

Evaluating how proficient does the methodologies of organised retail are in sculpting the future of Indian retail sector

¹ Mugdha Sehgal, ² Dr. JK Batra

¹ Assistant Professor, Jagannath International Management School, Affiliated to GGSIPU, Delhi, India

² Director, Jagannath International Management School, Affiliated to GGSIPU, Delhi, India

Abstract

There have been numerous research works done on the nature of organized retailing, its advantages and disadvantages, also emphasizing the reasons as to why there has been an eventual transition in consumer buying behavior from unorganized to organized retailers. However, very few of these researches focus on the depth of efficacy of organized retailing in Indian retail market. This paper accentuates on measuring how far organized retailing can be a way for planning the future of retailing in India. This piece of research will explore the fortes and prospects that the organized retail market holds so that it can take our current retail market way ahead from today. Also it will elaborate on the various inadequacies or hazards that may pose a deterrent in the course of progress. The subject would aim to address the pertinent issues like profundity in the efficacy of organized retailing in India? How will these organized retail chains create a new interpretation of consumer satisfaction? Which new platforms will be introduced in the consumer market with the advancement of organized retailing? What strategies would be implemented by organized retailers to cope with the challenges faced in this volatile environment of Indian market? How would this sub – sector of retail industry overpass its own reservations?

The study is conducted with 100 consumers residing in Delhi and NCR segmented under various consumer groups, based on their demographic profiles and educational qualifications. Random sampling method is used to construct a sample from the target population. Percentages, averages and Likert's scale will be used for data analysis.

Keywords: retailing, consumer, research, market, India, retailers

Introduction

Retailing refers to the distribution network where an organization buys products from the various producers or manufacturers to sell the goods and services to end consumers. The retailers does not manufacture the goods themselves rather they are the resellers of final output. Retailing is done through retail stores, online websites, catalogs, etc. It relieves the manufacturers from the huge efforts put on attracting customers for sale of goods as they can easily focus upon producing quality products for the market. Retailers needs to display the merchandise in an appropriate manner, describing the features and benefits of products, stocking products, processing payments, providing after sales services, building retailer –customer relationship and perform every possible step that enables them to make a final and successful sales.

Indian Retail industry is categorized into organized retailing and unorganized retailing. The former refers to the trading activities undertaken by organizations who register themselves to pay taxes to the government. These include hypermarkets, retail chains, departmental stores, specialty stores, convenience stores, malls, etc. whereas the latter refers to traditional formats of low cost retailing and unregistered firms consisting of the local kiriyana shops, general stores, chemists, local footwear and apparel shops, street vendors, etc. In India, the organized retail industry is comprised of food and grocery, apparel, mobile and telecom, jewelry, consumer electronics,

etc. The Indian retail market have seen a lot of change in attitudes and expectations of consumers which has also resulted in acceptance towards modern retail formats from traditional retailing because it is a proven fact that the organized retail system enhances efficiency in the value chain. The Government of India also back the change as it also gains substantially as this sub sector pays all the taxes and duties and there are no leakages. Therefore, all the stakeholders stand to gain.

The Indian retail industry has developed over the years at a very vibrant pace and also contributes over 10 per cent of the country's GDP. India hold the fifth position in the global retail space. The rate of domestic consumption in India is growing at a good rate with retail having the majority share. The shopping splurge of the consumers, higher income patterns, rise in young people ready to join the workforce, etc., has introduced many new prospects for retail growth. Even the Tier-II cities are also receiving interest of big retailers.

This piece of research will explore the fortes and prospects that the organized retail market holds so that it can take our current retail market way ahead from today. Also it will elaborate on the various inadequacies or hazards that may pose a deterrent in the course of progress.

The paper is categorized into six sections: Section 1 gives the nature, scope and objectives of study, Section II gives the research methodology and study area, Section III includes Literature Review, Section IV constitutes the role of organized

retailing in shaping the future of Indian retail industry and the strategies that would be used to overcome the challenges coming on the way, Section V gives the analysis and Findings of survey conducted and Section VI includes conclusion and recommendations.

Section I: Objectives

The subject would aim to address the pertinent issues like:-

1. What is the profundity in the efficacy of organized retailing in India?
2. How will these organized retail chains create a new interpretation of consumer satisfaction?
3. Which new platforms will be introduced in the consumer market with the advancement of organized retailing?
4. What strategies would be implemented by organized retailers to cope with the challenges faced in this volatile environment of Indian market?
5. How would this sub – sector of retail industry overpass its own reservations?

