

Mumbai – Leads Indian Triumph in Global Retail Competition

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ABSTRACT

Indian Retail Industry ranking 5th in the world has two sectors viz; organized and unorganized sectors. Since last few years it is observed to be the fastest growing industries in India.

The objectives of paper: The main objective behind this research is the analytical thought of huge and enthralling changes occurring in retail sector in the past. With a lot of reference of various articles, reports, newspaper editions and consultations with various academicians it was finally decided to select Mumbai city as base for the research as it has varieties of consumers, any changes takes place in the world it is the first to adopt and is also a financial capital hub of India.

The study is a comparison and overview of the Global Retail industry to Mumbai. The report tracks four market segments of countries-viz. US, Australia, China, UK. By understanding these trends a comparison is made with Retail in Mumbai city. On the basis of this comparison a retail picture of Mumbai is given in the study. The study is based on last five years annual trends of retail sector globally.

In view of the above fact, the paper outcomes the following objectives:

1. To comprehend the progression of retail sector in India
2. To study the growth trends of Mumbai retail sector
3. To study the growth of retail sector globally as compared to Mumbai.

Research Methodology: Sources of information is from journals, books, newspaper, government publications etc. The presented data is in the form of tables and graphs which are analysed at primary and secondary level with form of percent trends and chart.

KEYWORDS: Retail, Industry, Major Players in Global Market, Mumbai

Glimpse of Indian Retail: Retail sector of India is one of the largest revolutionary sectors. The revolution changes in Indian Retail sector can be witnessed with increasing new entrant in this sector. It is expected to have a tremendous growth of India's retail sector in next few years.

It started with 1995 as the opening stage for starting retailing in India and now it is reaching to the highest stage. The evolution of retail sector in India goes way back to the opening of Kirana stores i.e. convenience stores or mom-and-pop stores. They were set up with a motive to serve the local people of the country. Thereafter, the emergence of rural retail appeared in remote areas with help of Khadi & Village Industries Commission and other sectors with proper government support. Further, due to changes in retailing in 1980's there was a new opening in economy of India. Many manufacturers with the passage of time found this sector very profitable so moved to pure retailing and stopped manufacturing.

Starting of shopping malls with emergence of hypermarkets and supermarkets in the urban areas gave a world-class experience to the customers. Evolution of this new and fascinating experience led to huge investments, mergers and acquisitions as continuous improvement in various areas such as technology, transportation, supply chain management, distribution channels etc. Due to modern retailing which has just began it is expected that India's retail sector will grow 10% a year showing US\$330 billion in next few years. Indian retail sector scenario is approximately 70% as unorganised sector which gives a big challenge to the organized sector. Consumers believe unorganised sector of retailing, as it is there in India since ages and people are familiar to it from generations to generations. Retailers also like this unorganised sector because it is operated by single owners, less investment, low labour cost and low taxes to pay. With all this preference to unorganised sector, there is a incredible scope for organized retail business in India.

Organised retail sector in India has highest potential in Mumbai with Rs 1.05 lakh crore, followed by Delhi with a potential of Rs 77,900 crore and third in the list is Bengaluru, with potential of Rs 48,600 crore , according to 2016 report of Knight Frank & Retailers Association of India's 'Think India. Think Retail.

A recent report study inputs that the modern retail of India is set to increase in Mumbai, Delhi and Bengaluru from 13.5% to 50% by 2036, from 26% to 50% by 2028 and from 24% to 50% in 2026 respectively. This report further adds that modern retail sector in India is comparatively lower to US, Singapore and China globally.

Through there are global comparisons not favourable there is innovations in organised sector which makes retail sector developing fast.

