Outlook of Indians to the Latest International Trends in the Retail Business

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Abstract: The Indian Retail sector has come off age and has gone through major transformation over the last decade with a noticeable shift towards organized retailing. It is considered that retail business in Indian will flourish more in the coming years. This study is on the outlook of the Indian on the latest international trend in the retail business. The study is done based on the samples of population of urban and rural people of India. The adoption of latest trend will improve the status of the retail business in India and also will lead to improve the usage of latest technology in rural area.

1. Introduction

The Indian Retail sector has come off age and has gone through major transformation over the last decade with a noticeable shift towards organized retailing. The retailing business is considered to be flourishing in the coming years. The retailing business is coming up latest trends as the importance of latest technology is increasing and Indian business is trying to adopt the latest methodology used by the global business world. Some of the traditional Indian business is still following the old way of attracting the customer which leads to the decrease in the business in India. The method used by the international market still has to be introduced in the Indian market. Customers expect more and more superior quality and service and a certain amount of customization. At global scenario, there is a growing awareness regarding growth patterns of retail formats. Even though the usage of digital marketing is increased in retail business in Indian, but still there are any other ways to improve the market trend in India.

Retail business classification
Retail industry can be broadly classified into two categories namely- organized and unorganized retail.
- Organized retail - Organized traders/retailers, who are licensed for trading activities and registered to pay taxes to the government.
- Unorganized retail – It consists of unauthorized small shops - conventional Kirana shops, general stores, corner shops among various other small retail outlets - but remain as the radiating force of Indian retail industry.

Market Dynamics
In the past few years, Indian Retail sector has seen tremendous growth in the organized segment. Major domestic players have stepped into the retail arena with long term, ambitious plans to expand their business across verticals, cities and formats. Companies like Tata, Reliance, Adani Enterprise and Bharti have been investing considerably in the booming Indian Retail market. Along with these giant retailers, a number of transnational brands have also entered into the market to set up retail chains in close association with bigger Indian companies. The retail business is growing in this in India and due this it is important to intact the retail business with the latest technology to attract more and more customers. High consumer spending over the years by the young population and sharp rise in disposable income are driving the Indian organized retail sector’s growth. Even many cities and towns in India are witnessing a major shift in consumer preferences and lifestyles, the result of which, they have emerged as attractive markets for retailers to expand their presence. But still the of the latest methodology is not adopted by the Indian retail market.

The Indian retail sector is highly fragmented and the unorganized sector has around 13 million retail outlets that account for around 95-96% of the total Indian retail industry. Although the growth potential in the sector is immense, there are obstacles too, that could slow the pace of growth for new entrants. Rigid regulations, high personnel costs, real estate costs, lack of basic infrastructure, and highly competitive domestic retailer groups are some such challenges.

Reasons leading to development Indian Retail Industry
- Sprouting of nuclear families
- An raise in the income households trend.
- Large working population.
- Increase in disposable income and customer aspiration.
- Demand as well as increase in expenditure for luxury items.
- Growing preference for branded products and higher aspirations.
Growing liberalization of the FDI policy in the past decade.
Increasing urbanization.

Problems faced by retail business in India

- A long way to meet international standards.
- Lack of efficient supply-chain management
- Lack of required retail space
- No fixed consumption pattern.
- Shortage of trained manpower.
- Lack of proper infrastructure and distribution channel.
- Adoption of latest technology

Latest trend (2016) in the retail business internationally

- Multi-channel, omni-channel, mobile, social, show rooming, and internet of things, big data, wearable, and gamification - the never ending list of trends and innovations reflects the rapid pace of change in the retail industry. These trends are been planned to improve the status of the retail business internationally. Some the latest trends are

  - Hotel room as sales channel Collaboration between Hotel Banks and fashion brand.
  - Amazon replenishment service Auto-order products with one click of the button. Changing household objects into sales channels.
  - Amazon Dash Scanning tool that allows you to add products to your shopping list simply by scanning the barcode
  - Flipkart Image search app from the Indian Web shop Flipkart, simply scan any item and the app will show that item and/or articles that look like it
  - Interactive window display for all sort of product ranging from all age group.
  - Paying per minute instead of per refreshment ‘Everything inside is free, except the time you spend’ at café Ziferblat in London
  - Gamification - where video game techniques and strategies are used for other business purposes

These are the few latest trends which are already launched in many parts of the country and which has not been a part of Indian retail business. As the companies have the fear about the outlook of the people of Indian towards these latest technological changes.

2. Literature Review

The literature study will gives an in depth into the problems and opinion suggested by other researchers. The retail business is a sector were most of the scholars have come across various changes that use to happen. The adoption of the latest technology will lead to a great extension of increase in the retail business in India. it has population of India is in favour of the latest international trend in retail business. Now a day consumers want to see what is available in the market before they visit the shop.