Nature and Scope of the Study

The growth in organized retailing in recent years can also be determined by the entry of retail hubs opening stores in various modern formats in metros and other semi-urban cities. The consumer prefer buying from these outlets because they gets the quality product at a lower price and better service. Alongside, there are vast investments being made in this sub sector, which open up multiple employment opportunities for young population. On the other hand, there are several challenges too. They still need to tackle the issues like whether these big retailers will ever be able to replace small kiryana and general stores, or to provide the benefits of home delivery services, would it be ever possible for them to be at next door and providing convenience to consumer for credit facilities, personalized service etc.

Therefore, the study is exploratory in nature and intends to conduct a survey amongst the consumers residing in Delhi and NCR segmented under various consumer groups, based on their demographic profiles and educational qualifications. The survey will help in finding out the answers to said objectives.

Section II: Research Methodology

Sample and Questionnaire

The study was conducted with a sample size of 150 respondents categorized as consumers residing in Delhi and National Capital Region and were segmented on the basis of their demographic profiles and educational qualifications. Data was collected using the personal contact approach by distributing the Questionnaires to 100 consumers of pan Delhi, 30 consumers of Gurugram and 20 consumers of Noida. In the Questionnaire, Likert's five point scale was employed to determine scores, where respondents were asked to rate each attribute on 5-point scale ranging from highly satisfied to highly dissatisfy. The statements for the questionnaire were formed after consulting relevant literature and some related research conducted in that area. Besides attitudes scale, the survey questionnaire also included a section to capture the general profile of respondents, their broad perspective towards retail sector in India, their shopping experience at organized and unorganized retail markets along with the expectations of

consumers from these emerging retail chains towards themselves as well as the contributions of this sub – sector in the economy.

Study Area

Study was conducted in Delhi and NCR. The entire region is a multi-linguistic, multi-ethnic, multi-religious and multi-cultural state and this diversity makes it more attractive for this research. Besides, the state has a wide range of the selected target population as well as this regions is considered as a best place when it comes to attracting foreign investors, has seen substantial improvement in the infrastructure and pro-active approach of the respective governments. And hence, making them attractive destination for retailing in India.

Section III: Literature Review

Dr. Pawan Kumar: Organized Retail Sector: Future, Challenges and Opportunities in India: Modern retailing is not threat to independent Mom and Pop stores as most of the consumers said that they never stopped visiting Kiryana stores. They strongly agreed on coexistence of both is requirement of the day. Their frequency of going to kiryana stores is reduced but it's kind of opportunities for reorienting Mom and Pop stores for attracting more customers. So, organized retailing is beneficial for India because it's not alarming to create conflict with unorganized stores but reshaping unorganized stores into budding/nascent organized stores. Modern retailing has miles to go in India. The growth of modern formats has been much slower in India as compared to other countries and the development of this sector is restricted by the presence of regulatory and structural constraints.

Kanwaljeet: Organized Retailing In India: Opportunities And Challenges: organized retail will grow in India and that too at an substantial rate and will prove to be an important pillar for the development of the country and the economy And retail if organized in rural sector also through rural retailing can provide an immense untapped market ready to be catered if approached rightly and in calculated and well planned manner. B. Kusuma & N.Durga Prasad: A study on organized retailing and its challenges and retail customer services: Modern retailing has miles to go in India. The growth of modern formats has been much slower in India as compared to other countries and the development of this sector is depends on the presence of regulatory and structural constraints. Government has to take care about the existence of organized retail stores in India and they have to take measures to overcome the challenges. Then the fast growth of organized retailing can be possible in India

Meghna Aggarwal: Organized Retailing in India- an Empirical Study of Appropriate Formats and Expected Trends: There are revolutionary changes in the marketing in the twenty-first century. "The age of diversity" characterizes today's market place in which consumers demand, and receive, tremendous varieties of products and services. Understanding customers' perceptions, attitudes, desires, aspirations and expectations has become very important for marketers. Customers can provide large numbers of new ideas, which companies may not identify on their own. The retail markets in India offer

tremendous potential and is growing fast. The retail boom in India brings tremendous opportunities for foreign as well as domestic players. The recent global financial meltdown is not expected to have a severe effect on the Indian economy in general or on the retail sector. India has good fiscal as well as revenue policies and a well-developed banking system and network. We expect that India experience some heat but it will not melt down.

