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A STUDY ON MARKETING STRATEGIES IN UNORGANIZED RETAIL OUTLETS :
WITH SPECIAL REFERENCE TO FARIDABAD



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Abstract

Retail industry in India is undoubting one of the fastest growing retail industry in the world. It is the largest among all industries accounting to 10 per cent of the country GDP and employs around 8 per cent of the workforce. As India is a country of diversity and heterogeneity in respect of population, there is a need for innovating and adopting new practices and restructuring the retail business models/ formats accordingly. To be successful, every retail business needs to add value to its products by adopting basic strategies related to pricing, promotion, distribution, penetration, retention and customer relationship which play important role to get competitive advantage over the market. The research paper aims to analyze the various marketing strategies and their level of acceptance towards the usage of them. The sample was collected from 50 unorganized retail outlets in Faridabad. The present study explores the changing face of retail sector in Faridabad with special reference to the marketing strategies in the unorganized retail outlets.

Introduction

Retail is a set of various activities that makes possible to deliver the goods or services to the final consumers for their own personal use. It is the resale activities of goods in small quantity to the general public for the personal or household use not for further resale purpose. It serves final demand and has a direct touch with the final consumer and occupies a very prominent position in value chains by acting as a mediator between manufacturer, wholesaler and general public. The selling activities can be done from a static location such as shop, store or even without them like by mail or online.

In India, there are two types of retailing sectors like traditional and modern retailing stores. Traditional (Unorganized) retailing includes small kirana stores, street market, street vendors, mom-n-pop stores located nearby etc. Modern (Organized) retailing includes large supermarkets, malls, discount stores, specialty stores etc.

Retailing sector is the 2nd largest employer in India and supports a large segment of Indian population. According to ET Retail.com (Economic times), approx. 400-450 million of people get their employment through small and medium sized retail firm and introduce a business of nearly \$ 70 billion. There are approx. 15 million retailers or more small

or large, traditional or modern retailers working under retailing sector in India which comes up with near about 40% of India's consumption and 10% of GDP of our country.

Review of Literature

Pankaj Kumar, Dr. Sanjeev Bansal, Kiran Rani and Dr. Mahesh Arora (2019) "Product strategies by small retailers in Punjab" state that adaptation is the basic need of changing environment for the smooth survival. In this dynamic business environment, small retailers have also started to adopt various product strategies to compete with the intensified competition. As per the conclusion of this study, small retailers should focus on a narrow market segment and need to collect the profound knowledge of that segment to compete with the giants retailers. They can maximize their sales by providing better customer service than large retailers.

Sangvikar, B., Kolte, A., & Pawar, A. (2019) says "Competitive strategies for unorganized retail business: Understanding structure, operations and profitability of small mom & pop stores in India" that traditional grocery stores are the most negatively affected by the opening up of shopping mall/modern retail stores. These traditional grocery stores are facing huge competition with the modern

retail store and they are trying to compete and improve their strategies like better display, free home delivery and capitalizing on their old long term relationship with the customers. As per this study unorganized pharmaceutical stores are the least affected by the introduction of organized retail stores.

Dr. Prasad, S. Madan & Khan Mudassar Durrani (2014) "A study of current scenario of Indian retail industry" state that unorganized retailing is in dominant position so far and whole Indian retail sector is going through a revolutionary stage. The traditional retail formats are continuously changing into the bigger formats. Income of Indian consumers is growing and their spending on Apparel, cosmetics, shoes, food and beverages, jewellery is also increasing. Double salaries, nuclear families, rising disposable income are assumed to be the reasons for this retail revolution. To face the cut throat competition, Indian retailers must know the value of building their own stores as brand which will help in reinforcing their marketing position. Some hidden challenges were also mention in this study namely retail differentiation, merchandising, market supply chain, management and competition from international brand etc.

Research Methodology

Both primary and secondary data have been used under this study. For primary data, a structured questionnaire was distributed to 50 retailers working in Faridabad District by using Simple Random Sampling. In case of secondary data, sources are

books, published records, research articles on Google scholar, retail websites on internet etc.

