

## Review of researches in organised retail sector in India

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### Abstract

In last few years, lots of researches have been done in Indian organised retail sector and it is quite evident that our organised Indian retailing industry has changed significantly in these years. By having a thorough discussion on the recent researches, articles and seminars, we will be able to know the present scenario of organised India retail industry and the way forward. This kind of review gives us an overview that what has already been said on the topic by the key writers. It gives an idea about the prevailing theories and specifies the questions to be asked. It also suggests what methodologies and methods are appropriate and useful in the research. This article reviews various studies in organised retailing conducted till now. A thorough study has been done for the available literature to know the past, present scenario and to understand the future trends. This study explores the topic such as retailing, Indian and global scenario, past discussions, research gaps, current debates, government policies, retailing challenges related to government policies, COVID effect on organised retail industry and future aspects. This study is based on various textbooks, international and national journals, reference books, concerned magazines, newspapers, internet and concerned PhD thesis. This study specifies that what was done till date and what needs to be done in future to have a better understanding of organised retail industry in Ghaziabad with special reference to hypermarkets.

**Keywords:** Organised Retail, Hypermarket, Foreign direct investment (FDI), Tier II

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### I. Introduction

Retailing is the concluding stage of any economic activity. It comprises the business activities concerned in selling goods and services to customers for their individual, family or household use. It includes every sale to final consumers ranging from meals to apparel to cars to food at restaurants to movie tickets. There is direct end-user communication in retailing. Retailing is only point in the value chain to offer a podium for promotions. Sales at the retail level are in general in smaller unit sizes. Along with this location is most significant factor in retail business<sup>1</sup>.

The retail industry uses four types of “channels” to sway products from the manufacturer to the consumer/customer. They are simply the direct channel (producer to customer/consumer), another one is retailer channel (producer to retailer to customer/consumer), next is wholesale channel (producer to wholesaler to retailer to customer/consumer), and the agent/broker channel (producer to broker/agent to wholesaler to retailer to customer/consumer). Now—days modern retail stores abroad use “omnichannel” strategies to seamlessly integrate channels and let the customer decide when, where, and how to buy.

#### 1.1 The Indian Retail Market

The Indian retail market was projected to be worth roughly about \$600 billion at the beginning of 2015, and is expected to expand to \$1.3 trillion by 2020. 92% of the revenue is caused by the unorganised sector (comprises of traditional outlets which are not under the tax net), according to a report by KPMG<sup>2</sup>. Modern trade (hypermarkets, supermarkets and other organised retail stores) accounted for \$60 billion. Along with this E-commerce is estimated to be worth \$6 billion and is projected to increase to \$70 billion by 2020.

The Indian retail market can be classified as (1) traditional outlets (fruit, vegetable and fairs and grain markets ); (2) established outlets (kiosks, corner shops, independent stores, supermarkets, department stores, speciality stores, hypermarkets, franchise stores, wholesale cash-and-carry outlets and discount stores); (3) government/cooperative stores (Village industry outlets, Mother Dairy stores and khadi outlets, cottage industries emporiums, fair price shops and defence canteens); and (4) e-commerce (hotel accommodation and online travel ticket, electronic goods, leisure goods, entertainment electronics, etc.).

The main section of the overall retail industry is food and grocery (60 percent share); apparel (8 percent); telecom (6 percent); food service (5 percent); jewellery (4 percent), consumer electronics (3 percent); pharmacy (3 percent); and “others” (11 percent). However, the apparel division tops the list of organised sector

division at 33 percent, followed by telecom and food-grocery (11 percent each) and consumer electronics (8 percent) for the second and third ranks respectively.

India is among the countries with the highest per capita availability of retail store space. According to CoolAvenues.com, there are at least 11 retail shops for every 1,000 people in India, whereas the US has only four. The number of supermarkets increased from 500 in 2006 to 4,000 in 2011, and is estimated to touch 8,500 by 2016. But only about 3 percent of shops in India are in the organised sector, and only about 5 percent have an area of over 500 square feet<sup>3</sup>.

