



CHANGING TREND IN INDIAN RETAIL MARKET

Rajesh Rameshrao Deokar¹ and Prof. (Dr.) Shridhar G. Bhombe²

¹Dnyanopasak College, Jintur.

² Department of Commerce, Dnyanopasak College, Jintur.

ABSTRACT

Indian retail industry is the second largest country in the world. India retail industry, consisting of organized and unorganized sectors, is the fastest growing industry in India, especially in the last few years. Initially, although the retail industry in India was mostly unorganized, the industry has become more popular and organized as consumers tastes and interests have changed. The industry is expected to grow at a rapid pace of 25-30% annually due to rising market demand. With the tremendous growth of the economy, retail management has emerged as one of the fastest growing careers in India. The huge expansion in the retail sector in the last few years has created a huge demand for skilled professionals in this area.



KEYWORDS: Indian retail industry, fastest growing industry.

INTRODUCTION :

The Indian retail industry, with more than 12 million outlets, is estimated to provide employment to more than 16 million people, which is the largest post-agricultural employment. Retail sector investment of up to Rs 5500, India has the highest retail density in the world with 20 major retail players having around 14 million crore retail outlets. India is going through a minor revolution. All the big business houses are entering this area and it is growing in the past. International giants such as Wal-Mart, Tesco and Carefor are looking to enter the Indian market. There are huge employment opportunities in the retail business. Until the early 1990's the retail industry was dominated by the unorganized sector. Corporate groups such as Tata, RPG, ITC and Bennett Coleman & Company entered the retail sales market, and the organized sector grew rapidly. After the liberalization and growth of the Indian economy in the late 1990s, Indian consumers saw increasing exposure to new domestic and foreign products through various media such as television and the Internet. In addition, social changes such as increasing the number of nuclear families and the increasing number of working couples also increased the personal consumption of Indian consumers.

India is the country with the most unorganized retail market. Traditionally it is the bread of a family, their store is back and they run a small business, More than 99% of retailer's work over 500 square feet of space for purchase. The Indian retail sector is estimated at around Rs. 850,000 crore, of which the organized sector is only two per cent, which indicates that there is a large market waiting for the consumer-savvy organized retailer. India's retail sales are gradually phasing out to become the next booming industry. The whole concept of purchase has been tarnished in terms of layout and consumer

buying behaviour and has led to revolt in purchasing. Morning retail has entered into modern retail, shopping, entertainment and dining under retail at shopping centres, multi-storey malls and spacious complexes. However, in the post-liberalization era, we have seen huge changes in the retail industry. Changes in the organized retail industry are visible in the form of new retail sales, modern techniques, specialized retail outlets, retail chain emergence.

RETAIL INDUSTRY IN INDIA:

India's retail industry is the largest of all industries with a share of 5% of GDP in the country and about one per cent of employment. India's retail industry has emerged as the most dynamic and fastest growing industry with many players entering the market. But not all of them taste the tremendous initial investment that is required to break even with other companies and compete with them. India Retail Industry is slowly moving towards becoming the next fastest growing industry. Retailing involves direct interaction with customers and the coordination of business activities from end-to-end, to product delivery or post delivery service. This industry has contributed to the economic growth of many countries and is undoubtedly one of the fastest-changing and dynamic industries in the world today. In most developed economies, the services sector accounts for a large share of GDP. The retail sector becomes a strong component of the service sector. Retailing is not only an important aspect of financing, but is also a part of your life. Although commodity trading has existed since time immemorial, in recent times, merchandising has become more formal and brand dominated. In fact, retailing is evolving into a global high-tech business today.

CATEGORIES OF RETAIL INDUSTRY:

The Indian retail industries are categories in two segments which are as follows

1. **Organized Retailers:** It refers to trading activities by licensed retailers, that is, those registered for sale sales, income tax, etc., include corporate-backed hypermarkets and retail chains and privately owned large retail businesses.
2. **Unorganized Retailers:** It refers to traditional forms of low-cost retailing, for example, local grocery stores, general-owned stores, paan shop and beedi shops, convenience stores, hand carts and flooring retailers. Growth is expected in the unorganized retail sector about 10% annually.

