, and only 8% is *organised*, those dominated by retailers who have multiple stores



Source: Deloitte, Jan 2013

## HOW IT COMPARES TO OTHER MARKETS



Source: Fastest growing retail markets according to AT Kearney Global Retail Development Index 2012

C. Inton, 05/05/2013

### 3.3 Apparel Retailing in India

In India, apparel is the second largest retail category (beside food and groceries) representing approximately 10 percent of the total market. There has been sweeping change in the general retailing business, mainly in apparel retailing. Earlier it was strictly a made- to-order market for clothing, when by flipping through a catalogue, picking the color, and type of clothing a person wanted to purchase he waited to have it sewn, but today it has been changed to a ready-to-wear market.<sup>7</sup> Preference for readymade garments is increasing and this has become inevitable with the rise in urbanization. In India women's apparel market is 17 percent of the total apparel market, the preference for the branded western and Indo-western apparel among the working women is on the rise because their dressing habits are getting refined. Men's apparel market is 46 percent of the total apparel market. And today even kids are looked upon as new breed of customer; their (Kids) apparel market is 37 percent of the total apparel market.

India's high growth, fast-changing retail clothing market, new class of consumers with more money to spend, and a growing passion for fashion, we see significant new opportunities for foreign and domestic players. National level brands like Park Avenue, Liberty, Double bull, Proline, Snow white, Allen Solly and Van Heusen has a respectable market share in India as the ready-to-wear market and are very popular among men.

The growth in apparel segment in India can be attributed to the following factors<sup>8</sup>:

- ***Increase in disposable income:*** Based on McKinsey research in 2005, 21 million of India's 210 million households already earned more than \$4,000 a

year, qualifying them for membership in what we call “the consuming class”, thus by 2015 the number of consuming class households is likely to triple and be 64 million. People are spending more and will spend more and more on apparel in future for looking good.

- ***Socializing:*** The lifestyle of India’s prospering urban consumers have changed, their clothing needs have broadened, reflecting more varied usage during occasions. For men, clothing choices were: home-wear, work clothes, and special occasion wear. To get away with the days hectic schedule socializing is becoming important and with more ‘socializing’ opportunities, men are buying more sophisticated combination of outfits, like party wear, sportswear, and clothes for hanging out at the mall. Today, Indians are more inclined to buy apparels for a specific purpose. In recent McKinsey study, 38 percent of Indian respondents said they were likely to buy apparel for special events. Comparing this is to Brazil (5 percent), Russia (3 percent) or China (6 percent) it is significantly higher. Family celebration and weddings are becoming major get-togethers and continue to eat up an enormous share of Indian consumers’ clothing budgets.
- ***Growing working women’s segment:*** In the past women were not allowed to go out of homes, even the house hold items were purchased by the men only and therefore women’s wardrobes were traditionally limited to home wear and items for special occasions. But today education has given confidence and they are out for purchasing, allowed to work and participate in functions. Women are now willing to dress differently when they venture beyond the home- to shop, to visit a school, the office or functions. Statistically only 20 percent of India’s

urban women are in the workforce, the women working class is increasing and demand for corporate wear, saris, full suits etc. is also increasing . College going girls are also found to be fashion prone.

- ***Fashion–changing life style:*** Now a day’s Indian consumers are embracing the idea of for its fashion own sake, as a mean of self-expression. Television, movies, advertisement continuously hammer Indian consumer with new ideas about changing style. In a recent McKinsey survey of Indian consumers, 62 percent said they thought it was important to “keep up with trends.” Indian consumers are also experimenting with combining styles, as “Indo-fusion,” boom, which mixes the silhouettes of the east with the comfort cut of the west.
- ***Urbanization of India’s population:*** 29 percent of India’s population resides in cities, among the lowest urbanization rates of any nation in the world. But that has been changing, over the next 20 years, it is expected that the number of Indian’s living in cities will grow by 300 million, where they will do new styles and fashion to match new lifestyles.
- ***Continued rise of organized retail:*** Large, branded store chains where products are systematically stocked and displayed, has transformed consumers preference.
- ***Traditional beliefs:*** Retailers innovate occasions. This is already being done in the past, for instance major jewellery brand have revived a 5,000 year-old “sacred” day known as “Akshay Trithiya” for **shubha sale** which now accounts for the largest single day jewellery sale in India. Similarly, the “Friday dressing” concept, introduced buy apparel brand, asked young professionals to buy brighter colour for Friday, expanding the wardrobe in the process. There is even

a place for trend such as organic clothing, apparel retailers like Van Heusen and Arrow has recently launched 100 percent organic lines made of cotton, linen and natural dyes. Today apparel is India's one of the most attractive business segments because of its high margin.