Prof. Kalpana Singh: Retail Sector in India: Present Scenario, Emerging Opportunities and Challenges: traditional retail may be competed out by organized retail in terms of prices, variety and quality. Modern retail offers a convenient shopping experience to consumers and is bound to affect kiriyana and small traders. Kiriyana stores will survive and can become part of modern retail by organizing themselves and getting assimilated into the organized sector, similarly, in the opinion of some other experts, in India, the so-called mom-and-pop retailer is a very savvy businessman, and has customer relationship management skills and service levels that are very hard to beat.

Piyush Kumar Sinha: An Insight into the Growth of New Retail Formats in India: Most of the organized retailers in India are harping on quality, service, convenience, satisfaction and assured benefits to lure shoppers into the store. Retailers should create value for the consumer and must decide suitable vehicle to deliver desired consumer value. No doubt that retail format is one of the vehicles to deliver value proposition and also it helps to position the store in the mind of target shoppers. Probably in a growing market no one finds difficulty in pulling customer into store but that may not be sufficient to operate profitably. Retailers need to find out what matches consumer requirement and offer better than competition. Retailers certainly need to be innovative in designing the value proposition and deciding the format to deliver that to the consumer. It is not all about deciding the format but all about serving the consumer better, faster and at less cost. Retailers can use their store as an indicator of what they stand for and what value they offer. Retailers have to out think consumer in providing service and value. At this juncture, most of the retailers are concerned about growth in number of stores rather than creating value for consumer.

Rajesh K. Yadav: Impact of organized retail on neighborhood kiriyana stores: organized and unorganized retail policy makers and society as a whole should develop broader understanding on retail with new perspective World Scientific News 46 (2016) 1-18 -16- where both can survive successfully by better coordination and cooperation. Policy makers need to help both sectors of retail to plan strategies of mutual cooperation in the business. The debate of competition should end here and look forward in new dimensions of opportunities where both can work together for mutual benefit. Employment of small displaced retailers and in general is needed to be taken more seriously in the whole process. It is highly needed to work on more and more opportunity for their employment.

Ravi Kiran: Organized retail in India - Drivers facilitator and SWOT analysis: the Indian retail Industry. The results of the study depict that infrastructure, economic growth and changing demographics of consumers are the major driver of organized retail in India. The location of the retail store, management style and adequate salaries to personnel enhance

the effectiveness of retail business and are important factors for retailers' success. The study further reveals that younger generation, emerging retail formats, increasing awareness and innovation in new products are the strengths and opportunities of organized retail in India. On the other hand, Demographic changes, shrinking of markets, high real-estate cost and increasing price competition among retailers are some of the threats and weaknesses of Indian retail Industry. Hence, there is an urgent need to overcome the threats and weaknesses and grab the opportunities by retailers for the success of retail sector in India.

Mohammed Saeem Khan: Retail Entrepreneurship Development in India: A Case Study of Big Bazaar: the organized retailing, just like the case of Big Bazaar, is progressing, it is accomplishing its goals with a clear vision and mission gradually. It has achieved high brand equity, highly discounted products and the variety of products that are available under one roof. It is also expanding its business geographically as well as in form of the product width. Big Bazaar is advancing in Supply Chain Management and Customer Relationship Management that helps it to fulfill the needs of customers in time and with greater satisfaction. It has also been very successful in making brand loyalty in the minds of people and without any doubt it has been very successful in target segmenting

Himanshu Gupta: Effect of Organized retail on unorganized retail in Indian retail market: India's Retail sectors can co-exist and flourish. Indian organized retail market is mainly due to the change in the consumer's behavior. This change has come in the consumer due to increased income, changing, lifestyles, patterns of demography which are favorable. This has given Indian organized retail market a major boost. While on the other hand the traditional stores are shops where the various product available are the required by the customers. They cautiously take choice of the customers and bring the product which is demanded by them. They try to satisfy them with the wide range and at the same time maintain a good relationship to retain them and consequently convert them into their loyal customer. No matter how lucrative is this sector, and how bright is the market, the organized sector in retailing has to go a long way to understand the customer requirement.

Mr. Navneet Grover: Retail Sector in India: Issues & Challenges: There is need of balanced approach to retail & govt. has to play a very vital role in shaping the future course. Though tradition retail has been performing a vital function in the economy, but it has to shed off its shortcomings and inefficiencies and this is actually happening. Thus, the organized sector is not only impacting the other sectors positively but also it has benefited its own competition i.e. unorganized sector. So, organized sector becomes the growth mantra of Retail sector

Rachna S. Singh: India's Service Sector - Shaping Future of Indian Retail Industry: India's Service Sector (Tertiary Sector) constitutes to 59.29% to total GDP as compare to Primary (13.68%) and Secondary (27.03%) Sector in Indian Economy. Retail Industry as a part of Indian Service Sector contributes about 14-15% GDP in the growth of Economy. FDI in Retail with 100% in single brand and 51% in multi-brand empowered the retail sector and to different stakeholders (Farmers, SME, Consumers, retailers, etc.) by giving an

opportunity to grow and prosper their business. Thus India's Service Sector is shaping the future of Business through Retail Industry.

