RETAIL SECTOR: BRANDED VS CONVENTIONAL CONSUMARISM WITH SPECIAL REFERENCE TO CENTRAL INDIA

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ABSTRACT

Retail sector is one of the major fields of play before Indian consumer. A major contribution to the economic growth comes from this sector and Indian consumer is directly affected by its working. Traditionally, Indian society is much dependent on its daily purchasing through kirana shops, convenience stores, small markets etc which belongs to unorganized sector in India. Now a days when we talk of retail outlets it brings with us an idea of branded products, apparels, kitchen wares, kids clothing, shoes, electronic gadgets etc. Here the concept of retail outlets represents both foreign players like Wal-Mart, Carrefour, Tesco, etc and Indian player like BigBazar, V Mart, city Mall, central mall etc this all together represents retail sector and shopping from it is retail shopping which comes under organized form of marketing. Indian consumers have to make a trade off for shopping from organized outlets or unorganized one, which is making great impact on Indian economy. To add to it Indian Government has approved 100 % FDI in Multi Brand retail sector thereby making the domestic player more worried lot in view of holding their consumers and identity into the market. Here I have taken central India for study, as it had always shown a very unusual pattern of thinking towards the attitude of marketing.

Key Words: Brand, Consumer, Economy, FDI, Kirana, Organized, Retail, Unorganized,

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Introduction

Basically the Indian system of marketing or purchasing activity is related to buying and selling from the convenient shops. Such activity is related to the marketing of local brands. Here when we talk about retail sector we consider the view of purchasing of branded products which comes under organized sector. Traditionally Indians are familiar and feel more relax through the shopping from the convenience stores or kirana shops. With the changing pattern of marketing the young Indians are gradually moving towards modern system of purchasing through supermarkets, Hypermarkets, Huge malls, ment for multi brand products.

Retail industry in India has a huge growth potential and opportunities existing in multiple sectors and segments. As the time passes, organized retailing especially has been creating curiosity amongst Indian consumers to sketching them into malls for shopping in huge numbers. However the growth in organized retailing has been limited primarily to the urban markets in the country. To safeguard the position in the market retailers have made an attempt to attract customers by offering newer service dimensions and creating unique shopping experiences for the customers. Perceptions about these retailers are largely determined by tangible characteristics of stores, such as format or size, proximity, varieties available as well as intangible factors like the store.

The retailing industry in India has come forth as one of the most dynamic and fast paced industries with several players entering the market. The marketer tries to attract the consumer and boost the sale with the permutation and combination of different retail format. The success of this business will depend upon the consumer mood, their sentiment and perception toward different retail format.

Need for the study

This study of retail industry concentrates specifically on the central India. In today's dynamic and shaky business world, the retail industry is constantly upgrading itself. Following four points press me to have a critical look into the retail industry in central India:

Retail Revolution: With an endless array of customer choices, fierce competitors, pervasive use of the internet, and a complex global economy, retailers need to focus on finding ways to sustain and grow their businesses. The rapid growth of the retail sector and its deep penetration in

various parts of the country within a very short span of time has now been termed as the retail revolution by India media. In order to cater to the manpower needs of the retail industry various retail management courses are being launched by several business schools in India.

Employment Sector: The retail sector is the vital to the world economy, as it provides large scale employment to skilled and unskilled labour, casual part time and full time workers. Retailing supports to society by increasing standard of life. It is one of the nation's largest industries in terms of employment. Nearly 93% of Indians are engaged in unorganized retailing as compared to 7% in organized retailing. The retail sector can generate huge employment opportunities and can lead to job led economic growth.

Quality of Marketing: When we move across supermarkets, malls, Hypermarkets, mega markets we get a feeling of lavish marketing but the belongingness towards those personnel is almost lacking which is totally a different experience from the convenience marketing. Quality of products is no doubt is of International Standards.

Personal skills Talented, dedicated people, who possess a wide variety of skills, good leadership qualities, positive attitude, and good communication, self confident are needed to effectively run a large retail business. Merchandising techniques. Enthusiasm and creativity will be always countable in this career. Apart from these, one should have tact, patience, an interest in sales work, a neat appearance and the ability to communicate clearly.

The perception of retail marketing amongst the consumer of Central India is bit different from the other parts of urban Indian system of purchasing. Here the consumers, whether young or adult, basically stress on the convenience way of marketing but when they need to purchase the durable product they prefer to move in for branded products as they get a good quality with best competitive price.