### **3.4 Food Retailing In India**

Traditional local markets and small-scale retailing continue to dominate India's food retail sector. There are an estimated 12 million retail outlets, of which almost seven million sell food and grocery products. The vast majority of these are small kiosks (17 percent) and general provision stores (14 percent) and grocery stores (called kirana; 56 percent of all retail outlets) run by a single trader and family<sup>9</sup>.

With more than 71 percent of the population living in small villages and engaged in agriculture, most of the India still does its food shopping from small-scale vendors in the local villages, or at larger-scale weekly markets. In the towns and cities, most customers do their food shopping at the local neighborhood independent small retailers, kiosks and street hawkers.

The Food Corporation of India (FCI)<sup>10</sup> has an extensive nationwide network of about 478,000 fair price shops and sells subsidized food grains and certain other staples, but since the retargeting of Public Distribution System (PDS) in 1997 to focus on the poor, these are only available for those below the poverty line set by government. There are also other chains of government-operated provision stores, such as Kendriya Bhandar (about 120 stores nationwide) run by Ministry of Personnel, Grievances and Pensions and the canteen store (about 34 plus 3400 canteens) run by the Ministry of Defense,

which are exclusively for defence personnel. Thus the majority of food and beverage retailing in India is categorized as belonging to the unorganized sector. The Hyderabad based Trinethra Group opened its first supermarket in 1986 and expanded to 68 stores by 2004. It then acquired the Fabmall chain in Bangalore. In partnership with 50 percent equity investor. Other significant food chains included Subhiksha (now closed), Tru mart (now closed), D'mart, Spencer's daily, Food Bazaar, More and Star bazaar.

IGD estimates that India's total retail market was worth US\$ 328 billion in 2006 and its grocery and food retail market were calculated at US\$ 236 billion. This makes India the sixth largest grocery market in the world, growing to US\$ 302 in 2010 and to US\$ 482 billion in 2020 and there by coming to the fourth position after US, China and Japan<sup>11</sup>

**Table 3.4: Top 10 Grocery Retail Markets<sup>12</sup>**  
*{Figures are in US \$ (in billion)}*

Year 2006			Year 2010		Year 2020	
Rank	Country	Grocery Market	Country	Grocery Market	Country	Grocery Market
1	US	812	US	858	US	1,076
2	Japan	540	Japan	577	China	767
3	China	377	China	484	Japan	602
4	France	286	India	302	India	482
5	Germany	264	France	295	France	309
6	India	236	Uk	241	Russia	263
7	UK	221	Germany	239	UK	252
8	Italy	183	Italy	188	Germany	251
9	Russia	144	Russia	177	Italy	202
10	Mexico	143	Mexico	156	Brazil	197
Total		3,206		3,517		4,401

### Observation

- 1) The grocery retail market shows that in the year 2006 India was in the 6<sup>th</sup> position with 236 billions, in the year 2010 at 4<sup>th</sup> position with 302 billion. It is estimated that this share would be 482 billion in 2020 and India will again be at 4<sup>th</sup> position.
- 2) China was in 3<sup>rd</sup> position in 2006 and 2010 with its share as 377 billion and 484 respectively. It is estimated that this share would be 767 billion in 2020 and China will reach 2<sup>nd</sup> position.
- 3) Along with China and India, Russia and Brazil are 2 new upcoming retail destinations for the year 2020.

**Table 3.5: World Total Retail sales and Total Grocery sales**

2001 to 2006<sup>13</sup>{Figures are in US \$ (in bn.)}

Sales↓ Year →	2001	2002	2003	2004	2005	2006	CAGR 2001-06
1.Total Retail Sales	7833	7987	8827	9833	10657	11375	7.7
2.Total Grocery Sales	3161	3213	3571	3970	4308	4611	7.8
3.Modern Retail sales	3916	4149	4672	5246	5633	5969	8.8
4.Modern Grocery sales	2816	2979	3378	3800	4074	4325	9.0
5. 2 as% of 1	40.4	40.2	40.5	40.4	40.4	40.5	0.1
6. 3 as % of 1	50.0	51.9	52.9	53.4	52.9	52.5	1.0
7. 4 as % of 3	71.9	71.8	72.3	72.4	72.3	72.5	0.2
Nominal GDP	31889	32888	36904	41470	44713	48141	8.6

**Observation: As the total retail sales increased the total grocery sales have also increased.**

### **3.5 International Retail and 5 International players**

#### **3.5.1 Introduction**

**United Nations** The emergence of retail had its origin in America in the early part of 20<sup>th</sup> century, the American housewife, would shop for her family's dinner at different stores, she bought meat at one store, groceries at another and fruits and vegetables still at another. The chain stores which existed as the Great Atlantic and Pacific Tea Company (now known as the 'A&P' chain of stores) saw this and started introducing new methods of selling food items and grocery then. This store did large volume of business by stocking large quantities and greater variety of products and sold them at low prices. Soon these chain stores began to sell meat, fruits, vegetables and dairy product all under one roof<sup>14</sup>. The house wives liked this idea of one-stop shopping and started visiting this store frequently.

