Chapter-II
Review of Literature

2.1 Introduction

“If at first the Idea is not absurd, then there is no hope for it.” Albert Einstein

The word retail has been derived from the French word “retailer” meaning to cut the bulk (Retailing Management, Levy M; Weitz B.A; Pandit A; 2008). India had its own grassroots retail network known as haats. The study examines the role of Haats in the development of rural markets (Role of Haats in the Development of Rural Markets, Singh Vikram, Bajaj Astha, 2008). The Indian retail sector is going through a transformation and this emerging market is witnessing a significant change in its growth and investment pattern. Both existing and new players are experimenting with new retail formats (Emerging Trends in Modern Retail Formats & Customer Shopping Behavior in Indian Scenario: a Meta Analysis & Review, Aditya P. Tripathi, 2008). The magic wand of 1991- Liberalization, Privatization & Globalization has revolutionized every facet of Indian economy. Flourishing with an exponential rate Indian Retail Sector is rated as the fifth most attractive retail destination in the world map (Global Retail Development Index, Kearney A.T; 2008). This study focuses on the sales promotion techniques employed by advertisers in abroad between 1995 and 2004. Specifically, it examines the effectiveness of each sales promotion technique in terms of their popularity, size and day of placements for industries (Innovative sales promotion techniques among Hong Kong advertisers – a content analysis, Kim-Shyan Fam, Geoffrey Tanakinjal, 2008).

Retailing includes all the activities in selling goods or services directly to final consumers for personal, non business use. A retailer or retail store is any business enterprise whose sales volume comes primarily from retailing (Marketing Management, Kotler P; Keller L.K; Koshy A; Jha M; 2009). Organized retail also got its share of refinement with the establishment of organized players like Shoppers’ Stop, Pantaloons and Crosswords etc. (Great India Retail Story, Ernst & Young, 2006). This paper has also discussed the marketing competencies of fashion apparel brands, brand image, sales promotions and external market knowledge (Growing Shopping Malls and Behavior of Urban Shoppers, Rajagopal, 2009). Another part of our research is focused on psychological and emotional attributes of store image. In terms of McDonald’s chain the social aspects, image and enjoyment are of greater
importance (Prospective Views about the Future of Target Marketing: Towards a Homogenization of Values, Attitudes and Habits, Elena Horska, Olaf Lobl, Patrik Rovny, 2009). This article discusses how consumers’ decision-making styles shift towards shopping at malls as well as street markets in growing cities. This study addresses the causes and effects of coexistence of shopping malls and street markets. The results show that there are various economic and marketplace ambience related factors that affect the consumer decision towards shopping (Coexistence and Conflicts between Shopping Malls and Street Markets in Growing Cities: Analysis of Shoppers’ Behavior, Rajagopal, 2010). Rural India is characterized by low per capita income, low productivity, low literacy and low rate of industrialization along with absence of basic amenities. The retail revolution is going to act as a catalyst. So, the new concept that is hitting the market today is the "Rural Retailing". (Rural Retail Revolution: The Rise of Rural Market, Gupta Ashish, 2011). India- the nation of shopkeepers gets a makeover with the advent of organized retail. The challenges bestowed upon the Indian retail sector and their possible solutions have also been discussed (Retail Malls: New Mantra for Success, Tanwar Samridhi, Dr. Kaushik Neeraj, Dr. Kaushik V.K; 2011).

“The future lies with those companies who see the poor as their customers.” Prahalad C.K. (Strategic Guru)

In the history of shopping malls, Martineau was among the first to link store image or what he called as personality of the store and suggested that a shopper is unable to differentiate based only on price amongst various grocery stores (The Personality of the Retail Store, Martineau P; 1969). Literature indicates that shoppers’ pre-existing motives affect their revisit of the store in the future. It also illustrates that shopping motives do affect shopping outcomes (Modelling Participation in Entertainment and Shopping Malls Activities, Lotz S.L; 1999).

