Synopsis

of

A Study of Retail Trade
with reference to
Grocery Trade in Kolhapur city

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SYNOPSIS

Introduction of the study –

The nature of retail trade in India is such that it includes in its fold small retailers, wholesalers, hypermarkets and customers. It is necessary that the interdependence of all these factors is to be carefully studied. In the present situation, retail trade is passing through the transition phase. Thus, it becomes appropriate to consider all these aspects of grocery retail trade and analyze their operations.

The most significant aspect of this study is that it is collected the necessary information from all elements of grocery retail trade i.e. small grocery shopkeepers, hypermarkets, wholesalers and customers. Further, five major parameters are tested namely, price, taste, brand, services offered and problems faced by the retailers. The association between various elements in form of variables is considered for the study.

The term shopping frequency, for the purpose of this study means the number of times the customer visits the grocery shops. The researcher has found that there is direct nexus between shopping frequency and income level of the customers. It is observed that the customers belonging to lower income group more frequently visit the grocery shops as they have very little amount to spend their purchase of grocery is primarily need based.

Customers, for the purpose of this study belong to different age groups. It is therefore necessary to study relation between age group of the customers and their requirement for facility like home delivery.

Statement of the Problem –

In the late 80’s, India has been seen the emergence of general stores in form of small mom and pop stores. In the early of 90’s, departmental stores started showing their
presence in specific areas and cities of the India. Early 2000 and then brought the paradigm shift in the retail sector when retail industry in India has seen the sea change in form of the structure, systems and services offered to the customers. The retail industry has grown exponentially all over the world and India, which is being dominated by mom and pop stores, has accepted the change in the basic structure of retailing.

Changing needs of the customers fueled the growth in the grocery retail sector. The growth of retail industry is the result of changes in lifestyle, tastes and preferences of the customers. Further, other factors such as changes in level of awareness, awareness about the brands and various services offered are responsible for the growth of retail trade. These are some of the parameters where expectations of the Indian customers are becoming more than ever before. Therefore, it is necessary in the present study, to assess and review the customer’s views, various stores attributes of the hypermarkets and small grocery shopkeepers. The retailing industry is customer centric rather than product centric. Therefore, customer’s opinion has to be analyzed. Secondly, unorganized grocery retail traders i.e. small grocery shopkeeper’s views regarding changing nature of the retail business has to be critically assessed. Hence, their opinion is considered for making the study more comprehensive. Wholesalers and organized retailers are other elements of grocery retail trade and they are interviewed in order to study the grocery retail trade as a whole. Wholesaler performs an important role in overall distribution of the grocery products. It is from the wholesalers that the grocery products are sold to SGS and hypermarkets and to the customers. Thus, the wholesalers can be called as the starting points for the distribution channel.

**Objectives of the study –**

- The main objective is to study the grocery retail trade in Kolhapur city. With this main objective in mind, study has following objectives –
  1) To study the history and present status of grocery retail trades and its formats in Kolhapur city.
  2) To find out and analyze working of existing organized and unorganized retail trades
in Kolhapur city.

3) To take a review of services provided by retail trades.
4) To assess the impact of brand of grocery products on customers buying decision.
5) To study the customer’s views towards the grocery retail trade.
6) To ascertain and analyze problems (if any) faced by grocery trade in Kolhapur city and to make suggestions accordingly

**Hypotheses of the study –**

Researcher has formulated the hypotheses based upon the objectives and the review of literature. The hypotheses of the present study are mentioned below –

- Retail trade formats in grocery are undergoing change with respect to time.
- There is relationship between income group of the customers and shopping frequency.
- Age of the respondents and requirement of home delivery are associated with each other.
- Customers belonging to higher income group prefer branded grocery products.
- There is association between the place of shopping and “price offers” on grocery products to the customers.

**Scope of the study –**

The scope of the study is mentioned in terms of area under consideration, the time span, retail formats, different customer segments and the grocery products purchased by them. The elements are mentioned below –

1. **Geographical scope**- The study covers Kolhapur city as one geographical unit.
2. **The time period for this study** – The retail initiatives during 2000-2009 is taken for the study.
3. **Only hypermarkets** in Kolhapur city are considered for the study.
4. **Registered small grocery shops** - Small grocery shops having the registration (shop act license) are taken for the study and the shop keepers having the area less than
400 sq. ft. are taken for the study.

