Term Major Project On

URBAN YOUTH PURCHASING BEHAVIOUR IN THE ORGANIZED RETAIL SECTOR

Submitted By-
Karan Bakshi,
2K16/EMBA/513

Under Guidance of -
Dr. Rajan Yadav,
Associate Professor

Delhi School of Management
Delhi Technological University
Bawana Road, Delhi-110042

May 2018

DECLARATION

I KARAN BAKSHI student of EMBA 2016-2018 batch of Delhi School of Management, Delhi Technological University, Bawana road, Delhi-42 declares that term project **"URBAN YOUTH PURCHASING BEHAVIOUR IN THE ORGANIZED RETAIL SECTOR"** submitted in partial fulfilment of Executive MBA programme is the original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge.

This Report is not being submitted to any other University for award of any other Degree, Award and Fellowship.

Place: New Delhi KARAN BAKSHI

Date:

CERTIFICATE

This is to certify that the project entitled 'Urban Youth Purchasing Behavior in the Organized Retail Sector' has been successfully completed by Karan Bakshi – 2K16/EMBA/513

This is further certified that this project work is a record of bonafide work done by him under my guidance. The matter embodied in this report has not been submitted for award of any degree.

Karan Bakshi	Dr. Rajan Yadav
2K16/EMBA/513	Associate Professor

ACKNOWLEDGEMENT

I, Karan Bakshi, wish to extend my gratitude to Dr Rajan Yadav, Associate Professor Delhi School of Management (DSM), Delhi Technological University; for giving me all the guidance and valuable insights to take up this Semester Project.

I also take this opportunity to convey sincere thanks to all the faculty members for directing and advising during the course.

Karan Bakshi
2K16/EMBA/513

ABSTRACT

Organized retailers from all over the globe are on a spree to set up shop in the Indian market. This has intensified the level of competition amongst the players and the Indian consumer has had the opportunity to experience a rapid exposure to brands. Growth in incomes makes it essential for the retailing firms to modify their existing ways of doing business according to the changing requirements of the customer. The present environment exposes consumers to a plethora of purchase options and in return they may even be compelled, in certain situations, to redefine their shopping styles according to the available options. Understanding the customer is therefore central to tap the market successfully. Apart from shopping patterns undergoing a change owing to time-pressures and higher disposable incomes, the motives for people to shop are also expected to change. Therefore, the concept of economic/utilitarian shopping, that is, seeking the best buy, may be coupled with other hedonic motives. Interestingly, the shopping activities ostensibly undertaken to maximize value obtained may be highly enjoyable. Youth are an important consuming class owing to time pressures in dual career families with high disposable incomes.

With the retailers eyeing their presence in the market, it is pertinent for them to identify the target shoppers as well as to identify the prime reasons as to why they shop. Therefore, this report brings forth the important dimensions of motivators for the youth when they shop. The results reveal that young consumers, interestingly, tend to shop not from a utilitarian perspective, but from a hedonic perspective. Their key interests include getting product ideas or meeting friends. They also view shopping as a means of diversion to alleviate depression or break the monotony of daily routine. In addition to this, they also go shopping to have fun or just browse through the outlets. This age group is particularly found to be considerably involved in the role of information seeker from the market and disseminator of the same to the peer group or to the family. So this report includes from where retail started how it went to organized sector and various motives behind shopping behavior of youth (men). In India, the origin of Retailing can be seen from the emergence of Kirana stores and mom-and-pop stores.

These stores were the main facility to cater to the local people. Ultimately the government supported these rural retail and many local franchise stores came up with the support of Khadi & Village Industries Commission. The economy started to ensuing open up in 1980s which brought about the difference in retailing. The initial couple of organizations to think of retail chains were

in material area, for instance, Bombay Dyeing, S Kumar's, Raymonds, and so forth. Later Titan propelled retail showrooms in the sorted out retail part. With the progression of time new participants proceeded onward from assembling to unadulterated retailing. Retail in India has risen as a standout amongst the most powerful and quick paced ventures, with the section of a few new players as of late.

Rising disposable incomes, particularly, among the white collar class, expanding shopper base in urban zones, credit accessibility, developing number of nuclear families, working women, easy accessibility and convenience and a potentially strong rural consumer market will fuel this growth in the near future. Indeed, an exciting time for retailers and marketers. The rising buying power combined with an expanding penchant to expend has prompted the development of another class of purchasers. Gone are the days when individuals felt regretful about spending. Not exclusively are individuals today enjoying purchasing more, they are spending fundamentally on themselves. According to Ernst and Young investigation, in the most recent decade the quantity of upper working class and high salary family units has developed by an amazing staggering 270% from 30 million households to 81 million households.

The energy of youth today is apparent in its expansive numbers, propensity to expend and in its capacity to impact bigger family unit choices. India's populace is additionally urbanizing at a fast pace with the urban Indian populace anticipated to increment from 28% to 40% of the aggregate populace by 2020. A current Ernst and Young examination, YouSumerism, found that the penchant to expend for a creating nation quickens past $900 per capita GDP and India will achieve that in 2019– 2020. The spending example of Indian shoppers exhibits an extraordinary conundrum to the present advertisers and retailers. On one hand is the expanding optional salary (Rs 3,800 – Rs 7,000 every month) except then again is the ordinary Indian need of 'significant worth for cash'.

This project will concentrate on **analyzing the factors affecting the purchasing behavior of Urban Youth in the Organized Retail Sectors** in Noida and Ghaziabad like Noida Central, Big Bazaar, etc. There are broadly **two categories of Urban Youth**:

- Youth born and brought up in an Urban City

- Youth born in a Village/Small Town and earning his living in an Urban City

Their purchasing behavior depends on their socioeconomic location and the kinds of skills and resources they draw from within households and society. Most youngsters encounter urban life all the while as prohibition and consideration. These procedures meet their socio spatial encounters, powering logical inconsistencies between their employments and wants. In this way, there are numerous elements which impact the buying conduct of Young Urban Men.

To achieve the above-mentioned purpose, after studying the literatures, a Questionnaire was prepared and primary survey research was conducted with urban youth visiting in Organized Retail Units in Noida and Ghaziabad.

TABLE OF CONTENT

INTRODUCTION

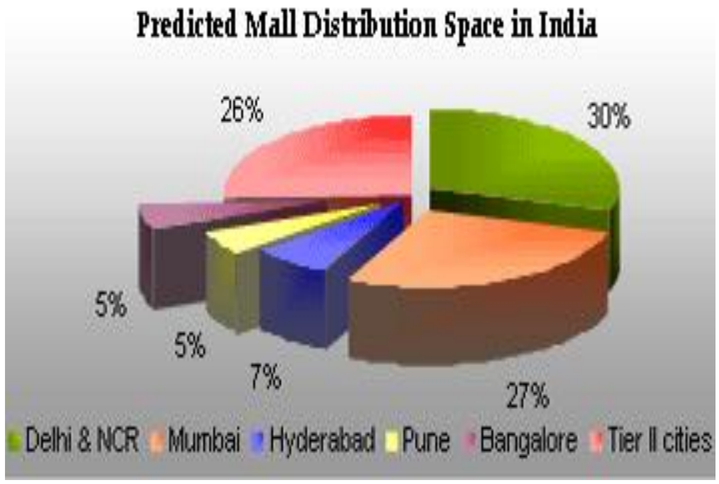
India speaks to a monetary open door on a gigantic scale, both as a worldwide base and as a residential market. Retail development in the coming five years is relied upon to be more grounded than GDP development, driven by changing ways of life and by solid wage development, which thusly will be upheld by positive statistic designs and the degree to which sorted out retailers prevail with regards to achieving drop down the pay scale to achieve potential buyers towards the base of the purchaser pyramid. Developing buyer credit will likewise help in boosting purchaser request. Growing consumer credit will also help in boosting consumer demand. The major objective of this management research project is to study the purchasing behavior of the urban youth in the organized retail sector in India. It aims to study the factors that influence the consumer behavior of the urban youth. The methodology that we are going to use to study the behavior of the urban youth is conducting the survey through questionnaire.

ORGANIZED RETAILING IN INDIA

The Indian organized retail industry is valued at about $300 billion and is expected to grow to $427 billion in 2017 and $637 billion in 2018. The fundamental drivers of the retail advancement in India are purchasing conduct of the client, increment in extra cash of middle class, foundation improvement and changing client decision. The objective portions of retailers are the more youthful middle class workers which have a place with over 20% of aggregate populace. India has the most astounding shop thickness on the planet and the present retail advertise in India is assessed to be US$ 200 billion of which just 3% (around US$ 64 billion) is in the sorted out Sector. This sorted out retail area is balanced for a take - off. India is positioned second in the worldwide retail advancement file out of 30 by AT Kearney. India has been rated 5th for most attractive emerging retail market. India has been rated 2nd in global retail development index of 30 developing countries by A.T. Kearney. A.T. Kearney has evaluated India's aggregate retail showcase at $202.6 billion which is required to develop at an intensified 30 for every penny throughout the following five years. The patterns that are driving the development of the retail part in India are:

- Low share of organized retailing
- Falling real estate prices
- Increase in throwaway income and customer ambition

- Increase in spending for amenity items



Another sound factor in the possibilities of the retail division in India is the expansion in the youthful working populace. In India, heavy pay-bundles, atomic families in urban zones, alongside expanding working-ladies populace and rising open doors in the administrations area. These key elements have been the development drivers of the sorted out retail area in India which presently gloat of retailing every one of the inclinations of life - Apparel and Accessories, Appliances, Electronics, Cosmetics and Toiletries, Home and Office Products, Travel and Leisure and some more. With this the retail segment in India is seeing a revival as customary markets clear a path for new configurations, for example departmental stores, hypermarkets, supermarkets and specialty stores.

PURPOSE OF THE PROJECT

This project aims at studying the external factors influencing the consumer purchase behavior of the urban youth in the organized retail sector. The organized retail sector is one of the fastest growing sectors of the Indian economy. This sector has a lot of potential. India has approximately 58% of population that falls under the age-group of 29 years or below. Organized retail accounts for nearly 2% of the entire retail business in India.

THE PURPOSE OF THIS PROJECT IS AS FOLLOWS:

- **To study one of the fastest growing sectors of the Indian economy- the organized retail sector-** Retailing, considered a sunrise industry today is the most happening industry with almost all the big players vying for a share of the coveted pie. India is being seen as a potential goldmine. India's vast middle class and its relatively undiscovered retail industry are key attractions for worldwide retail goliaths needing to enter more up to date advertises. India has been positioned first in a Global Retail Development Index of 30 creating nations drawn up by A T Kearney. The organized retailing is spreading fast like a virus in the country. All The Mega Retailers –Tata's (Westside Chain Of Stores), RPG Group- (Food world, Music world, Health And Glow), The Primal's - Crosswords, The Rahejas -Shopper's Stop And Globus, And Pantaloons All Are Heading In Neck-To-Neck Competition.

- **To study the shopping habits of the urban males**- A range of modern retailers are attempting to serve the needs of the 'new' Indian consumer. The last few years have witnessed an explosion of organized retail formats like supermarkets and hypermarkets in an otherwise fragmented Indian retail market. To tap this development opportunity, Indian retail associations should be set up for a fast scale-up crosswise over measurements of individuals, procedures and innovation, notwithstanding recognizing the correct organizations and offer for the Indian purchaser.

- **To provide information about the consumer behavior to the various retail outlets**- Through this research work, the companies and the retail outlets in the organized sector will be benefitted. These companies will be able to increase their upper market share as they will get a lot of information about the purchasing behavior of the men.

OBJECTIVE OF THE PROJECT

The organized retail industry in India started evolving after early 1990s till when it mainly dominated by the unorganized sector. It was a seller's market, with a limited number of brands, and little choice available to customers. Absence of prepared labor, assess laws and government controls all disheartened the development of composed retailing in India amid that period. Nonattendance of buyer care and confinements over entry of outside players into the division furthermore added to the delay in the improvement of made retailing. Establishment for sorted out retail in India was laid by Kishore Biyani of Pantaloon Retails India Limited (PRIL). Following Pantaloon's fruitful wander a large group of Indian business goliaths, for example, Reliance, Bharti, Birla and others are currently going into retail division. India speaks to a monetary open door on an enormous scale, both as a worldwide base and as a residential market. The Indian Retail segment comprises of numerous little family-possessed stores, situated in local locations, with a shop floor of under 500 square feet. This is the unorganized sector whereas at present the organized sector accounts for only 2 to 4% of the total market although this is expected to rise by 20 to 25% on year on year basis. The main objective of this project is to study the Indian retail industry in detail and find out the market size and scope of the Organized Indian Retail industry. Also, a detailed study will be done on the various political, social, economic and technological factors (if any) which are influencing the Indian Retail industry.

This will help in analyzing the growth prospects and issues related to the industry. Further, one can find out the major factors which are driving growth in this sector and hence the factors which actually affect the purchasing behavior of the urban youth in the organized retail sector. There are terms like "**DINK**" which has come into existence with changing lifestyle meaning "**D**ouble **I**ncome **N**o **K**ids".

As the very name suggests, the mindset of the urban youth is changing and with this trend catching up fast, people do not get time to spend in activities like shopping. So they would prefer such places wherein they can get all the things they require. This study will also help in determining the major players of the Indian Retail Industry, their presence and strategies followed by them to improve their position in the market and their profitability. So if we see, the objectives can be summarized in the following points:

- To study the market size and scope of the Organized Indian retail industry.
- To study the growth prospects and issues related to the industry
- To study the factors driving growth in this sector
- To study the factors which affect the buying behavior of urban youth in the organized retail sector

To analyze the factors affecting the purchasing behavior of Urban Youth (Male & Female) in the Organized Retail Sectors in Noida and Ghaziabad, we will broadly concentrate on two categories of Urban Youth:

- Youth born and brought up in an Urban City
- Youth born in a Village/Town and earning his living in an Urban City.

RESEARCH METHODOLOGY

- Both Secondary and Primary data is collected.
- Secondary Data is collected using the external secondary data sources like periodicals, books and articles from Internet.
- Primary Data is collected through the Survey Research.
- Questionnaire is prepared for the Primary Data.

- Primary Survey Research for the Descriptive Research was conducted with urban youth visiting organized retail sectors in Noida and Ghaziabad.
- SPSS & Excel is used for Quantitative Analysis.

LIMITATIONS OF THE PROJECT

This project has the following limitations:

- **Possibility of getting wrong information-** Since this project requires conducting a lot of primary research, so it is possible that the information collected from the sample is misleading as the respondents might answer the questions in a hurry.

- **Cost involved-** Compared to secondary research, primary data may be very expensive since there is a great deal of marketer involvement and the expense in preparing and carrying out research can be high.

- **Time Consuming** – To be done effectively essential information gathering requires the advancement and execution of an examination design. Going from the begin purpose of choosing to attempt an examination task to the end-point to having comes about is frequently any longer than the time it takes to secure auxiliary information.

- **Not Always Feasible** – Some research projects, while potentially offering information that could prove quite valuable, are not within the reach of a marketer. Many are just too large to be carried out by all but the largest companies and some are not feasible at all. For instance, it would not be practical for McDonalds to attempt to interview every customer who visits their stores on a certain day since doing so would require hiring a huge number of researchers, an unrealistic expense. Luckily, as we will find in a later instructional exercise there are courses for McDonalds to utilize different techniques (e.g., testing) to address their issues without the need to chat with all clients.

- **Limitations of the Secondary Data-** Secondary data can be general and vague and may not really help companies with decision making. The information and data may not be accurate.

The wellspring of the information should dependably be checked. The information perhaps old and obsolete. The example used to produce the auxiliary information perhaps little. The organization distributing the information may not be legitimate.

LITERATURE REVIEW

EVOLUTION OF RETAIL SECTOR IN INDIA

The sources of retailing in India can be followed back to the rise of Kirana stores and mother and-pop stores. These stores used to take into account the neighborhood individuals. In the long run the legislature bolstered the provincial retail and numerous indigenous establishment stockpiles up with the assistance of Khadi and Village Industries Commission. The economy started to open up in the 1980s bringing about the difference in retailing. The initial couple of organizations to think of retail chains were in material area, for instance, Bombay Dyeing, S Kumar's, Raymonds, and so forth. Later Titan propelled retail showrooms in the sorted out retail segment. With the progression of time new contestants proceeded onward from assembling to unadulterated retailing.

Retail outlets, for example, Food World in FMCG, Planet M and Music World in Music, Crossword in books entered the market before 1995. Shopping centers developed in the urban territories giving a world-class understanding to the clients. Inevitably hypermarkets and general stores rose. The development of the segment incorporates the constant change in the production network administration, dispersion channels, innovation, back-end activities, and so forth this would at long last prompt a greater amount of combination, mergers and acquisitions and enormous ventures. Retailing part is the second biggest boss in the nation with relatively more than 12 million retail outlets in India and just 4% of them being bigger than 500 square feet in measure. In spite of the fact that retailing in India is genuinely divided, composed retailing is picking up energy quickly developing at right around 25-30% for each annum and is estimated to touch a figure of Rs. 1,50,000 crore by 2017. The economy is anticipated to develop at 8.1% out of 2017-2018 having developed at an unfaltering pace of around 6% in the course of the most recent 10 years. India retail industry is the biggest business in India, with a work of around 8% and adding to more than 10% of the nation's GDP. Retail industry in India is relied upon to rise 25% yearly being driven by solid wage development, evolving ways of life, and good statistic designs.

Shopping in India has seen a transformation with the adjustment in the buyer purchasing conduct and the entire organization of shopping likewise changing. Industry of retail in India which have turned out to be current can be seen from the way that there are multi-put away shopping centers, immense strip malls, and sprawling buildings which offer nourishment, shopping, and amusement all under a similar rooftop. India retail industry is growing itself most forcefully; therefore an awesome interest for land is being made. Indian retailers favored methods for extension is to extend to different locales and to build the quantity of their outlets in a city. It is normal that by 2020, India may have 700 new strip malls.

In the Indian retailing industry, sustenance is the most commanding part and is developing at a rate of 9% yearly. The marked sustenance industry is endeavoring to enter the India retail industry and change over Indian shoppers to marked nourishment. Since at introduce 60% of the Indian basic supply bushel comprises of non-marked things. India retail industry is advancing great and for this to proceed with retailers and the Indian government should attempt.

Traditional Rural Retail Fairs

Traditional rural retail fairs are a major appreciation for outside visitors. We have the Pushkar reasonable in Rajasthan which acquires a great deal of income both from local purchasers and purchasers from abroad. In the Pushkar reasonable domesticated animals like camels, stallions, bovines, goats, and sheep are sold and also purchased. A scope of intriguing things are additionally accessible. The customary things here are high quality adornments and other brilliant memorabilia of Rajasthan. **Traditional rural retail fairs** in India bargain in a decent number of handcrafts things which are specified beneath:

- Hand painted wooden chest drawers
- Wooden wall brackets
- Embossed wooden table
- Hand painted chairs in chowki
- Wooden corner stand
- Wooden Hand painted table
- Embossed wooden chairs
- Brown wooden stool
- Camel bone Jewelry
- Metal jewelry
- Snake charmer puppets

- Handmade candles

The Suraj Kund mela is likewise an immense aplenty of **Indian customary things**. This reasonable is held at Haryana which is 8 kilometers from South Delhi. The reasonable has been held throughout the previous 20 years. The reasonable arrangements in things classified as:

- Indian arts
- Handicrafts
- Heritage
- Culture and tradition

Traditional rural retail fairs have a **typical regular country set** up like:

- Huts of mud
- Thatched platforms
- lamps of wood
- String cots
- Plainness ground

These small stores are an energetic show of handcraft things. The spotlight each year is on a specific State for example, it was Maharashtra. The other gathering of **things speaking to the Indian Subcontinent** accessible there are:

- Classical
- Tribal art
- Folk art

As such **Traditional Rural Retail fairs** include credit commendable craftsman and weavers of more than 350 in number and they are chosen from the nation over. Alongside the area's rich social legacy being exhibited, the reasonable is available to remote **customary merchandise** too. The all the more reviving side of these fairs would be recorded as under:

- Indian Sweets Snacks

- Indian folk music
- Classical dance
- Bengal tiger show
- Elephant rides
- Tiger show and rides
- Giraffe tricks
- Balloon and Clay items
- Painting
- Games

Therefore, **traditional rural retail** are a ceaseless occupation and the way to it lies in the innovation and engaging quality of the things.