Dr. Jaskaran Singh Dhillon: Emergence of Retailing Sector in India: Challenges and Opportunities: There is very huge potential for the growth of organized Retailing in India. By following some of the strategies it can rise tremendously and can reach each and every nook and corner. Open communication should be established between functional departments. A balance should be maintained between brand building and promotion. Non-marketing factors like gas prices, weather etc. should be avoided and new schemes should always be launched. The Retail Industry in India has come forth as one of the most dynamic and fast paced industries with several players entering the market. But all of them have not yet tasted success because of the heavy initial investments that are required to break even with other companies and compete with them. The India Retail Industry is gradually inching its way towards becoming the next boom industry.

R.Jayasathya: An Overview of Organized Retail Sector in India: Modern retailing is not a problem to traditional stores as most of the consumers said that they never stopped visiting kiriyana stores. They strongly agreed on coexistence of both is required. Their frequency of going to kiriyana store is reduced. Modern retailing has miles to go in India. The growth of modern formats has been much slower in India as compared to other countries and the development of this sector is depends on the presence of regulatory and structural constraints. Government has to take care about the existence of organized retail stores in India and they have to take measures to overcome the challenges. Then the fast growth of organized retailing can be possible in India.

Padma. D: Challenges and Winning Strategies for organized Retailers: a successful organized retailer is one who understands and satisfies the customers. This customer is king mantra will only keep the organized sector to flourish whereas unorganized sector has a distinctive advantage in knowing the customer preference.

Mrs. Meenakshi Chaudhary: Study on Growth of Retail Market in India with Special Reference to Broadening of Mall culture in Tier II City: The gap model indicates what the retailer needs to do, to provide high quality customer service. When customer's expectations are greater than their perceptions of the delivered service, they are dissatisfied and feel the quality of the retailer service is poor. Thus retail needs to reduce the service gap.

Sunita Sikri: growth and challenges of retail industry in India: an analysis: The status of the retail industry will depend mostly on external factors like Government regulations and policies and real estate prices, besides the activities of retailers and demands of the customers also show impact on retail industry. As the retail market place changes shape and competition increases, the potential for improving retail productivity and cutting costs is likely to decrease. Therefore it is important for retailers to secure a distinctive position in the market place based on values relationships or experience. it is important to note that these strategies are not strictly independent of each other; value is function of not just price quality and service but can also be enhanced by

personalization and offering a memorable experience.

Section IV A: Role of Organized Retailing in Shaping the Future of Indian Retail Industry

Organized Retail is evolving as the new sensation in India and despite the slump, the market is on the rise. There are diverse retail formats under the organized retailing and their respective ownership styles prevailing in Indian retail industry. They are as follow:

1. Hypermarkets: these are the Giant stores offering everything from foods to dry grocery to hardware to electronics.
2. Supermarkets: these are self-service stores engrossed in selling routine purchases such as for groceries, household goods, cosmetics and personal hygiene products. These are also known as residential retail hubs.
3. Departmental stores: these retail formats trade in various departments or categories of merchandise such as Apparel, furniture, jewelry etc., but is much smaller than a hypermarket in terms of size and investment.
4. Warehouse Retailers: those who stock large variety of products packaged in large quantities and sold at lower-than-retail prices.
5. Specialty STORES who deals only in a specific category of products.
6. Convenience stores who usually trade in may be part of a gas/petrol station, so customers can purchase goods conveniently at a premium "convenience" price while filling their vehicle with fuel. It is usually part of a big retail hub.
7. Discount Retailer such as those who sell a wide variety of products often labelled under a private brand at below-retail prices.
8. E-trailer those who operate via online platform using websites and deliver the purchases directly to customers at their homes or workplaces using a specific supply chain.
9. Malls: A huge enclosure which has different retail formats.

Since ages we have seen that there has always been a dominance of unorganized retailing in the retail industry of India just like China. But today these economies are growing at a respectable rate because of the invasion of organized retailers into their markets.

Over the time it has been witnessed that, there is a growing trend of the huge retail hubs who get associated with big corporates and set up their own chains. Also many times, the smaller vegetable and fruits vendors also associate themselves with these corporate retail chain. Further, the local shop owner, who is the last intermediary in the chain, can actually procure from these corporate retail stores and save on costs and sell them to the consumer.