5. Wholesalers in Kolhapur city are taken for the study

6. The customers shopping from both hypermarkets and small grocery shops are taken for the study. The customers shopping only from small grocery shops as well as the customers shopping only from hypermarkets are separately considered for the study to review the difference between shopping behaviors of three different segments.

7. Grocery products taken for the study – Wheat, Rice, Dal, Tea and Oil which assume special importance in the consumer budgeting.

**Limitations of the study –**

The limitations of the present study are given below –

- Time span considered for the state of retail trade is from 2000 to 2009.
- Responses of the customers sometimes are beyond control.
- The factors other than perception and attitude of the customers are not studied because of time constraint.

**Methodology –**

In the light of the present study, this chapter covers all the research methods used in the study, the primary data, secondary data sources are mentioned. The sample, sample size, and sample procedure is explained in the present topic. The statistical tools used and their significance in the present study are discussed in the detail in the various sections of the topic. The present chapter covers the variables used in the study to observe the operation of retailers, hypermarkets and wholesalers. Data presentation in form of tools of presentations like tables is given. The graphical presentations of data and interpretations regarding various parameters and their significance to small grocery shopkeepers, wholesalers and the hypermarket managers are mentioned using Pie charts and column graphs.

After setting the objectives of the topic, researcher has prepared a questionnaire for the small grocery shopkeepers, wholesalers and the hypermarkets. Various parameters are
formulated which will present the data related to functioning of organized and unorganized retailers. The small grocery shopkeepers, wholesalers and authorities of the hypermarkets are handed over the questionnaire by the researcher, which includes the various parameters such as space and various facilities and other related issues.

The variables taken for the study are defined in respective sections of results and discussion from section A of the chapter 4 to F section of chapter 4.

The main purpose of this study was to determine what variables have the most impact on the state of the grocery retail trade and customer’s views in form of their perception, attitude and services offered to them. In order to compile a list of potentially significant variables, a thorough review of existing literature was completed as described in the previous chapter. Microsoft Excel 2003 and SPSS v16 was used in the statistical analysis of the variables.

**Research methods and data collection –**

In first phase of the study, observational analysis is made regarding quantitative growth of the hypermarkets in Kolhapur city. In second phase, the research design is carried out to analyze the problem.

**Primary data** – Primary data was directly gathered from customers, small grocery shop owners, hypermarket authorities and wholesalers.

**Secondary Data** – Secondary data was gathered mainly from research articles, books on retail management, magazines and other publications from conference proceedings. The details are mentioned in bibliography.

**Questionnaire Method** – The formal instrument in form of questionnaire is developed to test the state of grocery retail trade and different problems associated with retailers, hypermarkets, wholesalers and customers.
Population

Researcher has used target population in form of customers visiting both grocery trades, customers shopping only from organized grocery retail trades and customers shopping only from unorganized retail trades. Further, from the population of wholesalers and small grocery shopkeepers are considered as a sample for the study.

Sample size

Exit interviews of 500 customers shopping from both hypermarkets and small grocery shops are taken for the study. Exit interviews of 200 customers shopping only from small grocery shops at various locations (8) are also taken for the study. A separate sample survey of 200 customers shopping only from hypermarkets is taken for the study. Thus, total sample size of the customers becomes 900 for the study.

Two hundred and twenty five (225) small grocery shopkeepers from the various wards of Kolhapur city are selected. 30 small grocery shopkeepers from ward A, ward B, Ward C and Ward D each and 105 shop keepers from ward E are taken for the study. All the 4 hypermarkets are selected as samples in the category of organized retail trade. The survey of customers is taken at the every hypermarket using random sampling. The respondent’s exit interview is taken for the survey. One hundred and twenty five (125) respondents are surveyed at the time of leaving the hypermarkets.

Researcher has divided the sample of the customers over four hypermarkets (125 customers from each hypermarket.