Literature Review

1. "FDI IN MULTI-BRAND RETAIL: IS IT THE NEED OF THE HOUR? By Dr. Mamta jain, Assistant Professor, Department of EAFM, University of Rajasthan, Jaipur & Mrs. Meenal Lodhane Sukhlecha, Assistant Professor, Subodh Institute of Management & Career Studies, Jaipur. The paper talks about the need of opening FDI in multi-brand retail, facts and figure of

the Indian retail industry. The government is in a process to initiate a second phase of reforms, it is cautiously exploring the avenues for multi-brand segment. Indians with an ability to spend over USD 30,000 a year (PPP terms) on conspicuous consumption. Also, the challenges in implementation of FDI in multi-brand retail have been discussed. The comparison with other developing countries like China has been done in order to understand the scenarios there.

2. "FDI in Retail Sector: India, Academic Foundation in association with ICRIER and Ministry of Consumer Affairs, Food and Public Distribution (Govt. of India)", by Mukherjee A & Patel N (2008). The paper talks about the poor distribution system in India and mishaps happened due to such system. The overall impact on the end consumer is also discussed in greater deal. The time to market, quantity & quality of the products suffer due to such deficiencies in the food distribution system. How best practices of international retailers, can benefit to overcome such problems have been talked about and criticised.

3. Gupta, (2012) concluded in her study that store attributes like convenient operating hours and accessibility were the factors which lead to customer loyalty and not store appearance. Similarly, product attributes like freshness of the product and availability of products range according to the pocket were major determinant of loyalty. It was also evident that even today Kirana are preferred by customers because of various reasons viz. convenient location, home delivery, personal relations with shopkeeper, giving products on credit, payment in installments.

4. **Srivastava, (2012)** in his study showed that the overall customers" perception across urban and suburban was not varied. The customers were ready to pay higher prices for branded goods across the urban and suburban areas. They gave priority to purchase grocery from nearby shops while for purchasing of apparel they liked to travel some distance. The outcomes of the study showed that the exposure of marketing strategy through electronic and print media made the customers more choosey and knowledgeable.

5. **Kamaladevi Baskaran, Research Scholar, Dravidian University, Andhra Pradesh** ,in her Article -'FDI in India's Multi Brand Retail-Boon or Bane' has mentioned about the global giant's entry to India and their myths and realities, highlighted on farmer's issues towards FDI in

multi brand retailing and also stated the recommendations before allowing FDI in Multi brand retailing. The study concluded by stating the fact that, to achieve the objective of modernization of Indian retailing, the government has to proactively assist traditional retailers by modernizing themselves, should remove the domestic regulatory and interstate restrictions on retail and should allow foreign entry into Multi-brand retail.

Objective of the study

This study primarily holds with those customers who are not exposed to the sophisticated way of marketing but their young generation are habitual of that marketing, where technical with brand and value based products do have an important place in their life. Therefore I concentrate on such an aspect through which some concrete style of retail marketing is derived, keeping in mind such customers which belong to all the ages, tastes and having brand value requirement as a basic criteria of marketing. The objective of the study is as below:

1. To study the present position of retailing in central India.

2. To identify the factors in terms of employment, consumer perception, gross domestic product, economic growth financial aspects etc.

3. To study the factors influencing the consumers from central India to buy from organized retailers/unorganized retailers.

4. To study the perception of customers towards organized and unorganized retailers.

The above objectives are drafted considering the perceptions of urban consumers of central India towards multiband retailing to that of conventional/traditional style of marketing. Rural consumers of this part of the country are not very much habitual to the organized retail marketing.

Research Methodology

Both primary and secondary data were used for this study. Primary data was collected through questionnaires and secondary data were collected through journals, reports, articles, newspapers, books and websites. The primary data has been collected from 300 consumers from the major

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cities of Madhya Pradesh through a self structured questionnaire. Simple random sampling has been used. The questionnaire consisted of few open ended questions; some questions were either using ranking scale or Likert scale. Statistical tool used is chi-square test As per questionnaire, interviews were conducted face to face so as to get an attitude and experience of consumers who had just purchased grocery items from organised and unorganized retail outlets.

Both qualitative and quantitative data analysis is done in order to get deeper insights into the consumer behavior and store loyalty for local grocery stores. Larger the sample size greater is the chances of reliability when output is finalized. But due to some limitations in a form of time, manpower and costs, there may be some influence on the study.

