

A STUDY ON RETAIL MANAGEMENT WITH REFERENCE TO HERITAGE

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ABSTRACT

Retail management recognizes the competitive edge that can be provided by actionable information. In moving towards an integrated retail management information system, it is recognized that a general driving force behind investments in information technology (IT) is the need for more detailed information about customers. Marketing (and distribution and service) can apply IT to increase their efficiency, and, more importantly, to promote their effectiveness in the increasingly competitive environment.

It is argued that a management information-system should be viewed as 'emancipator', permitting new decision-making processes, and that data from recent developments such as charge cards and electronic point of sales systems offer new opportunities. Attention focuses initially on the marketing function requirements for information about the local demand for goods and services and about the competitive position. It is suggested that real progress, driven by this external marketing perspective, will only occur through development of an integrated information-system.

Retail Management is a business

application for the retail community. It takes care of all the daily activities of the retailer and covers all aspects of the retail industry. It is suitable for Medicine Shops, Supermarket,

Grocery Stores, Garment Stores, Shoe Stores, Petrol Pumps and any retail segment where goods are sold on retail counter or in wholesale. Changing lifestyles are prompting changes in the retail environment. Paucity of time and an increase in disposable incomes have created a need for new types of retail formats. This means that manufacturers and retailers will have to become better at knowing their customers and predicting their needs and wants. As the socio-economic structure in India changed so did the field of retailing. A once unorganized sector became transformed into an organized sector in the last decade of the 20th century as companies, both old and new, entered the arena. High volume malls, shopping outlets, supermarkets and hypermarkets mushroomed, requiring the application of modern management techniques to run them efficiently and effectively.

1. INTRODUCTION

Retail consists of the sale of goods or merchandise from a fixed location, such as a department store, boutique or kiosk, or by mail, in small or individual lots for direct consumption by the purchaser. Retailing may include

subordinated services, such as delivery. Purchasers may be individuals or businesses. In commerce, a "retailer" buys goods or products in large quantities from manufacturers or importers, either directly or through a wholesaler, and then sells smaller quantities to the end-user. Retail establishments are often called shops or stores. Retailers are at the end of the supply chain. Manufacturing marketers see the process of retailing as a necessary part of their overall distribution strategy. The term "retailer" is also applied where a service provider services the needs of a large number of individuals, such as a public utility, like electric power.

Shops may be on residential streets, shopping streets with few or no houses or in a shopping mall. Shopping streets may be for pedestrians only. Sometimes a shopping street has a partial or full roof to protect customers from precipitation. Online retailing, a type of electronic commerce used for business-to-consumer (B2C) transactions and mail order, are forms of non-shop retailing.

Shopping generally refers to the act of buying products. Sometimes this is done to obtain necessities such as food and clothing; sometimes it is done as a recreational activity. Recreational shopping often involves window shopping (just looking, not buying) and browsing and does not always result in a purchase.

- In contrast, players in the organized sector have big expenses to meet, and yet have to keep prices low enough to be able to compete with the traditional sector. High costs for the organized sector arises from: higher labor costs, social security to employees, high quality real estate, much bigger premises, comfort facilities such as air-conditioning, back-up power supply, taxes etc. Organized retailing also has to

cope with the middle class psychology that the bigger and brighter a sales outlet is, the more expensive it will be.

- The above should not be seen as a gloomy foreboding from global retail operators. International retail majors such as Benetton, Dairy Farm and Levis have already entered the market. Lifestyles in India are changing and the concept of "value for money" is picking up.
- India's first true shopping mall – complete with food courts, recreation facilities and large car parking space – was inaugurated as lately as in 1999 in Mumbai. (this mall is called "Crossroads").
- Local companies and local-foreign joint ventures are expected to more advantageously positioned than the purely foreign ones in the fledgling organised India's retailing industry.
- These drawbacks present opportunity to international and/or professionally managed Indian corporations to pioneer a modern retailing industry in India and benefit from it.
- The prospects are very encouraging. The first steps towards sophisticated retailing are being taken, and "Crossroads" is the best example of this awakening. More such malls have been planned in the other big cities of India.