The supermarket revolution first sparked off in 1920s, and by the 1950s it had won acclaim almost throughout America. By the late 1950s, about 40 per cent of the American population was buying its groceries from these organized retail stores. The owners of these stores finally got together to form an association which ultimately contributed a great deal in the development of modern retailing. They realized that all of them had one common target – i.e. consumer. By 1930s, the self supermarket concept had become quite popular with the housewives. It was the success of Michael Cullen, an independent operator who opened the King Cullen supermarket in Jamaica, New York. In the mid-1930s, A&P too opened its first supermarket in mid-west. Very soon other chains followed, and large supermarkets started replacing group of small stores everywhere.

**China** The retail market in China is the second largest after US in the world in 2012. China retail market grew about 43% in 2009-2012. New chain stores,

shopping streets and malls are now emerging outside 3 big cities of Beijing, Guangzhou and Shanghai.

**Brazil** Brazil is one of the world’s largest emerging retail markets. Three players Brazil’s Pao de Acucar, France’s Carrefour and Wal-Mart currently dominate the market, The rising income level and growing customer base has prompted growth of retailing in south, south-east and north-east of Brazil.

**Some of the popular International retail player’s are<sup>15</sup>**

**Table 3.6: Popular International retailers**

DT Rank	Country of origin	Name of company
1	US	Wal-mart
2	US	Kroger
3	US	Sears
4	Germany	Metro AG
5	France	Carrefour
6	US	Home Depot
7	France	Intermarche
8	US	Albertson’s
9	US	K-Mart
10	Netherland	A hold
11	US	Target (Dayton Hudson)
12	US	JC Penny
13	Germany	Tengelmann
14	UK	Tesco
15	UK	Safeway
16	Germany	Rewe
17	Germany	Edeka
18	US	Costco
19	UK	J Sainsbury
20	Japan	Ito-Yokado

It is observed that organized retail has been around for half a century in several developing countries, but the phenomenon was limited mainly to large cities, upper-middle-class or rich consumer segments, and domestic capital chains.

The spread of supermarkets has taken place in three established waves. The **first-wave**<sup>16</sup> countries experienced supermarket sector take-off in the early-to-mid1990s. Included in that group are much of South America and East Asia (outside China and Japan), north-central Europe and the Baltic countries, and South Africa. The **second-wave** countries are Mexico and much of Southeast Asia, Central America, and South-Central Europe. In the **third-wave** countries, the supermarket revolution started in the late 1990s or early 2000s, these areas include parts of Eastern and Southern Africa, some countries in Central and South America, “transition” East Asia (China and Vietnam), Russia, and India.

**Table 3.7: Organized Retail in selected countries (based on the data of 2006)<sup>17</sup>**

Country	Total Retail Sales(US\$ bn)	Share of Organized Retail%
USA	2983	85
Japan	1182	66
China	785	20
United Kingdom	475	80
France	436	80
Germany	421	80
India	322	4
Brazil	284	36

Russia	276	33
South Korea	201	15
Indonesia	150	30
Poland	120	20
Thailand	68	40
Pakistan	67	1
Argentina	53	40
Philippines	51	35
Malaysia	34	55
Czech Republic	34	30
Vietnam	26	22
Hungary	24	30

### **Observation**

- 1) In the developed economies, organized retail is in the range of 75to80 % of total retail, where as in developing economies the unorganized sector still dominates the retail business.
- 2) The emergence of modern retail format, such as hyper markets, super markets, super stores, discount and convenience stores in developed economies show the increased share of organized retail.
- 3) The figures in 2006 show that in developing economies the modern retail forms have just begun to spread hence the share is small, soon their share will also increase.

### **3.5.2 Five International Players**

#### **3.5.2.1 Wal-Mart<sup>18</sup> “Everyday Low Price”**

##### ***(A) Introduction***

Wal-Mart Store is an American public multinational corporation that runs chains of large discounts department stores and warehouse stores. The company is the world's largest public corporation. It is also the biggest private employer of the world with over two million employees. The company was founded by Sam Walton in 1962, and was incorporated on October 31<sup>st</sup>, 1969 and publicly traded on the New York Stock Exchange in 1972. It has headquarters in Bentonville, Arkansas. Wal-Mart is also the largest grocery retailer in the United States. In 2009, it generated 51% of US\$258 billion sales in U.S. from grocery business. It also owns and operates the Sam's Club retail warehouses in North America. Wal-Mart has 8500 stores in 15 countries, under 55 different names. It has wholly owned operations in Argentina, Brazil, and Canada. Wal-Mart's investment outside North America have had mixed results: its operations in United Kingdom, South America and China are highly successful, while it was forced to pull out of Germany and South Korea when ventures there were unsuccessful.

