CHAPTER-VI

SUMMARY CONCLUSIONS AND SUGGESTIONS

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6.1 INTRODUCTION
The present study, which was undertaken with the objective of understanding the consumer’s perception regarding consumer value addition in traditional retail in Silchar, has revealed that there are five components that add value to the customers in a major way, namely proximity, store layout, quality good, price and one stop shopping. It was noted that out of five components, value addition in two cases, namely proximity and store layout, there is a positive net consumer value addition and in case of quality goods, the figure is very close to the USL i.e. closer to the gross consumer value addition. However, in the case of price and one stop shopping, negative net consumer value addition is found and we can say that people are dissatisfied towards price and one stop shopping. Factors like bulk purchases, no discount, offer, coupon offer, variety and non-availability of wide product line under one roof etc. are some of the causes of dissatisfaction. Towards price and one stop shopping, traditional retailers / unorganised retailers need to be concerned about here in Silchar.

6.2 SUMMARY AND FINDINGS OF THE STUDY:
Further, this study offers an insight about retailers concerning the retailer’s perception regarding consumer value addition. To understand the retailer’s perception we selected 10 components. Those are signboard, space to stand and move, packaging, credit facility, price and quality, branded products, advertisements, sitting arrangements, sales persons behavior and decoration and lighting. Research studies have shown that out of ten components, only in four components the traditional retailers claimed value addition namely packaging, price and quality, decoration, lighting and advertising. Because primary packaging of a product is in the hand of the manufacturer or producer and secondary packaging done by retailers. However, secondary packaging is not a great concern for the customers. No doubt, greater changes in price and quality are claimed by the retailers. Decoration and proper lighting introduced by the retailers due to great concern of
Customers regarding ambience, hygiene of stores and advertising to communicate their value to the target customers and they come to know that it is a crucial tool to attract customers quickly.

The changing perception of consumers and retailers regarding the consumer value addition in post organized retailing in Silchar was done with and some useful conclusions were derived. It is prescribed below.

- Firstly the unorganized retailers have definite understanding about the developments coming up around their business and have responded in that direction within their capacity.

- Secondly, there is a definite perceptual gap with respect to efficacy & sufficiency of changes adopted and implemented for customer’s value addition in their retailing efforts.

- Thirdly, there is a mix of results indicating a mix of success and failures in successfully communicating and getting customers feel the efforts made by the unorganized retailers for adding materials satisfaction to the customers leading to higher customers value addition in undersigned retailing.

- The unorganized retailers where they have successfully added value to the retailing experience for the customers viz. branded products, price perception & quality & packaging, they should keep working on that and sustain the value proposition intact. However, they have expected to wake out exceptionally higher in the area of signboard, space to move around, credit facility, sitting arrangement, sales person behavior and decoration etc.

- The unorganized retailers have tried needed changes in the customer value addition emerged out of the entry of organized retailers here in Silchar, but there are lot to do in this regard and also to bring it into the real time experience of the customers. For that they need a more organized and concerted effort on their part.

In order to build a more successful business for tomorrow and to compete with organized retailing, and small organization need to understand what consumers prefer. At present consumers in Silchar feel dissatisfied and seek more value. Understanding the consumer preferences and offerings, customers control over where, when and how business interact with them –instead of being inundated with irreverent or conflicting information will help build successful business. Unorganized retail by forming cooperative marketing can save a lot at individual level and can provide modern marketing facilities to the customers and it
will help in facing the challenges and threats from organized retail. Cooperative marketing will be best and unique solution to unorganized retail in Silchar.

It is our observation that traditional retailers are not very much clear about the consequences of the modern retailing. For most of the organized retailers are located in the metro cities. In Silchar town organized retail is a new experience for traditional retailers.

To study the prospects of transformational of traditional retailing business in Silchar, the strength, weakness, opportunity and challenges of traditional retailers were examined. And for filling the above gaps we have designed our schedule in such a manner that traditional retailers directly or indirectly share their experiences regarding their strength, weakness, opportunity and challenges.