A large number of merger and acquisitions have start in Indian retail market after FDI reforms. Price Waterhouse Coopers (PWC)<sup>4</sup> is a worldwide professional services network with headquarters in London, United Kingdom calculates approximately the multi-brand retail market to grow to \$220 billion by 2020 in India.

Further, India's e-commerce market is estimated to reach US\$ 220 billion in terms of Gross Merchandise Value (GMV) and 530 million consumers by 2025, led by faster speeds on trustworthy telecom networks, faster acceptance of online services and better diversity as well as convenience<sup>5</sup>

India's direct selling business is estimated to reach Rs 159.3 billion (US\$ 2.5 billion) by 2021, if provided with a favorable environment via reforms and regulation. India is estimated to turn into the world's third-largest consumer economy, attaining US\$ 400 billion in consumption by 2025. Government of India has permitted 100% FDI in online retail of goods and services through the automatic route, thus providing clarity on the present businesses of e-commerce companies operating in India<sup>6</sup>

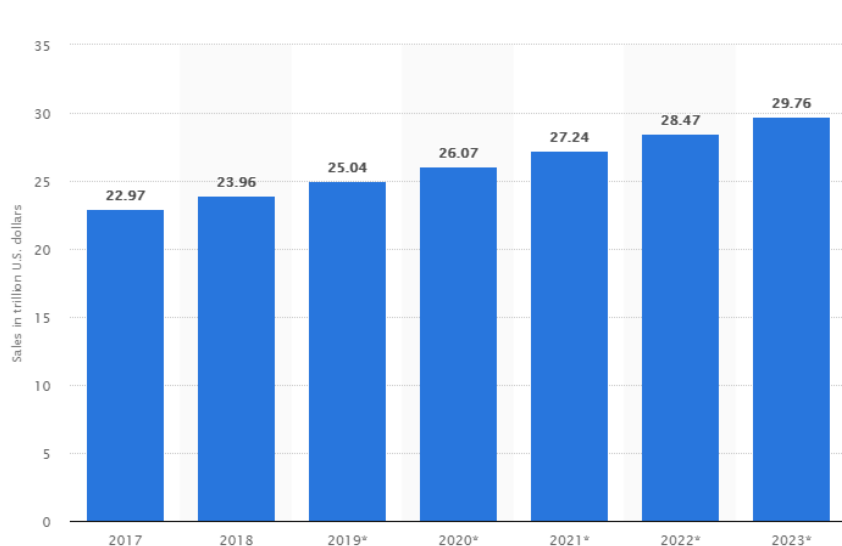
Among the top retail companies/groups in India are Future Group (Big Bazaar, Brand Factory , Pantaloons), Tata Group (Tanishq and Titan outlets, Westside, Croma, Landmark), Reliance Retail (Reliance Digital, Reliance Supermarkets), K. Raheja Corp Group (Crosswords, Shoppers Stop), RP-Sanjeev Goenka Group (Spencer's Daily, Spencer's Hyper.), Aditya Birla Group (More outlets), Fabindia and ITC-LRBD.

### 1.2 Retail Industry Global Scenario

The United States is the major retail market in the world, with sales of over five trillion U.S. dollars. Physical stores responsible for the best part of sales in this market. Mass merchandisers are the largest supplier to this industry. The U.S. is home to some of the world's largest grocery and general merchandise retailers in Walmart, Costco, and Kroger. However, it is stand for in many other sectors, by companies like Amazon, CVS and The Home Depot, which are also based in the U.S.

