Chapter II

Review of Literature
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REVIEW OF LITERATURE

The review of literature plays a vital role in each study and needless to say, in this study, literature regarding the defined problems has been collected and reviewed appropriately.

Michael Etgar, Paul Shrivastava (1983)\(^1\) Although inflation has abated somewhat in the United States, its specter still looms on the horizon. Indeed, inflation is expected to remain endemic to most advanced nations in the coming years. Perhaps no industry is as affected by inflation as retailing. In order to cope, retailers need to understand the changes in the behaviour of their consumers, suppliers, and competitors and must formulate constructive strategies to respond to these.

Doug Lincoln (1985)\(^2\) This paper reports an empirical study conducted with small business retailers. The general purpose of the study was to address the special problems small business retailers face in making marketing decisions. Specifically, the study measured small business managers' belief regarding the difficulty of making various marketing decisions. Additionally, the study measured the perceived importance of marketing decisions to small business

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retailing success. The findings of the study provide a clear description of existing small business retailer problems and may also aid various organizations and individuals who attempt to assist small business retailers.

Beaumont (1994) This study has concluded that the opening of mega-retailers in a community has the potential to impact of existing smaller merchants in two ways. Firstly, there is an effect on the retail business in terms of changes to sales levels; increasing in outlets in the immediate area carrying different product categories to the mega-retail outlets, a result of increased traffic and declining in the overall market area in outlets carrying similar categories. Secondly, changes in the way the merchants conduct their business in terms of competitive strategies; reduction in number of employees; due to either a fall off in sales or increased efficiencies in the business, changes in marketing practice; pricing, product mix and store positioning, location of outlet and recognition of customer service as being central to survival.

Archer and Taylor (1994) This study argues that small retailers can survive “in the shadow of the retail giants” the key being levels of customer service that the mega-retailers can’t provide, their very size limiting their abilities in this area. More specifically, contends that by using five well-documented retailing best practices, the “Five Pillars of Retailing”, survival and success can be

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achieved. "Five Pillars" of retailing or best retail practices, components of his "retail model", are: Solve Consumers Problems, Treat Consumers with Respect, Connect with Consumers' Emotions, Set the Fairest (not lowest) Price and Save customers Time.

Gaston LeBlanc, Nha Nguyen (1996)\(^5\) In their study investigate the concept of corporate image in intangible services with data collected from three hundred and forty two consumers of a financial institution. Identifies four factors that explain customers perceptions of image. Highlights the implications for tracking and building corporate image in service firms.

Shils and Taylor's (1999)\(^6\) This comprehensive study identifies both social and economic effects, the social effects being the physical and social decline of neighbourhoods as retailers fail to survive, noting profound changes in joblessness and socialization. The most serious economic effects include retail closures as the traditional retailers fail to compete, with the consequent loss of jobs including the employment of the owners themselves and reduced numbers of employees; both result caused by the presence of mega-retailers shifting activities from various geographic traditional retail centers or clusters.


Iyer, Ananth V., Ye, Jianming (2004) This study focuses on a logistics system where inventory is held at three levels: the consumers, the retail store, and the warehouse. Retail customer segments are heterogeneous and differ in their reservation prices for product as well as their holding costs. They purchase product from a retail store managed by a retailer. The retailer chooses a retail pricing scheme to maximize his expected profit given a model of customer temporal response to retail pricing. This retailer is supplied product from a warehouse managed by a manufacturer. The manufacturer is responsible for maintaining inventory level at the warehouse and providing hundred percent service level for retailer orders. The manufacturer uses all available information to generate an inventory policy that maximizes expected profit subject to the service-level requirement. They evaluated the manufacturer's optimal expected profit under two possible schemes: no information regarding the timing of retail promotion plans, and full information regarding the timing of retail promotion plans. It shows that: as the predictability of the sales impact of a promotion decreases, it may be optimal for the retailer to eliminate retail promotions; increased stockpiling tendency of consumers increases retailer profits and decreases manufacturer profits; and retail-promotion information sharing can make retail promotions change from being less profitable than no promotions to being more profitable than no promotions for the manufacturer.

Gibson, Viriginia A. et al. (2001)⁸ In their study stated that retail organizations are often cited as being at the forefront of corporate real estate management. This research found that the retail sector is characterized by diversity both in terms of the degree to which organizations are vertically integrated and in terms of the range of modes of retailing they engage in. This in turn led to diverse real estate portfolios. However, regardless of this diversity, the overriding strategy was focused on supporting the core activity. This study provides a snapshot of current practice However it also uncovers the need for a greater understanding of the diversity in practice.

Helen White, et al. (2004)⁹ Have stated that in the wake of some fairly spectacular “dot.com” crashes in the recent past, it is appropriate to open debate on the success of new Internet “start-ups” versus large incumbent conventional industry players starting their own Internet activities as separate “bolt-on” businesses. This paper examines exploratory interviews with senior managers from a selection of “established” organizations in contrasting retailing sectors. Its purpose was to explore the challenges and issues faced by these large retailing organizations in establishing competitive Internet businesses. Insights and reflections are provided for other managers who are also following this line of

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business expansion. Some of the companies that participated in the research include Dell Corporation, IBM, Tesco Direct, Lotus Notes, Interflora, Flying Flowers, Virgin, Charles Schwab, Waterstones and Thomas Cook.

Jones, Peter and Hillier, David (2005)\textsuperscript{10} This paper seeks to provide an illustrative review of the internet campaigns being waged against a number of large corporate retailers. The findings reveal that in some cases internet campaigns target the policies and behaviours of corporate retailers and in others specific retailers are being singled out for special attention. The campaigns address a wide range of issues including the environment and planning, impacts within local economies and communities, workers' rights and working conditions and the power of retail corporations. The paper provides an accessible review of the anti-corporate retailer campaigns being waged on the internet and as such it will interest retail academics, retail employees, and political representatives, planning officers and community and pressure groups.

Brounen, Dirk, and Colliander, Gustaf (2005)\textsuperscript{11} This study measures the anti-corporate retailer campaigns on the internet. Retail companies are separated into three geographical regions and six different subsectors. They measure the corporate real estate holdings using balance sheets information and link these to the risk and return characteristics of the individual firms. They find that corporate


real estate ownership varies greatly across subsectors. This variation is explained by differences in location and customization demands of real estate. Retailers for which the micro-location of real estate is a critical value driver tend to own more of it. In general, corporate real estate ownership for retail companies is associated with a strong relative performance, which contrasts markedly with the negative performance effects found for other industrial sectors.