There are three types of retail sales; the first is that the buyer and seller are in touch. This includes selling goods on the sidewalk, roads, etc. The second form involves the goods in the shop or shop where the goods are outside the buyer and where the seller supplies them on demand. The third type is virtual sales, where products are delivered online and then sold via e-mail, online shopping.

Indian Scenario of Retail Market:

Retail market development can be credited for a number of reasons. The following are important reasons for the growth of the retail market.

1. Economic Boom
2. Infrastructural facility development in India
3. Development of Women Empowerment
4. Improvement in Family Income
5. Revolution in IT (Information Technology) sector

Facts on Indian Retail Sector:

- The Indian retail sector is the fifth largest retail retailer in the world.
- India's retail market is dominated by the unorganized sector. Retail trade accounts were organized in India, covering only 7% of the total retail trade. It highlights the growth potential of the retail sector in India.
- The top five retail companies account for less than 2% of the combined market.
- AT Carney's Eighth Annual Global Retail Development Index (GRDI) ranked the largest Indian retail market in 4in.

- Attractive emerging market for retail investment.
- This area can be broadly divided into two types of value retailing, which is generally low margin-high volume business (mainly food and groceries) and lifestyle retailing, a high margin volume business (textile, footwear, etc.). This area is further subdivided into categories according to the type of products offered. Food has an impact on market consumption after fashion. The relatively low contribution of the other categories represents organized opportunities. The area can be broadly divided into two categories: value retailing, which is generally low margin-high volume business (mainly food and groceries) and lifestyle retailing, high margin-low volume business (textile, footwear, etc.). This area is further subdivided into categories according to the type of products offered. Food has an impact on market consumption after fashion.
- The relatively small contribution of other segments represents the opportunity for organized retail development in these segments, especially as India is the youngest market in the world.

Changing Scenario:

There has been a significant transformation of Indian consumers. Only a decade or two ago, Indian consumers would save a lot of their income, buy leftovers and rarely invest in themselves. Today, Indian consumers, armed with high incomes, credit cards, exposure to the shopping culture of the West, and the desire to improve their living standards, are not spending as much as before. Retailing with its various products, and the number of malls and supermarkets, it has to deal with addiction. Its new mind-set, in turn, is fuelling organized retail development in India, increasing the purchasing power of Indian urban consumers, and branded merchandise such as apparel, cosmetics, shoes, watches, beverages, food and jewellery are gradually becoming a lifestyle that is widely accepted by urban Indian consumers. Marketers need to take advantage of this growth. Raise and to bring diversity to their introduction is required to pay more attention to the process of brand building for this purpose. Retailers are emphasized more as a brand than as a retailer brand. The focus should be on branding the retail business itself. In preparation for the intense competition, Indian retailers need to build their brand as a brand, communicate quality and understand the value of money. The sustainable competitive advantage will depend on translating core wellness combining product, image and reputation into consistent retail brand strategy. One day, in India, we saw an increase in purchasing power and an increase in the middle class following the Western lifestyle. Therefore, the situation is favourable for organized retail development in India. Although organized retail growth is, a large part of Indian retail is likely to be unorganized. There is a positive correlation between the retail industry and the development of the Indian economy. The organized retail industry has created a lot of employment opportunities in India. As the purchasing power of Indian middle families increases, the growth and development of the retail industry in India increases.

CONCLUSION:

The increasing availability of retail space, rapid urbanization and qualified manpower also led to the development of organized retail sales sector. Large numbers of young working population, nuclear families in urban areas, increasing number of working women and emerging opportunities in the service sector will be key factors for the growth of organized retail sector in India. The pattern of growth in organized retailing and the consumption of Indian population will give rise to a growing graph helping new businessmen enter India retail industry. There has been a significant transformation of Indian consumers. Only a decade or two ago, Indian consumers would save a lot of their income, buy leftovers and rarely invest in themselves. Today, Indian consumers, armed with high incomes, credit cards, exposure to the shopping culture of the West, and the desire to improve their living standards, are not spending as much as before. Retailing with its various products, and the number of malls and supermarkets, it has to deal with addiction. Their new mind-set, in turn, is driving India's organized retail development.

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