

# International Multidisciplinary Research Journal

## *Golden Research Thoughts*

Chief Editor  
Dr.Tukaram Narayan Shinde

Publisher  
Mrs.Laxmi Ashok Yakkaldevi

Associate Editor  
Dr.Rajani Dalvi

Honorary  
Mr.Ashok Yakkaldevi

Golden Research Thoughts Journal is a multidisciplinary research journal, published monthly in English, Hindi & Marathi Language. All research papers submitted to the journal will be double - blind peer reviewed referred by members of the editorial board. Readers will include investigator in universities, research institutes government and industry with research interest in the general subjects.

### Regional Editor

Dr. T. Manichander

### International Advisory Board

Kamani Perera  
Regional Center For Strategic Studies, Sri Lanka

Mohammad Hailat  
Dept. of Mathematical Sciences,  
University of South Carolina Aiken

Hasan Baktir  
English Language and Literature  
Department, Kayseri

Janaki Sinnasamy  
Librarian, University of Malaya

Abdullah Sabbagh  
Engineering Studies, Sydney

Ghayoor Abbas Chotana  
Dept of Chemistry, Lahore University of  
Management Sciences[PK]

Romona Mihaila  
Spiru Haret University, Romania

Ecaterina Patrascu  
Spiru Haret University, Bucharest

Anna Maria Constantinovici  
AL. I. Cuza University, Romania

Delia Serbescu  
Spiru Haret University, Bucharest,  
Romania

Loredana Bosca  
Spiru Haret University, Romania

Ilie Pinteau,  
Spiru Haret University, Romania

Anurag Misra  
DBS College, Kanpur

Fabricio Moraes de Almeida  
Federal University of Rondonia, Brazil

Xiaohua Yang  
PhD, USA

Titus PopPhD, Partium Christian  
University, Oradea, Romania

George - Calin SERITAN  
Faculty of Philosophy and Socio-Political  
Sciences Al. I. Cuza University, Iasi

.....More

### Editorial Board

Pratap Vyamktrao Naikwade  
ASP College Devrukh, Ratnagiri, MS India Ex - VC. Solapur University, Solapur

Iresh Swami

Rajendra Shendge  
Director, B.C.U.D. Solapur University,  
Solapur

R. R. Patil  
Head Geology Department Solapur  
University, Solapur

N.S. Dhaygude  
Ex. Prin. Dayanand College, Solapur

R. R. Yaliker  
Director Management Institute, Solapur

Rama Bhosale  
Prin. and Jt. Director Higher Education,  
Panvel

Narendra Kadu  
Jt. Director Higher Education, Pune

Umesh Rajderkar  
Head Humanities & Social Science  
YCMOU, Nashik

Salve R. N.  
Department of Sociology, Shivaji  
University, Kolhapur

K. M. Bhandarkar  
Praful Patel College of Education, Gondia

S. R. Pandya  
Head Education Dept. Mumbai University,  
Mumbai

Govind P. Shinde  
Bharati Vidyapeeth School of Distance  
Education Center, Navi Mumbai

G. P. Patankar  
S. D. M. Degree College, Honavar, Karnataka

Alka Darshan Shrivastava  
Shaskiya Snatkottar Mahavidyalaya, Dhar

Chakane Sanjay Dnyaneshwar  
Arts, Science & Commerce College,  
Indapur, Pune

Maj. S. Bakhtiar Choudhary  
Director, Hyderabad AP India.

Rahul Shriram Sudke  
Devi Ahilya Vishwavidyalaya, Indore

Awadhesh Kumar Shirotriya  
Secretary, Play India Play, Meerut (U.P.)