The results are found after interpretation of retailer’s data/ responses, strength and opportunity that a traditional retailer poses organized retailers do not. For instance, personalization, offering a memorable experience, building relationships with customers, the quality of overall customer experience, credit facility, home delivery and sale of loose products etc.

Using extensive review of literature and the gap between consumers and retailers perception regarding CVA null hypotheses as developed. In order to test the hypotheses, the non-parametric test spearman Rank Difference Correlation Method was applied. To understand the perception of consumers and retailers, we have selected 4 number of components namely proximity, store layout, quality, and price and we found that there is no significant correlation between the perception of two groups. Weak correlation added with insignificant r indicates possible difference in perception between the two groups of respondent.

In order to test the hypothesis no-2, non parametric test Two Sample Median Test (TSMT) has been applied. For understanding changes in consumers and retailers perception regarding CVA in post organized retailing scenario have taken the help of 10 no of components namely, signboard, space to stand and move, packaging, credit facility, price and quality, branded products, advertisements, sales person behaviour and decoration lighting and display. The study concludes that there is change in consumers and retailers perception regarding CVA in post organized scenario in Silchar.

It is a say that traditional retailers has not changed their business model of traditional business in Silchar after the arrival of organized retail. With the help of Two Sample
Median Test (TSMT), we can conclude that un-organized retailing has changed their business model of traditional business in Silchar town in various ways.

Shopping is one thing that every person is very much fond of. Every person has a unique taste and style in shopping. Someone prefer organized, some are to traditional retail and some prefer both. Silchar is able to satisfy everyone when it comes to shopping. That who loves Shopping for them in shopping is always a fun and entertainment being it local market or shopping mall.

People coming to Silchar can shop in the busy Janiganj Bazar and Vishal Mega Mart, Big Bazar etc. There are few shopping complex in Silchar which includes Goldighi Shopping Complex and Suresh Paul Shopping Complex. The Goldighee Shopping Mall in Silchar is a famous entertainment and shopping mall which consists of a number of eateries as well as supermarket chain Big Bazaar, Senco Gold, VLCC, etc.

There is nothing like shopping in local bazars. Silchar local markets offers some unique things but at a much more reasonable rate. The Sadarghat area of Silchar is famous for cane furniture like sofa, chairs, tables, trays, shelves, mirror frames, flower vases etc. The furniture found here are very good and unique. The Tula patty area in Silchar also has a good number of shop which sells Manipuri handloom like Salwar Kameez material, sarees, dupattas (stoll), pillow covers, bedcovers etc. The shops in these area are good and worth visiting. Although the items are very colorful, everything found there are worth buying. Nagaland handlooms like housecoats, woolen shawls, waistcoats, are found in the Tula patty area of Silchar

Retail industry in is largely unorganized and predominantly consists of small, independent, owner managed shops. In today’s competitive business environment unorganized retailers have redefined their role in general and in the consumer value addition in the particular. Unorganized retailers are tightening their belt and changing their strategy and marketing concepts regarding customer satisfaction. Do customers have noticed the changes adopted here in Silchar? Unfortunately, yes as some material changes have been observed and reported by the respondents in the areas like store decoration ,attractive and convenient packaging, packaged products, availability of branded products, more welcoming and attentive dealing with customers , better in store display, comfortable sitting arrangements, and special comfort to move around. These are really positive attitudinal changes among the unorganized retailers under the influence of competition posed by the organized retailers and the propaganda created in favour of multiband retailing in India.
From so many discussions and analysis of data we can say traditional retailers can apply several strategies for value adding in products and services. But they have to understand the value package for target customers. Accurate value understanding for target customer will contribute more satisfaction to the customers and helps in creating loyal customer for long term. Some traditional retailers trying their best and have added some value in their shop. But customers cannot recognize the added value. So, this is not a value and for that wastage better understanding of customer’s value is of great concern for traditional retailers. Consumer value can be added in many ways. Each of the boxes feeding in to perceived value provides an opportunity for increasing value perception. Reducing monetary and non monetary costs, decreasing perception of sacrifice, adding salient intrinsic attributes, stimulating perceptions of relevant high level abstractions, and using extrinsic cues to signal value are all possible strategies that traditional retailers can use to affect value perceptions. The selection of a strategy for a value addition depends on its customer definition of value. Strategies based on customer value perceptions will channel resource more effectively and will meet customer expectations better than those based only on traditional or past standards.

