

Structural Transformation of Retail Sector: A Literature Survey

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Abstract

Structural Transformation occurs due to structural change or reallocation of economic activity across the broad sectors like agriculture, manufacturing and services. The retail sector is one of the commercial enterprises that has enormous potential of development as the majority of its constituents are unorganized in India. Retailing accounts for 14 to 15% of its GDP. Approximation of the Indian retail economy is about US \$ 450 billion. Due to arrival of FDI, it brings modern technology, economical commodities, revolutionize farm sector, remove intermediaries as well as create more and more employment prospects in India. Before 1991, the retail sector was primarily unorganized and scrappy. The speedy progress of the organized retail segment has resulted in the diminishing sales of unorganized retail channels. Traditional unorganized suppliers and retailers were lagging in the framework of promotional policies. But they do not feel depressed and start repairing and redefining themselves. These small retailers implement an innovative strategy of hard work for their existence. They have their own customer base. Traditional retailers are equipped with progressive marketing strategies and enhanced commercial practices as they are modernizing their stores by using advanced technologies.

Keywords: *structural transformation, retail sector, economy, unorganized sector, small retailers.*

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I. Introduction

The processes of structural change or shift among diverse sectors like agriculture to manufacturing and then to service sectors generally referred to as 'Structural Transformation'. When a production or market economy changes, a structural change will occur. For example, a subsistence economy may be transformed into a manufacturing economy or a regulated mixed economy may be liberalized. Talking about India's GDP, service sector contributes the maximum share, whereas bulk of workers still reside in the primary sector (Sheikh, 2014)¹.

Retail Sector

Retailing is the process which joins the shoppers with the manufacturing and supply chain as a last link. The retail business is that sector of market which consist of individual provisions, multistoried or shopping complexes, malls, big association or groups, organizations, corporations, etc., involved in the marketable transaction of various finished products to the end-user clients, directly and indirectly (Tripathi, Bhandari and Seth, 2013)². Retail is defined as the value chain point, i.e., a point from where the product was manufactured to the point from where it was consumed. When the commodity passes through numerous hands, then this chain procedure is called value chain or distribution network. The point where the shoppers procure the manufactured goods for their personal utilization is the retail point in the value chain (Rajamuthiah, 2020)³. A retailer is always active in selling their goods to their shoppers in order to add their profits (Subba, 2013)⁴.

Various sections are unorganized in retail sector of India. It is enormous and has huge potential for development. In India, retail sector has financial records for 14 to 15 per cent of its GDP as it is the profitable venture of nation. Among 1.2 billion citizens, India is measured as the uppermost growing retail marketplace in the world. Talking about evaluation of the Indian retail market, it is about US \$ 450 billion. In contrast with the rest of the world, India comprises of 12 million retailers having various retail shops, that is why measured as the 'nation of shopkeepers' (Kamal and Kumar, 2014)⁵. Before 1991, the retail sector was mainly unorganized and fragmented. Diminishing sales of these 'mom and pop' stores were due to speedy expansion of these big giant supermarket chains. Along with that, the long-established small or unorganized retailers were lagging in the framework of promotional strategies (Krishan, 2013)⁶.

Different policy frameworks made by different governments in order to protect these small retailers from big retailers in the period of retail rebellion (Mukherjee, 2011)⁷.

Definitions of Retail Sector

According to Berman and Evans (2002)⁸, retailing or retail trade consists of all business activities involved in selling goods and services to the consumers for their personal, family or household uses. It includes every sale of goods and services to the final consumer ranging from car to apparel, to meals at restaurants, to movie theatre tickets. Retailing is the last stage in the distribution process.

According to Stanton (1987)⁹, 'Retailer' or a 'retail store' is a business enterprise whose primary function is to sell to ultimate consumers for non-business use i.e., for satisfying human wants directly.

Retail Sector: Organized and Unorganized

The retail business consists of organized and unorganized sector: -

1. Trading procedures which are carried out by licensed retailers having corporate-backed hypermarkets and retail chains, and the personally-owned huge retail businesses and those who are registered for sales tax, income tax, etc were referred to as big organized retail sector.
2. Provisions of low-priced retailing like the neighborhood *kirana* shops, owner manned general stores, *paan/beedi* shops, convenience stores, handcart and street vendors, etc., were referred to as unorganized retail sector. (Garg, 2013)¹⁰.

