



Non Store Retailing A New Archetype

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ABSTRACT

Retailing is a business activity which involves the sale of goods and services to consumers. In the present times different forms of retailing keep emerging according to the convenience of buyers and marketers. Organised retailing can be classified into (On Store Retailing, Non Store Retailing) . Specific Non Store retailing types are (Direct Marketing, Business by Mail order, Tele shopping /Net Shopping Mobile Retailing)

Direct selling is a retail format which involves personal contact between salesperson/retailer and customers at any convenient place. Be it his home, office, or anywhere. It also includes the phone interactions between retailers and customers.

Catalogue and Direct Mail Retailing is a form of non-store retailing in which retail units communicate about their merchandise or service through a catalogue.

E-marketing in simple phrases can be understood as-all marketing activities buying, selling, promoting, advertising, distributing and warehousing, publicizing done through electronic media involving fewer sales force, reduced costs, speedy delivery and reaping in more benefits for the marketer & for the shopper as well .

Mobile phones are also being used as a tool for retailing. Music is downloaded, transport tickets are bought, holiday packages are offered and bought, games and competitions are held for giving freebies as promotional tactics so as to retain customer and motivate him for company patronage

Keywords : Retailing , E-Marketing, Telemarketing

Introduction

Retailing can be defined as a conclusive set of activities or steps used to sell a product or a service to consumer for their personal or family use. It is responsible for matching individual demands of the consumers with supplies of manufacturers.

Retailing has become an intrinsic part of our everyday lives. The nations that have enjoyed the greatest economic and social progress have been those with a strong retail sector. In simple words retailing is the organized form of directing marketing. Companies with their retail outlets directly sell to their consumers. The process helps the companies to get invaluable feedback from the consumers/buyers along with it the absence of intermediaries allows the company and their consumer/buyers to divide their (intermediaries) share of profits between themselves. It is becoming such a popular method of conducting business owing to the benefits this vibrant sector has to offer an easier access to a variety of products, freedom of choice and higher levels of customer service.

Over the last decade there have been sweeping changes in the general retailing business. The drivers of change in retailing can be

- Changing demographics and industry structure.
- Emphasis on lower costs and prices.
- Emphasis on convenience and services.

- Focus on productivity.
- Added experimentation.

The retail industry of 72 trillion is the biggest sector in the world. 25 out of the 50 top companies of the world, listed in the Fortune magazine are associated with retailing. An important contributor to the development of developed economies is the presence of organized retailing sector as their share in the total retail business stands between 50%-80%.

Wal-Mart Microsoft of Retailer

Wal-Mart is the most famous name in the retail world. Four decades ago its inception was initiated by Sam Walton who started the first store in Arkansas. Now it is known the world over for its sheer size and marketing muscle. It has around 1.5 million employees and is counted among the world's largest employers. If Wal-Mart was a country it would rank within the world's top 25 economies ahead of Saudi Arabia and Indonesia and three times the size of Pakistan's economy. Its revenues from its 50 outlets in China are as much as India's trade with China.

Arkansas based Wal-Mart has powered its way to becoming the world's largest retailer and one of the wealthiest corporation on the globe. It may have slipped to the second place on Fortune's Global 500 roster but with profits of \$ 11.2 billion on revenues of \$ 315 billion, it still lives up to its moniker of 'Beast from Bentonville'.

Organized Retailing in India

Globalization and Liberalization have led to the development of a number of sectors which were unknown in India. Emergence of Organized and Specialized retailing is been seen as the 'Next Big Thing' in Indian economy. The growing number of Malls and Marketing Centres is a testimony to it. India stands second in terms of number of consumers and it stands 5th largest in terms of retail destination.

The retail sector in India is highly fragmented with organized retailing contributing only a meager share. The organized retail sector is worth Rs. 55,000 crore which is just 4.6% of the total Indian retail value worth Rs 12,00,000 crore. The emergence and expansion strategy of various very famous names like Wal-Mart, Reliance, Subhiksha, Bharti, Lifestyle, Pantaloon, Barista, Domino's, McDonald's, Shopper Stop, Big Bazaar, Westside, etc is to alter retail landscape in India. The rapidly rising income levels and accompanying changes in lifestyle is greatly contributing to making conditions conducive for the rapid growth of organized retailing in India.

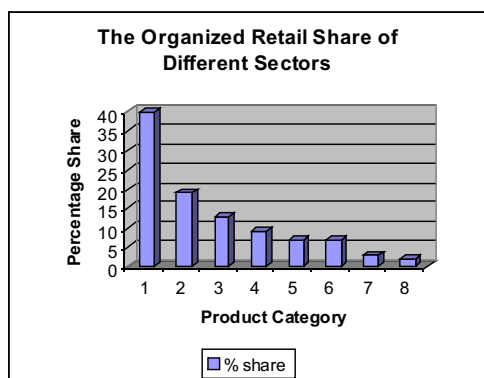
Thus it can be said that Retail is currently enjoying its sunrise status. According to the Indian Retail Report 2007, the size of organized market in 2005 was of Rs. 35,000 crore, it was of Rs. 55,000 crore in 2006, by 2010 it is expected to grow to a whopping Rs 2, 00,000 crore mark. The report forecasted a growth of 37% in 2007 and 42% in 2008.

The Organized Retail share of various sectors can be shown through the following table-

Table 1 : The Organized Retail Share of Different Sectors

Product Category	% share
Clothing, Textile& Fashion Accessories.	40
Food & Grocery	19
Durables	13
Footwear	9
Jewellery & Watches	7
Home Decor	7
Books, Music & Gifts	3
Beauty Products	2
Total	100

Figure 1



Since then marketing has come a long way from its conventional tool to the more advanced customer friendly/oriented, sophisticated, electronically controlled techniques. Gadgets like television, mobile phones and computer have converted the marketing being performed at "market space" rather than marketplace.