The adaptability of organized sector towards the proposed economic reforms has been better than the unorganized sector. Certain indications prove that organized retailing has arrived in the Indian market and is here to stay. India is on the radar screen in the retail world as well as the global retailers are curious enough to secure a place into the Indian retail market. The market is growing at a steady rate of 11-12 percent and

accounts for around 10 percent of the country's GDP.

Of late, the retailers no longer concentrate on product innovation at the merchandising level only rather the entire store today focus on the strategies used for appealing the consumers towards the products. Recently, the Indian government made the following two significant announcements that will go a long way in developing the Indian retail sector, i.e., permitting foreign investment in multi-brand retail trading, simplifying the rules for single brand retail trading to make it more business-friendly.

Policy makers in India have a positive stance towards the organized retailing as they are confident to say that the rate of progression in this sub sector will take the economy to new altitudes by reinforcing the association among all the related sectors. The retail industry is the second largest employer in India. Favorable demographics, increasing urbanization, inclination towards nuclear families, rising affluence amid consumers, growing preference for branded products and higher aspirations are other factors which will drive retail consumption in India. Major retail players from global and domestic market have walked into the retail arena with long term, determined plans to diversify in various verticals, cities and formats. There is also a lot of transition in in consumer preferences and lifestyles of Even Tier I & Tier II cities and towns, and therefore, have arisen as an attractive destination for retail investments.

Retail Industry has wholeheartedly welcomed the idea of Incorporation of technology in the organized retail segment. These retail managers use of specific software and programs for merchandise planning and management, controlling inventory costs, billing and supplies of goods. Trading through online platforms is also the next big thing in retail business which has high potential for growth in the near future.

The organized retailing is the one that knows the dimensions to deal with class, education, language, caste and local customs along with the standard marketing techniques used in the global market. The retailers are well versed with the merchandising systems that requires the art-science of deciding what to sell where, at what price and when. The marketers in this sector understand the Indian consumers well and offer the right products at the right price to beat the competition. As we are aware of the fact that finding the best manpower is becoming a bottleneck for retailers in India as identifying skilled and experienced corporate professionals as well as fresh talent and bringing them on board have become a task to achieve. However, the organized retail chains are able to retain their resource's talents and provide them with plenty of personal and professional growth opportunities. Further, acquiring a real estate at a best location is also is a huge concern in India it's an expensive affair for most of the retailers to carry out a successful operation in metro cities. On the other hand, the hypermarkets and supermarkets operate on extremely thin margins so they acquire cheap assets in prime areas to become profitable. Another strategy they use is to enlarge their business in smaller cities where buying the property is still affordable and purchasing power of the consumer is satisfactory. Even so, these retail chains have a well-established supply chain system which is comprised of the entire network of suppliers, warehouses, and distribution

centers and logistics operations for effectively acquisition of products at the right place at the right time.

The experts in retail industry opine that in organized retail sector, new ideas can be implemented much more easily and can have real impact on consumers and economy. Innovative efforts on the supply side are used, consumer needs and market dynamics are assessed which enables them to achieve sustainable competitive advantage. They implement sound business strategy after heeding to customers through observation, feedback and research. Although organized retailers in India face multiple economic and regulatory challenges that threaten profitable growth however, still they have courage and strength to bear the threats. For example, Tanishq, the leading jewelry retailer in Indian market implemented an innovative approach to make a mark among the fragmented jewelry market conquered by small and local jewelers. Similar strategies and programs are visible across sectors. Today the modern retailers adopt the global innovation model based on the "Think Global and Act Local". And yet there are many innovations that stand out in Indian retail, there is significant scope to do more. Existing barriers to innovation must be addressed to drive impact across more sectors and companies.