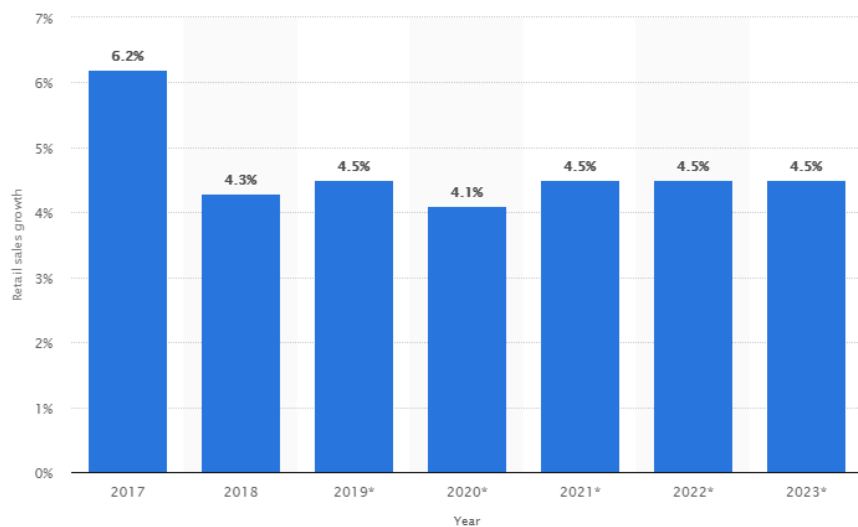
Retail in Europe pursue a similar blueprint with mass merchandisers Carrefour and Tesco two of the leading European retailers. German retailers Schwarz Gruppe (Lidl) and Aldi who both run cut-price discount store models are additional leading retailers from the region. Germany, the United Kingdom, and France are the largest markets in this region. Asia is home to some of the largest retail markets in the world in Japan, China and India. JD.com and Seven & I Holdings, owner of Seven-Eleven are two of the largest retailers coming from this region.

### Forecast of Total retail sales worldwide from 2017 to 2023 (in trillion U.S. dollars)<sup>7</sup>



Source: <https://www.statista.com/statistics/232347/forecast-of-Total-retail-sales-worldwide/>

**Forecast for global retail sales growth from 2017 to 2023<sup>8</sup>**



**Source:** <https://www.statista.com/statistics/232347/forecast-of-global-retail-sales-growth/>

**II. Research methodology:**

This research is helpful in extracting the fields and area of interest of the researchers about Indian organised retail industry in last 5 years. In this study we did a deep dive analysis of various researches, viewpoint of various journals, newspapers and articles about the India organised retail industry that commenced in last 5 years. In short this study will be helpful to know the fields of India retail industry on which researches were done in last 5 years, the objective to do this research is to know the key trends prevailed and studied in Indian retail industry in last 5 years. This research will provide a clear cut idea that in retail industry what would be the area of interest of the researchers in last 5 years. This study also helpful in depicting the key parameters that drive the Indian retail industry in last 5 years, by this study new researcher will also be able to understand the gaps in old researches. This study acts as a whistle blower for the new researchers which helps them to think in a new way out “or” we can say helps them to have a new out-of-box approach to study the Indian Retail Industry.

**Research review on overall retail scenario - Indian Retail Market**

It was stated by Ms. Lata Jha<sup>9</sup> in 2020 that India’s retail market has been estimated to reach \$1.1-1.3 trillion by 2025, from \$0.7 trillion in 2019, growing at a compound annual growth rate (CAGR) of 9-11%, driven by socio-demographic and economic factors such as urbanization, income growth and rise in nuclear families. India’s consumption is likely to outperform that of developed countries like the US and UK that will only grow at a CAGR of 3.6% and 4.5%, respectively. Retail in India continues to be fragmented. There is large headroom for the top five retailers to grow their market share from the current 5% to 10-12% in the next decade. To achieve this, retailers would need to drive business model innovations based on value proposition and operating model. He also points to the evolving consumers and the way they shop. They look for convenience due to paucity of time. They are happy to choose personalized products and services despite higher costs. They shop frequently to maintain a trendy lifestyle or image. Renting of products is preferred as they want an asset-light lifestyle.

In June 2018 India Brand Equity Foundation (IBEF)<sup>10</sup> stated that retail sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in tier-II and tier-III cities and FMCG players are focusing on rural market as it accounted for over 60% of FMCG consumer base in India in 2016. They also found that with increasing investment in infrastructure, retailers would be capable to increase their access to high-growth potential rural markets. India Retailing Bureau (2017) explained that tier II cities will be the next retail objective in the country with prominence the withdrawal of malls across tier I cities, the report identifies 20 cities including tier II cities such as Lucknow, Kochi, Jaipur, Chandigarh, Patna, Indore, Bhubaneswar and Nagpur among the chief cities, as the next retail destinations in the country. The study bases its conclusion on key parameters such as total retail stock, forthcoming supply, retailer presence, retailer development plans and investments.