Due to liberal FDI policy, new structure of organized retail has emerged in the economy which brings cheaper commodities available for the customers, save farmers from middlemen exploitation as they get decent prices and farm sector will also be modernized. Due to emergence of organized retail sector, it may result in job losses in unorganized sector (Rani, 2015)¹¹.

Big organized giant supermarket chains have tremendous scope in India. Organized retail attempted first in the textile sector. At the later stage, Titan launched retail showrooms in the organized sector. This sector was expected to grow from 16 per cent to 20 per cent by 2020. In India, massive shopping centers, enormous malls and giant complexes are the organized modern retailers where everything is accessible under one umbrella like gossip corner, restaurants, shopping, movies, entertainment, kids' section, etc. Both wider choices and affordable prices were available in big stores as consumers get good deals due to incoming of big retailers which ultimately hot up the competition (Saifi and Nabi, 2013)¹².

Organized retailers gave its healthier contribution to government revenue whereas unorganized retailers do not register for sales tax or income tax as they regularly don't pay taxes. Big retailers also offer more remuneration and job safety. It is also found that some clients purchase their items with accurate billing, whereas some avoid billing, that is why government revenue matters more (Azam and Zia, 2013)¹³.

Centuries ago, unorganized small retail sector in India was a low-priced structure. The two major advantages of retail sector were buyer familiarity and proximity that run from one generation to another. These small retailers endured with low margins and low skill development. They also had very low real estate and labor costs. Annual income of these 'mom and pop' store retailers did not reach up to income tax boundary so they did not pay taxes as government had exempted them to pay taxes (Sikri and Wadhawa, 2012)¹⁴.

It is found that buyers continue to assemble at 'kirana shops' or 'provisional shops' for their day-to-day shopping in big cities. Kirana shops are located near railway stations, places of worship, mandis, etc. They sell numerous commodities in their particular convenient timings throughout the day as they have long purchasing hours. Kirana stores in the later years, also called as 'mom and pop' stores. Other small shops like paan-bidi shops sell small worth utility stuff for daily use. These small shops also serve as a place where people assemble together at late night to discuss topic of mutual concern. Irani shops are also well-known for selling tea, minute utility and assorted stuff and snacks etc. (Krishan and Bhandare, 2013)¹⁵.

It has been observed that due to emergence of organized retail, biggest threat is faced by unorganized retailers. Consumers are generally diverting from unorganized to organized retailers. The unorganized retailers are not capable to survive with the most recent technology. This is a major threat for the survival of the small retailers in contest with the big retailers. These big giant supermarket chains chased out the maximum customers from the small retailers due to which these small stores lose their position in the marketplace (Venkata and Ravilochanan, 2014)¹⁶.

Big supermarket chains dislocate the small retailers as they make monopoly and encourage cartels and raises cut throat competition in the market. These big retailers give rise to unfair trade practices like predatory pricing as they have superior financial strengths (Rao and Prashant, 2012)¹⁷.

Numerous studies regarding structural transformation of retail sector have been conducted in the past. After going through the existing literature, it has been found that several socialists and economists conducted various studies in this area, which have been discussed under the following headings.

Impact of FDI on Retail Sector

Venkatesh (2013)¹⁸ emphasizes about the growth of retail sector in India. It has been found that Indian economy is touching ahead from unorganized retail to big supermarket chains or big malls. He discussed about

the latest policy changes regarding FDI due to incoming of organized foreign retailers. It has been observed that many buyers demand for branded products accessibility in Indian market as they are brand conscious. Some of the customers also raise their demand to allow FDI in multi-brand retail. He investigated that small retailer face very hard confront in order to deal with these big giant organized retailers. Talking about the FDI in retail sector, many advantages and disadvantages have been analyzed by him. In context with the advantages of FDI in retail sector, there will be rise in contest between the old and new existing entrants in the retail sector. It leads to survival of boom phase and enrichment in the superiority of product and services. Incoming of FDI can bring latest technology in India and more and more employment opportunities will be created in the economy. Banking sector will also be modernized and gets number of benefits due to emergence of FDI. Due to liberal FDI approach, new forms of organized retail has appeared in the market, which saves farmers from middlemen exploitation and customers also get genuine prices and farm sector will also be reorganized. There would be no damage to their tough earned money as the dilemma has been resolved by FDI. Talking about the disadvantages, small retailers like provision and kirana retailers as well as street vendors misplace their customers and are not capable of facing struggle with these big giant retailers.