The research has suggested some programs according to findings to decrease these gaps and improve the shopping malls effectiveness (Driving Factors and Effectiveness of Sales Promotion in Shopping Malls in Iran, Alireza Miremadi, Farhad Sadeh, Narges Borji and Sanaz Naji, 2000).

Many studies on shopping centre image are dominated by the “Big Four” dimensions namely merchandise mix, accessibility, services and atmospherics (The Mystery of Consumer Behaviour: Market Segmentation and Shoppers’ Choice of Shopping Centre, Dennis, Marshland, Crockett, 2001). It might be easier for accompanied shoppers to make difficult
buying decisions when the suggestions of their companions reinforce their resolve to purchase (America’s Marketplace: the History of Shopping Centres, Cohen, Nancy, 2002). This conceptual paper presents a research model which aims to understand shopper satisfaction with entertainment consumption (Understanding Satisfaction Formation of Shopping Mall Entertainment Seekers: A Conceptual Model, Jason Sit, Bill Merilee’s, 2003). Sales and Marketing are responsible for a sequence of activities and events that leads customers toward purchases and hopefully ongoing relationship (Ending the War between Sales and Marketing, Philip Kotler, Neil Rackham, Suj Krishnaswamy, 2006). A rural shopping mall where farmers sell their commodities or buy almost everything including cosmetics, garments, electronics, appliances and even tractors. It serves as an agricultural sourcing centers, shopping centers, and facilitation centers. (Retailing in Rural India: An Overview of Markets and Opportunities, Kesari Rajesh, Shrivastava Kumar Abhishek, 2012). In this way, the above review of literature will find out the limitations and difficulties in the running shopping malls as well as the problems that are faced by the customers. This research will compare the sales promotional strategies among different shopping malls. The result will suggest the shopping malls management to improve their sales promotional techniques for increasing the sales with customers’ satisfaction.

2.1.1 Meaning Of Retailing

Retailing includes all the activities in selling goods or services directly to final consumers for personal, non business use. A retailer or retail store is any business enterprise whose sales volume comes primarily from retailing (Marketing Management, Kotler P; Keller L.K; Koshy A; Jha M; 2009).

Retailing is the set of business activities that adds value to the products and services sold to consumers for their personal or family use. Often people think of retailing only as the sale of stores, but retailing also involves the sale of services: a doctor’s exam, a haircut, a DVD rental, or a home delivered pizza etc. (Retailing Management, Levy M; Weitz B.A; Pandit A; 2008).

Retailing encompasses the business activities involved in selling goods and services to consumers for their personal, family, or household use. Traditional retailing has been established in India for some centuries. Indian consumer has undergone a remarkable alteration (Retail Management, A Strategic Approach, Berman B; Evans J. R; 2007).
2.1.2 Meaning Of The Word Retail

The word “Retail” originates from a French-Italian word. Retailer is a person who cuts off or sheds a small piece from something. Retailing is the set of activities that markets products or services to final consumers for their own personal or household use. It does this by organizing their availability on a relatively large scale and supplying them to customers on a relatively small scale. For a retailer it is essential to see in which segment it is catering in the above division of villages.

For example Shakti caters to villages with a population of 500 or above. Where in Eveready considers even the remotest of village as its target customer. It operates through more than thousand company-owned vans and has over 4,000 distributors to directly providing service to 6,00,000 retail outlets.

The word retail has been derived from the French word “retailer” meaning to cut the bulk. In other word, it implies a firsthand transaction with the customer. Most of the organized retailing in India have started recently and concentrated on metropolitan cities on a dormant sector largely due to lack of infrastructure for large scale retail, absence of product variety and a conservative Indian consumer (Retailing Management, Levy M; Weitz B.A; Pandit A; 2008).