In 2014 Dr. R Pankajakshi<sup>11</sup> argued the “Insight into Indian retailing industry” and found that in order to flourish in the hyper aggressive climate of the future, Retail sector of all types and sizes must focus on the basic level of any business transaction – like understanding how consumers needs, preferences, lifestyle changes and their product purchase decisions. Retailers should line up their strategies in order to meet the highly competitive market and must adjust to the structural transformation taking place at both the macro and micro levels through continuous innovation and customer feedback for efficient and effective use of knowledge.

In 2013 Ms. Meenakshi Meenakshi<sup>12</sup> stated that malls are the temples of consumerism and are cropping up everywhere. These malls have changed the way people are shopping. They are teaching them how to appreciate the good things of life. ‘Comfort’, ‘Style’, ‘Convenience’ and ‘Cool’ were some of the words used by the shoppers introduced to the mall culture. And no one is complaining. Not the mall owners, not the shop keepers and certainly not the marketing men and women of the big brands. As per Ms. Chaudhary the retailers and shoppers expect the rising trend in the mall purchase. According to her study a shopping mall can best be described as a ‘shopaholic paradise’.

Mr. Mullick in 2013 Stated that malls are the most popular format which have been adopted in the Indian market. They range between 60,000 sq ft. From 2001, the small sized single category speciality store with an average size of 800 sq ft dominated the organized retail market followed by the department stores with an average 30,000 sq ft space and supermarkets or convenience stores of 1000 sq ft average space.

### **Research review on organized retail in Tier II city in India**

In 2018 Mr. Mazumdar Jharna<sup>13</sup> explained why big retailers are moving to tier II, tier III towns for their expansion, he clearly stated that rising incomes, increasing awareness and high aspirations in rural areas bring big opportunity for several retailers who are making a straight line for tier II & tier III cities. As these locations are uncultivated and real estate costs here are 30-40% lower than those in Tier I and metros, retailers are even more interested. With online retailers delivering in smaller towns and cities, customers are now attentive of more brands and there is demand. Moreover, these markets are unexploited, and competition is less. However, experts have a word of caution for retailers planning to expand to smaller cities. They are of the view that customers will initially be interested to buy these brands but getting them back might be a challenge if the retailers don’t furnish to price points and appropriate products in stores.

Ms. Fatima Dinar<sup>14</sup> in 2013 argued the impact of “Organized retailing on unorganized retailing in India (with special reference to Lucknow city)” and found that both modern and traditional retailers will coexist in India, as both of them have their own aggressive advantages like kirana has a economical structure, convenient location, and customer closeness while modern retail offers product width and depth and a improved shopping experience. Thus represents a affirmative sum game in which both unorganized and organized retail not only coexist but also grow significantly in size. The retail set-up in India is special and is divided into organized and unorganized sector. Unorganized sector has main share in retail industry chiefly consists of small, independent, owner managed shops. There is a huge call for for the organized retailing in India due to fast urbanization and varying patterns of consumer taste and preferences, which offers unparalleled opportunities to the entrepreneurs and available businesses looking for an entry in retailing. When we analyze all the necessary potency of retail business in India, most of the business houses in India have constant capturing the retail market. Even overseas players are eyeing on Indian retail market and have wish to push money in the retail sector. The gigantic Indian business houses have rolled out huge expansion plan along with bang plan in the retail market. Extension of mega malls in India is adding novel magnitude to the prosperous retail sector. There is significant development in retail scenery not only in the metros but also in the minor cities but in spite of numerous changes there is still a long way ahead , which means that there is a lot of potential in the market and a lot of ability for all the companies in retailing sector as the doable is yet to be explored. With the increasing middle- and upper-class consumer base, there will also be opportunities in India’s tier II and III cities.

Mr. Manikyam Rao describes that how post liberalisation era of the 1995, the modern formats started gaining mind share and market share from the traditional mom and pop stores, Kiranas, Khadi stores or the government managed public distribution system.

