

Overview on Retailing and Apparel Retailing in India

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Abstract – Apparel is one of the fundamental necessities of human civilization alongside sustenance, water and haven. The Apparel Industry reflects people's ways of life and demonstrates their social and monetary status. The Apparel and Textile industry is India's second biggest industry after the IT Industry. College students as a youthful shopper group have increased huge significance from marketers lately on account of their developing acquiring power. Consumer behavior towards products and services are continually changing. To make an appropriate marketing mix, retailers must need to consider this change with a clear understanding of consumer behavior. Consumer behavior can be defined as the process a consumer uses to settle on purchase decisions. At the point when consumers frame an attitude toward an item, they make evaluative relationship between the item and its Apparel is an item classification that mirrors consumer's identity qualities

Keywords: Consumer Behavior, Apparel Industry, Textile Industry etc.

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I. INTRODUCTION

Consumer market for apparel has turned out to be more differing by designer brands, store brands, personalization, advertising, and ethnicity in the global marketplace. Moves in the cultural values, consumer preferences, and purchase intentions towards designer products is ostensibly the most basic issue looked by the marketing administrators today. To understand the consumer behavior towards clothing apparel in the present increasingly focused markets, it is important to perceive the unmistakable and intangible qualities that affect consumers' choice of buying. Retailing of garments coordinated at the joy portion ought to underscore on the noteworthy factors. Besides, marketing need to understand the complexities of these factors to have the capacity to design, to create and to actualize innovative techniques intended to enhance their projects (Bhattacharya & Sen, 2003).

The investigation of consumers enables firms and associations to enhance their marketing strategies by understanding issues, for example,

- The psychology of how consumers think, feel, reason, and select between various options (e.g., brands, items);
- The psychology of how the buyer is impacted by his or her environment (e.g., culture, family, signs, media);

- The behavior of consumers while shopping or settling on other marketing decisions;
- Limitations in buyer learning or data handling capacities impact decisions and marketing result;
- How purchaser motivation and choice strategies vary between items that contrast in their level of significance or intrigue that they involve for the buyer; and
- How advertisers can adjust and enhance their marketing campaigns and marketing strategies to all the more adequately achieve the purchaser.

1.1 Application of consumer buying behavior

There are four fundamental applications of consumer buying behavior:

- The preeminent application is for marketing strategy i.e., for improving marketing campaigns. For instance, by understanding that consumers are more open to sustenance promoting when they are hungry, we figure out how to plan snack advertisements late toward the evening. By understanding that new products are generally at first received by a couple of consumers and just spread later, and

afterward just step by step, to whatever is left of the populace, we discover that (1) organizations that present new products must be all around financed with the goal that they can remain above water until the point that their products turn into a commercial success and (2) it is imperative to please beginning customers, since they will thusly impact numerous consequent customers' image decisions (Carman, 1978).

- A second application is public policy. In the 1980s, Accutane, a close supernatural occurrence cure for skin break out, was presented. Shockingly, Accutane brought about serious birth absconds if taken by pregnant women. In spite of the fact that doctors were told to caution their female patients of this, a number still ended up noticeably pregnant while taking the medication. To stand out enough to be noticed, the Federal Drug Administration (FDA) made the stride of requiring that extremely graphic pictures of disfigured infants be appeared on the pharmaceutical holders.
- Social marketing includes getting thoughts crosswise over to consumers as opposed to selling something. Marty Fishbein, a marketing teacher, went on sabbatical to work for the Centers for Disease Control endeavoring to decrease the rate of transmission of maladies through illicit medication utilize. The best arrangement, clearly, would be in the event that we could get unlawful medication clients to stop. This, be that as it may, was esteemed to be infeasible. It was likewise confirmed that the act of sharing needles was excessively instilled in the medication culture, making it impossible to be halted. Thus, utilizing information of consumer attitudes, Dr. Fishbein made a campaign that supported the cleaning of needles in blanch before sharing them, a goal that was accepted to be more realistic (Fournier, 1998).
- As a final benefit, considering consumer behavior should improve consumers. Common sense proposes, for instance, that in the event that you purchase a 64 fluid ounce jug of laundry detergent, you should pay less per ounce than if you purchased two 32 ounce bottles. Practically speaking, in any case, you frequently pay a size premium by buying the bigger quantity. At the end of the day, for this situation, knowing this reality will sharpen you to the need to check the unit cost names to decide whether you are truly getting a bargain (Rokeach, 1968).

