Conclusion and Suggestion

The study undertaken clearly points out the rise of consumerism in India. This is a time when people are willing and able to aspire to consume more and more products. They are well versed with the market and know exactly what they want. The change in the income levels and demographics is one main driver of consumerism in the country.

This is the time when ecosystem of the country is also supporting the establishment and expansion of the organized retailing in India. The policies, framework, relative ease of doing business in India are some of the factors pulling retail expansion. Even the national chains are trying to match up to the benchmarks set in the retail industry.

Malls are not anymore the place to hang-out; as they used to be a few years back when organized retailing was setting the ground in the country. Consumers are doing some serious shopping in the retail stores now. They are empowered and in a state to explore their options. Visiting the store now is not once in a blue-moon affair, people have got used to shopping at these organized retail stores. It has swept well into their lifestyles. Now the footfalls in the mall are not skewed during holidays, it's evenly spread-out. People find it convenient to shop for anything and everything under one roof.

The increasing income levels are another reason that malls are becoming a part of consumers' lifestyle. Here, it is not just limited to the affluent classes; even the segments with lower income levels are visiting and shopping at these organized retail stores. Yes, it has to also do with the fact that retail stores offer, the convenience in terms of services, and accessibility to the consumers. Visiting organized retail stores serves many purposes for an Indian consumer – one can shop for the required products, browse others, have a meal and enjoy the time with the family or friends.

The young demographics of our country are the main driver of the growth of the organized retailing in India. These young consumers are much powerful in terms of having enough disposable income in hand to spend on products they like. They are also well educated and are fully aware of what they are purchasing. They do their research well online and then make a decision. But there is also another side to the shopping behavior they display. Since, they are living away from their families either to study or working in other cities. Sometimes,
the motivator to visit these organized retail stores is to overcome the stress levels they are operating upon. As they are empowered they believe in spending on themselves and enjoying pampering themselves by making purchases.

It is a very common scene in a mall where you can see some a lot of these young consumers very proudly carrying a branded bag in which they just gifted themselves with something they liked displayed on the shelf. This purchase is later shared with family and friends; they posts updates on social media, talk about their experiences and ultimately feel good about themselves.

Rapidly changing lifestyles, where there is a greater dominance of the aspirer class who believe in working hard and spending hard. They earn to maintain a certain lifestyle which is compatible with their busy work schedule and the aspiration for entertainment. This category is predominantly known for the young single working professionals, young married couples, double income households and the like. This segment of consumers is time starved and looks for convenience as their priority. They are also internet savvy and have contributed highly towards the online retailing.

In this study we first established that brand relationships with the organized retail stores are indeed important for young consumers; second, to investigate the effect of peer influence, family influence, and brand relationships on switching intentions amongst young consumers; and third, to look at the impact of price changes on switching intentions in the context of brand relationships. And finally we tried to assess the importance of brand and discounts offered by retailers in their various promotional bundles. Our results suggest that young consumers develop relationships on all brand relationship dimensions. The younger consumers love their brands and are more passionate about them compared to the older age groups who might be relatively more rational about their relationships with the brands of the organized retail stores they shop, probably due to various factors like the maturity, financial constraints and increased responsibility.

The implication is that wooing the younger age group is easier as compared to the older age-group. It is important for retailers that they are able to communicate in a way that ensures that the level of affective and social emotive attachment stays at the previous levels or is enhanced. Affective criteria are known to prevail over cognitive criterion when consumer is presented with the real alternatives (Shiv and Fedorikhin 1999).
Indian youth still have a very strong bonding with the family which makes them more likely to frequent and make purchases at the defined retail brands under family influence. But as they move out of the family home, and become independent, while the family influence still remains strong, peer influence becomes more important. It is then they start exploring new retail stores and slowly switch their brand relationship towards other organized retail store brands. Thus, it is to be noted that if a retailer wants to target young customer to build relationship with his retail store, a focus on peers should enhance the process.

While strong brand relationship reduces switching intentions; they do not reduce price comparisons perhaps because of the greater price consciousness of the Indian consumers. They do try to explore other retail store if offered enticing promotions. In case the retailer is making a price change, it should be communicated, keeping peers in mind as the peers drive the young consumer to explore new retail stores. Although, if there will be large price changes it would induce switching intention as is to be expected, the larger the price change, the smaller is the impact of the peers (and family) on retail store switching intention.