Conceptual Framework of Retailing in India

The retail industry in India considers as one of the sunrise sectors in the economy. A T Kearney, well-known international management consultancy firm, identified India as fifth most attractive retail destination globally in its 2012 Global Retail Development Index (GRDI). The contribution of retail sector is around 14% to the national GDP & it employs around 7% of total workforce in the country. That is why it is very crucial and important pillar of the Indian economy, issues with this should be analyzed properly, and decisions have to be taken diligently. Retail comes from the Old French word tailer (compare modern French retailer), which means "to cut off, clip, pare, divide" in terms of tailoring (1365). It was first recorded as a noun with the meaning of a "sale in small quantities" in 1433 (from the Middle French retail, "piece cut off, shred, scrap, paring").Like the French, the word retail in both Dutch and German (detailhandel and Einzelhandel, respectively) also refers to the sale of small quantities of items.

Concentrating through Indian view retail can be explained through following ideas:

➢ In simple words retailing is making the final product directly available to the final consumers of the product or a sale to the ultimate consumer.

➢ Retail can also be defined as a link or interface between bulk producers and individual consumers who purchase for final consumption. Retail is the last step in the process of distribution of merchandise. Retailing is an integral element in the supply chain.

➤ Retail is the sale of the goods and services from the manufacturers or businesses to the end users. Generally, retailers are the middlemen which purchase goods and commodities in the large quantities from the manufacturers or farmers either directly or through a wholesale, and sell them in small quantities to the consumers at a profit.

The above given concept of retailing give rise to the idea of purchasing the goods or product from some systematic process of merchandising of distribution through specific outlets or through the most generalised or conventional system of distribution. This gives rise to organised and unorganized form of retailing. Below mentioned are the few outlines towards two forms of retailing-

Organised Retailing:

Trading activities which are undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. are referred to as organized retailing. Corporate backed hypermarkets and retail chains, and also the privately owned large retail businesses are included in this. Following characteristics are involved--

➤ These are corporate business houses comparatively large in size and operation.

➤ These are distantly located with big size of shops and excellent store ambience.

➤ Normally products are sold less than MRP with efficient supply chain with wide range of product.

➤ These markets do have greater taxation enforcement but do provide competitive experience of marketing.

Unorganized Retailing:

Unorganized Retailing, refers to the traditional formats of low-cost retailing, for example the local kirana shops, owner manned general stores, pan/beedi shops, convenience stores etc. Indian retail is dominated by a large number of small retailers consisting of the local kirana shops, owner-manned general stores, chemists, footwear shops, apparel shops, pan and beedi shops, and hand-cart hawkers etc. which together make up the so called "unorganized retail" or traditional retail. Following characteristics are involved—

➤ These are small shops owned by household business.

➤ These are located around the corner of the locality with poor store ambience.

➤ In such shops products are sold at MRP having selective/limited range of branded and non branded products with inefficient supply chain.

> ➢ These markets do indulge in tax evasion.

By placing the above forms of retailing we can very well imagine how the general consumers can trade off between the experiences of marketing. Future of retail sector in India is swerving-on one side organized retail is marching into life of urban consumers, while on the other our own 'Grocery stores' are resisting fiercely with their existing strong foothold. India today is at the crossroads with regard to the retail sector. A shift between organized and unorganized retail sector is evident. Unorganized sector cannot ignore.

Branding in Retail Sector:

In the modern days products are classified on the basis of their brands. Now brand decides their quality, price and method of promotion. Therefore branded products are bit costlier than the products available in conventional and traditional shops. I am of the opinion that the concept of brand is the most decisive criteria for the Indian consumer to decide about the shopping through conventional shops (unorganised retail) or from supermarkets or big malls (organised retail). The study involved in this paper reflects the same mindset of those consumers which belongs to central India. Moving ahead with the concept of branding t we usually come across a very unique thought of single brand retail shops or multi brand retail shops:

1. Single Brand Retailing-The Government has not categorically defined the meaning of Single Brand anywhere neither in any of its circulars nor any notifications. The focus is on the brand Name. Exclusive Showrooms either owned or franchised out by the manufacturer. A complete range of all the products manufactured by the said manufacturer under one brand name e.g.: an Exclusive showroom / franchise outlet of Nike, Liberty, Samsung, Nokia, etc is collected for sale.