II. RETAIL AND RETAILING

The word '*retail*' is gotten from the French word '*retailleur*', which means '*to cut a piece off*' or '*to break bulk*'. Retail is any business that guides its marketing efforts towards satisfying the final consumer based upon the organization of offering goods and services as means of distribution. The term '*retailing*' is gotten from the old French word '*retailer*' meaning '*a piece of*' or '*to cut up*.' This can be applied to the capacities carried out by the retailer-acquiring entire stock of goods which they separate into smaller amounts which are sold to individual consumers. Retailing can be refers to all activities engaged with marketing and distribution of goods and administration.

2.1 Types of Retailing

There are three noteworthy sorts of retailing. The first is the market, a physical location where buyers and sellers meet. Typically this is done around the local area squares, sidewalks or designated streets and may include the construction of temporary structures (market slows down). The second shape is shop or store trading. A few shops utilize counter-service, where goods are far from buyers, and must be acquired from the vender. This sort of retail is normal for little costly things (e.g. gems) and controlled things like pharmaceutical and alcohol. Self-service, where goods might be taken care of and examined preceding buy, has turned out to be more typical since the twentieth century. A third type of retail is virtual retail, where items are requested by means of mail, phone or online without having been examined physically yet rather in an inventory, on TV or on a site. In some cases this sort of retailing imitates existing retail sorts, for example, online shops or virtual marketplaces, for example, Amazon [5].

2.2 Organized and Unorganized Retailing

Indian retail industry is isolated into two sectors – organized and unorganized.

Organized retail area alludes to the sectors attempted by licensed retailers, that is, the individuals who are enlisted for assess on moveable commodities on occasion of offers under VAT framework. At show the name of the assessment is business impose. These incorporate the corporate retail formats of the elite brand outlets, hypermarkets, departmental stores and shopping malls.

Unorganized retailing then again, alludes to the conventional formats of low cost retailing, for instance, hand truck and pavement vendors, the nearby kirana shops, proprietor kept an eye on general stores, paan/beedi shops, comfort stores, handyman store at the corner of your street selling everything from restroom fittings to paints and

small development devices; or somewhat more organized restorative store and a large group of other small retail businesses in apparel, electronics, and so forth [6].

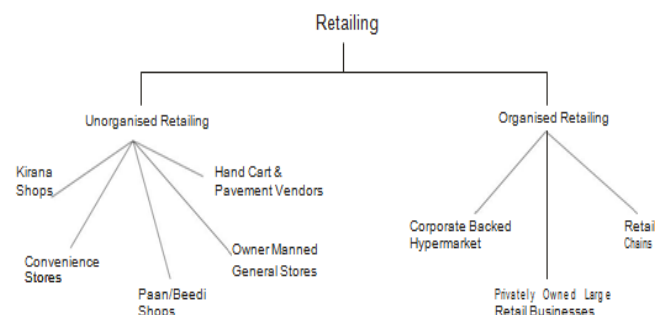


Figure 1: Organized and Unorganized Retailing

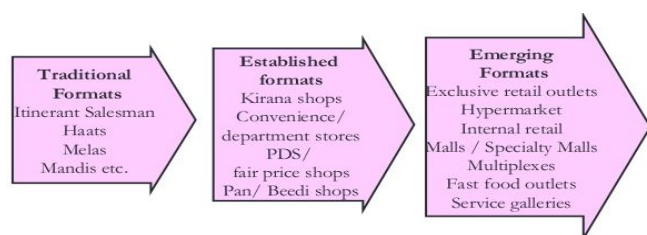


Figure 2: Evolution of Retail in India

2.3 Growth of Retail Sector in India

As Keaney's statistics appears, India is the second quickest developing economy of the world fixing the rundown for the Global Retailers. Consistent growth of i) income and its acceleration since eighties, ii) population and iii) mastery of population structure by the informed youth lighted a progressive change in viewpoint for accommodations, solaces and extravagances which has brought about extraordinary ascent in consumption expenditure and its pattern and structure being titled towards better way of life. This might be judged from the way that, as indicated by one gauge, total Indian retail market has developed from Rs. 7,04,000 crore in 2005 to Rs. 9,30,00,000 crore in 2007. Be that as it may, the organized segment represents just Rs. 35,000 crore, which adds up to just 0.03 for each penny of the total retail market.

