



Impact Factor: 3.43

Cite this paper as : *Inderpreet Singh (2017), "RETAILER'S PERCEPTION AND MARKETING STRATEGY TOWARDS DIFERENT BRANDS", International Journal of Marketing & Financial Management, ISSN: 2348 –3954 (online) ISSN: 2349 –2546 (print), Volume 5,(Issue 1, Jan-2017), pp 85-93.*

RETAILER'S PERCEPTION AND MARKETING STRATEGY TOWARDS DIFERENT BRANDS

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ABSTRACT

Retail is the largest industry in the world and is controlled by few powerful businesses. A retailer is a person or business that sells goods to the public in small quantities for use and consumption rather than for resale. The aim of the study is to cover the retailer opinion about electric fans. Thorough discussions had been made with the retailers to gather information about different brand in Delhi region supplemented with the day together from the field survey and analysis is done according to response given by respondents. A survey is conducted on the 100 retailers in Delhi region covering major markets of fans like Shiva market, Bhagirath Palace etc. The study had been done with the help of structure questionnaire prepared for retailers. Every question is analysed with the help of pie chart and bar diagram followed by interpretation. The study concluded that majority of the retailers of this industry deal with multiple brands in their outlet in Delhi region but Havells is the most demanded brand. The study has also concluded that on time delivery is the key to success of a particular brand followed by after sales service according to retailers.

INTRODUCTION

The term 'retailing' refers to any activity that involves a sale to an individual customer. Currently, Retailing is the buzzword in Indian Industry. The \$ 6.6trillion retail industry is the largest private industry in the world which contributes significantly in world's GDP, employment generation and wealth creation. Because of the saturation of US domestic market and increase of rich middle class in India, opportunities in retail sector are incredible.

Retailing in India could become a \$ 496 billion industry by the 2016 - 17, if it continues in its current growth of income of the consumers, increasing demand for products/services, changing lifestyle and buying behaviour and better products and shopping options. The organized retail industry will grow up to 16 percent by 2016 - 17. There will be 600 malls in operation across the country by 2016 - 17. With these levels of growth, there is high scope in this dynamic business. Large Indian corporate groups like Reliance, Tata, Birla and Mittal are exploring opportunities in retailing. There will be increase in awareness levels with respect to products, usage and all leading to higher aspiration level among the customers.

Indian Retail Scenario

Retail is the largest industry in the world and is controlled by few powerful businesses. These are now entering in India, where organized retail trade is only about 6% and there are huge growth potentials. Retailing in India is thoroughly unorganized. Traditionally, the retail industry in India comprised of large, medium and small grocery stores and drug stores which could be categorized as unorganized retailing. Most of the organized retailing in India had recently started and was mainly concentrated in metropolitan cities. Even though India has over 5 million outlets of all sizes and styles, the country lacks in modern sense of organized retail stores. This presents great opportunity to retailers.

As much as 96% of the 5 million outlets are smaller than 500 square feet in area. This means that India's per capita retailing space is about 2 square feet which is lowest in the world. Just over 8% of India's population is engaged in retailing as compared to 20% in U.S.

The retailing industry seems poised for a significant growth in the coming years owing to the presence of a vast market, growing consumer awareness about product quality and services, higher disposable income of consumers and the desire to try out new products. In the past couple of years, the organized, multi-outlet retailing concept had gained acceptance in India. Leading global retailers such as Wal-Mart, Tesco and others are keen to enter actively in the Indian retailing industry.

In a developing country like India, a major chunk of a consumer's expenditure is on retail products. This expenditure is only likely to increase in the near future.

Retailer

A retailer is a person or business that sells goods to the Public Inter literally small quantities for use and consumption rather than for resale. Retail is a sale of goods to end users not for resale but for use and consumption by the purchaser.

Retail involves the sale of merchandise from a single point of purchase directly to a customer who intends to use that product. The single point of purchase could be brick and mortar retail store, an Internet shopping website, catalogue, even a mobile phone. Manufacturers sell large quantities of product to retailers and retailer time to sell that same quantity of product to consumer.