S. Parvathi Devi  
Ph.D.-University of Allahabad

S.KANNAN  
Annamalai University, TN

Sonal Singh,  
Vikram University, Ujjain

Satish Kumar Kalhotra  
Maulana Azad National Urdu University



# Golden Research Thoughts

**GRT****EMERGING CHALLENGES AND PROSPECTS OF  
RETAIL MARKETING & FDI****Prof. S. R. Dhere****Head & Associate Professor , Department of Commerce,  
Rayat Shikshan Sanstha's Laxmibai Bhaurao Patil Mahila Mahavidyalaya Solapur.****ABSTRACT**

The Indian retail industry has been tossed open to remote majors and is stuffed with players who endeavor to offer extraordinary items and esteem for-cash to Indian customers. The nation holds an immense guarantee for retailers with its prospering spending power and a rising white collar class. The sorted out retail fragment is in its incipient stage and has an enormous potential to outfit in the subcontinent. Outside monsters like Wal-Mart and IKEA have as of late gotten the Government's gesture to go into the Indian market, subsequent to making all the essential compliances. This examination paper gives the present status of the retail part in India and the point by point data about

the difficulties looked by the retail division in India. The paper incorporates the chances of retail locations, retail organize in India and the ongoing patterns in retail. This paper reviews the administrators to comprehend the difficulties affecting the retail division. It finishes up with giving the point by point openings accessible to the retail part.

**KEYWORDS** :Indian retail industry ,

Indian customers, retail locations.

**INTRODUCTION**

Retailing involves all activities incidental to selling to ultimate consumer for their personal, family and household use. Retailer is a must and cannot be eliminated. The Indian retailing industry is becoming intensely competitive, as more and more payers are vying for the same set of customers.. The organized sector is expected to grow faster than Gross Domestic Product (GDP) growth in next few years driven by favorable demographic patterns, changing lifestyles, and strong income growth. At this

stage, retailers should monitor and performing high-level assessments, they should plan for their strategies.

### **OBJECTIVES–**

- To understand the impact of retail in urban Area
- To Understand the FDI & Retailing Relation

### **DEFINITION OF RETAIL MARKETING**

Retail is the sale of goods and services from businesses to an end user (called a customer). Retail marketing is the process by which retailers promote awareness and interest of their goods and services in an effort to generate sales from their consumers.

### **IMPORTANCE OF RETAILING**

The retailer is a mediator in the advertising channel since he is both advertiser and client, who pitches to the last man to expend. He is an expert who keeps up contact with the shopper and the maker; and is an imperative associating join in a mind boggling system of promoting. In spite of the fact that makers may offer straightforwardly to shoppers, such strategy for appropriating products to extreme clients is awkward, costly and tedious when contrasted with the activity performed by a pro in the line. In this way, as often as possible the makers rely upon the retailers to pitch their items to a definitive customers. The retailer, who can give suitable courtesies without an over the top progress in costs of merchandise is compensated by bigger or more faithful support.

### **CHALLENGES OF RETAILING IN INDIA**

In India the Retailing industry has a long way to go, and to become a truly flourishing industry, retailing needs to cross the following hurdles:

1. In retail sector, Automatic approval is not allowed for foreign investment.
2. Developed supply chain management is absent in retail sector.
3. Lack of trained work force.
4. Low skill level for retailing management.
5. Cost of business operations is very high in India.

### **ADVANTAGES**

#### **1. Boost Economic Life**

This is one of the real segments, which is gigantically profit by outside direct speculation. An amazing inflow of FDI in different mechanical units in India has supported the monetary existence of nation.

#### **2. Increase level of Competition**

FDI increase level of competition in market. They have to improve quality of products and service in order to stay in market. They enter into Indian market through Joint venture and collaboration.

#### **3. Maximum Opportunity**

FDI norms will open up strategic investment opportunity for global retailers, who have been waiting to invest in India. This may have a significant impact on the current arrangement of foreign

players. Employees are wellversed with globally valued skills. FDI also ensured a number of employment opportunities to people by establishing industrial units in India.

#### **4. Advance Technology**

Improved technology in the area of processing, grading, handling and packaging of goods and further developments in areas like electronic weighing, billing, barcode scanning etc. Further, transportation facilities can get a improved in the form of increased number of refrigerated vans and pre cooling chambers which can help bring down wastage of food.