Joel E. Collier, et al. (2006) The managers of companies with a Web presence, an awareness of how consumers perceive service quality is essential to understanding what consumers value in an online service transaction. Previous research in e-service quality has primarily focused on the interaction of the consumer and the Website while missing the big picture that e-service quality is composed of more than Website interactivity. The goal of this article is to extend the work on e-service quality to encompass not only Website interactivity or process quality but also outcome quality and recovery quality. A conceptual framework of e-service quality is proposed and empirically tested that combines process, outcome, and recovery dimensions. Contrary to previous service quality studies, formative instead of reflective indicators are used to conceptualize e-service quality. This study found empirical support for the use of formative indicators and the three-dimensional approach to conceptualizing e-service quality.

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Papasolomou, Loanna (2006)\textsuperscript{13} This study seeks to investigate the way the UK retail banking industry has sought to build and sustain a strong brand by launching an Internal Marketing (IM) programme throughout its branches network. Also aims to shed light on the themes of branding in the financial services industry and the relationship between internal marketing and branding. The study was qualitative and exploratory in nature, since the aim was to explore branch managers' and employees' views and experiences of IM within the UK retail bank industry. Data were collected by carrying out in-depth qualitative interviews with organisational members working in different positions within thirty five business units that represented seven different UK retail banking organisations. The qualitative data were analysed by using the grounded theory approach developed by Strauss and Corbin in 1990. The data analysis revealed four core themes as constitutive of IM, namely: internal consumers; training and education; quality standards; and rewards systems. These four themes are enacted on a constant basis in order to construct a certain sort of organisational reality, one that sets the foundation on building and sustaining a strong corporate brand by changing the organisational culture to one which is more "people, service"- and consumer-oriented.

Achim Spiller (2006)\textsuperscript{14} In this paper discusses the impact of consumer satisfaction and enthusiasm on the economic performance of small retailers in the

organic market. The joint analysis of consumer satisfaction and shop data confirm essential economic effects. The study is based on 948 consumer interviews and an analysis of management ratios of 12 organic food shops in Germany. The results show that consumer satisfaction is a relevant key to sales performance. Regression analysis reveals that overall satisfaction of consumers accounts for 32 per cent of sales per square metre sales area. An additional factor analysis identifies service and product quality as main determinants of consumer satisfaction. Consumers consider the freshness of fruit and vegetables as representative of the quality of the whole assortment. A correlation analysis demonstrates that consumer enthusiasm is a greater source for recommendation of shops than consumer satisfaction. The paper ends with managerial and scientific implications.

Subhashini Kaul (2006) 15 This paper develops a series of models applying social identity theory to the retail content. The shopper is conceived of as an 'actor' whose self-image and related identities impact store image perceptions. The paper address how identified conflicts are likely to be resolved by a shopper and takes into account the 'ideal' and 'actual' selves. Suggestions are provided as to how retailers could employ 'symbolic cues' to address different operating identities.

Binta Abubakar 16 In this study investigated the customer ratings of importance of several attributes associated with supermarket shopping. They then

16 Binta Abubakar, “Consumer Satisfaction With Supermarket Retail Shopping”, Swinburne University of Technology, Felix Mavondo, Clayton Campus.
reviewed the satisfaction ratings of the attributes. The aim was to rank the factors and to relate the important rankings to customer satisfaction. The findings have implications in that a retailer is able to assess how well they meet their customers’ need on important attributes. The results suggested that since retail formats have become much standardized, corporate reputation is rated high and may be a source of sustainable competitive advantage. Accessibility was considered important, as was quality of service especially the friendliness and efficiency of checkout personnel. The results suggested the retail chain has largely been able to align its efforts to the areas considered important by consumers. However, the satisfaction scores are rather low suggesting the retailer might be susceptible to an attack by a competitor prepared to deliver superior value to the customers.

Natalie Hedrick, Dr Michael Beverland\textsuperscript{17} This conceptual paper presents a framework that identifies the impact of store atmospherics on consumer’s expectations and perceptions of the retail salesperson, and subsequently how the selling approach impacts on patronage intentions. A review of the literature relating to the consumption experience, store environment and retail salespeople provide the theoretical underpinnings for the framework’s propositions.

Carbone and Haecke\textsuperscript{18} This paper adapted these two central components; store atmospherics and retail salespeople and discusses how they could affect

\textsuperscript{17} Natalie Hedrick, Michael Beverland, "The Impact of Retail Salespeople and Store Atmospherics on Patronage Intentions", Monash University.

consumer's perceptions and patronage intentions. Successful retailers in the future are believed to be those that adapt an intrinsically strong product or brand into a flexible and entertaining consumer experience.

**Suneel Arora, Mukesh Vyas (2006)** As retailers realign themselves to meet the expectations and demands of a consumer who is more informed, has an increasing number of choices and less time than ever, technology's traditional role as an operational problem solver is undergoing a seismic shift. In fact, technology innovations in all areas of the enterprise are offering retailers unprecedented opportunities to shape their offerings, and indeed their entire strategic direction, to meet consumers' needs and exceed their expectations. This paper examines the prevalent IT business methods and models in the management of Organized Retail.

