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Research Paper

Retail Industry - A Sun Shine Sector

Management

KEYWORDS :

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Introduction

The Indian retail market is estimated to exceed US$ 750 billion by 2015. According to the India Retail Report 2013, there is a strong potential for foreign retailers to enter India. Until 2011 the Indian Central Government restricted Foreign Direct Investment (FDI) in multi-brand retail, forbidding foreign groups from any ownership in supermarkets, convenience stores or other retail outlets. Even single-brand retail was limited to 51 percent ownership and a bureaucratic process. In late 2012, the Government of India issued a Foreign Direct Investment Policy allowing foreign retailers to own upto 51 percent in multi-brand retail and 100 percent in single brand retail. It is expected that these stores will now have full access to over 200 million urban consumers in India, approximately 47 percent of which are below the age of 30 with high levels of consumption.

According to A T Kearney's Global Retail Development Index (GRDI) 2012, India is the 5th most favorable destination for international retailers. Of the total, Indian retail market, 8 percent constitutes the organized retail segment which is estimated to grow at a rate of almost 30 percent by 2015. And hence at a much faster pace than the overall retail market which is forecast and to grow at 16 percent in the same period. Clothing & Apparel make up almost a third of the organized retail segment, followed by Food & Grocery and Consumer Electronics. India currently has a small penetration within the organized retail segment as compared to other emerging markets such as China, which has a penetration of more than 20 percent within organized retail according to the Global Retail Index report by the World Retail Conference.

The new FDI policy implies greater autonomy in functioning for foreign single-brand retail players who can now own 100 percent of their Indian stores, up from the previous cap of 51 percent with only the stipulation that they will have to source 30 percent of their goods from small and medium-sized Indian suppliers.

India's retailing boom has acquired dynamism and vibrancy with international players experimenting in the Indian market and the country's existing giants taking bold innovative steps to woo the consumers. The next few years are likely to witness rapid growth in the organized retailing sector with several leading international players establishing their presence in India by adjusting their formats to suit local tastes and buying behavior. At the same time, the domestic players have stepped up their defenses and are striving to gain an edge over the global players by using their knowledge of local markets.

Attention

Attention occurs when the stimulus activates one or more sensory receptor nerves, and the resulting sensations go to the brain for processing. We are constantly exposed to thousands of times more stimuli than we can process. The average supermarket has 3000 individual items. It would take hours to attend to each of them. Each television network shows 6000 commercials per week and radio stations air many more. Therefore, we have to be selective in attending to marketing as well as to other messages. This selectivity has major implications for marketing managers and others concerned with communicating with consumers. Attention always occurs within the context of a situation. The same individual may devote different levels of attention to the same stimulus in different situations. Attention, therefore, is determined by three factors—the stimulus in different situations. Attention, therefore, is determined by three factors-the stimulus, the individual and the situation.

Methodology

This is a research study. The data is collected through prescribed questionnaire. Five point Likert scale is used to register the response of the customers. The data collected is presented in the Primary table. From the Primary table the researcher developed CWA (Cumulative Weighted Average) for better presentation of the data. The data then allowed to chi-square test. This test proves the hypothesis that the exposure of Selective Attention influence on Customers Behavior.

Objective of the study

"To ascertain the impact of 'Selective Attention' on perceptions of Large Scale Retail Store customers."

Hypotheses

H_0 – Selective Attention does not influences perceptions of Large Scale Retail Store customers

H_1 - Selective Attention influences perceptions of Large Scale Retail Store customers

Selective Attention

Attention occurs when the stimulus activates one or more sensory receptor nerves, and the resulting sensations go to the brain for processing. We are constantly exposed to thousands of times more stimuli than we can process. The average supermarket has 3000 individual items. It would take hours to attend to each of them.

Table 1: Impact of Factors of Selective Attention on Perception –Age wise

Element	20 – 30	31- 40	41 – 50	> 51	CWA
Stimuli	4.04	3.97	3.36	3.52	3.82
Time	4.02	3.98	4.08	4.14	4.02
Communication	3.89	4.23	4.05	4.69	4.17
Interest	4.14	4.15	4.03	4.6	4.16
Concentration	4.28	4.06	4.34	4.79	4.21
Average	4.07	4.08	3.97	4.35	4.08

Source: **Field Survey**

CWA**: Cumulative Weighted Average**

Status

Table displays elements of '*Selective Attention'* and their influence on modulating the perceptions of LSRS (Large Scale Retail Stores) customers. The age wise data derived by the researcher for the elements of '*Selective Attention'* indicate higher intensities of respondent's opinions. Rankings range from four to five on a five point scale except for *Stimuli* which is on the periphery of four, which is no doubt on the higher end. *Concentration, Communication, Interest, Stimuli & Time* recorded an almost equal rating, though variations prevail they are marginal, and all but one age group recorded four plus ratings in CWA too. Individually evaluating the age groups the impact of *Stimuli, Time, Communication, Interest and Concentration* are marginally high in >

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51 age group.

Evaluation
Higher rankings with isolated marginal variation demand a multi level treatment to elevate the rankings of the lone and other elements lagging behind.