2.4 An overview of the Indian retail sector

The Indian retail sector is much divided with 97% of its business being controlled by the unorganized retailers like the conventional family run stores and corner stores. The organized retail however is at an exceptionally incipient stage however endeavors are being made to build its extent to 9-10% by the year 2010 getting a gigantic open door for planned new players. The sector is the biggest wellspring of employment after agriculture, and has profound penetration into rustic India producing over 10% of India's GDP.

As per a market gauge after agriculture, retail is the biggest single sector, both in term of turnover or will as employment in India, with advertise size of \$20 billion. The report said the Indian retail industry is in transformation stage. Organized retailing in India, which represents fewer than 4%, is probably going to grow four overlays in the following five years [7].

The growth of the retail exchange India is related with the growth in the Indian economy. In light of the Market Information Survey of Households (MISH) of the National Council of Applied Economic Research (NCAER), the quantity of individuals in the salary gatherings of "aspirers" and the working class with yearly pay running from Rs. 90,000 to one million, dramatically increased from 157 million to 327 million amid the most recent decade. The data from the Central Statistical Organization (CSO) show the growth of genuine private final consumption expenditure.

III. APPAREL RETAIL SECTOR

A dress code is an arrangement of rules representing a specific mix of clothing. The nonstop unwinding of formal dress standards since the finish of the Second World War is rethinking what clothes constitute formal and semi-formal dress. The first term full dress was utilized as a part of the nineteenth century and the mid twentieth century to mean the most formal alternative accessible, while half dress and undress positioned underneath it. They demonstrated diverse clothes, however relate to some degree to the twenty-first century structure of formal, semi-formal, and informal [8].

3.1 Apparel

Apparel implies clothing, particularly outerwear; garments and attire. Apparel is a term that alludes to a covering for the human body that is worn. The working of clothing is solely a human trademark and is a component of about every single human culture. The sum and sort of clothing worn relies upon physical, social and geographical.

3.2 Features of Apparel

Physically, clothing fills some needs; it can fill in as protection from the elements, can improve wellbeing amid perilous exercises, for example, climbing and cooking. It shields human from harsh surfaces by giving a hindrance between the skin and the environment. Garments can shield humans from bug chomps. Garments can manage temperature in the harsh elements or warmth. Further, it can give a sterile hindrance, keeping poisons far from the body and constraining the transmission of germs, clothing likewise gives protection from destructive ultra violet radiation

3.3 Functions of Apparel

The primary function of clothing is to enhance the solace of the wearer. In hot atmospheres, clothing gives insurance from sunburn or wind harm, while in cool atmospheres its warm protection properties are by and large more imperative. Shelters more often than not decrease the functional requirement for clothing. Clothing plays out a scope of social and social functions, for example, individual, occupational and sexual differentiation, and social status.

In numerous social orders, standards about clothing reflect standards of unobtrusiveness, religion, gender, and social status. Clothing may likewise function as a type of decoration and a declaration of individual taste or style.

People have indicated extreme inventiveness in formulating clothing answers for ecological dangers. A few illustrations include: space suits, armor, diving suits, swim suits, beekeeper gear, and other defensive clothing.

The wearing of garments additionally has social ramifications. They are worn to cover those parts of the body which social standards require to be secured, and go about as a type of embellishment, and in addition other social purposes. In many cultures, gender differentiation of clothing is considered suitable for men and ladies. The distinctions are in styles, hues and fabrics.

3.4 Classification of Apparel

The textile manufacturers were among the first to get into branded menswear in the Indian market. This sector is maybe the most created as far as supply chain advancement in the branded clothing market. The apparel sector can be comprehensively arranged into Men's apparel, Women's apparel and youngsters' wear. Each of them can be additionally characterized into Formal, Casual, Indian wear, Sports Wear and Accessories.

A similar characterization can be adjusted for ladies' wear and youngsters' wear. Hence we can see that this sector has numerous characterizations and sub-arrangements adding to the many-sided quality and the intensity of this sector. Apparel Retail in India is portrayed by the presence of an extensive number of regional, national and international brands.

Another essential trademark is that retail happens through various groups, for instance an Arrow shirt would be retailed through stores like Shopper's Stop, Pantaloon, and so on and additionally through the organizations possess retail outlets (Vyas, 2007).

In menswear, the key players are Arvind Brands, Madura Garments, Raymond's/Park Avenue.

