Chapter 2

Literature Review

As organized retail market is in its nascent stage in India, many studies have been conducted in this area. Several studies in developed market have focused on the impact of malls and supermarkets on the small stores and on the strategies followed by small stores. An attempt is being made to explore the research gap and studies conducted in this area are probed to arrive at the objectives of the study.

Bhagwan Singh, Dr. Anjaney K. Pandey, *international journal of Management Research and Development*, explore in A Literature Study On Trends In Retail Practices And Their Impact On Traditional Retailing In India, Present paper is a part of the doctoral research study entitled “Trends in Retail Practices and Their Impact on Traditional Retailing-Special Reference to Bhopal City”. The paper discusses various studies undertaken with respect to retailing in India. Aspects like trends, consumer perception, consumer behavior, service quality; customer satisfaction, Indian retail market etc. are included in the paper. Various studies done by other researchers and experts are analyzed to include common aspects of organized Vs traditional retailing. It is basically aimed at to prepare a summarized report on the study of related literature regarding the topic undertaken with the common aspects of retailing in India. It is hoped that the paper may act as a reference source for the researchers and the professionals; they concluded that the transformation of traditional retailing to organized retailing in the form of shopping malls, hypercity, supermarkets, departmental stores, convenience store, speciality stores etc. is taking place at a regular pace in India. Global retail players are opening their outlets. Urban people are enjoying “shopptainment” in these places. Big shopping complexes are doing well in big cities with international and national brands. In small cities traditional shops are upgrading their outlets that is beneficial to survive in the market. However, the shops in neighbourhood and local cart pusher are much preferred by majority of population for ration and vegetables. Huge Indian rural market is also untapped for organized retailing.

Martineau (1958) was among the first to link store image or what he called as personality of the store, to the image that a shopper has of oneself. Martineau suggested that a shopper is unable to
differentiate based only on price amongst various grocery stores and would tend to shop at that store which is congruent with the self image. “The shopper seeks the store whose image is most congruent with the image she has of herself. Some stores may intimidate her; others may seem beneath her. A store may be acceptable for one type of goods and not for others. A model proposed by Huff (1964) states that customer patronage is directly proportional to utility factors given by square feet and inversely proportional to disutility factors given by physical distance. Applebaum (1966) studied that the limits to enhancing loyalty can essentially be seen as the limited centripetal pull of a store/shopping centre.  

Several studies show that store choice is affected by the past experiences of the consumer. Aaker and Jones (1971), quote from an unpublished dissertation by Rao, Rao, Tanniru R. (1968), “Modeling Consumer’s Purchase behaviour as a Stochastic Process”, A consumer’s selection of a store…is not completely random. The more recent her purchase experience…and the more frequent her visits to the store, the more she is likely to repurchase that product in that store”. This shows that past experience influence store choice and trip pattern to change, alter or reinforce the new shopping experience. Thus we can say that Consumer Characteristics interact with Situational Variables to impact how information about the retail mix elements is processed, resulting in store choice and trip patterns.

The concept of store loyalty is derived originally from the brand loyalty concept which refers to the tendency to repeat purchase the same brand. Osman in his review paper concludes that at the store level, it refers to the tendency to repeat purchase at the same Store for similar or other products. Borrowing from the concepts of loyalty and commitment from the field of Organizational Behavior, there is inherently a large affective component in loyalty. Amongst others factors, it has elements of trust as built over a period of time (repeated experiences at the store) and is relatively stable over a long period of time. A loyal customer would give priority to the specific store over competition. Though much work has been done there is still no clear conceptualization of what store loyalty means.  

Reynolds, Darden, Martin (1971) found out that store loyalty has been related to store patronage dimensions i.e. repeat purchase over time indicates loyalty as related to attitudes where as research by Tidwell and Horgan, in 1992 indicated brand loyalty as an attitude which may result in a purchase behavior”. Most often it has been taken to imply a mix of both
behaviour and attitude. Ajzen and Fishbein provided a model of attitude comprising three elements: affect, cognitive and behavioural. According to Piron quoting from the work by Lewison, all these three components of attitude contribute to Loyalty. A model by Dick and Basu, conceptualized loyalty as the relationship between relative attitude and patronage behaviour. Studies by Cunningham, Ennis and Gordon, Reynolds et al., found that it is beneficial for a store to identify and retain its loyal customers. Enis and Gordon found that store loyal consumers spent a larger portion of their total expenditure at the store. Tate, as stated in the paper by Reynolds, Darden and Martin, 1974, found that loyalty implies an increased number of shopping trips as compared to other stores. Studies into demographic and socio-economic found that they explain very little of the loyalty and patronage behaviour and neither are they a useful basis for segmentation. Store Image has found significant attention. It has been the focus of much research.4

Subhash C Mehta and R S Wickramasuriya (January-March 1989), Innovation in Conventional Retailing: The Econ Minimart of Singapore, Vikalpa journal of decision makers (IIM Ahmadabad), Vol. 14, No. 1, , Mr. Subhash C Mehta was senior faculty of Marketing, and R S Wickramasuriya was senior lecturer of Decision Sciences, Faculty of Business Administration, National University of Singapore in 1989. They conducted their study on Innovation in Conventional Retailing: The Econ Minimart of Singapore, in the early 80s; the survival of traditionally run neighbourhood provision stores in Singapore was threatened by the advent of large modern supermarkets. The highly urbanized Singaporeans were increasingly taking to these attractively laid out and well serviced supermarkets. The independent small provision store operators were quick to see the writing on the wall. With the leadership of some visionary entrepreneurs and some governmental support, they were mobilized to organize themselves into a voluntary chain of store operators.

Based upon a systematic study of the changing pattern of consumer needs and preferences, they have evolved into a large, highly successful, and profitable provisions store chain while retaining their cultural identity and place as the neighbourhood store.

Mehta and Wickramasuriya analyze the marketing strategy underlying the phenomenal success of this innovation to upgrade conventional retailing.5
Loudon David L. and Bitta Della A.J. (1993), Consumer Behavior, 4th Edition, McGraw-Hill Education (ISE Editions), identified that the function of several variables involve the customer’s motive for store choices. These determinants include factors like store design, store personnel, advertising and sale promotion, merchandise assortment, physical facilities, customer services and clientele (social-class membership) which have a larger impact on the store choice.\(^6\)

Gottdiener M. (1995), Postmodern Semiotics: Material Culture and the forms of Postmodern Life. Blackwell, Oxford, explained that various behavioral requirements have been addressed in this modern shopping trend; they again explained that malls have changed the way of existence and concept of shopping. They have enhanced the infrastructure and services of the major Indian cities. The activities of mall get increased and it today is at its peak and at present the activities of mall in the smaller cities is also increasing even if the customers possess very limited knowledge about the brands. The shopping malls in smaller cities thus establish their environment and layout based on the attitude and the behavior of consumers.\(^7\)

Popkowski, L. and Timmermans, Kim and Park (1997), concluded that Store choice and shopping trip timing decisions tend to differ for individuals and households as a result of personal differences, household composition and activity patterns. In a research in 1989 Kahn and Schmittlein, quoted “Store Choice is dependent on the timing of shopping trips, as consumers may go to a smaller local store for short fill-in trips and go to a larger store for regular shopping trips.” According to Popkowski, Sinha and Timmermans-2000, personal differences interact with situational factors and together they determine the store choice and shopping trip behaviour.\(^8\)

Underhill (2000), Why We Buy: The Science of Shopping, Simon and Schuster, when an average person is considered it is seen that he allots some time to leisure every day and the growth of retail is found to contribute for the shopping has become a chosen alternative. Large shopping centers provide a unique experience to the customers to shop, in spite of their status, where people with no great purchasing power also throng to the stores. Each and every one wants to visit and experience the pleasure of shopping at those places. Now-a-days individuals have initiated to relate it with the status. Females accept shopping as a community experience, where in like to view about what to purchase before parting with their cash. The activity of social
bonding occurs through this. When the shopping happens to be in case of two females, they talk, discuss, advise and consult.\textsuperscript{9}

Piyush Kumar Sinha, Arindam Banerjee, Dwarika Prasad Uniyal (Apr-2002), Deciding Where to Buy: Store Choice Behaviour of Indian Shoppers, Vikalpa Journal of Decision makers- IIM Ahmadabad, in their paper Deciding Where to Buy: Store Choice Behaviour of Indian Shoppers, they intend to present that Store choice is a decision that a shopper is fairly involved in. It is important for a store to understand this behaviour for developing marketing strategies to attract and keep it clientele. It is found that shoppers choose the store based on many aspects that could be classified as primary and image based. It is also found that the importance of each of these aspects changes with the kind of store the shopper wants to visit. In the Indian context where the shopper does not have much variety in store format, the type of store is recognized by the kind of product the store deals in. The paper is an attempt to understand this behaviour of shopper. The shoppers are explored for the primary reasons for choosing a store. Then using a factor analysis, the several image dimensions are classified. Further, using multinomial logic regression, the store choice pattern is studied across different types of store. Implications for the managers in the retail business are drawn and future research directions have been highlighted.\textsuperscript{10}

In a study by Thomas et al. (2004) on the rapid rise of supermarkets in developing countries, induced organizational, institutional and technological change in agrifood systems, highlight that with rapid transformation of food retail sector in developing regions, the share of supermarkets rose from roughly 15\% in 1990 to 55\% in 2002 in Latin America. The same situation prevails in South-East and East Asia, parts of Southern and Eastern Africa, Central Europe, and the incipience of such a transformation very recently in South Asia and Eastern Europe. These changes have intensified competition and organizations are moving to centralized procurement decisions instead of relying on traditional wholesalers.\textsuperscript{11}