Traditional Family Run Convenience Stores

Traditional family run convenience stores are too settled in India than to be wiped out what's more there is uniqueness in the conventional things that speak to the sub-landmass. The retail locations in India are basically ruled by the chaotic division or conventional stores. Actually the customary hides away taken up 98 percent of the Indian retail showcase. Presently stores keep running by families are basically sustenance based and the set up is as Kirana or the 'corner merchant' stores. Essentially they give high administration low costs. In the event that the stores are not sustenance based then the sort of retail things accessible are neighborhood in nature.

The traditional family run convenience stores can take pride in the way that the Kirana is the most well-known outlet frames for the purchasers. The intense rivalry for accommodation stores is originating from composed retail locations managing in sustenance things, as:

- Apna Bazaar
- Canteen stores
- Food World
- Subhiksha
- Food Bazaar

Convenience Stores are open for extend periods of time and is one of the arrangements of the Indian retail locations that take into account essential needs of the shopper. A decent case of such would be Convene. These stores are found in both private and in addition business markets. The sustenance results of conventional family run comfort stores are involved marked and in addition non-marked things. The advantages of family run convinience stores are that they offer significance to:

- Personal touch
- Facilities of credit
- Quick home delivery

Non-sustenance based stock involves various and assortments of neighborhood brands. The fate of such stores as they confront rivalry from sorted out division would rely upon the accompanying particulars:

- Place and capacity
- Diligent area coverage
- Disciplined work schedule
- Managing turnover
- Revenue from assets
- Customer service and satisfaction

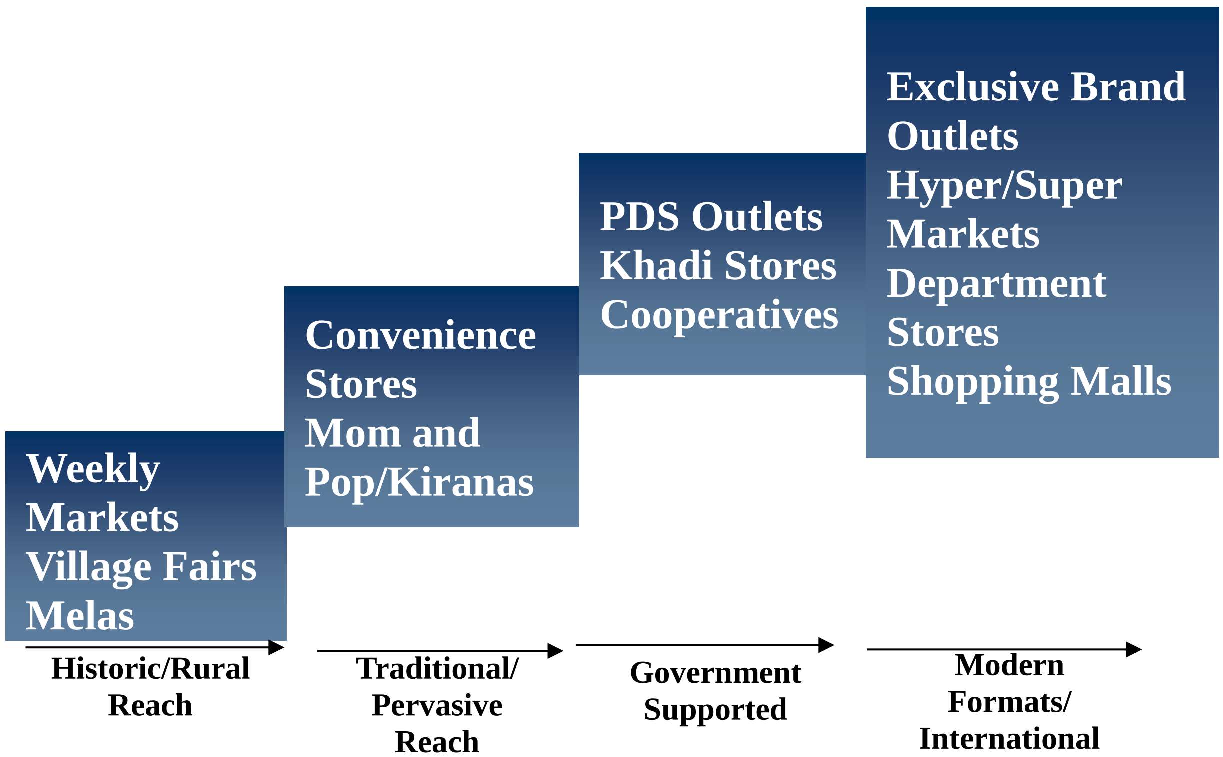
The **traditional family run convenience stores** fills the need of the housewives who certainly needs to abstain from venturing out long separations to buy day by day needs. The accommodation factor as far as things, among individuals as a rule can be featured as beneath:

- Groceries
- Fruits
- Drug Store
- Necessary stationery

Thusly traditional family run convenience stores are digging in for the long haul and can't be larger than usual by the composed retail part also, it speaks to the assortment of India.

Evolution of Indian Retail Industry:

The retail business in India accumulated another measurement with the setting up of the diverse International Brand Outlets, Super markets, shopping malls and departmental stores.



The Indian retailing sector can be divided as:

Formal sector: It is comprised of large retailers. Stringent tax and labor laws are implemented in this sector.

Informal sector: It comprises of small retailers. It is very difficult to implement the tax laws in this sector and there is widespread tax evasion. It is also cumbersome to regulate the labor laws in this sector.

Key Players in the Indian Retail Sector:

The untapped scope of retailing in Indian markets has attracted superstores like Wal-Mart into India. Wal-Mart is the topmost global fortune 500 company for three consecutive years with annual sales of over US $250 billion. The important participants in the Indian Retail sector are Bata (US $158 million), Shoppers Stop (US $102 million), Big Bazaar, Pantaloons, Archies, Cafe Coffee Day, landmark, Khadims , Reliance fresh Crossword etc.

Segments in the Indian Retail Industry

The Indian retail sector can be categorized as:

Corporate houses: This comprises of Tatas (Tata Trent), RPG group (food world, health and Glow etc), ITC (Wills Life Style), Rhaejas (Shoppers stop), Hiranandani (Haiko), DLF (DT cinemas) etc.

Dedicated brand outlets: This comprises of Nike, Reebok, and Zodiac etc.

Multi- brand outlets: This comprises of Vijay sales, Viveks etc.

Manufacturers/Exporters: This comprises of Pantaloons, Bata, and Weekender etc.

According to retail format the Indian retail industry can be classified as:

Modern format retailers: The modern format retailers comprise of the supermarkets (food world), Hypermarkets (Big Bazaar), Departmental Stores (ShoppersStop),Specialty Chains (IKEA) and company owned and operated retail stores.

Traditional format retailers: The traditional format retailers includes Kiranas shops (traditional MOM and POP stores), Kiosks, Street Markets and the multiple brand outlets.

The Indian retailing sector can also be subdivided as:

Organized retail sector: In the organized sector trading is attempted by the authorized retailers who have enlisted themselves to deals and also pay impose.

The private huge business ventures are additionally included under the sorted out retail class.

Unorganized retail sector: The unorganized retail sector fundamentally incorporates the neighborhood kiranas, pushcart, the merchants on the asphalt and so on. This division constitutes around 98% of the aggregate retail exchange. The Foreign Direct Investment (FDI) in the retail part is relied upon to shrivel the work in the sloppy division and extend in the sorted out retail segment.

Retail outlets, for example, Foodworld in FMCG, Planet M and Musicworld in Music, Crossword in books entered the market before 1995. Shopping centers rose in the urban zones giving a world-class understanding to the clients. In the long run hypermarkets and markets rose. The advancement of the division incorporates the consistent change in the inventory network administration, dispersion channels, tasks, and so forth this would at last prompt a greater amount of union, mergers and acquisitions and gigantic ventures.

Phases in the evolution of retail sector:

Weekly Markets, Village and Rural Melas

- Source of entertainment and commercial exchange

↓

Convenience stores, Mom-and-pop / Kirana shops

- Neighborhood stores/convenience
- Traditional and pervasive reach

↓

PDS outlets, Khadi stores, Cooperatives

- Government supported
- Availability/low costs/distribution

↓

Exclusive brand outlets, hypermarkets and supermarkets, department stores and shopping malls

- Shopping experience/ efficiency
- Modern formats/ international

There are many articles which have been written by many researchers to study organized retailing in India and the various patterns in the changing behavior of the buyers.

Importance of Retail Service Attributes: A Study on Indian Consumers *by Mridula S Mishra and Umakant Dash* say that organized retail has been spreading its roots in the Indian market for the past one decade and is gradually making a mark on all sections of the society. This paper explores the way organized retail has dramatically changed not only the Indian traditional retailing structure but also the consumption behavior. The utilization conduct was analyzed with the assistance of structured questionnaire, and the outcomes uncover that for customers the shopping centers or variations of sorted out retail arranges are the favored kind of retail location because of the comfort and assortment they offer.

Changing Face of Indian Retail Industry and its implications on consumer behavior:

An In-Depth Study *by Sharif Memon* says that the Indian retail industry has now become very vibrant. This is the age when many new players are set to get a good hold in the Indian market. The national as well as international players are introducing new concepts and cultures, thus making retailing - a magnum few components, which can differentiate a new player from the existing ones. Over and above, all the organized players put in their efforts against the antediluvian unorganized players where most of the Indian shoppers are habituated to buy. But of course, times have changed, and people prefer to be a part of the organized chain to have an exclusive shopping experience. This paper is focused on the buying behavior of Indian shoppers in the organized market, leaving not even the kirana stores against it. However, the days are not too far when the merchandised will have to be considered, and value chain and value delivery be revised.

“Organized Retailing in India” is a case study by *N Radhika* which describes the changing trends in retailing and FMCG industry in India. Food World and Subhiksha established stores in many cities. Supermarkets and Department stores appearing all over and fast food and packaged foods and beverages from Nescafe, Tata Tea, café Coffee Day and Barista led the customers to different eating habits. A lot of changes took place in the 1990s.

The article by *Anshul Kaushesh* **“Retailing: The Way Forward”,** studies the past and the present trends in the retail industry. It states that the past or the traditional strategy is largely dependent on low price and convenience. The current strategies are more based on value, customer relationship and customer experience. It is essential to know what the customer expects or what is value to him and once you offer it in a manner in which you have an edge over the competitors, you would surely be a winner. Building relationships with customers certainly helps. Greeting them at the entrance, knowing their preferences, offering service which will please them, giving them special attention are some of the often practiced, simple and effective strategies.

“Retailing in India: trends and opportunities” by *Priya Chandrasekhar* tells us that although the estimates about the Indian retailing industry indicate that it is one of the fastest growing sector, the fact is that most of it is unorganized. However, the doors to this sector has started opening and the retail industry is expected to grow exponentially. The factors like increased consumer pull and double income households are fuelling this growth. The industry is also becoming intensely competitive as more and more players are vying for the same set of consumers. In this scenario, the sources of competitive advantage will be- value for money products, pleasant and memorable experience based on a thorough understanding of the consumer behavior, variety, quality, a lean and efficient supply chain and effective deployment of technology in the back-end.

N Janardhan Rao in **“Indian Retailing Industry: Embracing the Global Model”** says that the changing demographic structure, consumer psychology, increased purchasing power and the advent of plastic money are tempting the consumers to splurge more on shopping. Liberalization of the market has provided customers a wide choice and triggered a transformation in the retail industry. The predominantly unorganized sector is now seeing a proliferation of new generation retail outlets that pose a threat to family run businesses. The retailing formats are undergoing rapid changes. The bigger shopping malls, exclusive brands as well as company outlets are emerging fast and the paucity of time has prompted consumers to look at shopping through internet. All these trends portend a retail revolution in the offing. The Indian retail industry seems to be exploring various global models and fast catching up with its global counterparts.

Michael Fernandes, Palash Mitra, Subbu Narayanswamy, Chandrika Gadi and Amit Khanna in the article "**India's Retailing: Strategic Issues and Challenges"** discuss that the Indian retail landscape till recently was dominated by mom and pop stores. Thanks to the consumer pull coupled with increased purchasing power, this industry is rapidly getting organized. In the past few years, we have seen the emergence of different retail chains, which identify with different lifestyles. Though these developments are confined to the urban areas, they are expected to spread to smaller cities with an increase in customer base. But this transition to organized retail is fraught with challenges. The strategic issues which are to be dealt with are - identification of most lucrative market segment and an attractive location, integration of online and physical offerings and sourcing of local talents for retail management. This article delves into such issues and seeks answers to some of these questions.

"Building Successful Indian Retail Brands" by *Sundar* tell us about the global retail scenario wherein he says that Large format retail businesses dominate the retail landscape in the United States and across Europe, in terms of retail space, categories, range, brands, and volumes. Indian retail industry cannot hope to learn much by merely looking at the Western success stories in retail. Their sizes of tasks are exceptionally enormous, the net revenues that they win are likewise significantly higher and they work in numerous arrangements like markdown stores, stockrooms, general stores, departmental stores, hyper-markets, accommodation stores and strength stores. The economy and way of life of the West isn't in accordance with that of India and henceforth the retailing scene in India has not advanced in an indistinguishable arrangement from the West nor would we be able to take in profitable lessons from their style of activities.

In its **Great Indian Retail Story**, *Ernst & Young* suggests that global retailers could achieve breakthrough and realize the Indian potential "by creating the right market-entry strategy based on individual retailer's business models." Majors such as Wal-Mart, Tesco and Carrefour have been knocking at India's doors for some years now. Their intense lobbying directly or through their governments led to one of the longest and ideology-charged policy debates. Every visiting foreign dignitary lobbies for opening retail trade to Foreign Direct Investment. It is a recurring theme at bilateral meetings and strategic-partnership parleys of CEOs. Despite such pressures, the government has not been able to revise the policy due its dependence on Left parties for survival and their opposition to FDI in retail trade. However, there is evidence of ambivalence in government's approaches. Some of the steps taken by it suggest that, while formally upholding the ban on FDI in retail, it is not wholly committed to the ban.

"The 'Bird of gold': The rise of Indian Consumer Market", a report by *Mckinsey Global Institute* gives a deep insight in to the ongoing changes in the consumer market in India. It says that India's economic growth has accelerated significantly over the past two decades and so, too, has the spending power of its citizens. Genuine normal family unit extra cash has generally multiplied since 1985. With rising livelihoods, family unit utilization has taken off and another Indian middle class has developed. However much stays obscure about how the buyer advertise in India will advance later on. The organization led an investigation and examination demonstrates that if India proceeds on its present high development way, finished the following two decades the Indian market will experience a noteworthy change. Salary levels will relatively triple and India will climb its situation as the twelfth biggest purchaser advertise today to end up the world's fifth biggest customer showcase by 2025. As Indian salaries rise, the state of the nation's wage pyramid will likewise change significantly. The primary discoveries of this investigation were:

- Indian earnings will relatively triple throughout the following two decades.
- Rising wages will lift 291 million out of neediness and make a 583 million in number middle class.
- India will turn into the world's fifth biggest buyer showcase by 2025.
- Middle class development will spread past best level urban communities
- Discretionary spending will account for 70% of all spending by 2025.

In **"Retail in India – Getting organized to drive growth",** a research conducted by *AT Kearney*, it's discussed that although India has emerged as one of the world's most attractive markets, the country is grappling with critical infrastructure and policy issues. The Confederation of Indian Industry (CII) engaged A.T. Kearney to conduct research to better understand the challenges facing organized retail in India today, and to develop specific, actionable recommendations. The research identified ten over-arching issues, which are widely experienced by retailers in India:

- Underdeveloped supply chain capabilities
- Inadequate utilities
- IT infrastructure hurdles
- Supply base (vendor) hurdles
- Inadequate human resources
- Limited consumer insights
- Taxation challenges
- Real Estate hurdles
- Insufficient government incentives
- Policy challenges

The research also examined these issues across geographies, specifically for seven states and union territories. Additionally, the report discusses potential actions that the government and the retail industry can take to improve the retail climate.

In **"The Consumption Pattern of Indian Consumers: Choice between Traditional and Organized Retail"** a paper written by *Mridula S. Mishra*, it has been discussed in detail that Organized retail has started to spread its roots in the Indian market since past one decade and is gradually making mark among all sections of the society. This paper tries to investigate the way sorted out retail has significantly changed not just the Indian conventional retailing structure by likewise the utilization conduct. The utilization conduct was inspected with the assistance of an organized poll. The outcomes demonstrate that, for buyers, the shopping center or variation of sorted out retail organize is the wanted to comfort and assortment.

Syeedun Nisa in **"FDI in Indian Retail Industry"** said that India is one of the biggest developing markets, with a populace of more than one billion. India is one of the biggest economies on the planet as far as buying power and has a solid working class base of 300 million.

Around 70 for every penny of the aggregate family units in India (188 million) dwell in the rustic zones, where for the most part customary retail outlets, generally called kirana stores exist. These are disorderly, worked by single individual and keeps running based on shopper recognition with the proprietor. In any case, as of late composed retailing has turned out to be more mainstream in huge urban communities in India and the vast majority of the metropolitan urban areas and other huge urban communities are overwhelmed by current sorted out retail locations. Numerous semi-urban territories likewise witness passage of such composed retail outlets. Till now, passage of remote retailers was limited in Indian retail showcase due to the prohibition on Foreign Direct Investment in Indian Retail Sector. Be that as it may, as of late, as government has changed its strategy and the bureau has permitted 51 for every penny FDI in single-mark retail, the possibilities of remote players entering India turned out to be high.

"Emerging Trends in Modern Retail Formats & Customer Shopping Behavior in Indian Scenario: A Meta Analysis & Review" by *Aditya P Tripathi* examines about the Indian retail segment which is experiencing a change and this developing business sector is seeing a critical change in its development and speculation design. Both existing and new players are trying different things with new retail arranges. At present two well-known organizations hypermarkets and supermarkets are developing at a quick pace. Apart from the brick –mortar formats, brick - click and click-click formats are likewise progressively utilitarian on the Indian retail scene. Shopper elements in India is additionally changing and the retailers need to observe this and figure their methodologies and strategies to convey the correct anticipated that esteem would the client. In the background of every one of these advancements this paper makes an endeavor to:

- Explain the rising patterns in the improvement of Modern Retail arranges in Indian Context and Highlights the rising Rural Retail Landscape and furthermore,
- Reveals the Consumer Shopping Behavior (Across the Country) among the Modern Retail Formats with extraordinary reference to Noida and Ghaziabad.

