

Retail Marketing

^{*1}S.Vinothini & ^{*2}M.S.Sivasankaran

^{*1}PG Student, Bharathiar University, Arts and Science College (India)

^{*2}Assistant Professor, Bharathiar University, Arts and Science College (India)

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Corresponding Author

Email: mp.gayatri[at]gmail.com

ABSTRACT

The goal of this paper is to say about the effect of customer specific retail marketing on competition. Few retailers can take advantage of the power connected to the ownership of customer information. Consumers benefit from a much targeted. A second goal is to test a new way of conducting joint research with practitioners. An online community was set up for the discussion of micro-marketing related issues.

1. Retail Marketing

Meaning:

The term retailing is derived from the French word "retailer" which means 'a piece of'.

This implies the breaking up of bulk quantities to the retailer. The retailer acquires large quantities of the products and cuts them up into smaller quantities and sells them to individual consumers.

Retail marketing comprises the activities related to selling products to the consumers through channels such as stores, malls, other fixed locations. Retailing occupies a key role in the world of economy. Retailing involves all the activities of selling things to consumers for their personal, family, and household use.

A retailer is any person or an organization in reaching the goods, or merchandise, or services to the consumers. A retailer is a must and cannot be eliminated.

2. Types of Major Retail Outlets

Departmental Stores:

A departmental store offers several product lines such as clothing, home furnishing and household goods under one roof. Each line operates as a separate department.

Specialty Stores:

A specialty store concentrates on a narrow product line or a specialized product line; for example, foot-wear and jewellery.

Supermarket:

A supermarket provides relatively large low-cost, low-margin, high-volume, self-service operation; for example. Big Bazar.

Convenience Stores:

A convenience store is conveniently located in suburban areas and charges a slightly higher price and provides groceries and non-food items.

Discount Stores:

A discount store offers standard merchandise at low price with low margin and high volume.

Factory Outlets:

A factory outlet is opened and operated by manufacturers, and sells surplus or discounted goods.

Shopping Malls:

Shopping malls are the new format of retail outlets. They provide several products under one roof .They also provide means of entertainment such as mini theatre and food courts.

Retail marketing is the range of activities undertaken by a retailer to promote awareness and sales of the company's products. This is different from other types of marketing because of the components of the retail trade, such as selling finished goods in small quantities to the consumer or end user, usually from a fixed location. A study of retail marketing at university level includes effective merchandising strategies, shopping and consumer behavior, branding and advertising.

3. Importance of Retail Marketing

Retailing has mirrored the increasing prominence of the retail industry. Retailing provides necessary service and a positive contribution to the economy. The importance of retailing is given below:

1. Retailing shapes the lifestyle of people
2. Retailing contributes to the economy
3. Retailing dominates the supply chain
4. Retailing is interdisciplinary
5. Retailing offers itself as an academic course.
6. Retailers have status as employers.

7. Retailers are gatekeepers within the channel of distribution.
8. Retailers have scope for expanding internationally.

1. **Retailing shapes the lifestyle of the people:**

Retailing is an integral part of the modern society. It shapes the way of life. In the past, trading of goods was a part of a traditional society. But in recent times, buying and selling of goods have become a brand dominated activity.

2. **Retailing contributes to the economy:**

The importance of retail sector is reflected in its contribution to the growth of an economy. Its contribution is much more visible in the modern era than it was in the past. As the retail sector is linked to the significant portion of the economy, its contribution to GDP is substantial. Retailing is the driving force of the economy. It aims at promoting its sustained growth.

3. **Retailing dominates the supply chain:**

Goods and service flow from manufacturers or service providers to consumers. Where consumers are large in number and are widely distributed, the role of retailers becomes crucial. Retailers serve as a connecting link between the wholesalers and consumers. Due to its dominant position in the supply chain, the retail structure has steadily developed over the years.

4. **Retailing is interdisciplinary:**

The pace of growth within retailing is accelerating. Retailing has emerged from a number of interrelated disciplines such as geography, economics, management and marketing.

5. **Retailing is acknowledged as a subject area in its own right:**

Potter has described the academic study of retailing as the "Cinderella of the social sciences". Retailing is an accepted area of academic debate, such as marketing and management, developed fully as an area of study. University research centre's focus on retailing and professional appointments in retailing have been made. Academic journals focusing on retailing are being published worldwide.

6. **Retailers enjoy status as major employers:**

In today's society, retailers are the major employers. Retailers employ a significant proportion of the overall workforce.

7. **Retailers are gatekeepers within the channel of distribution:**

Retailers are becoming increasingly important in their role as gatekeepers within the channel of distribution. In the past, suppliers were dominant. As retailers have become significantly powerful, they are able to influence suppliers and stock only the brands they wish to sell. So, consumers are able to buy only what is stocked and offered to them by the retailers. Retailers are thus considered as shaping consumer demand.

8. **Retailing has scope for expanding internationally:**

Retailing offers scope for shifting retail operations outside the home market. Retailers who focus on luxury goods markets are expanding their business internationally. Retailers are moving into more geographically and culturally distant markets

4. Benefits of Retail Marketing

1. **Flatters And Makes Customers Feel Good:**

This is not a trifle. Remembering your customers' behavior, preferences, and information is flattering and rewarding to the customer. And when customers feel good, they feel like buying.

2. **Yields more customers:**

Your messages are much more likely to get attention and spur action when you personalize the topic, timing, and content.

3. **Increases resonance with the customer:**

When you tailor your message to the recipient, from the subject line to the content to the call to action, your message has more resonance because it actually means something.

4. **Makes Conversion easy:**

It has always been true in marketing that the more steps you require the customer to take, the more chances you have of losing them. Whether your goal is to get someone to buy a product, download an eBook or sign up for a webinar, people are always more likely to act when the action is fast and easy and personal.

5. Functions of retailers

1. **Function of breaking bulk:**

Retailers break up large quantities into smaller units such as individual cans, bottles, packets, appropriate for consumer use.

2. **Function of creating place utility:**

Retailers create place utility by transporting goods to the point of consumption.

3. **Stocking Varieties of goods:**

Retailers buy varieties of goods from various manufacturers or wholesalers. Thus, a retailer provides a wide range of choice enabling the consumers to select the products of their choice.

4. **Providing credit facilities to customers:**

Retailers grant credit facilities to consumers and thus increase their short-term purchasing power.

5. **Providing information to customers and wholesalers:**

Retailers act as a link between the buyers and wholesalers / manufacturers. In the distribution channel, retailers are in direct contact with customers. Retailers supply market information to manufacturers either directly or through wholesalers.

6. Estimating the demand and arranging the purchase of the product:

Retailers create demand for products by communicating with their customers. This demand creation is quite helpful for manufacturers and wholesalers.

7. Acting as consumer's agent:

The retailers anticipate the wants of the consumers and then supply them the right kind of goods at a reasonable price. Their job is to make the consumer's buying as easy and convenient as possible.

8. Marketing functions:

Retailers perform several marketing functions such as sales promotion, advertising and point of purchase display. They induce customers to buy products of reputed companies.

9. Connecting link:

The retailers are the connecting link between the wholesaler and the ultimate consumer.

6. Conclusion

In this paper I have explored the meaning of the terms retailing marketing. I have also considered the importance of the retail marketing and identified the different communication tools that a retailer might use to interact and communicate with their customers. I have considered the basics of the communication model that underpins the development of marketing communication messages. I have also explored how to use communications to build a brand and the characteristics of the different media that might carry marketing communications. In addition, I have identified a range of communication tools which make up the retail marketing.