Retail Entrepreneurship Development In India:
With Special Emphasis on Big Bazaar

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Abstract
The retail industry is now enjoying a boom in the Indian economy. This trend will continue over the next two to three decades and is expected to attract a great deal of attention from all sectors of the economy, entrepreneurs, investors, as well as property owners and builders. The retail sector is expected to expand to nationwide on a large scale, creating a great job. Slowly and steadily, the retail sector achieved considerable growth, while a new form of retail sector, organized within the retail sector, emerged. With this development of the retail industry it is important to look at the labor market in this sector. Given that this is an area of little research, studies are perceived by organized and unorganized retail forms and, above all, attempts to understand and conceptualize the work. The survey also analyzes labor management practices, labor issues, and the problems faced by organized retailers and unorganized retailers in India. There are two reasons for the study. First, it examines the nature of the changes in the retail sector resulting from organized retail forms and the implications of changes to this new form of retail. Second, this sector has remained largely untapped in the untapped areas of research to date, especially in India.

Keywords – Labour Management, Unorganised and unorganised retail.

Introduction
Potential to stimulate business skills and knowledge. According to one study, India is dominated by a huge unorganized retail sector. Even the sectors that are currently organized are increasingly increasing their share in the retail sector. Big Bazaar is the largest retail brand in our country. We employ young people in thousands of cities across the country. There is also a lot of taxation in the unorganized sector. After applying a number of matrices to the Big Bazaar, we found that the study was in a growth phase. It is at the stage of increasing and diversifying operations. We announced a lot of invitation plans to attract large-scale customers. The study also found that the Grand Bazaar is one of the largest stores in the country, but it has some limitations. The increase in online stores is the biggest threat to the entrepreneurial spirit of Indian retailers. Because the increase in purchases in online stores is easier for customers than going to retail stores. SMEs occupy 60-70% of jobs in each country, and the proportion of new jobs is very high. Some evidence also shows that age is important instead of scale in job creation. Young companies create more than their share of employment. (2)
Retailing has played an important role around the world to increase the productivity of a wide range of consumer goods and services. The impact is better seen in countries like the US (USA), UK (UK), Mexico, Thailand and mainly China. Retail is one of the largest industries in the world. It is the second largest industry in the United States in terms of number of facilities and employee sleep. The retail industry employs more than 22 million Americans and has annual retail sales of over $ 3 billion. Wal-Mart is the world's largest retailer. It is also the world's largest employer with over one million employees. Wal-Mart has become one of the most successful retail brands in the world because it has declared capacity to take advantage of scale, market impact and efficiency to create market dominance. (CII Report, 2006).

Objectives of the Study
1. To study the importance of Retail Entrepreneurship in India.
2. To study the performance of Big Bazaar.
3. To study the role of Big Bazaar in retail entrepreneurship development.
4. To study the different policies adopted by Big Bazaar in order to attract customers.

Salient Features of Indian Organized Retail
India's retail market is expected to increase by $ (350) billion to $ (427) billion in the US in 2010. Retail has been an important sector of India that has traditionally employed millions of people. Retail trade now accounts for 10% of India's GDP and 6-7% of employment. Located in the popular traditional retail market or residential area, Kira has a so-called "organized" form of retail, marked as a small family store, where stores, pharmacies mainly sell certain product categories, for example. - Retailers, forklifts and floor suppliers. However, as the Indian economy has been in operation since 1991, the retail sector has undergone gradual changes. Formerly this storage format "Mom and Dad" has a big "industry" emerging mainly retail but expressive of cheap today. The biggest change is the emergence of sectors organized in the retail industry. (3)

Sectors organized in a common language generally signify the establishment of a union. However, the sectors organized in relation to India differ in terms of unorganized sectors and employment status. The first implies that social security benefits provide contract employment by a general contract, and therefore, a better condition of service to employees compared to responses in the organizational sector. India's retail business is largely an unorganized category. However, an organized sector of the retail sector has emerged recently.