Gupta (2012)¹⁹ talks about the retail sector of India. Retail sector has been divided into two different sectors, i.e., organized as well as unorganized sectors. On one hand, trading procedures which are carried out by licensed retailers having corporate-backed hypermarkets and retail chains, and the personally-owned huge retail businesses and those who are registered for sales tax, income tax, etc. are referred to as big organized retail sector. On the other hand, provisions of low-priced retailing like the neighborhood *kirana* shops, owner manned general stores, *paan/beedi* shops, convenience stores, handcart and street vendors, etc. are referred to as unorganized retail sector. As far as the study is concerned, the author emphasizes on the factors which generally divert the consumers from unorganized to organized sector. Talking about big retailers in Jammu region of Jammu and Kashmir, there has been a need to study the shifting preferences of consumers as well as the problems of buyers while purchasing goods from both the sectors. It has been observed that there are a number of options to choose from big retail sector i.e., branded products, variety, good quality, accessibility, cleanliness, entertainment, kids section, gossip corner convenient parking facilities, restaurants, movies etc. It has been found that kirana and provision shops are generally demanded more by higher age groups or old people, whereas young generation prefers the big giant malls. Talking about the qualification, highly educated customers prefer big stores more as compared to less educated. Big stores should make efforts to handle billing problems as there are complaints regarding long queues for billing by many customers. In order to increase their customers, big stores should provide home deliveries so that customers who have busy routine get their items delivered at their door step. Moreover, small stores also make proper display shelves and maintain good hygienic atmosphere in their store. Credit schemes should be initiated in order to hold loyal customers. Special promotional activities should be framed.

Mohanty (2012)²⁰, examines about age-wise preferences. He stresses more on shopping behavior of customers in malls and big bazaar as well as their store choice actions. It has been observed that customers generally prefer those stores that are located near to their residential areas as compared to distant stores. Therefore, proximity of the store has been the main advantage for them where they get good quality products at reasonable prices.

Consumers

Consumer Preferences from Unorganized Retailing towards Organized Retailing

Talreja and Jain (2013)²¹ emphasize that on one hand, Indian retail sector has been a flourishing sector of the economy and generates more than 10 percent of India's GDP, but on the other hand, unorganized retail sector has been tremendously fragmented. After agriculture, our retail sector has been considered as the largest source of employment. It has been observed that organized retailers chase out the huge number of customers towards malls for shopping. Talking about organized and unorganized retailers, there has been a lot of difference between observation of buyers regarding credit convenience, proximity, brand choice, price, store environment, store image and variety and quality of products. Both the retailers have started offering superior and modern services in order to conserve their position in the market. They have their own competitive advantages as they will coexist in the economy in future. It has been found that consumers like to purchase their fruits and vegetables from these big stores due to freshness, but in the case of high prices, they buy these items from the local sabzi market. Main advantage of these small stores is proximity and they also offer loose items, credit facilities, home deliveries, bargaining, etc. Both the markets are overflowing with different variety and quality of products as customers purchase different items from big as well as small stores. It has been observed that though some consumers prefer big stores, but maximum Indian customers are unable to survive without kirana shops situated near their homes. Moreover, they demand for new retail outlets to be opened in future. Big stores are not able to reduce the sales and shift the position of these small stores by any unfair means. In order to upgrade these small retail stores, government should provide institutional credit at lower rates through banks. Pandey and Rai (2014)²² examined that Indian retail market has been overflowing with big foreign retailers.

This has been the big danger for kiranas that how they will survive. Due to incoming of foreign retailers, taste and preferences as well as life style of customers have also changed. Talking about GDP, our retail sector contributes about 14 to 15 percent, whereas the country has the speedily rising retail market in the world with 1.24 billion citizens. The emergence of wall-mart has become the key issue of Indian economy. It has been observed that government of India allowed 51 percent of the FDI in multi-brand retailing. The small retailers should adopt a new strategy for their survival from big retailers. These unorganized retailers should believe in hard work and maintain good ambience and proper hygiene, reduce their prices in order to retain loyal customers, sell fresh quality of fruits and vegetables as well as grocery items, display their products in proper shelves, proper presentation of clothes with dummies, sanitation, home deliveries, credit facility, superior customer services, etc. On the other hand, it has been found that young generation is moving towards big stores due to which sales and profit of small stores get affected. In order to upgrade these small retailers, internet facilities should be available, which will offer easy access of internet to them.