##### ***(B) History of Wal-Mart***

Sam Walton, a businessman from Arkansas, began his retail career when he started work on June 3, 1940, at J C Penny store in Des Moines, Iowa where he remained for 18 months. In 1945, he met Butler Brothers, regional retailers that owned a chain of variety stores called Ben Franklin and that offered him one in Newport, Arkansas. Walton was extremely successful in running the store in

Newport, far exceeding expectations. However, when the lease came up for renewal, Walton could neither come to an agreement of existing store's lease renewal nor find a new location in Newport. Instead he opened a new Ben Franklin franchise in Bentonville, Arkansas, but called it "Walton's Five and Dime." There, he achieved higher sales volume by marking up slightly less than mot competitors.

### *(C) Stores*

Wal-Mart's operating is organized into three divisions: Wal-Mart Stores U.S., Sam's Club, and Wal-Mart International. The company does business in nine different retail formats: supercenters, food and drugs, general merchandise store, bodegas (small markets), cash and carry stores, membership warehouse clubs, apparel stores, soft discount stores and restaurants.

#### 1. Wal-Mart Stores U.S.

Wal-Mart Stores U.S. is the company's largest division, accounting for \$258 billion, or 63.8% of total sales for financial year 2010. It consists of three retail formats that have become common place in United States: Discount Stores, Supercenters, and neighborhood markets. The retail department stores sell a variety of non- grocery products.

#### 2. Wal-Mart Discount Stores

Wal-Mart discount store are discount department stores with size varying from 51,000 square feet (4,738.1 m<sup>2</sup> ) to 224,000 square feet (20,810.3 m<sup>2</sup>), with an average store covering about 102,000 square feet (9,476.1 m<sup>2</sup>). They carry general merchandise and a selection of groceries. Many of these stores have garden centers, a pharmacy, Tire & Lube Express, optical center, one- hour

photo process lab, portrait studio, a bank branch, a cell phone store and a fast food outlet. Some also have gasoline stations.

### 3. Wal-Mart Supercenter

Wal-Mart Supercenters are hypermarkets with size varying from 98,000 to 261,000 square feet (9,104.5 to 24,247.7 m<sup>2</sup>), with an average of about 197,000 square feet (18,301.9 m<sup>2</sup>). These stock everything that a Wal-Mart discount center does, and also include a full- service supermarket, including meat and poultry, baked goods, delicatessen, frozen food, dairy products, garden produce, and fresh seafood.

### 4. Neighborhood Market by Wal-Mart

Neighborhood Market by Wal-Mart is a chain of grocery stores that average about 42,000 square feet (3,901.9 m<sup>2</sup>). They are used to fill the gap between discount stores and supercenters, offering a variety of products, which include full line of groceries, pharmaceuticals, health and beauty aids, photo developing services, and a limited selection of general merchandise. The first Neighborhood Market opened in Bentonville, Arkansas. As of April 2011, there were 184 Neighborhood Markets in the United States.

### 5. Market side

Market side is a chain of four grocery stores, all in the state of Arizona. The stores opened in October 2008 and are said to be less than half the size of a conventional supermarket. The Market side Branding is also used for some groceries found in Wal-Mart.

### 6. Sam's Club

Sam's Club is a chain of warehouse clubs which sell groceries and general merchandise, often in large quantities. Sam's Club are "membership"

Stores and most customers buy annual memberships. However, non-members can make purchases either by buying one day membership or pay a surcharge based on the price of the purchase. Some locations also sell gasoline. The first Sam's Club opened in 1983 in Midwest City, Oklahoma under the name "Sam's Wholesale Club", as of April 2011, there were 609 Sam's Club in the United States. Wal-Mart also operates more than 100 international Sam's Club in Brazil, China, Mexico, and Puerto Rico.

#### ***(D) Marketing Mix***

Products: About 40% of the products sold in Wal-Mart are private label store brands, or products offered by Wal-Mart and produced through contracts with manufacturers.

Pricing: To increase value for the money spent, Walton adopted the discounting philosophy in Pricing. According to this pricing philosophy, based on this, the 'Every Day Low Price' (EDLP) was introduced and remained the USP of Wal-Mart.