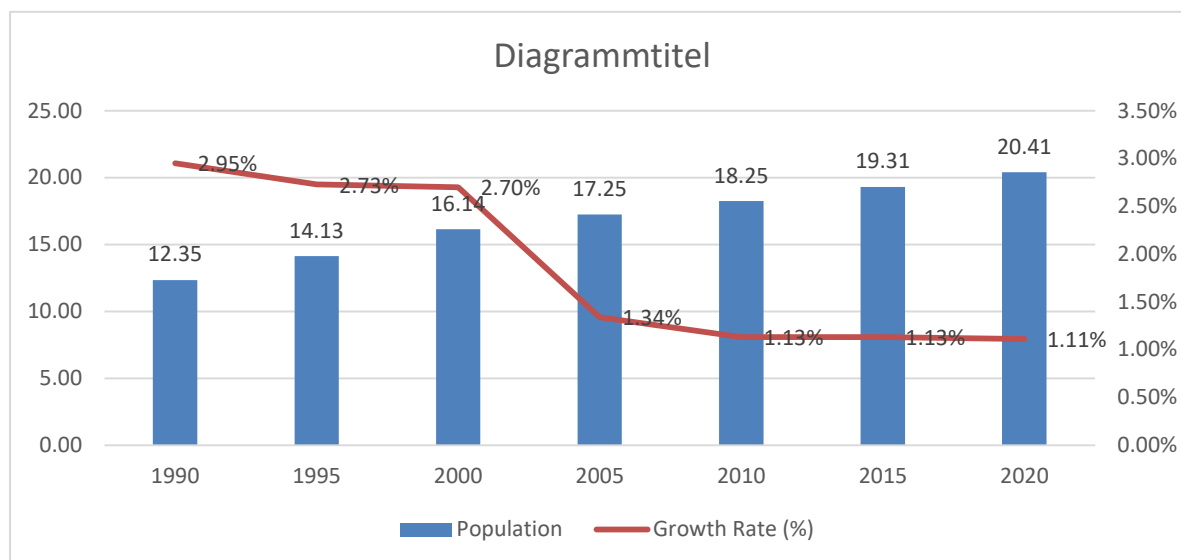
Basic unknown Facts of Mumbai -

A Portuguese explorer Francis Almeida from Bom Bahia named this city Bombay which means 'the Good Bay'. Presently it is named after goddess Mumba Devi of the Koli community as Mumbai. When Princess Braganza married Charles II of England, 'Bombay', a set of seven islands, actually not part of the British Empire, was then to given as dowry by the Portuguese.

Population of Mumbai

Mumbai which was known as Bombay is the capital city of the state of Maharashtra in India. As per a research it is said that Mumbai is the most populous city and one of the populous urban regions in the world, with metro population of about 20,411,274 people in 2020. This can be explained in the following table and graph¹

Year	1990	1995	2000	2005	2010	2015	2020
Population	12.35	14.13	16.14	17.25	18.25	19.31	20.41
Growth Rate (%)	2.95%	2.73%	2.70%	1.34%	1.13%	1.13%	1.11%



Mumbai Population Growth - Mumbai's population was 3,088,811 in 1950 and represents a 1.11% annual change where Mumbai has grown by 1,095,537 since 2015 to 20,411,274 in 2020.

According to the latest amendment of the UN World Urbanization Prospects the population estimates and projections during 2011 of India which put Mumbai's Urban Agglomeration at 20,748,395, while the city itself was recorded at 12,478,447 as per the recent census. It is expected that the next national census is to be conducted in 2021.

Demographics in Mumbai - Mumbai city demographics is full of overflowing migrants coming from nearby cities in search of employment opportunities. India's one of the most populated city Mumbai, has 16 major languages spoken, including colloquial form of Hindi called Bumbaiya.

There are mixed religions in Mumbai framing a cultural diversity throughout the area, with mostly practiced religion as Hindu, with approximately 2 out of 3 Mumbai residents, comprising of Maharashtrians at 42%, Gujarati's at 19% and rest of the population from other areas of the country.

Mumbai, 'The City that Never Sleeps'.

What is so special about the city which makes it a magical place that keeps everyone awake and always moving when whole country is sleeping? The enthusiasm of the city and the alive attitude makes it different from others. Whatever time you move throughout the city there is a magnifying energy which sparkles you and leaves you in amaze. Mumbai is also a city of struggle which makes people crazy about it. It greets visitors with lot of warmth, where people are crazy to be a part of the city's charm and gleam. Many motives may be one of the reasons which makes the city as city of dreams!