Conclusions -

The results of the present study are summarized and presented as follows –

- Retailing formats in grocery are changing with respect to time. From the hypothesis validation, it can be seen that the change has been observed by the retailers in terms of structure, system and services. The factor like credit card facility makes no difference for the performance of small grocery shopkeepers. The parameters such
as space provided by the retailers, billing system for the customers, role of supporting staff does not have changed in recent years. While, home delivery facility offered to the customers, selling in loose for lower income group customers, credit given to the customers, relationship with customers have shown the remarkable change in recent years.

- There is association between level of income of the customers and their shopping frequency. Shopping frequency of the customers is the new concept in the retail marketing. It has enormous importance in the country like India where 60 to 70 % of the customers belongs to lower to middle group of income levels. These customers cannot afford to purchase the groceries at a time, as they do not have the sufficient money at their disposal for spending. Naturally, their tendency to purchase the grocery in loose is the need for them. The success of conventional grocery retail business lies in this fact of the customers. Because of greater shopping frequency, small grocery shopkeepers are able to establish the personal contacts with the customers and naturally, even though these customers are less in number, they can bring more and more share for these small grocery shopkeepers. This is the reason why shopping frequency and its association with level of income of the customers from the cities like Kolhapur need special mention. It is found that, as the level of income of the customers increases, their shopping frequency i.e. shopping visits goes on decreasing.

- There is association between age of the customers and home delivery facility provided. Home delivery is preferred as it is the requirement of different age groups of the customers. Requirement of home delivery facility has different meaning for different age groups. Many times, young generation may not be getting ample time to visit shops as Indian families are becoming decentralized where husband and wife are employed. Therefore, they are in need of this kind of facility. In case of old customers, many times, they can give the list of the grocery on the telephones and home delivery facility is made available for them. This is considered to be the major strength of small grocery shop keepers.
There is an association between income level of the customers and their preference towards branded grocery products. The researcher during this study has found that there is a direct relationship between higher income group of customers and their preference for branded grocery products. It is observed that people belonging to higher income group prefer branded products as these products are considered as trustworthy and quality products. It is found that, the branded grocery products are costlier as compared to the non-branded products or for that matter grocery product in private brands. Therefore, lower income group of customers cannot afford to purchase the costlier branded products. Hence, these customers have a tendency to give the preference for price and taste rather than brand.

There is a relationship between place of shopping and price offers provided by hypermarkets. “Price offers” works as promotional tool for the organized as well as unorganized retailers. The hypermarket like ‘D Mart’ uses leaflets where weekly offers are mentioned and circulated through the newspapers to the customers to attract them. In case of small grocery shopkeepers for regular customers, many times the grocery at cheapest possible rates equal to wholesaler’s price is sold. Thus, price offer on grocery products attracts the customers towards hypermarkets.

The city of Kolhapur provides the unique example of how small grocery shops and hypermarkets can operate together and prosper at the same time. It is so because the city of Kolhapur is a developing city. As such, there is a curious combination of both the traditional way of trading and the modern formats like hypermarkets. It is also observed that small grocery shopkeepers in Kolhapur city are very small as compared to small grocery shopkeepers in metropolitan cities like Mumbai and Pune. Even the hypermarkets in Kolhapur city are in the survival stage of working as compared to the established hypermarkets in the cities like Mumbai and Pune. Thus, this uniqueness of both small grocery shopkeepers and hypermarkets has helped the researcher in analyzing their working in more details and with positive approach.
Most of the retailers have noticed the behavioral change of the customers and they are seriously concerned about these changes. Researcher has categorized the consumer opinions based on customer’s tastes, beliefs and loyalty. Researcher has found that small grocery shopkeepers are concerned about the various options in form of hypermarkets and other small grocery shopkeepers available to the customers. Thus, Customer’s belief, loyalty and taste are changing with the passage of time.

Only two formats namely small grocery shops and hypermarkets have established themselves in the city of Kolhapur. The formats like chain stores were started but had to close down as an impact of economic slowdown and a noticeable fall in the customer demand.