Shopping Behavior

Dholakia (1999)²³ has presented an outline to realize the shopping performance of customers. In order to utilize leisure time, customers select shopping as a fun activity along with their stressful life. It has been measured as a family job as well as an outline of leisure, entertainment and amusement. It has been examined that traditional behavior of shopping is related to customers' need identification. Once the need had been recognized, then customer starts searching about that product, collects information about the particular product, evaluates the option available in front of him while buying an item. In order to search a particular item, the customer might visit many retail outlets, collect information from the neighbors and friends, discuss with store employees, etc. Still after buying the product, the customer might re-examine it.

Joseph and Soundararajan (2009)²⁴ state that the Indian retail sector is going to change due to change in the economic growth, change in customers taste and preferences, changing lifestyle of customers, change in economic and demographic profiles of customers, liberalization and their shopping performance. Talking about both store and non-store formats, foreign retailers have been overflowing in our economy. In context with the shopping performance of the Indian retail sector, on one hand in order to bargain, unorganized retail outlets have been chosen while on the other hand, in order to enjoy movies, restaurant, gossip corner, kids' section, entertainment, shopping, etc., big organized retail outlets have been favored as a one stop shopping. Organized retail outlets offer better family shopping experiences, more branded products, fresh items with less prices, number of varieties, discounts, coupons and so on for those customers who purchase from them. On the other hand, home deliveries, long purchasing hours with convenient timings, selling of loose items, credit capability, bargaining, nearness to residence, goodwill, etc., are some of the benefits of unorganized small retail outlets. Some procedures like tracing of consumer performance and consumer loyalty programs have been initiated by big modern supermarket chains in order to retain their market share.

Srivastava (2012)²⁵ has analyzed that the maximum shoppers are brand conscious; they even pay higher prices for good brands in urban areas. Even though they buy their grocery items from the stores located near to their homes, but they wish to travel long distances in order to buy apparels as they are fashion conscious. The result of the study shows that the publicity of advertising strategy through electronic and print media has made the shoppers more choosey, brand conscious and knowledgeable.

E-Commerce

Ghayal and Dhingra (2012)²⁶ in their paper emphasize that the procedure of doing trade in excess of the internet is called as the E-business. The e-Business offers a new form of e-mail to their shoppers and retailers and offers opportunities to produce innovative market. This e-business offers variety of ways and has a foremost impact on the retail economy. It has been found that due to new culture and capabilities of the e-business, big multinational corporations are rethinking their productions in terms of the internet. Moreover, Amazon.com, flipkart.com and ebay.com have been the big sites which have already exposed, 'how to utilize internet' effectively. As far as the online shopping is concerned, customers are able to shop online on the internet through many e-shops like Amazon.com, flipkart.com, naaptol.com, ebay.com, etc. They are also called as online retailer of books, movies, music and games. Moreover, items like, groceries, home décor, kitchen items, apparel, toys, accessories, electronics, sports items, garden items, tools, etc., are also sold by online retailers. Consumers are able to choose the items of their choice through different websites. It has been found that buyers can purchase everything at anytime with the help of internet, as it is available 24*7. It has also been observed that internet gives us the vast information that was not possible prior to invention of the e-commerce. It gives us information about diverse color alternatives, different replica of any particular product and variety of brand choices. Therefore, the customer is able to make comparisons regarding prices and quality at different sites, they can check the authenticity and originality of product while sitting at home. This saves time in choosing or deciding an item in a store, as the customers are already familiar with the product before leaving the home. So, when they come into the store, they know what they are looking for. Customers can evaluate safety by visiting

websites like consumer product safety commission and before buying the product; customers can recall information about the particular item.

Retailers

Facility provided by both Organized and Unorganized Retailer

Talreja and Jain (2013)²⁷ examine that both organized as well as unorganized retailers have their own competitive strengths as they will coexist in the economy in future when time comes. Consumer familiarity, proximity of the store and low-cost structure are the main advantages of these 'mom and pop' stores that run from generation to generation, whereas arrival of big retailers offer wider choices, affordable prices, new shopping experiences like 'one stop shop' to their customers. These big retailers sometimes become the target points for their customers in order to acquire fresh fruits and vegetables.

Manocha & Pandey (2012)²⁸ have analyzed that even due to emergence of big giant retailers; customers do not stop visiting small kirana or provision stores. It has been observed that big stores are not a threat for these small stores. Both the authors have analyzed that big stores do not create any conflict with these 'mom and pop' stores, whereas on the other hand, they start reshaping the small stores and try a lot to convert them into big or organized stores. It has also been seen that growth of these big stores is not very fast in the Indian economy.