A vibrant and happening city, Mumbai is always on move and never sleeps. Liberalization and modernization have set up the spirit of changing pace in the most modern city of India. Mumbai in last so many years has transferred itself into new business houses, innovative markets, and various different communities representing a cosmopolitan and trendy atmosphere generally not seen elsewhere. Retail markets in Mumbai with its fast growth has also given rise to fast food outlets in every nook and corner of the city with Mumbai's very own Vada pav, Bhelpuris and Pav bhaji.

Get ready for 24X7 Mumbai- On 27 January 2020, Monday, Mumbai was added to a list of more than 10 global cities that are open 24X7. The '24X7' concept has lot of divided opinions. Those who are supporting it consists of the motivated youngsters and aspiring people, who feel the need of having round-the-clock restaurants, pubs and entertainment avenues.

Mumbai is a city where people spend hours commuting from one place to another, restless jobs, mechanical life, opening up of supermarkets, libraries, resorts, car repair services, drama theatres, multiplexes, etc 24x7 will improve quality of life of the people in the city.

Rest of the people in the city expresses their views on issues of safety and security of women and the nuisance that people may face if the concept of 24x7 is initiated.

Further they also point out the fear towards the already overstrained police force, which will further be stretched.

Many foreign cities like Tokyo, London, Hong Kong, New York, Barcelona and Shanghai have been successful in implementing this concept by working around the challenges of managing nightlife plans with adopting multi-agency, public, private and holistic strategies.

Three main pillars which can make the city vibrant 24X7 are People, Transport and Policing.

Mumbai people should take the initiative as residents of the city working along with state administration which is established for the purpose. When it comes to citizens of a city, people should take charge for sharing the responsibility to implement concept of 24X7. There should be proper survey conducted amongst the citizens for their views on accepting the concept of 24X7 and getting public places activated for cultural activities.

A city with 24X7 should have proper transportation facilities for easy mobility. A strong and vibrant night transport train and bus system, cabs and autos need to be designed. Adequate lightening's on the streets, sitting places and accessible walking for people should also be designed for successful implementation.

Finally, it comes to the main aspect i.e. policing. With very less staff in the police force in Mumbai city, the police system will be needed to be consulted and any new method worked out to support it. The residents will have to step in with volunteers, and also the different establishments must assure that they will provide trained private security who could help in keeping the city safe.

At this hour when our economy is very slow this concept of 24X7 will give a boost, unemployment problem will be reduced but only if the above three pillars are strengthened.

A luke warm response on the 1st day of Mumbai malls open 24/7

On January 22, the Cabinet of Maharashtra approved a proposal to allow malls and fast food outlets to remain open in Mumbai 24x7 from January 27.

The introduction of 'Mumbai 24 hours' first day was not euphoric as per 28th January 2020, Times of India.

All malls did not participate in this initiative due to various concerns which made them think over the issue's like late-night footfalls, additional manpower, different extra increase in costs, and lastly the most important aspect of security.

Another fear that was raised by mall owners was of high cost electricity and maintenance in the outlets which may be of a great concern as it would a cost burden if there are lot of footfalls.

Many malls remained open till 3AM for a trial run over the weekend on Jan 24th and 25th night which includes Phoenix Market City in Kurla, Growel's in Kandivali, Atria in Worli and High

Street Phoenix in Lower Parel said the response was not so good and likeable and so they decided not to keep it open on weekdays round the clock.

Finally, a cumulative decision was taken by the mall owners' group that they will keep the malls open until 3AM only on weekends and on national holidays. Then as the response increases, they may think of keeping it open for number of days and also introduce the same for other retail shops.

As malls remained shut on the first day after the lukewarm response during the trial run on a weekend, McDonald's the global fast food chain, which had also agreed to keep their outlets open throughout the week till 3AM, did not do so.

Mumbai being the financial capital of India, is clear and all mall owners also agree that in near future there is sure to be a long-term success and potential of 24X7 malls. But also expressed the fear that it is possible only with proper transportation and safety measures.