Section IV B: Strategies Used By Organized Retailers to Overcome the Challenges in Indian Retail Industry

The following challenges are faced by organized retailers in Indian retail industry:

1. International Standards: Although organized retailing have shown many improvements over the years, however, it still has to accomplish a lot before to be at par with International standards.
2. Efficient supply chain system: hypermarkets, supermarkets and all other retail hubs must focus on enhancing the supply chain management to helps bring down inventory cost. The advantage can then be passed on to the consumer by charging low prices of goods and services.
3. Lack of Retail space: Most of the retail outlets in India have small sized land areas as compared to International Standards.
4. Cultural Diversity: India is a big country with a diverse socio, economic and cultural background. It leads to diverse consumption pattern throughout the country. Therefore, manufacturers and retailers will have to devise strategies accordingly for different segments of society.
5. Human resource problems: the organized retail sector in India still find it hard to have resourceful manpower. They have to face various challenges to recruit and retain the trained personnel and maintain their profit levels.
6. Frauds in Retail: It is one of the prime challenge the companies have to face in recent times. It includes frauds done by distributors, thefts in warehouses or retail outlets by store operators, burglary and discrepancy in records of inventory, deficient supervision and administration, etc. Many times it occurs even after installing CCTVs and POS systems.
7. Infrastructure and Logistics: Indian still lack in building a strong infrastructure base for successful operation of its industries. The leaning towards urbanization and

globalization are fascinating big corporations to develop infrastructure facilities. The retail sector require more efficient railway systems, highways must meet global standards, well connected airport facilities as well as well-equipped power supply, etc. It will help the retail hubs to have best warehouse facilities for timely distribution of goods and services. To fully utilize retail sector's capacities, these major impediments must be removed.

8. Cut throat competition from unorganized retailers: Unorganized retailers have a huge holding and dominance in retail market in India. These unorganized retailers run their stores at convenient location, provide credit facility, home delivery etc. that attracts the majority of the customers.
9. Changing consumer preference: Satisfying a customer is not an easy task and the customer's choice and preference change frequently as they are exposed to plenty of life-style choices, western lifestyle and have high disposable income.. Therefore, it is a big challenge for organized retailers to attract customer and to retain them.
10. Changes in government policies- Change in government policy is again a challenge for organized retailers in terms of licenses and legislations.
11. Other challenges include problems with suppliers, High administration cost, huge spending on advertisement and huge spending on Promotional activities, Complex tax system and high stamp duties which vary from state to state.

The retailers trading in this sub sector of Indian retail industry are espousing various strategies to overcome the hurdles en-route their success path. Few of them are stated below.

1. Despite the nation's high unemployment rate, many grocery retailers face the manpower issues as they strive hard to fit right person at the right job. Experts say letting employees have a financial stake in the success of the store, such as by offering some ownership share to employees, is one effective way to attract and retain good people. The resolution is to bring a good share for the employees in the financial growth of the company. Also these corporates should provide performance-based pay to their employees.
2. Today the consumer shop from different places for seek varieties in goods and each consumer have a different set of needs. Therefore, these new format stores work to fulfil all types of requirements of consumers in the markets. For example, these stores have range of fresh, organic and home grown products to cater the needs of health-oriented shoppers. Similarly, these stores have lot of ready to eat food assortments for shoppers who don't have time or energy to cook meals, to name a few. These retailers migrate toward a new orientation as they change the layout and assortment of goods. They also use mobile technology and lot of apps, loyalty programs, digital advertising, social media, mobile coupons and payments, etc. to interact with their customers.

3. To beat the onslaught of competition from traditional grocers, smart retailers have started offering few similar convenience facilities to consumers which they avail from general stores. By all types of product under single roof, they solve the time constraint issues of the customers. Through loyalty programs and promotional strategies supermarkets play their role in simplifying the grocery shopping experience for consumers.
4. The key principle of supermarkets in rapid evolution is their willingness to adapt, survive, and flourish in dynamic environment of India. They embrace the fact that to survive and adopt new strategies as a permanent part of their company's structure will enable them to become the leading species in the vigorous business environment.
5. These retail hubs focus on competitive strategies that are geared towards cost leadership, and product differentiation. These strategies help them to outsmart the competition.
6. The organized retailers use the niche market strategy to concentrate attention on a narrow market. They carefully design products to appeal unique preferences and needs of well -defined group of buyers.
7. The organized retail sector is expected to see a huge investment estimates to build proper infrastructure like road, electricity, warehouse facility etc., and storage and transport logistics would help for effective supply chain management.
8. Domestic players are selectively growing in India by adding stores considerably shifting gears to smaller cities and towns.
9. Many retail companies have tied up with reputed management institutes for retail management courses to develop career growth opportunities for existing employees.
10. Giant retailers take certain steps to understand their customers through feedback mechanism, after sales service, informing about new arrivals etc.
11. Retailers in organized sector select and retain right person for right job, give them proper training and introduce specialized training centers and provide them opportunities of specialized courses in retail.
12. The retailers maintain better retailer-supplier relationship by maintaining personal contacts, prompt payment, placing regular order, supply of market intelligence etc.
13. The retail forums set- up a regulatory body for governing the operations of retail sector, administering uniform quality standards, etc., for effective retail management system.
14. The organized retail sector are working towards achieving international standards by focusing on size and quality of retail spaces advancement in the logistics and support infrastructure, research and analyzing consumer market.
15. They try to get industry status to improve retail development, to facilitate organized financing and to establish insurance norms.
16. Food safety has become the primary concern for organized retail hubs throughout the supply chain.

