

**MAPPING THE SUCCESS OF ORGANIZED FOOD RETAILING IN
INDIA: EXPLORING THE SUCCESS FACTORS THROUGH THE EYES
OF RETAILERS AND CONSUMERS USING THE PERCEPTUAL
MAPPING MODELS**

BY :

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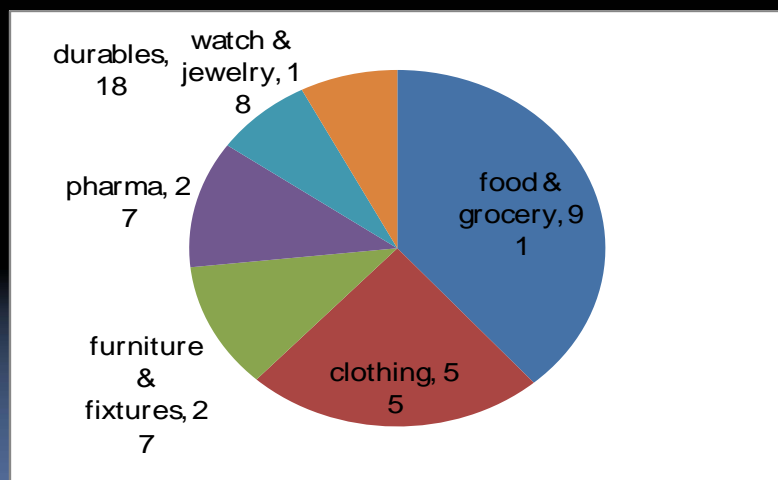
HOW DID WE GET STARTED

- Just walk into a retail outlet
- And the choices are
- You just cant leave empty handed !!!!
- And your regular grocery shopping changes from 99% perspiration, 1% motivation to 100% motivation

CURRENT RETAIL SCENE

- 11 retail stores per 1000 people
- Only 6% organized retail
- Sales growth from high to moderate
- Share of organized retailing
- Competitors
- Customer profile

MARKET DISTRIBUTION IN ORGANIZED RETAIL



BACKGROUND

- Post 1991 period, privatization
- Rising disposable income levels
- DINKS couples
- MNCs stepping in
- Expenditure pattern
- Indian business houses in full swing
- SCM the buzz word
- Aggressive Business strategies for retail

OBJECTIVE

- Changing patterns of food retailing in India
- Success factors of the organized food retailers' vis-à-vis the ordinary grocers.
- Role of supply chain as a success factor
- Measuring success at store level
- Inflection point in Consumer perception
- The retailer's perceptions on their success factors

METHODOLOGY

- Data collection
- Exploratory
- Random sampling
- Pilot Survey through questionnaire
- Identify the attributes which play a significant role in building the consumer perception

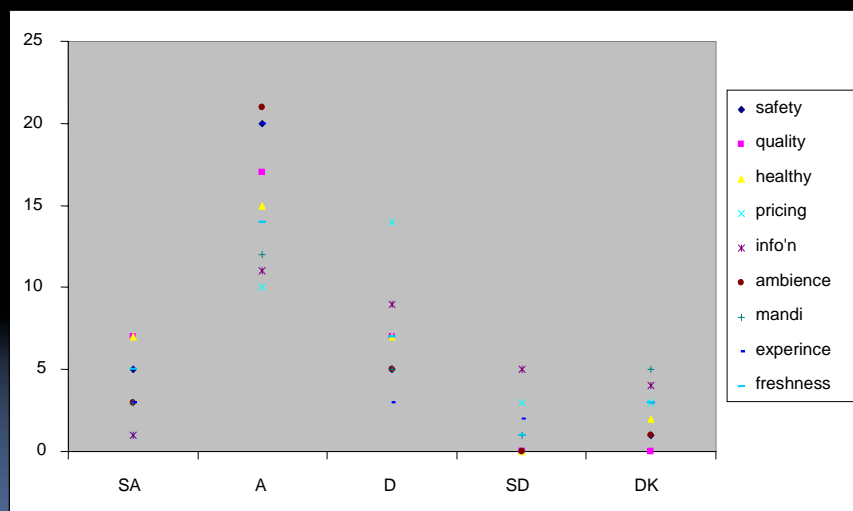
METHODOLOGY

- Identified factors
- Exit interviews of customers
- Factors attributing to Relative importance were analyzed
- In depth interview with operations manager

ANALYSIS

- Tool used - SPSS 13.0 package
- Agreement levels
- Frequency of shopping vs. income level
- Shopping habits vs. age group
- Ideal mix of attributes according to customer
- Attribute mix which leads to store change