Bajaj Chetan, Tuli Rajnish and Srivastava Nidhi. V. (2004), Retail Management, 1st ed., Oxford University Press India, in their book Retail Management emphasized with various new formats and packages related with retail industry in India as a result of liberal economic policies and boost given by the Ministry of Commerce and Trade to economic development in India. From the authors‘ point of view, retailing consist of all activities involved in selling things and
services to consumers for their personal, family and/or household use. It covers sale of goods, right from Automobile to Apparel and food products and services ranging from Hair cutting to Air travel and computer education. Thus the author has tried to examine the retailing from different perspective like manufacturers of white goods like Washing Machine & Refrigerators which have many options to reach to the consumers, i.e. through a different distribution format, the Manufacturer’s approach to exhaustive and exclusive distribution system or selection of selective distribution system, the consumer response to distribution and logistics practices followed by the retailers, the market response to different pricing and promotional policies adopted for popularizing a product or a service, the concept of brand loyalty and consumer loyalty to a shop or a distribution point and how it influences the consumer’s buying behavior. According to the authors the retail sector in India is highly fragmented with organized retail comprising only 2 percent of the total retail sale. The retail sector in developed countries is on the contrary highly developed and has changed overall format as a pattern of retailing. In the last century there was a fragmented retailing in most of the western countries which has been changed because of emergence of Wal-Mart, Spinach, and McDonalds and have caused a rapid growth of organized retailing, as well as consolidation of retail industry in these countries. The rapidly rising income level and accompanied by change in lifestyle greatly leads to the growth of organized retail in the west. Today, something is happening in India, there is increase in purchasing power, growth of middle class which follows the western style of living. Hence, conditions are conducive for rapid development of organized retail in India. According to author, the Indian environment is different from the western countries in many reach. The Indian cities are congested and large part of public is still concentrated in rural area. The Indian houses are smaller and Indian consumers still not use to buy bulk. The Indian retail scene is hence, very different from that prevailing in the developed countries. As organized retail grows retail formats are evolved in the west. It needs to be modified and new format suitable to Indian conditions have to be evolved. Even as organized retail grows, a large part of Indian retail is still likely to be unorganized. Hence, it is necessary that one should understand different practice of retailing from the Indian point of view, try to understand the engine of growth of retail industry, practice, scrolling the speed and the hindrances that are responsible for restricting its growth and development.
Clement Sudahar, Dr. S. Karthikeyanna (2005), Customer Switching Behavior in Organized Retail Stores: An Empirical Analysis, The International journal’s Research journal of social science and Management, in their paper titled Customer Switching Behavior in Organized Retail Stores: An Empirical Analysis published in, “The International journal’s Research journal of social science and Management”, articulated organized retail in the past one decade is growing at a faster rate in India. Albeit the burgeoning size the organized retailers are finding it difficult to be profitable. One of the marketing strategies is to focus on retaining the existing customers as they are five times more profitable than new ones. In this study the author examine the factors that influence the customers switching behavior in organized retail. The study was done based on certain factors which are recognized to be the main dimensions which are congruent with the switching behavior. The researcher used structured questionnaire as instrument and collected data from the customers of organized retail stores. The collected data were analyzed with the help of statistical tool Multiple Regression through SPSS. The Regression tests have revealed that the demographic variables: Patronage period, Purchase size, Profession will have significant impact on switching behavior dimensions. The study concludes with suggestions to the managers of retail stores to take note and gear up themselves to meet the challenges ahead.13

Jason Sit, Bill Merrilees (2005), Understanding Satisfaction Formation Of Shopping Mall Entertainment Seekers: A conceptual model, ANZMAC, Conference: Retailing, Distribution Channels and Supply Chain Management, writes in their paper Understanding Satisfaction Formation Of Shopping Mall Entertainment Seekers: A conceptual model that entertainment consumption is a common activity in the shopping centre environment. However, very little research (e.g. Parsons, 2003; Sit, Merrilees and Birch, 2003) has examined the concept of entertainment consumption in the shopping centre context. Hence, this conceptual paper presents a research model which aims to understand shopper satisfaction with entertainment consumption. The proposed model is an extension of the recent work conducted by Sit, Merrilees and Grace (2003). The model comprises five key constructs, namely hedonic motives, functional evaluation, affective evaluation, overall satisfaction, and behavioural loyalty. Relationships between these constructs are discussed, together with research propositions, which will be
empirically tested in future, research. Research implications of the conceptual model are presented.

As part of conclusion the proposed study reported in this conceptual paper provides a starting point for understanding satisfaction formation of ‘pro-entertainment’ shopper segments in shopping centres. In particular, the conceptual model will be used to examine the antecedents and consequences of shopper satisfaction with entertainment consumption. The model comprises five key constructs, namely hedonic motives, functional evaluation, affective evaluation, overall satisfaction and behavioural loyalty. The primary focus of hedonic consumption is on affective experiences (Hirschman and Holbrook, 1982). However, this conceptual paper proposes that affective experiences are also likely to be influenced by functional attributes relative to entertainment consumption. This is consistent with environmental psychology theory (Donovan and Rossiter, 1982). The impact of hedonic motive on overall satisfaction will be mediated by both functional and affective evaluation. Overall satisfaction of entertainment seekers should result in positive behavioural loyalty. Eight research propositions are presented in this paper and these will be examined using a quantitative methodology, such as a mall intercept survey across a number of regional shopping centres in Australia. Shopping centre patrons will be randomly and systematically sampled. It is proposed that structural equation modeling will be conducted to examine the fitness of the research model.

Darshan Parikh (April 2006), Measuring Retail Service Quality: An Empirical Assessment of the Instrument, Vikalpa Journal of Decision makers- IIM Ahmadabad, this paper reports upon the application of Dabholkar, Thorpe and Rentza’s retail service quality scale in measuring the gap between the customers’ expectations and their perceptions about the service quality of retail stores in India and tests its reliability and validity. The results indicate that the gap scores did not merge into the proposed five dimensions of the scale. Therefore, the scale may not be applicable in the Indian retail sector context without necessary restructuring. An analysis of the gap scores indicates that the highest perceived service gap lies in the policies of the retail stores. All the other statements also show a negative gap implying the need for considerable improvements in retail service quality.
Irudaya Rajan S. (2006), Population Ageing and Health in India. Background Paper Series 1, Center for Enquiry into Health and Allied Themes, Mumbai, explained that as per the population report, there are 192 million families in India. Around 6 million families have yearly earnings of more than INR 2,15,000. He also added that seventy five million households have a range of annual income between INR 45,000 and INR 2,15,000. As the Indians have started to receive high packages they could manage to pay for amusement, food and beverages and nightlife.\textsuperscript{16}

Ronel du Preez, Elizabeth M. Visser, Lucille Zietsman (2006), European Advances in Consumer Research (Volume 8), The objectives of this paper on male apparel consumers are to (1) describe their shopping mall behaviour (2) determine if they could be clustered according to lifestyle, shopping orientation and patronage behaviour and (3) profile clusters based on demographics, lifestyle, shopping orientation and patronage behaviour. The research findings cannot be generalized due to the exploratory nature and limited scope of the study. Managerial implications include designing an entertaining shopping environment, developing non-traditional persuasive communication messages, building brand personality and brand image as well as cultivating niche markets.\textsuperscript{17}

Piyush Kumar Sinha & Sanjay Kumar Kar (March 2007), “An Insight into the Growth of New Retail Formats in India” IIM-A, W.P. No.2007-03-04, conducted research study to identify and classify the different formats of retailing in India. The study classifies the different formats of retailing in different categories and also explains the growth of each category and motivation of retailers to expand into specific category. Some of the findings of the study include: Most of the organized retailers in India are harping on quality, service, convenience, satisfaction and assured benefits to lure shoppers into the store. Retailers are not creating value for the consumer and also unable to decide suitable vehicle to deliver desired consumer value. No doubt that retail format is one of the vehicles to deliver value proposition and also it helps to position the store in the mind of target shoppers. Probably in a growing market no one finds difficulty in pulling customer into store but that may not be sufficient to operate profitably. Retailers are unable to find out what matches consumer requirement and offer better than competition. Retailers certainly lack innovation in designing the value proposition and deciding
the format to deliver that to the consumer. It is not all about deciding the format but all about serving the consumer better, faster and at less cost. Retailers can use their store as an indicator of what they stand for and what value they offer. Retailers have to outthink consumer in providing service and value. At this juncture, most of the retailers are concerned about growth in number of stores rather than creating value for consumer.

Some companies like Pantaloon Retail has gone one step ahead to start e-tailing format along with brick and mortar formats. The most important issue in e-tailing is credibility and trustworthiness of the supplier. If Pantaloon Retail India gets the same credibility and trust it is able to find from current customer base it is highly probable that the new format is going to be successful. Again some of the product categories books are highly successful on internet as those categories require less feel and touch. Our conclusion is that consumer is the focus of retail business and the retailers should serve the consumer better, faster and at less cost.\textsuperscript{18}

Miyhu Bhattacharya, Chau-Hsien Chu, Tracy Mullen (2007), Decision Science Institute (DSI) conference, Phoenix AZ, in their paper these authors studied the current status, drivers, benefits, challenges, and strategy to adopt RFID in retail industry via content analysis. They developed an integrated framework of RFID adoption to lead their analyses and interpretation. They concluded that four major drivers contributed to the adoption of RFID in Retail industry. Benefits being the most dominant one followed by mandate compliance, technology drivers, and anti-counterfeiting. Anti-counterfeiting came out to be not so significant for the retail world because it is mainly for the pharmaceutical industry. The major benefits that emerged in their study were operational efficiency, improved visibility, reduced cost, improved security, improved customer service levels, better information accuracy, and increased sales. Many of these categories are also strongly correlated with each other which need to be considered when quantifying the ROI expected from implementing this new technology. The major challenges impeding diffusion of the technology by businesses are privacy issues, lack of standards, data integration issues, high cost, employee reluctance to change, business process redesign, and reliability issues. Clearly these issues are also tied up with each other and many of them can be overcome with technological advancement. But privacy issue is a major challenge in front of the businesses.
They have also identified the places in the retail supply chain where most of the expected benefits are concentrated on the later end of the chain such as replenishment, warehouse management, distribution, in-store operations, sales, and return handling. The other possible areas may have big potential but that needs to be further explored. This research study is a contributing step toward clarifying some of the misconceptions regarding the RFID technology which is impeding its progress and acceptance in the retail world despite its immense potentials. They said that, “We intend to carry this work in future and validate or revise our model by putting it to test in the real world. We will develop a study instrument based on our analysis and framework to test in subsequent research. If we can validate it will be a true success and if we cannot we can revise and rectify our model which will be useful as well. We also intend to conduct a cross-industry study of the benefits and drivers of the technology to enhance our understanding in RFID implementation.19

Kalhan Anuradha (2007), Impact of Malls on small shops and Hawkers in Mumbai, Economic and Political weekly, Vol. XLLII, Issue 22, in the paper the paper titled, “Impact of Malls on small shops and Hawkers in Mumbai”, clearly indicated that there has been a severe impact of malls on the unorganized retail shops operating in the vicinity of malls. The study further said that mega malls are making deep inroads in the sales of retailers operating in the unorganized sector.20

Barry Berman and Joel R Evans (2007), Retail Management a Strategic Approach, tenth edition Pearson Education Inc., Dorling Kindersley Publishing Inc., gave an overview on the impact of Retailing on the economy. They stated that retailing is a major part of U.S. and world commerce. According to them Retail sales and employment are vital economic contributors and retail trends often mirror trends in a nation’s overall economy. According to the Department of Commerce, annual U.S. retail store sales exceed $4 trillion- representing one-third of the total economy. Telephone and mail-order sales by non store retailers, vending machines, direct selling, and Web generate hundreds of billions of dollars in addition to yearly revenues, and apart from this the other services like personal consumption expenditures on financial, medical, legal, educational etc account for another several hundred billion dollars in annual retail revenues. Outside the United States, retail sales are several trillions of dollars per year.21
Michael Levy and Barton Weitz (2008), Retailing Management, McGraw Hill. Pearson Education Inc., Dorling Kindersley Publishing Inc., in this book, Retailing Management they have tried to know how retailing has become an important economic activity. The book titled, Retailing Management is definitely a different form of commentary on Retailing Operations especially in the modern and the Western World. The book discusses different facets of retailing strategies as they are useful for developing the retail markets especially in a growing economy. In this book the authors have tried to find out the reasons of growth of modern retailing, different retail format, and multichannel retailing as a method of operating in a competitive market. From the author’s point of view there is a great change in the consumer behaviour which is influencing the pattern of retailing and their strategies. The consumers have changed not only in terms of perception, choices and ideas and identities but also their modes of buying have significantly varied. These changes in the formats of retailing cannot convince the consumers as to why they should buy the particular product from a particular retail outlet. The change in the formats of branding i.e. from manufacturing brand to retail branding or private labeling has also proved to be of a limited impact. Therefore new methods of promotion especially attracting and retaining consumer, changes in the POP display system are being introduced. The buying system has changed, so does the buying methods and promotional methods also have changed. The retailers have tried to introduce new pricing strategy and the retail communication has become a more important aspect of retail management in the modern world.\(^{22}\)