Under such condition when we call the foreign investor to invest it implies that a retail store with foreign investment can only sell one brand. For example, if Adidas were to obtain permission to retail its flagship brand in India, those retail outlets could only sell products under the Adidas brand and not the Reebok brand, for which separate permission is required. If granted permission, Adidas could sell products under the Reebok brand in separate outlets.
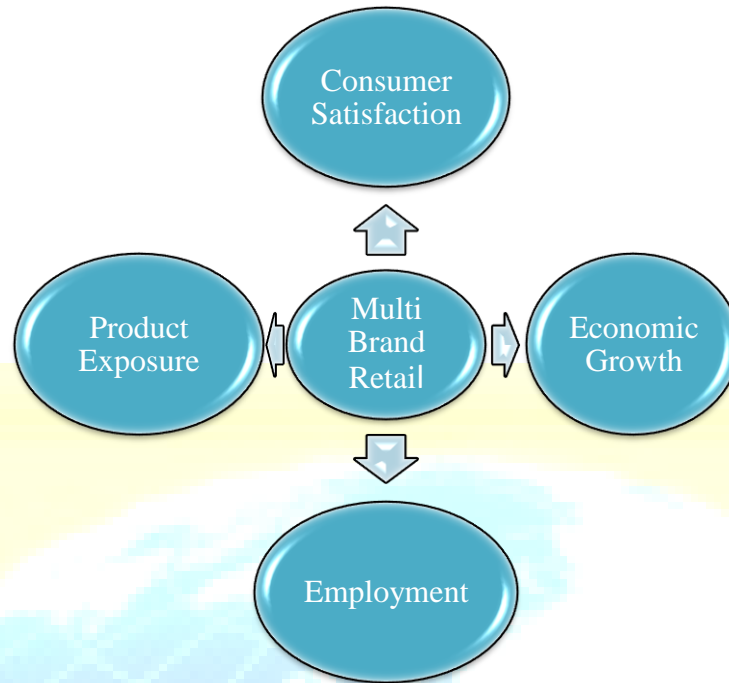
2. Multi Brand Retailing: The government has also not defined the term Multi Brand. In these kinds of stores, almost all brands are available for a single product Type. The customer has a very wide choice for the kind of product he is willing to buy. e.g.: Max, Shoppers Stop, Croma, etc. Under such condition when we call the foreign investor to invest it implies that a retail store with a foreign investment can sell multiple brands under one roof.

Retail consists of the sale of physical goods or merchandise from a fixed location, such as a department store, boutique or kiosk, or by mall, in small or individual lots for direct consumption by the purchaser. Retailing may include subordinated services, such as delivery. Purchasers may be individuals or businesses. In commerce, a "retailer" buys goods or products in large quantities from manufacturers or importers, either directly or through a wholesaler, and then sells smaller quantities to the end-user.

Analysis of Collected Data

The Indian multi brand retailing is at a nascent stage where the growth of organized retailing and consumption by the Indian population is to take a higher growth trajectory. An increasing young working population, sharp rise in the per capita income, an increase of dual income nuclear families in the urban areas, along with increasing working women population, internet revolution and emerging opportunities in the services sector are the key growth drivers of the organized retail sector in India. The whole model of shopping has altered in terms of format and consumer shopping behavior pattern, resulting in shopping revolution in India.

Figure 1: Dimensions of Multi Brand Retail

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This survey intends to analyse the impact of organised retailing on the consumers from the central India Due to this research we can able to move into attitude of consumer towards organised and unorganised retailing. The data is collected using a random sample of consumers. Consumers who have significant knowledge of the topic were identified and selected at random for questioning. Both qualitative and quantitative data analysis is done in order to get deeper insights into the consumer behavior and store loyalty for local grocery stores. Necessary projections are being quoted below through demographic profile of the respondents --

Table 1: Demographic Details

S.No	Details of Respondents		Data	Percentage
A	Gender	Male	140	47
		Female	160	53
		Total	**300**	**100**
B	Age	18 yrs - 30yrs	140	47
		30yrs - 40yrs	89	30
		40yrs - 50yrs	45	15
		Above 50yrs	26	08

		Total	**300**	**100**
C	Education	Graduate	180	60
		Post Graduate	60	20
		Professional	60	20
		Total	**300**	**100**
D	Occupation	Student	70	23
		Private Employee	80	27
		Government Employee	62	21
		Businessmen	30	10
		House Wives	58	19
		Total	**300**	**100**
E	Monthly Income	Less than Rs 20,000	60	20
		Rs 20,000 – Rs.30,000	95	32
		Rs.30,000 – Rs.40,000	80	27
		Above Rs.40,000	65	21
		Total	**300**	**100**
F	Visit to Retail Shops	Unorganised Retail	160	47
		Organised Retail	140	53
		Total	**300**	**100**
G	Unorganised Retail	Kirana /small Shops	105	66
		Conventional Shops	55	44
		Total	**160**	**100**
H	Organised Retail	Malls	90	64
		Supermarkets	50	36
		Total	**140**	**100**

Source: Field Survey

With reference to above table as usual 53% of the female population is interested to go for shopping through retail shops. Nearly 47% of the sample population which consists of young boys and girls prefer to visit malls and supermarkets for purchasing the required products. It is interesting to note that the persons whose monthly income is less than Rs 20,000/- and on the

other hand whose monthly income is more than Rs 40,000/- do not prefer to visit the malls. Only 47% of the consumers has shown their inclination towards shopping from the organised sector i.e. malls, branded stores, supermarkets etc, With more specific view if we look into this interpretation from **the data collected through field survey** we can the following results:-

1. Preference of Customers towards retail outlets: If we look through this criteria nearly 53% of the respondents showed their preference for shopping through unorganised sector (out of this 66% prefer kirana shops and 34% conventional shops) and remaining 47% had shown their bent towards organised sector.