Retail is also known as retailing, retail sales, retail transaction, retail business, retail trade, Retail Industry.

Why Retailing is important?

Wholesalers sell in large bulk quantities, without worrying about many of the aspects of retailing that consumers expect like visual merchandising.

Wholesalers do not want to deal with a large number of end-user customers. Rather, their goal is to sell large quantities to a small number of retailing companies.

It is rare for a wholesaler to sell goods directly to consumers. The exception to that would be membership warehouse clubs like Costco, Sam's and BJs wholesale. These members-only retail stores are a hybrid of wholesaling and retailing in that they sell directly to consumers, but they sell in large quantities, which often allow them to sell at prices that are lower than other retailers that sell in small quantities from impeccably merchandised stores in high-rent shopping districts.

The big difference between wholesale and retail is in the price. The retail price is always more than the wholesale price. The reason for this is because the added cost of selling merchandise to end-user customers - labor, rent, advertising, etc is factored into the pricing of the merchandise. The wholesaler doesn't have to deal with such expenses, which allows him to sell goods at a lower cost.

Retailers are the key persons who can increase sales of the product of a particular brand. Every brand should make good working relationships with retailers by providing them prompt service visit, freebies, discount offers which retailers can also give to consumers. Retailers can help to boost sales if company chooses the retailer which has certain qualities:

1) **Building Rapport.** Exceptional shopping experiences begin with exceptional employee skills. Your staff needs to know how to engage people from all walks of life in a genuine manner. That means getting out from behind the counter because they want to, not because you have to tell them. Those employees must be able to listen to why the customer walked through your doors today, identify their motivators to buy, and link all of your products in a way that encourages them to buy. When they build rapport and connect with their customers, it will keep customers from browsing for better deals on their smartphones while standing in your store. It will also lay the groundwork for a true relationship where each looks forward to seeing the other again. That also

makes it easier for the salesperson to suggest add-ons because they are seen as a human being, a trusted adviser rather than a nameless clerk.

2) **Value Selling.** Value selling is the foundation of increasing retail sales. It's easy to mark down items or steer customers toward the cheapest option. Heck, that's 90% of retail help these days. However, markdowns are bad for profit, and the cheapest option is rarely the best option for the customer. With the proper understanding of the premium products they're selling, salespeople can keep the conversation focused on the long-term value those products offer. Once customers understand that there truly are differences in quality from good to better to best, they'll be more understanding of the price differences between those levels. A good tip is to teach them the differences in your most popular SKUS and then have them use the Feel, Felt, Found Method and say, "I used to feel that way too about the price of this item. I felt it was too much. That was until I found out how much (better made, easier to use, quicker, etc.) it was over the others." Having established the value of the product in the customer's mind, it's easier for the salesperson to then segue into a conversation about add-ons.

3. **Add-Ons.** Salespeople who have an in-depth knowledge of the products they sell should also have a clear understanding of the items that complement those products. If they work in electronics, they know that even the best 4K television only offers limited sound quality. That can lead directly into a conversation about sound bars or surround-sound systems. They'll know that a beautiful dress is not, by itself, an outfit. That a camera has a lot of accessories to make it truly an artistic device. The customers leave with products that exceed their initial expectations, and the salesperson gains higher per-ticket sales. To do this effectively, your salespeople need to see the full picture when it comes to their product lines, more-so than the product features. For even if they don't know the specifics of an add-on but understand the concept of what it does, they'll be able to create additional value for their customer and not settle for clerking a single item.

In this research we will study about what retailer has opinion about different electronic fans. Retailer behaviour can be judge on the basis of different factors. Retailer behaviour is defined as the behaviour that retailer display that what they think about a particular brand, there after Sales Service. Who is the market leader of the fans. What do they think about a particular brand to make improvement.

Through retailer opinion we can easily find that

Who is the market leader between the brands?

Which brands after Sales Service is satisfactory?

Which brand provides best promotional activities?

Which brand has a successful pricing strategy?