### **Research review on FDI and Indian Retail Sector**

In 2018 Adarsh K Jain<sup>15</sup> stated that that Indian retail sector has grown by leaps and bounds in the latest years. The growth and employment rates with FDI in form of direct and institutional investment have been increasing at an exponential rate. From the colonial time to the modern age, the FDI’s effect on the Indian economy has changed tremendously. Changes in the government policies, introduction and acceptance of technology, availability of capital and labor have contributed to high efficiency and performance of the Indian retail industry which in turn increased the FDI inflow in the country. This has resulted in expansion, introduction, and diversification of various businesses in the retail industry. The amendment in FDI act in 2012 , to allow 51% FDI in multi- brand retail and the recent policy allowing 100% FDI in single brand retail through

automatic route has led to decreased prices and much better management of inflation, induced investment, creation of employment and enabled the small and medium size enterprises to increase their market.

Shrestha Saroj<sup>16</sup> from Japan stated that Indian retail market has shown an amazing development in past two and half decades. Liberalization in FDI policy adopted by Indian government has made India an attractive target for foreign investment. The recent amend in investment caps for FDI in single-brand and multi-brand has confident further investment in retail sector. In 2015, organized retail sector had only 8 percent share of total Indian retail market which is estimated to rise to 24 percent by 2020. Indian market is becoming beneficial for retail investment due to its gigantic population with mounting middle class and large percentage of young, fashion and brand-conscious population. His study also indicates that the appearance of foreign retailers would direct to wide growth in the retail sector. Unorganized retailers experience competition from organized retailers in price, variety and quality as modern retail offers a handy shopping experience to consumers. The recent policy changes have both opportunities and challenges for domestic as well as foreign retailers. Moreover, the analysis of FDI policies implemented by India from 1991 to 2015 shows that Indian government has enhanced its FDI policy in retail with altering demand of time. In 2012 the investment caps on single-brand retail increased to 100 percent and in multi-brand were increased up to 51 percent, which indicates constructive sign for further possibility of liberalization in FDI policy. On the other side, foreign retailers must carefully analyze Indian market, its vast cultural and geographical diversity, its exceptional personality which demands a local outlook from the global brands operating in India.

In 2014 Mukherjee Arpita et al<sup>17</sup> found that most of the international food and non-food brands are available in the Indian market after 2006. These brands are imported, and the import duty is high which makes these products expensive and unaffordable for majority of the population<sup>18</sup>. To ensure greater access to more foreign brands, import duties on them should be lower and foreign branded products should be affordable for majority of Indian consumers (specially the low and middle-income consumers). The survey clearly reveals that even higher-income Indian consumers spread their expenditure on different product categories across branded and non-branded products and different retail formats. There is considerable heterogeneity in consumers' tastes, product choices and shopping behaviour. Consumers' shopping behaviour in a large country like India is too complex to justify the simple assumption that they would always prefer foreign retailers to the domestic ones. Since Indian consumers are price-sensitive they will patronize both traditional and modern outlets in their search for the best value on different shopping occasions. As consumers' shopping needs and preferences vary by occasion, there is opportunity for both traditional and modern formats to co-exist and grow. The surveys also found that a majority of the respondents are willing to experiment with different brands and want more foreign brands to enter the Indian market. They favour FDI in multi-brand retailing.

Dr. Hiranya K Nath<sup>19</sup> in 2013 talked about various potential profit and overheads of FDI in the retail sector in the rouse of the government move to permit foreign capital in multi-brand retailing. This article argues and predicts slower growth outcrop for the Indian economy during the fourth coming decades, various structural question including improper infrastructure and a lack of reasonable real estate, and the common structure of the agricultural souk, it is unlikely that all the possible remuneration and expenses will be realised to their fullest degree, at least in the predictable future. The economic dynamics and the political procedure will play an significant role in determining the effect of this move to allow FDI in the retail sector and will eventually determine the effects on different stakeholders.