**Figure 2:
Retail outlet preference**
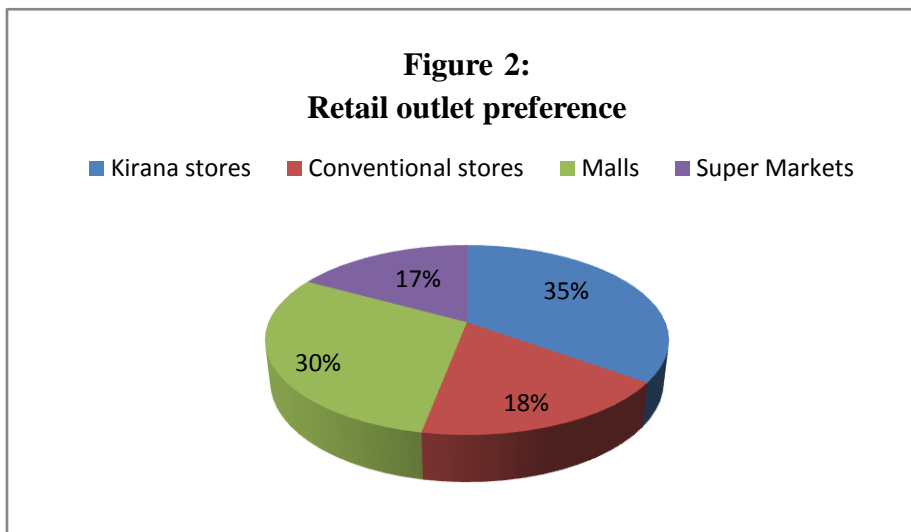
2. Customers preferences towards the retail stores for purchase of daily needs: The most important behaviour which we came across is that for the purpose of grocery, vegetables and casual purchase the respondents had preferred to purchase from unorganized retails stores and for quality items such as textiles, electronics and electrical our respondents had chosen the organised retail outlets that too from such shops where they get multi brand products under one roof.

Table 2: Purchase of Items from retail stores

Items	Unorganised Retail Store	Organised Retail Store
Grocery	35	11
Vegetables and Foods	40	16

Home Made Appliances	18	27
Textiles	12	45
Electrical and Electronics	15	30
Casual Purchase	40	11
Total	**160**	**140**

Source: Field Survey

Figure 3: Customer Preference
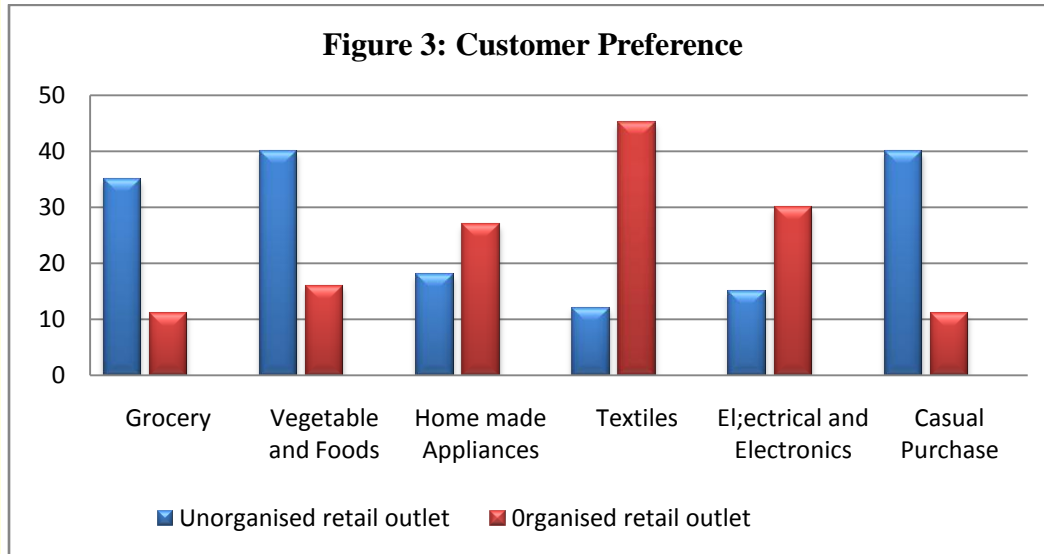
3. Customer's satisfaction on the basis of price strategy adopted by malls: 42% Customers are satisfied with the pricing strategy of the malls after considering various discounts, sales and other offers while 58% Customers are not satisfied.