Which brands maintain close relation with retailers?

Which brand has highest share in retail market?

All these questions have just to find out the retailer opinion and what the brand can do to improve themselves.

SOME BASIC LEGAL FORMS OF OWNERSHIP FOR RETAILERS:

1. Sole Proprietorships

The vast majority of small businesses start out as sole proprietorships. These firms are owned by one person, usually the individual who has the day-to-day responsibility for running the business. In this case, the retailer owns all the assets of the business and the profits generated by it. It assumes complete responsibility for any of its liabilities or debts. Sole proprietors are in complete control and, within the parameters of the law, may make decisions as they see fit. Sole proprietorship maybe at a disadvantage in raising funds and are often limited to using funds from personal savings or consumer loans.

2. Partnerships

A partnership is a common format for carrying out business activities on a small or medium scale. In a partnership, two or more people share ownership of a single business. As in case of proprietorships, the law does not distinguish between the business and its owners in partnership. Partnerships are relatively easy to establish; however, time should be invested in developing the partnership agreement. With more than one owner, the ability to raise funds may be increased. The partnership may have a limited life; it may end upon the withdrawal or death of a partner.

3. Joint Venture

A joint venture is not well defined in the law. Unless incorporated or established as a firm as evidenced by a deed, joint ventures may be taxed like association of persons, sometimes at maximum marginal rates. It acts like a general partnership, but is clearly for a limited period of time or a single project. If the partners in a joint venture repeat the activity, they will be recognized as an ongoing partnership, and will have to file as such and distribute accumulated partnership assets upon dissolution of the entity.

4. Limited Liability Company (LLC)

The LLC is a relatively new type of hybrid business structure that is now permissible in most states. It is designed to provide the limited liability features of a corporation and the tax efficiencies and operational flexibility of a partnership. The owners are members, and the duration of the LLC is usually determined when the organization papers are filed. The time limit can be continued if desired by a vote of the members at the time of expiration.

LITERATURE REVIEW

Hemchandra Javeri (2010), an exponent in Retail business observed that the consumer is willing to buy the product. The challenges are around the need to do further consumer research and make more investments in enriching the consumer experience by different media. **Kapoor (1976)** made an attempt to define the emerging lifestyles of families living in the villages of Delhi. It revealed that rural consumers were not satisfied with the services rendered by retailers. This includes product availability, price charged, after sale service.

D^r Ardrea, Costa, Fernandes(2006) did a study in association with Coco-Cola Retailing Research Council on the Successful retail innovations in emerging markets and related that contrary to expectations, price is not the single driver of purchasing decisions for the emerging consumers and there are other important factors of consideration such as proximity, variety and assortment, quality and service play crucial roles in emerging consumers' retailer selection and purchase decisions.

SIGNIFICANCE OF THE STUDY

This study has been conducted to check consumer preferences and retailer Opinion towards fans and to find out the best quality fan in Delhi region. When we asked retailers, they also provide some suggestions regarding services, policies regarding promotional activities, key to build successful brand, suggestion regarding price. In addition, it also informs about the retailers opinion on the electric fans, their recommendations, changes they want to see with respect to service given by companies.

OBJECTIVES OF THE STUDY

The present study is based on the following objectives:

1. To study the retailer perception about electric fans.
2. To study the demand strategy about electric fans.

RESEARCH METHODOLOGY

Research Design

The research design constitutes the blueprint for the collection, measurement and analysis of data. It is the strategy for a study and the plan by which the strategy is to be carried out.

The research design of the project is descriptive as it describes data and characteristics associated with the population using Electric Fans. Descriptive research is used to obtain information concerning the current status of the phenomena to describe "what exists" with respect to variables in a given situation.

Size:

- Retailers of Electric Fan's Product: 100

Analytical tool:

Charts, pie charts. Diagrams, Ranks, Weighted Rank and Percentage.