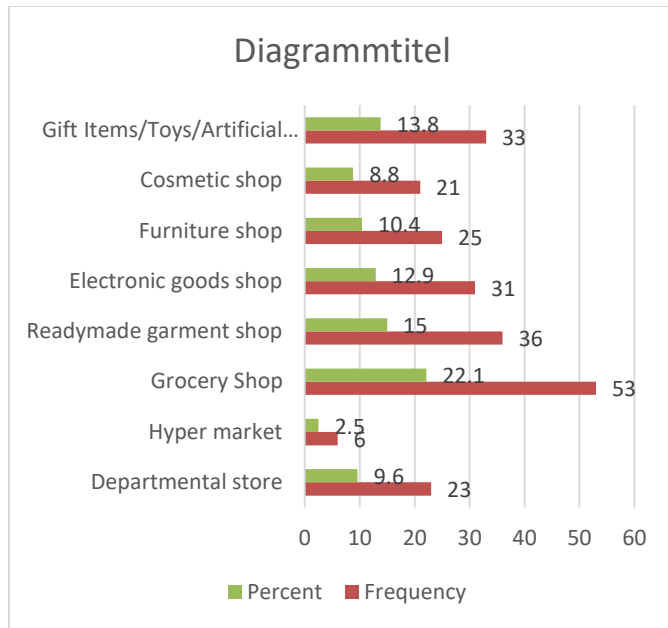
Mall owners elaborated that the lifeline of Mumbai, its local train service should cooperate and keep their services available throughout the night and with that also have enough police patrolling around 24X7 shopping areas.

Division of retail sector in Mumbai

A small research with organized retailers in Mumbai was conducted and the results put in tabular form. The below table and graph show that there are all categories of shops in the organized section the market is evenly distributed with various category shops. This shows that gradually organized outlets in Mumbai are apprehending the market with every category, keeping in mind the needs of the consumers and the overall demand in areas of electronics, readymade garments and groceries, with a new shift in the economy a special category of demand has been developed in items of toys, artificial jewelry and gifts.

CATEGORIES OF RETAIL SHOP

Category of the shops	Frequency	Percent
Departmental store	23	9.6
Hyper market	6	2.5
Grocery Shop	53	22.1
Readymade garment shop	36	15

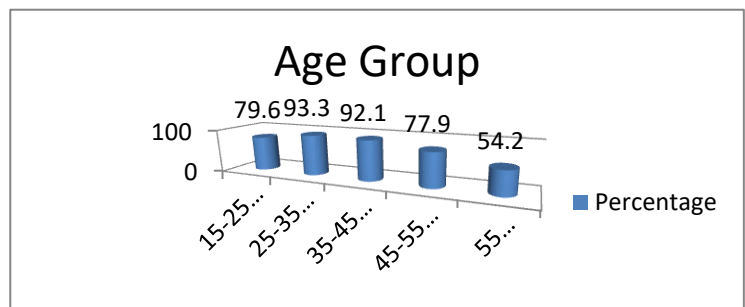


Electronic goods shop	31	12.9
Furniture shop	25	10.4
Cosmetic shop	21	8.8
Gift Items/Toys/Artificial Jewellery	33	13.8

Source: Statistical analysis of Primary data.

The visitors age profile visiting to the Malls

Age Group	Percentage
15-25 years	79.6
25-35 years	93.3
35-45 years	92.1
45-55 years	77.9
55 years and above	54.2



Source: Statistical analysis of Primary data.

As Mumbai is considered to be the commercial capital of India and the consumers in this city are young so demand changes every minute and it is assumed that changes enter here first. To make this more eminent a random survey of the consumers visiting the retail outlets was conducted.

The details are as follows:

The research was further covered with customer profile which included different age group of customers visiting the organized retail outlets and the details are mentioned in the above table.