Kawal Gill in **"Challenges and Opportunities of Globalization: A Case Study of Indian Retail Industry"** alks about that India's retail insurgency is finally beginning. India is situated as the main goal for retail venture. India's retail industry represents 10% of its GDP and 8% of its business. The auxiliary moves in utilization design because of quick pay development, positive socioeconomics, expanding urbanization, universal introduction because of quick transforming IT and correspondence advances, have added to the developing significance of retailing in India. The cutting edge retail designs are indicating vigorous development as departmental stores, grocery stores and hypermarkets. The Government directions permit 100 for each penny FDI in real money and help through programmed course. The establishment course is likewise accessible for enormous administrators. The Government of India allowed 51% FDI is single brand retail. After the declaration, a considerable lot of the best worldwide retailers have acquired endorsements for exchanging. Some of them are as of now display in India for the last six to seven years now. After the finish of portion administration more than three-fourth of the products by retailers has gone to couple of nations. After China, India has a major favorable position. A worldwide have plans to increment sourcing from India. As India's retail area opens up on a substantial scale, the Indian coordinations part is toward the start of a solid development way. Household coordinations organizations are arranging critical speculations to grow their arrangement of administrations. It is normal that in the following two years, the coordinations area will have experienced significant changes, offering a wide range of administrations.

"Shopping malls in India: New social 'dividing practices' based on middle class consumption?" By Dr Malcolm Voyce talks that in 1970, the economy was in a condition of loss of motion. On a current return visit the impression exhibited by the media was that India was presently part of the worldwide economy and that the economy was riding on the back of working class utilization. At long last, the impression was that extensive remote organizations were ready to put into expansive strip malls as the Indian market has been presumed to be the quickest developing retail showcase on the planet.

"Creating a shopping experience" by *Paco Underhill* examines that a dash to the adjacent retail location to get staple goods or a pleasant long shopping binge; we have all been a piece of this at some point or the other. However we have never attempted to investigate the science holed up behind this demonstration of shopping. In this article, the writer puts forth defense for this art of shopping and offers the lessons he has learnt from his examination. The perceptions are frequently misleadingly basic yet a considerable measure of suggestions for the retail business. The retailer can utilize brain science of present day retailing to take a relook at their store plan and business forms. The advertisers ought to give the clients, a vital shopping knowledge by concentrating on what advances to them

“Discount Stores: Is it the Answer?” by *Kinjal Shah* says that in a nation like India, where clients are more esteem cognizant, marking down is by all accounts a fruitful model for Indian retail. For a marking down model like hypermarkets to succeed, it requires a reasonable incentive, particularly effective sourcing, solid IT frameworks and solid inner cost control frameworks. Alongside these components, visual promoting would assume a vital part, as imparting the costs and the arrangements are the key factors in attracting the clients.

In an article named “**Retailing Rejuvenated”** *Suranjana Basu* has clarified that retail enthusiasm is the articulation that can strikingly depict the free for all of Indian purchasers who are coordinating their worldwide partners while enjoying purchasing event. To erupt the spending binge, retailers have turned out with different concession offers. To keep the beat high, some residential retailers are doing their best to set up their stock on rebate consistently. This gives them the bleeding edge over the universal contenders. The pattern is slowly grasping India.The same article says that markdown offers are the most straightforward approach to bait clients. It entices clients to spend cash for their positive brands. High deal change that takes after high footfalls gives the matter of retailers a lift to get by in the present ferocious rivalry..

The Retail Industry: From Myth to Malls by *Amit Singla* says says that India's retail area will change and with a three-year aggravated yearly development rate of 46.64 for each penny, retail segment is the quickest developing division in the Indian economy. Conventional themselves in new organizations, for example, departmental stores, hypermarkets, general stores and claim to fame stores. Western-style shopping centers have started showing up in metros and close metro urban communities, acquainting the Indian purchaser with another shopping background. KSA-Technopak, a retail counseling and research office, predicts that by 2018, sorted out retailing in India will cross the US$ 21.5-billion stamp from the ebb and flow size of US$ 7.5 billion. The Indian retail showcase is of huge size about US$ 350 billion. Be that as it may, sorted out retail isn't so immense and it is at just US$ 8 billion. Nonetheless, the open door for development is tremendous—by 2018, sorted out retail is required to develop to US$ 22 billion. With the development of composed retailing assessed at 40 for every penny throughout the following couple of years, Indian retailing is obviously at a tipping point. This article is an endeavor to investigate the zones where retail area is developing and will develop, what will be the objective market fragment for the retailers and in what capacity will they attempt to serve this.

WHAT WILL DRIVE THE RETAIL BOOM IN INDIA?

BY ASHOK KUMAR

India is right now in the second period of the retail development. The residential clients are by and large all the more requesting with their rising way of life and evolving ways of life. Change in clients' concentration from simply purchasing to wide shopping (purchasing, amusement and experience) has prompted a get in force in sorted out configurations of retailing.

Inaccessibility of value retail space has been one of the primary requirements for improvement of sorted out configurations in India. Previously, negative yield on rented property and absence of bank subsidizing because of disorderly property advertise brought about a deficiency of value retail space in the nation. The spread between yield on property and its financing cost has turned positive with the fall in loan costs. Alluring yields on speculations have brought about a sharp increment in property improvement.

Professional dynamic advances taken by the administration allowing utilization of land for business improvement in different urban areas, including Mumbai and Delhi, have likewise added to expanded accessibility of retail space in the nation.

Accessibility of retail space is relied upon to increment assist at whatever point property assets and speculation trusts are allowed, which will help make an auxiliary market for land in the nation. Consumerism and brand multiplication likewise upgraded sorted out retailing in the nation. The vast majority of the world's driving brands, including like L'Oreal, Espirit, Louis Vuitton, Marks and Spencer, Tommy Hilfiger, Louis Phillipe, Levis, Pepe, Lee, Arrow, Dockers, Red Tape, Clairns, Hugo Boss, Tiffany, Bulgari, Ecco, Chambor, Revlon, Philips, Corelle, Magppie, Nike, Reebok, Parker, Ray Ban, Lego and Mattel, are currently present in India. Another factor that quickened the development of composed retailing is media expansion. Expanded ads and brand advancements have prompted a developing customer spending over an extensive variety of item.

What will fuel the boom?

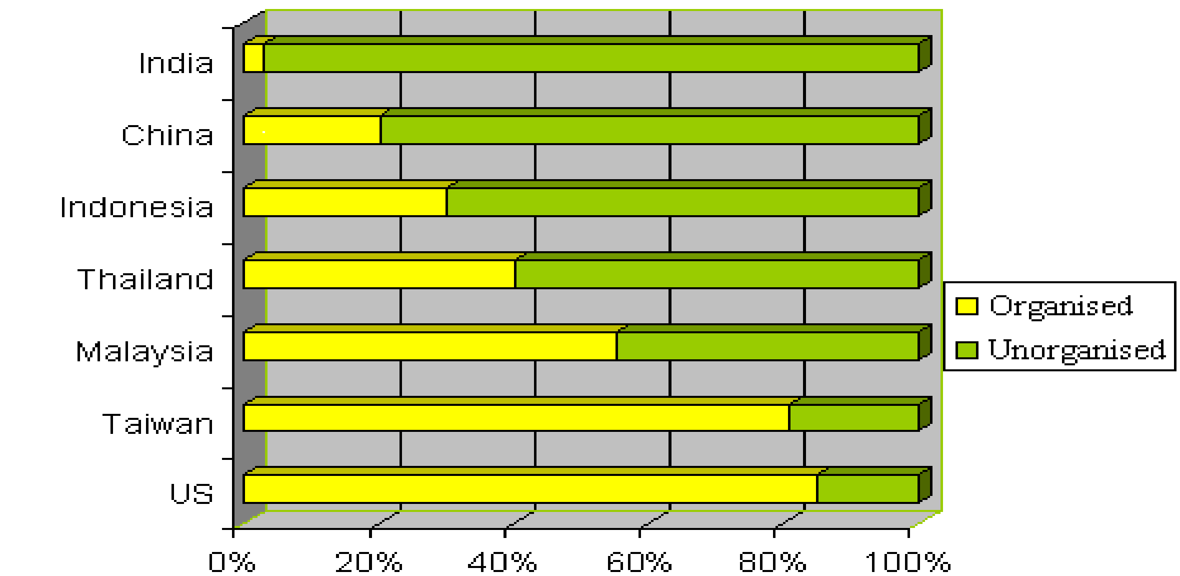
Differential deals charge rates exist crosswise over states in the nation. Additionally, there is numerous point octopi section assess accumulation. All these add to cost and intricacy of dissemination as these require different distribution centers and don't take into consideration centralization of specific acquisitions given the frequency of neighborhood demands. Usage of Value Added Tax will streamline the complexities in the assessment structure and limited the cost disservice amongst sorted out and chaotic retailers. While some driving retailers are as yet ready to get financing from banks, the littler ones are obliged for subsidizing for development. Correspondingly, value choices are additionally confined as remote direct venture isn't allowed in the retail exchanging area. FDI limitations have likewise slowed down section of worldwide majors to retailing in the nation, which could have generally helped the business create with subsidizing and bring better practices and frameworks. Be that as it may, positive changes are normal on the FDI front.The improvement of street framework, particularly the Golden Quadrilateral venture interlinking North-West and East-West hallways, will get productivity in inventory network and decrease wastages.

Where are the road-blocks?

Non-accessibility of prepared labor, particularly at the administration level, represents a key hazard for the retail division. Furthermore, as composed retail develops quickly, there will be weight on existing players as new contestants search for prepared labor at different levels.

Opening up of FDI in retail could see the section of universal majors which will put additionally weight on the labor of existing retailers. SCM efficiencies are fundamental to retailers to keep up and enhance edges. SCM incorporates seller and coordinations administration which is immature in India. Notwithstanding, with developing size of activities, SCM efficiencies will turn into a key differentiator of benefit.

PERCENTAGE OF ORGANISED RETAIL ACROSS GLOBE



	US	Taiwan	Malaysia	Thailand	Indonesia	China	India
Unorganised	15%	19%	45%	60%	70%	80%	97%
Organised	85%	81%	55%	40%	30%	20%	3%

BASICS OF CONSUMER SPENDING IN INDIA

The Indian market has tremendous potential for quite a while to come. What's more, that is the reason we are constantly under-building limit and getting progressively astonished by our own consumerism, says Rama Bijapurkar. The first page report in the version of The Economic Times of September 21, 2016 conveyed the provocative feature "Cut the cushion, Indians spends more on essentials", and went ahead to educate us that "here is a rude awakening for each one of the individuals who thought a time of rising salary and brand decision have transformed urban Indians into hasty, neglectful and obligation cherishing animals". In truth, the truth of the matter is that scarcely anyone who maintains a shopper business truly conceives that urban Indian buyers are rash, neglectful and obligation adoring. Actually, the most well-known protestation of advertisers has been that they are careful, exorbitantly esteem for-cash cognizant and scarcely ever move over the sum due on their charge cards. It appears, however, that the general population who require the rude awakening are the media, exhibit organization included, who are, in the expressions of Thomas Huxley, to a great degree hesitant to let their lovely theories (and features) be killed by terrible realities. Give us a chance to look at the certainties that are there in the overview information on which the report is based and check whether they are any not quite the same as those out there in people in general area. Nobody who at any point saw a NSS report or puts stock in the private utilization use information put out by the administration could have encountered the "aha" that the correspondents did, when they saw the information from the new overview on the offer of customer consumption on different containers of things. The report is astounded about consumption being out of the blue high on sustenance, perishables, lease and utilities, and instruction. The truth of the matter is that these things have dependably had the most astounding offer in the use bushel. The story to shout about, in any case, lies in precisely the contrary place! The more valuable thing to feature from the study information appeared in the report, is the amount more non "essential" use the well-off people have, contrasted with whatever is left of the nation. For these people (the example universe or the general population the study manages is the main half of urban Indian populace by wage; and the best 15% of Indian families), consumerism is for sure well and alive and wildly on the upward pattern. This gathering has a much lower rate offer of nourishment and drink, 36% as against the national number of 40.6%. It additionally has a much lower offer of transport and correspondence, at a little more than 10% when contrasted with around 18% for the aggregate nation; and up as much as 4 rate focuses over the most recent five years. Regardless, it is hazardous to arrive at the conclusion that individuals are not spending as much as you thought they, depended on the offer of a classification declining. Actually, the offer of sustenance, refreshments, and so forth., dropped by 6.2 rate focuses in 2012-13, however in outright terms it developed. It's somewhat similar to the disorder of "not that I adore Caesar less, but rather that I cherish Rome more"! The report alludes to dress and embellishments as a liberality while lease and utilities and sustenance as essentials. I thought garments fit into the "roti, kapda aur makaan" meaning of fundamentals? Furthermore, if the best 15% of India is spending about a similar offer of consumption on garments and frill as all of India, at that point I think about whether that backings that conclusion that "attire and extras are among the couple of liberalities". Concerning the perception that the percent-age-spend on obligation adjusting and durables being so low, and the recommendation that possibly the news isn't all useful for advertisers, here's a speedy illumination on the dubiousness of translating numbers identifying with the Indian customer showcase, before we as a whole befuddle ourselves further, or rather before the media confounds every one of us who truly should know better. Supply-side numbers are not quite the same as buyer window numbers. A little level of a colossal 'center' or 'tummy of the market' customer base purchasing a solid or a wireless could bring about tremendous developments in the quantity of mobile phones. In this way, in the event that one number is genuine the other can likewise be valid and should not to astonishment or stun any business author. That is the reason we say the Indian market has immense potential for quite a while to come. Furthermore, that is the reason we are constantly under-building limit and getting progressively amazed by our own consumerism! Also, now for the unexpected that the article reveals that the offer of investment funds in the consumption crate is bigger than they anticipated that it would be. The NDSSP (National Data Survey on Savings Patterns) study improved the situation the fund service and accessible in people in general space, has demonstrated that 45% of the aggregate family unit reserve funds are with the main 10% salary workers. The individuals who have the cash to spend… additionally have the cash to spare. The truth of the matter is that genuine stories about Indian customers are not about how near their western partners they are, however about how they

tight-rope stroll on a shoestring spending plan with a specific end goal to adjust sober mindedness and liberality. Further, there have been very numerous incautious and foolhardy articles in the media, which put forth clearing expressions about "Indian" customer conduct. It appears to be particularly unfashionable to hail the way that the story does not have any significant bearing to all Indians, but rather just a negligible division of them — regularly to not in any case 10% of Indians. Consider every one of the media buildup about the widespread spending of the adolescent and their intriguing home base spots. Media articles normally disregard to say who precisely they are discussing when they utilize the catch-all expression "Indian youth ". Ordinarily, they are discussing urban SEC A (most elevated financial class) youth. In the event that their meaning of youth is 15 to 25-year-olds, they are discussing, best case scenario, 5.5 million urban youth; more probable, they are discussing 3.1 million major city youth, and much more probable, all the buildup is about SEC A1 youth in expansive urban communities, who number 1.2 million! Interestingly, we are discussing 159 million 15 to 25-year-olds in rustic India, 74% of whom have not gone up to class 10, and unquestionably don't have any acquaintance with one sort of computer game or games shoe mark from another. (Information source: IRS overview of Hansa Research).

VIEWS ON RETAILING BY PRASAD KULKARNI

The retail industry is the biggest business representing more than 10%. It is the second biggest business after horticulture. There are 12mm retail outlets in India. Retailing in India is progressively creeping its way toward getting to be next blasting Industry. The Indian populace is seeing a huge change in its socioeconomics. An extensive working populace with middle age of 24 years, atomic families in urban regions alongside expanding working populace and rising open doors in administrations area will be the key driver of the sorted out retail division in India. The redoing activity of Indian retail industry runs with departmental stores, hypermarket, general store, and speciality store. Western style shopping centers have started showing up in the metros and second rung urban areas alike acquainting the Indian customer with a shopping background more than ever.

India has been positioned second in a Global Retail Development Index of 30 nations drawn by AT Kearney. It has evaluated India's aggregate retail sum at US $202.6 billion which is relied upon to develop at an exacerbated 30% over next 5 years and the incomes are required to triple from current US $ 7.7 bn to US $ 24 bn. The retail Industry is partitioned into sorted out and chaotic division. Hierarchical retailing alludes to exchanging exercises embraced by authorized retailers. ie. the individuals who are enlisted for deals charge, Income assess and so forth (Corporate managed an account hyper markets, retail chains, somewhat possessed expansive retail business) Unorganized then again, alludes to the conventional arrangement of ease retailing far the predominant type of exchange India constituting 98% of exchange while sorted out exchange represents 2%. It was assessed that the corporate claimed retail business was ready to develop to 65500 by 2015 from 15000 of every 1999. Composed Trade utilizes 51lac individuals while disorderly retail exchange utilizes 3.95 crores.

TABLE SHOWING SHARE OF RETAILING IN EMPLOYMENT ACROSS DIFFERENT COUNTRIES

NAME OF THE COUNTRY	PERCENTAGE SHARE OF RETAILING IN EMPLOYMENT
INDIA	8%
U.S.A	16%
POLAND	12%
BRAZIL	15%
CHINA	7%

The Indian Retail Industry continues to be highly fragmented. According to Global consultancy firm ACNielsen & KSA Tehnopak, India has the highest Shop Density in the world and there were outlets for every 1000 people. Given this setting, the current racket about opening the retail area to FDI turns out to be exceptionally touchy Issue with contentions to help the two sides of the level headed discussion. It has positive and negative sides. Emphatically, it can prompt more noteworthy effiencey, enhancing expectations for everyday comforts separated from incorporation into the Global Economy. Purchasers will likewise profit. On the negative side, work might be uprooted to the degree that it can just grow by pulverizing customary retail division. According to display direction, no FDI is allowed in retail exchange India. Permitting 26(in the initial 2years), 49 %(in the following 3 Years) and 100% (in the following 5 Years) have been the proposed figures till date. The Waiting Foreign Juggernaut: The world's biggest retailer Wal-Mart has tremendous plans for India. It is moving a senior authority from its home office in Bentonville, to head its statistical surveying and business improvement work relating to its retail design in India. The New York based high and form retailer saks Fifth Avenue has tied up with retail major DLF properties to set up shop in a shopping center in New Delhi.

TRENDS IN RETAILING

The Retail Industry is changing rapidly due to various reasons

1) **Spatial convenience**:

Number of working ladies has energized a serious interest for accommodation. The mission for accommodation with respect to buyers is appeared by frenzied development of comfort store filled by the passage of Petroleum advertisers AM/PM store, Exploding Popularity of internet shopping administrators, Diversification of candy machine into nourishment/attire and tapes.

2) **Increased power of retailer**:

At one time, Colgate ruled retailers. Presently the retailers have a tendency to command them. The explanations behind this inversion are many. Retailers have numerous new items from which to pick when choosing what to stock on their racks. Promote the IT has diffused all through retailing to such a degree, to the point that for all intents and purposes all significant retailer can catch thing by-thing information by means of filtering gadgets at that electronic purpose of offer terminal. This learning of data has allowed retailers to compute the (DPP) Direct Portfolio of Individual Items, track what moves and what does not move well in their stores. So the Manufacturers attempted to get space in the racks of retailers. They offer Pricing concession, opening recompense and so forth., to advance items.

3)**Growing Diversity of Retail formats**:

Customers would now be able to buy same stock from wide assortment of retailers. They are Dept. store, specialty store, convenience store, category killer, Mass merchandiser, Hypermarket.

Mom and Pop Stores and Traditional Kirana stores: small independent stores across product categories are very common retail format in India. Particularly in small townships

E- commerce: The amount of retail business conducted on the Internet is growing every year. Companies like Amazon. com and First and second.com which helped pioneer the retail e-commerce.

