

ROLE OF SKILLS IN ORGANISED RETAIL MARKETING IN INDIAN PERSPECTIVE

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Abstract : Retailing is one of the fastest growing industries in India like information and technology. According to BMI India Retail Report forecast that total retail sale in India will grow from an estimated US dollar 427 bn in 2009 to US dollar 798 bn by 2014. There is also an expectation to raise consumer base in urban and rural consumers in India. India's retail trade is mainly divided into organised and unorganised retailing. But, due to LPG programme there has been changed in consumer life style and buying motives. This has led to change in the structure of Indian retail trade from door to door selling to e-shopping etc. The modern retailing is more skill oriented rather than just selling the goods to consumers. Thus, this paper will focus on the need and role of skills in retailing to make retailing more competitive.

Keywords: Mobile retailers, Immobile retailers, corporate sector

OBJECTIVES

- a) To understand the essential skills required in organised retail sector India.
- b) To know the issues in retail sector and understand can skill development overcome the issues ?

INTRODUCTION

The word retail has derived from French word 'retailer' means to 'cut off a piece' retailer links the producers and the ultimate consumers and provide service to both. Without retailer it is difficult to satisfy the consumers' daily needs because retail trade deals with variety of products like food items, vegetables, electronic, garments etc. Since 1991, there has been continuous changed witness in retail marketing that is consumers are slowly moving from unorganised retailing to organised retailing. Having seen this shift in the consumers' preference many big corporates have made entry into retailing sector. This includes Reliance, Mahindra, Pantaloons, TATA and even foreign retailers are likely to come to India due to FDI in single brand retailing and multi brand retailing. Most of the India retail shops are small in size, out of 14 million outlets situated in the country only 4% of them have an area more than 500 sq.ft. India has around 11 outlets for around 1000 population. Majority of population purchases goods from unorganised retailers because of several reasons. But, overall retailers in India lack in skills and found unable to place at global level.

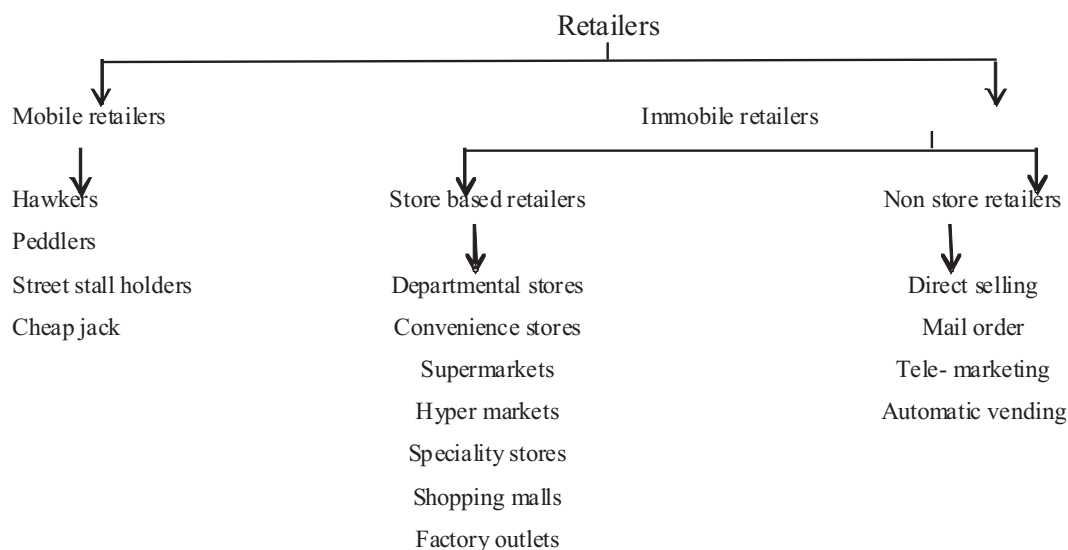
HYPOTHESIS :

- a) Organised Retailing is continued to be a growing sector.
- b) Skill is an integral part of retail management.

RESEARCH METHODOLOGY :

This paper is based on secondary data. Information has been collected through books, journals, government publications, reports of research agencies, newspaper etc. The research is mainly exploratory in nature and analysis is on the basis of observations.

TYPES OF RETAILING



TRENDS IN RETAILING

1. Growth in retail sector : in indian retail market is estimated to be US\$500 bn. By 2020, the industry is estimated to be US\$1.3 trillion. India is ranked in top ten countries of the world.

2. Growth of organised retailing:- favourable government policies, increased in PCI, favourable shopping environment, online shopping etc. are the factors responsible in organised retailing.

3. FDI in retailing :Regulatory controls on FDI have been relaxed considerably in recent years. Currently the government allows 51% FDI in single brand retailing and 100% in cash-n-carry business. In 2012 Union Government came up with 51% FDI in Multi Brand Retailing trough government rout approval and subject to certain conditions.

4. Entry of corporate sector :- due to rising graph of retail industry and changing consumer motives many corporates have made an entry in this sector this includes TATA, Reliance, ITC, Bharti etc.

5. Use of technology :- information and technology is also playing a vital role in retailing. Computer is being used mostly by organised retailers for accounting, billing, inventory management, budgeting etc.

6. Contribution to GDP :- it contributes around 15 % to India's GDP and 8% to employment. Due to skill development and changing economic situation, it will grow further.

7. Training to retail personnel :- with the entry of organised retailers, emphasis is placed on training and development of retail personnel. Here, more specialised skill are required in the area of

- Strategic management that is target setting, marketing mix, site selection etc.
- Merchandise management that is supplier selection, inventory management pricing etc.
- Store management that is layout , display customer relationship etc.
- Administrative management that is human resources, finance, marketing etc.