Unorganized Retailers

Guruswamy, Sharma, Mohanty, and Korah, (2007)²⁹ analyze that retail sector of India has been divided into big and small stores. Conventional formats of low-cost retailing like universal stores, street vendors, broken infrastructure, insufficient subsidy, deficiency of recent and modern technology, neighborhood kirana shops holder, paan/beedi stores, pushcarts, uncertain real-estate market, unproductive upstream processes and nonexistence of trained manpower are the characteristics of unorganized retailing.

Jones (2008)³⁰ has the opinion that traditional retail sector in India has been the largest market in the world. It has less than 500 sq. feet of area. In India, there has been more than 96 percent of the unorganized retail market. Talking about per capita retailing space, India has the lowest space in the world. As well as the Indian supplier and retailers do not have any role model to expand their size, geographical position, cultural and socio-economic diversity in the Indian context.

Gupta (2012)³¹ emphasizes that store appearance has been the secondary issue, whereas the main factors which bring loyal customers are convenient operating hours and accessibility. Similarly, talking about major determinants of loyalty, freshness of the product and availability of products range according to the pocket has been the main product attributes. The main reasons of opting kirana stores has been home delivery, payment in installments, suitable place, giving goods on credit, personal relations with seller etc.

Modern Retailing reduce the Sales Volume of the Traditional Retailers

Sivaraman (2011)³² concludes that talking about sales, profit and employment of unorganized retailers, impact of big retailers has been clearly seen. It has been found that these small retailers are struggling a lot due to economic sickness, in order to make changes in their existing market. Interference has also been mandatory for their upcoming survival.

Joseph (2012)³³ analyzes that small traditional retailers practiced a turn down in their capacity of profit and business in the neighborhood of big retailers in the early years. It has been found that this adverse impact has weakened over time. In the regions of north and west, employment weakens over time. Talking about traditional retail shops, 4.2 percent per annum has been the rate of closure in gross terms. This closure is generally lesser than the rate of closure of small traditional stores in the international market. When there is competition from big giant small retail outlets, the speed of closing has been lesser, still at 1.7 per cent per annum. It was found that small kirana stores have their own customer base. They are prepared with advanced marketing strategies and improved business practices. They are modernizing their stores by using new technologies. Some traditional retailers have the strengths to compete with big retailers to give them tough competition as they stay in their businesses even near to shut down point. Traditional retailers also offer credit to their customers in order to attract them. In context with traditional retailers, only 12 per cent of small sellers have access to institutional credit, whereas 37 per cent feel the desire for superior admittance to commercial bank credit.

Kalhan (2007)³⁴ talks about the locality of malls that affect a lot to these small traditional stores. As far as the mega malls are concerned, they are generally responsible for slow down sales of these 'mom and pop' stores. In context with the author, sale of fruits and vegetables, groceries sale, processed food sale, electronic item, shoes, garments, etc., have been diminishing in small stores. It is found that only 14 percent of the small retailers promoted their services and are able to locate in front part of big retailers during distorted position. On the other hand, the author also finds that sales of these small stores fall up to 70 percent due to emergence of these big stores. It is because these big giant supermarket chains offer parking facility, wider choices and

affordable prices, good quality and variety of products, nice dealing of staff members, luxurious shopping environment where everything is available under one umbrella.

Narayana, Samal and Rao (2013)³⁵ analyze that traditional retailers in the neighborhood of modern retailers are deeply affected in provisions of their turnover and magnitude. It is observed that customers get attracted towards traditional stores due to credit facility offered by them, selling loose items to their customers, stores located near to residential areas, bargaining in small stores, proper timing hours, good will, home delivery, etc.

Singh and Tripathi (2008)³ conducted a survey of 245 small retailers in Delhi. In this survey, it is found that diminishing sales performance of small shops direct to the shutting down of small retail stores. Small store situated near to big stores are affected a lot whereas stores situated near to residential areas, posh areas and small streets are affected very little by mall or big giant chains. Still the customers rely on traditional stores for their daily basic items or needs like groceries, fruits and vegetables, medicines etc. There has been no change in the sale performance of many retailers in south as well as central Delhi. It is found in some researches also that small retailers having annual income up to Rs.2 Lakhs and Rs. 2-6 Lakhs have been affected extremely by malls.

Organized Retailers

Organized Retail Sales

Jasola (2007)³⁷ analyses that the majority of superior retail outlets in India are hypermarkets, supermarkets, multi-brand opening malls, department stores, convenience stores, discount stores and specialty stores, etc. Out of these, supermarkets contribute about 30 percent in grocery and food sales of retail sector in the big organized retail sector.