ANALYTICAL OVERVIEW

1. Brands available in the Retailer's outlet.

Table 1: Brands available in outlets

Brand Name	Respondents	Percentage
Crompton	50	15.97
Havells	78	24.92
Usha	41	13.10
Orient	75	23.96
Bajaj	51	16.29
Others	18	5.75
Total		100

Source: Primary Data

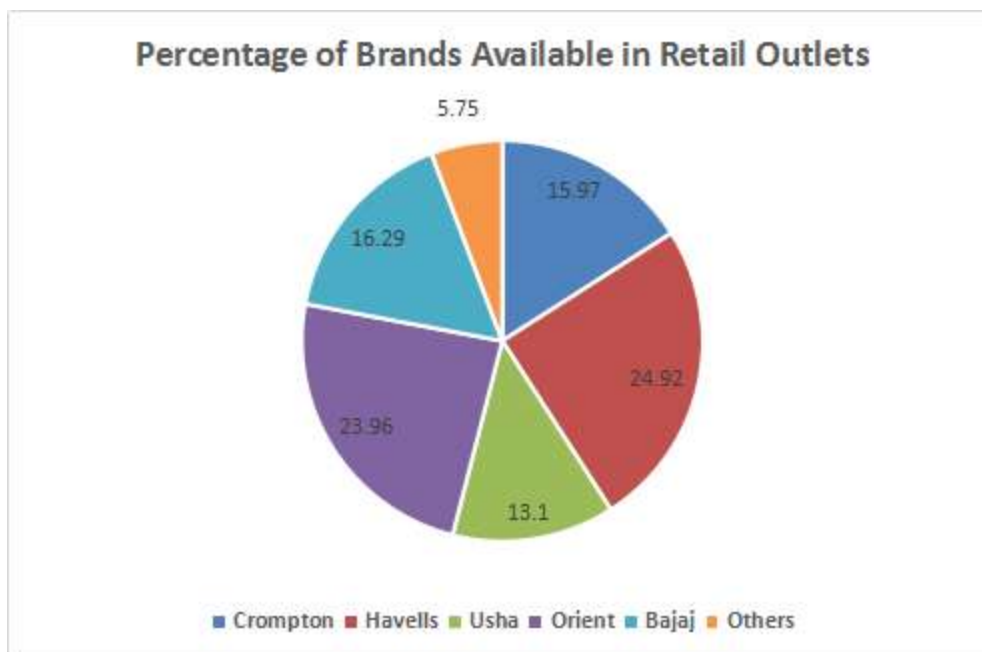


Figure 1

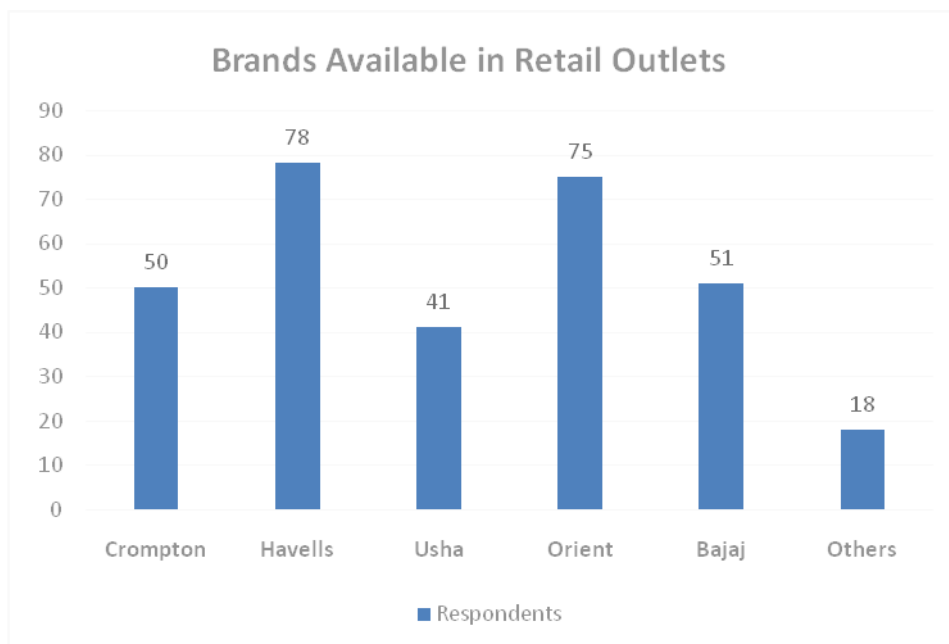


Figure 2

Interpretation: A survey of 100 respondents (Retailers) from Delhi Region was undertaken.