**Prof. Anu Singh Lather, Tripat Kaur (2006)** The research examined the influence of selected attributes on store patronage for doing shopping. When the market is flooded with products-branded and unbranded. The shoppers are in a dilemma to buy which one! The shoppers are really jostled with variety of brands and their mind is boggling where to stop for shopping? Shopper basically decides on the basis of store characteristics. The quality of stores taken together form the overall image of mall. They are basically exploring the shopping experiences in the malls. These changes in consumer behaviour also augur well for the retailing

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industry. The organized retail chains, display all the products and the most attractive product catches the consumer attention of shoppers. Most of these stores believe in creating not just a marketing activity with its consumers, but rather favour relationship building with him so as to convert first time consumers into a client. The Study concentrates on organized retailing, which consists of shopping malls coming up a big way in India. The decision to patronize a particular store usually starts with a set of characteristics or attributes that shoppers consider important. Retailers then use these attributes to make decisions regarding what store or stores can cater to their particular needs to different age cohorts with different promotional tools. Past retail and marketing studies have identified several shoppers-oriented store attributes such as price, quality, variety and discounts but these studies overlooked how the physical environment, store reputation and store location affects retail store patronage. In response to different demographic features of shoppers, entrepreneurs have developed new way to provide merchandising and rendering services so that a new fervour could be smelt and as a sequel totally new ambience could be experienced. Keeping these facts, the researchers have studied the nine characteristics of malls to elaborate the enthralling shopping experiences. This will provide academics, mall developers and retailers a richer understanding of various components that contribute to malls experiences, and allow them to more effectively study and market to this segment.
Sharif Memon (2006) This paper emphasizes two aspects; the preference of the lifestyle stores over the antediluvian stores that encompass the general merchandise and the promotion of private labels by organized retailers over the well-known brands, and consumers' attitude for such private labels. Retailing is the single biggest industry, recognized worldwide. Everyday we see the nuances of retailing coming in, to consumers. The fashion preferences of consumers are also changing with change in lifestyles. Thus, there is enough room for organized retailers to come up with new fashion apparels. But it has been noticed that the well-known brands are still not flexible enough to tap the emerging fashion. Furthermore, organized retailers have also come up with their own brands, which have several benefits as they help tap new trends; and the profit margins on such private labels are also substantially high. In the long run, private labels enhance the brand equity of the established retailers.

Rajesh Rajaguru et al. (2006) This paper examines consumers' perception of store and product attributes and consumer loyalty in Indian context. Store attributes are assessed in the dimensions of store appearance, service quality and convenience of store. Product attributes dimensions investigated include product quality, price and availability of new products. In this study, consumer loyalty is considered as repeated purchasing behaviour of consumer towards a

store. The results suggest that except product price, other store and product attributes have positive effects on consumer loyalty. Store attributes such as service quality and convenience of store and product attributes such as product quality, price and availability of new products show significance towards consumer loyalty.

Vijay Durga Prasad (2007) In this study the retail institutions play a crucial role in attracting and satisfying target consumers. The diversity and changing nature of society has compelled retailers to change their store formats to provide a complete shopping experience to consumers. With the population of over one billion and a middle class population of over three hundred millions organized retailing is still in its infancy in the country. This is largely due to the prevailing retailing system that was established with the kirana stores that continue to meet all the requirements of the purchasers albeit without the convenience of the shopping as provided by the retail chains. However the transformation is underway and India has joined the organized retail revolution that was rapidly transforming the economies. Organised retailing is spreading and making its presence felt in different parts of the country. The retailing industry has entered a new phase, new retail formats built around different pricing and service strategies have evolved. Department stores and cooperatives are giving way to new formats

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like hypermarkets, convenience stores etc., In this backdrop a study was carried out on the spread of organized retailing in India with a special reference to Vijayawada city of Andhra Pradesh.

Anuradha Kalhan (2007) 24 In this study focused on impact of mall on small shops and hawkers. A small sample survey of the impact of malls on small shops and hawkers in Mumbai points to a decline in sales of groceries, fruits and vegetables, processed foods, garments, shoes, electronic and electrical goods in these retail outlets, ultimately threatening 50 per cent of them with closure or a major decline in business. Only 14 per cent of the sample of small shops and hawkers has so far been able to respond to the competitive threat of the malls with the institution of fresh sales promotion initiatives.

C.P.Gupta, et al. (2007) 25 In this article focuses on emerging trend in India. It is compasses the business activities involved in setting goods and services to their consumers for their personal family or household use. It includes very sale to the final consumers ranging from cars to apparel, to meals at restaurant to theatre tickets.

Sharif Memon (2007) 26 The recent trends in India demonstrate that retailing is emerging steadily as an organized sector, with a variety of big business

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players trying their kismets in this part and thereby expanding into retailing. The best instances are Tatas, Reliance, RPG, Adanis and the list persists. This sector appears to grip a major place in the economy of the country in the future to come. Retailing is the final movement in the value chain of the product that is noticeably classified to be a service. The Indian retail Industry is shaped of with retail players like Food retailers, Health and beauty goods retailers, Clothing etc., Also it gives the organized retail formats in India like Hypermarket, supermarket, speciality retailing stores etc. The competitive promotional tools include all the tools starting from the Advertising, Sales promotions, Direct Marketing, Personal selling, Public Relations, Publicity, Interactive marketing, and point of purchase marketing. The study focuses on three Retail chains viz., Big Bazaar, Adani and Star India Bazaar.

Daniel Suryadarma et al. (2007) In their study measures the impact of supermarkets on traditional markets in urban centers in Indonesia quantitatively using difference-in-difference and econometric methods as well as qualitatively using in-depth interviews. The quantitative methods find no statistically significant impact on earnings and profit but a statistically significant impact of supermarkets on the number of employees in traditional markets. The qualitative findings suggest that the decline in traditional markets is mostly caused by internal problems from which supermarkets benefit. Therefore, ensuring the sustainability

of traditional markets would require an overhaul of the traditional market management system, enabling them to compete with and survive alongside supermarkets.

**Prof. S.L.Gupta, Tripat Kaur (2007)** The study puts focus on how retailers are designing organized retail formats to keep pace with the changing moods of the shoppers. These organized retail formats are at a paradigm shift in India and the need of the hour is a place where the consumers are seeking the convenience of one-stop shopping which can be catered by none other but Malls. In past few years there has been a shift in India from individual retail outlets owned separately and managed distinctively to professionally managed retailing. Things changed primarily because of rising expectations of Indian Consumers and Corporate in turn responded quickly to the needs of consumers. This paper assesses the recent trends in the changing scenario of distribution in India with specific reference to the growth of large retail stores and their private labels. It dwells deeper into the performance of private labels and its implications to national brands in their marketing strategy. The retail formats commonly analyzed are stores located in the malls. The Apparel market is growing rapidly and changes are occurring across the industry, which has positioned itself as attractive destination. The study addresses how factors within and outside the stores affect store-level shopping decision.