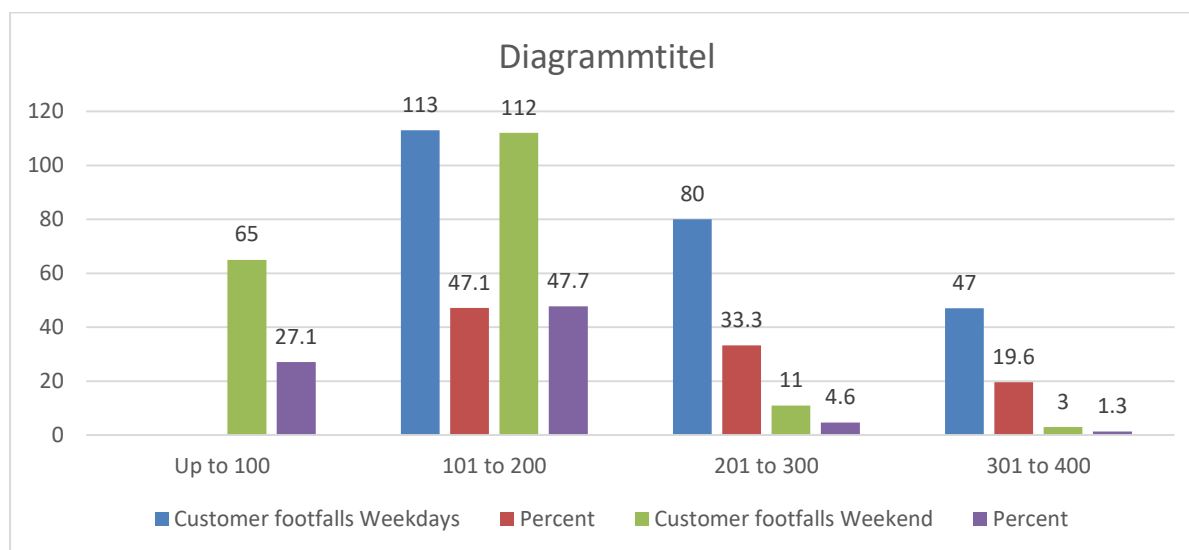
Customer Footfalls

Even with a low percentage of organised sector in India there is a remarkable impact on the economy and it has slowly started making an impact on consumer's behaviour. There is a big gap between the customers making purchases and visiting the malls. Mumbai with a lot of uncertainty

in consumer's behaviour has different patterns during weekends and weekdays. To understand the above change a survey was conducted and the results are as follows.

Customer footfalls during Weekdays & Weekends in the Malls

Particulars	Customer footfalls Weekdays	Percent	Customer footfalls Weekend	Percent
Up to 100	65	27.1	65	27.1
101 to 200	113	47.1	112	47.7
201 to 300	80	33.3	11	4.6
301 to 400	47	19.6	3	1.3



Source: Statistical analysis of Primary data.

Growth Opportunities in the Global Retail Market

Retail sector players have observed a lot of opportunities in the sector with growing population, rising GDP growth, greater disposable income, and increasing consumer spending combining to drive the Global retail market. A leading global management consulting and market research firm, Lucintel, has analysed the Global retail market and has a finding after analysing in global retail market the growth opportunities which can be observed by following discussions.

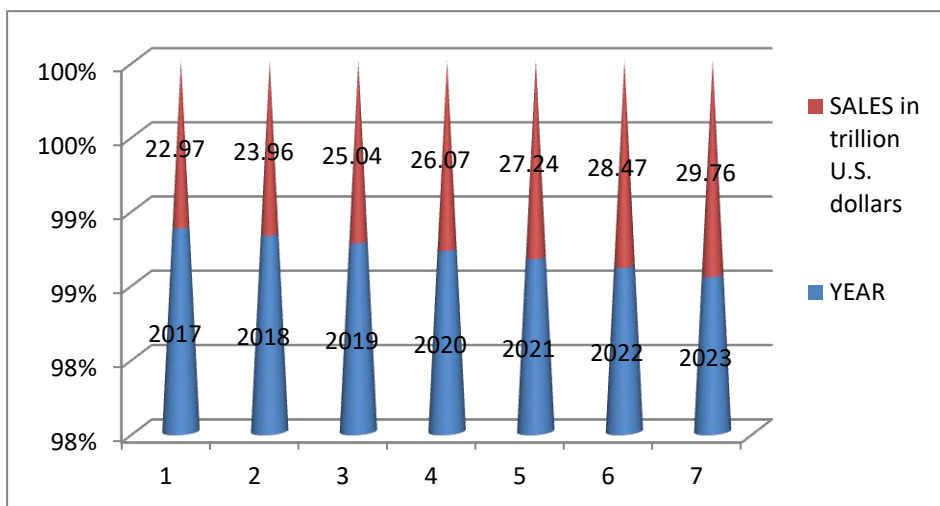
Retail in the U.S.