The retail industry in India is largely unorganized, comprising of drug stores, medium and small grocery stores. As Indian Retailers use private labels along with branded products they can become the major supplier of high quality apparels. Ample opportunities are present as 94 percent of the Indian retail is still unorganized. Indian retail sector with more than 1 crore 10 lacks retail outlets is known as “Nation of Shopkeepers”. The magic wand of 1991-Liberalization, Privatization & Globalization has revolutionized every facet of Indian economy. Flourishing with an exponential rate Indian Retail Sector is rated as the fifth most attractive retail destination in the world map. In the Global Retail Development Index of 30 developing countries drawn up by A. T. Kearney Indian retail strongly stood at second position (Global Retail Development Index, Kearney A.T; 2008).

2.1.3 Rural Retail Revolution: The Rise of Rural Market

“The future lies with those companies who see the poor as their customers.” Prahalad C.K. (Strategic Guru)

Rural India is characterized by low per capita income, low productivity, low literacy and low rate of industrialization along with absence of basic amenities. The unprivileged class is set back by a lack of educational opportunities that could empower them to confidently pursue
economic progress and overcome the debilitating effects of low literacy and rigid social hierarchies. India’s rural markets are growing at double the rate of urban markets. The retail revolution is going to act as a catalyst. So, “Rural Retailing” is a new concept which is hitting the market today (Rural Retail Revolution: The Rise of Rural Market, Gupta Ashish, 2011).

2.1.4 Retailing in Rural India

A debate continued for a long time amongst the Indian marketers, both practitioners & academicians, on the justification for the existence of the distinct discipline of rural marketing. Consequently, two schools of thought emerged. The first school believed that the products or services, marketing tools & strategies that are successful in urban areas, could be transplanted with little or no more modifications in rural areas. However, the second school saw a clear distinction between urban & rural India, & suggested a different approach, skills, tools & strategies to be successful in rural markets (Small Towns and Big Opportunities, Munir Suri, 2005).

Indian Tobacco Company launched the country first rural mall Chaupal Sagar delivering wide range from Fast Moving Consumers Goods to electronics appliance to automobiles. Reliance has appointed Peter Brasher from Ads Wal-Mart as a special adviser for Reliance Retail and Kevin Pleas from Tata Iron and Steel Corporation to coordinate store design and construction space (ITC Plans Rural Super Malls at its Hubs, Kaushik Neha, 2004).

A cool and refreshing environment makes the shoppers happy to forget all worries of the day. Malls are here for putting smiles on the face of shoppers. The opportunities offered by young India exhibit a bright road for malls. These architectural wonders have changed the overall meaning of shopping, leisure and entertainment. Ensuring a relaxing ambience and facilities like seating arrangements for elders to babies is not a child’s play. But now a day, malls managers are performing the tasks easily. With a population already in excess of one billion people, India has caught the eye of multinational corporations across the globe as a place of opportunity for exploring new markets. Hub and spoke model involving engagement with farmers in rural India. A rural shopping mall is a place where farmers can sell their commodities and buy almost everything including cosmetics, garments, electronics’ appliances and even tractors. It serves as an agricultural sourcing centers, shopping centers and facilitation centers (Retailing in Rural India: An Overview of Markets and Opportunities, Kesari Rajesh, Shrivastava Kumar Abhishek, 2012).

2.1.4.1 Rural Retailing
With several states in the country permitting retailers to purchase produce directly from farmers, the farmers too are adapting to the new opportunity to cultivate assigned crops and take special care of the same. This gets them instant credit at higher prices than what they received from the erstwhile traders or middlemen. Corporate retailers like ITC, Godrej, Reliance, AV Birla and many others have already established the farm linkages. Indian farmers are finally making good money, after centuries of social and economic exploitation. The Indian government too has chipped in with a massive loan waiver worth Rs.60,000 crore to lighten the farmers” debt burden.