Dr. Gursharan Singh Kainth & Mr. Divakar Joshi (2008), The Perception of Customer & Retailers towards Malls in Jalandhar in Punjab, Indian MBA, studied the Perception of Customer & Retailers towards Malls in Jalandhar in Punjab. The study was undertaken to learn about people’s knowledge, beliefs, preferences & satisfaction. The locale of the study was The Malls in Jalandhar region of Punjab. The sampling method used is non-probability convenience sampling. A sample of 200 customers’ and 50 retailers was selected through convenience random sampling. Little more than one half of (52.5 per cent) respondent-consumers visited Malls/Stores once a month, 28 per cent twice a month and 12.5 per cent visited the Mall/Store thrice a month. Only 7 per cent visited more often. Newspapers (37.5 per cent) were the major source of information about Shopping at Mall/Store. 32 per cent of consumers came to know about Malls/Store through
Television. Remaining 22 per cent consumers rely mainly on their friends and relatives. One fourth of consumers purchase clothes at Malls, and Men’s wear each, 19 per cent grocery items. 15 per cent consumers were in favour of buying Ladies wears, 5 per cent favour of Kids Wear & Toy, 16 per cent consumers were in favour of buying daily use items and only 2.5 per cent consumers purchased cosmetics. Nearly one-third consumers on an average spent Rs. 5,000 to Rs. 10,000 on shopping at Malls; 22.5 per cent consumers spent less than Rs. 5,000; 21 per cent consumers spent between Rs. 10,000 to Rs. 20,000; 16 per cent consumers spent between Rs. 20,000 to Rs. 30,000; 6.2 per cent consumers spend on an average between Rs. 30,000 to Rs. 50,000 and merely 3 per cent consumers spent Rs. 50,000 & above. Furthermore 55 per cent consumers were satisfied with the prices of products & services at the malls. 29% consumers were not satisfied with the prices at the malls. 16 % consumers were not able to express themselves about the product and prices at the shopping malls. 93% consumers agreed that professional Mall Management & Wide range of cheaper products have persuaded them to spend more time and money at Mall.

Sunil Gupta and Carl F. Mela (November 2008), what is a free customer worth, Harvard Business Review, Vol. 03, No. 11 found that those Customers who pay little or nothing and are subsidized by another set of customers are essential to a vast array of businesses, including shopping malls, real estate brokerages, information technology providers, auction houses, print and online media, and employment and dating services. According to one estimate, this business model accounts for a majority of the revenues of 60 of the world’s 100 largest companies. With the explosion in the number of free services offered on the internet, the prevalence of so-called two-sided markets is likely to grow.

The rationale for this approach, of course, is that by charging one set of customers little or nothing, the business will attract the critical mass of them required to draw in large numbers of another set of customers, and the income generated by the latter will handsomely exceed the cost of acquiring and serving the former. The high-stakes challenge is figuring out the true value of each “free” customer. Although executives know that free customers matter, they tend to underestimate their significance for two reasons: First, managers naturally focus more on customers who generate the bulk of revenues, and second, they lack a rigorous method for calculating the lifetime value of free customers.
Nair Suja (2008), Retail Management, 1st ed., Himalaya Publishing House New Delhi, in her book Retail Management, she has tried to explain the growth of retailing in Indian context especially in the context of new economic policy, global economic development, changes in the marketing and economic system as well as changing pattern and classification of economic activity. The author has tried to stress that there is a significant effect of liberalization and privatization policies on development of retail format. According to author, retailing has come to occupy a prominent position in today’s modern society. Inspite of the Indian retail revolution, it is said that over 90 percent of the 20 percent urban India are still towards the traditional retail. Now some worthy modern organized retail format is slowly gaining acceptance and can easily be seen to be emerging as a strong contender. The author has tried to make an attempt to communicate various developments occurring in retail market especially on account of evolving consumer behaviour typically the evolution of retail. It can be studied by having a look at 4 tier component i.e. consumer behaviour, trade structure, retailer-distributor-manufacturer relationship and the competition. The profile of today’s customer can be easily described as an affluent one with a higher and most disposable income, frequent visits & makes a longer and investment and time to explore a detailed shopping experience. However the consumers have also revealed a willingness to pay a premium provided they are offered better service quality at a retail counter. In addition to these, modern consumers will also appreciate additional facilities such as ATM, parking and in-store attendance. The main features of the book includes emphasis on case study of 12 major retail format wherein the author has tried to find out what are the new trends that are introduced by these various retail players, how they influence the overall market structure and the marketing environment in India, how they have changed the retailers approach towards consumers and how consumers have responded to these new changes in the growing context of economic development.25

Bijapurkar R. (December 8, 2008), The new, improved Indian consumer, Business World, in his article, “The new, improved Indian consumer”, illustrates this concept with an example, where the most successful and the largest incorporation, Wal-Mart concentrated in the rural market, after receiving a great deal of competition in the metropolitan market. It is necessary to promote the characteristics of a particular business model in a way that it matches the preference
and expectation of the local industry. From this example, we could realize that it is necessary to focus on the mode of business operations rather than the location of business. In accordance to the Indian Retail Handbook as the rural India is getting influenced by metropolitan, it could develop the retailing market with 23 million families (i.e., 115 million customers).²⁶

**Kumar A., Kim Y.K. and Pelton L. (2008), Indian Consumer's purchase behavior towards US versus local brands International Journal of Retail and Distribution Management, Vol.37 No.6,** explained in the paper that in India in next to agricultural field, most of the individuals are employed in the retail sector. Around forty million individuals are involved in retailing. It is also found that among them 50,000 people have been working in well organized retail industries. He also defined well-organized retail industry as a —large-scale chain stores which are corporatized, apply modern-management techniquesl. He also explained that the community based private sellers fall under the group of conventional retail sector. Organized retail sector mostly consists of superstores and hyper marts. These are found to be common in the urbanized nations.²⁷

**Ramanathan V. and Hari K. (December, 2008), Structural changes in Indian Retail market: From Unorganized to Organized, Indian Journal of Marketing,** they explained that in future the number of large-sized international chain shops will be high. Indian market has various types of retailers at present among them small-sized retailers are high in number. Mass media and word of mouth advertising are found to be the information sources of middle class families in India. As the Indian customers are experts in choosing their requirements from the given information, the companies should use the mass media to some extent. Merely with lot of commercial advertisements, they will not be able to sustain their market. Once their products become familiar in the market, the companies could increase the number of customers in a slow and steady way.²⁸

**Kuruvilla S.J. and Ganguli J. (2008), Mall development and operations: An Indian perspective, Journal of Retail and Leisure Property,** in their paper: Mall development and operations: An Indian perspective, explained that shopping develops into important aspect in the lives of people, as they are becoming financially sound to do purchase in malls and they begin to
consider the shopping value as an important factor along with the price of the products. In the 1990s, the modern trend in shopping mall concept had been introduced by Spencer Plaza in Chennai and Crossroads in Mumbai. After that, there has been a great improvement in this modern concept. The organized retail sector accelerates the progress of mall consumerism in main cities and mini metros. This progress is also influenced by the increase of the rich class population. One can understand the interest of the people in visiting the mall through the filled parking area, crowded café, busy stores, and crowded gamin area. Kuruvilla and Ganguli explained that malls could provide price cuts, luxurious products for couples and children. They could entertain the children via games and other activities. The shoppers could buy the food for their family and they could watch movies in malls.²⁹

**Francois Des Rosiers, Marius the riault, and Catherine Lavoie (2009), J.R.E.R., Vol. 31, No.2**, this study aims primarily at testing whether, and to what extent, retail concentration within regional and super-regional shopping centers affects rent levels, as well as the differential impact it may exert in different urban contexts.

In this paper, 1,499 leases negotiated over the 2000–2003 period are considered, representing over 5.3 million square feet of gross leasable area (GLA) distributed among 11 regional and super-regional shopping centers in Montreal (6 centers, 2.3 million sq. ft, 653 retail units) and Quebec City (5 centers, 3.0 million sq. ft, 846 units), Canada. Unit base rents (base rent per sq. ft.) are regressed on a series of descriptors that include percentage rent rate, retail unit size (GLA, in square feet), lease duration (in years) since the first landlord-tenant negotiation took place, as well as shopping center age, weighted to account for expansions and modifications to the building. A time variable (time elapsed since January 1971, in years) is also designed so as to capture rent inflation over time. In addition, 31 retail categories or category groupings based on the North American Industry Classification System (NAICS) are defined while the Herfindahl index is used as a measure of intra-category retail concentration. Regression models are calibrated using a log-linear functional form; a logarithmic transformation is also applied to the store size (GLA) variable.

As a conclusion, the findings emerging from this research are most helpful at providing a better understanding of the structural link that exists between agglomeration economies generated in shopping centers, intra-category retail concentration, and base rent. More than anything though,
the study brings out the complexity of such a relationship that requires addressing a series of issues, from retail mix strategies, bargaining power between parties, and competition for shopping center space to retail chain marketing constraints and policies, as well as local market structures for various goods and services. All these dimensions deserve further investigation.\textsuperscript{30}

\textbf{Ken Favaro, Tim Romberger, and David Meer (April 2009), Harvard Business Review, Vol. 04, No. 04}, narrated in their paper five rules for retailing in a recession that it was great to be in retailing during the past 15 years. Inflated home values, freely available credit, and low interest rates fueled unprecedented levels of consumer spending. Retailers responded by aggressively adding new stores, launching new concepts, building an online presence, and expanding internationally. While the U.S. economy grew 5\% annually from 1996 to 2006, in nominal terms, the retail sector grew at more than double that rate—an eye-popping 12\%. Revenues rose sharply, profits ballooned, and share prices soared. But that’s all gone now. Even before the financial crisis and recession began, retailers were hitting a wall. Same-store sales—or “comps”—have dropped by double digits for many chains, store closures have accelerated, store openings have slowed, and shareholder-value destruction has been massive. Starbucks—an icon of the good times—is a case in point. Last fall, it decided to shutter some 600 stores and cut back new-shop openings after the company suffered a first-ever year-over-year drop in same-store traffic and sales. The result: Its share price collapsed by almost 60\% from the fall of 2007 to the summer of 2008, and it continued to slide as the economy worsened in the autumn.

