



Corporate Look of Indian Retailing Industry – A Case Study of Future Group

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ABSTRACT

In any country business or trading activities are carried out either by Soleproprietorship firm, Partnership firm or by Joint Stock Company. Retailing is important part of industrial segment of any economy in any country which is divided in Organized Retailing Segment and Unorganized Retailing Segment. In any country there is existence of both segments and performing well. The dominance of these segments differs from country to country. In developing countries there is dominance of unorganized segment where as in developed countries there is dominance of organized segment. In India after 1991 there is change in the trading and marketing activities in the country as the liberalized policy declared by central government which has opened the door for corporate sector to enter in retailing industry and so many corporate houses have entered in this industry. In this paper researcher has tried to study Future Group as one of the key player of Indian Organized Industry.

KEYWORDS

Retailing, Retailing Industry, Organized Retailing Segment, Unorganized Retailing Segment.

INTRODUCTION:

Retailing industry is gaining the attention of government, researchers, academicians and policy makers. For any country Retailing is a distinct, diverse and dynamic sector which is of huge economic significance to most developed nations. It generates revenue and wealth for nation, encourages investments and brings technological advancements. It also brings employment and creates wealth of the economy and vibrant part of our changing society and a major source of employment.

Retailing Industry is divided into two sectors: Organized Retailing Sector and Unorganized Retailing Sector.

Organized Retailers -

Organized Traders/Retailers are those who are licensed for doing trading activities and registered to pay different taxes to the government.

Unorganized Retailers –

Unorganized Retailers are those consisting of unauthorized small shops - conventional Kirana shops, general stores, corner shops among various other small retail outlets selling different items in small quantity, normally not paying tax to the government and majority of them are managed or controlled by the local government authorities.

In this paper, efforts have been made to study Future Group as one of the key player of Indian Organized Retailing Industry.

METHODOLOGY:

This study is based on secondary data collected from report titled "Indian Retail Report 2015", Published by Images Multimedia Pvt. Ltd., New Delhi, annual reports of Future Group companies and websites.

UTILITY:

This secondary data based study will be useful to researchers, academicians and corporate officers for getting the idea about the performance of Future Group in Indian Organized Retailing Industry.

INTRODUCTION OF FUTURE GROUP:

Initially in the year 1987 the company was incorporated under the name of Manz Wear Private Ltd. and Pantaloons one of India's first formal trouser brands was launched. Future Group

is diversified business group started by Mr. Kishore Biyan from Rajasthan doing the business in retail, fashion, financial services, logistics and media. The main focus is on retailing business.

SWOT ANALYSIS OF FUTURE GROUP:

Strengths: There is wide presence in India covering almost all major cities and towns. There is High brand equity in evolving market. There are variety of products under single window increasing the chances of customer time and choices. Having employee base of over 35,000. Everyday low prices scheme which attract customers, and has a huge investment capacity. Offering a family shopping experience where entire family can visit together.

Weaknesses: Dependent heavily on India and solid competition from global players means market share growth is limited. Extremely popular means heavily crowded during festive/di discount seasons

Opportunities: Evolving customer preference in recent year. Organized retail market is small in India. Global expansion and tie-ups with international brands

Threats: Global players trying to enter into Indian market. Low priced product could be perceived as low quality product. Government policies are not well defined in country like India

SNAPSHOT OF PERFORMANCE FUTURE RETAIL LIMITED:

- There are 401 stores in 122 cities all over India.
- No of Big Bazaar stores are 196.
- No of Food Bazaar stores are 185.
- No of ezone stores are 97.
- No of Home Town stores are 35.
- No of foodhall stores are 6.
- During the year 3.3 million towels, 1.4 million bed sheets, 1.1 million home appliances, 54,000 carpets, 26,000 beds, 12,000 dining tables, 14,000 wardrobes are sold by future retail limited.
- Future Retail won the Dun & Bradstreet (D&B) Corporate Award 2015 for its leading performance in Retail sector.
- Food Bazaar won the 'Images excellence Awards for Largest national expansion' for the year 2014.
- Big Bazaar won the 'Images Most Admired Food & grocery Retailer' for the year in Food & grocery category.
- The following are the subsidiary companies, joint ventures and associate companies Future Retail Limited