2.1.4.2 Rural V/S Urban Consumer
Rural Consumers are heterogeneity in nature (Rural specific and Region specific) whereas Urban Consumers are homogenous in nature. Rural bias: Nearly two thirds of the stores are located in rural areas. Rural retail industry has typically two forms: "Haats" and “Melas”. Haats are the weekly markets: serve groups of 10-50 villages and sell day-to-day necessities. Melas are larger in size and more sophisticated in terms of the goods sold (like TVs).

2.1.4.3 Role Of Rural Retailing
Retailing is the final phase of the distribution channel and it is clear by now that it is availability and distribution that drives growth in rural Indian markets. Hence retailing will be significant and will undergo greater organization and maturity as is being witnessed in the urban markets, even in the rural markets. Innovative retail models which take into account the nuances of rural markets are the way forward. Study on buying behaviour of rural consumer indicates that the rural retailers influence 35% of purchase decisions. Therefore sheer product availability can affect decision of brand choice, volumes and market share. India offers a huge, sustainable and growing rural market which can be tapped effectively through innovative distribution channels with retailing being the most critical element of this strategy as it is the final touch point and the actual touch point with the customer which can be the most critical influence in the buying process (Retailing in Rural India: An Overview of Markets and Opportunities, Kesari Rajesh, Shrivastava Kumar Abhishek, 2012).

2.1.4.4 Organized Retail in Rural India
The retail sector in India is witnessing a huge change in its retail industry as traditional markets make way for new formats such as departmental stores, hypermarkets, supermarkets and specialty stores. In this project an attempt has being made to understand the current
scenario of the organized retail sector in India and the future challenges as well as the opportunities for the Indian retail sector. The challenges are such as opening of the multi brand retail to foreign players, who are at present only allowed to invest in single brand retail up to 51% and 100% in wholesale retail through Foreign Direct Investment and also the threat possessed by foreign players such as Wal-Mart, Carrefour and Tesco because it is often said that emergence of this player changes the entire game of retail in the country. It would be challenging for the Indian players to grow in the market and grasp the hold on the consumers to bring them up shopping to their store.

2.1.5 Rural Marketing: An Emerging Trend

Rural marketing as an emerging trend is about to explore possibilities in the rural India. It is a process to hunt a treasure Iceland. It is not simply marketing to just sell and deliver consumers’ satisfaction but something else certainly. It is a visit to the 75crores people residing in the villages of India where they have hope, aspirations, needs and potential. Because of change in the rural market environment, its market profile is changing and people are changing themselves. At this point of juncture companies are rushing with their product portfolio to satisfy the needs of rural consumers (Rural Marketing-Exploring New Possibilities in the Rural India, Shukla Sunil, Tandon Neena, 2011).

India had its own grassroots retail network, known as haats, selling as mindboggling variety of products as a Wall-Mart store. Though traditional, these Indian avatars of hypermarkets promise to drive marketing plans of companies as they eye the emerging rural market, accounting for over two-thirds of India’s population, 56% of income, 64% of expenditure and 33% of savings. The report Haats as marketing hubs, by Rural marketing Association of India (RMAI), available exclusively with The Financial Express, says India’s 47,000- odd haats can offer immense thrust to rural marketing with their readymade distribution network. The total number haats in India is 43,000 and 70% established before Independence. Around 545 stalls appear in a large haat while around 327 stalls are set up in a small haat and 98% rural people are regular visitors to haats, 75% visit any particular haat almost every week. Three-fifth comes to buy specific products from haats despite the fact that similar products are available in their villages. A buyer spends Rs 40 on purchase of Fast Moving Consumers Goods (FMCG) products in a single haat day. The study examines the role of Haats in the development of rural markets (Role of Haats in the Development of Rural Markets, Singh Vikram, Bajaj Astha, 2008).