The small grocery shopkeepers are aware about customer preference towards grocery products as they are born and brought up in the city of Kolhapur. Small grocery shopkeepers are educated enough to run the business, especially manage their accounts. Small grocery shopkeepers are aware about the local markets and conditions as they are in the business since many years. Majority of the small grocery shopkeepers are in the business since 5 to 6 years. Small grocery shopkeeper’s business is family owned run by the head of the family and supported by other members. Most of the small grocery shopkeepers are male. In some cases, wives play the supporting role in running the business.

There is a noticeable structural change in grocery the retail trade formats in the city of Kolhapur. The retailers who were formally having very small shops are switched over to the more specious shops in some cases. One more aspect is that with the passage of time, some new grocery retail formats have emerged e.g. departmental stores, consumer co-operatives and hypermarkets. This structural change was necessitated by the growing customer demand, changing life styles of the customers and improvements in level of standard of living.
• Computerization of grocery retail trading is upcoming innovation in the accounting and identification systems of hypermarkets. As far as a change in the system of grocery retail trading is concerned, it has been observed that some prominent changes have come into operation due to the changing pattern of grocery retail trading. This has reduced considerably the burden of manual work. Multiple counter systems are one such change, which need special mention because it is considered as an innovative change in the system of operations. It has been observed that retailers and particularly hypermarkets have started to have their own spaces so that they do not face the problem of storage. Again providing all the commodities under one roof has made it convenient for the customers to purchase as many as goods of various types as they desire.

• Working of the small grocery shops and hypermarkets are different from each other. The present study has given the stress on examining the working of different retail trade formats. Viewed from this angle, the present study becomes unique, as such an attempt has not been undertaken here in before to the best knowledge of researcher. Many researchers have studied supply chain process, distribution channels and the retail mix. However, the working of retail trade formats, though very important, was not properly addressed. It is for this that the researcher decided to concentrate upon the working of different retail trade formats. Thus, the present study is able to establish the direct correlation between different parameters and working of grocery retail trade formats.

• The parameters like home delivery, loose quantity, ambience, parking, discount facility etc. have an important bearing on the working of small grocery retail trade formats. The researcher is of the view that these parameters have helped him in distinguishing the peculiar aspects of both organized and unorganized retail trade.

• Facility of “selling in loose quantity” is one of the major strengths of the small grocery shopkeepers. Small grocery shopkeepers have the customers who used to buy in loose quantity like 100 gms. oil and 100 gms Sugar. Small grocery shopkeepers satisfy their customers in this regard. Small grocery shopkeepers are
having hardly one or two employees working as supporting staff. Small grocery shopkeepers purchase the grocery from wholesalers. Majority of the small grocery shopkeepers maintain the stock.

- Small grocery shopkeepers are reluctant to introduce new and innovative schemes to attract the customers. Some of the specialized schemes provided by small grocery shopkeepers include home delivery, credit facility, selling in loose quantity etc. Relationship with the customers and personal contacts with the customers, proximity, home delivery facilities offered are some of the strengths of small grocery shopkeepers. Error free sales transactions, no possibility of stock out situation, and home delivery facility are some of the strengths of small grocery shopkeepers. The parameters such as parking, ambience, and credit card do not make any impact on small grocery shopkeeper’s business. The major weakness of small grocery shopkeepers is their inability to keep larger varieties of different brands of grocery, while availability of larger varieties of different brands is the point of strength for the hypermarkets.

- The small grocery shopkeeper’s business is growing in spite of the arrival of the hypermarkets. It has been observed and proved that the unorganized sector of retail trading has registered a compound annual growth rate of (CAGR) (14.3%). On the other hand, the organized sector of retail trade has an inconsistent growth (10.3%). Not only this but some of the hypermarkets have started with wide publicity but in very small span of time, they had to be closed down. Thus, small grocery shopkeepers will remain in the business.

- It is observed by the researcher that the small grocery shopkeepers in Kolhapur city have come to understand the impact of fast changing market environment. In order to survive in the situation, they have started to renovate their shops, to provide better services to the customers and to have personal contacts with the customers in order to win over their confidence.
• The credit card facility is not provided by small grocery shopkeepers because they are not used to such modern techniques. The customers who are visiting small grocery shopkeepers are not aware about credit card systems. Thus, most of the customers purchasing grocery from small grocery shops resort to cash payments. Further, the customers purchasing the grocery only from these shops belong to low income group.