Because customer/shopper is the fulcrum of all marketing activities, it is for them that marketing has been redefined as "E-Marketing". Today shoppers diligently judge the entire world market. They expect higher quality and service. Now brand loyalty has shifted to price sensitivity and quality preference as there is variety of information available on electronic media to choose from. Companies

can also redefine their target customers with ease; certainly efforts are required to explore new targets as well as maintain the present patronage.

E-Marketing is growing exponentially because of its convenience, servings, selection, information and personalization. It has developed an entirely new form of intermediaries known as E-tailors rather than retailers, for marketing the offerings of the company. Most importantly it has supported shoppers' movement from physical to cyberspace and has enabled digital delivery of information, products and services directly to the consumer.

Primarily television was meant for news broadcasting and story telling through enacted dramas; telephones- for instant communication with the farthest associate; computers-for programming software having commercial purpose and everyone was glued to the same.

It soon became monotonous and stereotyped. The urge for novelty innovated even smarter employment of these undermined otherwise highly capable gadgets. Marketers too were enticed to the magical impact above mentioned equipment would make on the prospects and the sellers and thus fostered the concept of electronic marketing.

E-marketing in simple phrases can be understood as-all marketing activities buying, selling, promoting, advertising, distributing and warehousing, publicizing done through electronic media involving fewer sales force, reduced costs, speedy delivery and reaping in more benefits for the marketer (in form of profit and customer generation) & for the shopper as well (in form of contentment from shopping quality product).As commonly understood,it is not only internet marketing. Although major proportion is being occupied by it, television and mobile phones are also important vehicles for e-marketing.

These three technologies have revolutionized the lives of people world over by bringing color, variety, speed, never ending search and instant solution to all queries.

Today people want thing to happen with a snap of finger. And click of a mouse, single phone call or press of a button is the modern version of yesteryears "chutki bajate hi".They are making the task of marketers as well as consumers/shoppers very convenient and regularized. The whole world of products, services, destinations, information is ready to be explored at your fingertip-even in the midnight that too in your living room, from any part of the world. The famous punch line of Reliance Mobile describe sit all "Bus Button Dabao". Ebags, Iginia are among a growing number of companies online and offline that are capitalizing on the new technology and the web to change the way they marketed and dealt with their customers.

Television, previously known as "idiot box", has become more than intelligent giving array of information and a new horizon to the entertainment/information business. Simultaneously, it is being exploited to the fullest as a powerful medium of marketing (advertising/shopping), resulting in two fold benefit to the broadcasting channel in form of revenue generation as well as the customer i.e. viewer in form of the availability of the products in the markets.

Companies opting for marketing through television capitalize on the visual display of functions, benefits, methodology of the offering through enactment and demonstration by real life people. They also provide toll free number to amuse and persuade the viewer to spontaneously place an order for the same. Mostly, health care products are marketed through television.

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Participating in various game shows aired on Starplus, Zee, Sony & the likes through mobile phone connection of Hutch , Airtel, Idea etc was Shopping for money and everyone was benefited in some or the other way.

Giving due weightage to above two medium, one which is gaining prominence is Internet /Online Marketing-THE BUZZ WORD of today's marketing scenario. Internet has emerged as shopper's delight as it provides a wide platform for gaining information (news, libraries, education, and travel), sports, entertainment, dialogue opportunities, emails and most importantly shopping services.

Internet empowers companies to address customer needs more appropriately and less expensively at every stage of buying process, product differentiation and customer involvement. This results in low purchase price for the shopper and moreover shopping on internet is hassle free and relieved of long queues, traffic congestion etc. Comparative shopping by browsing through online shopping services is in vogue. "Everyone's invited" says Samsung Digital which stands true for online shopping as well.

When these are integrated in a magical manner to impress upon the customer thereby moving from persuasive to self-willing shopping, the crux of marketing "All marketing efforts should result in endless shopping" is emphasized.

Telemarketing (television and phone) and internet marketing have since long been employed by marketers in developed countries like America, England, Japan, Russia for converting prospective and target customers into permanent and loyal shoppers. Free internet access, 24 hour tele shopping channel, one-phone call delivery system-all are deep rooted necessities which they are accustomed of.

India, a booming economy too has fostered the technologically driven marketing channel for the upliftment of the country as a whole. Most importantly radical changes have surfaced and altered the Indian marketing/shopping culture by automating and digitizing the entire process, almost.

Catalogue and Direct Mail Retailing is a form of non-store retailing in which retail units communicate about their merchandise or service through a catalogue. This format is new to Indian retail industry and is at a very budding stage of its development. In it the retailer communicate with their customers using mails/letters or brochures.

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The L.P.G. Phase from 1990 amused the Indian population with all the sophistication in technology and found the consumers soon adapting themselves to the change for betterment. Teleshopping access to WWW and other direct marketing tools are rapidly becoming a part of the urban Indian life; novelty still for the remote (rural) areas. People are hooked up to the television and internet for myriad of activities from entertainment, education to banking and shopping.

Drastic changes have occurred in the societal status of an urban Indian. They are equally aware and equipped with the technological transformation taking place in the market and its effect thereof. Nuclear families in fashion, women-both working and housewives have little time now to go out for shopping physically. They are now opting for home shopping instead and enjoying the benefits of convenience and time saving. In conjunction with traditional media, teleshopping and online shopping are gaining prominence and acceptance among an urban Indian -whether they belong to any strata of the society.

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