2.1.5.1 Rural Marketing in India
In a market where life has revolved around deep rooted community values, joint families and social customs and taboos (women for example are not allowed to wear trousers), marketers realize that the traditional routes of market entry and brand building employed in urban India are often not feasible. As Adi Godrej, Chairman of the Godrej Group says, “The challenge for brands is to understand the psyche of the rural consumer, create better distribution and appreciate the heterogeneity. The Indian growth story is now spreading itself to India’s hinterlands. The rural consumer market which grew 25 per cent in 2008 is expected to reach US$ 425 billion in 2010-11 with 720-790 million customers according to a white paper prepared by CII-Technopak in November 2009. The figures are expected to double the 2004-05 market size of US$ 220 billion. The Union Budget for 2010-11 has hiked the allocation under the National Rural Employment Guarantee Act (NREGA) to US$ 8.71 billion in 2010-11 giving a boost to the rural economy. Today, rural market occupies a larger part of our economy and it is expected to grow at least four times the existing size (Rural Marketing—Exploring New Possibilities in the Rural India, Shukla Sunil, Tandon Neena, 2011).

“The future lies with those companies who see the poor as their customers.” - C. K. Prahalad

2.1.6 Retail Concentration

In the context of globalization more and more international companies are looking for opportunities to find business partners in the countries of rapidly growing countries including India, China, Golf Cooperation Council countries and Central Europe. Though, this is not always easy because of basic differences between both regions. There are not only economic and political gaps, but also gaps with social, religious and geographic background. Different articulation of targets and wishes, hazy definition of words and one-way reporting in each other’s media often causes an escalation of possible misunderstandings. Based on the research results we show the evidence and perspectives of homogenization in consumer behavior features, especially in the fast food market. Another part of our research is focused on psychological and emotional attributes of store image. In terms of McDonald’s chain the social aspects, image and enjoyment are of greater importance. (Prospective Views about the Future of Target Marketing: Towards a Homogenization of Values, Attitudes and Habits, Elena Horska, Olaf Lobl, Patrik Rovny, 2009).

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 for various goods categories and sub-categories and in different urban
contexts. Findings suggest that while overall, intra-category retail concentration affects base rent negatively, the magnitude and eventually direction of the impact varies depending on the nature of the activity and the market dynamics that prevail for the category considered (*Retail Concentration And Shopping Center Rents – A Comparison Of Two Cities*, Francois Des Rosiers, Marius Theriault, Catherine Lavoie, 2008).

### 2.1.7 The Concept Of Retail Malls

The concept of Retail as entertainment came to India with the arrival of malls. Mall- a one stop destination is a set of homogenous and heterogeneous shops adjoining a pedestrian or an exclusive pedestrian street that makes it easy for shopper to walk from store to store without interference from vehicular traffic. The count of existing and upcoming malls in National Capital Region (NCR) is more than any other Indian city. That is why this region is popularly known as “Mall Region”. India- the nation of shopkeepers gets a makeover with the advent of organized retail. In the Global Retail Development Index of 30 developing countries drawn up by AT Kearney Indian Retail strongly stood at second position. The challenges bestowed upon the Indian retail sector and their possible solutions have also been discussed (*Retail Malls: New Mantra for Success*, Tanwar Samridhi, Dr. Kaushik Neeraj, Dr. Kaushik V.K; 2011).

### 2.1.8 The History Of Shopping Malls

In the history of shopping malls, Martineau 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. He 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 Personality of the Retail Store*, Martineau P; 1969).

It might be easier for accompanied shoppers to make difficult buying decisions when the suggestions of their companions reinforce their resolve to purchase (*America’s Marketplace: the History of Shopping Centres*, Cohen, Nancy, 2002).

Researchers have observed that malls patrons tend to buy more products and spend more money when accompanied (*An Angelo Mall And Hispanic Patronage*, Nicholls J. A. F; Roslow S; Comer L. B; 1994).