Kalhan (2007)³⁸ observes that the pessimistic collision of these big giant supermarket chains on the small traditional store retailers. Talking about these 'mom and pop stores', they are generally affected a lot as they are under the threat of being wiped out due to appearance of big malls. Moreover, maximum employees of these small stores have been illiterate, less educated or unskilled. They are not that much skillful to be engrossed in the big organized sector. Many protests have been raised by 'mom and pop' stores as their sale and profit are condensed due to manifestation of big malls.

II. Important Findings

- The main objective of this study has been to analyze that whether the present policy of government will be helpful in boosting retail sector and what needs to be done in future to attract FDI in retail sector. As far as the findings are concerned, government has achieved the main targets due to which more enhancement in infrastructure, success of superior technologies and new employment opportunities as well as job security will be attained.
- The shifting preferences of buyers as well as the problems of buyers while purchasing goods from both the organized and unorganized retail sector have been studied. In context with the findings, small stores are preferred more by higher age groups, whereas young generation as well as highly qualified customers are forwarding towards big malls.
- Examination of the age-wise preferences was also done. Proximity of the store is the main finding of the study as the customers prefer those stores that are near to their residential areas.
- It is found that maximum population in India will not be able to survive without kirana stores situated near residential areas. Foreign players will not be able to displace the unorganized retailers due to their superior financial strengths or unfair trade practices.
- The main objective is to show how these small stores survive in future due to incoming of foreign retailers. The small retailers adopt a new strategy of hard work for their survival. They have their own customer base and they are prepared with advanced marketing strategies and business practices.
- The paper realizes that the shopping performance of customers. Once recognized, customers start collecting information about the product and visit different retail stores.
- The Indian retail sector is going to change due to change in economic and demographic profile of customers. The main finding is that both the organized and unorganized retail outlets offer new benefits to those customers who purchase items from them.
- In urban areas maximum shoppers are brand conscious. In order to get satisfaction from branded product, customers also travel long distances for buying apparel.
- E-business offers new forms of e-mail to the shoppers and retailers. Buyers are able to purchase everything at anytime with the help of e-business, as internet is available 24*7.
- Both the organized as well as unorganized retailers have their own competitive strengths. Both the retailers are becoming the target points for their customers in order to get affordable products.
- Customers do not stop visiting kirana stores. Due to emergence of big stores, they start reshaping the small

stores and try a lot to convert them into big or organized stores.

- Traditional retail sector in India is the largest market in the world. There are more than 96 percent of the unorganized retail market in India.
- Convenient operating hours and accessibility are the main factors in order to bring loyal customers. Customers generally prefer kirana stores due to these convenient factors.
- Unorganized retailers affect a lot due to emergence of organized retailers. These small retailers struggle a lot due to their economic sickness in order to make changes in their existing market due to incoming of organized sector.
- Due to neighborhood of big retailers, small traditional retailers practice a turn down in their capacity of profit and business. Traditional retailers are prepared with advanced marketing strategies and improved business practices as they are modernizing their stores by using new technologies.
- Locality of malls affects a lot to these small traditional stores. Only 14 percent of the small retailers promote their services and are able to locate in front part of big retailers during distorted position, whereas the sale of small stores falls up to 70 percent due to emergence of these big stores.
- Traditional retailers in the neighborhood of modern retailers are deeply affected. Customers get attracted towards small stores due to credit facility offered by them and proximity of the store.
- Diminishing sales performance of small shops direct to the shutting down of their stores. Small retailers having annual income up to Rs.2 Lakhs and Rs. 2-6 Lakhs are affected extremely by malls.
- Supermarkets contribute about 30 percent in grocery and food sales of retail sector in the big organized retail sector.
- To observe the pessimistic collision of these big giant supermarket chains on the small traditional store retailers, it is found that small stores are generally affected a lot as they are under the threat of being wiped out due to appearance of big malls. Many protests have been raised by traditional store.

III. Conclusion

It can be concluded that small retailers having annual income up to Rs. 2 Lakhs and Rs. 2-6 Lakhs were affected extremely by malls. These small retailers struggled a lot due to their economic sickness in order to make changes in their existing market due to incoming of organized sector. The small retailers adopted a new strategy of hard work for their survival. They had their own customer base and they were prepared with advanced marketing strategies and business practices. They were modernizing their stores by using new technologies. They had the strengths to stand in front of big retailers to give them tough competition. Most of the people would not able to survive without kirana stores situated near residential areas.

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