He instituted several initiatives such as the "sundown rule" and the "ten feet rule". The "Sundown rule" meant that customers request had to be answered by the close of business on the same day it was received and the "Ten feet rule" ensured that all employees (whom Wal-Mart termed associates) within 10 feet of a customer, "will look him in the eyes, greet him, and ask him they can help him".

Physical Distribution and Technology: Wal-Mart has perfected its distribution and logistics management system through innovative use of technology. For example, Wal-Mart invented the practice of sharing sale data through the

computer with major suppliers, such as Proctor & Gamble. It also pioneered the use of bar codes and radio frequency technology to manage its inventories. As a result, Wal-Mart has a strict control on inventory and its store is always well-stocked with popular items. This also results in saving in operational cost. To cater to varying buying patterns of customers.

Promotion: 'Every Day Low Price' strategy is adopted.

### ***(E) Wal-Mart- International***

Wal-Mart is the largest retailer in the world with a net income of \$11.2bn on sale of \$316bn for the fiscal year ending January 31, 2006. Operating in 13 countries, it serves more than 176 million customers around the globe each week through its more than 6,100 stores. Wal-Mart entered the global market in the early 1990s. Initially it concentrated on the Americas-Mexico, Brazil, Argentina and Canada considering the huge market potential in this countries. It entered Mexico in 1991, Canada in 1994, Brazil and Argentina in 1995. It entered China in 1996 and South Korea in 1998 it also entered Germany, the United Kingdom and Japan.

### ***(F) Wal-Mart in India***

In May 2005, John B Menzer, Wal-Mart president and CEO made its first business visit to India to meet Indian Prime Minister Man Mohan Singh and Government officials, expressing keenness to enter the Indian market ,To quote Menzer 'We miss the bus in the nineties when FDI was permitted and now have no intention of repeating a mistake'. We aim to establish our retail chain in the country when the policy permits. On November 27, 2006, Wal-Mart announced

its alliance with Bharati a business conglomerate that focused largely on telecommunication. Wal-Mart had won the deal with Bharati, edging out Tesco, the retailers from the UK, which was also in the race terming the deal” a partnership of equals” Sunil Bharati Mittal, the chief executive of Bharati, said that under the deal, a Joint venture would be set up to manage procurement, inventories and logistics, while stores would be set up under a franchise agreement with Wal-Mart.

### **3.5.2.2 Tesco**

#### ***(A) Introduction***

It was founded in 1919 (East London) as a Public Limited Company. It has its Head quarters in Chestnut, Broxbourne, Hertfordshire and United Kingdom’s. It is a Retailing outlet having: 5,380 store as on Feb 2010. David Reid (Chairman) Philip Clark (Chief executive) are the key people. Grocery, consumer goods, financial services, telecoms is its business. Revenue of 60.93 billion was collected up to 2010-11.

Tesco was floated on the London Stock Exchange in 1947 as Tesco Stores (Holdings) Limited<sup>19</sup>. The first self-service store opened in St. Albans in 1956 (which remained operational until 2010, with the period as Tesco Metro), and the first supermarket in Maldon in 1956.

During the 1950s and 1960s Tesco grew organically, and also through acquisitions, until it owned more than 800 stores. The company purchased 70 Williamsons stores (1957), 200 Harrow Stores outlets (1959), 212 Irwins stores (1960, beating Express Dairies Premier Supermarkets to the deal), 97 Charles Philips stores(1964) and the Victor Value chain (1968) sold to Bejam in 1986).

### ***(B) History***

In July 2001 Tesco became involved in internet grocery retailing in USA when it obtained a 35% stake in Grocery Works. In 2002 Tesco purchased 13 HIT hyper markets in Poland. It also made a major move in UK convenience store market with its purchase of T & S stores in the One Stop, Dillons and Day & Nite chains in UK. In October 2003 the company launched a UK telecom division, comprising mobile and home phone services. In January 2004 Tesco acquired Admin store, owners of 45 Cullens, Europa, and Harts convenience stores, In late 2005 Tesco acquired the remaining Safeway/BP stores after Morrisons dissolved the Safeway/BP partnership. In mid 2006 Tesco purchased an 80% stake in Casino's Leader Price supermarkets in Poland. In 2007, Tesco took part in a joint venture with O2 to form the Tesco Mobile mobile virtual network operator.

### ***(C) Stores***

#### Tesco Extra

Tesco Extra stores are larger, mainly out-of-town hypermarket that stock nearly all of the Tesco's product ranges. The first Extra opened in 1997.

#### Tesco Superstores

Tesco Superstores are standard large supermarkets, stocking groceries and at a much smaller range of non-food goods than Extra stores.