Still, hard times—even a deep recession—can be an opportunity to win the loyalty of more customers, increase productivity, and strengthen market position. In this article, we draw on a study of more than 50 major U.S.-based retailers and over 20 years of global consulting experience and research to show how retail executives can respond to a downturn in their business and emerge from it even stronger than before. By following the recommendations laid out in these pages, companies like Starbucks will discover that a larger universe of growth and productivity opportunities is open to them than they might believe. What’s more, they don’t need to overhaul their entire business model to tap into these opportunities; they just need to alter their operating rules.\textsuperscript{31}
Isita Lahiri and Pradip Kumar Samanta (Feb-May 2010), Factors Influencing Purchase of Apparels from Organized Retail Outlets, IUP Journal of Marketing, in the paper, Factors Influencing Purchase of Apparels from Organized Retail Outlets, wrote while the whole world is witnessing a paradigm shift from traditional forms of retailing to a modern organized mall-driven sector, Indian retailing cannot float opposite in the direction the global wind blows. In spite of late entry, it is forecasted that the country will be the second largest market of the world shortly and shall lead the industry, the way world does. Increase in the rate of literacy, growing number of working women, highly disposable income, easy availability of credit at low interest rates and high rate of media penetration along with the assurance of similar quality products with large ambit of price differentiation, painted the country's dynamic organized retail landscape. Rising interest and growing expansion of organized retail market leading to success of a business, depends solely on consumers' urges that there is a need to study their buying behavior. But the existing literature briefs a little about the buying behavior functions in the Indian retail market. The frequent change in lifestyles with changing fashion preference of consumers is fed by the newer retail offerings coming from the organized retailers where apparel gets utmost importance. Keeping these changing facets in view, this study makes an attempt to identify the factors of the consumers' buying behavior that is influenced by retail apparel segment, and to assess the importance of each of them to consumers in selecting apparel from organized retail outlets.32

Dwivedi P.R. (July 18, 2010), Saturation of malls in metros: Prospects in Tier II and III cities, India Retailing, in this paper, Mr. Dwivedi explained that when compared to major cities in India, the smaller cities seem to be a better place for investment. This is because these cities have low priced lands, low functional and operational expenses and greater number of available lands. He further specified and explained that there has been a transition in the taste and purchasing priorities of the customers from Tier II and III cities in the past ten years. He also presented the views of Ernst and Young which illustrated that there was twenty six percentage of growth in mall of the metropolitan cities while malls in Tier II and III cities showed fifty five percentage of growth.33
Swaroop Chandra Sahoo & Prakash Chandra Dash (August 2010), Consumer Decision Making Styles In Shopping Malls-An Empirical Study In The Indian Context, Indian journal of marketing Vol.40, No.08, in their paper Consumer Decision Making Styles In Shopping Malls-An Empirical Study In The Indian Context enumerated that the consumer decision-making process is a complex phenomenon. The purchase of goods or services includes a number of factors that could affect each decision. Consumers are besieged by advertising, news articles, and direct mailings that provide abundant information, much of these are with mixed messages. In addition, increases in the number and variety of goods, stores, and shopping malls and the availability of multi component products and electronic purchasing capabilities have broadened the sphere for consumer choice and have complicated the process of decision making. Hence, an attempt has been made in this paper to know about the decision making styles of people in shopping malls.34

Kamaladevi B. (2010), Customer Experience Management in Retailing, Business Intelligence Journal, Vol. 3 No. 1, in his paper Customer Experience Management in Retailing, stressed that, to compete successfully in this business era, the retailers must focus on the customer‘s buying experience. To manage customer's experience, retailers should understand what customer experience‘actually means. Customer experience management is a strategy that focuses the operations and processes of a business around the needs of the individual customers. The goal of customer experience management is to move customers from satisfied to loyal and then loyal to advocate. Focused on the role of macro factors in the retail environment and how they can shape customer experiences and behaviors. Several ways (e.g. Brand, Price, Promotion, Supply Chain Management, Location, Advertising, packaging and labeling, Service mix and Atmosphere) to deliver a superior customer experience are identified which should result in higher customer satisfaction, more frequent shopping visits, larger wallet shares and higher profits.35

Dr. A. Suryanarayana, V.V. Gopal (2011), International Conference on Business and Economics Research vol.1 IACSIT Press, Kuala Lumpur, Malaysia, With a contribution of 14% to the national GDP (Gross Domestic Product) and employing 7% of the total workforce or two million employees, the retail industry is definitely one of the pillars of the Indian economy. Post liberalization the retail sector in India is heralded as one of the sunrise industries. With more
than US$450 billion sales and an average growth rate of 11.2% for the market and 35% average annual growth rate for organized retail business, figures are indeed encouraging. Though organized retail has been growing at an impressive 35% to 40% year-on-year in the last few years compared to 9-10% growth in the overall retail industry, it accounts for just around 5% of the total retail market. While India has one of the highest densities of shops per population with 15 million small retail outlets (14 shops per 1000 people) the organized retail is still at an embryonic stage in the growth process. It is probably for this reason India has been ranked as the third most attractive nation for retail investment among emerging markets.

In their paper they highlighted on Retail Growth Drivers such as the parties involved are the consuming public, the manufacturers and retailers and finally, the government, Economic Growth which included, The GDP has gone up from $600 billion in 2003 to $ 1.25 trillion in 2008. Current estimates are that the GDP of the country has grown at 6.6 % (2009-10) and is projected to grow at 9% in (2010-11). The growth of retailing is intrinsically linked to the Growth Rate of a country,

Demographic Changes- In 1985, 93% of India’s population had disposable income less than Rs.0.09 million. By 2005 the figure was 54% (ie.431 million people are above the line). By 2025 it will be 22 % 7.Again the average disposable income will grow from Rs.0.114 million in 2006 to Rs.0.319 million by 2015. It is estimated that India will emerge as one of the world’s youngest nations as 54 per cent of its current population is aged 24 years and less by 2020.

Consumerism- an impressive growth and the country’s middle class will grow from about 5% of the population to more than 40% and create the world’s fifth largest consumer market.

Growth of nuclear families and satellite townships, change in consumer behavior and the impact of working women, availability of real estate, technological advances, electronic media, rise in the use of plastic money, cold storage facilities,

In their conclusion they said, there are a great many challenges that need to be addressed by the retailers as well as the government. Unlike FDI that requires policy changes, there are other major issues that need to be addressed on a war footing. Retailers have to invest heavily in technology to monitor stocks and their movement, both in-stores as well as on route. This will enable them to adopt concepts such as QRDS (Quick Response Delivery System) and ECR (Efficient Customer Response). Another focus area is the supply chain. The entire supply chain
in the country is dominated by unorganized players with several layers of intermediaries, thereby adding to wastage and pilferage at each level.\textsuperscript{36}

**Arpita Khare, Ceeba Parveen and Reena Rai (2010), *Journal of Retail & Leisure Property*,** in their paper narrated that their study employs the SERVQUAL construct to study service quality aspects of retail stores in Northern India. It is assumed that the role of employee or retailer is important in building relationships with customers. The traditional quality dimensions for assessing the service quality have to be modified to assess the customers’ service needs and satisfaction in the retail sector. The service quality expectations and satisfaction of customers would be dependent on service personnel's interactions with customers. In retailing services, customer satisfaction would be dependent on the relationships retailers build with their customers through interactions. The interactions were determined by using the traditional SERVQUAL scale and adapting it for retail. The results showed that a high positive correlation existed between various service dimensions, and that customer evaluation of service quality was similar across different age groups.\textsuperscript{37}

**N. Venkateswaran & Dr. V. Mahalakshmi (September 2010), *The Effect of Store Image On Consumers' Store Brand Purchase Frequency and Perceived Quality of Store Brands Around Chennai City, Indian journal of marketing Vol.40, No.09,*** studied *The Effect of Store Image On Consumers' Store Brand Purchase Frequency and Perceived Quality of Store Brands Around Chennai City* Store brands, also known as private labels, are mainstream in many markets and are becoming more so, particularly in developing markets. As such, they constitute legitimate threats to established brands. As retailers update store brand packaging and roll out premium lines of private labels, shoppers seem increasingly willing to try these products. Positive store image is a key asset for retailers to achieve and sustain success in an increasingly competitive marketplace. Because of this, retailers are trying to make their customers perceive their store image positively. Retailers who manage their image effectively can influence consumers' store patronage decisions and improve their competitive situation. On the other hand, store brands - that are unique to the store - may increase customer traffic and generate greater store loyalty. Store image is composed of many dimensions and knowing which dimensions of the store image contribute positively to the perceived quality of store brands can provide retailers with a strategic advantage. By investing in those specific dimensions, they can
gain the advantage of store image on the one hand and on the other hand, can transfer this positive image to the perceived quality of their store brands, which are generally perceived as low quality compared to the national brands. A store brand can be successful in one category and can be unsuccessful in another category. This may be because of the variances in promotional activities, design of package, and the perceived quality of store brands in different product categories or may be because of the store image. In more developed Asia Pacific markets such as Australia, store brands enjoy a 25% share of sales. Conversely, other countries in the region with limited modern trade offer fewer store brands. Store brands follow Western retailers as they enter a market and local retailers are quick to follow suit with their own store brand lines. Thailand is a great example, where Carrefour recently launched an ad campaign exclusively featuring store brands.\(^{38}\)

**Mohua Banerjee and Rajib Dasgupta (November 2010), Changing Pattern of Consumer Behavior in Kolkata with Advent of Large Format Retail Outlets, IUP Journal of Marketing**. The objective of the paper titled Changing Pattern of Consumer Behavior in Kolkata with Advent of Large Format Retail Outlets was to examine the activities consumers engage in malls, whether the mall culture is gradually gaining acceptance among consumers and the reasons for such acceptance. Modern organized retail has forayed into Kolkata, as is evident in supermarkets and multi-storeyed malls that offer shopping, entertainment and provision for eating under one roof. Retailers and mall managers should be aware of the benefits perceived by consumers at malls, whether consumers are shifting their preference from traditional zone-based buying to shopping in malls and the factors responsible for such change, in order to optimally position themselves. The study finds that primarily in the malls for shopping, consumers prefer eating at food-courts, window shopping and entertainment in the form of movies at multiplexes or video game parlors. They also attend events, promotions, competitions and product launches that are organized in the malls and spend their leisure time with family and friends. Over the period July 2004 to March 2007, the mall culture has gained acceptance and consumers are repeating their visits for successive purchases marked by the increase of regular users at malls. In malls, consumers prefer the air-conditioned environment, availability of several product categories under one roof, quality of service, car parking facilities, ambience, convenience of shopping and the confidence that the store-owner is not cheating. Such lifestyle factors along
with the status symbol of being in malls, supplemented with a greater disposable income are the chief reasons that prompt them to the malls.\(^9\)

Deepika Jhamb, Ravi Kiran (2011), Organized retail in India - Drivers facilitator and SWOT analysis, Asian Journal Of Management Research, Volume 2 Issue 1, The Indian retail sector is witnessing tremendous growth with the changing demographics and an increase in the quality of life of urban people. Retail Sector is the most booming sector in the Indian economy. With a growing economy, improving income dynamics, rising awareness, and a youth-heavy customer base, India is well on its way to become one of the most prospective markets for the domestic and global retailers. The main objective of this paper is to strategically analyze the Indian retail Industry. The present paper identify the drivers which affect the growth of the Indian retail market, looks at the major factors affecting the retail business and to carry out the SWOT analysis of organized retail in India. The results of the study depict that infrastructure, economic growth and changing demographics of consumers are the major driver of organized retail in India. The location of the retail store, management style and adequate salaries to personnel enhance the effectiveness of retail business and are important factors for retailers’ success, The modern Indian consumer is seeking more value in terms of improved availability and quality, pleasant shopping environment, financing option, trial rooms for clothing products, return and exchange policies and competitive prices. This has created a rapid growing opportunity for organized, modern retail formats to emerge in recent years and grow at a fast pace. According to Swar (2007), several demographic indicators show favorable trends for the growth of organized trade in India and these become the important drivers for retail industry in India. These are:

i) **Rapid income growth:** consumers have a greater ability to spend,

ii) **Increasing Urbanization:** larger urban population that value convenience, coupled with the higher propensity of the urban consumers to spend,

iii) **Growing young population:** growth of the post-liberalization maturing population, with the attitude and willingness to spend and

iv) **Spend now vs. save earlier:** consumers are willing to borrow for present consumption, which has resulted in the emergence of big retail chains in most metros; mini metros and towns,
Objectives of the study

- To identify the major drivers of organized retail in India.
- To identify the mixture of factors affecting the organized retail business.
- To conduct the SWOT analysis of organized retail industry in India.