The most widely used and accepted sales promotion tool is bundling which might be able to hold on to the consumers. The retailers must understand that these bundles should be presented in a way to enhance the purchase intention. In a complementary bundle if the discount is given on the focal product it may not necessarily result in positive purchase intention. Similarly, if a strong brand is coupled with a weaker brand in a complementary bundle it is not necessary to give discounts on the strong brand. Offering high discount on the strong brand will not lead to purchase intention; in fact a smaller discount on the focal product of strong brand will result in the purchase intention. Thus, retailer can combine tie-in product with weak brand with a strong brand focal product and offer minimum discount on the strong brand. This will help retailer push the weaker weak brand through this bundle. In the situation where retailer wants to push a focal product of weak brand through the bundle, they should offer it with a strong brand tie-in product and the purchase intention for this bundle would be positive if the a higher discount is offered on the focal product of weak brand.

Since the consumer is so empowered the retailers are also trying hard to woo them. This is making consumers have so many choices, varied price-points, umpteen numbers of brands – both national as well as international. Some high priced brands, say for instance, ‘HiDesign’
which is also ensuring that they expand their portfolio in order to cater to more and more segment. They are well respected Indian leather designer brand having an international recognition for making handbags for women and some for men including accessories. Lately, they have expanded into sunglasses category which is complementing their portfolio. The brands are ensuring that they offer wide range to the consumers to choose from and want more and more share of consumer’s pocket.

Luxury brands are another segment which is picking up in India. Although, consumers are yet to be educated a little more in this category, some of the brands are picking up well in the market. A small ‘Zara’ paper bag gives a consumer so much power that it is reflected in the way they carry the bag in their hand, how they talk about they experience and the way they dress up in that brand. Luxury brands have understood the way Indian consumers behave and thus, they come up with the discount every now and then. Consumers in India are empowered, they are knowledgeable but somewhere a good percentage of consumers still want to make the best buy which happen when they are able to bargain but in the context of organized retail stores they cannot indulge in their usual bargaining pattern. And thus, they wait for the promotional offers from the retailer to get pulled into the shopping mode.

Promotional schemes that retailer run really entice the consumers. For instance, lately Big Bazaar came up with the scheme where the consumer can deposit Rs.10,000 based on the notion that one household on an average spends Rs. 1,000 per month on the groceries and the like. Big Bazaar offered this scheme on Rs. 2,000 off where Rs, 10,000 can be spread across 12 months with a limit of Rs. 1,000 every month. This captivates the customers; some might visit Big Bazaar every month other might just not. But the scheme was quite a hit with the customers.

Promotional offers are now not just limited to brick and mortar format of retailing, the big online retail space is trying much harder and somewhere in the near future majority of the population will find it much more convenient to shop online. The consumer is so empowered that they browse and try the products in the brick and mortar stores and go back and order online where they find great promotional offers. The online retailing is the next level of consumerism and if making its mark in India with start-ups like Flipkart growing at the fastest pace one can imagine.
Area for Future Research

The future trends in the organized retailing are moving towards online retailing a consumer is well educated and can access internet easily. Similarly, the rising income levels are making consumers more affluent and aspirations for bigger luxury brands are increasing. Future research may investigate how consumers develop relationships with bigger retail store brands and the way promotional bundles be offered in order to generate greater purchase. This study is done only in main retail category of apparels, there are other categories – lifestyle, services which will be picking up in the future and would be good to study those.

With the changing policies, the international retail stores are on the verge of entering Indian markets. The consumers will develop their relationships with these international retail store brand vis-a-vis India brands would be interesting and insightful study for the amount of competition they will be creating. In this scenario it would also matter to the consumer which big group does the retail store brand originated from – is it Tata, then the perception would be different compared to others. Thus, the corporate ownership of the retail store is also a study to be undertaken.

Every retail store brand is actively promoting and communicating about their brands. Some retail store also make use of the celebrity endorsement to get the attention of the consumers, for instance, the Sahara Q shop featured a handful of cricketers form the Indian cricket team which did catch the eyeball of the audience. But is it feasible and will work for other retail stores is an area to be explored.