A STUDY ON LEVEL OF ACCEPTANCE TO COPE UP THE CHALLENGES OF CORPORATE RETAILING IN SALEM CITY

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ABSTRACT

 Growth of Retail Companies in India exhibits the boom in the retail industry in India over the years. The increases in the purchasing power of the Indian middle classes and the influx of the foreign investments have been encouraging in the Growth of Retail Companies in India. The retail companies are found to be rising in India at a remarkable speed with the years and these have brought a revolutionary change in the shopping attitude of the Indian consumers.Objectives of the study, To analyse level of acceptance to cope up the challenges of corporate retailing in Salem City. Methodology of this study, The respondents belonging to Salem town region, Salem. The study examines primary as well as secondary data. The researcher collected data by using a convenience sampling method. The researcher conducted the survey for 6 months i.e., from January 2022 to June 2022. Suggested this study, A number of them were convinced that mega-retailers were receiving tax incentives and various types of tax breaks for which local small owners were not being compensated; they were also questioning the local support provided by mega-retailers in terms of charities, sponsorships, give-always and other demonstrations of good corporate citizenship.   Conclude this study, Most of the organized retailing in India have started recently and is concentrating mainly in metropolitan cities. The growth in the Indian organized retail market is mainly due to the change in the consumer's behaviour.
KEYWORDS: *Corporate Retailer, Copeing strategies, etc.,*

1.1 INTRODUCTION

Growth of Retail Companies in India exhibits the boom in the retail industry in India over the years. The increase in the purchasing power of the Indian middle classes and the influx of the foreign investments have been encouraging in the Growth of Retail Companies in India. Growth of Retail Companies in India is not yet in a matured stage with great potentials within this sector still to be explored. Apart from the retail company like Nilgiri's of Bangalore, most of the retail companies are sections of other industries that have stepped in the retail sector for a better business. The growth of Retail Companies in India is most pronounced in the metro cities of India. However the smaller towns are also not lagging behind in this. The retail companies are not only targeting the four metros in India but also is considering the second graded upcoming cities like Ahmedabad, Baroda, Chandigarh, Salem, Cochin, Ludhiana, Pune, Trivandrum, Simla, Gurgaon, and others. The South Indian zone have adopted the process of shopping in the supermarkets for their daily requirements and this has also been influencing other cities as well where many hypermarkets are coming up day to day.

1.2 STATEMENT OF THE PROBLEM

The retail companies are found to be rising in India at a remarkable speed with the years and these have brought a revolutionary change in the shopping attitude of the Indian consumers. The growth of Retail Companies in India is facilitated by certain factors like - Existing Indian middle classes with an increased purchasing power, Rise of upcoming business sectors like IT and engineering firms, Change in the taste and attitude of the Indians, Effect of globalization and Heavy influx of FDI in the retail sectors in India. To get further details on the growth of Retail Companies in India and other retail chain of companies in India,

1.3 OBJECTIVES OF THE STUDY

1. To analyse level of acceptance to cope up the challenges of corporate retailing in Salem City

1.4 RESEARCH METHODOLOGY

The Methodology to be adopted for a particular area would depend upon the purpose and objectives to be achieved. Based on the objectives and the hypothesis to be tested, the required data have been gathered from both primary and secondary sources. The scope of the study is confined to Salem town area's organized retail sectors. The respondents belonging

to Salem town region, Salem. The study examines primary as well as secondary data. The researcher collected data by using a convenience sampling method. The researcher conducted the survey for 6 months i.e., from January 2022 to June 2022.

1.5 ANALYSIS AND INTREPRETRATION

The Friedman test ranks the scores in each row of the data file independently of every other row. The Friedman chi-square tests the null hypothesis that the ranks of the variables do not differ from their expected value. For a constant sample size, the higher the value of this chi-square statistic, the larger the difference between each variables rank sum and its expected value.