SWOT analysis of organized retail in India

Strengths

- Emerging retail formats like malls, hyper/supermarkets and specialty stores which provide product, service and entertainment at one place.
- Indian consumers have high disposable incomes, which translates into high consumption levels.
- Large number of earning young population.
- Growth of real-estate and Improvement in infrastructure.
- Huge agricultural sector offering an abundance of raw materials.

Weaknesses

Demographic differences between the regions require a regionally adjusted approach to business.

- Presence of a significant number of strong and well-established players in the sector limits market entry potential.
- Relatively small domestic market limits growth opportunities.
- High real-estate and distribution cost are the obstacles for growth of retail in India.

Opportunities

- Increasing awareness of consumers about products and services.
- Changing consumers’ requirements and lifestyles.
- Innovation for new product development.
- Private label sector has been boosted by economic downturn.

Threats

- Economic slowdown is having an adverse effect on consumer spending.
- Rigid government policies and regulations restrict the entry of new players.
- Price competition among retailers puts downwards pressure on margins.
- Entry of International players in Indian markets consumes the share of Indian retailers

Retailing is one of the largest industry in India and one of the biggest sources of employment in
Numerous business groups are attracted in the past few years, including some renowned business groups like Bharti, Future, Reliance, and Aditya Birla to establish hold, showing the future growth in times to come. In addition, organized retail sector has also grabbed the attention of foreign companies, showing their interest to enter India. After looking up these facts, the paper strategically analyzed the Indian retail Industry. The results of the study depict that infrastructure, economic growth and changing demographics of consumers are the major driver of organized retail in India. The location of the retail store, management style and adequate salaries to personnel enhance the effectiveness of retail business and are important factors for retailers’ success. The study further reveals that younger generation, emerging retail formats, increasing awareness and innovation in new products are the strengths and opportunities of organized retail in India. On the other hand, Demographic changes, shrinking of markets, high real-estate cost and increasing price competition among retailers are some of the threats and weaknesses of Indian retail Industry. Hence, there is an urgent need to overcome the threats and weaknesses and grab the opportunities by retailers for the success of retail sector in India.

Dr. Prashant Tripathi & Dr. A. Sengupta (June 2011), Increasing Role Of Children In Family Purchase Decisions, Indian journal of marketing Vol.41, No.06, wrote in their paper that Children constitute an important target market segment and merit attention from a marketing perspective. The role that children play in making decisions concerning the entire family unit has prompted researchers to direct attention to the study of influence of children. The amount of influence exerted by children varies by product category and stage of the decision making process. For some products, they are active initiators, information seekers, and buyers; whereas, for other product categories, they influence purchases made by the parents. The purchasing act is governed by how they have been socialized to act as consumers. Family, peers, and media are key socializing agents for children wherein family-specific characteristics such as parental style, family's Sex Role Orientation (SRO) and patterns of communication play key roles. More so, changes taking place in the socio-cultural environment in India (such as emergence of dual-career, single parent families) entail that dimensions of children's influence in family purchase decision making be investigated in a specific context. Indian society vastly differs from the West in terms of family composition and structure, values, norms, and behavior, which affect the role that children play in purchase decision making in families. Hence, the aim
of this paper is not only to explore the dimensions already investigated by previous researchers in India and Western Countries, but also to identify directions for future research. 

Sumedha Kalia & Rishi Kalia (July 2011), Subhiksha: A Battle For Survival, Indian journal of marketing Vol.41, No.07, have done research on Subhiksha in his paper titled Subhiksha: A Battle For Survival he explores that in a developing country like India, a large chunk of consumer expenditure is on basic necessities, especially food related items. The Indian retail industry is the fifth largest in the world. And when we throw light on this retail sector, then broadly, we have two divisions- Organized and Unorganized retail traders. Though initially, the retail industry in India was mostly unorganized, however, with the change of tastes and preferences of the consumers, the industry is getting more popular these days and getting organized as well. The Indian retail industry is expected to grow from ` 35,000 crore in 2004-05 to ` 109,000 crore by the year 2010. According to the 8th Annual Global Retail Development Index (GRDI) of AT Kearney, Indian retail industry is the most promising emerging market for investment. In 2007, the retail trade in India had a share of 8-10% in the GDP (Gross Domestic Product) of the country. In 2009, it rose to 12%. It is also expected to reach 22% by 2010. Kishore Biyani’s - Pantaloons and Big Bazaar are on top on the list, and we have Tata group, RPG group, Reliance etc. They have contributed to the Indian retail by being pioneers and reshaping the retail landscape in the country by adapting to conditions in the country. But unfortunately, the post was triggered by the news that Subhiksha closed down their 1600 outlets. In this case, study efforts have been made to grasp the business strategy of Subhiksha and despite of best human and non-human capital, why it became a sunk ship.

Gopal Das (July 2011), Effect Of Retail Sales Promotion On Buying Behaviour of Customers, Indian journal of marketing Vol.41, No.07, did the study on Effect Of Retail Sales Promotion On Buying Behaviour of Customers according him the Indian market is currently witnessing a retail boom with Organized Retailers offering a whole assortment of goods and services to consumers under one roof with congenial shopping ambience. With the Indian retail boom, many players are entering the market with different retail formats. As a result, competition is becoming very tough. Each player is trying to attract more customers through different sales promotional activities. But, the exact picture of the impact of sales
promotion on consumer behaviour is yet unclear to the retailers. This paper tries to find out the impact of demographic parameters on retail sales promotion and overall buyers’ behavior on retail sales promotions.\textsuperscript{43}

**Dr. Mathala Juliet Gupta & Chetan V. Hiremath (November 2011), Apparel Retail Outlet Selection: Influence Of Service Levels In Goa, Indian journal of marketing Vol.41, No.11, writes in their paper a** Retailer is one who makes products and services available to end consumers. The Retail industry is witnessing many challenges like soaring realty prices and high inflation rate, which have made many retail formats unprofitable and reduced the customer’s confidence in the economy, thereby, resulting in lower sales. Our Government’s unwillingness to allow more inflow of FDI in retail has made the situation more challenging for the existing players. Technology has blurred the demarcation between suppliers and retailers. The real challenge for the retailers is to balance customer expectations, and the fixed costs. There are many theories put forth by scholars to explain evolution of retail formats. A survey was conducted in three major cities of Goa. All the 400 respondents were aged between 18yrs to 33 yrs. The role of merchandise quality, variety, style, brand, service and prices offered by a particular type of outlet was studied. Also, service factors like ambience, parking space, personal assistance, sitting lounge, loyalty program and home delivery in the choice of retail outlets by shoppers across the three major cities of Goa was studied. Kendall’s coefficient of concordance was used to test the findings.\textsuperscript{44}

**Darrell Rigby (December 2011), Harvard Business Review, Vol. 89, No. 12, writes every 50 years or so, retailing undergoes this kind of disruption. A century and a half ago, the growth of big cities and the rise of railroad networks made possible the modern department store. Mass-produced automobiles came along 50 years later, and soon shopping malls lined with specialty retailers were dotting the newly forming suburbs and challenging the city-based department stores. The 1960s and 1970s saw the spread of discount chains—Wal-Mart, Kmart, and the like and, soon after, big-box “category killers” such as Circuit City and Home Depot, all of them undermining or transforming the old-style mall. Each wave of change doesn’t eliminate what came before it, but it reshapes the landscape and redefines consumer expectations, often beyond**
recognition. Retailers relying on earlier formats either adapt or die out as the new ones pull volume from their stores and make the remaining volume less profitable. Like most disruptions, digital retail technology got off to a shaky start. What we are seeing today is only the beginning. Soon it will be hard even to define e-commerce, let alone measure it. Is it an e-commerce sale if the customer goes to a store, finds that the product is out of stock, and uses an in-store terminal to have another location ship it to her home? What if the customer is shopping in one store, uses his smart phone to find a lower price at another, and then orders it electronically for in-store pickup? How about gifts that are ordered from a website but exchanged at a local store? Experts estimate that digital information already influences about 50% of store sales, and that number is growing rapidly.45

Thomas H. Davenport, Leandro Dalle Mule and John Lucker (December 2011), Know What Your Customers Want Before They Do, Harvard Business Review, Vol. 89, No. 12 wrote, Know What Your Customers Want Before They Do- shoppers once relied on a familiar salesperson—such as the proprietor of their neighborhood general store—to help them find just what they wanted. Drawing on what he knew or could quickly deduce about the customer, he would locate the perfect product and, often, suggest additional items the customer hadn’t even thought of. It’s a quaint scenario. Today’s distracted consumers, bombarded with information and options, often struggle to find the products or services that will best meet their needs. The shorthanded and often poorly informed floor staff at many retailing sites can’t begin to replicate the personal touch that shoppers once depended on—and consumers are still largely on their own when they shop online.46

Dr. Shahid Akhter & Iftekhar Equbal (January 2012), Organized retailing in India – challenges and opportunities, Zenith International Journal of Multidisciplinary Research, Vol.2 Issue 1, , wrote in their paper, “Organized retailing in India – challenges and opportunities,” Indian Retail Industry is ranked among the ten largest retail markets in the world. The attitudinal shift of the Indian consumer and the emergence of organized retail formats have transformed the face of Retailing in India. With the sign of reemergence of economic growth in India, consumer buying in retail sector is being projected as a key opportunity area. As a consequence, Indian corporate houses are refocusing its strategic perspective in retail marketing with the idea to use resources optimally in order to create core competence and gain competitive
advantage. The paper theme is to analyze finer strategic perspective for the retail sector in India and suggest measures so that the corporate strategists could incorporate the same both qualitatively and quantitatively. Based upon the qualitative judgment, a retail unit may be given an overall understanding about the expected performance that can further be corroborated by quantitative analysis. In conclusion they wrote there is very huge potential for the growth of organized Retailing in India. By following some of the strategies it can rise tremendously and can reach each and every nock and corner.