4. Customers Preference for Best Shopping Deals: It was found 43% consumers finds best Shopping Discount offers, gift packages etc. 47% customers are satisfied with the shopping deals served by the local grocery stores while 10% customers has no opinion.

5. Benefits of Multi Brand Retails to consumers: The opinion of respondents towards various benefits of organised retail was analysed. Various benefits analysed were 'High quality', 'Shopping under 'one roof', 'Price discounts', 'Availability of branded products' and 'Others'. Very amazing result were before us:-

Table 3: Benefits to consumer

	Students	Private Employee	Govt Employee	Business Men	Housewife	Total
High Quality	15	15	15	10	12	67
Shopping under one roof	10	12	N.V.	N.V.	14	36
Price Discount	15	20	30	10	20	95
Branded Products	20	18	15	10	07	70
Others	10	15	02	N.V.	05	32
Total	**70**	**80**	**62**	**30**	**58**	**300**

Figure 4: Benefits to Respondents
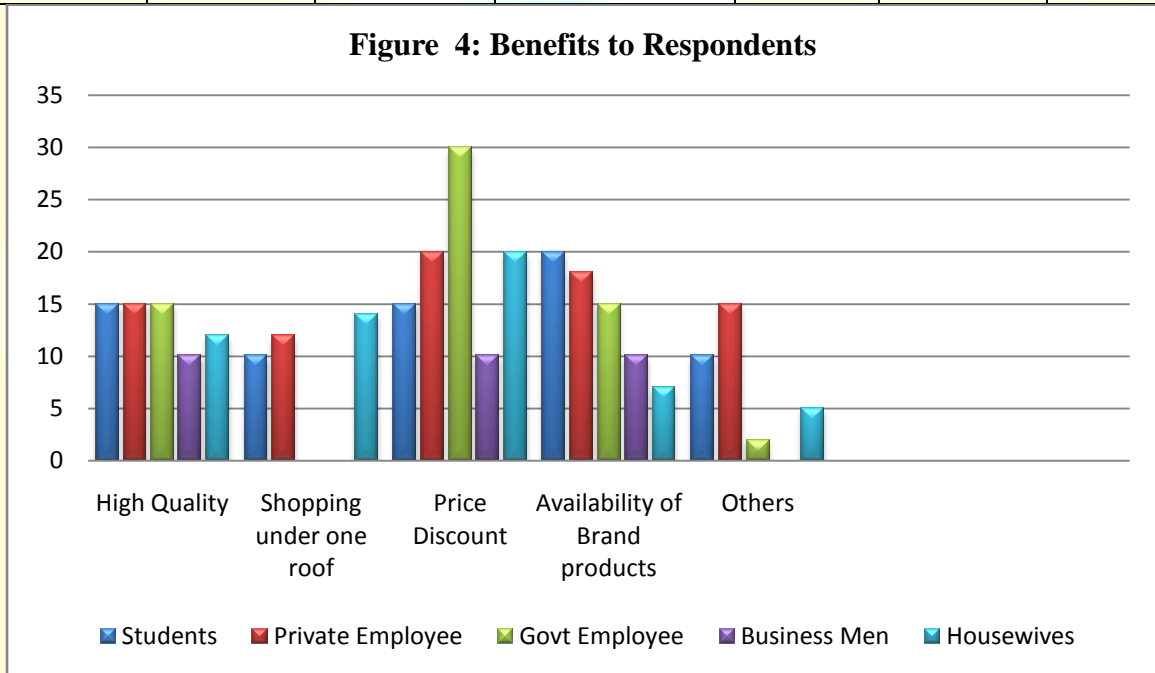
Hypothesis Testing:

1. Null Hypothesis: Occupation and support towards retail marketing.

Ho:. There is no significant relationship between the occupation and support towards retail marketing.

Alternate Hypothesis: H1**:** There is significant relationship between the occupation and support towards retail marketing.

Chi-Square Test used at 5% level of Significance-

Occupation	Support to Retail Marketing (fo)	Non-Support to Retail Marketing	Total (fe)
Students	55	15	70
Pvt. Employee	45	35	80
Govt. Employee	35	27	62
Business Men	22	08	30
House wives	20	38	58
Total	**177**	**123**	**300**

Source: Field Survey

X^2 Calculated:57.41 X^2 (tabulated at 5% significance level)=9.48

Interpretation: As the calculated value of x^2 is more than tabulated value, therefore null hypothesis is rejected. This shows there is a significant relationship between occupation and support towards retail marketing.