This semi formalized system has given birth to small scale groceries, where people start to provide more combinations in their own neighborhoods. Then came the issue of choice in given grocery, the choices of the customer had was limited, this was the beginning of the concept of everything under one roof. Rapid evolution of these small scale groceries gave birth to the modern retail grocery system where super markets were considered as the major form of retailing. Organized retailing aims at providing an ideal shopping experience for the consumer based on the advantages of large scale purchases, consumer preference analysis, excellent ambience and choice of merchandise, has been in a large number of cities in India with many business houses investing in this segment. Silchar is in the second position as growing market in Northeast region. Favorable demographic and psychographic changes relating to Silcharian consumer class international exposure, availability of quality retail space, wider availability of products and brand communication are some of the factors that are driving the retail in Silchar. Large volume of business in Silchar, attracting the more organized sector, only due to non availability of basic infrastructure Silchar has less shopping mall. So; the traditional retailers have the challenges in the era of modern retailing. As retailing is the final stage in distribution process, in which retailers as an intermediary collects an assortment of goods and services from various sources and offers them to the customers.
 Majority of the traditional retailers of Silchar town were agree with the statement that the retailers has made changes in the components like packaging, price and quality, branded products, advertising and decoration and lighting and still they feel there great need for more concentration and modification. 40 % of traditional retailers have made some changes in the components like signboard, space to stand and move, credit facility, sitting arrangement, and sales person’s behaviour. Around 46 % of the respondents were agree with the statement that the traditional retailers will have to change their supply chain and store strategy for their survival, while one third (33 %) of the respondents undecided about their strategy. More than one third (36 %) of the respondents were agree that the modern retailing will close employment opportunity in the country, while an equal number of the respondents (32 %) were neutral and disagree with the this statement.

UNORGANIZED RETAIL SCENARIO IN SILCHAR

The scenario of retail in Silchar is changing very fast. Those who are living in Silchar for more than 9 to 10 yrs can better understand the speed of increasing rate of retail. Vishal Mega Mart covered a very small space of Central Road in Silchar, but has shown great impact on Traditional retailers. Now at present some new malls are almost ready to cover some more space of Silchar. However there was and still now debate is going on, regarding the survival of small traditional retailers. In Silchar large population is involved in traditional retailing and through this they are maintaining their livelihood. Even in Silchar also government is not able to provide job to solve the problems, like other states.

So it is a very crucial debate, what happens to their livelihood as organized retail expands. It is a legitimate concern that every policy makers must recognize.

In Silchar the organized retail are still in emerging phase. The traditional retailers and consumers are new to the concept and backed by a very few relevant experiences. But for the consumers, have great opportunity as variety of products, entertainment, large assortments of products at the lowest price under one roof with parking facility. It concentrates on daily need essential and repeat buying nature of its product categories in fruit and vegetables, fast moving consumer goods (FMCG). The strategy is to capture a greater share of the consumer wallet by covering all customer segments in all age groups, in all product categories, by providing all essential goods to house wives and old age people by displaying toys products of children and current fashioned goods for youngsters.

Earlier a customer had to go to grocery shop for grocery items, clothes from other shop, crockery from other but the time is over for that type of shopping. Now the consumers are more aware about the value for which they are to pay because they have choice option
.Still Silchar retail is dominated by a large number of small retailers consisting of the local Kirana shops, owner manned general stores, chemist, footwear shop, apparel shops, pan and beedi shops, hand-cart hawkers, pavement vendors etc. The last 5-6 yrs have witnessed the entry of organized retailers opening stores in modern formats. So, from the above we find that both the organized and unorganized retailers are facing problems and there is need for something new like Cooperative Marketing.