Open communication should be established between functional departments. A balance should be maintained between brand building and promotion. Non-marketing factors like gas prices, weather etc. should be avoided and new schemes should always be launched.

The Retail Industry in India has come forth as one of the most dynamic and fast paced industries with several players entering the market. But all of them have not yet tasted success because of the heavy initial investments that are required to break even with other companies and compete with them. The India Retail Industry is gradually inching its way towards becoming the next boom industry.47

Pravin Kumar Bhoyar & Dr. Asha Nagendra (January 2012), Effectiveness of FMCG Distribution Channels With respect To Satisfaction of Consumers in Rural Markets, Indian journal of marketing Vol.42, No.01, writes in paper that distribution is the most important variable in the marketing plans of most consumer goods manufacturers. It is estimated that there are over a million market intermediaries – distributors, super-stockists, wholesalers, stockists, transporters and retailers – who are involved in the distribution of a variety of consumer goods all over the country. This study focuses on the effectiveness of FMCG distribution channels with respect to the satisfaction of consumers in the rural market. Two companies - Hindustan Unilever Limited (HUL), and Godrej Consumer Products Limited (GODREJ), which are pioneers in Fast Moving Consumer Goods (FMCG) in the rural market were selected to study their distribution channels in 2 rural districts of Maharashtra. Two different questionnaires were designed – one for channel members, and the other for rural consumers. Results revealed that there are two distinct segments of consumers in the rural markets. One set who cannot read, write or understand with ease. They do not buy branded products. They have their own method of identification of products and communication with the
retailers. Rarely do they purchase branded packaged goods. The other set was the slightly educated ones, who bought branded products and demanded range in products. The study also revealed that there were limited stocks of products at village retailers; hence, customers had to wait for some days. So, it compelled them to travel outside their villages to meet their demands. The effectiveness of FMCG distribution channels in rural markets depended upon the satisfaction of the rural customers. Since there was either poor quality or prevalence of duplicate brands in the rural market, rural customers were not getting good quality and authentic brands in the rural market of Sangli and Kolhapur districts. Hence, it was proved that the existing FMCG Channels of Distribution in Rural Maharashtra did not serve the customers well. This research was done during January 2009 and December 2009.

Ajit Jadhav (2012), FDI in Retail Sector- a Boon to Farmers in India, Abhinav national monthly refereed journal of research in commerce & management, VOLUME NO.1, ISSUE NO.5, wrote in their paper, FDI in Retail Sector- a Boon to Farmers in India that India to the world known as an agrarian nation and it is completely true that about 65% of Indian population is engaged in agriculture. Indian economy cannot do well without its lion’s share coming from it. But the state of affair of Indian farmers is still not very progressive as expected. FDI in retailing can be taken a rescue work for Indian farmers to free them from the clutches of n- numbers of middlemen; it is a ray of hope that will take them away from darkness of exploitation to light of progress. The purpose of this paper is to highlight that how FDI in retail will work wonder forever exploited and suppressed community of farmers in emerging India. Objectives of the paper were

1. To highlight the changing view regarding FDI in retail sector.
2. To know how FDI in retail will eliminate intermediaries between farmers and retailers.
3. To study how FDI in retail sector benefit the Indian farmers

They recommended that Farmers occupy the most vulnerable condition in our economy, their interest must be protected and exploitation on them must be uprooted right from the grass root level. The Government should provide support of legal framework to safeguard the interest of farmers and consumers. Rural infrastructure must be developed in order to give boost to rural as well as retail Development.
Ajaz Ahmed & Sureshramana Mayya (September 2012), Impact of shopping mall on unorganized retail sector: A study of Mangalore region, Indian Journal of Marketing, Volume 42, No. 9, in their paper Impact of shopping mall on unorganized retail sector: A study of Mangalore region explores that retailing is the largest private industry in India and second largest employer after agriculture, organized retailing is poised to become the business of this decade in India. This sector has witnessed significant development in the past 10-15 years from the small family-owned retail formats to organized retailing. With unprecedented growth in organized retailing and with the entry of foreign retail players the Indian market has caused concern that the small and marginal unorganized retailers will be adversely affected. The objectives of the study were to explore the financial and economic impact of shopping malls on the unorganized retail outlets and to identify the challenges and threats perceived by the unorganized retailers from the malls operating in their vicinity. The analysis of the study revealed that the sample unorganized shops were impacted by the unprecedented growth of malls and stand alone supermarkets and the competition is intensifying over time. The negative impact of shopping malls on the sample shops can be seen in the form of decline in sales, profit and the number of customers. This study has made an attempt to unfold the effects and the far reaching impact of shopping malls on the unorganized retail sector in Mangalore region. This study advocates a balanced approach to retail and suggests that the government, the organized retailers and the unorganized retailers should play a constructive role in building a common platform for the co-existence of both the organized and unorganized retail.

U. Dineshkumar and P. Vikkraman (Sep,-Oct. 2012), Customers’ Satisfaction towards Organized Retail Outlets in Erode City, IOSR Journal of Business and Management (IOSRJBM), Volume 3, Issue 4, Customers’ Satisfaction towards Organized Retail Outlets in Erode City, Customer satisfaction is widely recognized as a key pressure in the formation of consumers' future purchase intentions. Satisfied customers are also likely to tell others of their favorable experiences and thus engage in positive word of mouth advertising. The present study aims to investigate customer satisfaction in the organized retail outlets in Erode city of Tamil Nadu state in India. The objectives are to identify the determinants of customer satisfaction in the organized retail outlets in Erode city, to identify the attitude and behavior of the customers those
who are purchasing in organized retail outlets, and to study about the future prospects of organized retail outlets in the city. Customer satisfaction is a significant subject for most marketers. A total of 200 questionnaires have been randomly distributed to retail customers. Using descriptive statistics method, cross table analysis, chi-square test and correlation method (to compare between different means) the data collected is analyzed. The result of this analysis suggests the degree of customer satisfaction in terms of services provided by organized retail outlets in Erode. Objectives of The Study were as follows,

1) To identify the determinants of customer satisfaction in the organized retail outlets in the city.
2) To identify the attitude and behavior of customers in organized retail outlets.
3) To study the future prospects of organized retail outlets in the city.

In this study it is found that organized retail outlets provide better quality of service, product range as compared to the unorganized retail outlets. Most of the customers are satisfied with the quality of service provided by the organized retail outlets. They are satisfied with self service, product price, visual merchandising, home delivery and fast checkout. They feel that the store layout is easily accessible to find the products. Some of the respondents are not satisfied with parking facility and variety of modes of payment. With the help of Pearson’s R & Spearman Correlation test, it is found that there is a positive correlation between the monthly income of the respondents and their monthly purchase in organized retail outlets. By using Chi-Square test it is made clear that there is no relationship between satisfaction level towards quality of service offered and the education qualification of respondents. The organized retail outlets should provide good parking facilities to their customers. Also, they are expected to concentrate more on free home delivery and increase the number of billing counters, so as to ensure fast checkout. Most of the stores do not accept credit and debit cards. Since most of the customers are youngsters and employed, they feel more comfortable with card payment than cash, these stores are expected to make this facility available to all the customers.

The root of the study is that most of the customers prefer purchasing from organized retail outlets than unorganized outlets. Also, most of them are satisfied with the quality of service, price and product range of the goods provided by organized retail outlets. Satisfaction of consumers in retail service is an important criterion for a marketer to understand for further strategic decision. This study also reveals that the customers prefer organized retailing over unorganized retailing, due to which the organized retailing become a threat to the unorganized outlets. The
establishment of such organized retail outlets in tier-1 and tier-2 cities has proved to be successful, as it fulfills the needs of the customers. As an expansion, such outlets are being established in tier-3 cities like Erode and other places. Hence, it’s significant for such outlets to cater to the needs of the customers for its long run.\textsuperscript{51}

Piyush Kumar Sinha, Srikant Gokhale, Sujo (Thomas December 2012), Development of Modern Retailing in India: It’s Impacts on Distribution and Procurement Networks and Changing Consumption Pattern, Indian Institute Of Management Ahmadabad Research and Publications, W.P. No. 2012-12-04, in their paper they described that the Indian retail industry is estimated to be $470 billion. The organized or modern retailing with 6% share stands at $26 billion. It is projected to reach US$ 1.3 trillion by with the organized retail market estimated to grow at the compounded annual growth rate of 40% and reach US$107 billion by the year 2013. Entry of these retailers in different formats, including online, has affected an irreversible change in consumer buying habits and businesses related to serving these retailers. However, unlike many other countries, India has its own unique character of size, geographical spread, cultural diversity, and multiplicity of formats being introduced at quick succession. Retailers also face the challenge of developing infrastructure, on their own or in cooperation with the government. This paper attempts to explore the industry and evaluate the extent of its impact on distribution and procurement networks and changing consumption pattern in India.

They focused on areas such as Development of Modern Retail, Changing Consumption Patterns, Procurement and Distribution Networks, Foreign Direct Investment (FDI) in Retail, while concluding they say the development and growth of modern retailing in India in different segments has been due to different factors. The modern retailers would like to make substantial savings though efficacy and pass this benefit to producers and end consumers. Since the entry of foreign retailers would require substantial investments in supply chain systems, it would possibly bring in innovative procurement and distribution systems which will further play an important role in bringing more stability. In view of the fact that the retail industry is largest employer after agriculture in India, the political parties always have reservation towards opening up of retail sector to foreign investment. On the contrary small and medium enterprises would stand to benefit from the fact that private label brands would constitute the product mix of any modern retailer and thereby small suppliers would effectively take their products to national platform.\textsuperscript{52}
References:

11. Thomas et al., the rapid rise of supermarkets in developing countries, 2004,
14. Jason Sit, Bill Merrilees, ANZMAC 2005,
23. Dr. Gursharan Singh Kainth & Mr. Divakar Joshi, 2008.
33. Dwivedi P.R., India Retailing, July 18, 2010.
34. Swaroop Chandra Sahoo & Prakash Chandra Dash, Indian journal of marketing Vol.40, No.08, August 2010.
38. N. Venkateswaran & Dr. V. Mahalakshmi, Indian journal of marketing Vol.40, No.09, September 2010.
41. **Dr. Prashant Tripathi & Dr. A. Sengupta**, Indian journal of marketing Vol.41, No.06, June 2011.
42. **Sumedha Kalia & Rishi Kalia**, Indian journal of marketing Vol.41, No.07, July 2011.
44. **Dr. Mathala Juliet Gupta & Chetan V. Hiremath**, Indian journal of marketing Vol.41, No.11, November 2011.
48. **Pravin Kumar Bhoyar & Dr. Asha Nagendra**, Indian journal of marketing Vol.42, No.01, January 2012.
49. Ajit Jadhav, Abhinav national monthly refereed journal of research in commerce & management, Volume NO.1, Issue NO.5, 2012.
Thesis Review:

Panle Jia (December 2006), Entry and competition in the retail service industries, Ph.D. in Graduate school of Yale University, Panle Jia did her research work on, “Entry and competition in the retail service industries”, Thesis studies entry and competition in the retail and service industries. It builds on the entry literature and seeks to contribute in two ways. First, it extends the existing methodology by relaxing several commonly used assumptions. Second, it applies these extensions to analyze policy issues in the retail and service industries. Most entry models assume that entry decisions in different markets are independent. While this assumption simplifies estimation, it is ill-suited to study retail chains that can exploit the scale economies arising from clustering stores in nearby markets.