• Small grocery shopkeepers have become conscious about the advertisement of their own grocery products in changing retailing scenario. Many shopkeepers have displayed their nameplates as a tool of advertising before the shop. Previously small grocery shopkeepers were not feeling the need of advertisement.

• The major strength of organized grocery retail trade is the availability of all products under one umbrella. Hypermarkets do have the sufficient capital resource at their command. Therefore, they can afford to keep larger range of the products in form of electronic goods, furniture, crockery, apparels and other FMCG products.

• Hypermarkets do have larger varieties and these factors are considered as a matter of attraction for increasing the customer’s demand so small grocery shopkeepers started taking more varieties in grocery by extending their budget. Many small grocery shopkeepers have their own system of maintaining the required record (in form of notebook) about customers.

• Hypermarkets have no adverse effect on the working of the small grocery shops in Kolhapur city. However, small grocery shops, which are closer to the hypermarket, are affected by the presence of hypermarkets. The grocery retailing from the service angle is experiencing the change. The hypermarket managers are of the opinion that customer’s taste, belief and loyalty are changing.

• Some of the specialized schemes adopted by the hypermarkets include various offers to the customers, price discounts on MRP etc.
The workings of wholesalers have direct impact on hypermarkets as they provide the grocery in bulk to the number of hypermarkets in Kolhapur city. During the process of the study, the researcher has undertaken the analysis of working of wholesalers. Generally, the customers of wholesalers are entirely different from those of small grocery shops.

Customers shopping from hypermarkets feel that services offered by organized retail trades are better than unorganized grocery retail trade. Surprisingly, customers shopping only from small grocery shopkeepers are happy with what they are getting in form of services.

Customers shopping from organized and unorganized retailers expect differently when they shop from hypermarket. An interesting aspect about the change in customer behavior is the shift towards new products and new way of shopping, as the old needs are almost satisfied. This is because of the passage of time and substantial increase in the income of the customers.

Customers are happy with services provided by small grocery shops and that there is no noticeable shift in the customer’s demands from small grocery shops to hypermarket only because of some specialized services offered by the hypermarkets. This study has helped the researcher to get the feedback from the customers as regards the quality of the services offered and the impact of the services on customer’s demand. From the feedback it can safely be concluded that the services offered by small grocery shops and hypermarkets have a prominent impact on the customers. However, the quality of a service has not led to a shift in customer’s demand.

Customers buying only from small grocery shops are reasonably satisfied supportive nature of employees. This is unique in itself, as it has helped the small grocery shops to survive in the changing retailing scenario where chain stores could not do so. The service elements like multiple counters, ambience and parking facility are
not considered as essential components by the customers shopping only from small grocery shops.

- Many customers are not aware about the names of hypermarkets. Researcher has seen the respondents who have not visited the hypermarkets even once. Lower income group of customers have inferiority complex about the hypermarkets and inside atmosphere of store. Lower income group of customers feel that small grocery shopkeepers are much closer to them emotionally.

- Shopping visits of the customers belonging to lower income are more. For lower income group customers, two factors are significant. First, ability to purchase and second factor is proximity, as they do not have the financial resources to visit the hypermarkets, which are 4 to 5 kems away from them. This result represents the story of small cities and non-uniform growth of organized retailers. Therefore, researcher strongly feels that there is need to study the relationship between the income level of the customers and shopping frequency.

- Customers shopping only from small grocery shops are satisfied with classification of grocery products made by small grocery shopkeepers. Advertisement and gifts do not make any impact on their buying decision. Computerized billing do not attract them towards hypermarket. Trust about the display of prices is the major strength of small grocery shopkeepers. These customers are satisfied with arrangement of the grocery products made by small grocery shopkeepers.

- The customers shopping only from the hypermarkets treat the shopping as an entertainment. Customers get all types of products under one umbrella. Therefore, at the weekends, they use to spend lot of time in shopping of brand and its impact on grocery shopping. The factors such as brand preference, comparison of price and brand, taste, and trustworthiness of brand are important in understanding customer’s views towards role of brand in grocery retailing.