DEPARTMENT STORE WITH VARIED MERCHANDISING OPERATIONS:

Franchise: Territory rights are also sold to franchisees. Various distribution and other services are provided by contract to franchisees for fee. Ex. McDonalds, Blockbuster Video

Warehouse club- wholesale club: Appeal is to price conscious shopper. Size is 60000 sq. ft. or more. Product selection is limited and products are usually sole in bulk size.

Mail order catalog: Non-store selling through the use of literature sent to potential customer. Usually has a central receiving and shipping direct to the customer.

Specialty Discounter –Category killer: Offers merchandise in one line (eg. sporting goods, office supplies; children merchandise with great depth of product selection at discounted prices. Stores usually range in size from 50,000 to 75000 square feet.

Emergence of region specific formats: In depth store format, while most A class cites and metros have larger stores of 50000 sq ft sizes, stores in B Class towns have stabilized in the 25000- 35,000 sq. feet range. Most players have begun working these 2 designs crosswise over different urban areas, which has helped them to institutionalize the stock offering over the chain.

Entry of International Players: A large no. of international players has evinced interest in India despite the absence of favorable government policies.

Mall Development: Modern shopping centers made their entrance into India in the late 1990s with the foundation of cross streets in Mumbai and Ansal Plaza in Delhi. As indicated by a market gauges, near 10mn sq. feet of shopping center space is being created over a few urban areas.

EMERGENCE OF ORGANISED RETAILING

Organized retailing in in India speaks to part of aggregate retail showcase. In 2001, sorted out retail exchange India was worth Rs. 11,228.7 billion. The cutting edge retail designs are indicating hearty development as a few retail chains have built up a base in metropolitan urban areas, particularly in south India, and are spreading all finished India ate fast pace. Be that as it may, space and rentals are giving to be the greatest imperatives to the advancement of huge organizations in metropolitan urban areas since retailers are going for prime areas.

In urban India, families are encountering development in salary however deficiency of time. An ever increasing number of ladies are taking up corporate occupations, which is adding to the family's pay and prompting better ways of life. Rising salaries has prompted an expanded interest for better quality items while absence of time has prompted an interest for accommodation and administrations. The interest for solidified, moment, prepared to cook, prepared to-eat sustenance has been on the ascent, particularly in the metropolitan and vast urban communities in India. There is additionally a solid pattern for one stop shops like supermarkets and departmental stores.

Rural India keeps on being adjusted by little retail outlets. Just 3.6 million outlets take into account in excess of 700 million occupants of rustic India. Here, arrangement stores, paan shops and apportion shops are the most well-known vehicles of retailing. Aside from this, there are intermittent or impermanent markets, for example, haats, peeth, and melas, that surface at a similar area at consistent time interims. The Mckinsey report predicts that FDI will help the retail organizations to develop to US $ 860-970 billion by 2020. There has been a solid protection from remote direct speculation (FDI) in retailing from little merchants who expect that outside organizations would take away their business, prompt the conclusion of numerous little exchanging organizations, and result in substantial scale joblessness. Consequently, government has disheartened FDI in retail division. At present, remote retailers can enter just through limited modes. Worldwide players in the retail section have been entering the market for some time now. Players that entered before the facilitating of confinements on FDI in retail needed to come through various modes, for example, joint endeavors where Indian accomplice is a fare house (e.g. Add up to Health mind); diversifying/nearby assembling/sourcing from little scale part (e.g. MC Donald's, pizza cabin) money and convey tasks (Giant) and authorizing (Marks and Spencer's) Chennai has encountered the sorted out retail blast. This is in spite of its impression of being a conventional, moderate and cost cognizant market. Sustenance world, Music world, Health and Glow, subhiksha and so forth are a couple of the effective names in the retail business that began their chain of stores from Chennai. Factors, for example, sensible retail costs, solid nearness of MNC, sound modern development, increment in the quantity of twofold pay family units, development of working class have all prompted the development and sustenance of this Industry in Chennai.

In the present business condition an intersection of market powers has made a greatly complex atmosphere in the worldwide retail industry. In develop markets, retail segment is tested by its powerlessness to develop and keep up overall revenues because of an obliged working condition, advertise development and immersion, moderate populace development, and all the more requesting buyers and in addition exceedingly unpredictable purchaser conduct. Aside from these there are worries of rising focused weights, change of elective deals channels-including stores, web, call focuses, and administrations to the home, an obscuring of parts amongst providers and retailers." Also, as shoppers have turned out to be engaged through access to data, wherever and at whatever point they need it, retailers have turned out to be more important to the customer at the purpose of procurement and consequently a move to be decided of energy to the retailers. As a result, the vital focal point of the whole retail area is moving towards the developing economies of Asia and Central and Eastern Europe-China and India specifically. These economies offer extending purchaser markets with new open doors for development through worldwide sourcing, off-shoring and the gigantic potential for improvement of present day/sorted out retailing.

The Indian retail advertise is the fifth biggest retail goal all inclusive. The present size of the Indian retail industry remains at $511 billion of every 2013. All the while, present day retail is probably going to build its offer in the aggregate retail market to 22 for each penny by 2018. Sorted out retail in India rounded up US$ 25.44 billion turnover in 2014-15 as against US$ 16.99 billion of every 2013-14, an incredible development rate of 49.73 for every penny (as indicated by the Credit Rating and Information Services of India). Sorted out retail has expanded its offer from 5 for every penny of aggregate retail deals in 2014 to 8 for each penny in 2015. India has one of the biggest quantities of retail outlets on the planet. Of the 12 million retail outlets exhibit in the nation, about 5 million offer sustenance and related items. Despite the fact that the market has been overwhelmed by chaotic players, the passage of residential and universal sorted out players is set to change the situation. Per capita retailing space is around 2 sq. ft (contrasted with 16 sq. ft in the U S). India's per capita retailing space is in this manner the most reduced on the planet. Around 7% of the populace in India is occupied with retailing, when contrasted with 20% in the USA. Factually, the worldwide retail industry is seeing a CAGR of 5.5% is slated to develop at a similar rate till 2018. The accompanying chart demonstrates a general pattern of the worldwide retail incomes.

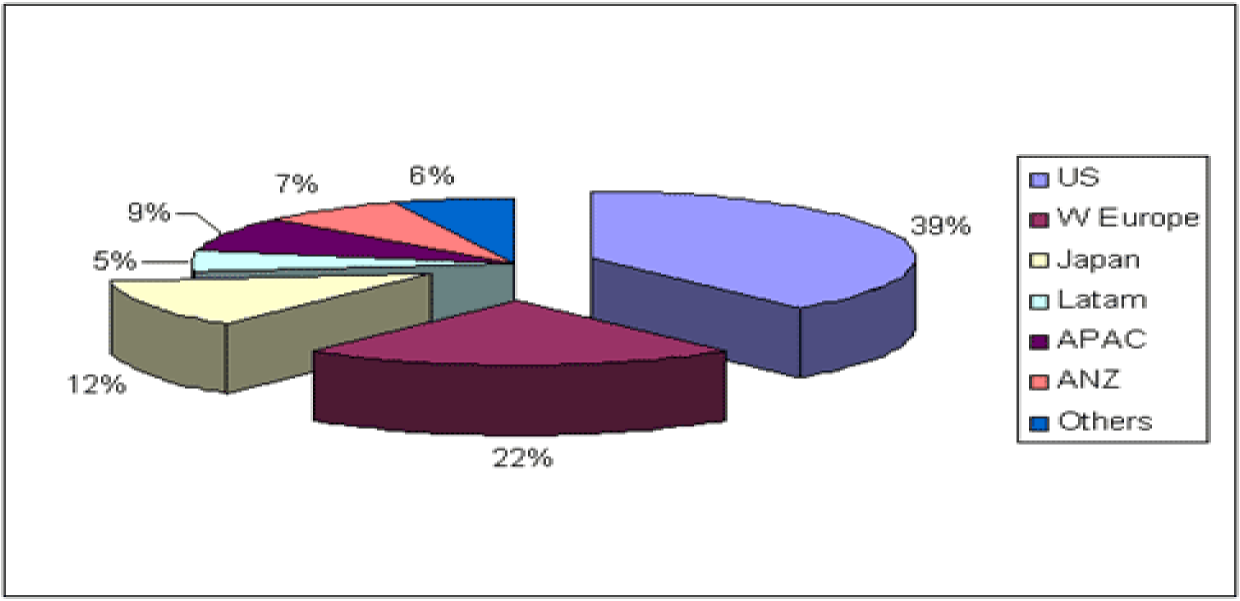


Fig: Region-wise contribution to Global Retail Sales

***Source- AT Kearney**

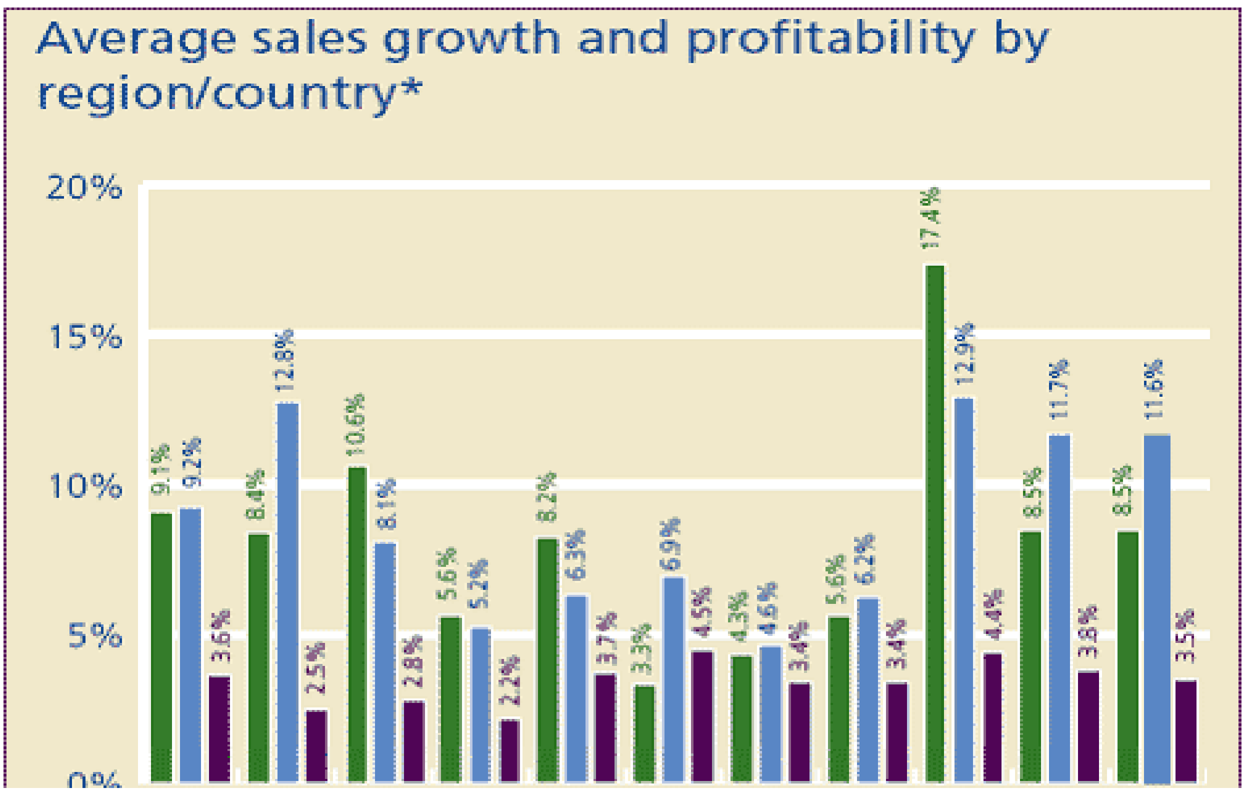


Fig: Region-wise growth rate Global Retail Sales

Interestingly, here is a negative connection between general market measure and the normal yearly development rate. This implies the locales with high income commitment are low in development (US, Western Europe and Japan) though the districts which are low in commitment to worldwide deals are encountering a high development rate (Africa/Middle East, Latin America, Asia/Pacific). The purposes behind this change are:

- The changing monetary conditions and a harder working condition in the develop and soaked created markets is compelling retailers to move to more up to date roads
- Despite the difficulties in the US and Europe, GDP development crosswise over India, China and Russia is as yet anticipated that would top 8 percent. This makes the retail opportunity in these rising economies additionally convincing (less than 10 percent of these markets are well-organized).
- Operating in developing markets make a capable motivating force for expansive retailers to additionally expand their client and tasks bases, convey proceeded with development, diminish hazard, acknowledge economies of scale and building a worldwide brand name.

The Indian retail showcase has developed at 10 percent for each year finished the previous 5 years. As indicated by the A T Kearney Global Retail Development Index (GRDI) India has held the main position as the most appealing rising nation for retail till from 2015 till a year ago. Presently, according to the GRDI 2016, India has slipped to number two positions losing to Vietnam. India's retail advertise is at its zenith and is drawing tremendous consideration from both worldwide and nearby retailers. Explanations behind India's high development rate in the retail area are:

- High development rates-India's GDP is anticipated to develop by in excess of 7 percent in financial year 2018, projections for 2019 are a more humble at around 8 percent.

- Untapped development potential-Organized retail, which still records for under 5 percent of the market is relied upon to develop at a compound yearly development rate (CAGR) of 40 percent to $107 billion by 2018. India's general retail division is relied upon to ascend to $833 billion by 2018 and to $1.3 trillion by 2020, at a CAGR of 10 percent.

- Growing Purchasing Power- Consumer spending is on a sharp ascent. Over the most recent four years the customer spending has developed by surprising 75 percent. This can be ascribed to the noteworthy ascent in the dispensable salaries of India's young populace. It must be noticed that in excess of 33 percent of Indian populace is beneath the age of 15.

Apparel Retail Industry

The recently released A T Kearney Apparel Retail Index evaluated more than 30 emerging markets in the apparel segment of retail industry and further identified the top 10 countries in terms of market size, growth prospects and consumer affluence.

A.T. Kearney retail apparel index:

Figure 1

2015 Global Retail Development Index™

2015 rank	Country	Market attractiveness (25%)	Country risk (25%)	Market saturation (25%)	Time pressure (25%)	GRDI score	Change in rank compared to 2014	Population (million)	GDP per capita, PPP (thousand)
1	China	66.7	55.7	42.3	96.6	65.3	+1	1,364	13
2	Uruguay	93.3	60.4	68.0	38.9	65.1	+1	3	20
3	Chile	98.2	100.0	13.0	37.9	62.3	–2	18	23
4	Qatar	100.0	89.4	34.3	12.8	59.1	N/A	2	144
5	Mongolia	22.4	19.9	93.1	100.0	58.8	N/A	3	10
6	Georgia	36.5	39.1	78.8	79.2	58.4	+1	5	8
7	United Arab Emirates	97.6	84.0	16.5	33.9	58.0	–3	9	65
8	Brazil	98.0	60.4	45.2	28.0	57.9	–3	203	15
9	Malaysia	75.6	68.8	29.3	52.7	56.6	—	30	25
10	Armenia	35.4	37.1	82.1	66.3	55.2	–4	3	7
11	Turkey	83.1	48.1	40.2	44.8	54.1	—	77	20
12	Indonesia	50.6	35.5	55.1	65.9	51.8	+3	251	10
13	Kazakhstan	49.6	34.2	72.5	50.7	51.8	–3	17	24
14	Sri Lanka	15.8	34.4	77.8	78.8	51.7	+4	21	10
15	India	30.5	39.8	75.7	58.5	51.1	+5	1,296	6
16	Peru	48.9	43.9	58.6	51.8	50.8	–3	31	12
17	Saudi Arabia	78.6	64.4	30.4	27.0	50.1	–1	31	54
18	Botswana	49.2	62.5	33.3	54.2	49.8	+8	2	16
19	Panama	62.3	46.8	49.7	37.6	49.1	–5	4	20
20	Colombia	55.6	49.3	52.0	39.1	49.0	+1	48	13
21	Russia	94.9	28.4	24.5	46.6	48.6	–9	144	25
22	Azerbaijan	33.9	26.9	82.4	46.8	47.5	+8	10	18
23	Nigeria	19.6	8.3	94.0	66.5	47.1	–4	178	6
24	Philippines	39.6	36.0	51.6	60.7	47.0	–1	100	7
25	Jordan	51.1	35.5	64.2	36.8	46.9	–3	8	12
26	Oman	75.0	77.3	24.9	9.8	46.7	–9	4	44
27	Kuwait	81.0	68.1	33.2	0.0	45.6	–19*	4	71
28	Costa Rica	66.9	49.2	38.7	25.1	45.0	–4	5	15
29	Mexico	82.5	56.1	0.2	38.8	44.4	–4	120	18
30	Angola	22.4	9.2	99.4	45.0	44.0	N/A	22	8

Market attractiveness: 0 = low attractiveness; 100 = high attractiveness

Country risk: 0 = high risk; 100 = low risk

Market saturation: 0 = saturated; 100 = not saturated

Time pressure: 0 = no time pressure; 100 = urgency to enter

Notes: PPP is purchasing power parity. For an interactive map of the GRDI top 30 countries, go to www.atkearney.com/consumer-products-retail/global-retail-development-index.

*The significant decline in Kuwait's position in the GRDI is partially due to a change in coutnry-specific data sources (see page 17 for more details).

Sources: Economist Intelligence Unit, Euromoney, International Monetary Fund, Planet Retail, Population Reference Bureau, World Bank, World Economic Forum; A.T. Kearney analysis

In this year's special feature, we inspect the prospects for extravagance merchandise in creating markets. Extravagance remains a splendid spot in developing markets, as the well-off have demonstrated less helpless against monetary hardships than the all-inclusive community, and shopping center designers have exploited expanded customer spending and versatility. In that area, we bring a profound jump into which markets introduce the long-term opportunity and how extravagance brands are adjusting their methodologies to succeed

The 2015 GRDI Findings

The relative flimsiness in the creating scene is reflected in the 2015 rankings. In the Middle East, markets were shaken by a record drop in oil costs and progressing local clashes. Latin America tumbles from a year ago's statures as development has decelerated in the midst of worries over auxiliary financial issues. In the interim, Russia makes a major stride back in the rankings under the heaviness of universal authorizations and financial crisis.

Regional winners this year include Asia, which outpaced different areas regardless of a log jam in development. China is the GRDI's best nation out of the blue since 2010, and its retail advertise is relied upon to develop to $8 trillion by 2022.1 Sub-Saharan Africa keeps on making advances into the rankings, with three nations (Botswana, Nigeria, and Angola) in the main 30 and a few more very nearly entering soon. Also, over the world, "little diamonds, for example, Uruguay, Qatar (positioned out of the blue), and Mongolia give pockets of undiscovered potential in less populated markets.

One of the GRDI's repeating topics is the "window of chance" for putting resources into physical retail in creating markets. The idea depends on the truth that business sectors go through four phases of retail improvement (opening, topping, developing, and shutting) as they advance from casual exchanging to more develop, composed markets, in a procedure that ordinarily traverses 10 to 15 years. The current year's outline, appeared in figure 2 underneath, indicates how markets, for example, Peru and Indonesia are starting to top, while others, for example, Chile and Mexico are close development. It additionally demonstrates that the run of the mill way and time span can shift. For instance, Russia's improvement has taken a nonlinear way as the nation made a stride in 2014 because of expanded hazard.