2. Null Hypothesis: Monthly Income and support towards organised/unorganised retail marketing

Ho:. There is no significant relationship between the monthly income and support towards organized retail marketing

Alternate Hypothesis: H1: There is significant relationship between the monthly income and support towards organized retail marketing.

Chi-Square Test used at 5% level of Significance-

Monthly Income	Support to organised retail Marketing (fo)	No support to organised retail Marketing	Total (fe)
Less than Rs.20,000/-	15	07	22
Rs.20,000/- to Rs.30,000/-	20	23	43
Rs 30,000/- to Rs.40,000/-	17	23	40
Above Rs 40,000/-	16	19	35
Total	68	72	140

Source: Field Survey

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X² Calculated: 37.76   X² (tabulated at 5% significance level)=7.815

Interpretation: As the calculated value of x² is more than tabulated value, therefore null hypothesis is rejected. This shows that there is a significant relationship between monthly income and support towards organised retail marketing.

Findings:

While analysing the above narrated data interesting concepts comes before us. On ground work almost all the respondents agree that traditional purchasing pattern which is prevailing in India is much more idealistic and convenient. Following ideas which has emerged through this study is being incorporated below:

➢ One of the prime objectives of this study was to find the consumers perception towards retail purchasing. This study indicated that Customers like to buy fruits & Vegetable from air-conditioned supermarkets because of its quality products but due to the high prices they still feel conservative to buy these kinds of products either from the local mobile vegetables seller or from the nearest sabji market.

➢ The study further revealed that Proximity is a major comparative advantage of unorganized outlets. The kirana has a low- cost structure, convenient location, and customer intimacy whereas modern retail offers product width and depth and a better shopping experience Unorganized retailers are having a comparatively strong advantage because of their ability to sell loose items, provision of credit, bargaining and home delivery facilities.

➢ The organized retailers are having a greater advantage because of the store image, product availability, and price discounts. Indian consumers have high disposable incomes, which translate into high consumption levels and increased awareness of quality, the consumers perception towards organized and unorganized retailers differ on the basis of quality and price. They preferred to buy different products from the organized and different from the unorganized retailers.

➢ Even the unorganized retailers had a good share in Market, but due to factors such as space, parking etc. a gap existed between both the formats. In spite of the enormous potential and growth opportunities available for the organized sector, it will not create a major impact on the unorganized retailers because of the mindset of the Indian

consumer's who cannot think of a life without having a local kirana store near their locality.

➢ Emerging retail formats like malls, hyper/supermarkets and specialty stores which provide product, service and entertainment at one place. This has made possible due to growth of real-estate, Improvement in infrastructure, changing consumers' requirements and lifestyles increasing awareness about products and services has brought tremendous changes into the purchase pattern of the consumers.

➢ The major factors that attract unorganized retailers to consumers are proximity, goodwill, credit sales, bargaining, loose items, convenient timings, and home delivery. There is clear evidence of a competitive response from traditional retailers who are gearing up to meet the threat from organized retailers.

➢ Consumers have generally gained with the emergence of organized outlets through the availability of better quality products, lower prices, one stop shopping, choice of additional brands and products, family shopping, and fresh tocks. Lower income consumers have saved more from purchases at organized outlets.

➢ Indian business houses and manufacturers are setting up retail formats while real estate companies and venture capitalist are investing in retail infrastructure. Many international brands have entered the market. With the growth in organized retailing, unorganized retailers are fast changing their business models.

These results are not indicative of the countrywide scenario. For the country as whole, unorganized retail is growing at a reasonable rate and will continue to do so for many years to come. India is however a latecomer to organized retail expansion and the picture still remains unclear as to its future direction.

Economic Growth and Future of Retail in India

In a developing country like India, a large chunk of consumer expenditure is on basic necessities, especially food-related items. A great shift that ushered in the Indian Retail Revolution was the eruption of Malls across all regional markets. Now at its peak, the mall culture actually brought in the organized format for retailing in India which was absent earlier. Today malls are changing the way common Indians have their shopping experience. In economic terms I wish to bring in

some important points before all of us to have an idea that how Indian retail sector is on growth path:

➢ Unorganized retailing is by far the prevalent form of trade in India – constituting 98% of total trade, while organized trade accounts only for the remaining 2%. Estimates vary widely about the true size of the retail business in India.