In 2013 Dr. Sanjay Nandal<sup>20</sup> stated that that the retail market in India present an chance for large player to activate in retail business across multiple categories. Little wonder that large domestic industry houses and international retailers have spoken a keen interest to come in the retail sector in India. To get the most out of the opportunity, however, players need to be violent in outlook and construct scale quickly. FDI in retail will have a far-reaching blow on various feature of the economy. If rolled out in stage and with right checks and balances, it will give a increase to the economy. Customers will get a broad variety of quality goods at sensible prices. They will be capable to buy the best brands across different categories. Big investments in infrastructure would guide to a rise in farm efficiency, cold storage, manufacturing, and food processing facilities. This would hack down wastage and encourage growth in employment, GDP, and exports. It can also help revitalize the textile and handicrafts segment. With proper controls in place, our exports can double in three years. The beginning of technology and good quality management practices will develop product availability, decrease wastage and improve quality and customer satisfaction. China is an example of doing well execution of FDI in retail in a phased mode. After FDI in retail, Chinese retailers still hold a bulk of retail share. The quantity of small retailers has doubled. Also, exports and GDP growth has sustained unabated in that country. China maintains to control global business through major FDI investment in the country. So it can be accomplished that FDI is a double edge blade which if not hold well can damage the Indian economy and if handled fine can act as a key for economy

Mr. Basu (2013)<sup>21</sup> in 2013 argued that in period 2000 to 2010, India retail attracted about \$ 1.8 billion in FDI representing a very small 1.5% of total investment flow into India. India has years of debate and

discussions on the risk and prudence of allowing innovation and competition within retail sector. Many economists already recommended the government of India that legal restrictions on organized retail must be removed, and retail industry must be opened to competition. Again, Basu in 2013 discusses that the modern retail format in India has evolved from the days of the primitive weekly markets or village fairs. Gradually it has changed into a form of more conscious profession of delivering consistent quality shopping experience. He further describes India's retail and logistics industry, organized or unorganized in combination, employs about 40 million Indians (3.3% of Indian population)

### **Research review on Challenges and Opportunities of Organized Retail in India**

Mr. Jyoti Prasad Bhanage<sup>22</sup> in 2016 state that the rate of attrition in organized retail malls are quiet alarming and too much as compared to other industries. In any mall almost 50 per cent of the human resources have changes during a financial year. In this scenario it is quiet surprising that this happens even after the sufficient satisfaction founds in: (a) working conditions in organized retail malls (b) career growth (c) social status and interpersonal relationship, but irrespective of this satisfaction In an year average about 100 and more employees have left from each organized retail malls which is showing about 50 per cent of attrition rate and the main reason behind that is Salary and Benefits, Which means that, instead of all favorable situations, 'salary and benefits' plays an important role in deciding the leaving behavior of an employees in any mall . She also suggested that efforts may be extended to increase efficiency and productivity of employees through various motivational tactics also linking to the performances of employees and then competitive salaries and benefits may be worked out as a long-term goal of increasing retention. As per her a well suitable policy and well-planned efforts needs to be taken to increase level of 'job embeddedness' among the employees of organized retail malls. Suitable policy for incentive, promotion and perquisites may be worked out and to be implemented. According to Ms. Bhanage separate policy for offering retention bonuses may be included in the HR practices of organized retail malls to have maximum retail manpower & dilution of attrition rate.

Mr. Sunil S Dugarwal<sup>23</sup> in 2016 stated that When the retail Boon started in India there used to be a common joke among the retail industry professionals, they used to call Malls as modern temples of India. Today it is no longer a joke when Malls start flourishing to tier-II and tier-III city. It is the pride of an average Indian citizen as they like to show off products they bought in their Mall to their counterparts in the metros. They also make it as a point to highlight it to their cousins in big cities that so and so brand is available in their nearby Mall as well. It is a amusement place for an entire family and also "go to" place not just over weekends but also to spend evenings over weekdays. All this is building a enormous retail desire and it is not going unnoticed. We see that every Mall developer right from big names to regional as well as local players eyeing for this piece of business and why will not they. The huge population of the Indian subcontinent is an eye-popping business. Besides the absolute size and unavailability of good shopping practice in these cities just make a good business opportunity. Malls in smaller towns is surely changing the way people shop, eat, meet, greet & freak-out.