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Moli P. Koshy, *et al.* (2007)\(^{29}\) In this study deal with buying behaviour and promotion in textile retailing in Kerala, retail outlets are the main source of purchase for consumers. Around eighty percent of the consumers buy goods from retailers, while twenty percent goes to the wholesalers and manufacturers. Textile retailing in Kerala used to be a business that earned huge profits with less investment. But today the situation has changed. To earn a meagre profit huge investment is needed. Earlier the consumers were not bothered about the ambience of the shop and display of goods, but now the urban consumer considers these facts and the retailers are forced to give importance to these, and huge investments are needed for this. Also, the preferences of consumers are changing rapidly. Thus retailing has become a difficult task, as they have to keep changing their product lines and modify products according to the changing trends. Nowadays retail business is not an easy job. The shops are trying hard for surviving, and sustain the same turnover every year. The main problems the retailers face today are financial crisis, lack of investment, less margin and competition. This is a vicious circle. Due to financial crisis the retailers are not able to invest more into their business as the consumers are going for cheaper goods. And cheap products are available in plenty. So margins are very low due to stiff competition. Earlier, consumers used to give high importance to the quality of their products. But now consumers are

very price conscious and are willing to pay only less for more. So the new
generation retailers stock more of low quality goods to give goods at low prices.
But still there are some people who go for quality goods.

Azhar Hj. Ahmad (2007)\textsuperscript{30} This study was undertaken to assess the
potential impact of the proposed development of departmental stores on existing
small business retailers in Bandar Bukit Tinggi, Selangor. The assessment was
based primarily on the perceptions and expressed opinions of the sampled retailers
in the catchment areas of the proposed development of the departmental stores.
The objectives of the study were to: \textit{i}) elaborate on the characteristics of the
retailers in the catchment areas and \textit{ii}) assess the perceptions of the small retailers
regarding their performance, future outlook, and actions needed amid the
development of the departmental store. From the analysis, there would be
short-term adverse impact on most retail outlets and the degree of the impact is
determined by the type of retail business. The study also raised several
recommendations for the existing small retailers to employ in order to stay
competitive.

Rita Martenson (2007)\textsuperscript{31} Leading grocery retailers in Europe as well as in
the U.S. have consistently and often successfully launched store brands.
Gradually, leading grocery manufacturers have lost their dominating position on
the market and more than 50 per cent of them (in the U.S.) also make store brands. Why, then, would consumers prefer more expensive traditional brands if there are store brands on the market manufactured by the same company? Do consumers have a reasonable opportunity to actually make a deliberate choice of manufacturer versus retailer brands? i.e., can they correctly assess the quality and value of different brands. A review of earlier theoretical contributions show that it is almost impossible for consumers to make accurate distinctions between the two groups of brands. The empirical data in this paper (a consumer survey) shows that store image didn’t have the impact that was assumed from the theoretical discussion, maybe because grocery retailers are multi brand retailers and lack brand distinctiveness as opposed to single-brand retailers.

**Shomnath Dutta**

this article attempts to establish a strategic interdependence between Retailing business and Supply Chain Management (SCM) in modern time. Retailing today has become the part and parcel of a nation’s economic and social development and such unavoidable contribution of retail trade has been fuelled by the latest developments in IT enabled Supply chain management. The article describes the both-way beneficial interface between Retailing and SCM and the areas where SCM has tremendous impact on retail success.

32 Shomnath Dutta, “Indian Retailing Business and Supply Chain Management - A Strategic Interface”, Department of MBA, Siliguri Institute of Technology, e-mail: shomnath76@rediffmail.com.
Daniel Suryadarma (2007)\textsuperscript{33} This study measures the impact of supermarkets on traditional markets in urban centers in Indonesia quantitatively using difference-in-difference and econometric methods as well as qualitatively using in-depth interviews. The quantitative methods find no statistically significant impact on earnings and profit but a statistically significant impact of supermarkets on the number of employees in traditional markets. The qualitative findings suggest that the decline in traditional markets is mostly caused by internal problems from which supermarkets benefit. Therefore, ensuring the sustainability of traditional markets would require an overhaul of the traditional market management system, enabling them to compete with and survive alongside supermarkets.

R.Tamilarasan (2007)\textsuperscript{34} In this study focuses on Retail Store Service Quality Dimensions in Select Retail Stores of Chennai City. Retailing is a constantly changing industry as ultimate consumers’ change themselves. In a way, Retailing is a fascinating world. One industry, which has made a phenomenal impact on our daily lives, is retail. It touches our lives, as end consumers. Retailing has been in our blood— as a shopkeeper or as a shopper. India is a nation of around 12million retailers. The total value of the Indian retail sector is estimated around Rs.9,00,000 crore, of which the organized sector accounts for 2per cent. Retail business in India, contributes ten – eleven per cent of the GDP and employs 7per cent of the workforce.

\textsuperscript{33} Daniel Suryadarma, "Impact of Supermarkets on Traditional Markets and Retailers in Indonesia's Urban Centers", Daniel Suryadarma et al.— Jakarta: SMERU Research Institute.

\textsuperscript{34} R.Tamilarasan (2007), "A Study on Retail Store Service Quality Dimensions in Select Retail Stores of Chennai City", Indian Journal of Marketing, Volume XXXVI, Number 7, July, Pp.43-54.
in the country. India has the largest retail density in the world with 12 million retail outlets for a population of over 100 million, though as much as 90 per cent of these are smaller than 500 sq.ft. in area. This means that in India, the per capita retailing space is about 2 sq.ft, compared to 16 sq.ft, in the US. On the other hand, organized retailing in India is relatively a new phenomenon which is witnessing a high growth. Retail is swinging across India; Retailing represents a huge business opportunity as it is in a transition phase as well as favourable deliberations in favour of allowing Foreign Direct Investment in retail sector. Hence, it is likely to open up the door for the entry of global retail giants, like Walmart. In the light of the above, this research has been undertaken to assess the consumer service and the retail store service quality dimensions as prevalent in the leading stores of Chennai city. Moreover, consumers often look at something more than the assortment of goods, in this context, the importance of a well-thought out consumer service strategy becomes critical. In other words, the total consumer service or the total experience that a consumer gets in the store can stay unique. Very often, in retail, it is not what you sell that counts, but how you sell it does matter. Hence, this research focuses on the consumer service being provided by the leading stores is brought under the present study.