Table 2: Impact of Factors of Selective Attention on Perception –Gender wise

Element Gender	Male	Female	CWA
Stimuli	4.2	4.43	4.3
Time	4.2	4.49	4.33
Communication	4.17	4.38	4.26
Interest	4.19	4.33	4.25
Concentration	3.97	4.23	4.09
Average	4.15	4.37	4.25

Source: **Field Survey**
CWA: **Cumulative Weighted Average**

Status
Table illustrates various elements of '*Selective Attention*' and their impact on modulating the perceptions of LSRS customers. The Gender wise data derived by the researcher for the elements indicate respondent's opinions on intensities of various elements on *'Selective Attention'* of LSRS customers. Rankings range from four to five on a five point scale, which is no doubt on the higher side. *Concentration, Communication, Interest, Stimuli & Time* recorded an almost equal rating, though variations prevail they are marginal, and all Gender groups recorded four plus ratings in CWA too. Individually evaluating the gender groups the impact of *Stimuli, Time, Communication, Interest and Concentration* are marginally high in Female Gender group.

Evaluation
Elements chosen for study record almost equal rating indicating their impact on '*Selective Attention'*. Marginal variations established for elements of '*Selective Attention*' indicate changes in intensities of application of these elements.

Table 3: Impact of Factors of Selective Attention on Perception –Education wise

Element Education	SSC	INTER	UG	PG	CWA
Stimuli	4.08	3.99	3.12	3.49	3.54
Time	3.12	3.36	2.16	3.35	2.89
Communication	3.36	3.36	2.15	3.26	2.9
Interest	2.32	3.36	2.16	1.92	2.34
'Concentration	3.55	2.25	3.69	3.35	3.28
Average	3.29	3.26	2.66	3.07	2.99

Source: **Field Survey**
CWA: **Cumulative Weighted Average**

Status
Table displays various factors influencing attention and leading to the concept *'Selective Attention',* along with Education wise data derived for the same, by the researcher in his study. Table displays respondent's opinions on intensities of various factors on *'Selective Attention'* in rankings ranging on a scale of one to five. *Stimuli and Concentration* tops the list with three plus rating on a five point scale followed by the remaining elements with two plus rankings. Individually evaluating elements among all Education groups *Stimuli* tops the list in SSC group, *Time and Interest* tops in Inter group, *Communication* tops in both SSC and Inter groups, *Concentration* tops in UG education group.

Evaluation
Low to Moderate plus findings established for all elements of '*Selective Attention'* in the research, indicate a low to moderate impact of the elements on customer perception process, thus, forcing us to conclude to continue with the existing practice referring to the above.

Table 4: Impact of Factors of Selective Attention on Perception – Occupation wise

Element Occupation	Self Employed	Salaried	Retired	Others	CWA
Stimuli	3.59	3.72	3.78	3.92	3.73
Time	3.74	3.91	3.9	3.83	3.85
Communication	3.71	3.95	3.9	4.02	3.9
Interest	3.77	3.84	3.92	3.88	3.84
Concentration	3.68	3.35	3.07	3.54	3.44
Average	3.70	3.75	3.71	3.84	3.75

Source: **Field Survey**
CWA: **Cumulative Weighted Average**

Status
Table displays various factors leading to the concept *'Selective Attention',* along with occupation wise data derived for the same, by the researcher in his study. Table displays respondent's opinions on intensities of various factors on *'Selective Attention'* in rankings ranging three plus on a five point scale. Though variations prevail they are marginal. Among the occupation groups the element *Others* tops the list and among the elements *Communication* tops the list. Individually evaluating elements *Stimuli* tops in Others, *Time and Communication* top in Salaried, *Interest* tops in Retired and *Concentration* tops in Self Employed.

Evaluation
Moderate plus findings established for all elements of '*Selective Attention'* in the research, indicate moderate impact of the elements on customer perception process, thus, forcing us to conclude to continue with the existing practice referring to the above.

Table 5: Impact of Factors of Selective Attention on Perception –Income wise

Element Income	10K	10-20K	20-30K	30-40K	CWA
Stimuli	3.2	3.52	3.71	3.77	3.64
Time	3.36	3.6	2.15	3.8	3.12
Communication	3.66	3.52	3.69	3.83	3.68
Interest	3.41	3.48	3.67	4.1	3.73
Concentration	3.66	3.39	3.69	3.92	3.67
Average	3.46	3.50	3.38	3.88	3.57

Source: **Field Survey**
CWA: **Cumulative Weighted Average**

Status
Table illustrates various factors that wholesomely comprise the concept *'Selective Attention',* along with Income wise data derived for the same, by the researcher in her study. Table displays respondent's opinions on intensities of these elements

on *'Selective Attention'* in terms of rankings ranging on a scale of one to five. *Stimuli, Concentration, Communication, Interest & Time* is almost on the same footing in influencing '*Selective Attention'* among all Income groups. Though variations prevail they are marginal. However, topping the list in the Income wise classification is 30-40 K income group confirming high attention for *Interest*. Evaluating the elements Individually *Stimuli, Time, Communication, Interest and Concentration* tops in 30-40 K Income group.

Evaluation

Elements of the concept chosen for study record almost equal rating indicating their influence on Selective Attention. Thus, prescribing the management of LSRS to exhaust the same list of stimuli for successful perception formation.

Findings

Findings of the study are presented precisely in coherence and sequence of the objective enunciated for the research. This is the pre culminating part of the study depicting the findings in the backdrop of demographic factors identified for the research.

Time, Communication and Interest - Higher ratings in Age, Gender, Education, Occupation and Income classifications.

Stimuli and Concentration - Moderate plus rating in Age, Gender, Education, Occupation and Income classifications.

Recommendations

Promotions and Ads of Large Scale Retail Stores must extend 'High' consideration for above elements to effectively formulate 'Perceptions' among LSRS customers of all demographic groups barring education.

REFERENCE

• Indian Retail Report, 2013. | • AT Kearney's Global Retail Development Index (GRDI) 2012. |