There was an expected shoot up of Global retail sales projected in 2017 of approximately U.S. dollars 23 trillion to around U.S. dollars 30 trillion by 2023. A retail industry comprises of goods and services which starts with the manufacturing products and ends with a purchase made by

consumers from retailers. The annual trend and a clear forecast can be trailed with the following Global Retail Industry scenario².

US total retail sales growth 2017 to 2023

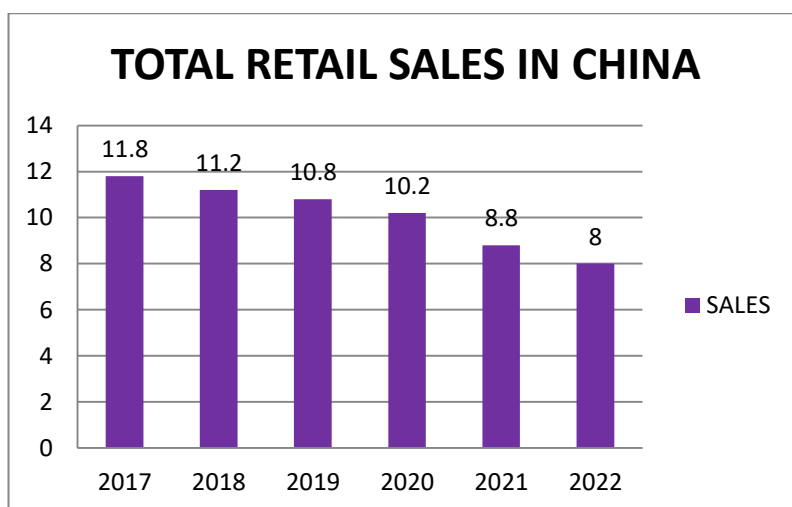
YEAR	SALES in trillion U.S. dollars
2017	22.97
2018	23.96
2019	25.04
2020	26.07
2021	27.24
2022	28.47
2023	29.76



Retail in China

There is a decline graph of China’s Retail Sales year by year as from 2017 to January 2022. The main reason for decline in the retail sales is the introduction of E-commerce. Even when China which is very popular in producing cheap products, E-commerce has gained importance due to online purchases which are found to be cheaper than the products in retail market. Thus, reducing its retail importance online marketing has captured the Chinese market. Further this can proved with the following table and graph³

YEAR	SALES
2017	11.8
2018	11.2
2019	10.8
2020	10.2
2021	8.8
2022	8

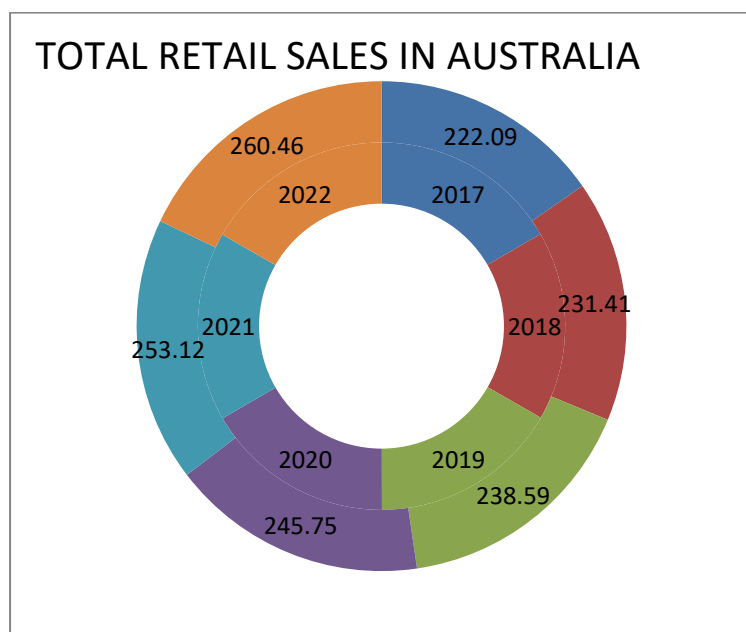


Retail in Australia

Since 2004, Australia has been observing a e very year increase in retail turnover. It was observed that the total retail sector turnover in the country was estimated to 320.8 billion Australian dollars in 2018, which was approximately 9 billion Australian dollars increase from the previous years.