The analysis in Table 1 has been done to gather information from the retailers of Delhi region, which brands they sell in their respective outlets. According to above analysis, it is clear that the retailers have more than one brand in their respective outlet. Majority of the retailers have Havells brand in their outlet followed by Orient and Bajaj.

2. Most Selling Brand in the Retailer's outlet.

Table 2: Most Selling brand in outlet

Brand Name	Respondent's Frequency	Percentage
Crompton	14	9.27
Havells	43	28.47
Usha	30	19.87
Orient	34	22.52
Bajaj	23	15.24
Others	07	4.63
Total		100

Source: Primary Data

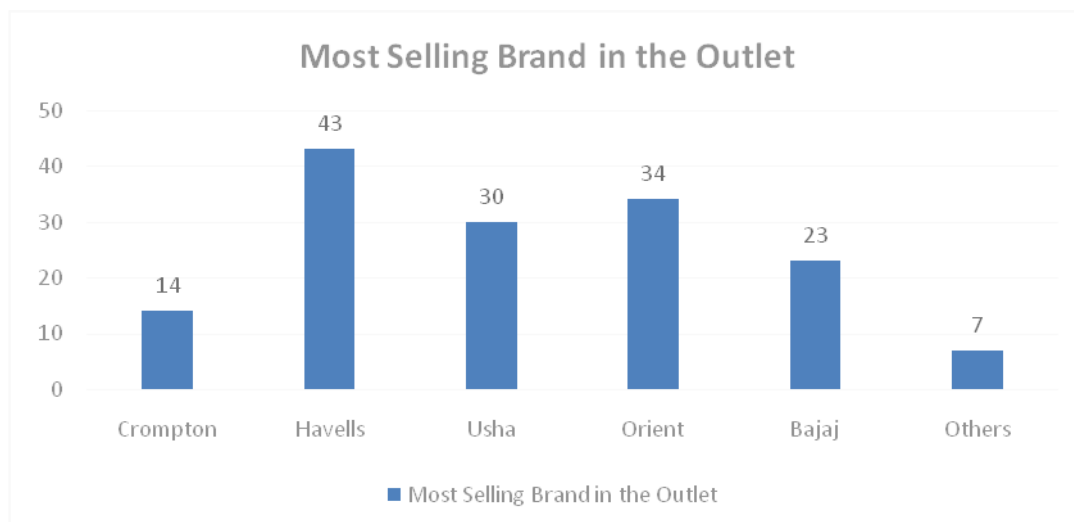


Figure 3

Interpretation: The analysis in Table 2, retailers have to mark the Brand which is most selling in their respective outlets.

As the analysis shown above, according to survey with retailers. It is clear the Havells is the most selling Brand in Delhi region followed by Orient and Usha.

Retailers showed positive approach towards Havells Brand.

3. Kind of Promotional Activities that affect sales mostly.

Table 3
Different Promotional Activities

Promotional Activities	Respondents	Percent
Advertising	17	11.56
Discounts	74	50.34
Price	48	32.65
Print Media	8	5.45
Total		100

