*PREFACE*

Retailing has remained the dominant format in distribution of products to the consumers in India. It is a major chunk of intermediaries in distributional channel in a marketing sector. Not only in size but also in terms of importance in different ways. This format of marketing is the greatest provider of employment in the informal sector besides formal one in India along with the neighborhood stores where majority of Indian consumers households day to day needs are regularly provided with on consistent basis.

It is not only a store but of completely social set up, that gives shape to the rural and urban economy and social interaction of business in informal way. It is also the source of information and for the customers for general use of the same for the marketers. There are two major forms of retailing i.e., organized retailing and traditional retailing which is also known as unorganized retailing. In the recent time organized retailing has captured attention of all including consumers, government and the media for obvious reasons like government decision to open the gate for the single brand retailing and multi brand retailing in to India in a major way. Indian unorganized retailing was thrown open to internal and external competition with organized retailing both from domestic and foreign firms. The composition comprehensiveness and matter of bread and butter for millions of Indians has raised the concern on unprecedented scale. The matter brought in to a serious debate in society, press, print and electronic media and even assemblies and parliament. The debate addresses various issues including the question of survivability of unorganized retail (small shops) units, the risk relating to the pressure of big ticket multi brand retailing towards the jobs of millions of Indians employed in unorganized retailing in direct or indirect manner, the social and economic cost for the society, the benefits associated with the organized retailing in terms of reduced cost of operation; value for the customers, reduced price level, enhancement of efficiency in business organizations and the economy as a whole and the Fiscal benefits in the shadow of political cost to the government and many more.

The present study is concerned with a vital question regarding the possibility of it to face the challenges put forwarded by the organized retailing entering into India and the existing strength
and weaknesses that may come into consideration for any strategic analysis for the survivability of unorganized retailing in India in coming years. For this, in the present study some core questions have been framed for the purpose.

The present work designed to study the transformational challenges of traditional retailing business in Silchar town and the management of the required changes in the line of changing expectations and demands of the consumers emancipating here in Silchar. The specific objectives are to study the consumers perception regarding the consumer value addition in traditional retailing business in Silchar town; to study the retailers perception regarding the consumer value addition in traditional retailing business in Silchar town ;to study the changing perception of consumers and retailers regarding the consumer value addition in post organized retailing business scenario in Silchar and to study the prospects of transformation of traditional retailing business in Silchar. Followed by the specific hypotheses: there is no difference between consumers and retailers perception regarding consumers value addition in Silchar; there is no difference in consumers and retailers perception regarding the consumer’s value addition in post organized retailing scenario in Silchar and traditional retailing has not changed the business model of traditional business in Silchar Town.

To keep the study in prospective the matter relating to Business and Demographic profile of study area is developed. Silchar is a known city falling in Barak Valley of Assam connected with seven sisters’ states of Assam. Of which many of them are bordering with neighboring countries of India. This is the second largest city of Assam after Guwahati. It has been traditionally a commercial town inhabiting 2, 28,985 number of people. Most of them are traders, businesspersons, government employees and self-employed persons and employees of different ranks and files in different public and private institutions resides common people.

The day to day needs of the consumers are taken care of by small traditional retailers for consumption purpose till 2007. The retailing business was dominated by the small retailers dotted by some scanty big or middle size organized retail. Against the huge demands of consumers of a big commercial town like Silchar the traditional retailing was painfully backward and sluggish in its approach towards fulfilling consumers/ customers expectations for retailing services. Despite huge potential, lack of competition and awareness consumers were facing inefficient supply of
retailing services and majority of them were using formal and informal personal relations for any quality treatment in the hands of retailers. Exceptions were there but few in numbers as revealed in interaction of the researcher with respondents during the study. Many limitations were due to poor physical, economic, and social infrastructures and other administrative bottlenecks. But, the scenario changed after the advent of Vishal Megamart and Influx in 2007 and major makeover started to take place among early adopters of new changes knocking Silchar retailing business. Silcharian started sensing of air and started aspiring better retailing experience for them. It has also reflected changed mood presented in the market place which has been covered in this study.

As of now organized retailing is growing rapidly and we see the emergence of large organized retail chains like Vishal and Big Bazar and it intend to mushroom all over the urban area very soon. Therefore, time has come to tighten the belt of traditional retailers to compete with organized retail. Whatever strength they have they can apply it in form of several strategies for value adding in products and services. However, they have to understand the value package for customers. Strategies based on customer value perceptions will channel resource more effectively and will meet customer expectations better than those based only on company standards. In case of traditional retail, out of five factors in two cases namely proximity and store layout, there is positive net consumer value addition; the figure of quality is very close to Unit Satisfaction Line (USL). But in case of Vishal Megamart the figure of quality shows below USL i.e. negative net consumer value addition. Nonetheless, value addition is found in areas like packaging, price and quality, branded products, advertisements, sales person’s behavior, interior decoration and proper lighting but still major improvement required in areas like signboard, space utilization, and credit facility and sitting arrangement. For the reason this study was conducted with a purpose of understanding the changes taking place in the minds of consumers towards modern retail formats and traditional retailers in Silchar town. It was observed that due to the changing demographics, increase in income, urbanization, and consciousness due to electronic media especially internet the customers have multiple options to choose from modern retail outlets to neighborhood shops.

However unorganized retailers have definite understanding about the developments coming up around their business and have responded in that direction within their capacity. The study revealed a perceptual gap with respect to efficacy & sufficiency of changes adopted and
implemented for customer’s value addition in their retailing efforts. 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. Finally, 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.

Vishal and Big Bazar 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 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. In order to build a more successful business for tomorrow and to compete with organized retailing, 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. At last to conclude the study suggests some suggestion like traditional retailers can offer shopping’s’ ad-on services like parking facility, amusement and refreshments and credit facility as well. For Credit facility, they can try Micro-Credit Insurance plans with the help of special purpose vehicle within the cooperative framework.

Therefore, not everything has lost for the Unorganized Retailers as everything is not well with the Organized Retailers also. 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, the facilities will be provided at affordable cost per head of unorganized retailers despite total cost remaining substantial, and thirdly,

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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. The unorganized retailers should offer attractive weekly or monthly schemes for groceries and other items and promote them through leaflets or pamphlets. Traditional retailers can make association and buy goods in bulk from manufacturers and can provide discount they get on bulk purchases to customer’s. So those traditional retailers can be free from mercy of suppliers. Unorganized retailers may focus more on maintaining hygienic conditions in their outlets credit and home delivery system may be strengthened further to provide better service and retain loyal customers.

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