NEED AND IMPORTANCE OF THE STUDY

From the days of industrial revolution when goods & services were produced to the present day, the emphasis has shifted from the producers to the consumer and his needs, and

with the consumer becoming more involved, in the marketing process there is greater need for information regarding the consumer needs. Preferences and making them satisfied of the products & services, has led to a constant but increasing need to conduct marketing research.

This research is an insight into the mind of the consumer, with the help of which the organizations will become aware of their pitfalls and in turn can also make improvements in the product regarding the level of satisfaction of the consumers towards their offerings in the market place.

RESEARCH OBJECTIVES

- 1) To study the “retail Management process” amongst the users of “**Heritage**” products.
- 2) To study the ‘satisfaction’ levels of “**Heritage**” retail customers & Heritage Agro and Dairy customers.
- 3) To study the ‘Satisfaction’ level of “**Heritage**” customers with regard to other products and services offered by **Heritage**. (As a Retail Management technique)
- 4) To make suggestions for improvement of their products & their services from the customer’s point of view based on this research to fulfill customer’s needs.
- 5) To know the customers feed back towards the redressed of grievances by Heritage.
- 6) To ascertain the role of media in promoting and creating awareness towards the diversified portfolio of Heritage retail products.
- 7) To find out the quality of service in terms of transmission coverage, clarity in the reception and connectivity of the various services that are being offered by Heritage.

2. RESEARCH METHODOLOGY

Research in common pursuance refers to a search for knowledge in a scientific and systematic way for pursuant information on a specified topic.

Once the objective is identified that next step is to collect the data which is relevance to the problem identified and analyze the collected data in order to find out the hidden reasons for the problem. There are two types of data namely.

1. Primary Data
2. Secondary Data

1. PRIMARY DATA

Primary data is to be collected by the concerned project researcher with relevance to his problem. So the primary data is original in nature and is collected first hand.

Collection of primary data

There are several methods of collecting primary data particularly in surveys and descriptive researches. Important ones are as follows:

1. Observation Method
2. Interview Method
3. Questionnaire
4. Schedules and
5. Other methods which include
 - Warranty needs
 - Distributor audits
 - Pantry audits
 - Consumer panels
 - Using mechanical devices
 - Through projective techniques
 - In depth interviews and

1) OBSERVATION METHOD:

It is the most commonly used methods especially in studies relating to behavioral

sciences. This method implies the collection of information by way of investigators own observation, without interviewing the respondents. The information obtained relates to what is currently happening and is not complicated by either the past behavior or future intentions or attitudes of respondents.

2) INTERVIEW METHOD

The interview method of collecting data involves presentation of oral, verbal stimuli and reply in terms of oral-verbal responses. This method can be used through personal interview and, if possible, through telephone interview.

Personal Interview

The method of collecting information through personal interview is usually carried out in a structured way. As such we call this interview as structured interviews. Such interviews involve the use of a set of predetermined questions and of highly standardized techniques of recording. Thus, the interviewer in a structured interview follows a rigid procedure laid down, asking questions in a given format and the order prescribed. As against it, the unstructured interviews are characterized by flexibility of approach to questioning. Unstructured interviews do not follow a system of pre-determined questions and standardized techniques of recording information.

Sampling:

A non-probability conclusive sampling method was used in the study for data collection.

Sample size:

The sample was taken from the universe on random sampling basis in Hyderabad. The sample size designed for this project is 100 keeping in mind the paucity of time and also the customer base of the organization in the research area.

SECONDARY DATA

It is the data already existing, which has gone through some standard analysis. Under the secondary data, the company's annual reports, brochures, pamphlets, newspapers, journals and internet were taken into consideration.