**Amatul Baseer, G.Laxmi Prabha (2007)**\(^{35}\) Retail environment in India has evolved tremendously over the last ten years. India is currently the ninth largest retail market in the world. And it is names of small towns like Dehradun,

Vijaywada, Lucknow and Nasik that will power India up the rankings soon. With the emergence of organized retailing in the country and a growing convenience, retailing has emerged, as a key business, given their wide retail presence, existing consumer base and strategically located sites. Even though India has well over five million retail outlets of all sizes and styles, the country sorely lacks anything that can resemble a retailing industry in the modern sense of term. Indian retailing though enjoys many unique features is still done in a primitive way, they were handicapped by higher taxes, multiple laws, wrong policy decisions, unnecessary/illegal imports, poor infrastructure and logistics, high cost of equipment and packing material. So in this paper an attempt has been made to discuss the current prospects and problems of retailing in India.

M.N.Malliswari (2007)³⁶ The researcher examined the Emerging Trends and Strategies in Indian Retailing. Retailing in India is slowly on the rise with changing consumer preferences and tastes and evolution of a global structure. Money is no longer a constraint. A gradual change in the retailing scenario is noticeable with regular shops making way to high end market malls and stores in urban areas. The cosmopolitan outlook projected by retail outlets with availability of almost everything under one roof makes retail outlets a star attraction for one and all. As Income levels increase radically resulting in higher disposable income, people continue to look for happiness in acquiring things albeit with greater

vigour. Lifestyles are changing not only because of changing incomes but also because of the mind-boggling variety of goods that are now available for acquisition and consumption. Increased income is finding its way into the offers of retailers who are able to offer more comfort, luxury and status to consumers. Providing consumer satisfaction has been replaced by providing consumer delight with marketers making indefatigable efforts to innovate not only in products, but also in the methods of marketing.

G.Laxmi Prabha, Amatul Baseer (2007)\(^7\) This study measures the Emerging Retail Trends in India Retail is India's largest industry, accounting for over 10 percent of the country's GDP and around eight per cent of the employment. Retail industry in India is at the crossroads. It has emerged as one of the most dynamic and fast paced industries with several players entering the market. But because of the heavy initial investment required, breakeven is difficult to achieve and many of these players have not tasted success so far. However, the future is promising; the market is growing, government policies are becoming more favourable and emerging technologies are facilitating operations. Retailing in India is gradually inching its way toward becoming the next boom industry. The whole concept of shopping has altered in terms of format and consumer buying behaviour, ushering in a revolution in shopping in India. Modern retail has entered India as seen in sprawling shopping centers, multi-storied malls and huge

complexes offer shopping, entertainment and food all under one roof. The Indian population is witnessing a significant change in its demographics. A large young working population with median age of 24 years, nuclear families in urban areas, along with increasing working—women population and emerging opportunities in the services sector are going to be the key growth of the organized retail sector in India.

Rita Martenson (2007)\textsuperscript{38} In this study the impact of the corporate store image on consumer satisfaction and store loyalty in grocery retailing. Corporate image is defined as the combined effect of how the retailer as a brand, manufacturer brands, and store brands are perceived. The reason for including store brands and manufacturer brands in this definition is that the image and equity of retailer brands depends on the product brands they carry and the equity of those product brands. A mail survey to consumers, 1,000 usable answers. The test of the proposed model was based on a simple path model that related the latent variables to the dependent manifest variable store loyalty. Most important for consumer satisfaction is the store as a brand. Retailers must be good at retailing. Consumers are satisfied when the store is neat and pleasant and when they feel that the store understands their needs. Only certain consumer segments are interested in store brands. Satisfied consumers are loyal. A limitation is the way store loyalty was measured, i.e. as an estimate of how much the respondent’s household spent in the main store. Another limitation is the fact that the study is based on “manufacturer

brands” and “store brands,” rather than specifically mentioned real brands. The growth rate for store brands in grocery retailing is twice as high as for manufacturer brands. Wisely launched, store brands may be profitable to retailers. However, although gross margins are much higher for store brands than for manufacturer brands, net margins are equal. It is therefore important to find out how important store brands are in a consumer perspective. After all, retailers prosper when they have satisfied and loyal consumers. The paper is based on a more holistic definition of corporate store image than prior studies, which should give a more accurate picture of the relative importance of the store as a brand, and manufacturer as well as store brands.

**Ugur Yavas (2008)**

A review of the consumer loyalty literature reveals three major shortcomings. First, the bulk of the studies primarily focus on the concept of loyalty for tangible goods at the brand level. Second, studies at the firm level focus on price and store environment in the formation of consumer loyalty. Simultaneous examination of the two critical dimensions of perceived quality (merchandise quality and interaction quality) as antecedents of consumer loyalty (e.g., loyalty to a store) lags behind. Third, the extant literature suggests that consumer loyalty is composed of a) consumer s’ cognitive evaluations of a brand (store) relative to other brands/stores in a relevant set, b) affective preferences manifesting themselves through favourable emotions and feelings of satisfaction

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towards a brand/store, c) conative or behavioural intentions (e.g., continued patronage, recommendation), and finally d) actual purchase behaviour. Despite the recognition that the cognitive-affective-conative-action phases each represent a certain type and strength of loyalty in progression, current research primarily focuses on affective and conative loyalty and their measures. There is a paucity of research studies using all four phases of loyalty. Perhaps more importantly, actual purchase behaviour, which is the most critical loyalty metric, is largely ignored. This study partially fills in the voids in the literature and examines the relative efficacies of merchandise quality, interaction quality, price, and store environment on satisfaction, two conative loyalty measures, and share of wallet.

P.Thirumoorthi, P.Karthikeyan (2008) The study was undertaken to find out the attitude towards P&G detergent Powders (Ariel and Tide) from Retailer and Consumers. The study was carried out with one hundred consumers and one hundred retailers were considered and their opinion about P&G detergent powder has been gathered. The primary data were collected through a structured questionnaire designed for retailers and consumers. The data were consolidated and interpreted by using statistical tools namely simple average, Ranking, Chi Square analysis and ANOVA. Tables and graphs are used for better representation. According to the result obtained from the opinion survey, it was found that P&G detergent powder is superior and market leader, in terms of quality and performance.