8. Online retailing :- online shopping has been rising among the educated people especially youngsters as

it provides lot of convenience, saving time and cost of consumers. It also offers round the clock service.

9. Rural retailing: - rural retailing is another area of prime focus for many retailers. As on date around 60% population is living in rural areas of India. Thus, many retailers are going to rural areas to expand retailing business in India.

CHALLENGES IN RETAIL TRADE IN INDIA

1. More dependency on unorganised retailing rather than organised retailing.
2. Low skill level for retail management.
3. Lack of trained workforce for marketing and selling etc.
4. Lack of retailing courses and study options.
5. Price volatility, low margins, and fear of obsolescence.
6. Inappropriate tax system and uncertain laws.
7. Uneven population makes difficult to select an appropriate marketing mix strategies.
8. Changing buying motives of consumers.
9. Lack of training and development of labour and management for higher productivity.
10. Inadequate infrastructural facilities.

ROLE OF SKILL IN RETAILING

A skill is the ability that one possesses. In other words it is the learned ability to carry out a task with pre-determined results often within a given amount of time, energy or both. Skills can be divided into general and specific skills. General skills includes time management, teamwork and leadership, self-motivation etc. whereas, specific skills would be useful only for certain jobs.

Essential skills to overcome challenges in organised retailing business :-

1. Business skills:- a good retailer must have neck and tact to do retailing business because it deals with buyers' motives. Understanding buyer's motive and giving them timely service is an important element of management.

2. Customer service skills :-Customer service is the care that a customer receives before, during and after a purchase. Good customer service is friendly and polite, and puts the customer first; it is very important in creating loyal customers.

3. Communication :- polite and friendly communication is the crux of retailing to win the attention of consumers. He should have good command over language. Through proper communication only there can be exchanging between buyer and seller.

4. Commercial awareness:- it is also sometimes referred to as customer or business awareness, and any retail work experience is a great opportunity to develop it.

5. Working under pressure :- now a days most of the consumers are educated about their rights and preferences. Moreover, increase in population has increased retailing activities like packing, weighing, cleaning, grading, payment collection etc. Thus, this requires a retailer an ability to handle work pressure. Provide the service to the consumers with greatest satisfaction.

6. Initiative :- 'A good start is always half way winning the race'. A retailer must take right decision at right time. He should lead the retailing activities in case others are not taking a lead.

7. Leadership :- in organised retailing leadership is an important element. Through dynamic leadership retailer can conquer the competitors. Only a good leader having team building skill can make the retail trade well off. Leader is necessary in respect of stock management, human resource, distribution mechanism etc.

8. Creative and critical thinking: -people associated with business development need to have creative mind to attract the attention of the consumer, introducing innovative schemes, winning competition, branding and so on.

9. Knowledge of IT :- The ability to use IT systems is important in retailing. In retailing, IT deals with

activities like payments, stock management, budgeting, accounting etc. Online shopping does need an acute knowledge.

10. Assuming Responsibility :- Being responsible, reliable and trustworthy is all part of retail as self-management. Good self-management involves being punctual, flexible, getting work done on time, and being willing to improve own performance. Employers sometimes complain that this is an area where graduates fall down, so if you can use your retail experience to show you can be trusted to get the job done, you'll put yourself in a good position to get hired.

11. Cultural awareness:- since retailing deals with people from a diverse range of backgrounds, a person knowing consumers' culture is an asset to the organisation. Many big graduate employers are multinational and want to recruit candidates who are capable of building rapport with colleagues or customers from all around the world.

FINDINGS

1. Since 1991, due to globalisation format of retailing in India has changed from traditional mom and pop stores (kirana stores) to mall or hyper markets.
2. Organised retailing pays more attention to the factors like location, skill sets, shop layout etc. This makes the organised retailing different from unorganised retailing.
3. In India, consumers are not equally distributed throughout the country. Therefore, retailers like MORE, RELIENCE FRESH, BIG BAZAR etc. are not spread everywhere. This means most of the rural and some urban population is dependent on unorganised retailing.
4. Though retailing contributes around 15% of India's GDP and 8% of total employment, it is not taken very seriously by the government to boost organised retailing in India.
5. Till 2000, hardly emphasis is given on training in retail sector. With entry of organised retailing, specialisation in job, modern machines, career opportunities etc. now a days efforts are being made at organisational level to impart training for skill improvement.
6. Since retailing is opened to FDI and the entry of foreign retailers in India. Retailing is needed more divers skills for its future and prospects. But, unlikely to say that there no specific institute is established yet to provide required training for retailing.
7. More focused is needed on organised retailing to reduce the importance of unorganised retailing.
8. Many marketers or salesmen they do not pay attention to marketing skills like communication, packing, grading, branding etc.
9. There should be separate curriculum in education on skills required for different career options in retailing.
10. Changing consumer taste and preferences increase in consumer income, liberal government policies etc. are the positive indicators for development in organised retailing in India.
11. Skill based retailing needs to be more strengthen this will bring more specialisation in several activities relating to retailing such as packaging, advertising, marketing, standardisation and so on.
12. In last few years there has been increased in online shopping in India. This may prove to be threat to organise retailers as these shopping sites offers lot of incentives and attractive schemes.
13. Organised retailers need to be accessible even to rural consumers.

CONCLUSION

21st century is likely to be headed by Indians because its strength is population. India is fortunate to have diverse labour with different skill sets. To make Indian retailing business a globally competitive much attention is needed towards skill development so that skilled people will meet challenges confronted by new marketing era. Skills like Customer relationship, Management, Communication, persuasion and many more will play significant role in coming future in the field of retailing, service, production etc.

According to Aristotle,
"Pleasure in the job puts perfection in the work."

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