This can be clearly observed form the below given table and graph².

Total retail sales in Australia’s retail sales growth between 2017 to 2022.



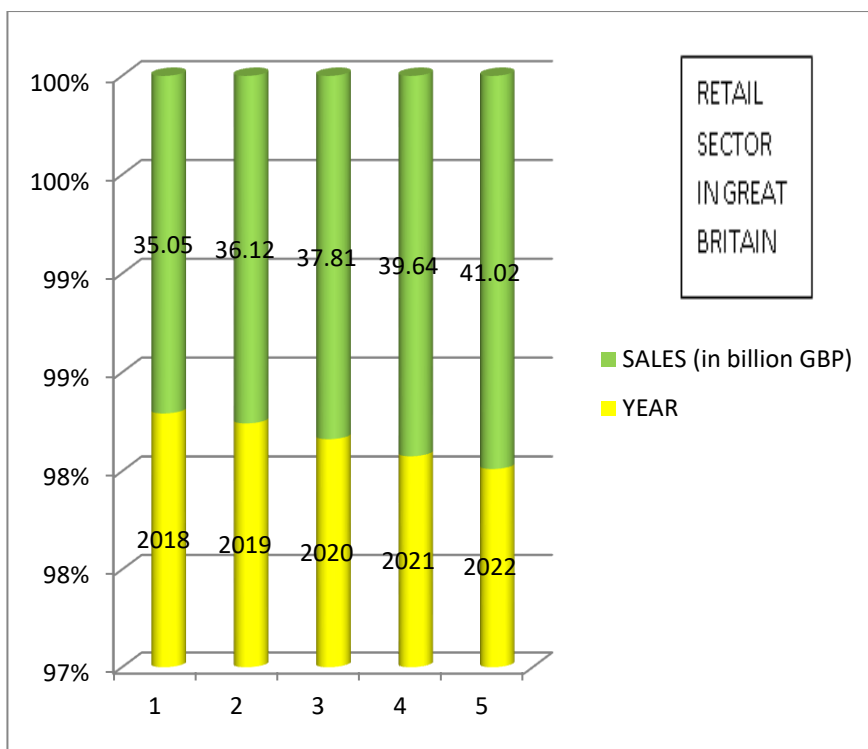
YEAR	SALES (in Australian Dollars)
2017	222.09
2018	231.41
2019	238.59
2020	245.75
2021	253.12
2022	260.46

Retail sales value in Great Britain 2018-2022

Generally last month of the year there is a holiday shopping which is at its peak in retail sales in the United Kingdom. The sales value of retail sector in the UK amounted to 51 billion British pounds in December 2022 as the highest in the last three years. Year 2022 proved to be a successful retail year for UK, including automotive fuel, delivered its shiniest results. It is explained with below table and graph²