Organized retail is now a very small percentage of the entire retail sector of India (about 3%), but 2010 is expected to expand at a considerable rate (compound annual growth rate of 40%). According to a report from the FICCI (Federation of Indian Chamber of Industry and Commerce Industry), organized retail occupies a space of 1 million and organization retail is likely to increase its stake by more than 20% by 2010, in 2002 square feet, in 2007 In 2008, it flew to nearly 14 million square feet. Figure Is expected to be 16 million sq.ft. India Retail Report, 2007 forecasts that 2.2
million jobs will be created in this new retail sector by 2010. (4)

Many Indian entrepreneurs have taken a keen interest in retailing over the last decade and have successfully established organized retail chains, notable among which are headed by the Future (Pantaloons) group, the Rahejas, the Piramals, the Tatas, the RPG group, Subhiksha etc. Reliance, one of the latest notable entrants in the retail sector, which had initially opened stores in Hyderabad and now has over 450 stores across India, has ambitious plans of expanding in this sector. Along with these domestic developments, there has been a simultaneous attention being given to the Indian retail market by international retail giants, mainly because of the sheer size of the market. The most important development in this context has been the tie up of Walmart, America’s largest retail chain with Bharti, the Indian telecom giant which is likely to be concretized in June, 2009. India, today, is one of the most attractive destinations for retail investment by the global retail giants. This has led to a controversy regarding whether Indian retail should be opened up to foreign companies and its likely effects on local economy. However, whether it is through the local companies or global ones, the fact remains that the overall move is towards expanding the organized retail sector in India. The rapidly increasing number of shopping malls especially in the metropolises like Mumbai, Delhi, Kolkata, Chennai, for example, bears a clear testimony to this fact. (6) However, in the next five years a huge number of shopping malls are likely to emerge even in the medium and even small cities (i.e. Tier II and Tier III cities) though mall culture is not much in vogue in the small cities till date.

According to A.T. Kearney Report, 2007 India is one of the most sought-after destinations for organized retailing for the global retailers. Currently it tops the list of countries in terms of Global Retail Development Index, 2007 prepared by AT Kearney. In terms of level or stage of development Indian retail sector can be divided into a few zones. A survey conducted and documented in the Jones Lang LaSalle Meghraj report entitled “The Geography of Opportunity - The India 50” (June, 2007) has also identified 50 Indian cities which are the potential beneficiary of the organized retail boom. These have been divided into five categories:

1. **Maturing** – Delhi, National Capital Region (NCR), Mumbai belong in this category and these markets are seeing saturation. However large one-stop malls having retail, entertainment, food and hospitality would have demand, along with hypermarkets, and malls

2. **Transitional** – These include cities like Bangalore, Kolkata, Hyderabad, Pune, Chennai and Ahmedabad. By 2008, they would account for one-third of total market due to their large corporate sectors, high level of economic activity, above-average income and large middle class.

3. **High-Growth** – These are the ‘next’ retail destinations of Chandigarh, Jaipur, Ludhiana, Lucknow, Kochi, Surat and Vadodara.

4. **Emerging** – They include cities which are tourist oriented, and have
setup infrastructure for IT companies like Nagpur, Indore, Nasik, Bhubaneswar, Vizag, Coimbatore, Mangalore, Mysore, Thiruvananthapuram, Amritsar, Agra and Goa.e.

5. Nascent– These offer the first-mover advantage as the income levels and corporate activities are limited. The cities are Patna, Bhopal, Meerut, Asansol, Varanasi, Kolhapur and Sonepat. The top 15 cities in the list will contribute more than 80 per cent of the total national retail business by 2008

Reasons for Retail Sector Boom in India
The most important factors responsible for retail sector development in India are liberalization of the economy, upward mobility of middle class, shifting consumer demands, and expansion of ICTs. Liberalization of the economy since the 1990s is definitely the single-most important factor leading to a shift towards a new organized form of retailing. Organized retailing is expected to bring about positive employment impact in terms of quantity (more jobs will be created) and quality (security of job, benefits etc. will be better). Since the liberalization of the economy there has been a visible impact on the income level of the middle class, which as a whole is upwardly mobile, with a huge disposable income in hand. Along with this there has been a change in the spending habits with more focus on improving the quality of life through increasing consumption of high end products, which previously the middle class refrained from using. (5)

The Government of India has allowed 51 per cent FDI in Multi-Brand Retail Trading (MBRT) and 100 per cent in Single-Brand Retail Trading (SBRT). According to the extant policy, foreign retailers investing more than 51 per cent can open outlets across the country on the condition that 30 per cent of their sourced sales would come from small to medium-sized domestic enterprises. Further, global chains will now need to invest only 50 per cent of the initial compulsory investment of US$ 100 million in setting up cold storages and warehouses in India. Foreign chains have been given the green signal to set up stores in cities with a population of less than one million. Earlier, supermarkets could only commence their operations in 53 cities, the ones with a population of more than a million.