EXAMINING GAPS THAT TRADITIONAL RETAILER SUFFERS IN SILCHAR

On the basis of our examination of the problems and lacunas of unorganized retailing in Silchar in relation to Organized Retailing prospects and potential, some of the gaps identified can be enumerated here under:

- Retailers perceive their inability to do much in this regard to face upcoming competition or threat from organized Retailers.
- Retailers perceived self limit to know and understand the changing consumers choices and expectations.
- Many know the changing market scenario but feel their limitations in terms of a space and finance to serve the customers in a modern way.
- There are lacks of professional marketing service providers.
- Lack of training in formal marketing.
- Lack of support from next generations to continue with the existing establishment.
- Consumers and customers have become too choosy and demanding.
- Lack of availability of trained staff.
- Lack of awareness among the needy and lack of support from the financial institutions to give financial solutions to unorganized retailers.
- Unorganized retailers cannot afford high cost logistics, in result, transportation, home delivery, on credit sale, promotion and public relation practices are difficult to practice as these are not scale efficient at individual level.

The results indicate that traditional retail service quality for Indian consumers comprises ambience, layout, and service/relationships dimensions. Hedonic and utilitarian shopping values influence consumers’ service quality evaluations.

Useful suggestion for Traditional retailers: Unorganized retailers should purchase variety of products from the single wholesaler to avail adequate discounts so that they meet the cost expectations and needs of their customers, the unorganized retailers should continuously improve their display to compete with the organized sector, and the
unorganized retailers should provide adequate self service facilities to the customers. The unorganized retailers should offer cash discounts to customers on bulk purchases. The unorganized retailers should offer attractive weekly or monthly schemes for groceries and other items and promote them through leaflets or pamphlets. Unorganized retailers should make remarkable changes in their store ambience to retain the existing customers and attract new customers with sophisticated facility and more space. The unorganized retailers should make a strategy to retain their customers by providing quality goods and services because it is well said that “Quality is remembered long after the price is forgotten.” Gucci Family Slogan, they should also go for collaborations within at the local level so that they can survive in this globally competitive world, traditional retailers can make association and buy goods in bulk from manufacturers and can provide discount they get on bulk purchases to customers’. So that traditional retailers can be free from mercy of suppliers. The association will place orders with the suppliers on behalf of all the retailers, since the order will be placed in bulk, the cost price will decrease, and they can pass this benefit to their customers. Apart from benefiting loyal customers, the association will be in a better position to take up disputes with suppliers and major companies. Alone retailers have no power and resource to fight his case. Often manufacturers refuse to take responsibility for damaged or faulty products that have been sold to customers. This tarnishes of the traditional retailers though they are not directly responsible for the fault. The association will take up the issue with the manufacturer or suppliers on behalf of traditional retailers. Kirana outlets need to focus on proper shelf display so that customer gets awareness of products and variety available in the shop, unorganized retailers may focus more on maintaining hygienic conditions in their outlets. By giving wide range of product assortment unorganized retailers can target those customers which were loyal to them but the switched to modern retail outlets. Special promotional activities may be started by Kirana shops also. Credit and home delivery system may be strengthened further to provide better service and retain loyal customers.

Vishal is only a single organized retail in Cachar District and unable to satisfy the consumers regarding quality, price, variety, services etc. though it has got good location, enough number of staff, well educated and trained manager and enough space for Silcharian and none is there to compete with it except small shops i.e. (Unorganized Retailing). So, there are more chances available to the small shops to target the market or segment the market according to their capability and specialty.
A consumer generally expects from retailers that goods are to be of standard quality, cost of goods should be at par with proportionate wholesale price, way of selling goods and payment system should be systematized i.e. consumers are to be priority attended in turn, sitting arrangements and space to search goods should be there, shopping complex in convenient place of the city is preferably expected, maximum of the house needs/domestic items available in a particular shop will be more appreciated by more and more consumers and thus it will be preferred, rate of the goods are to be comparatively cheaper in the market, environmentally friendly.