The first chapter formulates and estimates a model that captures the dependence of entry decisions induced by the scale economies. The model is applied to the discount retail industry to quantify the impact of chain stores on small retailers. The results indicate that entry by either a Kmart or a Wal-Mart store displaces forty to fifty percent of small discount retailers, and that Wal-Mart’s expansion in the 90s explains fifty to seventy percent of the net change in the number of these small discount retailers. Direct subsidies to either chains or small firms are not likely to be cost effective in increasing the number of firms or the level of employment. Finally, scale economies were important for both Kmart and Wal-Mart, but the magnitude did not grow proportionately with the chains’ sizes.

The second chapter relaxes the distributional assumption for the error term in entry models. This is motivated by the observation that the maximum likelihood estimator (MLE) is inconsistent if the assumed distribution is wrong. Klein and Spady (1993) proposed a consistent and efficient semi-parametric estimator that does not require the error term’s distribution to be specified. Their approach is designed for single-index models. I extend their method to an entry model with multiple indices and apply this extension to study the entry cost in the dry cleaning industry. I find evidence that the distribution of the entry cost is asymmetric with a long tail, and that this asymmetry drives the difference between the MLE estimates and the semi-parametric estimates. The proposed method can therefore be used as a robustness check for the sensitivity of the parameter estimates to the distributional assumption.
Conclusion:
The researcher has examined the competition effect of chain stores on small firms and the role of the chain effect in firms’ entry decisions. The results support the anecdotal evidence that “big drives out small.” On average, entry by either a Kmart or a Wal-Mart store displaces forty to fifty percent of the small discount firms. Wal-Mart’s expansion from the late 1980s to the late 1990s explains fifty to seventy percent of the net change in the number of small discount firms.
Failure to address the endogeneity of firms’ entry decisions would result in underestimating this impact by fifty to sixty percent. Furthermore, direct subsidies to either chains or small firms are not likely to be effective in creating jobs and should be used with caution.
These results reinforce the concerns raised by many policy observers regarding the subsidies directed to big retail corporations. Perhaps less obvious is the conclusion that subsidies toward small retailers should also be designed carefully.
The researcher find that scale economies, as captured by the chain effect, generate substantial benefits. Studying these scale economies in more detail is useful for helping firms exploit such advantages and for guiding merger policies or other regulations that affect chains. A better understanding of the mechanism underlying these spillover effects will also help us to gain insight in the productivity gains in the retail industry over the past several decades.¹

Mr. Ajay Shah (September 2009), A Study Of Consumer Behaviour In Malls Vis-À-Vis Mom & Pop Shops, Ph.D. in Saurashtra University Rajkot, Ajay Shah has done his Ph.D. in Saurashtra university Rajkot the topic of research was, “A Study Of Consumer Behaviour In Malls Vis-À-Vis Mom & Pop Shops”, the main objectives of the study is to identify the consumer behavior in Malls and compare the same with the traditional retail stores more popularly known as Mom-&-Pop stores in India.
The study incorporates some of the specific objectives:
1) To study the consumer behaviour at Malls vis-à-vis Mom-&-Pop store (Traditional retail).
2) To evaluate the consumer buying tactics, shopping priority and experience in shopping during their visit at Malls.
3) To study the visual merchandise at the mall and hence identify the effectiveness of POPs & display units.
4) To suggest the tactics of marketing promotion at the malls.
Hypothesis of the Study:
To accomplish the objectives of the study, the following null hypothesis have been developed for empirical testing:
H.1 There is no significant difference between consumer behavior in Malls and Mom- &-Pop shops.
H.2 There is no significant difference among consumers in buying tactics & shopping priority between Malls and Mom-&-Pop shops.
H.3 There is no significant difference in shopping experience in Malls and Mom-&-Pop shops.
H.4 There is no difference in availability of visual merchandise at Malls and at Mom-&-Pop shops.
H.5 There is no difference in effectiveness of POPs (Point of purchase Advertisement) at Malls and at Mom-&-Pop shops.
The sample size of 500 respondents was selected from different location in different cities of Gujarat. All the respondents were administered both the questionnaire the visit about the malls and mom-&-pop shops

Major Findings of Consumer Behavior in Malls:
• 30.7 % of respondents visit the mall once in a month and at the same time 30.7 % of respondents rarely visit the mall.
• 20% of respondents visit the mall through the word of mouth from their friends and 36.8 % of respondents visited the mall through the medium of advertisements.
• 48 % of respondents visited the mall with their family members and at the same time 39.5 % of respondents visited it with their friends.
• 16.9 % of respondents strongly agree that the location of the mall is most convenient and 59.3 % of respondents agreed that the mall has conveniently location.
• 52.7% of respondents spend 1-2 hours in the mall for shopping while 29.2% of respondents spend less than 1 hour in the mall.
• Out of the total respondents, 59.6% of respondents visit the mall mostly for shopping, while 24% respondents visit it for window shopping only.
• On basis of price expectation, 51% of the respondents feels that price of the product was as per their expectations whereas only 9.5% of the respondents feel that price is higher than their expectations.
• In comparision with the regular stores 43.5% of respondents feels that the prices are almost the same, and at the same time 30.4% of respondents felt that the prices are little high.
• Considering the payment criteria, 68.6% of respondent prefer to pay by cash, while 28.9% of respondent prefer to pay by debit/credit card.
Major findings of consumer perception towards Malls vis-à-vis Mom-&-Pop stores

The cross tabulation presents that only 98 male respondents and 64 female respondents disagree that merchandise sold in malls is good in quality. They identify the quality to be at par and not necessarily high. Whereas 204 male and 93 female respondents concur that the goods sold at malls are high in quality. The factors for this perception are due to brand image of the mall and also several malleable factors like arrangement of goods, packaging and courtesy of floor staff members.

For satisfaction of price of the respondents, it is concluded that 50% of the housewives are unsatisfied with the price of goods. i.e. 6 housewives and 20% respondents in the professional category i.e. 86 are also unsatisfied with the price. Whereas 267 professionals are satisfied and 48 professionals are highly satisfied with the price of the goods they bought. 56 service class respondents are satisfied with the price of the goods.

Major findings of consumers shopping experience in Malls

The research shows that higher income group segment enjoy less shopping whereas lower income group segment enjoy the pleasure of shopping at Malls. 195 (53.57%) & 26 (27.9%) of the respondents in the income group of between 3 to 5 lacs are neutral to enjoyment in malls. 62 (34.06%) & 69 (37.91%) respondents in the income group of less than 1 lacs finds great pleasure in shopping at malls.

Major findings from Consumer’s perception towards Mom-&-Pop shops:

The research shows that 218 respondents don’t get items of their choice at Mom-&-Pop shops. 62 respondents in the age group of less than 26 years do not find items of their choice in mom-&-pop shops. 53 respondents in the age group of 35-45 also do not find items of their choice at these shops. Whereas 174 respondents in the age group of 26-34 do find items of their choice at mom-&-pop shops.

On basis of availability of items of their choice at mom-&-pop shops we conclude, the income group of between 1 to 3 lacs, 159 & 94 respondents agree and disagree respectively with the availability of items of their choice at mom-&-pop shops. Whereas 125 & 68 respondents in the category of less than 1 lacs agree and disagree with the availability of items of their choice at mom-&-pop shops.

From the cross tabulation about services provided by the mom-&-pop shops, it has been clear that in service class category, 66 respondents are consented by the customer service of the mom-
&-pop shops. In the housewife category only 1 respondent is highly consented for customer service provided by the shops. In the professional category, 67 and 297 are highly consented and consented towards the customer service of the mom-&-pop shops. Out of the total respondents, 91 respondents are not consented by the services provided by the mom-&-pop shops.

From the cross tabulation about customer service of the mom-&-pop shops it can be inferred that 34 and 128 respondents with income less than 1 lacs are highly satisfied and satisfied by the customer service of the shops respectively. Only 2 respondents with income more than 5 lacs are highly satisfied by the customer service of the mom-&-pop shops. 176 respondents having income between 1 to 3 lacs are satisfied by the customer service of the shops. 89 out of the total respondents are not satisfied by the customer service of the mom-&-pop shops.

**Major findings from Consumer’s shopping experience at Mom-&-Pop shops**

From the cross tabulation one can observe that 62 respondents disagree with that they would like to indulge in interaction and social talk while shopping at mom-&-pop shops. In the category of 26-34 years 43 & 118 respondents strongly agree and agree that would like to indulge in interaction and social talk while shopping at mom-&-pop shops. Whereas 187 respondents were unsure about the same.

About stress experience while shopping, The cross tabulation shows that 94 respondents felt the shopping stress while shopping at mom-&-pop shops. 217 respondents were indifferent to the same. 89 & 15 respondents in age group of 26-34 years disagree and strongly disagree respectively regarding any king of shopping stress while purchasing at items at mom-&-pop shops. 52 respondents in the age group of 35-45 years did not experience any stress while shopping at mom-&-pop shops.

For analysis of attention at POS, The cross tabulation shows that 23 male respondents were unsure of paying attention to POPs at mom-&-pop shop while 233 respondents have sometimes paid attention to POPs and 21 & 117 male respondents strongly agree and agree that they pay attention to the POPs in mom-&-pop shops. Among the female respondents, 8 were unsure of paying attention, 110 have sometimes paid attention and 10 & 70 strongly agree and agree that they have paid attention to POPs at mom-&-pop shops.

In his conclusion Mr. Shah illustrated that most economically developed cultures are legitimately referring retailing to as consumption societies. Retailing in India is receiving global appreciation and attention and this emerging market is witnessing a significant change in its growth and
investment pattern. Most individuals in these societies spend more time engaged in consumption than in any other activity, including work or sleep. Like a forest fire starting at the edges, the retail change in India is hot and fast spreading at the visible urban boundaries. Urban Indian consumers are suddenly encountering "self service" models of retailing, from "serviced retailing," where the customer approaches the retailer and asks for specific items, which the retailer fetches from behind the counter.