Rising incomes and changing consumer preferences have translated into a booming US$ 1 trillion emerging retail market in India. To sustain its high growth rates, global retail giant Wal-Mart is considering foraying into the Indian retail market. Wal-Mart has to contend with varied operational environment challenges such as Government FDI regulations, strict tenant laws, complexity of taxes, and challenges of red tape. Wal-Mart should take advantage of changing retail buying patterns and influences in the Indian consumer (consumption oriented, increasingly younger population) and the evolution of Indian retail industry from entertainment and convenience to wholesome shopping experience and efficiency. Wal-Mart must enter with locally customized supermarkets instead of the standard Western model to provide the right combination of goods important to the local populace. While it does so in the Indian market, it has to take into account the present competitors in the retail space. The various retail chains in the categories of hypermarket, supermarket, departmental stores, specialty chains, single and multi-brand outlets and the mom & pop stores are either direct or indirect competitors for Wal-Mart. A better strategy would be to partner with an existing Indian retail house for easier entry. Besides given the largely untapped potential of the retail market in smaller cities and towns, and given the cheap and quality goods Wal-Mart provides across the world, it can service this segment much better than existing consumers. But now
question arises can the Wal-Mart better serve the Indian consumer by fulfilling their needs to the full extent. By tieing up with Bharati could it build the best image in consumer mind & in the coming few years who will be the market leader.

Ashokan C, G.Hariharan (2008)\textsuperscript{42} This article attempts to bring out the profile and perception of consumers' shopping at two leading retail outlets of Palakkad District; Spencers' Daily and Big Bazaar. Kerala's retail market is dominated by Margin Free Markets, Supplyco and local Kirana Stores. With the arrival of new-generation stores like Spencers, Big Bazaar, etc., the shopping habits of Keralites is changing. The present study throws light on that vital aspect. The study focuses on three parts, the profile of the consumers, their preferences and the satisfaction level of the shoppers.

Harpreet Singh, Narinder Kaur (2008)\textsuperscript{43} Retailing is the mantra of success for the companies today. Retail is the fastest growing sector in the Indian economy. Traditional markets are making way for new formats such as departmental stores, hypermarkets, supermarkets and specialty stores. Western-style malls have begun appearing in metros and second-rung cities alike, introducing the Indian consumer to an unparalleled shopping experience. India is currently the ninth largest retail market in the world. The Indian retail market is


\textsuperscript{43} Harpreet Singh, Narinder Kaur (2008), "Retailing in India: Recent Trends & Challenges", Indian Journal of Marketing, Volume XXXVIII, Number 4, April, Pp.49-55.
estimated at US$ 350 billion whereas organised retail is estimated at only US$ 8 billion. However, the opportunity is huge—by 2010, organised retail is expected to grow to US$ 22 billion. An intense war in retailing has also begun. Recently Sunil Mittal’s Bharti signed a pact with Wal-Mart to enter Indian retail segment. Seeing this A.S Watson Ltd., one of Asia’s top retailers and the world’s largest in the health and beauty segment which is a part of Hutchison Whampoa, has zeroed in on Dubai-based Landmark for an India entry. In response to Indian local players such as Mukesh Ambani’s Rs 25,000-crore and Kumar Mangalam Birla’s Rs 15,000-crore retail ambitions, Adi Godrej has also initiated talks with four leading global retailers, including Carrefour and Tesco, for a slice of the $7-billion organised retail business. Though the scope of success is immense in retailing but all these players have to cope with the challenges along with. How to drive out consumers out of kirana shops, how to cope with the intense competition for the big players and how the government will protect the kirana player. All these challenges will make retailing very interesting and happening sector in the near future in India.

Ajith Paninchukunnath (2008)\textsuperscript{44} Retailing in India is in the process of getting more organized and professional. Medium-scale retail formats such as department stores and supermarket chains have already made an appearance and are slowly changing the face of retailing in the country. South India has taken lead

in establishing organized retail chains in the food and grocery category. In South India, food and grocery is the largest retail category (Rs.1, 62,313 crore) which is more organized (1.2 per cent) than all India (0.8 per cent). Nilgiris, FabMall, Foodworld, Trineta, Subiksha, Margin Free, Fresh, Namdhari are among the leading south India based food and grocery retailers. Margin Free was the first organized supermarket stores of Kerala in private sector. Margin Free is completing 13 years and have 347 outlets with a total turnover of approximately Rs. 600 crores. An exploratory study done by the author through interview method of the 15 Margin Free Markets of Kerala reveals the context under which Margin Free Markets took birth and also the reasons for its success and widespread presence in Kerala. Today Margin Free Markets have become the benchmark among supermarkets with special focus on middle class consumers. Margin Free Markets also represent a unique and successful franchise model operating in India for the last thirteen years.

**C.V. Rathnayake et al. (2008)**

This study investigates the nature and extent of consumer complaining behaviour in retailing. The focus of the study is to examine the complaining behaviour of young retail consumers in Matara District, Sri Lanka. Survey method was used as the main research method and a structured questionnaire was used to gather data from 80 consumers. Survey results revealed that consumers make complaints mainly to obtain the restitution. Conversely, the

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consumers are somewhat altruistic and they prefer to make complaints to facilitate the service improvements. However, men tend more towards complaining to vent their anger. Mainly, it was recognized that young consumers tend more towards private actions and comparatively, men are more aggressive. There, they switch the retailer, boycott the product/brand and/or spread negative word-of-mouth. Finally, it is notable that consumers are somewhat passive in taking public actions in the face of a dejected transaction. However, they prefer to complain to the retailer first. They dislike to complain to a third party or to take legal actions against the retailer. Further, it is notable that that young retail consumers view complaining as wastage of their time and effort. The study further highlights that the young retail consumers are not “self blamers”.

Vaishali Agarwal (2008) The need to have effective supply chain is inevitable for success in consumer durables industry. This study delves into the role of retailers and indicates the causes of bullwhip effect, variables contributing to consumer satisfaction and resulting in consumer attrition at the retailer’s end in consumer durables supply chain. The findings are based on the survey of fifty retailers dealing in CTVs, Mobile Phones and Refrigerators in New Delhi and Moradabad, Uttar Pradesh. The paper also deals with the initiatives and strategies

adopted by LG Electronics in enhancing their supply chain efficiency and effectiveness. The study findings have some important implications for marketers in consumer durables industry.