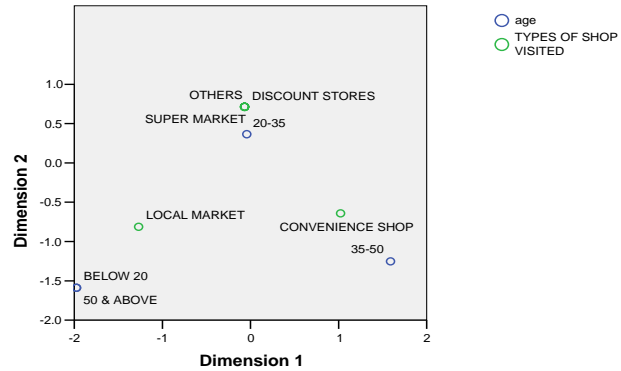
OBSERVATIONS



OBSERVATIONS

Row and Column Points

Symmetrical Normalization

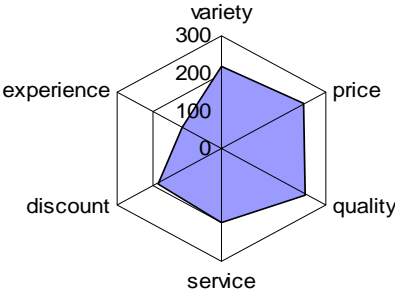


OBSERVATIONS

Age	TYPES OF SHOP VISITED					
	SUPER MARKET	CONVENIENCE SHOP	LOCAL MARKET	SPECIALIST SHOP	DISCOUNT STORES	OTHERS
BELOW 20	0	0	1	0	0	0
20-35	9	4	3	0	1	2
35-50	0	3	0	0	0	0
50 & ABOVE	0	0	1	0	0	0

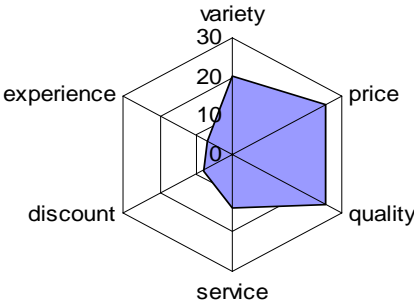
OBSERVATIONS

Ideal Preference of customers



OBSERVATIONS

Change factors for preference

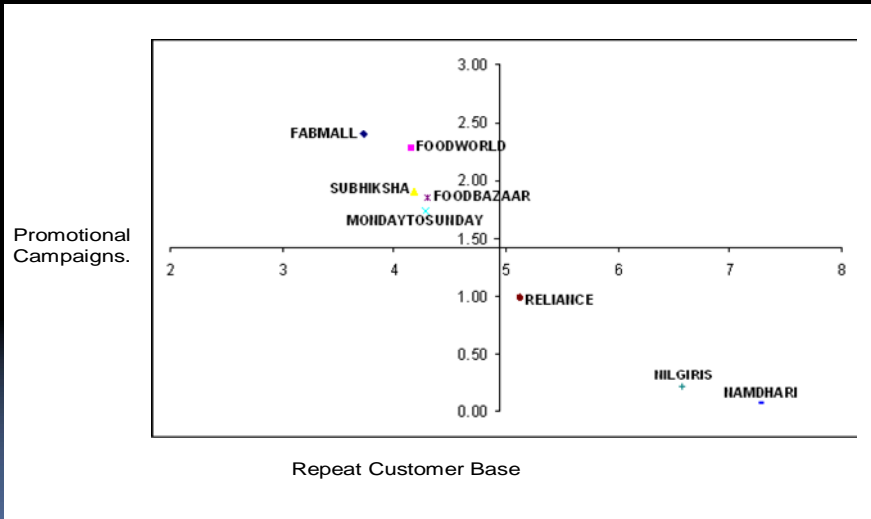


THE DIFFERENCE

Particulars	Retailers view	Customer view
Price	Providing items at 5 to 10 % less cost compared to mandi or other local grocers.	No saving if we add commuting cost in total bill of purchase.
Quality	Providing better quality than local mandi.	Yes ,we get better quality (saves time).
Service	Providing better service than grocers.	Grocers are providing better customize service.(providing credit facility).
Variety	Large number of SKU's & different goods under one roof.	Yes we get more variety & types of goods .

S.No	Mean	Imp.Index	Store
1	4.23	2.12	FABMALL
2	4.66	1.98	FOODWORLD
3	4.68	1.66	SUBHIKSHA
4	4.78	1.51	SUN 2 MON
5	4.8	1.60	FOODBAZAAR
6	5.63	0.81	RELIANCE
7	7.07	0.15	NILGIRI
8	7.76	0.02	NAMDHARI

THAT'S WHERE U R...



INFERENCES

- 20-35 age group
- Older groups - convenience stores or the local markets
- Variety, price and service
- Organization's position on the basis of promotional strategy and customer loyalty
- Readiness to provide the relationship

SUMMARY

- Organized retail is still in infancy stage in India.
- The liberalization and reforms provided impetus to it with promising prospects for future.
- A host of factors can be attributed to the success of retail which may vary from price variety, service, environment and discounts.
- Inferences derived from extensive research for variants acting or affecting retail's performance..

THANK YOU....