#### Tesco Metro

Tesco Metro stores are sized between Tesco Superstores and Tesco Express stores. They are mainly located in city centers, the inner city or the higher streets

of town. The first Tesco Metro opened in Neston in 1980.

### Tesco Express

Tesco Express stores are neighborhood convenience shops, stocking mainly food within an emphasis on higher-margin products (due to small store size, and necessity to maximise revenue per square foot) alongside every essential. They are found in busy city-center districts, small shopping precincts in residential areas, small towns and on Esso petrol stations forecourts.

### One Stop

One Stop, which includes some of the smallest store, is the only Tesco store format in UK that does not include the word Tesco in its name. They were part of T&S Stores but, unlike many that converted to Tesco Express, these kept their old names. Some have Tesco Personal Finance branded cash machines. One Stop store offers a different range to Express stores and its operating costs are different. One Stop's price strategy is to match its nearest competitor Cost Cutter and is frequently cheaper."

### Tesco Home plus

Tesco Home plus is not Tesco's first non-food only venture in UK. The stores were located on high streets and shopping centers, they did stock similar items to Homeplus stores. In both cases this was because another part of the shopping center had a Tesco Superstore that stocked food items only.

### Other Businesses

Garden Centers  
Technika  
Fuel  
Record Label  
Gold Exchange  
Your Beauty Salon

Banking  
Telecoms  
Film Makings  
Video-on Demand  
Tesco Tyres  
Tesco Clubcard

#### ***(D) Marketing Mix***

Product: It originally specialized in food and drink, then diversified into areas such as clothing, electronics, financial services, telecoms, home, health, car, dental and pet insurance, retailing and renting DVDs, CDs, music downloads, internet services and software. Jack Colen's business motto was "pile it high and sell it cheap", to which he added an internal motto of "YCDBSOYA" (You Can't Do Business Sitting on Your Ares) which he used to motivate his sales force.

Pricing and Advertising: Tesco always tried to sell products at cheap price. It used various media to advertise products and attract customers. It used much television advertisement over the year. In July 2007 a DVD containing adverts from 1977-2007 was given to all members of staff. Tecso's main advertising slogan is "Every little helps". Its advertisement in prints and on television mainly consists of product shots. On Television, voiceovers are provided by recognizable actor and presenters, such as Barbara Windsor, James Nesbitt, Jane Horrocks, Terry Wogan, etc. Tesco introduced a loyalty card, branded 'Clubcard', in 1995 and later an Internet shopping service.

#### ***(E) Tesco- International***

Tesco entered Taiwan, in September 2004, by acquiring a 50% stake in the Hymall chain, from Ting Hsin of Taiwan. Most Tesco China's stores are based around Shanghai. Tesco has been increasing its own brand products into the Chinese market as well as introducing the Tesco Express format. Tesco Japan first began its operation in 2003. Tesco adopted an approach that focused on small corner shops that operated similarly to its Express format, rather than

opening hypermarkets. Tesco launched in Hungary in 1994 after purchasing a small local supermarket group trading as S-Market and based in North West of Hungary. It operates through more than 200 stores in Hungary . Tesco opened its first store in Malaysia in May 2002 with the opening of its first hyper market in Puchong, Selangor. Tesco Malaysia currently operates 43 Tesco and Tesco Extra stores. Tesco entered the Polish market in 1992, It operates from 334 stores. Tesco launched its South Korean operations in 1999 and partnered with Samsung, currently Tesco holds 94% of the shares in the venture. Tesco entered Taiwan, in September 2004, by acquiring a 50% stake in the Hymall chain, from Ting Hsian of Taiwan. In September 2005, Tesco sold its stores in Taiwan to Carrefour. Tesco entered Turkey in 2003 and uses the trading name "Kipa". In February 2006, Tesco announced its intention to move into United States market, opening a chain of grocery convenience store on West Coast (Arizona, California and Nevada) in 2007 named Fresh & Easy.

***(F) Tesco in India***

Tesco has limited presence in India with a service center in Bangalore, and outsourcing. However, in 2008 Tesco announced their intention to invest an initial 60 million (\$115m) to open a wholesale cash-and-carry business based in Mumbai with the assistance of the Tata Group. Today Tesco products are found in Tata-Star bazaar.

### **3.5.2.3 Carrefour**

‘Choice and quality for everyone’

#### ***(A) Introduction***

It was founded in 1959 as a Societe Anonyme Retail outlet having its Headquarters at Levallois-Perret, in France Lars Olofsson is the Chairman and CEO. The first Carrefour store was opened on June 3, 1959, in suburban Annecy near a crossroads (Carrefour in French). The group was created by Marcel Fournier, Denis Defforey and Jacques Defforey and grew into a chain from the first sales outlet. In 1999 it merged with Promodes, known as Continent, one of its major competitors in the French market<sup>20</sup>.