SCOPE OF THE STUDY

- The scope of project work is to get the opinions from respondents on the issues mentioned earlier.
- It is limited to the twin cities of Hyderabad and is confined to the urban areas as the respondents are the subscribers of Heritage services is one form or the other.

LIMITATION OF THE STUDY

- The present research is restricted to the twin cities of Hyderabad city only.
- The sample size taken is only 100 and as such is very small as compared to the universe, this is due to the constraints of time and effort, and as such may not be enough to generalize to the entire population, however it is presumed that the sample represents the universe.
- Respondents might have responded with the actual feelings of facts while giving responses to the questionnaire.
- Time being a limiting factor was not sufficient to gather opinions from majority of the respondents, who form part of the universal sample.
- While every care as been taken to eliminate perceptual bias from the side of the researcher and the respondents however certain element of bias might have set in to the research inadvertently.
- Since this study concentrated on Heritage no attempt was made to study other activities of the organization. Such as finance, human resource management etc.,

Retail pricing

The pricing technique used by most retailers is cost-plus pricing. This involves adding a markup amount (or percentage) to the retailer's cost. Another common technique is suggested retail pricing. This simply involves charging the amount suggested by the manufacturer and usually printed on the product by the manufacturer.

In Western countries, retail prices are often called psychological prices or **odd prices**. Often prices are fixed and displayed on signs or labels. Alternatively, when prices are not clearly displayed, there can be price discrimination, where the sale price is dependent upon who the customer is. For example, a customer may have to pay more if the seller determines that he or she is willing and/or able to. Another example would be the practice of discounting for youths, students, or senior citizens.

3. DATA ANALYSIS AND INTERPRETATION

AGE GROUP OF THE RESPONDENTS:

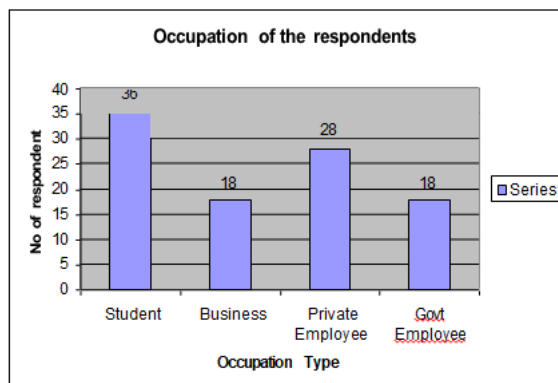
The below table shows the age group of the respondents surveyed:

INFERENCE: From the above table, 54% of the respondents belong to the age group of 18-28 years, 28% of the respondents belong to the age group of 28-38 years, 10% of the respondents belong to the age group of 38-48 years, 8% of the respondents belong to the age group of above 48 years.

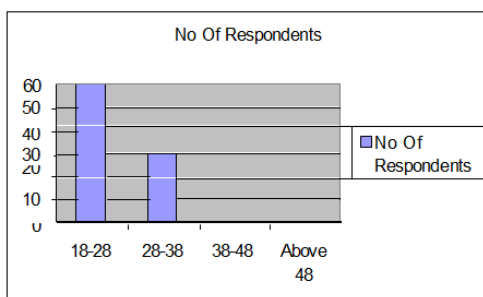
OCCUPATION OF THE RESPONDENTS:

The below table shows the type of respondents of the respondents surveyed.

Occupation	No Of Respondents
Student	36
Business	18
Private Employee	28
Govt Employee	18
Total	100



AGE	No Of Respondents
18-28	54
28-38	28
38-48	10
Above 48	8
Total	100

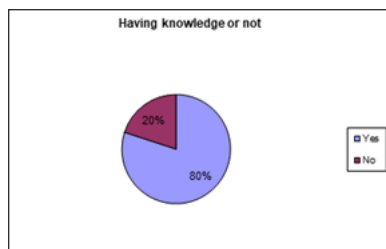


INFERENCE: From the above table 36% of the respondents are students, 18% of the respondents are businessmen, 28% of the respondents are private employee, 18% of the respondents are Govt employee.