### 2.2 The Shopping Malls Activities & Shopping Motives
Literature indicates that shoppers’ pre-existing motives affect their revisit of the store in the future. In the case of regional shopping malls, shoppers with experiential motives will be more likely to revisit than those with product motives. Shopping motives also see to relate the time and money spend during a shopping trip. It also illustrates that shopping motives do affect shopping outcomes (Modelling Participation in Entertainment and Shopping Malls Activities, Lotz S.L; 1999).

Most business has shopping hours but other are open around the clock. Some nations regulate the operation of businesses for religious reasons and do not allow shopping on particular days or dates. Shopping frenzies are periods of time where a burst of spending occurs—typically near holidays in the United States, with Christmas shopping being the biggest shopping spending season, starting as early as October and continuing until after Christmas. Some religions regard such spending seasons as being against their faith and dismiss the practice. Many question the over-commercialization and the response by stores that downplay the shopping season often cited in the Christmas controversy or War on Christmas. The National Retail Federation (NRF) also highlights the importance of back-to-school shopping for retailers which comes second behind holiday shopping, when buyers often buy clothing and school supplies for their children. According to a NRF survey, Americans spend over $17 billion on their children in 2006 (Back-to-school sales' mixed grades, Kavilanz, Parija B; 2007).

### 2.2.1 The Shopping Malls as Entertainment

The preferences discussed in the following literature review are all associated with enclosed shopping malls. Teens seem to be concerned with how “cool” stores are within a mall. The qualitative study of teen girls and their malls shopping experiences find that the teens are looking for stores that carry specific merchandise, especially the latest fashions. “Coolness” of the malls is tied to the types of clothes and merchandise the stores carried (The Mall as Entertainment: Exploring Teen Girls Total Shopping Experiences, Baker, Julie and Diana Haytko, 2000).

Entertainment consumption is a common activity in the shopping centre environment. 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, Merilee’s 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 implications of the conceptual model are presented. (*Understanding Satisfaction Formation of Shopping Mall Entertainment Seekers: A Conceptual Model*, Jason Sit, Bill Merilee’s, 2003).

This generation is making money at a younger stage in life due to jobs in call centers and other avenues of employment opening. New formats like super markets and large discount and department stores have started influencing the traditional looks of bookstores, furnishing stores and chemists shops. The growth of the organized retail industry in the country will mean thousands of new jobs, increasing income levels and living standards. This report provides information about media value of the Simon Shopper to the Advertising and Marketing Community basis (*Simon Malls Shopper Profile*, Bill Rose, 2004).

2.2.2 Co-Existence & Conflicts between Malls & Street Markets

The shopping malls have intercepted the traditional marketplace culture and are instrumental in shifting the consumer behavior in urban areas. This article discusses how consumers’ decision-making styles shift towards shopping at malls as well as street markets in Mexico City. Based on exploratory data and using a theoretical model of consumer-decision making styles, this study addresses the causes and effects of coexistence of shopping malls and street markets (*Growing Shopping Malls and Behaviour of Urban Consumers*, Rajagopal, 2009).

The results show that there are various economic and marketplace ambience related factors that affect the consumer decision towards shopping. The article concludes with specific suggestions for reducing conflicts and increasing cohesiveness towards the shopping behavior between shopping malls and street markets, and advancing strategic retailing strategies to establish the co-existence of contemporary and conventional market systems (*Coexistence and Conflicts between Shopping Malls and Street Markets in Growing Cities: Analysis of Shoppers’ Behavior*, Rajagopal, 2010).

2.2.3 Ending the War between Sales & Marketing

There are two sources of friction between sales and marketing. One is economic and the other is cultural. The economic friction is generated by the need to divide the total budget granted by senior management to support sales and marketing. The marketing group is under pressure to achieve revenue goals and wants the sales force to “sell the price” as opposed to “selling through price.” The salespeople usually favor lower prices because they can sell the product more easily and because low prices give them more room to negotiate. Sales and Marketing are responsible for a sequence of activities and events that leads customers toward purchases
and hopefully ongoing relationships. Such funnels can be described from the customer’s perspective or from the seller’s perspective. Marketing is usually responsible for the first few steps building customers’ brand awareness and brand preference, creating a marketing plan and generating leads for sales. Then Sales executes the marketing plan and follows up on leads (Ending the War Between Sales and Marketing, Philip Kotler, Neil Rackham, Suj Krishnaswamy, 2006).

