CHAPTER VI

SUMMARY OF FINDINGS AND SUGGESTIONS
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6.1. INTRODUCTION

Super markets are established with the objective of making available all the goods required by the consumers under one roof. They are large scale retail trading units. There are super markets in the cooperative sector and in the private sector. Cooperative Super Markets also have the additional objective of supplying goods cheaply i.e., at as low a price as possible. They have the advantage of centralized bulk purchase from the source of production. They also charge low margin. Hence the prices of the cooperative super markets are expected to be lower than those in the private super markets. This proposition has been investigated in this study taking one cooperative super market, ponni and one private super market, Santham, in Salem city.

6.2. SUMMARY OF FINDINGS

The main findings of the study are goods, are generally cheaper in Ponni, the Cooperative Super Market than in Santham.

6.3. SUGGESTIONS

Though cooperative super markets are large scale organizations. They are meant to benefit all the sections, rich, poor, and the middle class alike. They also have a role in holding the price line. Therefore suggestions are made
in the following sections to improve the price advantage in Ponni, to improve its performance, and for the cooperative super markets in general.

6.4. SUGGESTIONS TO IMPROVE PRICE ADVANTAGE IN PONNI

i. Price advantage of Ponni can be increased if Ponni deals in more number of local goods than National brands. Particularly in case of washing Soap, washing powder, food item and stationary. In these items local products are cheaper and quality is good.

ii. Ponni obtains its merchandise from National consumers Cooperative federation, Tamilnadu Consumers Cooperative Federation, Government Agencies and through wholesale stores. Purchasing from different places increases the cost of transport which is reflected in the price of goods. National consumers cooperative federation has established regional distribution centres at important places. It is suggested that Ponni should purchase from this regional centre at Banglore. So as to reduce the cost of merchandise.

iii. Ponni should have control on the prices charged by leased departments. Or they must be instructed to follow market price policy.

iv. Ponni should introduce mobile super market to serve more areas within the city limits. A mobile super market functions in a mobile van or bus or lorry offering a limited assortment of important items such as provisions, oil, rice and cosmetics. Consumers reside far away from the super market but willing to enjoy the benefit of super market. Would be benefited by this mobile super market.
6.5. SUGGESTIONS TO IMPROVE THE PERFORMANCE OF PONNI

(i) Window Display

Display of goods inside the sections is not attractive except in the confectionery section. Though goods are prepacked they are not arranged neatly and in a logical order. Even in self service sections goods are not arranged properly. Hence it is suggested that Ponni should give more importance to the display aspect so as to improve the store image.

(ii) Inventory Management

Ponni should follow a wise assortment policy in the case of household articles, electricals, furniture novelties and travel goods. Durable goods such as wet grinder, mixie, radio, television, refrigerator, wooden furniture, pressure cookers and gas stoves should be offered in Ponni. The advise of hans and self help groups may be utilised in this regard.

Fast moving goods and slow moving goods should be identified through regular stock taking. Only fast moving goods should be given more importance than the slow moving goods. Such slow moving goods should be purchased in small quantities.
(iii) Amenities

For the convenience of customers basic amenities such as drinking water, sit outs, benches and shelters should be provided. Toilets should be partitioned in such a manner as not be visible outside. Park or grass lawn may be developed to make a pleasant surrounding.

(iv) Sales Promotion

Sales Promotion techniques such as lottery, lucky coupon, gift, purchase bonus, bonus stamps, door to door campaign, home delivery, reduction sale of old stock, seasonal special offers, credit sale, publicity in radio and T.V. may be followed.

6.6. Suggestions for Cooperative Super Markets in General

National Consumers Cooperative Federation and State Consumers Cooperative Federation may supply goods directly to the cooperative super market avoiding retailing commission charged by different intermediaries. Further loading and unloading charges will be minimized.

At present all the 4 tiers of consumer's Cooperation such as national state federations, district wholesale stores and the retailing units are engaged in purchase. So there are more chances for duplication of purchases as there was no coordination among these units. So it is suggested that each unit should be
allowed to purchase only those commodities which it can purchase economically. That is, if national federation is allowed to purchase 100 items, such items should not be purchased by the state federation and so on.

National Consumer Cooperative Federation and State Consumer Cooperative Federation should introduce more lines of Cooperative branded goods to check the increasing prices of national branded goods. Essential consumer goods imported should be sold only through cooperative super markets to ensure that these goods reach the consumers at economical prices. Besides confiscated foreign goods should be made available at lower prices in all the cooperative super markets.

Patronage dividend should be paid to non-member buyers also so as to attract more clientele. Cooperative super markets should have their own building. This will save the expenditure on rent, besides enabling the management to plan an attractive shopping layout.

Manufacturers of merchandise should be instructed through legislation that 20% of manufactured goods should be reserved for distribution through cooperative super markets at prices applicable to the first point of distribution. This may increase the price advantage of manufactured goods such as cosmetics, textiles house hold articles and electricals. Cooperative Super markets should have their own laboratory and test kitchen to test the quality of the goods following the lines of Swedish cooperative Super Markets.