Dr. Upasana Tyagi<sup>24</sup> argued about the problem and prospects of organised retailing in India in 2015 and stated that majority of customers who visited hypermarket/ compact hypermarket were married males of nuclear family which shows that nuclear family concept is also prevailing widely in Tier II and Tier III cities due to demographics of the society. It was also observed that hypermarket/ compact hypermarket is mostly visited by professionals and students. It was also observed that customers visiting the hypermarket/compact hypermarket were literate and majority group was holding post graduate degree or were professionally qualified. This shows that education has major impact on the mind-set of the customers. Demographics of the customers have impact on the consumption cycle, frequency of purchase, volume of purchase, type of products purchased etc. which has lot of bearing on the overall working of the retail organization

In 2016 Mr. Rajesh Meena<sup>25</sup> argued the Challenges and Opportunities faced by organized retail players in Nagpur city and found that Retailing in India is the main vibrant industry, which represents enormous opportunities for both organized and unorganized players. There would be a win- win situation for both if they diminish the challenges and pull on the opportunities that could benefit both sectors. It would not easy to handle all the opportunity and challenges factors all at once. She also found that to increase the growth the organized retailers need to agree to strategies with respect to investment in technology and supply chain management. Investment in technology reduces their wastage of time, goods, and efforts. There should be a sturdy networking between retailers for the use of technology and should also compel other channel members including suppliers to have compatible technology. The government must also make sure a single window clearance for retail chain and allow FDI in retail in different phases.

**Ms. Kusuma B.**<sup>26</sup> in 2013 studies the "Challenges of organized retailing and retail customer services" and found that Retail in India is most vibrant industry and represents enormous opportunity for domestic and international retailers. As per his work modern retailing is not a trouble to traditional stores as most of the consumers by no means stopped visiting kirana stores. Mr. Kusuma strongly agreed on simultaneous existence of both, but the growth of modern formats has been much slower in India as compared to other countries and the

expansion of this sector is depends on the occurrence of regulatory and structural constraints. Government must take care about the survival of organized retail stores in India and they must take actions to conquer the challenges. Then only the fast growth of organized retailing can be possible in India

### **Research review on Consumer behavior of Organized Retail**

Mr. Naveen Kumar<sup>27</sup> 2017 stated although online shopping is very common overseas, its expansion in Indian market, which is a large customer souk (market), is still not in line with the global market. As per India B2C E-Commerce Report 2013 - e-tailing accounts for India is less than 1 percent of the overall retail market. While it is for over 5 percent if the total retail market in China and 10% in the UK and the US. This shows that only a tiny fraction of internet users in India are at present online shoppers. The reason might be that it is not the technology, but the way customers think about high-tech purchasing that is holding back the expansion of the industry. Hence this is especially important that marketers understand the deepness of customer intentions for this medium of retailing. It can be done based on study that online shopping is gaining recognition among young generation. Higher income groups and educated one's are purchasing more via e-retailing websites. People have hitch in doing online shopping due to security reasons, non-delivery risk, convenience risk and Composite return policies of the e-retailer. At the same time people are also opposed to change because of technological intricacy in making online purchase. Companies concerned in online retailing must focus on building trust-worthy association between producers and customers.

Mr. Biplab Shankar Bose<sup>28</sup> in 2016 argued that Indian Retail shoppers are not only price conscious but also they prefer Value for money preposition , Along with this Now-a-days middle Class customer also develop his inclination towards Branded products as well. Middle class & affluent retail customers are becoming brand conscious and they are ready to pay some extra money for the branded products , Maximum Footfall in retail markets are of young age group of upto 35 years , which is 65% of total current population of India

Ms. Piyali Ghosh and Mr. Vibhuti Tripathi (2015)<sup>29</sup> in 2015 stated that shoppers in these cities are still less exposed to organized retail outlets and seem to be emerging in their store choice and orientation. It is proving the fact wrong that small town consumers remain reluctant to visiting large retail stores, shoppers of a Tier II city like Allahabad are graduating towards regular visits to organized retail outlets and have shown their clear indication of Location Convenience, Discounts and Merchandise variety while choosing a store. The survey also reveals that shoppers in this city are very practical and their expectations are also matching with this behavior. Consumers of Tier II cities do not evaluate a store only on the basis of store atmospherics elements like music, displays, temperature, odor, etc. They are also associated to being hygiene factors which any customer expects anyways, even without clearly looking for them. She also recommends that with smaller cities poised to become the cities of our future India, organized retailers will face challenges ranging from educating the newly exposed consumers of Tier II cities about the unfamiliar product and service mixes for creating awareness and offering a tailor-made service and support towards these new customers' picky needs. At the same time, however, these new consumers will present as an opportunity as their tastes and patterns are not yet established and they have few store loyalties. Indian consumers have pride themselves on being individualistic and unique and require a format and product that specifically targeted to them.