#### **DISADVANTAGES**

FDI feels that liberalization would endanger retail sector and mainly affect the small retailers, farmers and consumer and give rise to monopolies adversely affect the pricing and availability of goods. The entry of large global retailers such as Wal-Mart wipes out local shops and millions of jobs. The global retailers would collude and exercise monopolistic power to raise prices and monopolistic (big buying) power to reduce the prices received by the suppliers. Hence, both the consumers and the suppliers would lose, while the profit margins of such retail chains would go up. It would lead to lopsided growth in cities, causing discontent and social tension elsewhere. Despite country wide speculation on the plight of various Stakeholders, trading associations, politicians, etc. have given various arguments for and against FDI in retailing. However, such arguments are largely based on perception and there has not been serious academic research in this area. Further, India's local enterprises will potentially receive an up gradation with the import of advanced technological and logistics management expertise from the foreign entities. In our view, the government has an opportunity to utilize the liberalization for achieving certain of its own targets- improve its infrastructure, access sophisticated technologies, generate employment for those keen to work in this sector.FDI would lead to a more comprehensive integration of India into the worldwide market and, as such, it is imperative for the government to promote this sector for the overall economic development and social welfare.

#### **CONCLUSION**

It can be said that the advantages of allowing unrestrained FDI in the retail sector evidently outweigh the disadvantages attached to it and the same can be deduced from the examples of successful experiments in countries like Thailand and China where too the issue of allowing FDI in the retail sector was first met with incessant protests, but later turned out to be one of the most promising political and economic decisions of their governments and led not only to the commendable rise in the level of employment but also led to the enormous development of their country's GDP.

#### **REFERENCES**

- [1] AC Nielsen (2008): Consumer and Designer Brands. AC Nielsen, April 2008 .
- [2] A.T. Kearney (2011): "Retail Global Expansion: A Portfolio of Opportunities-2011 Global Retail Development Index", A.T. Kearney, 2011
- [3] CBRE (2011): How Global is the Business of Retail. CB Richard Ellis, Global Research and Consulting, 2011 Edition.
- [4] Department of Industrial Policy and Promotion, 2010. "Foreign Direct Investment (FDI) in Multi-Brand Retail Trading," Discussion paper. Available at <http://www.dipp.nic.in>.
- [6] Basker, Emek, 2005a. "Job Creation or Destruction? Labor Market Effects of Wal-Mart Expansion,"

[7] Review of Economic Statistics, Vol. 87, No. 1, Pages 174-183.

[8] Basker, Emek, 2005b. "Selling a Cheaper Mousetrap: Wal-Mart's Effect on Retail Prices," Journal of Urban Economics, Vol. 58, No. 2, pp. 203-229.

[9] Chari, Anusha. and T.C.A. Madhav Raghavan: "Foreign Direct Investment in India "s Retail Bazaar:

# Publish Research Article

## International Level Multidisciplinary Research Journal For All Subjects

Dear Sir/Mam,

We invite unpublished Research Paper, Summary of Research Project, Theses, Books and Book Review for publication, you will be pleased to know that our journals are

### Associated and Indexed, India

- ★ International Scientific Journal Consortium
- ★ OPEN J-GATE

### Associated and Indexed, USA

- EBSCO
- Index Copernicus
- Publication Index
- Academic Journal Database
- Contemporary Research Index
- Academic Paper Database
- Digital Journals Database
- Current Index to Scholarly Journals
- Elite Scientific Journal Archive
- Directory Of Academic Resources
- Scholar Journal Index
- Recent Science Index
- Scientific Resources Database
- Directory Of Research Journal Indexing

Golden Research Thoughts  
258/34 Raviwar Peth Solapur-413005, Maharashtra  
Contact-9595359435  
E-Mail-ayisrj@yahoo.in/ayisrj2011@gmail.com  
Website : www.oldgrt.lbp.world