Swot Analysis: Big Bazaar
Strengths
1. High brand equity enjoyed by Big Bazaar.
2. Everyday low prices, which attract customers.
3. Huge investment capacity.
4. It offers a family shopping experience, where entire family can visit together.
5. Available facilities such as online booking and delivery of goods.

Launched Big-Bazaar a hypermarket with over 1, 70,000 products as the first offering in value retailing segment. Products are cheaper than the market price by as much as 5 to 60%. Apparels are cheaper by 25 to 60% while the price difference on the other products varies between 5 to 20%.

Weaknesses
1. General perception: Low price = Low quality”.
2. Overcrowded during offers.
3. Long lines at billing counters which are time consuming.
4. Limited only to value offering low price products, branded products are still missing from Big Bazaar’s line of products

Opportunities
1. Huge potential rural market to be tapped.
2. Cosmetics industry is not yet covered fully.

Threats
1. Competition from other value retail chains such as Reliance, Bharti etc.
2. Unorganized retail also appears to be a threat to Big Bazaar’s business. A large population still prefers to visit local convenient stores for daily purchases.
4. International players are looking to invest in India.

Pest Analysis
PEST Analysis generally scans the subject by four aspects i.e. Political, Economical, Socio-Cultural and Technological aspect. Every aspect seems favorable to Big Bazaar. Political stability, growing economy, favorable changing population demographics and technologically booming industry seems to take retail industry of India beyond par within a short span of time. Developing economy and a huge chunk of young population i.e. currently 35% are the two strengths for Big Bazaar. Huge working force acts as an easily available human resource as well as customers for Big Bazaar. (9) Increasing efficiency in Supply Chain Management and Customer Relationship Management due to technological advancement in IT sector helps Big Bazaar to fulfill the needs of customers in time and with greater satisfaction. But, there is a big threat i.e. the advantages that the Big Bazaar is enjoying, they are same for its competitors also like Reliance, Aditya Birla Group and Bharti etc. (8)

Political
1. Government is stable.
2. Government policy towards investment is liberal (49%).
3. Labour law & Restriction for MNC”s.
4. Properties of taking over properties and real estate.
5. Problems of getting subsidy from local tax and on different taxes like Land, Water etc.
6. A stable government at the centre facilitates speedy economic recovery and creates an encouraging investment climate.

Economical
1. Economy is growing (7.2%).
2. Almost Recovered from Recession.
3. India one of the fastest growing economies.
4. Retail industry to grow with an increase in income of people.
5. Increase in percentage of service contribution to GDP.
6. Stable even during recession & Growth stage: High revenue but high expenditure on promotion.

Socio-Cultural
1. Increase in nuclear families.
2. People prefer to shop in local store with reasonable price.
3. Increase in working women proposition.
4. Life style changes gradually.
5. Shift in product and service preferences.
6. Increase in young population (currently 35%).

**Technological**
1. Rapid expansion of IT sector.
2. Technological development for faster service.
4. Electronic billing.

Future Scenario of Big Bazaar
Big Bazaar is planning to exceed its hypermarkets over five hundred in the country by the end of 2017. (1)

It has also a plan to increase its annual turnover to twenty thousand crores by 2017. It is also looking at smaller cities for the expansion.

**Conclusion**
It can be concluded that indeed Big Bazaar is progressing, it is accomplishing its goals with a clear vision and mission gradually. It has achieved high brand equity, highly discounted products and the variety of products that are available under one roof. It is also expanding its business geographically as well as in form of the product width. Big Bazaar is advancing in Supply Chain Management and Customer Relationship Management that helps it to fulfill the needs of customers in time and with greater satisfaction. It has also been very successful in making brand loyalty in the minds of people and without any doubt it has been very successful in target segmenting.

**Recommendations**
On the basis of the study, some of the recommendations are as follows:
1. It can start a concept of “HAPPY HOURS”.
2. It can initiate various Student Plans.
3. It can look to target Rural Market.
4. It needs to focus more on CRM and improve in store assistance.
5. It should invest more in supply chain infrastructure.
6. It should include more brands in its line of products.
7. Exchange offers should be made clear as customers are not clear of how to use them.
8. There should be aggressive expansion plan to open in tier II cities.
9. It should start facilities like free home delivery etc.

**References**