- The factors such as price, taste, trustworthiness affects the customer’s buying decision. In case of the customers of Kolhapur city, price and taste are important
than brand. The present study has concentrated upon the analysis of the brands, their impact on customer’s demand and brand preference amongst customers. In the process of completing the analysis, the researcher has found that the concept of brand has assumed greater significance in fast changing situation. In the near future, there will be a shift in the customer’s demand towards branded grocery products. However, at present, there is no noticeable shift in customer’s demand due to the impact of brands. Thus, Prices and tastes still enjoy greater customer’s preference than the brand of the grocery product. This has helped the retailers to attract the customers based on comparatively lower price and better taste of the grocery.

- A notable feature of the changing scenario in the grocery retailing is that the brand trustworthiness amongst customers belonging to all income groups is increasing, as considerable number of customers from all segments is inclined towards purchasing branded grocery.

- As far as this study is concerned, demographic factor in form of age has no special bearing on buying decision of the customers.

- Monthly Spending on the purchase of grocery products from three segments of the customers differ from each other because of the difference between the levels of income.

- Females and families are the major customers of hypermarkets while men are the major customers of small grocery shops. It is observed that the number of working women often prefer hypermarkets as they can purchase all the products they need under one roof. This saves much of their precious time. Role of women is increasing in buying decisions of grocery products. Over the time, some noticeable changes are observed in the family system itself. Joint family has given way to separate family and in such a family, women are given a prominent place in the process of decision-making.

- Occupations of the customers shopping from small grocery shopkeepers and hypermarkets differ from each other. Customers shopping from small grocery
shopkeepers belong to service category while customers buying the grocery from hypermarkets are having business background. Therefore, convenience in timing of the shopping is important for them.

- Inclination of the customers belonging towards a particular hypermarket is less. The customer’s response is towards negativity in case of loyalty towards one hypermarket. Customers shopping from both retailers state that hypermarkets are having larger space because of which shopping becomes convenient. These customers do not feel that hypermarkets work ethically. The customer’s response is towards negativity in case of inventory management of hypermarkets. Considerable amount of the customers in this category are neutral about the cheapness of the grocery products available in the hypermarkets. These customers do not think that shopping as a fun or time pass.

- Well knowingness of the hypermarket matters for the customers. Classification of the grocery products and shopping atmosphere attracts them towards hypermarkets. Conveniences in shopping do not have any impact on the shopping decision of these customers. Advertisement in form of hoarding leaflets and newspaper attracts these customers towards hypermarkets.

- Customers shopping only from hypermarkets state that they visit hypermarkets because of huge space provided by hypermarkets. These customers treat shopping as time pass activity. The customers are attracted towards hypermarkets because of advertisements.

- There is less awareness amongst the farmers about hypermarkets. Farmers are reluctant to visit hypermarkets.

- Competition amongst small grocery shopkeepers operating in the same area has become a major problem for small shopkeepers. According to small grocery shopkeepers, they are facing the problems from other small grocery shops situated nearby. Majority of the small grocery shopkeepers state that they are not facing the problems from hypermarkets. At the same time, small grocery shopkeepers are
facing the difficulties in low operational capital and poor inventory. They are the major obstacles in the growth of the small grocery shopkeeper’s business.

- The decision to implement the LBT by the government has become the major problem for the retailers. The retailers are facing the problems of increase in bank rates, electricity rates. High capital investment, increasing real estate rates in the business are the main problems of organized retailer’s. Apart from other problems, the problem of LBT has created huge difficulties for retailers. Small grocery shopkeepers from Kolhapur city were on strike for nearly 15 days. Thus, LBT has made the life difficult for the retailers. After government intervention, the strike was called off. This clearly shows that LBT will be the major problem for the retailers in days to come. Further, small retailers are facing the problems of increase in bank rates, electricity rates. According to small grocery shopkeepers (80 to 90%), low capital investment in the business is the main problem. Because of the limited financial resources to operate with, the wholesalers are not ready to give them the credit to the small grocery shopkeepers.