2.3 The Mystery Of Consumer Behaviour

Many studies on shopping centre image are dominated by the “Big Four” dimensions namely merchandise mix, accessibility, services and atmospherics (The Mystery of Consumer Behaviour: Market Segmentation and Shoppers’ Choice of Shopping Centre, Dennis, Marshland, Crockett, 2001).

The dominance of big four means the researchers have neglected shopping centre entertainment that is a major component of the modern shopping centre mix (U. S. Looks Abroad for Latest Shopping Centre Innovations, Grover, 2001).

2.3.1 Emerging Trends & Consumer Behaviour In Indian Scenario

“If at first the Idea is not absurd, then there is no hope for it.” - Albert Einstein

The Indian retail sector is going through a transformation and this emerging market is witnessing a significant change in its growth and investment pattern. Both existing and new players are experimenting with new retail formats. Currently two popular formats hypermarkets and supermarkets are growing at a rapid pace. Apart from the brick-mortar formats, brick-click and click-click formats are also increasingly functional on the Indian retail landscape. Consumer dynamics in India is also changing and the retailers need to take note of this and formulate their strategies and tactics to deliver the exact expected value to the customer. The empirical data has been collected with the help of Primary as well as secondary resources (Emerging Trends in Modern Retail Formats & Customer Shopping Behavior in Indian Scenario: a Meta Analysis & Review, Tripathi P. Aditya; 2008).

2.3.2 Consumer Culture & Purchase Intentions towards Fashion Apparel

India- the nation of shopkeepers gets a makeover with the advent of organized retail. Organized retail also got its share of refinement with the establishment of organized players like Shoppers’ Stop, Pantaloons and Crosswords etc. But it is only after 2002 organized retail
took off with an unparallel brisk pace. The first challenge facing the organized retail industry in India is competition from the unorganized sector. In contrast players in the organized sector have big expenses to meet and yet have to keep prices low enough to be able to compete with the traditional sector (Great India Retail Story, Ernst & Young, 2006).

Traditional retailing has established in India for some centuries. It is a low cost structure, mostly owner-operated, negligible real estate, labor costs and little or no taxes to pay. Consumer familiarity that runs from generation to generation is one big advantage for the traditional retailing sector. Modern retailing involving large shops and supermarkets constitutes less than one percent of the total food retailing sector. Since February 2005 the government has taken several liberalizing steps but it continues to disallow Foreign Direct Investment by retailers of multiple brands, keeping out the big hypermarket groups and discounter. It can be cautiously assumed that purchasing power is proportional to income despite variables such as location, taste etc. (Stimulating retail sales and upholding customer value, Journal of Retail and Leisure Property, Rajagopal, 2008).

Therefore, companies are advised to plan their consumer product marketing strategies on an area-by-area basis rather than all India bases. All of the above may be confusing but the marketing strategist has to live with it because that is how the Indian consumer market is in reality. There is hardly a characteristic that applies across the market. Hence, the term “Indian consumer market” is a misnomer. It would be more accurate to describe it as a collection of different consumer markets. This paper has also discussed the marketing competencies of fashion apparel brands, brand image, sales promotions and external market knowledge (Consumer Culture and Purchase Intentions towards Fashion Apparel, Rajagopal, 2010).