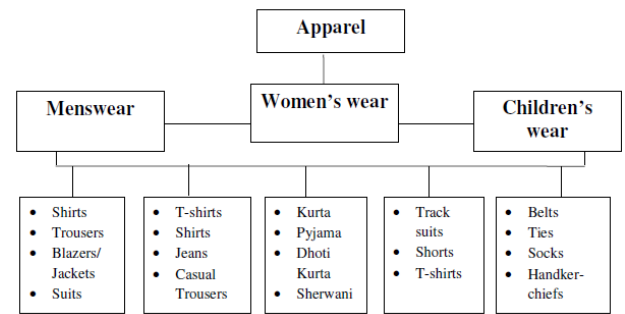


Figure 3: Classification of Apparel

IV. APPAREL RETAILING IN INDIA

Another emphasis on the apparel retail sector has pulled in consideration in late days. Top exporters have presented their own brands and are forcefully positioning themselves within segments of the domestic markets. The rising significance of brand segments in the domestic market joined with the weight of competition is obscuring the boundaries amongst exports and domestic production in nations with substantial home markets, for example, India. With the evolving lifestyle, organized retail is assuming a key part in structuring the Indian domestic market, fortified specifically by rising incomes and growing purchasing power among consumers in quickly growing sectors of the economy, for example, information technology and Business Process Outsourcing (BPO).

Retail sector in India is witnessing a colossal exercise as traditional markets clear a path for new arrangements, for example, departmental stores, hypermarkets, supermarkets and specialty stores. The branded apparel market speaks to the biggest wellspring of development. The men's branded apparel market is growing at a rate of 21.8% and branded women apparel segments speaks to 35% of the aggregate branded apparel market and is growing at an amazing 23% annually. Leading domestic retailers are winding up more immovably settled in, expanding their size of operations and settling their size of operations and settling their logistics and technology initiatives. A barely any critical remote players have been offering their branded apparel in India for number of years. Be that as it may, now, much the same as their India counterparts, global apparel brands are setting up their own particular apparel outlets, rather than simply offering through departmental stores. In spite of the fact that local retailers by and large appreciate higher margins, they won't have the capacity to keep global retailers under control for long due to international experience, buying power, IT systems and cash flow to endure lower profits. Nearness of these brands will make the Indian consumer turn out to be more aware of the international fashion and lifestyle patterns

prompting a move – up of the business in the value chain.

4.1 The Indian retail apparel sector

The significant issue with the Indian apparel retail market is its size and assorted variety of inclinations. It is additionally the main motivation behind why it has so much potential. It is being named the second biggest retail opportunity for retailers. According to explore by McKinsey, the local clothing market is evaluated at Rs 87,000 crore, 22 for each penny of which is made up by readymade garments. Of the 22 for each penny, 20 for every penny have a place with the branded apparel market. This implies in a market worth Rs 20,000 crore, just Rs 4,000 crore is taken into account by branded apparel. So there is as yet an Rs 16,000 crore market to be tapped.

The future potential of the huge players in apparel market lies in organizations trying to change shopper discernment and enable them to influence a progress from unbranded retail to apparel to branded retailing. To accomplish this, organizations are investing in infrastructure to increase quality, advertising specially brand administration. Brands are viewed as imperative in a character, feeling of achievement and individual fulfillment for the customers who are fashion cognizant.

V. CONCLUSION

Retailing is another rising area of the economy having a great deal of potential to contribute most extreme to the GDP. In the near future, competition will undoubtedly be hardened. Along these lines all players of the industry, that is, purchasers, dealers and contenders, should keep themselves refreshed with current happenings and patterns of the industry. It is just conceivable with the assistance of Research and Development (R&D) in light of the fact that by utilizing this mean, anyone can have a obvious learning about the genuine scene of the industry (apparel industry). In this respect, the present examination will be demonstrated as an exceptionally helpful and imperative device for every concerned client and it will give roughly all the garments certainties about apparel retailing. Consumer conduct is progressively a piece of key making arrangements for the future investment and development of any industry. Retail industry or definitely to state apparel industry is no special case. Being most incautious sector, apparel industry depends most on brand management and consumer discernment for the brand. Still the consumers for branded apparels are restricted to higher segment of the general public. A procedure of entrance among upper white collar class and working class i.e. service sector of the general public has begun and more consumers now lean toward branded apparels. Advertising and other brand management strategies has a noteworthy part in the move of worldview.

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