Source: Primary Data

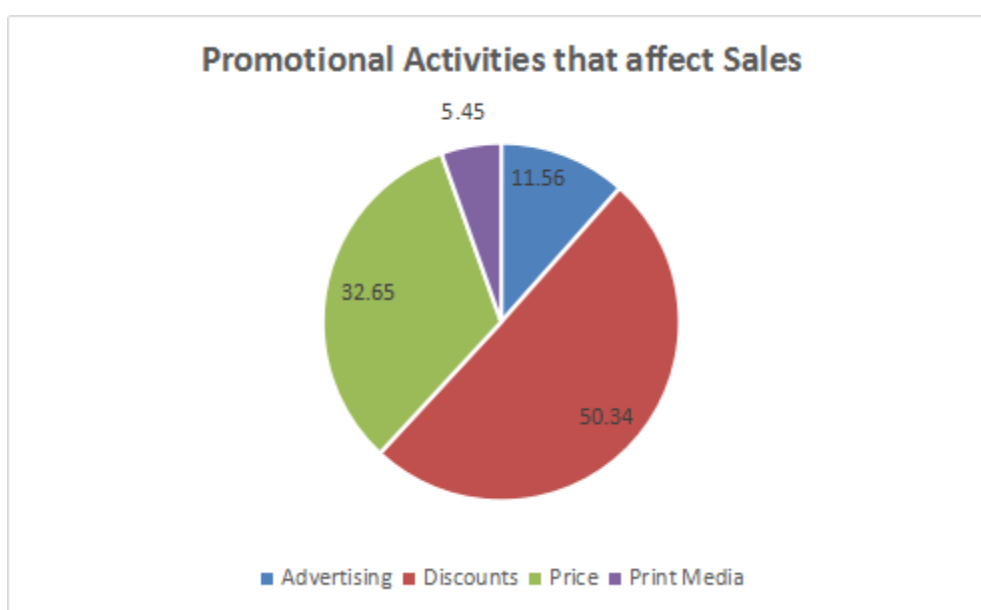


Figure 4



Figure 5

Interpretation: The given table 3 provides information from retailers regarding the promotional activities undertaken by them, which affects sales of the Brand and influence customers to purchase a particular Brand. Majority of the retailer marks more than one option but they all said that discounts given by them to customers affects the sales mostly followed by Price consumers wants good quality product with attractive discounts offers.

4. Attributes that decide the success of particular brand/ distribution channel. Retailers were asked to give the ranks.

Table 4: Ranks are given to different attributes

Rank => Attributes	Rank 1	Rank 2	Rank 3	Rank 4	Total
On Time Delivery	82	07	10	02	101
Replacing Old Stock	07	22	52	18	99
Solving Retailer Complaints	07	34	26	12	99
After Sales Service	04	37	12	48	101
Total	100	100	100	100	400

Source: Primary Data

Table 5:Weights are assigned to different attributes

Ranks	Weights	On Time Delivery	Replacing Old Stock	Solving Retailer Complaints	After Sales Service
1	20	1640	140	140	80
2	18	126	396	612	666
3	16	160	832	416	192
4	14	28	252	168	672

Source: Primary Data

Table 6:Final Weighted Rank to each attributes

Weighted Rank	Attributes
1	On Time Delivery
2	After Sales Service
3	Replacing Old Stock
4	Solving Retailer Complaints

Source: Primary Data

Interpretation: In the analysis, retailers had been asked about the different attributes that affect the success of the particular brand. There are different attributes given above, on which retailers have to rank them.

Different data has been collected from 100 Retailers and to compile the data, weights are assigned to the according to its importance.

According to weighted ranks, first rank has been given by majority of retailers to the On Time Delivery, which clearly state that if any brand wants to be successful they have to be punctual while delivering their products to retailers and customers.

After on time delivery, After Sales Service has been given Rank 2. Which states that to be successful after sales service has been given to retailers, to be in touch with them a company can create good working relations with them?

CONCLUSION

After analysing the collected information, the present study concluded that there is good market awareness about Havells followed by Orient and Usha. Majority of the retailers of this industry deal with multiple brands in their outlet in Delhi region but Havells comes out to be the best selling brand. Most of the retailers have shown the highest satisfaction towards Havells because of its affordable prices. The present study has also concluded that the promotional strategies like discounts given by the retailers affect the sales of the particular brand. The present study suggested that, on time delivery (OTD) followed by after sales services is the key that decides the success of a particular brand.

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