2.4 Driving Factors & Effectiveness Of Sales Promotion in Malls

The research has evaluated the sales promotion attributes and retailing attributes as driving factors of customers to buy from two main shopping malls of Kish Island. 168 customers of these two shopping malls were used in this research. The Ideal-point model has used to evaluate these attributes and find the gaps between customers’ minds and ideal point. The results show that in which attributes we have high gaps and need to focus on them and which attribute is our strength point. Finally, the research has suggested some programs according to findings to decrease these gaps and improve the shopping malls effectiveness (Driving Factors and Effectiveness of Sales Promotion in Shopping Malls in Iran, Alireza Miremadi, Farhad Sadeh, Narges Borji and Sanaz Naji, 2000).
2.4.1 Innovative Sales Promotional Strategies

Sales promotion can be seen as a service that provides encouragement to purchase a product or service by changing the perceived value-for-money equation. In the past decade manufacturers and retailers have been switching from above the line mass media advertising to a variety of below the line sales promotions gradually. This study focuses on the sales promotion techniques employed by advertisers in Hong Kong between 1995 and 2004. Specifically, it examines the effectiveness of each sales promotion technique in terms of their popularity, size and day of placements with suitability for industries. This study analyzes all the sales promotion related advertisements that appeared in a major newspaper. The research reveals that the alliance between the promotion techniques and the environment is important and underlines the significance of a company which should place on its environment also. Future research will suggest the focus on understanding the sales promotion techniques via emerging technological devices (Innovative sales promotion techniques among Hong Kong advertisers – a content analysis, Kim-Shyan Fam, Geoffrey Tanakinjal, 2008).

2.5 Conclusion

We may conclude our second chapter with the findings that a retailer or retail store is any business enterprise whose sales volume comes primarily from retailing. Often people think of retailing only as the sale of stores, but retailing also involves the sale of services: a doctor’s exam, a haircut, a DVD rental, or a home delivered pizza etc. Indian consumer has undergone a remarkable alteration. Most of the organized retailing in India have started recently and concentrated on metropolitan cities on a dormant sector largely due to lack of infrastructure for large scale retail, absence of product variety and a conservative Indian consumer. Ample opportunities are present as 94 percent of the Indian retail is still unorganized. In the Global Retail Development Index of 30 developing countries drawn up by A. T. Kearney Indian retail strongly stood at second position. The unprivileged class is set back by a lack of educational opportunities that could empower them to confidently pursue economic progress and overcome the debilitating effects of low literacy and rigid social hierarchies. India’s rural markets are growing at double the rate of urban markets. Because of change in the rural market environment, its market profile is changing and people are changing themselves. At this point of juncture companies are rushing with their product portfolio to satisfy the needs
of rural consumers. A cool and refreshing environment makes the shoppers happy to forget all worries of the day. Malls are here for putting smiles on the face of shoppers. The opportunities offered by young India exhibit a bright road for malls. The concept of Retail as entertainment came to India with the arrival of malls. Most business has shopping hours but other are open around the clock.

Entertainment consumption is a common activity in the shopping centre environment. The growth of the organized retail industry in the country will mean thousands of new jobs, increasing income levels and living standards. The shopping malls have intercepted the traditional marketplace culture and are instrumental in shifting the consumer behavior in urban areas. There are two sources of friction between sales and marketing. One is economic and the other is cultural. Consumer dynamics in India is also changing and the retailers need to take note of this and formulate their strategies and tactics to deliver the exact expected value to the customer. The first challenge facing the organized retail industry in India is competition from the unorganized sector. Consumer familiarity that runs from generation to generation is one big advantage for the traditional retailing sector. Companies are advised to plan their consumer product marketing strategies on an area-by-area basis rather than all India bases. In the past decade manufacturers and retailers have been switching from above the line mass media advertising to a variety of below the line sales promotions gradually. In this way, we conclude that review of literature has been finding out the limitations and difficulties in the running shopping malls and the problems that are facing by the customers as well as dealers. This research compares the sales promotional strategies among different shopping malls. It suggests about the shopping malls management to improve their sales promotional techniques for increasing the sales with customers’ satisfaction also.