H.S.C.Perera, *et al.* (2008)\(^47\) This study attempts to fill the gap by examining the key dimensions of retail service quality across the supermarket industry in Sri Lanka as well as to test the most commonly used scale to measure retail service quality; Survey method was employed for the study and a structured questionnaire was self-administered among a sample of three respondents who were selected from consumers who are visiting Cargills Supermarket representing Western and Southern provinces including all six districts, prior to them entering to the supermarket. Cargills supermarket was selected as the research site due to the fact that it is the only supermarket with island wide presence, having one hundred and eight supermarkets in Sri Lanka. The questionnaire was based on Retail Service Quality Scale (RSQS) which incorporates five dimensions, namely Physical aspects, Reliability, Personal interaction, Problem-solving & Policy, most commonly used scale in measuring services quality. Thirty questions were developed and used to cover above five areas. Mean comparison and factor analysis techniques were used to analyze data. The Study found out that among all districts higher mean score has being recorded for reliability. When it comes to

physical aspects, Southern province records a comparatively higher mean score comparing with Western province. Again in Personal interaction and Problem solving Southern province Supermarkets records comparatively high mean score. Policy aspect records comparatively higher mean score among both provinces. Factor analysis identifies six major factors against the five factors identified in the scale.

V.Ramanathan, K.Hari (2008)\textsuperscript{48} In India in beginning there were only kirana stores called Mom and Pop stores, the friendly neighbourhood stores selling day needs. In the 1980s manufacturer's retail chains namely DCM, Gwalior Suitings, Bombay Dying, Titan etc started making its manifestation in metros and small towns. The increasing purchase power of the great Indian middle class is the major reason for retail sprint that is being witnessed. The percentage of young people in the country is increasing. It portends well for the retail business, as it is the young people who buy more than the old. Again the percentage of women in the population is showing an increasing trend. Organised retail market boom is expected to create the much-needed mass employment. It upgraded India's second and third tier cities to international standard. While this boom addresses India's basic infrastructure challenges to create demand for the product of rural India and a more efficient agricultural sector. The organized retail market boom is expected to bring positive outcomes in many of sectors like economic growth, exports, education, IT industry, food processing,
infrastructure, banking, tourism, management along with the greater consumer satisfaction. This paper focuses a clear picture of looming retail boom through the form of organized retail format. It gives a glance of the progress of the organized retail format and its positive and negative impact in Indian economy.

S.V.Pathak, et al. (2009) 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 consumer. In the backdrop of all these developments the present paper makes an attempt to find out the factors that affect the buyers' decision among the modern retail formats, and evaluates the comparative strength of these factors in buying decision process. It reveals the Consumer Shopping Behaviour among the Modern Retail Formats with special reference to Delhi & NCR. The empirical data has been collected with the help of Primary as well as Secondary resources. The Primary research was conducted at Different Malls of Delhi and NCR.

Erol, Ismail and Sari, Ramazan (2009)⁵⁰ This paper aims to select appropriate indicators for future evaluation of industrial sustainability performance for grocery retailing in terms of three sustainability aspects: social, environmental and economic. To this end, a comprehensive analysis of the existing literature was done, Analytic Hierarchy Process/Weighted Additive model-based table was developed to rank the indicators for each aspect, the input for the tables was obtained from rapidly growing grocery retailing industry in Turkey by conducting surveys, and using the average values of the tables, sustainability indicators for each aspect were ranked and the most appropriate ones were selected.

Sudhanshu Sekhar et al. (2009)⁵¹ The modern Indian consumer is seeking more value in terms of improved availability and quality of commodity, pleasant shopping environment, financing options, trial rooms for clothing products, return and exchange policies, competitive prices and above all a good parking facility. This has created a rapidly growing opportunity for organised modern retail formats to emerge in recent years and grow at a faster pace. Inefficiency in the traditional supply chains offers further opportunity for the organised players to draw on this large market even though lack of consumer culture, and low purchasing power restricted the development of modern formats. Migration from unorganized to

organised retailing is slowly and surely being witnessed in India especially after
the opening up of economy in the late 90s. This article tries to pinpoint the issues
and challenges being faced by this sunrise sector.

Noor Firdoos Jahan, Lalitha Ramakrishnan (2009)\textsuperscript{52} The Indian retail
industry is one of the fastest growing industries with an annual growth of
30 per cent. It is transforming into a big corporate multinational business with a
potential to create direct employment opportunities of 2.5 million jobs and
10 million additional jobs in support activities. The formats are undergoing a
change from convenience store to hyper markets with the entry of leading
corporate in India like TATA, Reliance, Birla, and Pantaloon India Pvt. Ltd., and
top foreign retailers like Wal-Mart and others. Today the country has around forty
hypermarkets, but the estimates shows that India's sixty seven-odd retail
destinations can easily accommodate over 1,000 hypermarkets by 2010.
This paper presents the results of this empirical study conducted at Bangalore city.
A sample of 265 consumers of hypermarkets was randomly selected for this study.

Gopal Das, Rohit Vishal Kumar (2009)\textsuperscript{53} This study implies the Impact
of Store Amenities on Buyers Behaviour in Organized Retail Sector in India.
In the Global Context of open market economics of today, the consumer has

\textsuperscript{52} Noor Firdoos Jahan, Lalitha Ramakrishnan (2009), "Exploring The Trends of Retail Formats in
India: A Study of Hypermarkets in Bangalore City", Indian Journal of Marketing, Volume XXXIX,
Number 8, August, p.56.

\textsuperscript{53} Gopal Das, Dr.Rohit Vishal Kumar (2009), "Impact of Store Amenities on Buyers Behaviour : A
Study of Convenience Goods Buyer In Organized Retail Sector in India" Indian Journal of
Marketing, Volume XXXIX, Number 9, September, Pp.34-47.
become the king. He operates through his autonomous power. He enjoys a lot of freedom in his purchase decision. A consumer is in position to influence the manufacturer or marketer regarding size, quality and contents of the product, price, and post sale service, among other things. As a result the markets have no longer remained “sellers markets”, it obviously turned into “buyers markets”.

In Indian Retail market there are so many players entering and the growth rate is increasing. More number of consumers visiting organized retail mall as compared to traditional retail malls. As more and more numbers of national and international players are entering, the competition is becoming very tuff. Everyone tries to attract more consumers to their retail store. To attract consumer most of the time of a year the promotions are going on for any convenience goods. But this paper tries to find out whether store amenities will be able to attract consumer or not. The consumers purchase decision making process was examined with the help of structure questionnaire. The result shows that the consumer is attracted by store amenities.