#### ***(B) History***

The Carrefour group was the first in Europe to open a hypermarket, a large supermarket and a department store under the same roof. It opened the first hypermarket in June 15, 1963 in Sainte-des-Bois, near Paris in France. In April 1976, Carrefour launched a private label products libres (free products-libre meaning free in the sense of liberty as opposed to gratis) line of fifty foodstuffs, including oil, biscuits (crackers and cookies), milk and pasta, sold in unbranded white package substantially lower prices.

In September 2009, Carrefour updated its logo. In May 2011, considering the stagnant growth competition in France from rivals including Casino Guichard- Perrachon SA, Carrefour will require 1.5 billion euro (\$2.1 billion) to change the supermarket with new concept as Carrefour Planet in Western Europe.

***(C) Marketing Mix***

Product: It originally specialized in food and drink, clothing, electronics, financial services, telecoms, home, health retailing and renting DVDs, CDs, music downloads, internet services and software.

Price and Promotion: Carrefour always tried to sell products at cheap price. It used various media to advertise products and attract customers. It used much television advertisement over the year. It introduced a loyalty card.

***(D) Carrefour International***

Carrefour opened a franchise owned branch in the Bahrain City Centre in 2008. In 2007, expansion accelerated outside France, particularly in Asia, with the building of 36 new hypermarkets, including 22 in China. Carrefour has seven outlets under franchise in Egypt, 3 hypermarket in Morocco. The new store, Carrefour wholesale Cash & Carry in Seelampur area is opened. Carrefour also operates in the United Arab Emirates and Jordan in a joint venture with Majid al Futtaim. In March 2007, Carrefour opened a store in Kuwait in the Avenues mall. In 1989, Carrefour became the first international retailer to establish a presence in Asia when it entered Taiwan through a joint venture. Carrefour also has 11 franchise operated hypermarket in Saudi Arabia. Carrefour opened a store in 2003 on the outskirts of the city of Muscat. Carrefour had several hypermarket in the UK until the 1980's. they were located in Caerphilly (South Wales), Merry Hill in Dudley, Sutton Coldfield (Birmingham), Glasshoughton (near Castleford), Eastleigh (near Southampton), etc.

### ***(E) Carrefour in India***

Since the FDI policy in India does not allow foreign companies to open multi-brand retail stores in the country, global retailers have opted for the cash-and-carry route to establish their presence here. India currently allows 51 per cent foreign direct investment (FDI) in single-brand retail and 100 per cent in the cash-and-carry segment but none in multi brand retail.

### **3.5.2.4 J.C. Penny**

#### ***(A) Introduction***

J.C. Penny stores is a public retail industry registered with New York stock exchange. It mainly deals in clothing, footwear, furniture, jewellery, beauty products, electronics, house wares and by 2010 had 1106 stores. It has revenue of US\$ 17.759 billion (FY 2010). Most J C Penney stores are located in suburban shopping malls<sup>21</sup>.

In addition to selling conventional merchandise, J C Penney stores offer house several leased departments such as Sephora, Restaurants, optical, portrait studios and jewelry & watch repair. J C Penney also features discount outlet stores. The company dedicated its first full-line, shopping center department store in 1961. This store was located at Black Horse Pike Center, in Audubon, New Jersey. Those stores broadened the lines of merchandise and services that a typical J.C.Penney carried to include appliances, sporting goods, garden merchandise, restaurants, beauty salons, portrait studios, auto parts and auto centers. In 1998, J.C. Penney launched its third channel for shopping convenience. In the summer of 2008, J.C.Penney also added a new brand to its

home collection, “Linden Street”. The Linden Street brand features a contemporary lifestyle collection of furniture, domestics and home décor.

***(B) History***

James Cash Penney began his career in retail management when he opened The Golden Rule store, a partnership with Guy Johnson and Thomas Callahan, in 1902 in Kemmerer, Wyoming. In 1909 Penney moved his company headquarters to Salt Lake City, Utah to be closer to bank and railroads. By 1912, Penney had 34 stores in the Rocky Mountain States. In 1913, all stores were consolidated under the J.C.Penney banner. The so-called “mother store”, in Kemmerer, opened as the chains second location –in 1904. It still operates, as of 2011, albeit with hours shorter than many of its other store locations. In 1913, the company was incorporated under the new name, J.C.Penny Company, with William Henry McManus as a co-founder. In 1914, the headquarters was moved to New York City to simplify the buying, financing, and transportation of goods. The company opened its 500<sup>th</sup> store in 1924 in Hamilton, Missouri, James Cash Penney’s hometown. By the opening of the 1,000<sup>th</sup> store in 1928, gross business had reached \$190,000,000.