TABLE 1
FRIEDMAN RANK TEST – MEAN RANK – LEVEL OF ACCEPTANCE ON THE FOLLOWING IN ORDER TO COPE UP THE CHALLENGES OF CORPORATE RETAILING

S.NO.	FACTORS	STD DEVIATION	MEAN VALUE	RANK
1	Small traders need to update the current business news	.800	8.86	1
2	Small traders need to know the business practices of the closest competitors	.851	7.99	8
3	Small traders need to observe the government budget every year to aware of policies that affect the business	.829	7.78	11
4	Making change is required to satisfy consumers	.826	8.04	6
5	Introduction of new methods of consumer service is required	.740	8.55	3
6	Looking for other avenues is necessary, when the present business is not sustainable for long run	.949	8.41	5
7	Use of technology is inevitable to cope up the challenges of corporate retailing	.781	7.42	13
8	Use of modern operations will enhance small retail outlets	.800	8.77	2
9	Making the store more modern by interiors is necessary to attract consumers	.861	7.05	15
10	Small traders have to get good deals from suppliers even when corporate retailers come in	.793	8.43	4
11	Small traders can become a franchisee of corporate retailers	1.082	7.21	14
12	Quality of consumer service is required to cope up the challenges of corporate retailing	.832	7.98	9
13	Small traders need to hire competent sales force	.919	8.00	7
14	Small traders shall develop joint buying by group of retailers or wholesale chain	.971	7.75	12
15	Small traders can match competitor and corporate retail prices	.830	7.80	10

Source: Primary Data

This table lists the mean rank of each variable. Low rank corresponds to the higher values of the variables. Here price have lower values than the other variables with the mean value of 2.28. Easy delivery has larger values than the other variables with the mean value of 5.46. The Friedman test determines if the average ranking differs across variables. Here respondents chose the preference of spending through debit or credit cards at Departmental Store.

Ho: There is no significant difference between mean ranks for respondent's level of acceptance to cope up the challenges of corporate retailing.

TABLE 2
FRIEDMAN TEST

No of respondents	200
Calculated value	46.754
Df	14
Asymp. Sig.	.000

This table lists the result of the Friedman test. For these rankings, the chi-square value is 46.754, Degree of freedom is equal to the number of values minus 1. As 15 spending options are ranked, there are 14 degrees of freedom. It is clear from the above table that significance level is 0.000 at 5 per cent level of significance. Hence the hypothesis is rejected. At least one of the variables differs from the others.

1.6 SUGGESTIONS

- ❖ Small traders must open their shops earlier as corporate retails open their retail outlets after 9 a.m only. If small traders open their shops by 6 a.m, they can do good business during these three hours.
- ❖ Small traders must have regular contact with their consumers as most consumers purchase certain provision items whenever they require if small traders have regular contacts with their regular buyers, they know the needs of these consumers. From the findings of the study, it is suggested that if small traders have their shops near these corporate retail outlets, Consumers seeking to purchase one or two items will be tempted to go to the small shops as it will take a long time to go to retail outlet to purchase the same.
- ❖ Small traders must maintain the quality of their goods so that the regular buyer base can be maintained and consumers are satisfied with the products purchased.
- ❖ Small traders should check frequently the expiry dates of the goods.
- ❖ If there is better credit availability to small traders from banks and micro –credit institutions the financial needs of the small traders will be met and they can compete with corporate regarding pricing and quality of goods.
- ❖ A private code of conduct may be formulated by small traders for dealing with suppliers and consumers so that both consumers and traders will be benefit.
- ❖ Smaller traders are well aware of their competitive position and adopt adequate marketing strategy responses to their new competition. However, many of the respondents were not properly informed of the role played by the local government and other levels of government respectively to the mega-retail situation. A number of them were convinced that mega-retailers were receiving tax incentives and various types of tax breaks for which local small owners were not being compensated; they were also questioning the local support provided by mega-retailers in terms of charities, sponsorships, give-always and other demonstrations of good corporate citizenship.

1.7 CONCLUSION

Indian organized retail market is growing at a fast pace due to the boom in the Indian retail industry. In 2005, the retail industry in India amounted to 10,000 billion accounting for about ten per cent to the country's GDP.The organized retail market in India out of this total market accounted for ` 350 billion which is about 3.5 per cent of the total revenues. Retail market in the Indian organized sector is expected to cross ` 1000 billion by 2010. Traditionally the retail industry in India was largely unorganized, comprising of drug stores, medium, and small grocery stores. Most of the organized retailing in India have started recently and is concentrating mainly in metropolitan cities. The growth in the Indian organized retail market is mainly due to the change in the consumers behaviour. This change has come in the consumer due to increased income, changing lifestyles, and patterns of demography which are favourable.

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