Mr. Reuben K Njuguna<sup>30</sup> in 2014 argued that Brand equity is an important feature of consumer choice for a fast moving consumer good, in this study the researcher examined the brand equity influence on consumer choice and reaches to conclusions that Brand awareness was statistically important in this study as an aspect that influences consumer choice. Brand loyalty was found to be the most positive and most statistical. The growth of brand loyalty rises as a result of the marketing awareness, knowledge, and perception of quality, satisfaction of the product and purchase situation. The main factor bring out in this process are customer perceptions, level of satisfaction and attitude formation in a brand of bottled water. Along with this perceived quality was found to be a positive and statistically significant factor contributing to consumer choice in the branded bottled water.

Ms. Rimpay Goyal<sup>31</sup> in 2014 explained "Purchase intentions of consumers towards selected luxury fashion products with special reference to Pune region" and She found that Best design, esteem of brand and aesthetic are the top three reasons for purchase of Luxury products. According to her study she confirms that consumer purchase luxury products due to its best design and high quality. Research has also indicated that consumers consider quality as high priority when purchasing any luxury brand products. Marketers could use this finding towards improving products regarding their quality and other attributes. Products that show more quality could be more beneficial to the consumers. Marketers should also design strategies so that consumers also consider other variables as shown in this study for purchasing luxury products. One of the interesting discoveries that have been found in this research is that the majority of consumers purchase luxury brand products just to fit in with friends. Research has also indicated that consumers have very high trust on Brands. Marketers could use this finding and make the consumers more comfortable and build the brand loyalty towards luxury fashion brand products in Indian Retail market.

Mr. Muhammad Khalilur Rahman, et al<sup>32</sup> argued that South Asian countries are attracting other foreign retailers such as United Kingdom's Tesco, France's Carrefour, and Hong Kong based DFI which operates the Giant hypermarkets. Historically, most of the research scholars studying retail industry in the world argue that customer satisfaction and loyalty are the most important issues for retail marketing strategy in retail business. Retail industry is very popular worldwide due to the individual purchasing power and living standard of people.

In 2013 Dr. S. Yaminidevi<sup>33</sup> stated that as Madurai city is inflowing into mall culture and many new malls are likely to come up, there will be rigid struggle between malls in the future. So, managing a mall will be extra challenging. Mall owners must to understand the attitude of the customers and bring products and services catering to the needs of customers belonging to different groups. Ambience, Traffic, Infrastructure decide the amenities of any mall, as facility management amalgamate people, place, process, and technology in a mall. Therefore, malls need to make sure that good quality ambience and traffic is maintained. Further infrastructure wishes to be improved to improve the performance of the mall. Malls not only provide to the product needs of the consumers, but also a cause of entertainment, amusement. It is sky-scraping time that mall possessor need to come up with an USP to generate visibility in the mall to get preferred footfalls. Mall can get up promotional activities like Exhibitions, Food festivals, film promotions to keep the attention of the people elevated according to the flavor of the consumer.

Indian Retail Operations Benchmarking & Excellence Survey<sup>34</sup> declared in 2013 that attrition of key employees in smaller format stores can impact sales by 15-20% which is an immediate direct effect of attrition according to Tata Consultancy Services, India (2013). In addition, there are costs due to loss of productivity, lost sales and management's time according to Johnson et al, (2000) Loss of social and intellectual capital adds on to the indirect costs and affect profitability of the organization since the competitors gain assets in the form of trained manpower according to Meaghan et al, (2002)<sup>22</sup> and Dess et al, 2001.

### III. Conclusion

From the past study it is quite evident that in recent 5 years

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