Sumeet Gupta, et al. (2009) In this study examine the factors that influence consumers' intention to continue purchasing from an organized retailer. Looking at an example of a supermarket, we draw conclusions for these organized retailers to stay in the semi-urban markets of India. The results show that

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consumer's perceived value is an important indicator of consumer continuance intention, as are the loyalty incentives provided by the store. Moreover, convenience is more important for consumers in these markets than enjoyment. Organized retailers can increase consumer retention by focusing their strategies in making consumer experience more valuable and convenient. Implications for theory and practice are also discussed in the paper.

Madhurima Deb and Gautam Sinha (2009) The purpose of this paper is to develop a model of service quality and demonstrate its relevance to consumer commitment—a promise to retain the relationship with the marketer. In this study, correlation analysis is employed to show the relationship between the different variables. A series of studies are conducted for the development and validation of multiple measures for the dimensions of service quality. Once the dimensions are identified, data from the study were used to select the items based on factor analysis. Confirmatory factor analysis is then used on the data obtained from a retail chain to examine the factor structure, and provide evidence of dimensionality, scale reliability and validity. A model is developed to measure service quality which shows the relationship between the service quality and consumers commitment to retain relationship. The model also shows the outcome of all these activities in the form of consumers' trust, satisfaction and commitment.

55 Madhurima Deb and Gautam Sinha (2009), "Importance of Service Quality to Retain Retail Consumers" Indian Journal of Marketing, Volume XXXIX, Number 11, March, Pp.35-49
The model finds its relevance with the marketers as a tool to measure their performance. This is the first study to provide a comprehensive, operationally valid measure of service quality. The paper also shows the outcome of service quality.

Huddleston et al. (2009)\textsuperscript{56} This paper attempts to compare and contrast consumer perceptions related to satisfaction with conventional grocery stores as compared to specialty grocery stores. The study examines store attributes of product assortment, price, quality, and service in order to determine which attributes have the greatest impact on store satisfaction for each store format. A mail survey was sent to a sample of specialty and conventional grocery store consumers. The ten state samples were drawn from US households located in postal codes in areas where national specialty stores were located. Perceptions of satisfaction were higher among specialty grocery store consumers compared to conventional grocery store consumers. For both store formats, store price, product assortment, service and quality positively influenced satisfaction. Stepwise regression indicated that each store attribute contributed differently to store satisfaction for conventional and specialty store formats. The results demonstrate that price, product assortment, quality, and employee service influence, store satisfaction, regardless of store type. However, the degree of influence of these attributes varied by store type.

\textsuperscript{56} Huddleston, Patricia; Whipple, Judith; Mattick, Rachel Nye; So Jung Lee (2009), "Consumer satisfaction in food retailing: comparing specialty and conventional grocery stores", International Journal of Retail and Distribution Management, Vol. 37, Issue 1, Pp.63-80.
The results imply that while specialty store shopper satisfaction characteristics are clearly delineated, conventional store shopper characteristics are more difficult to pinpoint. Research limitations include a sample that is more highly educated and has higher incomes than the average American household.

**T.Koti Reddy, Soumya Kanti Sarkar (2009)** This study is on Corporate Consumer Behaviour & Indian Hardware Market-With Special Reference to HCL Infosystem Ltd. In today's rein of globalized consumerism, understanding the consumer behaviour has attained paramount significance. Consumer behaviour is the study of how individuals make decisions to spend their available resources, namely time, effort and money on consumption related items. The primary objective of this project was to decipher to the extent possible, the intricacies of the buying behaviour of the corporate consumer in the IT hardware market and to study and understand the major factors affecting the same. The research was facilitated through both primary data analysis as well as secondary study. The report summarizes the findings in the form of a statistical analysis. The analysis included Correlation & Regression, Discriminant Analysis and Factor analysis. Besides, the report incorporates a comparative analysis of the different business parameters among the market leaders. The findings have revealed a stark disapprobation between the current market scenario and the consumer preferences. It has become evident through the study that Service and Technological expertise are the major

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influencing factors in the IT hardware industry. Interestingly, Price is only a secondary concern in organizational buying decision. A high correlation has also been observed between Loyalty, Service, Customization and the tenure of association.

Shaik Suraj Basha (2009) The study concentrates to which extent it is going to create economic impact of Department stores on small vendors particularly with respect to Kurnool District in the state of Andhra Pradesh. Department stores are usually part of a retail chain. The reasons behind the increase of Department stores are improved shopping standards, convenient stocking / display, shopping blend with entertainment. These are increasing with rapid pace in the Kurnool district. There is opposition to their plans, it has argued that livelihood of the traditional formats of low-cost retailing such as the local grocery shops, owner-manned general stores, paan/beedi shops, convenience stores, and handcart, pavement vendors, small scale and rural vendors would be threatened.

Abhishek Saraf (2010) In their study, Retail is the world’s largest industry with global retail sales of roughly USD 8 trillion. Retailing is also one of the biggest contributors to the Gross Domestic Product of most countries and also one of the biggest employers in India, However, the retail sector has seen a high

level of fragmentation with a large share held by unorganized players. India has a large number of retail enterprises. With close to 12 million retail outlets, India has one of the highest retail densities in the world. At 2006 year end the size of the Indian organized retail industry is estimated at ₹25,000 crore. Today retail is one of the growing industries in India and its contribution is everywhere like FMCG, cloth, textile and fashion, durables, mobiles, food service, jewellery and footwear services etc., The concept is all things available under one roof that is organized retail and there is big difference in organized retail and unorganized retail. This paper focuses on the theoretical underpinning of the organized and unorganized retailing and its emergence. It also focuses on changing effect of consumer behaviour from unorganized retail to organized retail.

2.1 UNIQUENESS OF THE STUDY

These studies have also been made on impact of corporate retailing on consumers and small traders. Majority of the studies could establish what their views on any one of the topics related to corporate retailing, impact on small traders and impact of retailing on a particular sector and so on. The present study is an effort made by the researcher to study the impact of corporate retailers both on small traders as well as consumers. In this regard, it is a maiden effort and exploratory in nature. Through this, the study also contributes to the existing literature.