YEAR	SALES (in billion GBP)
2018	35.05
2019	36.12
2020	37.81

2021	39.64
2022	41.02



Value of modern retail market in Mumbai India

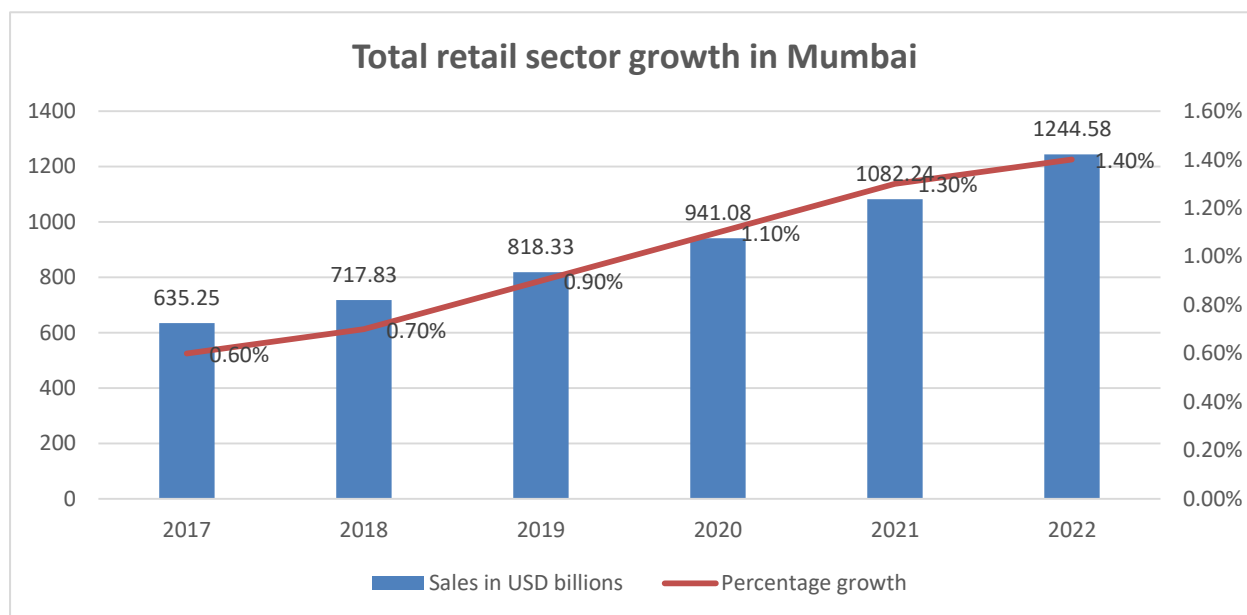
As per a report published by Statista Research Department, 2022.

The modern retail market size across the city of Mumbai in India broke down by category, in 2016 as per statistical data representing the value. Nearly 56 billion Indian rupees during the measured time period was valued in the city's apparel market size.

The below shown table and graph⁴ represents a outlook of the retail sector growth of Mumbai in comparison to world.

Total retail sector growth in Mumbai in comparison to world

YEAR	Sales in USD billions	Percentage growth
2017	635.25	0.60%
2018	717.83	0.70%
2019	818.33	0.90%
2020	941.08	1.10%
2021	1082.24	1.30%
2022	1244.58	1.40%



With addition to the above retail growth analysts suggests that by 2034 India will become the second largest e-commerce market in the world. At a later stage, this analysis can be used as interventions to creating synergy between national priorities, these interventions can be integrated into market realities, the supply chains of the foreign retailers in India and abroad, private-public cooperation and globalization.

CONCLUSION The retail sector in India is growing rapidly even in the integral part of populated cities and towns in the countries. It has seen a drastic change in the sector after 1990 as a help in growth of Indian economy. After the study there are following observations.

1. Growing organised retail sector at 8% amounting to US\$ 3.31 billion.
2. Industrial status is lacking.
3. More participants in retail revolution thus increasing urban population.
4. Improved spending power of people due to social factors like dual household income.
5. Lifestyle products and attractive products are the most purchased products.
6. There is a risk of drastically affecting consumer spending due to low GDP Growth.
7. Due to outdated labour laws, 24/7 shopping experience can see a deterrent.
8. Lack of qualified personnel is also a problem to growth in retail.
9. Different taxation laws.

Recommendations:

In 2011 the size of organized retail market has been estimated differently by many agencies. The retail industry basically depends on external factors like Government policies, rules and regulations

of real estate prices, activities of retailers, demands of the customers etc. If competition increases and retail sector changes its role, shape and size, the latent for improving retail sector productivity and cost cutting is likely to decrease. Hence, it is important for retailers that they secure an exclusive position in the market place with the help of its experience, maintaining values and relationships with the customers. At the end it is most important to note that the strategies are surely dependent of each other. The retail sector in today's date has to enhance personalisation offerings and memorable experiences to the customers with the regular feature of reasonable price, quality and exclusive services.

With the review of international retail experience and on the basis of results of the survey there are certain recommendations presented:

1. Public Private Partnerships can play a major role in modernization of retail markets.
2. Managing facilitates like Metro, cash-and-carry outlets and sale from unorganised retail at a cheap rate.
3. Direct procurement from suppliers and farmers to encourage the unorganised retailers and co-operatives.
4. Government should make amendments in the rules and regulations in providing financial help to unorganised retailers.
5. Banks and micro-credit institutions through innovative banking solutions can provide better credit facilities to unorganised retailers.
6. Small initiatives by government as facilitates to farmers by forming farmers' co-operatives which can directly sell to organised retailers.

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