➢ The Indian retail market, estimated around $400-450 Billion, is dominated by the highly decentralized unorganized sector. The Indian farmer typically gets only a third of what the final consumer pays, instead of the two-thirds that his counterparts do in countries that have organized retailing. India is the second largest producer of fruits and vegetables in the world, but almost 30 per cent of these go waste for want of storage and processing facilities.

➢ Indian economy would gain significantly from the emergence of a well-capitalized retail industry. The organized retail industry is one of the sunrise sectors with huge growth potential. Organized retail industry accounts for only 5% of total retail industry but is expected to reach 10% by 2012.

➢ Total retail market in India, which currently stood at USD 400 Billion in 2009-10, is estimated to attain USD 573 billion by 2012-13. India's retail market is expected to be worth about US$ 410 billion, with 5% of sales through organized retail, meaning that the opportunity in India remains immense. Retail should continue to grow rapidly—up to US$ 535 billion in 2013, with 10 per cent coming from organized retail.

➢ Currently, organized retail, or large chains, makes up less than 10% of the market. Trade or retailing is the single largest component of the services sector in terms of contribution to GDP. Its massive share of 14% is double the figure of the next largest broad economic activity in the sector.

➢ Disposable incomes are expected to rise at an average of 8.5% p.a. till 2015. India's retail industry accounted for around 22% of GDP in 2011 with about 9.4% of the employed labor force. Currently organized retail sector in India constitutes around 6-7% of total retail trade and expected to grow to 10% by 2016-17.

➢ As the government is in a process to initiate a second phase of reforms, it is cautiously exploring the avenues for multi-brand segment. This is getting reflected due to fast-

growing middle class, demanding higher quality shopping environments and stronger brands, the report added.

Also number of studies suggested that it is expected to lead economic growth of about 7% in the next 10 years, rapid urbanization, brand consciousness among the young generation, changing life style of the people are leading to the success story of growth in the country but high cost of the real estate, shortage of good quality retail properties, inconsistency in the policy making are some of the factors limiting the growth of the country.

Suggestions

➢ Improvement in the supply chain infrastructure by bringing in technical know-how and capital. FDI can bring about an improvement in the supply chain infrastructure, investment in technology, up-gradation in agriculture, manpower and skill development and may also lead to an improvement in the overall productivity.

➢ Multi- brand retail outlets should be given priority, so that local brands can also have shelve space in the shops. Steps could be taken to improve the accessibility to these multi-brand retail stores. Better policies should be adopted by multi-brands for protection of employee rights and Government should assure the public that the FDI in multi brand retail would in no way influence or affect the Government policies.

➢ Improvement in farmer income through the removal of structural inefficiencies. Farmers were found to benefit significantly from the option of direct sales to organized retailers. the profit realization for farmers selling directly to the organized retailers is expected to be much higher.

➢ An idea of floating legal and regulatory body to ensure that large retailers are not able to displace the position of unorganized retailers. Formation of retail cooperatives may help to increase the bargaining power of unorganized retailers.

➢ Unorganized retailers should purchase variety of products from the single wholesaler to avail adequate discounts so that they meet the cost expectations and needs of their customers. The unorganized retailers should continuously improve their display to compete with the organized sector.

➢ Remarkable changes should be made by unorganized retailer in their store ambience to attract the new customer and to retain the existing customer. The unorganized retailers should offer attractive weekly or monthly schemes for groceries and other items and promote them through leaflets or pamphlets.

➢ The Government should encourage setting up of modern large cash-and-carry outlets, which could supply not only to kirana stores but also to licensed hawkers at wholesale rates. The credit should be made available at reasonable rates from banks and credit institutions for expansion and modernization of traditional retailers.

➢ The municipal bodies of the town should take initiatives to convert all uncovered wet markets in a time-bound manner with great emphasis on Hygiene, convenience to shoppers, proper approach roads, entry exits etc.

➢ Talented, dedicated people, who possess a wide variety of skills, good leadership qualities, positive attitude, good communication, self confident are given opportunity to run a large retail business. Merchandising techniques, enthusiasm and creativity ability to communicate is countable besides other essential personal trait.

Conclusion

The growth in the Indian 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, and patterns of demography which are favorable. Now the consumer wants to shop at a place where he can get food, entertainment, and shopping all under one roof. The study advocates a balanced approach to retail and suggests that the government plays a major role in shaping its future course. There is no doubt that traditional retail has been performing a vital function in the economy and is a significant source of employment. However, it suffers from huge inefficiencies as a result of which consumers do not get what they want. In contrast, organized retail provides consumers with a wider choice of products, lower prices, and a pleasant shopping. The survey concluded that India's organised and unorganized retail sectors can co-exist and flourish. Inspite of its lucrative organized sector in retailing has to go a long way to understand the customer requirement.

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