In the coming years, new retailing arrangements will rise in the India markets giving it an aggregate new outline, for instance the Cash and Carry organize, which is being presented by the Metro gathering of Germany, which will redo the discount design. This arrangement bolsters the need of the little mother and pop retailers in India. Since 100% FDI is permitted under this configuration, it offers an extremely lucrative method of passage for the universal retailers. As per the administration counseling firm, Technopak, 6% (est.) of aggregate interest in retail finished the coming five years is relied upon to occur through this channel. Also, Super-Specialty Formats through which retailers will focus on a particular client gathering. In India, at present, retailers like Giny&Jony and Lilliput (kids-wear), Mothercare (expecting mother), Mustard (larger measured ladies wear) and so forth are predominant which oblige particular needs of their individual target gathering. These configurations are essentially composed on various classifications or request.

Own Label branding

Indian Market is a value touchy market yet the customer wouldn't like to trade off on the quality either. In such a situation, 'possess name marking' is having its spot in the market. Retailers occupied with claim name marking or private name get high edges when contrasted with marked things. For private names to be at standard with the marked merchandise, retailers utilize forceful showcasing efforts. The private names get higher edges as well as these marks end up being an upper hand for them over the marked merchandise. Universally, the interest for interest for private names is expanding and they contribute a mind-boggling 17% of the aggregate retail deals and keep on growing at a rate of 5% p.a. which is extremely considerable. In India, Local retailers, for example, Ebony advances its own particular mark by the name of and so forth, which is at standard with alternate array or articles of clothing being exhibited at its outlets. Ebony as well as retailers can imagine Shopper's Stop, Westside have additionally thought of their own mark brands like Wal-Mart in USA has just about 40% of their own name brands and TESCO in U.K. has 55% of their own mark brands being sold at their retail outlets.

A portion of the elements which have added to the development of composed retail in India are: increment in the buying energy of Indians, quick urbanization, increment in the quantity of working ladies, vast number of working youthful populace. Today individuals search for better quality items at less expensive rate, better administration, better feel for shopping and better shopping background. Sorted out retail guarantees to give all these at one single place. India's child of post war America age has grown up and not at all like their folks who experienced blame aches each time they burned through cash, this age has no such hesitations and trusts in having a great time. One can credit this generally to the way that the present expending class has not just experienced childhood in the post advancement period yet additionally has more decision as well, both as far as openings for work and also way of life decisions. Better financial matters (India is the fourth biggest economy regarding Purchasing Power Parity on the planet) and the nation's developing prominence as a shoddy and second to none specialist organization, is making sure that worldwide organizations run to India to get an offer of the developing customer pie. In addition, as business sectors in the created countries are at the same time getting immersed, India's 250 million, and developing working class is a major draw for worldwide behemoths. India is only the correct age and is as of now the most youthful country on the planet with 65% of its billion or more populace under the 35 years age gathering. In addition, a vast level of this young is urban. Thus, India's urban/add up to populace today remains at around 30% and is tipped to touch 37% by 2016, which is tantamount to the urban-add up to/populace levels in East Asia. Further, the middle age for India's childhood is likewise one of the most youthful on the planet. As against 35 years in USA, 41 years in Japan and 30 years in China, the middle age for India's childhood is about 24 years. As indicated by an examination led by the Asian Development Bank, the extent of populace in the devouring age (15-54 years) is additionally liable to increment from 58% out of 2016 to more than 60% out of 2020, while the reliance proportion (offer of non-attempting to working populace) is probably going to decay from 62% out of 2015 to around 55% of every 2020. Actually, as a higher level of populace moves into the devouring class, the development in utilization consumption is probably going to surpass development in per capita pay (12% year on year for next five years). Increment in utilization is likewise immediate aftermath of increment in urbanization, as the normal per capita urban wage is double the per capita wage in country India. Given that the normal month to month per capita utilization use for urban India has almost multiplied in the most recent decade and the way that urban India represents about 42% of customer use (per capita utilization is 90% higher than that of rustic India), one can without much of a stretch ascribe the rising consumerism to development in urbanization. Over the most recent five years there has been a detectable increment in the number salary and higher wage classes. Simultaneously, the quantity of family units in the most minimal level of pay has seen a sharp fall.

On the off chance that that was not all, with rising dispensable earnings and ways of life on the move, the spending example of the normal Indian is additionally evolving. The main three salary classes those procuring above Rs. 180,000, those acquiring between Rs135, 000-180,000 and those gaining between Rs. 90, 000-Rs. 135,000 will represent about half of the aggregate pay pie by 2020, a sharp increment from 28% out of 2015. Also, as a current KSA Technopak overview on spending conduct of in excess of 10,000 urban families in India shows, shoppers over the most recent few years have begun spending more on way of life classifications like eating out, films and stimulation. Empowering the shopper to spend increasingly are the various customer fund plots that have picked up acknowledgment among the expending classes. At an individual level, getting limitations have diminished significantly with banks/back organizations getting to be forceful loan specialists. Today, back is accessible for a wide range of buys whether vast buys (like a house) or little ones (like a TV). Low financing costs and narrowing down of the hole amongst store and loaning rates is additionally helping development in consumerism. The ascent in utilization examples of charge cards by the devouring class has likewise gotten a change spending designs. Moreover, change in other supply elements like development of multiplexes, resurgence of radio, privatization of air terminals, expanded open private interest in foundation ventures are additionally supporting interest driven by household consumerism. The offer of present day retail is probably going to develop from its present 3 for each penny to 15-20 percent throughout the following decade. 85 for every penny of sorted out retailing is occurring in India's urban zones while 66 for each penny of it occurring in India's 6 principle urban communities alone. The development is considerably speedier in south India than in northern states. **So, if we decide upon the factors which are driving India's retail market and which in turn are influencing the buying behavior of urban youth, there may be some like:**

- Increase in the young working population
- Hefty pay-packets
- Nuclear families in urban areas,
- Increasing working-women population,
- Increase in disposable income and customer aspiration,

- ❖ Increase in expenditure for luxury items, and
- ❖ Low share of organized retailing.

India's retail blast is showed in sprawling malls, numerous shopping centers, multiplex- malls and huge complexes that offer shopping, entertainment and food all under one roof. In the industry there are various formats for the organized retail such as Hypermarkets, Supermarkets, Departmental stores, Specialty chains, Convenience stores, Malls.

Serving the low income Customer?

Facing saturation and cutthroat competition in in long-established markets, numerous multinational organizations are looking for new markets. However as of not long ago, they have to a great extent overlooked the in excess of 5 billion low-wage buyers, thinking these purchasers have no cash to spend or are difficult to reach. Presently a few organizations are negating these discernments.

How many of the world's 6.6 billion potential customers does your organization target? For most multinationals, it appears an odd inquiry, on the grounds that exclusive 1.5 billion individuals overall surpass $10,000 in obtaining power equality for their own consumptions. The other 5.1 billion individuals—78 percent of the worldwide populace—are low-wage customers. Tried and true way of thinking says to disregard this gathering, in light of the fact that "there isn't any cash there to win," and at any rate "the poor are not mark cognizant."

Our examination exhibits that the two discernments are false. For the correct organizations, serving low-wage customers can prompt huge development. Consider: Russian low-salary purchasers burn through $104 billion every year—around 30 percent of the aggregate individual expendituresin the nation. Would you be able to leave behind a chance to address even a little portion of this aggregate? Besides, low-wage purchasers are mark cognizant; individuals with restricted funds require great, dependable quality at a reasonable cost. Surely understood multinational brands are supported over household marks by 70 percent. These clients won't not have the capacity to manage the cost of a standard-sized jug of Pantene cleanser or NIVEA hand cream, however they do see the high cost of such items as a sign of significant worth. Given the right-sized holder, they're cheerful to go overboard..

Who Is the Low-Income Consumer?

To serve low-wage buyers effectively, organizations should first record for their lower obtaining power. Figure underneath outlines a generally utilized edge for characterizing low-pay buyers: $10,000 in buying power equality (balanced for living expenses in various nations). More than seventy five percent of the worldwide populace is low pay, and a large number of them have been generally past the span of composed retail.

The figure demonstrates an extra limit that we think doesn't get enough consideration. While numerous individuals relate low-salary purchasers with the base of the pyramid (earnings of under $2,500), the greater part of these people really procure amongst $2,500 and $10,000. Such "medium low-pay customers" speak to an awesome dominant part of purchasers in Eastern Europe, the Middle East and Central Asia.

Besides, the pyramid is transforming. By 2020, the low-wage showcase is relied upon to recoil by 24 percent, while the medium-low market will change close to nothing and the affluent will develop by 80 percent. What's going on, obviously, is that individuals are walking up the pay stepping stool. At some point or another, you'll be focusing on individuals who are low-wage shoppers today, and today is the point at which they're shaping suppositions and loyalties.

Before putting resources into this new market, organizations ought to consider two inquiries: Is the market sufficiently substantial—does it speak to adequate use to legitimize advertise passage? Will these clients be served productively? For the primary inquiry, the appropriate response is yes, the market is sufficiently vast and we clarify why in the report later, Is the Market Large Enough. The second inquiry requires a more drawn out discourse and is the premise of this article.

Is the Market Large Enough?

In Eastern Europe, 56 percent of shoppers, or 57 million individuals, are low salary. Also, Russian and Ukrainian populaces are 70 percent low salary. Inside and out, 190 million low-salary buyers are topographically near Western Europe—and Western European markets. Much bigger is the market in the Middle East and Central Asia, where 90 percent of purchasers are low wage, with 315 million individuals (by examination, the aggregate EU15 populace is roughly 382 million).

In spite of the fact that there is countless wage buyers, is every individual's consumption sufficiently substantial to make the market alluring? To ascertain this, we duplicate the quantity of low-pay purchasers by their dollar consumptions. In the Middle East and Central Asia, the outcome is $298 billion—a 56 percent offer of individual uses. Eastern Europe, Russia and Ukraine add up to a $277 billion market.

Plainly, these business sectors are not the sole playing field of multi-nationals. Commonly in nations overwhelmed by low-salary buyers, most sustenance items are delivered locally and sold at open air markets. Comparative flow influence lodging and family products. Indeed, even in the individual care segment, home-developed contenders have a strong standing that makes it troublesome for multinationals to contend. For instance, the Russian-based beauty care products bunch Kalina, which has a dispersion arrange touching in excess of 23,000 outlets, holds one-fourth of the Russian skin-and oral-mind advertise. Its "32" image toothpaste is favored by 20 percent of Russian purchasers. In like manner, Arko extremely sharp edges and complimentary items from Turkish individual care organization Evyap hold in excess of 25 percent of the Turkish market for men's shaving items.

Multinationals can address, best case scenario a 20 to 30 percent piece of the overall industry for low-salary shoppers. The wellbeing and interchanges parts guarantee heaps of piece of the overall industry (multinationals represent 60 percent of pharmaceuticals in Pakistan, for instance), while the biggest market of fundamental sustenance items might be completely shut off. In the individual care part, low-salary customers regularly buy cheap healthy skin and cleanser however marked, expensive scent. Hence, scents (which contain more than 33% of the Russian individual care advertise) are a particularly encouraging business sector.

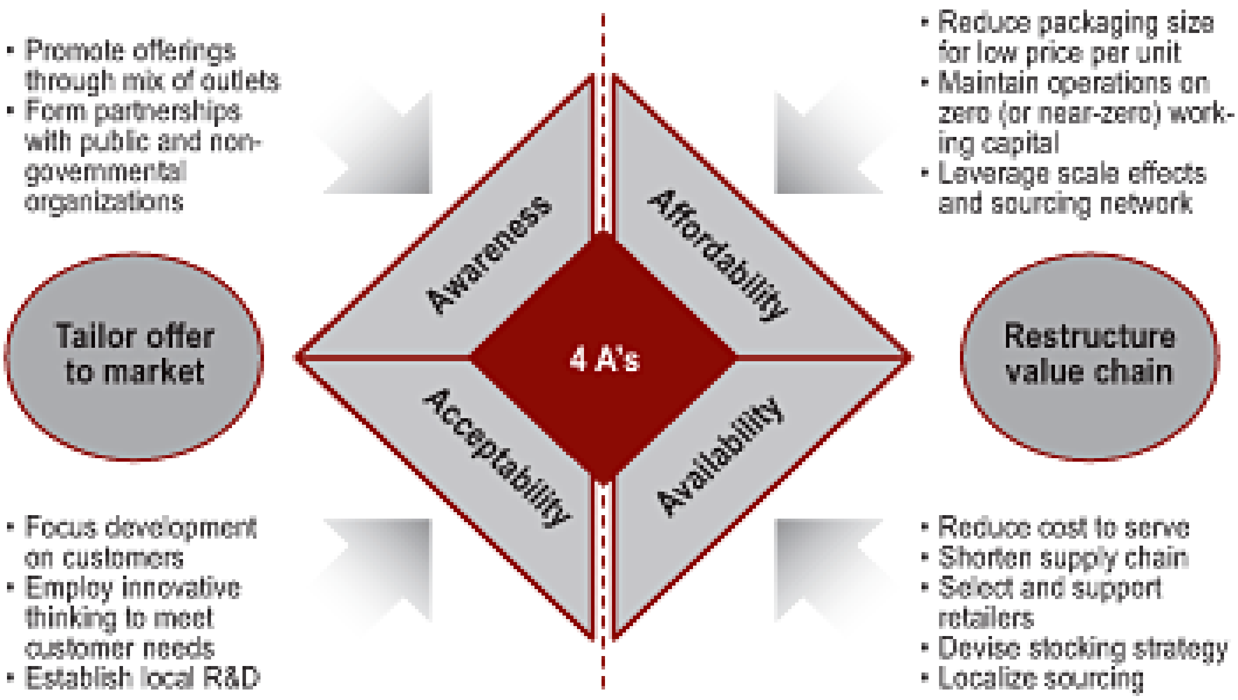
In light of this, the potential addressable piece of the overall industry in Eastern Europe, Russia, Ukraine, the Middle East and Central Asia is $129 billion. In this manner in numerous divisions there will in fact be adequate consumptions to legitimize advertise passage

Can Low-Income Consumers Be Served Profitably?

To address the low-income consumer in these markets, our analysis builds on a concept called the 4 A's

FIGURE 2

The 4 A's of addressing low-income consumers



Sources: Jamie Anderson, Niels Billou, "Serving the World's Poor: Innovation at the Base of the Economic Pyramid," Journal of Business Strategy, Vol. 28, No. 2; A.T. Kearney analysis

Affordability: The most problem that needs to be addressed in the low-salary buyer area is that individuals have minimal opportunity to spare cash for bigger speculations. For the most part, organizations can address moderateness by lessening bundling size to single sachets. This offers a few favorable circumstances. For one, low-pay buyers tend to search for day by day needs since they are regularly paid by the day, which implies bigger bundles are essentially impossible. Sachets bring an extravagant item inside reach while keeping up the discernment that high value remains for high esteem. Additionally, little town or roadside shops have just constrained stocking limit, so littler things enable them to give a more extensive item run. Finally, to leverage scale effects, single sachets can be sold for promotional purposes and to hotels and airlines.

There are some potential drawbacks, however. In Western Europe and North America, firms by and large offer littler bundles at a higher unit cost, extracting a premium for convenience. Reaching the low-income consumer in a developing country requires a lower relative price. You don’t want a premium, just a customer. The drawback is that middle- and upper-income consumers may eventually notice the lower price, switch their buying habits and start a price erosion.

Despite the downsides, India is a rich wellspring of cases for fitting moderate items. Approximately 45 percent of littler 50-gram tea packs are sold in country markets, and Hindustan Unilever Limited offers 5 billion bits of penny treat a year, gaining incomes of $50 million. Indeed, even PCs are sold in littler bundles. Novatium, an India-based innovation organization, presented the Nova netPC, a PC for the Indian market evaluated at generally $100. The machines have no nearby stockpiling or programming. Rather, clients pay a little month to month membership expense to associate with a system where a focal server has applications and documents.

Reasonableness is regularly accomplished by rebuilding the inventory network. Renault is arranging a car evaluated at $3,000 for the Indian market, and Tata has declared one for $2,500. For each situation the organization won't strip down a current model however rather build up a roomy vehicle particularly for Indian purchasers—utilizing Indian work, coordinations and deals systems.

Organizations that can't disaggregate items into littler units can total buyers. Financing can regularly be secured by gathering a few clients together. For instance, in Mexico, the worldwide concrete and development organization Cemex saw a market opportunity. In light of a lodging shortage and the failure to get a development advance, numerous destitute individuals were building their own homes. A run of the mill home took five years to finish, had only one room and no entrance to sewage offices. Today, Cemex furnishes families with access to credit for bond and design counseling, which has decreased development time by 33% and costs by 20 percent. Three families are assembled together into groups with joint obligation regarding week after week installments. To some extent as a result of companion weight, Cemex says reimbursement rates reach 99 percent.

The outlook: Making items moderate for the client implies utilizing a low-edge, high-volume technique, and utilizing scale impacts to accomplish low expenses of merchandise sold. Profit for capital—not on income—is the basic measuring stick in low-salary markets. Organizations can accomplish this objective and lessen chance by working on zero (or about zero) working capital.

Availability: Some low-pay shoppers live in remote towns or urban groups that need access to ordinary retail showcases. Achieving these purchasers requires innovative reasoning and discovering elective methods for transportation.

One approach to supplant the standard retail condition is to expand on the entrepreneurial soul of some low-salary customers. Late media consideration has proclaimed microfinance foundations that make little advances to enable poor country occupants to set up their own particular organizations. These microenterprises regularly pitch items to other low-pay purchasers in the area, yet require an approach to connect with remote villagers. As of late, Accion International built up an application called PortaCredit, which keeps running on an individual computerized right hand and permits advance officers to meet customers in their homes, input information, process the application, and ascertain credit installments, all on a PDA. The outcome is enhanced proficiency for the organization and a speedier turnaround for the candidate.

In Africa, cell pioneer Vodacom found sprouting business people by following mobile phones with an unusually high number of calls. Trusting the proprietors were leasing their telephones, the organization reached them and offered them establishment chances to work their own telephone stands. Every booth is controlled by a franchisee who put resources into the underlying expenses and gets 33% of the incomes. To date, Vodacom's system incorporates around 5,000 stands. Additionally, in Africa, the offer of prepaid telephone cards has turned out to be huge business as most low-salary purchasers can't bear the cost of the obligatory a few year cell phone contracts. Today, agriculturists in Africa utilize their cell phones to get to climate figures and measure advertise costs.

Where fundamental deals channels as of now exist, organizations just should be more picky in their help. Procter and Gamble told the Wall Street Journal that it is focusing on low-wage customers in Mexico through its "brilliant store" program. Brilliant stores are small mother and-pop shops that convey at least 40 P&G items and show them together on the rack instead of by contending brands. Consequently, these traders get consistent visits from P&G reps who spruce up the showcases.

Now and again making totally better approaches to offer is the best way. Nestlé Brazil, for instance, set up an immediate deals channel for ladies to offer yogurt and scones from their homes. Numerous clients are given two weeks (the interim between deals calls) to pay. In spite of the fact that credit is unsecured, peer weight keeps default rates underneath 2 percent. In like manner, in Russia and Central Asia, way to-entryway offering represents almost 19 percent of the excellence showcase. China, as well, has as of late released limitations on coordinate offering.

In the interim, in India, Hindustan Unilever gives individual care items, for example, cleanser and cleanser for ladies' "Shakti" self-improvement gatherings to offer in their towns. The venture could extend the organization's scope and help in excess of 30,000 business visionaries procure a living by serving conceivably up to 500,000 towns, each with less than 2,000 occupants.

Such ventures are less about helping business people and more about extending markets. These microenterprises speak to another coordinations arrangement, shortening supply chains and bringing down working capital while opening new markets.