Objective

- The major objective of this study is to analyze the marketing strategies used in unorganized retail outlets with special reference to Faridabad.

Marketing Strategies

Retail marketing strategy is a plan to using different marketing tools to attract the customer. It is a set of business tactics which helps in increasing the sales, turning the prospective customers into the actual customer, increase customer loyalty, increase the market share and achieve the organizational goals. It is an important business concept to the retailers. The area of Marketing Strategies with respect to Retail Sector has received significant research attention in recent years. Every retailer uses a set of different strategies which is customized according to the customers and the competitors. The traditional retail outlets are trying to compete and improve their sales by adopting the various **Marketing Strategies**.

Data Analysis & Interpretation

Data analysis and interpretation is the process of assigning the meaning to the collected information and determining the conclusions and implications. There are some tables are used to analysis the data which are given below in sequential way. Some retailers are asked to tell about the level of agreement on the usage of various marketing strategies as:

Table: 1 Level of agreement on the usage of marketing strategies in customer attraction & retention

Marketing Strategies	SA	A	N	D	DA	Total
1. Wide variety	28 (56%)	19 (38%)	3 (6%)	0 (0%)	0 (0%)	50 (100%)
2. Credit facility	32 (64%)	14 (38%)	3 (6%)	1 (2%)	0 (0%)	50 (100%)
3. Attractive packing	28 (56%)	15 (30%)	5 (10%)	2 (4%)	0 (0%)	50 (100%)
4. Different modes of payment	33 (66%)	15 (30%)	2 (4%)	0 (0%)	0 (0%)	50 (100%)
5. Parking facility	30 (60%)	17 (34%)	3 (6%)	0 (0%)	0 (0%)	50 (100%)

6. Advertisement	18 (36%)	25 (50%)	2 (4%)	4 (8%)	1 (2%)	50 (100%)
7. Personal services	16 (32%)	30 (60%)	2 (4%)	2 (4%)	0 (0%)	50 (100%)
8. Friendly relation	28 (56%)	17 (34%)	3 (6%)	2 (4%)	1 (2%)	50 (100%)
9. Home delivery	28 (56%)	15 (30%)	5 (10%)	2 (4%)	0 (0%)	50 (100%)
10. After sales service	35 (70%)	15 (30%)	0 (0%)	0 (0%)	0 (0%)	50 (100%)
11. Discounted price	22 (44%)	24 (48%)	3 (6%)	1 (2%)	0 (0%)	50 (100%)
12. Cleanliness	20 (40%)	24 (48%)	4 (8%)	2 (4%)	0 (0%)	50 (100%)
13. Attractive display	21 (42%)	24 (48%)	5 (10%)	0 (0%)	0 (0%)	50 (100%)
14. Refund facility	28 (56%)	22 (44%)	0 (0%)	0 (0%)	0 (0%)	50 (100%)
15. Entertainment Facility	15 (30%)	18 (36%)	10 (20%)	4 (8%)	3 (6%)	50 (100%)

Source: Primary data

Findings & Conclusion

After analysis of data, it can be seen that the level of agreement towards Marketing Strategies of Retail Outlets is above the average level. From the research, it is evident that most of the unorganized retailers are in the favor of usage of above mentioned marketing strategies for the customer's attraction. This study shows that now the retailers have become more aware and smart in the way of sales maximization and profit maximization as well. Thus, the findings of this study support the importance of retail marketing mix (strategies) in improving the customer satisfaction.

The growth of the retail trade in India is associated with the growth in the Indian economy. There is very huge potential for the growth of retailing in India. There is wide range of marketing strategies that retailers may consider and apply in obtaining the competitive advantage on the market. The right

marketing strategies enable organizations to pursue their marketing objectives in the target markets and therefore achieve the organizational objectives. Application of the right marketing strategies also ensures provision of the right product, at the right price, in the right place thus, ensures that resources are efficiently and effectively utilized. Thus, Marketing must be replaced with a more customized approach by using sophisticated technology and different strategies. By adopting these strategies & technologies, retailers can sustain and flourish in the market in future.

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