Section V: analysis and findings**Table 1:** Demographic profile of respondents

Gender	Male	62
	Female	88
	TOTAL	150
Age	18 -29 yrs	54
	30 – 39 yrs	60
	40 – 49 yrs	25
	50 and above	11
	TOTAL	150
Marital Status	Married	80
	Unmarried	59
	Separated / Divorced	11
	TOTAL	150
Occupation	Business	48
	Service	64
	Students	38
	TOTAL	150
Income Range (Monthly)	Less than 1 Lac p.a	15
	Between 1- 3 lacs p.a.	27
	Between 3- 5 lacs p.a.	39
	More Than 5 lacs p.a.	68
	Refuse To Answer	16
	TOTAL	150

Analysis of the data is based on the responses collected through Questionnaire distributed to a sample size of 150 respondents categorized as consumers residing in Delhi and National Capital Region and were segmented on the basis of their demographic profiles and educational qualifications (in reference to the respondents with the above mentioned demographics). Data was collected using the personal contact approach by distributing the Questionnaires to 100 consumers of pan Delhi, 30 consumers of Gurugram and 20 consumers of Noida. Likert's five point scale was employed to determine scores, where respondents were asked to rate each attribute on 5-point scale ranging from highly satisfied to highly dissatisfied. The results of survey shows that 80% of the target population is aware of the fact that Indian retail industry is operating under organized and unorganized retail formats where unorganized sector holds the majority share. 60% of the respondents recognize that India is now becoming part of world's largest retail market. Coming up to the organized retail sector, 44% of respondents have a very high frequency of shopping from hypermarkets and supermarkets, 23% have moderate frequency and rest 33% still rely on unorganized retail markets. 26% of the respondents confirmed that they visit supermarkets for buying their day to day needs whereas 54% of respondents visit departmental stores for the same. Only 6% of respondents say they prefer only branded outlets for daily requirements as well as only 14% prefer traditional stores for routine purchases. 64% of the respondents say their expenditure outlay towards a super markets is between Rs. 10,000 – 15,000 monthly whereas only 8% spend more than Rs 15000 in supermarkets. 28% has their expenditure outlay less than Rs. 5000 in supermarkets on monthly basis. Majority of the population, i.e., 79% say they are influenced a lot by advertisements and promotions done by retail chains of organized sector and only 21% of respondents say these

promotional strategies hardly make any difference to their buying behavior. 92% of respondents believe that they prefer super markets and hypermarkets for shopping, entertainment and window shopping. 67 % of target population assume that organized retail hubs have lower prices for goods as compared to local stores whereas 33% believe that the prices are approximately the same. 94% of respondents agree to the fact that these organized retail stores provide multiple options for payment of prices whereas only 6% feel they get the same options at general stores as well. Majority of young and middle aged people visit these supermarkets while senior citizens feel local stores more comfortable for their shopping activities. 63% of respondents feel that it become s a time consuming task to complete shopping in supermarkets however 37% does not agree to that. 73% respondents consider that the environment and interior of super markets/departmental stores are appealing. Parking space in the super markets and departmental stores is hassle free for 80% of the respondents as well as 69% of population trust in supermarkets as they say tracing any particular product in the super market is easier. 74% of people believe that the merchandise sold at such stores as well as the offers given are reasonably priced and are value for money. 69% of respondents have an opinion that customer service provided by supermarkets are far better than in unorganized sector. Hence, the above analysis shows that the majority of sample population supported and embraced the organized retail formats as compared to traditional ones. They believe that these upcoming trends in retail industry will be a boost for Indian economy as well as consumer market. However still there lies a percentage of population who confides themselves in traditional patterns and feel comfortable with these unorganized retail shops.

Section VI: Conclusion and Recommendations

Conclusion

It has been concluded that the retail market as well as the mindset of the society required for it has experienced a thorough revisal in the last few years. This is just the beginning and Indians are optimistic that the sector will see glowing days in the near future. The shopping revolution that has led to this retail boom in organized sector will be carried on for very longer time and will benefit all its stakeholders. Traditional retailers can also reap the benefits of organized retailing by joining hands with the giant retailers. Similarly, the consumer also become the beneficiaries in terms of wide variety of choices and a more diversified basket of prices available under one roof. Furthermore, rural areas and urban areas also stand to gain better and profitable investments. Last but not the least the huge tax revenue generated from these retail hubs and transform the fiscal and revenue status of the economy. Hence, it can be believed that the organized sector of retail industry will turn as a lift to the development of Indian economy.