According to Indian Council for Research in International Economic Relations (ICRIER) retail trade alone is accounts for 41.83 percent job opportunities with 14.95 million employed in the sector. In India the retail trade claims the highest percentage business in both the rural (39.28 percent) and urban (45 percent) areas. Barry Berman and Joel R Evans gave an overview on the impact of Retailing on the economy. They stated that retailing is a major part of U.S. and world commerce. Retailing business is also growing importance in the global scenario. According to them Retail sales and employment are vital economic contributors and retail trends often mirror trends in a nation’s overall economy. According to the Department of Commerce, annual U.S. retail store sales exceed $4 trillion- representing one-third of the total economy. Bajaj Chetan, Tuli Rajnish and Srivastava Nidhi, in their book ‘Retail Management’ emphasized with various new formats and packages related with retail industry in India as a result of liberal economic policies and boost given by the Ministry of Commerce and Trade to economic development in India. From the authors’ point of view, retailing consist of all activities involved in selling things and services to consumers for their personal, family and/or household use. Michael Levy and Barton Weitz

in the book have tried to know how retailing has become an important economic activity

Rugman and D’Cruz developed a stream of research that potentially links international business to globalization theories, pointing to the essentially, regional “rather than, global|| level of activity in the early 21st century.

Nair Suja in her book has tried to explain the growth of retailing in Indian context especially in the context of new economic policy, global economic development, changes in the marketing and economic system as well as changing pattern and classification of economic activity. The author has tried to stress that there is a significant effect of liberalization and privatization policies on development of retail format. Ramanathan V and Hari found that in rural India there have been twenty million middle class families with the same shopping power as the families in metropolitan area.

According to Bill Gates “We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next
ten.” So the changes in the trend will lead to a positive growth in the field of Indian retail business.

3. Methodology

Population of study
The research is done to find out the Indian populations outlook and response about the latest trend in the retail business and their future of adaptation of such trends in India. The result was generated based on the survey on the population of different age group and also rural and urban populations. Various statistical data are used to do the research sampling techniques were used. Samples of 50 to 100 populations were selected to conduct the research.

Sampling method
Various random sampling techniques were used to derive at the result of the Indian population response towards the latest trend in the retail business. The population was divided based on the urban and rural population and also based on the age and gender. The statistical techniques were used for the result analysis.

4. Analysis

Table1: Gender wise classification of respondent of urban area

<table>
<thead>
<tr>
<th>Gender</th>
<th>No of respondent</th>
<th>Percentage</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Favour</td>
<td>Not in favour</td>
<td>Total</td>
</tr>
<tr>
<td>Male</td>
<td>56</td>
<td>25</td>
<td>81</td>
</tr>
<tr>
<td>Female</td>
<td>36</td>
<td>14</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: primary data

Table2: Gender wise classification of respondent of rural area

<table>
<thead>
<tr>
<th>Gender</th>
<th>No of respondent</th>
<th>Percentage</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Favour</td>
<td>Not in favour</td>
<td>Total</td>
</tr>
<tr>
<td>Male</td>
<td>36</td>
<td>44</td>
<td>80</td>
</tr>
<tr>
<td>Female</td>
<td>24</td>
<td>46</td>
<td>70</td>
</tr>
</tbody>
</table>

Source: Primary data

Interpretation
In the case of the rural population the figures are not favoring the trend as major are not ready to accept this. More than 60% people against it. The reason for them to oppose based the survey is their ignorance about the latest trend and are not friendly with the technology and are comfortable with the tradition way of purchasing.

Table 3: Age wise classification of respondent of rural and urban area

<table>
<thead>
<tr>
<th>Age group</th>
<th>No of respondent</th>
<th>Percentage</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Favour</td>
<td>Not in favour</td>
<td>Total</td>
</tr>
<tr>
<td>25 - 35 Years</td>
<td>74</td>
<td>41</td>
<td>115</td>
</tr>
<tr>
<td>35 - 50 Years</td>
<td>36</td>
<td>30</td>
<td>66</td>
</tr>
<tr>
<td>50 years above</td>
<td>20</td>
<td>15</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: primary data

Interpretation
As per the survey it is clear that all the age group are aspiring for the latest trend in the retail business and are in favour of the implementation of the international trend in the retail business in India. There outlook is that it is important for nation like India to develop have the latest technology and want the Indian companies to adopt the trend in the field of retail business.

The people of India also want to have the latest trend in retail business to improve the standard of living and also are ready to see the method of business. Many were aspiring for the new sort o hotel business like Paying per minute instead of per refreshment ‘Everything inside is free, except the time you spend’ at café Ziferblat in London. They are in favour of the interactive display selling which will reduce many problems of selling and also want to avoid the hours of time in shopping.
5. Recommendation
As per the study the people of India are aspiring the latest trend in retail business, but also some group of people want a traditional touch in the shopping. So the latest trend can be introduced with small changes in the trend introduced in other country with giving an Indian tradition methodology. These changes will differently make a huge revolution in the retail business in India and also will lead to enhance the future of Indian retail business internationally.

6. Conclusion
This study is to see the outlook of the people of Indian towards the latest trend in the field of retail business. Various surveys were conducted to cram the result. If the changes are made and the trends are introduced in Indian defiantly it will enhance not only the future of the retail business but also show the way to the development of the Indian. The overall standard of the people will also improve due this latest trend. The outlook of the Indian is aspiring for the retail business and the introduction of the latest trend in the India will change the retail business scenario in India. It will leads to the development of the retail business in the rural India also.

7. References
[4] Nair Suja, Retail Management, 1st ed., Himalaya Publishing House New Delhi,