HAVING KNOWLEDGE OR NOT:

The below table shows that whether the respondents is having a two wheeler or not

Having Knowledge or not	No of respondents
Yes	80
No	20
Total	100



INFERENCE:

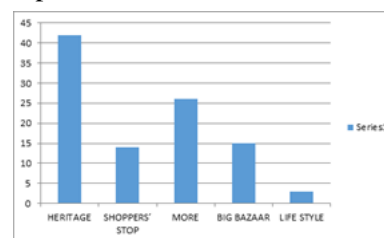
From the above table 80% of people having Knowledge Retail products and 20% are not having Knowledge Retail products.

TYPE OF FOOD PRODUCTS THAT THE

RESPONDENT IS KNOWN:

Type of food products	No of respondents	% of respondents
HERITAGE	42	42
SHOPPERS' STOP	14	14
MORE	26	26
BIG BAZAAR	15	15
LIFE STYLE	03	3
TOTAL	100	100

The below table shows the type of food products that the respondent know.



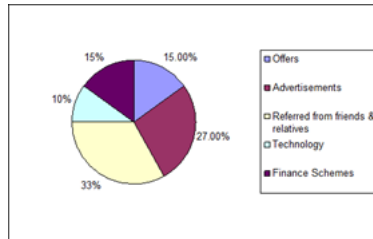
INFERENCE:

From the above table 42% of the respondents are having HERITAGE food products. 14% of the respondents are having SHOPPERS' STOP. 26% of the respondents are having MORE food products. 15% of the respondents are having BIG BAZAAR food products. 3% of the respondents are having LIFE STYLE food products.

SOURCES OF INFORMATION

The below table shows, from where did the respondent get the information about the Food products.

Sources of information	No of respondents
Offers	15
Advertisements	27
Referred from friends & relatives	33
Technology	10
Finance Schemes	15
Total	100



INFERENCE:

From the above table 15% of people known from offers, 27% of people known from advertisements, and 33% of people known from their friends and relatives, 10% of people known from technology, 15% of people known from finance schemes.

4. FINDINGS

- 40% of the HERITAGE customers are employees and 29% of the customers are others.
- Most of the respondents belong to the age group of 18-40 years.
- HERITAGE DAIRY & RETAIL Products is the most preferred in the HERITAGE products.
- Most of the respondents getting information through the Media and friends before purchasing the vehicle.
- Most of the respondents are motivated by their friends and family members.
- Most of the respondents have good satisfaction with the performance of outlets.
- 64% of the respondents are satisfied with the Quality of their Products.
- Most of the respondents felt that the price is reasonable.
- Cent percent of the respondents satisfied with the response of the sales executive at first visit.
- 60% of the HERITAGE users have good satisfaction with the services given by the company.
- Most of the respondents are satisfied with the response of the company to the

complaints given by the customers.

- Most of the respondents are satisfied with the fulfillment of promises by the company.

SUGGESTIONS

- The food products recently introduced by HERITAGE are mostly concerned about Stylish Goods. So, they should also consider middle-class people also
- Indian market is a price sensitive market's the food products should be at Minimum price with maximum quality.
- The standard of service should be improved.
- Advertisements in Televisions, offers should be increased to attract the People.

- If HERITAGE can improve in STYLE and NEATNESS it will be the best in all the Other competition brands.

5. CONCLUSIONS

- 40% of the respondents are HERITAGE customers and hence it is most
- Preferred Retail products brand out of various brands.
- HERITAGE DAIRY is the most preferred out of All others
- 60% of the respondents are considering HERITAGE brand before Purchasing their retail needs.
- Most of the respondents are getting information through friends Before purchasing the retail brand products.
- Most of the respondents are having good satisfaction with Service comparing to other brands.
- Most of the respondents are giving more preference to Quality.

- 60% of the respondents are affecting by their friends and relatives.

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