

Indian retail sector: An assessment of promotion tactics

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Abstract

The Retail sector is that the sector of economy which is consisted of people, stores, commercials, complexes, agencies, firms and organizations etc. concerned within the business of marketing or commercialism numerous finished merchandise or product to the end-user customers directly and indirectly, product and merchandise of the retail business or sector are the finished final objects / products of all sectors of commerce and economy of a country. Marketing has emerged together of the foremost dynamic industries within the country with many players attempting to determine themselves within the market. The correct experience and client service will induce customers to pay a lot of and enhances the loyalty additionally. Against this background, a modest try during this paper has been created to elaborate on completely different promoting tactics adopted by players of Indian retail sector within the gift digital era.

Keywords: behaviour marketing, Indian retail sector, loyalty marketing, mobile marketing, neuro marketing, social media marketing

Introduction

From past several decades retail has given importance in attracting new customers to their business. Because the retail market is one in every of the foremost matured markets, the marketing firms have step by step shifted their focus from recruiting new customers to retentive previous ones. In their analysis is shown that a corporation will double its gain by increasing client retention rate by 5%. This can be why firms everywhere are attracted towards the construct of CRM and formulate appropriate promoting tactics to harness the advantages. Firms develop a database to get customers data like their shopping for behaviour and alternative things of their interest. Data is power, and this helps in earning potential profits as business gather data concerning the shoppers from the loyalty info so as to sell them alternative products.

Retail is all concerning knowing your customers completely so as to serve them higher? It's an age previous philosophy that if you recognize your customer better, you'll get pleasure from a much better competitive position within the market. The Indian retail sector is getting down evolving in line with the transformation that has sweptwing the opposite massive economies. The relaxation of the buyer product business, initiated within the mid- eighty and accelerated through the 90s, has begun to impact the structure conduct of the retail business.

The construct of retail which has the shopkeeper to client interaction, has taken several forms and dimensions, from the standard shops and street market retailers to upmarket multi-brand outlets particularly stores and division stores. The retail business is India's largest business, and accounts for over 10% of the country's GDP and around 8% of employment. Marketing has emerged together of the foremost dynamic industries within the country with many players attempting to determine themselves within the market. The correct expertise and client service will induce customers to pay a lot of and enhances the loyalty additionally.

Indian Retail Sector: Present Position

The Retail sector of India has large potential for growth and development because the majority of its constituents are unorganized. The retail sector of India handles regarding \$ 250 billion each year and has crossed to \$ 660 billion by the year 2016. The business within the organized retail sector of India is predicted to grow quicker at the speed of 15-20% each year. Here, it's noteworthy that the retail sector of India contributes regarding 15% of the national GDP, and employs a huge manpower when the agriculture sector. India's growing economy with a rate of roughly 8% annually makes its retail sector extremely fertile and profitable to the foreign investors. AT Kearney recognized India because the second most beguiling and thriving retail destination of the planet among thirty growing and rising markets. At present, different profitable retail destinations of the globe are China and Dubai of Asia. Various foreign direct investment in Indian retail is greatly cherished by most of the main and leading retailers of USA and European countries including Walmart (USA), Tesco (UK), metro (Germany) and carrefour (France), liberalization of trade policy and loosening of barriers and restrictions to the foreign investment within the retail sector of India have jointly created the FDI in retail sector quite easy and sleek. Today, marketing is that the shining star of the Indian business world, therefore each business king needs to take a position in it. The recent years have witnessed speedy transformation and vigorous profits in Indian retail stores across numerous classes. This could be contemplated as results of the dynamical angle of Indian retail shoppers and their overwhelming acceptance to fashionable retail formats. The Indian retail business is split into organized and unorganized sectors. Organized marketing refers to mercantilism activities undertaken by the licenced retailers, that is, people who have registered for excise, taxation etc. These embrace the corporate- backed hypermarkets and retail chains, and additionally the privately owned massive retail businesses.

Unorganized marketing, on the opposite hand, refers to the standard formats of low-priced marketing, just like the native kirana retailers, owner manned general stores, paan/bidi retailers, convenience stores, cart and pavement vendors etc.

Indian retail trade is standing at its purpose of inflection, awaiting the boom to require place. The beginning of the retail trade dates back to times, wherever retail stores were found within the village fairs, melas or within the weekly markets. These stores were extremely unorganized. The maturity of retail sector happened with the institution of retail sectors in the neighbourhood for convenience, and with Government intervention the retail trade took a replacement form. Shops for public distribution system, co-operative stores and khadi stores were created. Growth of retail corporations in India exhibits the boom within the retail trade in India over the years. The will increase within the purchasing power of the Indian middle categories and also the inflow of the foreign investments have been encouraging the growth of marketing corporations in India. Except the retail selling company just like the Nilgiris urban center, most of the retail corporations are sections of different industries that have stepped within the retail sector for a higher business.

The retail companies don't seem to be solely targeting the four metros in India however is also considering the second hierarchic coming cities like Ahmadabad, Baroda, Chandigarh, Coimbatore, Cochin, Ludhiana, Patna, Ranchi, Pune, Trivandrum, Shimla, Gurgaon and others. The South Indian zone have adopted the method of searching within the super markets a lot of smartly for his or her daily desires and this has been influencing different cities likewise, wherever several hyper marts are arising. The emergence of stores also is being seen within the North Indian zone.

