A retailer has been defined as a trading intermediary engaged in the distribution of goods to the ultimate consumer. Retailers know the likes and dislikes of each individual member of the customer’s family. Retail institutions play a vital role in the marketing of consumer goods. The present research study aims to analyse changing pattern of retail outlets in Chennai city. Innovations are the order of the day of the Twenty First century. They have taken place in the field of retail marketing also. The needs of the customers are also changing day by day. The success of the retailer mainly depends on how best he is able to satisfy the changing needs of his customers. So, the present study has been undertaken with a view to find out the changing scenario in the retail trade in Chennai City. The period of the study spreads over a span of 10 years from 1997-78 to 2007 – 2008.

The study has been based on primary data and the required data was collected through the structured questionnaire from 100 retailers in Chennai City. The collected information were to be tabulated, analyzed and interpreted using certain statistical tools like analysis of variance, partial, multiple and stepwise regression of techniques, are applied. To test the significance of independent variables ‘t’ and ‘F’ are used.

The study discloses that there is huge a potential for organized retail as well as large retail outlets in Chennai city. They exist in all shapes and sizes - from a “panwala” to a Shoppers’ Stop. This is the right time to invest and continue investing in the business. Profits may come in only after 5 or 7 years but that is the way this industry operates and unlike some of the other sectors, this is not a business to make profits from day one. But when it’s setup, its solid profits and nothing illusionary.