***(C) Marketing Mix***

Product: It mainly deals in clothing, footwear, furniture, jewelry, beauty products, electronics, house wares .J C Penney stores also offer several leased departments such as Sephora, Restaurants, optical, portrait studios and jewelry & watch repair.

Price and Promotion: In 1956, J.C.Penney started national advertising with a series of advertisement in *Life magazine*. J.C.Penney credit cards were issued and accepted as its stores for the first time in 1959. In 1962, J.C.Penney entered discount merchandising. Beginning in 2007 the store slogan changed from “It’s All Inside” to “Every Day Matters”; the new slogan and associated ad campaign was launched in television commercial during the 79<sup>th</sup> Academy Awards in late February 2007.

***(D) J.C. Penny International***

J.C.Penney also established stores in America’s newest states during the 1960s. In 1969, the company acquired Thrift Drug, a chain of drugstores headquartered in Pittsburgh, Pennsylvania. On April 14, 2002, J.C. Penney celebrated 100 years as a retailer. In 2003, the company opened three off-the-mall stores in strip centers. These stores were located in Texas, Minnesota, and Indiana. In 2007, J.C.Penney launched the Ambrielle lingerie label, and it became their private brand.

**3.5.2.5 Seven-Eleven**

***(A) Introduction***

The company has its origins in 1927 in Dallas, Texas, when an employee of Southland Ice Company, John Jefferson Green, started selling milk, eggs and bread from an improvised storefront in one of the company's ice houses. Although small grocery stores and general merchandisers were present in the immediate area, Joe C. 'Jodie' Thompson, Jr., the manager of the ice plant, discovered selling convenience items, such as bread and milk, was popular due

to the ice's ability to preserve the items, thus significantly cutting back on the need to travel long distances to the grocery stores for basic items<sup>22</sup>. Incorporated in 1961 as the Southland Corporations, 7eleven has 32,368 employees, with its sales at \$7.26 billion in 1998.

7-Eleven forms the largest chain of convenience stores island-wide. There are at present 545 7-Eleven stores scattered throughout the country. Stores in Singapore are operated by Dairy Farm International Holdings, franchised under a licensing agreement with 7-Eleven Incorporated, headquartered in the United States.

### ***(B) History***

In 1962, 7-Eleven first experimented with a 24-hour schedule in Austin, Texas after an Austin store was forced to remain open all night due to customer demand following a University of Texas football game. By 1963, 24-hour stores were established in Fort Worth and Dallas, Texas as well as Las Vegas, Nevada. Among 7-Eleven's offerings are private label products, including Slurpee, a partially frozen soft drink introduced in 1967, and the Big Gulp introduced in 1980 that packaged soft drinks in large cups ranging in size from 20 to 64 U.S. fluid ounces (0.59 to 1.9 liters). In addition to Slurpee and the Big Gulp, 7-Eleven would come to own or operate several brands of food and concepts, including Movie Quik, an in-store video-rental service;

### ***C) Marketing Mix***

7-Eleven is again raising customer expectations as new information systems enable store manager and franchisees to anticipate customer need and

serve them better. Each day, a network of commissaries, bakeries and distribution centres provides 7-Eleven stores with an unmatched selection of the freshest product, yielding true differentiation. This unique, proprietary infrastructure creates a strategic advantage over competitors and will enable 7-Eleven to produce substantial and profitable growth over a long term. 7-Eleven will enter the new millennium as a transformed company with new business tools and a name that reflects its identity and focus.

***(D) 7-Eleven-International***

The first 7-Eleven in Australia opened on August 24, 1977 in the Melbourne suburb of Oakleigh. There are currently 565 stores in the states of Victoria, New South Wales, and Queensland. 7-Eleven has been operating in China in cities including Beijing, Guangzhou, Shanghai, Shenzhen and Tianjin, In April 2009, 7-Eleven announced plans to expand its business in Indonesia through a master franchise agreement with Modern Putra Indonesia (a subsidiary of Modern Group, Fuji Film distributor in Indonesia) of Jakarta. In Singapore, The first 7-Eleven stores were operated in 1983 with a franchise license under the Jardine Matheson Group. 7-Eleven currently has more than 8,200 owned, operated and franchised stores in the United States — almost all as franchises Public Subsidiary of IYG Holding Company. 7-Eleven stores in Japan and 48 in Hawaii. Other major foreign territories include Taiwan with 1,908 units, Thailand with 1,105, China with 398, Australia with 177, South Korea with 171, Malaysia with 151, and the Philippines with 149.

PLATE 3.2: Popular International retailers



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