In Order to devise appropriate plans and strategies and take advantage of the opportunities of growth to its fullest on one side and on the other enable the Indian consumers get best shopping experience in such kind of malls and organized stores, it is important to understand the consumer behavior in different formats of organized retailing will help the different stakeholders of this industry. Factually thousands of firms are spending millions of rupees to sway consumers in every market place through the medium of ads, packaging, product features, sales pitches and store environment. But it is clear that every strategy formulated for attracting customers may have different implications. Hence this research has made it possible to understand the comparative consumer behavior at greater depth specifically with reference to behavior in malls and in mom and popshops.²

Mr. Manish Date (April 2011), *Use of Management Accounting Tools for the Measurement and Comparison of Performance of Organized Retailing Systems in India and at the Global Level, Ph. D. thesis, University of Pune,* in his thesis Manish Date revealed that Retail is the largest private industry in the world. In India, the industry contributes over 10% to GDP and employs about 8 percent of the total workforce. In the Global Retail Development Index Report Published by renowned global consultancy firm A.T. Kearney, India was ranked as the first most attractive retail market for three consecutive years from 2005 to 2007. Retail sector in India has been growing very fast. Being the fourth largest economy in Purchasing Power Parity terms, second fastest growing economy worldwide and having favourable demographics, India has attracted the attention of global retailers. Most of the leading global retailers now source products from India; many are in talks with Indian companies for joint projects. Wal-Mart, Tesco, Marks and Spencer have already joined hands with Bharti, Tatas and Reliance respectively for entering the Indian market. According to The Global Retail Development Report, the window of opportunity is closing very fast and the early entrants would get the first
mover advantage. In the given scenario, the existing as well as the new retail players will have to compete with best players in the world. In order to enhance performance, it is necessary to first identify the factors that influence the overall performance of retailers with special reference to the Indian Market conditions.

The objectives of research were,

a) To enumerate the factors influencing the overall performance of a retailer in India and at the global level
b) To study contemporary practices in Performance Measurement Systems among Indian Retailers
c) To evaluate the effectiveness of the Performance measurement Systems used by Indian retailers
d) To look at the obstacles, if any, in designing and implementing a Performance measurement System
e) To compare the Performance measurement practices of Indian Retailers with globally operational retailers.

The research was mainly carried out from Pune and Mumbai. The researcher visited stores in number of cities in India, USA and South East Asia and recorded observations about the operational aspects. She also conducted informal interviews with the store staff wherever possible. Data collected was mainly qualitative in nature. Inter-company and inter-group comparisons were undertaken. Data was tabulated. Charts, graphs were used for comparative analysis. In addition to this, statistical tools like averages, rankings and Spearman’s Coefficient of Correlation were used.

**Main Findings of the study:**

1. There is a lot of enthusiasm about the Retail sector in India. Global consultants have also shown a lot of faith in the Indian Retail Sector. India was ranked first on the Global Retail Development Index for three consecutive years. But the sector is in a nascent stage and the organized sector is really small. A comparison of Pantaloon Retail and Wal-Mart demonstrated that there is no real comparison yet. Wal-Mart has 7.3 times more number of stores, 320 times turnover and more than 60 times the number of people as compared to Pantaloon. No Indian retailer is listed in the top 250 retailers in the world.
2. The data supported Hypothesis one - Both Financial and Non-financial Measures are widely used for measuring performance of retail organizations.

The related findings are as follows:

a. All companies use a combination of Financial and Non-financial Performance Measures but their relative emphasis varies from company to company.

b. The global companies have incorporated measures like energy efficiency, waste created, etc to cover the environmental aspects. Such non-financial measures indicate their commitment to Sustainable Development. The respondents from the Indian companies did not mention any such measures.

3. The data supported Hypothesis two – Factors influencing performance of retail organizations would vary from market to market and from company to company.

The respondents agreed on the overall list of determinants of performance. But when they were asked to rank those factors on the basis of significance, the rankings varied from company to company and market to market. The main findings in this regard are as follows:

a. Perception of Indian Retailers about the Indian market as against the developed market differed from company to company.

b. Perception of the two Indian retailers about the Indian market was not the same. They have a different view of the pattern of significance of factors affecting performance.

4. The data supported Hypothesis three - Retail Companies use more than one approach to measure their performance.

The related findings are as follows:

a. Indian companies together use the Balance Score Card, Strategic Resource Management and Pentagon and Triangle model.

b. Global retailers have a more complex and comprehensive Performance Measurement Systems incorporating a number of frameworks like the Balanced Score Card, Benchmarking, Activity Based Costing, Six Sigma, Total Quality Management and many more. Different frameworks are used for different stakeholders under one fully integrated system. The data supported
5. Hypothesis four - Information Technology plays an important role in designing and implementation of Performance Measurement Systems of retail organizations. The related findings are as follows.
a. Three out of four respondents strongly felt that IT plays a crucial role in the designing and implementation of Performance Measurement Systems and it would not be possible to have an effective PMS without good IT support

b. Indian retailers have been using readily available packages like SAP, JDA so far, and the global retailers use tailor-made IT programmes and packages specially designed for them by leading IT companies.

7. The data supported Hypothesis five - Performance Measurement systems of retail organizations are continuously being monitored and modified. The related findings are as follows
a. Performance Measurement Systems are monitored regularly by all companies
b. Performance Measurement Systems are revised every year

c. The companies under study do not change the overall PMS framework every year, but they modify and fine-tune it annually.

6. The data did not fully support Hypothesis six - The Performance Measurement Systems used by Indian Retailers are at par with those used by global retailers. The related findings are as follows
a. Performance Measurement Systems of Global retailers have evolved over a long period of time. They have invested heavily in technology. There is a high commitment to and focus on systematic Performance Measurement. Global retailers use a combination of many frameworks. There is complete integration of all business activities into the PMS
b. The Indian Retailers differ in their approach and commitment. Not all companies have shown the same kind of commitment towards systematic Performance Measurement. They have faced problems like incompatibility of technology at front and back end. One company followed the global model whereas the other is working on an India-specific model
c. The global retailers have reported very high performance ratios as compared to the Indian retailers. For example, for the year 2007-08 Wal-Mart reported an ROCE (Return on Capital Employed) of 19.5% against 5.48, 6.2 and 10.34% reported by Indian retailers. The other performance ratios like ROA and ROE are also exceedingly better than Indian companies.

In his conclusion Mr. Manish Date narrated that all companies use a combination of financial and non-financial performance measures but the pattern and significance differs from company to company. The non-financial measures seem to get affected first and tend to give early indications of performance trends. The companies using more non-financial performance measures are likely to face the changing market and global situations more effectively.

There is a paradigm shift as far as the non-financial performance measures are concerned. Most of the leading retailers globally, including one global unit under study, have incorporated environmental and social concerns in their performance measurement systems. The emphasis on Sustainable growth and development can be clearly seen from their non-financial performance measures like Energy efficiency, Waste sent to landfill, Operational CO2e emissions etc. The Indian companies under study did not reveal any such trend.

The global companies under study follow a more systematic approach to designing, implementation, monitoring and revision of their Performance Management System. 4. The relationship between retailers and suppliers is very crucial for the development of organized retail sector in India. The retail sector is growing very fast and the suppliers are finding it very difficult to cope with the speed. 5. As against the developed markets, the manufactures lobby in India is quite strong and it regulates not only the flow of goods but also the prices thereof. With the MRP (Maximum Retail Price) system, the retailers have a limited control over the pricing of the commodities. 6. The selection of right PMS is important from the point of view of enhancing business performance, but effective implementation is the key to success. What matters more is the commitment to the selected PMS and the sincerity with which it is implemented. 7. Any Performance Measurement System to be successful should have features like flexibility, convenience, compatibility with IT systems and comprehensiveness in terms of coverage. 8. Clear communication of the performance measures and necessary training to the concerned staff are essential for successful implementation of PMS.
It would take some time and really committed efforts for the Indian companies to be at par with the global companies with respect to Performance Measurement and Management Control Systems.  

Deepika (October 2012), Consumer preferences for emerging retail formats in Punjab, Ph. D. Thesis, Thapar University, Patiala, in the thesis entitled, “Consumer preferences for emerging retail formats in Punjab,” Ms. Deepika has put forth that The Indian retail sector is going through a transformation and the emerging market is witnessing a significant change in its growth pattern. Both existing and new players are experimenting with new retail formats. These emerging retail formats provide wide variety to customers and offer an ideal shopping experience with an amalgamation of product, entertainment and service, all under a single roof. Changing tastes and preferences of consumers’ are leading to radical transformation in lifestyles and spending patterns and this in turn is giving rise to spurt in new business opportunities. Consumer dynamics in India is also changing and the retailers need to understand the changing dynamics and its impact on shopping behavior and formulate their strategies accordingly to deliver the expected value to the consumers.  

The present study is a comprehensive study of both the consumers and retailers perspective. Consumers’ perspective covers all the important aspects of retailing. Firstly, it covers the six types of emerging retail formats - malls, speciality stores, super/hyper markets, convenience stores, departmental stores and discount stores. The study also does an in-depth analysis of product and store attributes influencing consumers’ choice for these retail formats including the impact of demographic factors on buying behavior. Furthermore, it also attempts to study the preference of diverse retail formats for purchasing different categories of convenience goods and shopping goods. It also tries to uncover the purpose of visiting emerging retail formats and prospects of organized retail in India.  

In retailers’ perspective, the present study examines the important marketing strategies and suggests these strategies to retailers for better retail management. Based upon all this analysis, a framework of consumers’ and retailers’ perspective for emerging retail formats has been designed to cover consumers’ preferences for emerging retail formats. Two self structured questionnaires have been used to gather data from 500 consumers and 62 retailers of Punjab. The study uses a five point Likert scale for assessing data from consumers and retailers. Descriptive statistics, ANOVA, factor analysis and regression analysis has been
used to identify the consumers’ preferences for emerging retail formats and analyzing the retail marketing strategies adopted by these formats. Results of the study depict that choice of emerging retail format is influenced by consumer demographics and by product and store attributes. Type of product category also influence consumer’s buying from different retail formats for shopping and convenience goods. The results highlight that young consumers and high tax payers prefer to shop more at malls and specialty stores. On the other hand, older consumers and no tax payers prefer to purchase from convenience store, discount stores and department stores.

Product attributes and store attributes are the important drivers influencing consumers’ to visit these emerging retail formats. The results reveal that the trends toward emerging retail formats are changing and consumers prefer these retail formats due to certain product attributes like improved quality and variety of brands. Store attributes which enhance the shopping experience of consumers are: good parking facility and trained sales personnel. Moreover consumers’ are more inclined towards specialty stores for buying shopping goods and convenience stores are preferred for buying various convenience goods. Regarding the purpose of visiting emerging retail formats, consumers prefer to go there not only for shopping purpose, but also for entertainment and relishing food at food courts.

The findings further support that the marketing strategies of retailers’ are an important tool for improving the value of retail business and for enhancing the sales of retail outlet. Retention strategies and promotional strategies are preferred to the traditional strategies like pricing and competitive strategies. The study also throws light on format-wise-preferences of marketing strategies and the results explain that the emerging retail formats like malls, speciality stores and hyper/supermarkets opt more for retention strategies, image improvement strategies and competitive strategies. On the other hand convenience stores, discount stores and departmental stores focus more upon promotional and pricing strategies.4
References:

1. Panle Jia, December 2006, Entry and competition in the retail service industries, Graduate School of Yale University.


3. Manish Date, April 2011, Use of Management Accounting Tools for the Measurement and Comparison of Performance of Organized Retailing Systems in India and at the Global Level, University of Pune.

4. Deepika, October 2012, Consumer preferences for emerging retail formats in Punjab, Thapar University, Patiala.