- Future bazaar India Limited
- Future Media (India) Limited
- Future Supply Chain Solutions Limited
- Staples Future Office Products Limited
- Office Shop Private Limited
- Apollo Design Apparel Parks Limited and Goldmohur Design & Apparel Park Limited
- Future General India Life Insurance Company Limited
- Future General India Insurance Company Limited
- Shendra Advisory Services Private Limited
- Sprint Advisory Services Private Limited

RETAILING BUSINESS FORMATS OF FUTURE RETAIL LIMITED

(1)BIG BAZAAR: Across the country there are 198 stores operating under this name. Big Bazaar (BB) is ranked among the top 4 service brands in India by The Nielsen Company. Its USP lies in its value for money proposition for Indian customers.

(2) FOOD BAZAAR: Food Bazaar (FB) is a series of large supermarkets that hold exclusive ambience which is a mix together of a classic Indian bazaar and global supermarket ambience. The stores offer western values of convenience, cleanliness and hygiene through pre-packed commodities while the Indian values of 'see-touch-feel' are offered through bazaar-like atmosphere created by displaying staples out in the open. Presently, there are over 185 FB outlets across India

(3) HOME TOWN: Home Town is unique one stop shop for complete home-making solutions which is the first of its kind retail format in India. It offers all the products for building a house that make it a 'Home'. Home Town offers an experience that is democratic, hassle-free and convenient.

(4) E ZONE: eZone is a lifestyle electronics specialty store from Future group which operates as stand-alone stores across India in malls, high Streets and within other group format stores as in Home Town and Central. The stores offer best of national and international electronics brands across categories like audio, accessories, communications, computing, home entertainment, home and kitchen appliances, imaging, personal entertainment and gaming.

(5) FOODHALL: This was launched in 2011 which is a premium lifestyle food store by Future Group which caters to urban Indian consumers having exposure to global food traditions. Currently, it has six stores across Mumbai, Bengaluru, New Delhi, Pune and Gurgaon. .

(6) FBB: fbb is a value retail offering in the fashion space offering exclusive merchandise under own private labels. FBB sections are present across all Big Bazaar stores and 30 separate outlets across metros, mini metros and some tier II cities.

(7) CENTRAL: This format was started in 2004 with its initial location opened in Bengaluru. The stores showcase over 1000 known brands across categories including apparels, cosmetics, fragrances, eyewear, watches, accessories, sportswear, toys, mobiles, electronics, home and lot more for whole family. There are 25 Centrals stores in different cities across India.

(8)BRAND FACTORY: Brand Factory is Future Group's fashion value retail format launched in 2006 at Marathalli in Bengaluru. The concept has steadily maintained its unique core proposition of providing leading brands at 20% to 50% discount, 365 days of the year, since its inception. The stores stock assortment of lifestyle products as in apparel, accessories, cosmetics, footwear, home linen and luggage from leading domestic and international labels. Recently, the retailer roped in Staples, Globus, Dollar Store, Planet M and Big Bazaar ethnic wear to present their products under Brand Factory roof.

(9) PLANET SPORTS: Planet Sports is a subsidiary of Future Group which is a multi-brand sports and lifestyle specialty retail store offering extensive range of sportswear and equipment and other lifestyle products. Its brand portfolio includes

leading sports brands like Converse, Speedo, Callaway, Airwalk, Adidas, Puma, Nike, Reebok, Umbro, Manchester United, Spalding and Champion. Presently there are 45 stores nationwide long with 28 shop-n-shops in Central, the Future Group-owned mall.

(10) AADHAAR: Aadhaar is a rural retailing and distribution chain operating under a joint venture between Future Group and Godrej Agrovet. Currently present in Gujarat and Punjab, Aadhaar stores sells food and groceries, catering to rural and semi urban customers.

(11)KB'S FAIR PRICE: KB' Fair Price (KBFP) is a modern, self service neighborhood convenience store chain with store network of 200 stores in Delhi, Mumbai and Bengaluru.

CONCLUDING REMARKS:

Future Group is one of the leading business group engaged in retailing business in India since 1987. At present there are 401 stores operating in 122 cities across India. At present under eleven different formats company caters the need of people across the country.

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