

RETAILING: A STUDY OF FOOD AND GROCERY SEGMENT IN AHMEDABAD RETAIL MARKET, WITH RESPECT TO TRADE AREA ANALYSIS

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Abstract

Retail trade is a concept that is gaining serious attention all over the world because of emerging formats of retail in economies and the state of the world economy. The concern of business owners and managers all over the world is to devise a strategy of the company to meet the short term obligations. Hence, it is of utmost important to keep a constant eye on factors affecting customer perceptions towards retail formats. Positioning of a retail shop or format without defining its retail trade area cannot survive. The study sought to establish the measures of corporate retail trade, the factors that affect retail trade and findings of covering area and customers. In this paper a study of identification of effectiveness of trade area analysis has been done for retail shoppers for food and grocery segment.

Keywords: Retail, Trade Area, Food And Grocery Segment, Retail Positioning.

Introduction

Overview of Indian Retail Market

Indian retail sector is continuing to grow despite irregular global economic trends. A.T. Kearney, a global consultancy firm has ranked India as fourth most attractive nation for retail investment among 30 emerging markets. Robust economic growth, high disposable income with the end-consumer and rapid construction of organized retail infrastructure are key factors behind the forecast.

- Indian retail sector accounts for 22 per cent of the gross domestic product (GDP) and contributes to 8 per cent of the total employment. By 2018, the Indian retail sector is likely to grow at a CAGR of 13 per cent to reach US\$ 950 billion. The list of segments which present themselves for a high growth opportunity in the Indian retail landscape are clothing, textiles, fashion accessories, jewelry, watches, footwear, health, beauty care, pharmaceuticals, consumer durables, home appliances, mobiles, furnishings, utensils, furniture, food, grocery, catering, books, music, gifts and entertainment. Out of these categories, the maximum contributor to the total retail market value is 'food' segment, contributing 62 percent of the total value, followed by 'fashion and fashion accessories', contributing 16 percent, as per Pantaloon Retail India report of 2008.
- The Indian retail industry is one of the fastest growing in the world. Retail industry in India is expected to grow to US\$ 1.3 trillion by 2020, registering a Compound Annual Growth Rate (CAGR) of 16.7 per cent over 2015-20. India is the fifth largest preferred retail destination globally. The country is among the highest in the world in terms of per capita retail store availability. India's retail sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier-II and Tier-III cities. Healthy economic growth, changing demographic profile, increasing disposable incomes, urbanization, changing consumer tastes and preferences are the other factors driving growth in the organized retail market in India.

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