**Suggestions –**

From the conclusions drawn, researcher would like to give suggestions to organized retailers (hypermarkets) as well as unorganized retailers (small grocery shopkeepers) which are as follows –

- **Suggestions for Organized grocery Retail trade (Hypermarkets)**

  Efficient inventory control system needs to be implemented by hypermarkets to minimize the stock out situation.

  The hypermarkets should take measures like cctv to prevent theft at shop floor by using the closed circuit television (CCTV).

  Theft at the shop floor of the hypermarkets is called as shrinkage problem. The shrinkage is emerging as the major problem for the organized retail trades not only in India but in other countries too.
The effective customer relationship management programs needs to be executed by the hypermarkets to improve the relationship and rapport with their present customers.

- Upcoming hypermarkets in the city of Kolhapur need to select their location very carefully and avoid starting their operations where other hypermarkets are in operation.

- The hypermarkets wherever possible, may require purchasing grocery products from nearby villages and sell them to the customers with minimum time gap. Hypermarkets should display their monthly stock as well as their regular supply chain process to educate the customers.

- In order to attract the lower income group of the customers towards them, the hypermarkets need to decentralized their selling operations and establish small grocery centers at some selected local centers.

- With a view to creating social awareness, the hypermarkets can launch new schemes with a social background such as rallies, sponsoring blood donation camps, and women’s day.

➢ Suggestions for Unorganized retail trade –

- In order to remain competitive in the changing retailing scenario, small grocery shopkeepers need to fight out the situation by upgrading their knowledge and skill of their own profession by getting trained by various governing and private bodies providing the facility of training.

- The governing bodies like chamber of commerce or small-scale development cells needs to take the initiatives in this regard to train the small grocery shopkeepers and make them well equipped to sustain themselves in the changing retailing environment where hypermarkets have started showing their presence slowly but steadily.
• Unorganized grocery retailer needs to improve their infrastructure to survive and sustain in the markets. Unorganized retail traders need to work on the improvement of their stores design.

• Adequate shelves should be made available for the products to be arranged properly. The trained personnel should have the knowledge of prompt and proper treatment to customers.

• The small grocery shopkeepers must work on the home delivery facility with fullest of their capacity to keep their present customers intact.

• The small groceries shopkeepers need to form the association between themselves because the unorganized retailers are coming across certain difficulties like tax burdens imposed by government. The need of the hour is for them to come together and form an association for collective bargaining and solving the common problems that they are facing. This association will be useful for small retailers to get advantage of collective bargaining and they can provide better services and better quality of products to the customers.

• The small grocery shopkeepers should try to keep unadulterated grocery products at their counters and should see to it that the grocery products should be properly packaged to cater for the needs of the customers belonging to lower income group.

• In view of the changing situation, the small grocery shopkeepers must make available other essential consumer goods along with the grocery products such as confectionary products.

• The small grocery shopkeepers as need to take into account changing consumer demographics and their expectations. Changes in consumer demographics, especially in terms of their increasing life expectancy and wealth, are constantly increasing the expectations of the customers.
• The small grocery shopkeepers should make the available space more effective and descent. At present, three types of customers have different opinion regarding their expectations about the space available and layouts of small grocery shops and hypermarkets. Customers shopping from only small grocery shops are least bothered about the space and the ambience of the shop while customers shopping only from hypermarkets expects that the interiors, merchandising, aesthetics which includes brightness, color schemes, flooring to be very appealing.

• Small grocery shopkeepers should make an attempt to keep the products related with health issues and currently which are available only in the hypermarkets. The recent developments in the grocery retailing are launching of the necessary grocery products by aligning their position with the health issues of the customers. If necessary, small grocery shopkeepers should approach concerned manufacturing companies for obtaining credit facility. It will help them to keep these kinds of products in their shops.

Trade in any form has a special social perspective particularly as it is directly concerned with customers comprising all possible income groups .in connection with present study, researcher would like to suggest both types of retail trades must have a social awareness as it will help them in cementing their ties with the customers. In a city like Kolhapur, where most of the customers belong to lower middle class, responsibilities of both type of retailers become more important. They will have to inform the buyers about the availability of the products and provide guidelines for them to purchase a proper product, which ensures the quality feature.
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