The outlook: Although enhancing accessibility regularly requires work concentrated circulation, low work expenses can be utilized. For instance, independently employed Shakti salesmen in India gain $15 to $22 a month, around 8 percent of offers. Besides, the immediate offering methodology can rapidly set up a business arrange, sidestep delegates and help address the last two A's

Acceptability: Some low-pay shoppers hold conventional parts, religious inspirations and other one of a kind social variables. When we consider planning items worthy to these purchasers, we frequently consider factors, for example, halal (Islamically admissible) nourishments in the Middle East and refrigeration in the tropics.

Likewise with all purchasers, understanding their every day lives and every related need is generally basic. For instance, Danone offers calcium-and iron-improved bread rolls in China, where half of the populace experiences an absence of calcium. In like manner, absence of education may propose an item adjustment. How can one work an ATM, for instance, without perusing? In India, ICICI Bank and Citibank created biometric ATMs, including unique finger impression validation and voice-empowered route. This mechanical jumping made the item more adequate to low-wage purchasers. To enhance reasonableness, the banks additionally got rid of least record adjusts.

Here and there adjustment originates from innovative reasoning about conventions. For instance, Indian business visionaries are planning to eliminate the misuse of plastic forks, blades and spoons by showcasing consumable cutlery. It's eatable since it's produced using sorghum flour, a famous warmth and dry spell tolerant and nutritious product. In different nations—in fact, we should concede, even to ourselves—eatable cutlery appears somewhat unrealistic. In any case, the item is intended for India's novel social variables, not our own.

The conditions encompassing everyday life ought to likewise be considered. Low-wage shoppers in Brazil regularly have long drives, leaving early and returning home late. They should frequently get ready suppers throughout the end of the week, so coolers and microwaves are more typical than one would expect and worthiness for solidified or semiprepared dinners is developing.

At long last, one of our most loved cases of fitting item contributions for agreeableness originates from China, where the machine producer Haier basically tuned in to its clients' necessities. Called to benefit a stopped up drainpipe in one of its garments clothes washers, the organization found an abnormal reason: potatoes. A great many individuals in the Sichuan locale developed potatoes and utilized clothes washers to flush off the mud. However, rather than pointing the finger at clients for abuse, Haier built up a machine with more extensive channels that could wash potatoes and different vegetables notwithstanding garments. (Afterward, Haier built up another clothes washer to make cheddar from goat's drain.) The outcome was a solid increment being used of Haier's items among low-pay customers—and market administration in China

The outlook: Acceptability originates from inventive reasoning and a profound comprehension of nearby needs of low-salary purchasers. Organizations with neighborhood R&D and statistical surveying will probably build up a valuable item..

Awareness: Likewise, with the nonattendance of regular retail outlets, the nonappearance of customary publicizing in the lives of low-wage buyers can be both a test and an opportunity. By what method will they think about your item? Would you be able to learn enough about their lives to communicate as the need should arise? In India, for instance, Hindustan Unilever utilizes performers and artists to advance items. Moreover, associations with miniaturized scale endeavors (as examined above) accompany worked in "town proclaimer" mindfulness openings.

Television, Internet and verbal assume a major part, as well, as data traversed buying power classifications. As country specialists move into the urban areas for work, they turn out to be more acquainted with mark arranged ways of life, affecting item choices back home where they frequently send cash. In less media-immersed regions, organizations can build mindfulness by taking advantage of the energy of interpersonal organizations. For instance, in rustic India, Colgate-Palmolive took its showcasing effort out and about with video vans that show nearby motion pictures and publicizing for its own care items. Outdoors showcasing at celebrations and in town markets is another financially savvy approach, enabling organizations to achieve expansive quantities of customers.

We'd like to close with one more creative approach for building awareness. While tending to wellbeing or sustenance issues, participation with non-legislative associations can cultivate shared achievement. One illustration is the Scojo Foundation, related with the eyewear maker Scojo Vision, which trains nearby business people to give essential eye exams and offer ease perusing glasses in their groups. There's most likely that economical perusing glasses enhance the lives of low-pay customers—and they additionally open another market for Scojo Vision..

Moreover, Procter and Gamble built up a water purifier for creating nations. In Uganda, the organization collaborated with Population Services International and the International Council of Nurses to build low-pay customers' familiarity with the significance of safe water and the P&G item advertising. In a nation where just a large portion of the populace approached safe water, and where looseness of the bowels was a noteworthy general medical problem, the water treatment venture decreased occurrences of malady by 30 to 50 percent. It's an awesome case of a socially connected with organization—yet P&G had embraced it to develop incomes for its water purifier.

The outlook: Without making light of the esteem and significance of doing great deeds, associations with magnanimous gatherings can be inventive approaches to expand mindfulness. It's only one case of the convincing financial motivations to serve the world's poor—giving them a selection of items they can bear to buy (as opposed to a gift of an item they can't) and furthermore expanding your incomes

More Choices and Chances

he upsides of the low-wage buyer market ought to be clear: It offers development rates well above since a long time ago settled markets and clients hungry for new decisions. There is likewise a shrouded extra: Companies ready to adapt to the necessities of minimal effort esteem chains can turn out to be more focused in their home markets.

SWOT Analysis

A SWOT analysis of the Indian organized retail industry is presented below:

Strength:

1. Retailing is a " innovation serious" industry. It is innovation that will assist the composed retailers with scoring over the sloppy retailers. Effective composed retailers today work intimately with their sellers to anticipate buyer request, abbreviate lead times, decrease stock holding and at last spare cost. Case: Wal-Mart spearheaded the idea of building upper hand through dispersion and data frameworks in the retailing business. They presented two imaginative coordination procedures – cross-docking and EDI (electronic information exchange).

2. On a normal a grocery store stocks up to 5000 SKU's against a couple of hundreds supplied with a normal sloppy retailer.

Weakness

1. Less Conversion level: Regardless of high footfalls, the change extent has been low in the retail outlets in a mall when appeared differently in relation to the autonomous accomplices. It is seen that genuine changes of footfall into bargains for a mall outlet is around 20-25%. On the other hand, a more ethical route store of retail chain has a typical change of around 50-60%. In this manner, a stay lone store has a ROI (rate of productivity) of 25-30%; on the other hand the retail majors are experiencing a ROI of 8-10%

2. Customer Loyalty: Retail fastens are yet to settle down with the correct stock blend for the shopping center outlets. Since the remain solitary outlets were built up prolonged stretch of time back, so they have balanced out as far as footfalls and stock blend and subsequently have a higher client devotion base.

Opportunity

1. The Indian middle class is as of now 30 Crore and is anticipated to develop to more than 60 Crore by 2010 making India one of the biggest buyer markets of the world. The IMAGES-KSA projections demonstrate that by 2018, India will have more than 55 Crore individuals younger than 20 - mirroring the tremendous open doors conceivable in the children and youngsters retailing portion.

2. Organized retail is just 3% of the aggregate retailing market in India. It is evaluated to develop at the rate of 25-30% p.a. also, achieve INR 1,00,000 Crore by 2018.

3. Percolating down: In India it has been discovered that the main 6 urban communities contribute for 66% of aggregate sorted out retailing. While the metros have just been misused, the concentration has now been moved towards the level II urban communities. The 'retail blast', 85% of which has so far been gathered in the metros is starting to permeate down to these littler urban

areas and towns. The commitment of these level II urban communities to add up to sorted out retailing deals is relied upon to develop to 20-25%

4. Rural Retailing: India's colossal rustic populace has gotten the attention of the retailers searching for new regions of development. ITC propelled India's first country shopping center "Chaupal Saga" offering a various scope of items from FMCG to electronic merchandise to autos, endeavoring to give agriculturists a one-stop goal for every one of their needs." Hariyali Bazar" is begun by DCM Sriram aggregate which gives cultivate related information sources and administrations. The Godrej amass has propelled the idea of 'agri-stores' named "Adhaar" which offers horticultural items, for example, composts and creature encourage alongside the required information for powerful utilization of the same to the agriculturists. Pepsi then again is trying different things with the ranchers of Punjab for becoming the correct nature of tomato for its tomato puree.

Threat

1. In the event that the chaotic retailers are assembled, they are parallel to an expansive grocery store with no or little overheads, high level of adaptability in stock, show, costs and turnover.

2. Shopping Culture: Shopping society has not created in India so far. Indeed, even now shopping centers are only a place to stay nearby with family and companions and generally kept to window-shopping.

To conclude, one might say that however the worldwide retail industry has achieved its development, the Indian retail industry is still at its early stages. Be that as it may, with the colossal possibility existing in the Indian market, it is relied upon to develop by a wide margin soon.

Rather than contrasting the aggregate worldwide retail industry and the Indian retail industry, lets contrast Wal-Mart alone and the Indian retail industry and set forward few intriguing realities:

1. Retail Sales of Wal-Mart for the year 2003 was US $ 25,632.9 Crore; higher than the size of Indian retail industry.

2. The span of any Wal-Mart store is substantially higher than the measure of any current shopping center in India.

3. Wal-Mart has more than 4,800 stores, which is unparalleled to any of the India's expansive organization store.

4. New stores opened every year by Wal-Mart are around 420, significantly higher than all composed Indian retailers set up together..

5. The sales per hour of $2.19 Crore are unique to any retailer on the planet.

6. Wal-Mart has around 30,000 providers all through the world and in excess of 600,000 SKU's on its site, a number that can't be analyzed.

7. Every day clients are around 1.57 Crore (relatively proportionate to Mumbai's whole populace).

8. Time between each Barbie Sale at Wal-Mart is only two seconds (same rate at which babies are produced in India).

Overall, it can be said that " Retail Industry" in India will emerge as one of the best 5 Business sectors in this decade.

DATA COLLECTION METHODOLOGY

DATA SOURCES

I have gathered secondary data and as well as primary data. ***Secondary data*** are data that were collected for another purpose and already exist somewhere. ***Primary data*** are data gathered for a specific purpose or a specific research project.

Secondary Data Source

I started my research by examining secondary data to see whether the problem can be partly or wholly solved without collecting costlier primary data. The collection process of secondary data was rapid and easy, collection cost was relatively low and collection time was short. Secondary data provided a starting point for research. Some of the data sources available in ***India*** are as follows:

- **Government:** CSO (Central Statistics Organization) which gives annual survey of industries, statistical abstracts of India; Census Report (Registrar general of India) and Indian Economy (Planning commission).
- **Syndicate Services:** AC Nielsen ORG-MARG [Retail audit, Retail Pharma audit, Prescription audit]; Indian Market Research Bureau (IMRB) [Market pulse]; National Readership survey (NRS) [Consumer profile of 520 newspapers and magazines in India]; Indian readership survey; Businessmen's readership survey; Television rating point (TRP); Children's media survey (CMS)
- **Computerized Database:** Online, Internet & Off-line – Bibliographic database, Numeric database, Full-text database, Directory database, Special-purpose database.

Primary Data Source

Researchers can collect primary data for marketing research in five ways: observation, focus groups, surveys, behavioral data, and experiments. I used ***Survey Research*** for collecting the primary data required for our survey. Surveys are best suited for descriptive research such as learning about people's knowledge, beliefs, preferences, and satisfaction, and measuring these magnitudes in the general population; thus supporting marketing decisions with information, intelligence and research.

RESEARCH INSTRUMENTS

I used ***"Questionnaire"*** as the research instrument in collecting the primary data. It will consist of a set of questions presented to respondents for their answers. Because of its flexibility, the questionnaire is by far the most common instrument used to collect primary data. It will elevate, inspire, and urge the respondent to wind up engaged with the meeting, to collaborate, and to finish the interview.

SAMPLING PLAN

After deciding on the research approach and instruments, I have designed a sampling plan, based on three decisions:

1. **Sampling unit: Who is to be surveyed?** The target population to be sampled is ***urban youth (both male & female) visiting the organized retail outlets in Noida and Ghaziabad.*** My project will broadly concentrate on two categories of ***Urban Youth*** - Youth born and brought up in an Urban City and Youth born in a Village/Small Town and earning his living in an Urban City.

2. **Sample size: How many people should be surveyed**? Large samples give more reliable results than small samples. Thus we had a ***sample size of 108 respondents***.

3. **Sampling procedure: How should the respondents be chosen?** To get an agent test, a likelihood test of the populace ought to be drawn. Likelihood examining permits the estimation of certainty limits for inspecting mistake. In any case, the cost and time engaged with likelihood examining is too high, and thus I used **non-probability sampling.**

CONTACT METHODS

Once the sampling plan was determined, we had to decide how to contact subjects. Choices include mail, telephone, personal, or on-line interviews. However, email option was selected considering the wider reach. Email was sent to around 250 people who are based in Noida and Ghaziabad who are known frequent visitors to the organized retail units (ORUs) in Noida and Ghaziabad and were requested to fill up the questionnaires for the survey. The ORUs nearby are **Big Bazaar (Shipra), Noida Central, City Centre, Lifestyle, Shoppers Stop, Reliance Mart.**

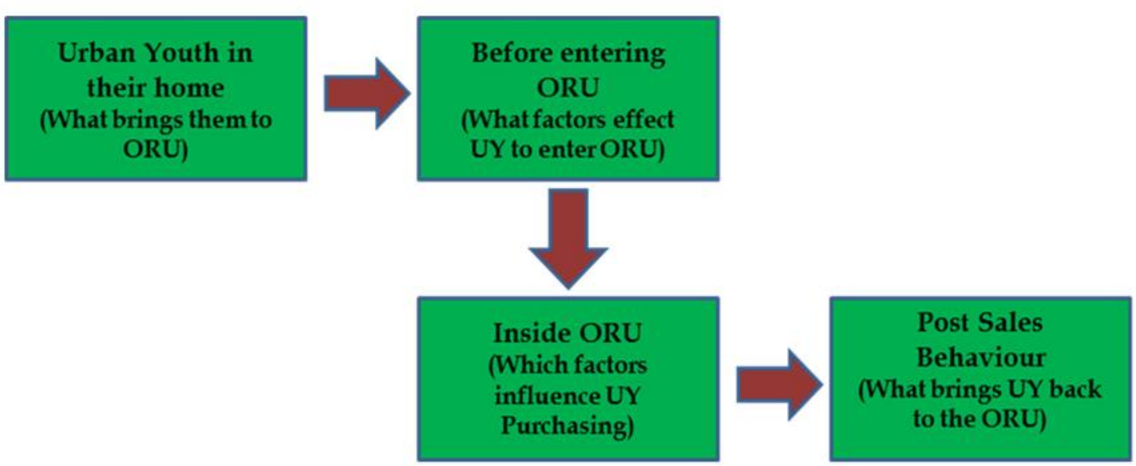
DATA ANALYSIS

I used **SPSS & Excel** for quantitative analysis to generate information by reducing accumulated data to a manageable size by developing summaries, graphs and looking for pattern.

DEVELOPMENT OF QUESTIONNAIRE

A questionnaire consists of a set of questions presented to respondents for their answers. Because of its flexibility, the questionnaire is by far the most common instrument used to collect primary data. Questionnaires need to be carefully developed, tested, and debugged before they are administered on a large scale. It must translate the information needed into a set of specific questions that the respondents can and will answer. A questionnaire must inspire, spur, and urge the respondent to wind up associated with the meeting, to participate, and to finish the meeting. A poll ought to limit reaction mistake. Surveys can contain close end and open-end questions. Shut end questions pre-indicate the majority of the conceivable answers, so they are anything but difficult to decipher and classify. Open-end questions enable respondents to reply in their own words. These inquiries frequently uncover more since they don't oblige respondents' answers, so they are particularly helpful in exploratory research.

Process of Questionnaire Design



The initial part of the questionnaire has questions to find out the following:

- Demographic, academic and household average monthly income background of the respondent.
- If the urban youth was born in city or born in village/town and living in city for his earning.
- Position of the urban youth among other siblings in the family.

The latter questions in the questionnaire are based on the model mentioned earlier. Likert Scale is used for majority of the questions. Two sets of Likert scale with 5 measures each are used:

- 1. Extremely Imp. 2. Very Imp. 3. Somewhat Imp. 4. Not Imp. 5. Not at all Imp

- 1. Strongly Disagree 2. Disagree 3. Neither Agree nor Disagree 4. Agree 5. Strongly Agree

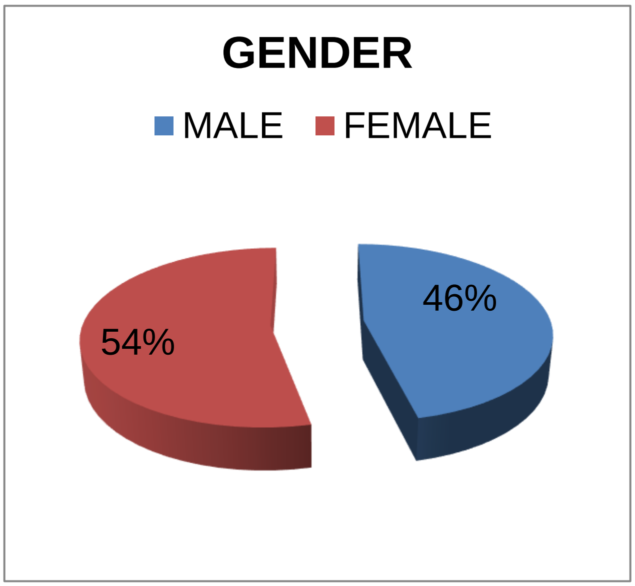
Through the questions that we asked our respondents, we got information on the factors affecting the respondent's purchasing behavior.

ANALYSIS

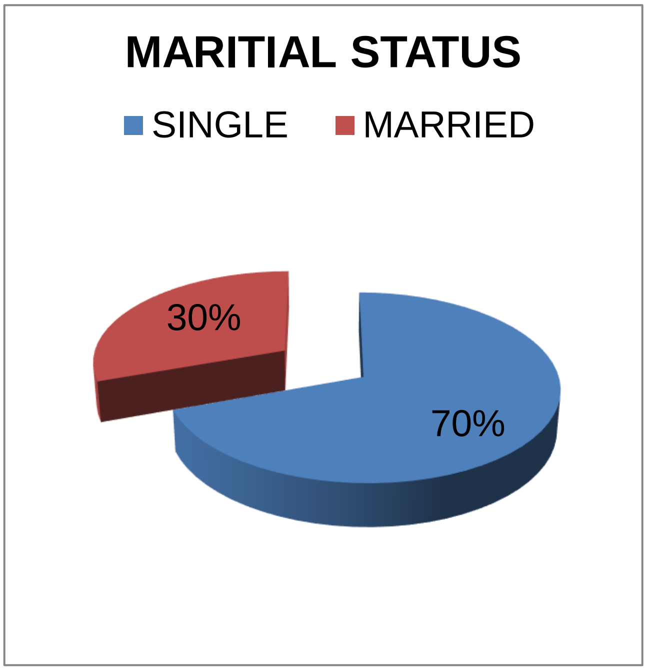
FREQUENCY DATA ANALYSIS:

We were able to get the questionnaire filled from 108 urban youth. Out of these 108 urban youth, we interviewed 58 urban youth (male) and 50 urban youth (female).