Recommendations

1. The policy makers for the entire retail industry should develop broader understanding of retail aspects with new perspective where both the types of retailers can subsist successfully by mutual coordination in the market.
2. As the customer's expectations are always higher from the organized sector of retail, the retailers must provide high quality customer service.
3. The retailers in organized sector in retail industry must bring various opportunities for their consumers that creates value for money.
4. These retail giant must work towards the upliftment of Rural Market as they have huge potential for investments and expansions.
5. Organized retail industry should invest more in supply chain infrastructure.
6. Also, they must try to tap all the services that are the strengths of retailers in unorganized sector in India.

References

1. Dr. Jaskaran Singh Dhillon. Emergence of Retailing Sector in India: Challenges and Opportunities, *IJMBS*, 2012, 2(4). ISSN: 2230-9519 (Online) | ISSN: 2231-2463 (Print).
2. Dr. Pawan Kumar. Organized Retail Sector: Future, Challenges and Opportunities in India, *International Journal of Computing and Business Research*, ISSN (Online): 2013; 4(1):2229-6166.
3. Kusuma B, Durga N. Prasad, A study on organized retailing and its challenges and retail customer service, *Innovative Journal of Business and Management*. 2013; 2(5):97-102.
4. Himanshu Gupta. Effect of Organized retail on unorganized retail in Indian retail market, *Research Journal of Management Sciences*. 2012; 1(1):7-13.
5. Prof. Kalpana Singh. Retail Sector in India: Present Scenario, Emerging Opportunities and Challenges, *IOSR Journal of Business and Management (IOSR-JBM)* e-

- 2014; 16(4):72-81 ISSN: 2278-487X, p-ISSN: 2319-7668.
6. Kanwaljeet. Organized Retailing In India: Opportunities And Challenges, *Iracst – International Journal of Commerce, Business and Management (IJCBM)*, ISSN. 2015; 4(2):2319-2828,
7. Meenakshi Chaudhary. Study on Growth of Retail Market in India with Special Reference to Broadening of Mall culture in Tier II City, *International Journal of Scientific and Research Publications*. 2013; 3(3):1. ISSN 2250-3153
8. Meghna Aggarwal. Organized Retailing in India- An Empirical Study of Appropriate Formats And Expected Trends, *Global Journal of Business Research*, 2009, 3(2).
9. Mohammed Saeem Khan. Retail Entrepreneurship Development in India: A Case Study of Big Bazaar, *IOSR Journal of Business and Management (IOSR-JBM)*. 2016; 18(2):65-69. e-ISSN: 2278-487X, p-ISSN: 2319-7668.
10. Navneet Grover. Retail Sector in India: Issues & Challenges, *Zenith International Journal of Multidisciplinary Research*, 2012, 2(5). ISSN 2231 5780
11. Padma D. Challenges and Winning Strategies for organized Retailers, *International Journal of Advance Research in Computer Science and Management Studies*, 2016, 4(1), ISSN: 2321-7782 (Online)
12. Piyush Kumar Sinha. an Insight into the Growth of New Retail Formats in India, *IIMA*, W.P. No. 2007-03-04.
13. Rachna Singh S. India's Service Sector - Shaping Future of Indian Retail Industry, *Symbiosis Institute of Management Studies Annual Research Conference (SIMSARC13)*, *Procedia Economics and Finance* 11. 2014, 314-322.
14. Rajesh Yadav K. Impact of organized retail on neighborhood kiriyana stores: A case Study of Malwa region in Madhya Pradesh, *World Scientific News, WSN*. 2016; 46:1-18, EISSN 2392-2192
15. Ravi Kiran. Organized retail in India - Drivers facilitator and SWOT analysis, *Asian Journal of Management Research Online Open Access publishing platform for Management Research*, ISSN 2229 – 3795
16. Jayasathya R. An Overview of Organized Retail Sector in India, *Indian Journal of Applied research*, 2015, 5(4). ISSN - 2249-555X
17. Ms. Sunita Sikri, Growth and Challenges of Retail Industry in India: An Analysis, *Asia Pacific Journal of Marketing and Management Review*, 2012, 1(1). ISSN 2319-2836
18. www.pwc.com/india