The unorganized retailers could give adequate importance to value added services to create good relationship with customers that will help them to retain the existing buyers as well as attract new customers.

Some of the solution suggested for this matter is enumerated below: Satisfy customers by providing quality products at reasonable price, stocks and Varity should be available, educate customers about the products, inform about the offers through mobile and also through banner, show the way to particular section by the signs, customers’ complaint box should be kept, descriptions about the products on TV and mobile through SMS can be given, greet customers when they are entering into the stores, internal branding is needed, proper placement of the signage, conduct contest in stores to motivate and entertain more customers and provide seasonal products.

It is important to note that value is the function of not just price, quality and service but can also be enhanced by personalization and offering a memorable experience. In fact, building relationships with customers can by itself increase the quality of overall customer experience and thus the perceived value. But most importantly for winning in this intensely competitive marketplace, it is critical to understand the target customer's definition of value and make an offer, which not only delights the customers but is also difficult for competitors to replicate.

Understanding the consumer preferences and offering customers control over where, when and how businesses interact with them, instead of being inundated with irrelevant or conflicting information’s will help build successful business.

If we examine the concept of cooperative marketing it can really help to the unorganized retailers to ride off the crucial marketing problems arising out there out of small scale of operations and fragmentations as a group. Unorganized retailers in Silchar have all the locational advantage, social relationship advantage and advantage in respect of having long experience in retailing in Silchar but despite having such advantages many of the modern
marketing expectations cannot be fulfilled at individual level. It is the outcome of small scale of operations. For example giving credit facility, home delivery, parking space, promotion and advertising, organizing social events for branding and transportation cost and mass storing facility, easy term loans etc. are some of the modern tools of marketing which unorganized retailers are unable to bear due to cost constraints. In such a scenario cooperative marketing practices are best of help in this connection.

Unorganized retailers in Silchar can form marketing services Cooperative and organize it jointly to buy, manage and control the basic and strategic marketing solutions and services to the unorganized retailers in Silchar and all the marketing facilities mentioned above can be passed on to the customers here in Silchar can serve many purposes at the same time. First the marketing facilities will be possible to provide to the customers. Secondly, the facilities will be provided at affordable cost per head of unorganized retailers despite total cost remaining substantial and thirdly, unorganized retailers limit to hire scale operations will be eliminated. In this way they can save a lot at individual level and provide modern marketing facilities to the customers which will definitely help the unorganized retailers in Silchar town to face the challenges coming in form of competition from organized retailer side and also to successfully deal with the increasing aspirations and expectations of new age customers here in Silchar.

6.3 CONCLUSION

In order to build a more successful business for tomorrow and to compete with organized retailing, and small organization need to understand what consumers prefer. At present consumers in Silchar feel dissatisfied and seek more value. Understanding the consumer preferences and offerings customers control over where, when and how business interact with them - instead of being inundated with irrelevant or conflicting information will help build successful business. Unorganized retail by forming cooperative marketing can save a lot at individual level and can provide modern marketing facilities to the customers and it will help in facing the challenges and threats from organized retail. Cooperative marketing will be best and unique solution to unorganized retailing in Silchar.

6.4 CONTRIBUTION OF THE STUDY:

The findings of this study is going to help to the policy makers to formulate proper policy for the development, survival and transformation of the traditional retail sector for
a better co-existence of the two business models together. So far, there is no such study in town like Silchar, which is remote and isolated from the main land of India. Still it is an important commercial town in Barak Valley. Definitely it is going to add existing knowledge and it may be an important source for future studies with the similar kind of problems or the purpose of policy formulation.

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