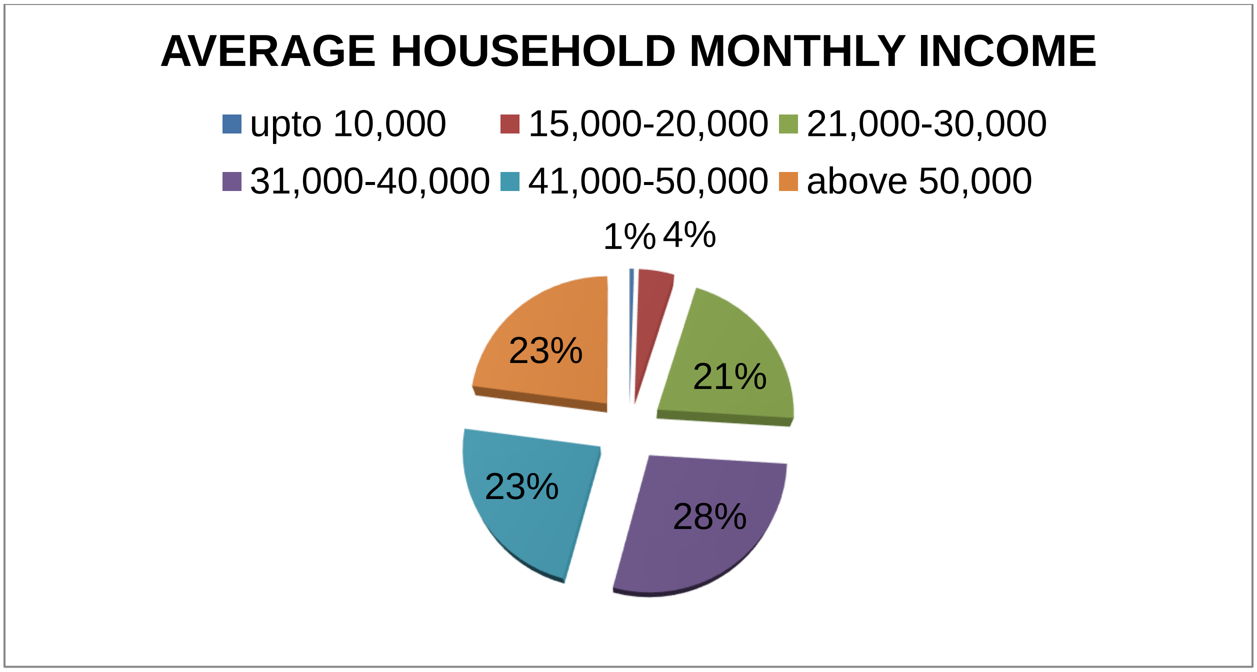
Using MS-Excel, we did the following data analysis.



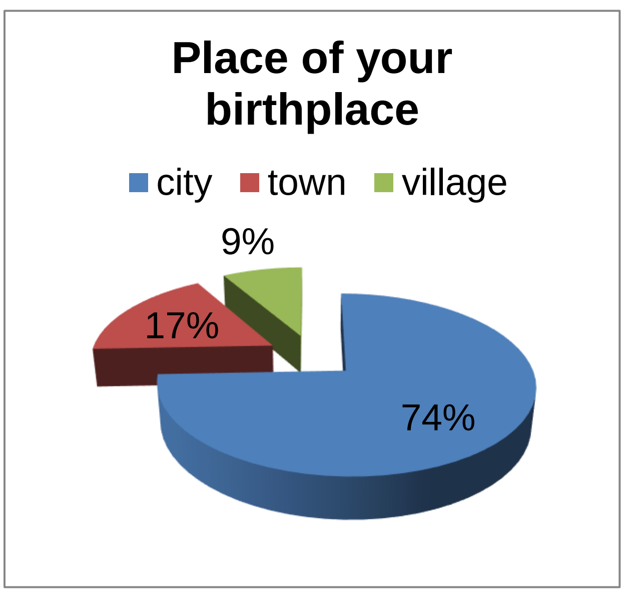
Out of the 108 respondents, 52% lied in age bracket (22-25) years; 27% of in (26-29) years; 17% in (19-21) years; while only 4% lied in age bracket (15-18) years.

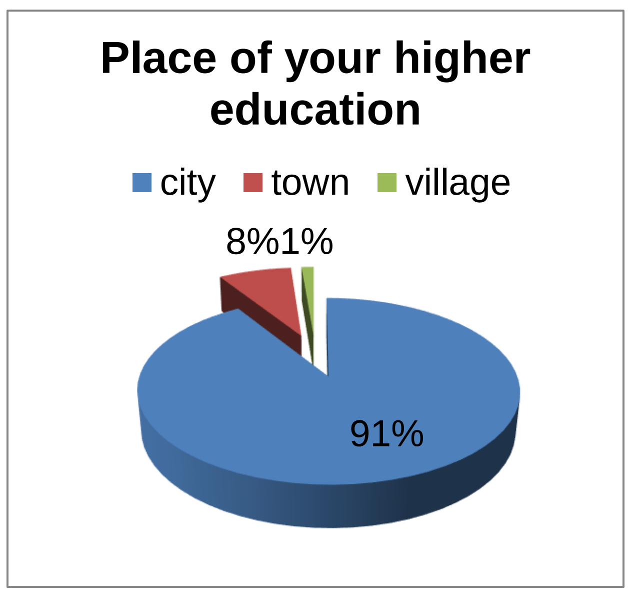


Out of the 108 respondents, 70% of them were single while 30% were married.

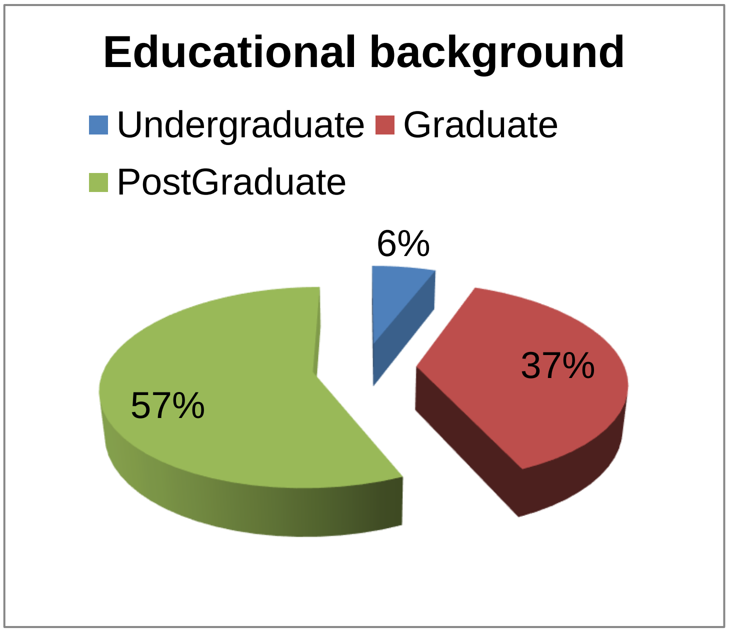


Out of the 108 respondents, 28% have household average monthly income Rs.31,000 to Rs.40,000; 21% have Rs.21,000 to Rs.30,000; 23% have Rs.41,000 to Rs.50,000; 23% have above Rs.50,000; 4% have Rs.15,000 to Rs.20,000; while only 1% has average household monthly income up to Rs.10,000.

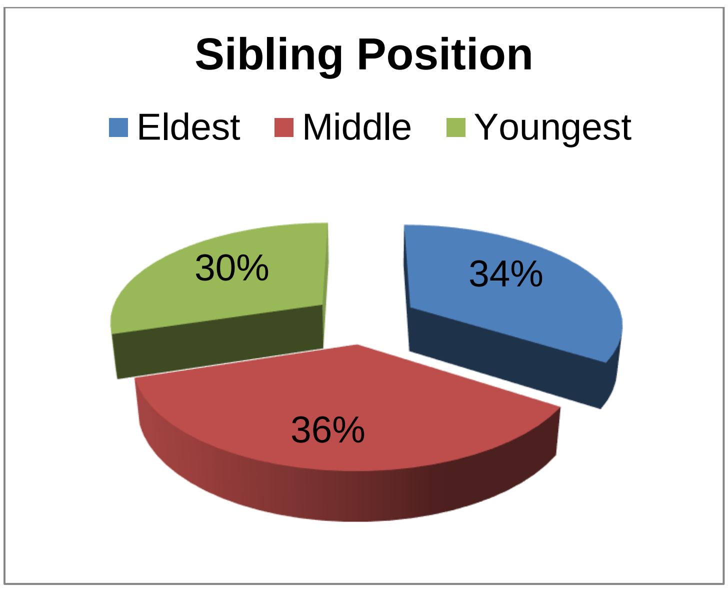




74% of the 108 respondents were born in city; 17% in a town while 9% in a village. Out of the 26% born in town and village, 17% of them along with 74% of those born in city (91%) had their higher education in a city. 8 % of them had their higher education in a town while only 1% had his/her higher education in a village.



Out of 108 respondents 37% of the respondents were graduates; 57% were post-graduates while only 6% were under-graduates.



Out of the 108 respondents, 36% were in middle order amongst the sibling position, 34% were eldest amongst the siblings while 30% were youngest amongst the siblings.

FACTOR ANALYSIS:

We used SPSS tool for analyzing the key factors and correlation among variables

Factor Analysis is primarily used for data reduction or structure detection.

- The purpose of ***data reduction*** is to remove redundant (highly correlated) variables from the data file, perhaps replacing the entire data file with a smaller number of uncorrelated variables.
- The purpose of ***structure detection*** is to examine the primary (or latent) relationships between the variables.

KMO & Bartlett's Test

The ***Kaiser-Meyer-Olkin*** Measure of Sampling Adequacy is a statistic that indicates the proportion of variance in your variables that might be caused by underlying factors. ***KMO value should be > 0.5***

Bartlett's test of sphericity tests the hypothesis that your correlation matrix is an identity matrix, which would indicate that your variables are unrelated and therefore unsuitable for structure detection. ***Sig. value should be < 0.05***

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.765
Bartlett's Test of Sphericity	Approx. Chi-Square	1.393E4
	df	861
	Sig.	.000

After running the Factor Analysis for the data of our 108respondents, we got the KMO value 0.765 which is greater than 0.5. Thus, we could use the Factor Analysis results for our data reduction and giving accurate key factor effecting the purchasing behavior of urban youth.

Also, the Significance value in the Bartlett's test was 0.000 which was less than 0.05. Thus, we could utilize the output generated in the Correlation Matrix to find the correlation among various variables.

We had used Varimax Rotation while running the Factor Analysis. From the output generated in Rotated Component Matrix *(Appendix)*, 12 factors were extracted out of 63 variables. These key 12 factors are as follows:

Sr. No.	Key Factors
1	Friends & Trends
2	Category Management & Visual Merchandising
3	Resolving Customers Needs & Queries
4	Location of ORU and Products
5	Conservative & Convenient Shopping Nature
6	Store Ambience
7	Pricing & After-Sale Service
8	Demographics
9	Ease of approach in ORU
10	Promotional Offers
11	Recreational Facilities
12	Easier Financing & Speedy Operations

Cronbach's α (alpha) Reliability Analysis:

Cronbach α is a statistic. It has an important use as a measure of the reliability of a psychometric instrument. Cronbach's alpha will generally increase when the correlations between the items increase. For this reason the coefficient is also called the internal consistency or the internal consistency reliability of the test.

G. David Garson offers an opinion about what corresponds to a good value for Cronbach's Alpha:

The widely-accepted social science cut-off is that alpha should be .70 or higher for a set of items to be considered a scale, but some use .75 or .80 while others are as lenient as .60. That .70 is as low as one may wish to go is reflected in the fact that when alpha is .70, the standard error of measurement will be over half (0.55) a standard deviation.

Thus for our analysis as a standard we have considered Cronbach alpha value 0.6 as a standard. As the value of Cronbach Alpha is greater than our standard hence we can go ahead with the factor analysis of the data.

Reliability Statistics		
Cronbach's Alpha	**Cronbach's Alpha Based on Standardized Items**	**N of Items**
.838	**.854**	**42**

CORRELATION ANALYSIS

Correlation coefficient is the degree to which two different variables could possibly be related. A correlation coefficient value of greater than 0.5 is generally considered to be reason good enough to believe that a strong correlation exists. The correlation matrix is obtained from the factor analysis output itself be checking the Correlation Coefficient Matrix *(Appendix)* option in the descriptives tab. The correlation coefficient table obtained for the datum collected for this research has been annexed. By studying the table, the following observations were recorded:

- A strong correlation between the ***eldest of the family*** and ***Conservative shopping*** nature
- A strong correlation between the ***youngest in the family*** and the tendency to purchase items because of the special promotional offers. This could be inferred as a ***carefree and unplanned buying behavior***.

- A correlation between the ***intention to shop in order to meet friends*** and the ***age group of 22 to 25 years.***
- A correlation between the ***place of higher education (city)*** and the ***need for proper shelf management*** i.e., balanced assortment, accessibility and visibility of products.
- A strong correlation between the ***need to bargain*** and the ***number of visits paid to unorganized retail outlets***.
- A strong correlation between the ***perceived utility of loyalty cards*** and the ***average monthly household income bracket of rupees ten thousand to rupees thirty thousand***. This could possibly state that people with an average monthly household income of less than Rs. 10,000 do not shop that frequently in an organized retail unit to derive benefits from a loyalty program and people with an average household monthly income of more than Rs. 30,000 do not seek the little benefits derived from a loyalty card.
- ***Friends and relative's recommendations*** has got a strong correlation with the following factors:
    - Special promotional offers
    - No of visits to ORU
    - Fair pricing strategies
    - Accessibility of essential products
    - Loyalty cards

CLUSTER ANALYSIS:

Cluster analysis is an interdependence multivariate method. As the name implies, the basic purpose of cluster analysis is to classify or segment objects (e.g., customers, products, market areas) into groups so that objects within each group are similar to one another on a variety of variables. Cluster analysis seeks to classify segments or objects such that there will be as much likeness within segments and as much difference between segments as possible. Thus, this method strives to identify natural groupings or segments among many variables without designating any of the variables as a dependent variable.

This analysis in this case would help and make clusters or segments of consumers, so as to differentiate these segments of consumers, which would have similarity within the segments, but difference among the segments as well. The people in each segment would have same likings for specific attributes. The retail stores would get to know by this way that what are the different kinds of groups and how a particular group has to be specifically catered according to their likings.

Cluster Analysis- This analysis was done to segment the respondents according to the variables used in the research. This analysis was done on variables extracted after the use of factor analysis. Variables used for this analysis are – Special Promotional Offers, Loyalty Cards Influence, Location of ORU, Location of ORU in Prime Business Area, Friends and Relatives Recommendations, Free Parking Influence Purchasing Behavior, Inadequate Parking Facility Create Customer Dissatisfaction, Security Precautions Essential, Exterior Lighting and Hygiene Essential, Service Desk Essential, ORU Space Mgmt. Essential, Balanced Assortment and Variety Merchandise Essential, Arranging and Displaying Merchandise Essential, Layout of Merchandise Essential, Accessibility of Products Essential, Store Layout Plan Essential, Attractive and Info. Displays Essential, Provide Product Demo and Video Display Influence CPB (Consumer Purchasing Behavior), In Store Lighting and Ambience Influence CPB, Ethical Pricing Strategy Influence CPB, In Store Promos Influence CPB, Fair Pricing Strategy Influence CPB, Identifying needs of Phy. Challenged Essential, Identifying Needs of Sr.Citizens Essential Identifying Needs of Pregnant Ladies Essential Identifying Needs of Parents with Kids Essential, Hygienic Rest Rooms and Food Court Essential, Store Ambience Temp Music Scent Decor, Employees Delighting Customers Essential, Latest Technology For Fast Checking Process, Credit Facility Influence CPB, Refund Exchange Policies Influence CPB, Warranty Home Delivery Free Installation Influence CPB, Customer Feedback Systems Essential, Shopping to Escape From Daily Routine, Shopping to Meet Friends, Shopping to Learn New Trends and Fashions, Shopping to gain Knowledge to Advice Friends, Like to Shop Where Friends are Shopping, Like to Shop Where one Cannot Bargain, Combine Recreation and Hobbies with Shopping Trips, Careful and Conservative Shopping attitude.

For our case, Hierarchical methods are used in tandem. Hierarchical Clustering was done to find out initial solution using average linked method. Distance here used was squared Euclidean distances. By looking at agglomeration schedule (Appendix), it shows the number of cases and clusters being combined at each stage. The first line represents stage 1, with 108 clusters. Respondents 98 and 108 are combined at this stage, as shown in the columns labeled "Clusters

Combined". The Squared Euclidean distance between these two respondents is given under column labeled "coefficients". The column entitled "Stage Cluster First Appears" indicates the stage at which a cluster is formed. To explain, respondent 98 was grouped first and at the Next stage 57, it was combined with respondent 80.

To decide the number of clusters as input for next stage, we take a look at the bottom of agglomeration schedule. We will follow the bottom to top approach to ascertain the number of initial clusters. If we move on from Stage 95 to 99, we see that there is considerable difference between the coefficients at each stage. But at stage 104 and 106, there is hardly any substantial difference between the two. So if we count from the bottom, four stages are having large distances. Therefore, it appears that four cluster solutions are appropriate.

Cluster One – This type of cluster consists of respondents for the variables are classified according to their importance in the following manner.

For people under this cluster, Location of ORU, Friends and Relatives Recommendations is **not important**.

VERY IMPORTANT	SOMEWHAT IMPORTANT	EXTREMELY IMPORTANT
Free Parking Influence PB	Special Promo Offers	Identifying needs of Phy. Challenged Essential
Inadequate Parking Facility Create CD	Loyalty Cards Influence	Identifying Needs of Sr. Citizens Essential
Security Precautions Essential	Location of ORU in Prime Business Area	Identifying Needs of Pregnant Ladies Essential
Ext. Lighting and Hygiene Essential	Ethical Pricing Strategy	Hygienic Rest Rooms and

	Influence CPB	Food Court Essential
Service Desk Essential	Fair Pricing Strategy Influence CPB	Shopping to Escape From Daily Routine
ORU Space Mgmt. Essential	Latest Technology For Fast Checking Process	Shopping to Meet Friends
Bal. Assortment and Variety Merchandise Essential	Customer Feedback Systems Essential	Shopping to Learn New Trends and Fashions
Arranging and Displaying Merchandise Essential	Like to Shop Where one Cannot Bargain	Shopping to gain Knowledge to Advice Friends
Layout of Merchandise Essential	Careful and Conservative Shopping attitude	
Accessibility of Products Essential		
Store Layout Plan Essential		
Attractive and Info. Displays Essential		
Provide Product Demo and Video Display Influence CPB		
In Store Lighting and Ambience Influence CPB		
In Store Promos Influence CPB		
Identifying Needs of Parents. with Kids Essential		
Store Ambience Temp Music Scent Décor		
Employees Delighting Customers Essential		
Credit Facility Influence CPB		
Refund Exchange Policies Influence CPB		
Warranty Home Delivery Free Installation Influence CPB		
Like to Shop Where Friends are Shopping		
Combine Recreation and Hobbies with Shopping Trips		

Cluster Two – This type of cluster consists of respondents for whom the variables are classified according to their importance in the following manner.

VERY IMPORTANT	SOMEWHAT IMPORTANT
Special Promo Offers	Loyalty Cards Influence
Location of ORU	Location of ORU in Prime Business Area
Friends and Relatives Recommendations	Inadequate Parking Facility Create CD
Free Parking Influence PB	Latest Technology For Fast Checking Process
Security Precautions Essential	Refund Exchange Policies Influence CPB
Ext. Lighting and Hygiene Essential	Shopping to Escape From Daily Routine
Service Desk Essential	Shopping to Meet Friends
ORU Space Mgmt. Essential	Shopping to Learn New Trends and Fashions
Bal. Assortment and Variety Merchandise Essential	Shopping to gain Knowledge to Advice Friends
Arranging and Displaying Merchandise Essential	Like to Shop Where Friends are Shopping
Layout of Merchandise Essential	Like to Shop Where one Cannot Bargain
Accessibility of Products Essential	Combine Recreation and Hobbies with Shopping Trips
Store Layout Plan Essential	
Attractive and Info. Displays Essential	
Provide Product Demo and Video Display Influence CPB	
In Store Lighting and Ambience Influence CPB	
Ethical Pricing Strategy Influence CPB	
In Store Promos Influence CPB	
Fair Pricing Strategy Influence CPB	
Identifying needs of Phy. Challenged Essential	
Identifying Needs of Sr. Citizens Essential	
Identifying Needs of Pregnant Ladies Essential	
Identifying Needs of Parents. with Kids Essential	
Hygienic Rest Rooms and Food Court Essential	
Store Ambience Temp Music Scent Decor	

Employees Delighting Customers Essential	
Credit Facility Influence CPB	
Warranty Home Delivery Free Installation Influence CPB	
Customer Feedback Systems Essential	
Careful and Conservative Shopping attitude	

Cluster 3 – This type of cluster consists of respondents for whom the variables under Very important are very important and the variable under extremely important are considered to be extremely important.

