

# Indian Retail Revolution: Advantage - End User

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"Malls may come and malls may go, but shopping will never harm us", seems to be the motto of most Indian shoppers, comprising primarily of the fairer sex. In the era of mammoth shopping malls, concept stores, designer boutiques, multiplexes, family entertainment centers, the maximum advantage lies with the end user.

India has unleashed a new chapter in the art of shopping with approximately 280 malls being planned and conceptualized in the country. I have lost count of the kind of concepts, ideas and formats that have started taking shape in the country. A few years ago who would've thought concepts such as designer stores, gold souks, electronics mall, hypermarkets, discount stores, family entertainment centers etc. will become so widely acclaimed and accepted with Indian households. Full & duty credit goes to the Indian real estate developers for having the vision and determination for success and seeing projects through and creating a name for themselves in the Indian real estate industry.

Ms. Tinoo Joshi, Development Commissioner (Handicrafts), Govt. of India, an eminent IAS officer who has played a vital role in upgrading the Indian Handicraft industry is of a firm belief that "Shopping in

India can be compared to any developed market in the world, primarily due to the availability of international brands in India and more importantly most of the Indian consumers today have international exposure." She adds, "There has been an exponential growth in the Indian consumer spending due to the increasing competition amongst retailers offering discounts to lure customers. There is tremendous competition amongst the craftsmen in the Indian Handicraft industry and the benefits are passed on as discounts to the end-user."

Ms. Joshi further comments "Presentation enhances the value of the consumers curiosity towards a certain product, that leads to high spending. Consumers are also looking for convenience, therefore the concept of everything under one umbrella is being compelling that today's retailers are being compelled to provide. In the current retail scenario in India the end-users are laying the rules of retail demand, which is leading to value accentuated branding, a break away from monotony and a one stop shop approach."

As shopping malls formats are mushrooming, the end-user too has become quite finicky over the concept of shopping. With over a dozen malls planned in Gurgaon itself, the targeted end-user has become extremely conscious of where to shop and where to get the best deal. This is simply because of the immense competition that retailers are facing amongst each other, trying to meet targets at the same time offering unique sops to the consumers.

India's economy is on a fast track, with investments pouring in across industries, we are quite happy to be a part of this booming economy, as there is tremendous potential in the years to come. One of the most promising and evergreen industries, is the retail industry and today as things stand, we have seen tremendous growth. "Real estate backed retail revolution", is what is driving the retail industry in India where end-users are its drivers. We have identified two key factors for the success of any real estate - retail development project, these factors are:

1. Hygiene Factor
2. Motivation Factor

Hygiene Factor comprises of the essential pre-requisites of any successful retail development, i.e. Location, Location and Location whereas Motivation Factor comprises primarily of end-users / shoppers / consumers. But the key element here is the end-user, since whichever way you look at it without the latter the former is inconsequential. E.g., a Mercedes Maybach would be termed as a white elephant if there were no one to drive it.

Dr. Asha Sharma, a renowned Gynaecologist who is the HOD (Obstetrics & Gynaecology), Rockland Hospital,

New Delhi comments "Most of my overseas trips comprised of shopping for all kinds of essentials, but today you find everything in India, from designer wear, to designer furniture, to designer accessories, the concept of shopping has certainly changed for the better. In order to attract customers and due to increasing competition, retailers are being compelled to offer discounts, therefore customers definitely have an advantage over retailers."

Moving on to the finer details of this Indian retail revolution, the single most driving factor are people, customers who are the key elements for success for any retail development. Therefore in order to attract steady footfall, leading to conversions, it is crucial that retailers pay sincere attention to the needs of the customers. Today the customer has a rock-solid advantage since there are plenty of retail stores, concepts, that are available in all aspects (i.e. merchandise, concept, pricing, range of product, quality of product, location, sops etc.) and in order to generate revenues these retailers go out of their way to please customers, therefore the concept of privilege memberships.

Shivini Kumari, Director International Programs India, C.T.I.S., an avid shopper, who makes frequent overseas shopping trips, is now quite happy shopping in India. She says, "Indian retailers are wooing the customer with hard-sell marketing campaigns, special offers, launching new trends every season and constant changing of goods on retail to have current and new products displayed. In addition shopping has become a form of entertainment where one is treated to exciting visual displays, special promotional campaigns and makeover. Pop Culture, which hit the US in the 1990's, has recently come to India where the average Indian is influenced by TV, movies, music and print media. This in turn impacts the retail sector where the consumer is looking to dress like a famous celebrity they may have seen on TV or in real life and the Indian retailers are at par with the western retailers as far as spending and to add to the retail revolution the malls today are selling a lifestyle that we Indians have dreamt to live."

Ms. Kumari adds, "Many years ago shopping in India meant going to overcrowded markets, haggling with the vendors and often getting cheated. Today's mall concept has standardized the quality of the goods and pricing. In addition the customer has some advantage, as the vendor is held responsible for providing goods that meet the quality the customer demands. Although she is happy shopping in India she feels that the Indian retailers still have a long way to go in terms of customer service and guarantees."

In order to maximize the conversions for any small, mid size or high-end retailer, the formula is quite simple.

There are 5 key elements of a good shopping experience that a customer looks out for these elements are:

1. Location of the store, mall etc.
2. Service offered
3. Sops/Unique offerings
  - a. Pricing (i.e. stores in malls vis-a-vis high street stores)
  - b. Product Quality
  - c. Range of merchandise (product mix)
  - d. Ambience of the store (décor / interiors)
  - e. Loyalty program memberships
4. Easy approach to the store
5. Convenient parking

Sachin Wadhwa, Sony World India Incharge, a high overseas spender too agrees "That the concept of shopping in India has witnessed a paramount change, strictly from the point of view of the consumers from traditional unorganized to continuously evolving new formats of retailing." Mr. Wadhwa adds, "The customer is benefiting from the retail revolution and today it's completely a buyers market primarily due to increased competition amongst retailers."

In the new age of Indian retailing consumers have basic preferences and in the increasing era of competition, retailers are going out of their way to attract customers therefore we can state that end-users are driving the change in the concept of shopping - therefore in simpler words it is more a demand driven market than a supply driven market.

Finally in order to sum up the observation, retailers treat customers as kings due to the existing and cut throat competition, therefore we can say that in today's world of Indian Retail Revolution it's Advantage - End User.