The major Indian retailers are

- Pantaloon Retail India Limited
- Shoppers stop
- Big Bazar
- Spencer's
- Life Style
- More
- Bata India Limited
- Music world entertainment Ltd.

Judging the scope for growth on the retail Industry many global retail giants are also entering the Indian retail market. They are

- Tesco
- Metro AG
- Walmart
- Carrefour
- Tesco
- Marks & Spencer

Marketing Strategies for Retailing

The evolving trend in selling wherever selling has affected from a group action based effort to a conversation allows customers and prospects to participate within the method of building a brand's image in a sure market or target group's minds. This can be known as Interactive selling. The interactive selling ways are being wide employed by players of retail industry, mostly used strategies are:

i) Social Media Marketing

Marketing done through social media is named as Social Media marketing (SMM). It provides a low value method for business to achieve massive numbers of users and gain complete recognition. It's the method of gaining web site traffic or attention through social media sites. In SMM the company creates contents in such some way that it attracts attention and encourages readers to share it with their social network. Therefore a company message spreads from user to user and is sure because it comes from reliable sources. This way of promoting has the advantages of oral subject matter marketing. This leads to attained media instead of paid media. The best thing about social media selling is that it acts as a comparatively cheap platform for organizations to implement selling movement. SMM may be a powerful on-line selling tool. It's generally accustomed supplement different on-line selling ways instead of replace them.

ii) Mobile Marketing

Mobile marketing Association has outlined mobile selling as a collection of apply that allows organizations to speak and have interaction with their audience in an interactive and relevant manner through any mobile device or network. Mobile selling is often provided to specific location folks. Thus custom message supported location can be through with the help of mobile selling. The opposite good thing about this can be being its user controlled media. Thus when obtaining the acceptance of the individual selling messages are often sent to them. Mobile selling is often done through.

iii) SMS

Short Message Server is a mobile advertising technique of using text messaging to spread a marketing message.

iv) MMS

Multi Media Messaging services allows for the creation of messages sent from one mobile phone to another that can contain text, pictures, audio and video.

v) In game mobile marketing

Corporate delivers promotional messages within mobile games or sponsoring entire games to drive customer engagement.

vi) Mobile web marketing

Advertising on web pages specifically meant for way in by mobile devices.

vii) Bluetooth

It is a proprietary open wireless technology commonplace for exchanging knowledge over short distances from fastened and mobile devices, making personal space networks with high level of security. the main blessings of mobile promoting are immediacy, affordability, distribution to very massive geographical area is possible, response rate is high compared to different advertising media, message is customized, messages reach addressees where they're and two way communication is possible.

viii) Neuro Marketing

It is a new field of promoting analysis that studies customers'

device motor, cognitive, and emotional response to promoting stimuli. Neuro promoting is helpful as it.

- Reveal the extent to that viewers are process the data in an advertisement logically and analytically or imaginatively emotionally.
- Indicate the extent to that viewer attention is maintained at the purpose of disapproval during a radio or tv commercial occurs.
- Track subconscious responses to completely different package styles, music of ads, color of new product, new fragrance and aroma or flavour.
- Show whether a target group is a lot of possible to prove receptive to visual or auditory messages.

ix) Loyalty Marketing

Loyalty promoting identifies the loyal customers out of the whole customers and thereafter further services are being provided to stay them loyal. Loyalty promoting maintains sales levels, margins and profits as a defensive outcome to protect the client base. It will increase the loyalty and potential price of existing client as an offensive outcome to produce progressive increase in sales margins and profits. It induces the cross product shopping for of existing client.

Every customer is unique

Every customer is exclusive in itself and therefore the vendor must do that tough job of understanding the shoppers so as to perform relationship promoting. Each client has totally different method of shopping and that they have different looking preferences. Vendor tries to seek out the various stages of consumers shopping for behaviour and the way customers are influenced to shop for a specific product. One of the most necessary message managers and marketers ought to learn that mere nice product at nice value cannot guarantee client satisfaction. They have to be treated well so as to own them get repeatedly. So as to know however, what, when, wherever and the way much they get, we've got to seem for philip Kotlers five stage model of client shopping for process during this model one will grasp the stages the customer goes through until he reaches a shopping for call. This model tells that in each purchase client goes through all 5 stages.

Conclusion

Customers are glad once they get from the corporate what they expected, not each glad client enjoys shift suppliers. Many purchasers tend to not experiment and keep loyal with the one they're glad the foremost. Client satisfaction is important for a corporation to survive. Opine satisfaction produces positive perspective towards the complete that leads to larger probability that within the future identical product or service are going to be repurchased. Whereas discontent might lead the client to refrain from repurchase of the product or service with a high probability of dangerous subject matter to ten potential customers. the only probability to provide positive vibrations of the retail supermarket lies at the purpose of sales, wherever they get probability to fulfil individuals operating for the corporate, they ought to be knowing that they're representing the corporate and their words and acts reflect to the individuals regarding the corporate. Growth in retail firms in Republic of India exhibits the boom within the retail business in India over the years. The retail players have to be compelled to tailor their promoting ways in such a fashion to

tap the immense untapped potential of retail markets of Republic of India.

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