VERY IMPORTANT	EXTREMELY IMPORTANT
Special Promo Offers	Security Precautions Essential
Loyalty Cards Influence	Attractive and Info. Displays Essential
Location of ORU	Fair Pricing Strategy Influence CPB
Location of ORU in Prime Business Area	Identifying needs of Phy. Challenged Essential
Friends and Relatives Recommendations	Identifying Needs of Sr. Citizens Essential
Free Parking Influence PB	Identifying Needs of Pregnant Ladies Essential
Inadequate Parking Facility Create CD	Hygienic Rest Rooms and Food Court Essential
Ext. Lighting and Hygiene Essential	Employees Delighting Customers Essential
Service Desk Essential	Refund Exchange Policies Influence CPB
ORU Space Mgmt. Essential	Warranty Home Delivery Free Installation Influence CPB
Bal. Assortment and Variety Merchandise Essential	
Arranging and Displaying Merchandise Essential	
Layout of Merchandise Essential	
Accessibility of Products Essential	
Store Layout Plan Essential	

Provide Product Demo and Video Display Influence CPB	
In Store Lighting and Ambience Influence CPB	
Ethical Pricing Strategy Influence CPB	
In Store Promos Influence CPB	
Identifying Needs of Parents. with Kids Essential	
Store Ambience Temp Music Scent Décor	
Latest Technology For Fast Checking Process	
Credit Facility Influence CPB	
Customer Feedback Systems Essential	
Shopping to Escape From Daily Routine	
Shopping to Meet Friends	
Shopping to Learn New Trends and Fashions	
Shopping to gain Knowledge to Advice Friends	
Like to Shop Where Friends are Shopping	
Like to Shop Where one Cannot Bargain	
Combine Recreation and Hobbies with Shopping Trips	
Careful and Conservative Shopping attitude	

Cluster 4 – This type of cluster consists of respondents for whom the variables under Very important are very important and the variable under extremely important are considered to be extremely important.

VERY IMPORTANT	SOMEWHAT IMPORTANT	EXTREMLY IMPORTANT
Special Promo Offers	Location of ORU in Prime Business Area	Employees Delighting

		Customers Essential
Loyalty Cards Influence	Inadequate Parking Facility Create CD	
Location of ORU	Ethical Pricing Strategy Influence CPB	
Friends and Relatives Recommendations	Like to Shop Where one Cannot Bargain	
Free Parking Influence PB	Combine Recreation and Hobbies with Shopping Trips	
Security Precautions Essential		
Ext. Lighting and Hygiene Essential		
Service Desk Essential		
ORU Space Mgmt. Essential		
Bal. Assortment and Variety Merchandise Essential		
Arranging and Displaying Merchandise Essential		
Layout of Merchandise Essential		
Accessibility of Products Essential		
Store Layout Plan Essential		
Attractive and Info. Displays Essential		
Provide Product Demo and Video Display Influence CPB		
In Store Lighting and Ambience Influence CPB		
In Store Promos Influence CPB		
Fair Pricing Strategy Influence CPB		
Identifying needs of Phy. Challenged Essential		

Identifying Needs of Sr. Citizens Essential		
Identifying Needs of Pregnant Ladies Essential		
Identifying Needs of Parents. with Kids Essential		
Hygienic Rest Rooms and Food Court Essential		
Store Ambience Temp Music Scent Decor		
Latest Technology For Fast Checking Process		
Credit Facility Influence CPB		
Refund Exchange Policies Influence CPB		
Warranty Home Delivery Free Installation Influence CPB		
Customer Feedback Systems Essential		
Careful and Conservative Shopping attitude		

Cluster 5 – This type of cluster consists of respondents for whom the variables under Very important are very important and the variable under somewhat important are considered to be somewhat important.

VERY IMPORTANT	SOMEWHAT IMPORTANT
Location of ORU	Special Promo Offers
Location of ORU in Prime Business Area	Loyalty Cards Influence
Friends and Relatives Recommendations	Service Desk Essential
Free Parking Influence PB	Bal. Assortment and Variety Merchandise Essential
Inadequate Parking Facility Create CD	Arranging and Displaying Merchandise Essential
Security Precautions Essential	Like to Shop Where Friends are Shopping
Ext. Lighting and Hygiene Essential	Careful and Conservative Shopping attitude
ORU Space Mgmt. Essential	
Layout of Merchandise Essential	
Accessibility of Products Essential	
Store Layout Plan Essential	

Attractive and Info. Displays Essential	
Provide Product Demo and Video Display Influence CPB	
In Store Lighting and Ambience Influence CPB	
Ethical Pricing Strategy Influence CPB	
In Store Promos Influence CPB	
Fair Pricing Strategy Influence CPB	
Identifying needs of Phy. Challenged Essential	
Identifying Needs of Sr. Citizens Essential	
Identifying Needs of Pregnant Ladies Essential	
Identifying Needs of Parents. with Kids Essential	
Hygienic Rest Rooms and Food Court Essential	
Store Ambience Temp Music Scent Décor	
Employees Delighting Customers Essential	
Latest Technology For Fast Checking Process	
Credit Facility Influence CPB	
Refund Exchange Policies Influence CPB	
Warranty Home Delivery Free Installation Influence CPB	
Customer Feedback Systems Essential	
Shopping to Escape From Daily Routine	
Shopping to Meet Friends	
Shopping to Learn New Trends and Fashions	
Shopping to gain Knowledge to Advice Friends	
Like to Shop Where one Cannot Bargain	
Combine Recreation and Hobbies with Shopping Trips	

CONCLUSION & RECOMMENDATIONS

Thus, we can ***conclude*** that the purchasing behavior of Urban Youth depends on their socioeconomic location and the kinds of skills and resources they draw from within households and society**.** Most young people experience urban life simultaneously as exclusion and inclusion. These processes intersect their socio-spatial experiences, fueling contradictions between their livelihoods and desires. Thus, there are many factors as mentioned earlier in the report which influence the purchasing behavior of Urban Youth (Male & Female).

I would like to ***recommend*** the ORU's manager to take into consideration factors like location of ORU, free parking service, hygienic rest rooms, recreation facilities, store layout and ambience, product demonstrations, special promotional offers, category management and after-sale services like home delivery and loyalty card programs to increase the number of footfalls in the ORU and convert these footfalls into purchasers and that too having greater bill size. Measures should be taken that continuous innovation is there in the ORU and urban youth are entertained in different ways.

APPENDIX

Questionnaire

RESEARCH OBJECTIVE: Urban Youth Purchasing Behavior in the Organized Retail Sector-Ref. Noida and Ghaziabad.

Dear Respondent,

Warm greetings, we are conducting a survey to obtain a feedback from our valued urban youth, to understand their "Purchasing Behavior" in the Organized Retail Sector (Reference Noida and Ghaziabad, U.P. India). We do highly appreciate your help in this regard and THANK YOU for your valuable time.

<table>
<tr><td colspan="5">Organized Retail Unit Name:
____</td><td>Date:_____May'18</td></tr>
<tr><td colspan="5">Respondent
Name:____</td><td>Gender : M
F</td></tr>
<tr><td colspan="6">Age : 15--18 19---21 22---25
26---29</td></tr>
<tr><td colspan="6">Marital Status: Married 1. Nuclear Family 2. Joint Family
* Single 1. Living with Friends 2. Staying by
Yourself</td></tr>
<tr><td colspan="6">Household Size: _____ No. of Family members</td></tr>
<tr><td colspan="6">Household Average Monthly Income:
10,000-15000 15,000 - 20,000 21,000 - 30,000 31,000 – 40,000 41,000 – 50,000
50,000 above</td></tr>
<tr><td colspan="6">Name of your Birthplace:______________________________State:___________________________
Is this place a 1. City 2. Town 3.
Village</td></tr>
<tr><td colspan="6">Place of your higher education: _______________________________State:
____
Is this place: 1. City 2. Town 3.
Village</td></tr>
</table>

How long have you been living in Noida/Ghaziabad: __________**Yrs**	
Have you lived in any other City: 1. ______________________ **Yrs** 2. _________________________ **Yrs**	
Educational Background: Undergraduate Graduate Post Graduate _________________Others	
Occupation:_________________________________	
How many brothers and sisters do you have? ____________Brothers ____________ Sisters **Your position in the family?** ____ Eldest in the family _______ Middle ______ Youngest in the family	
Mode of your TRANSPORTATION: _____Two wheeler_____ Auto/City Bus _____ Four wheeler ____ others	

How often do you visit the following:

Unorganized Retail outlets (Kirana kind of stores) 1---------- 2 ----------- 3 --------- 4 --------5 ------- Times a month

Organized Retail Unit (Big Bazaar kind of stores) 1-------- 2 -------- 3 ---------4 ----------- 5 ------- Times a month

Special PROMOTIONAL OFFERS to you:

1. Extremely Imp. **2.** Very Imp. **3.** Somewhat Imp. **4.** Not Imp. **5.** Not at all Imp.

To save money 'Loyalty Card' programs to me is:

1. Extremely Imp. **2.** Very Imp. **3.** Somewhat Imp. **4.** Not Imp. **5.** Not at all Imp.

Your SHOPPING COMPANION:

Single: 1. Living with Friends 2. Staying by Yourself

Married: 1. ----- Spouse 2. ------ Family 3.------ Children 4. ------ Parents 5. ------ Friends 6. -------Alone

Does the LOCATION of the Organized Retail Unit influence your purchasing decision?

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

LOCATION of the Organized Retail Unit in prime business area is important for me

1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

Appropriate DISTANCE between your Residence and this particular Organized Retail Unit ?

---1 Km ---2 Km ----3Km ----4Km ----5 Km ---6Km ----7 Km ----8Km ----9Km ----10 Km

Your Friends' and Relatives' RECOMMENDATIONS influences your purchasing decision

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

Do you plan watching a MOVIE AND SHOPPING at organized retail unit together?

------- Yes --------- No ----------- Sometimes

INADEQUATE PARKING FACILITY create Customer dissatisfaction:

1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

Free PARKING SERVICE does influence your repeat purchase:

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

SECURITY PRECAUTIONS at parking area and main entrance is essential for customer safety:

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

EXTERIOR LIGHTING AND CLEANLINESS in the Organized Retail Unit's premises is essential

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

---

SERVICE DESK to help Customers:

1. Extremely Imp. **2.** Very Imp. **3.** Somewhat Imp. **4.** Not Imp. **5.** Not at all Imp.

RETAIL SPACE MANAGEMENT is most essential for consumer shopping convenience

1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

BALANCED ASSORTMENT AND VARIETY OF MERCHANDISE availability to me is

emely Imp. **2.** Very Imp. **3.** Somewhat Imp. **4.** Not Imp. **5.** Not at all Imp.

ARRANGING AND DISPLAYING OF THE MERCHANDISE does influence your buying behavior

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

JT OF MERCHANDISE helps customer to quickly identify the goods he/she looking for

1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

ACCESSIBILITY of products:

1. Extremely Imp. 2. Very Imp. 3. Somewhat Imp. 4. Not Imp. 5. Not at all Imp.

STORE LAYOUT PLAN has a significant effect on the customer buying behavior:

1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

Attractive and informative DISPLAYS help consumers to understand product category better

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

Providing PRODUCT INFO. DEMONSTRATIONS AND VIDEO DISPLAYS **help customers to choose the right product:**

1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

PROPER IN STORE LIGHTING influence consumer purchasing behavior by extracting maximum effect from displays and visual merchandizing

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

ETHICAL ISSUES are an important feature of PRICING STRATEGY in Organized retail unit

ngly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

IN STORE PROMOTIONS influence consumer to purchase items which are not in their prior list

ıgly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

FAIR PRICING STRATEGIES increase customer loyalty:

1.Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

Recognizing and resolving the NEEDS OF PHYSICALLY CHALLENGED customers while they are shopping: 1. Extremely Imp. 2. Very Imp. 3. Somewhat Imp. 4. Not Imp. 5. Not at all Imp.
Recognizing and resolving the NEEDS OF SENIOR CITIZENS while they are shopping: 1. Extremely Imp. 2. Very Imp. 3. Somewhat Imp. 4. Not Imp. 5. Not at all Imp.
Recognizing and resolving the NEEDS OF PREGNANT LADIES while they are shopping:

1. Extremely Imp. 2. Very Imp. 3. Somewhat Imp. 4. Not Imp. 5. Not at all Imp.
Recognizing and resolving the NEEDS OF PARENTS WITH LITTLE KIDS while they are shopping: 1. Extremely Imp. 2. Very Imp. 3. Somewhat Imp. 4. Not Imp. 5. Not at all Imp.
HYGIENIC REST ROOMS AND REFRESHMENT FACILITIES provide consumers with a sense of comfort: 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
STORE ATMOSPHERE(temperature,internal decoration,music,scent)is vital & induce customers to spend more money: 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
FRIENDLY AND EFFICIENT EMPLOYEES (Delighting the Customers) positively influence customer buying behavior 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
Using LATEST SCANNING TECHNOLOGY available to speed up the checking process: 1. Extremely Imp. **2.** Very Imp. **3.** Somewhat Imp. **4.** Not Imp. **5.** Not at all Imp.
Providing CREDIT FACILITY is essential for customer convenience: 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
100% SATISFACTION GUARANTEE, REFUNDS AND EXCHANGES for 'change of mind' purchasers- increase loyal customer base: 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
EXTERNAL WARRANTIES, HOME DELIVERY SERVICE, FREE INSTALLATION - increase loyal customer base: 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree

CUSTOMER SUGGESTION BOXES and CUSTOMER FEEDBACK SYSTEMS - help Retail Management to understand the customer needs so that they can serve the customers better: 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
I enjoy shopping as it gives me an opportunity to escape from daily routine 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
I enjoy shopping as it is also a meeting place for my friends 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
Visiting stores to shop helps me in learning about new trends, styles, and fashions 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
My friends/relatives/colleagues seek my advice and so I keep myself updated with shopping knowledge 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
I select a particular store to shop if my friends/colleagues are also doing the same 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
I select a store where I do not need to bargain 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
I combine recreations/hobbies with shopping trips 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
I believe in conservative spending 1. Strongly Disagree 2.Disagree 3.Neither Agree nor Disagree. 4.Agree 5.Strongly Agree
Urban Youth: If you are the General Manager of this particular Organized Retail Unit --- What kind of changes would you like to make to improve the sales

Following is the result of cluster analysis:

Where:

1 means Extremely Important,

2 means Very Important,

3 means Somewhat Important,

4 means Not Important and

5 means not at all Important.

Final Cluster Centers

	Cluster				
	1	2	3	4	5
Spl.Promo.Offers	3	2	2	2	3
Loyalty.Cards.Influence	3	3	2	2	3
Location.of.ORU	4	2	2	2	2
Location.of.ORU.in.Prime.Bus.Area	3	3	2	3	2
Friends.and.Relatives.Recommendations	4	2	2	2	2
Free.Parking.Influence.PB	2	2	2	2	2
Inadequate.Parking.Fcty.Create.CD	2	3	2	3	2
Security.Precautions.Essential	2	2	1	2	2
Ext.Lighting.and.Hygiene.Essential	2	2	2	2	2

Service.Desk.Essential	2	2	2	2	3
ORU.Space.Mgmt.Essential	2	2	2	2	2
Bal.Assortment.and.Variety.Merchandise.Essential	2	2	2	2	3
Arranging.and.Displaying.Merchandise.Essential	2	2	2	2	3
Layout.of.Merchandise.Essential	2	2	2	2	2
Accessibility.of.Products.Essential	2	2	2	2	2
Store.Layout.Plan.Essential	2	2	2	2	2
Attractive.and.Info.Displays.Essential	2	2	1	2	2
Provide.Product.Demo.and.Video.Display.Influence.CPB	2	2	2	2	2
In.Store.Lighting.and.Ambience.Influence.CPB	2	2	2	2	2
Ethical.Pricing.Strategy.Influence.CPB	3	2	2	3	2
In.Store.Promos.Influence.CPB	2	2	2	2	2
Fair.Pricing.Stategy.Influence.CPB	3	2	1	2	2
Identifying.needs.of.Phy.Challenged.Essential	1	2	1	2	2
Identifying.Needs.of.Sr.Citizens.Essential	1	2	1	2	2
Identifying.Needs.of.Pregnant.Ladies.Essential	1	2	1	2	2
Identifying.Needs.of.Parents.with.Kids.Essential	2	2	2	2	2
Hygienic.Rest.Rooms.and.Food.Court.Essential	1	2	1	2	2
Store.Ambience.Temp.Music.Scent.Decor	2	2	2	2	2
Employies.Delighting.Customers.Essential	2	2	1	1	2
Latest.Technology.For.Fast.Checking.Process	3	3	2	2	2
Credit.Facility.Influence.CPB	2	2	2	2	2
Refund.Exchange.Policies.Influence.CPB	2	3	1	2	2
Warranty.Home.Delivery.Free.Installation.Influence.CPB	2	2	1	2	2
Customer.Feedback.Systems.Essential	3	2	2	2	2
Shopping.to.Escape.From.Daily.Routine	1	3	2	4	2
Shopping.to.Meet.Friends	1	3	2	4	2
Shopping.to.Learn.New.Trends.and.Fashions	1	3	2	4	2
Shopping.to.gain.Knowledge.to.Advice.Friends	1	3	2	4	2
Like.to.Shop.Where.Friends.are.Shopping	2	3	2	4	3
Like.to.Shop.Where.one.Can.not.Bargain	3	3	2	3	2
Combine.Recreation.and.Hobbies.with.Shopping.Trips	2	3	2	3	2
Carefull.and.Conservative.Shoipping.attitude	3	2	2	2	3

REFERENCES

- *http://www.indianmba.com*
- *http://www.euromonitor.com*
- *http://www.pantaloon.com*
- *http://www.swaroopch.com*
- *http://www.thehindubusinessline.com*
- *http://www.indiaonestop.com*
- *http://www.careers-in-marketing.com*
- *http://www.researchandmarkets.com*
- *http://www.amazines.com*
- *http://www.managementparadise.com*
- *http://www.manishmarwah.name/consumerism.html*
- *Marketing Management by Philip Kotler (12th edition)*
- *FICCI report*
- *http://www.dspace.iimk.ac.in/bitstream/2259/324/1/603-612.pdf*
- *http://www.iloveindia.com/economy-of-india/retail-industry.html*
- *http://papers.ssrn.com/sol3/papers*
- *http://thirdeyesight.in/blog/tag/organized-retail/*
- *http://www.indianmba.com/Faculty_Column/FC538/fc538.html*
- *http://knowledge.wharton.upenn.edu/india/article.cfm?articleid=4303*
- *http://en.wikipedia.org/wiki/Cronbach%27s_alpha*