



# RETAIL MANAGEMENT

## AN INTRODUCTION



- **RETAILING IS A PART OF OUR LIFE**
- **IN RECENT PAST BUYING AND SELLING HAS BECOME MORE FORMAL AND BRAND DOMINATED**
- **TRADITIONAL FORMS CO EXSIST WITH ORGANIZED RETAILERS.**

# RETAILING IS.....

IT ENCOMPASSES THE BUSINESS ACTIVITIES INVOLVED IN SELLING GOODS AND SERVICES TO CONSUMERS FOR THEIR PERSONAL, FAMILY, OR HOUSEHOLD USE. IT INCLUDES EVERY SALE TO FINAL CONSUMER RANGING FROM CARS TO APPAREL TO MEALS AT RESTAURANTS TO MOVIE TICKETS. RETAILING IS THE LAST STAGE IN THE DISTRIBUTION CHANNEL

# THE TYPICAL DISTRIBUTION CHANNEL

**MANUFACTURER**

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graph TD; A[MANUFACTURER] --> B[WHOLESALER]; B --> C[RETAILER]; C --> D[FINAL CONSUMER];
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**WHOLESALER**

**RETAILER**

**FINAL CONSUMER**

# **DAVID GILBERT DEFINED RETAIL**

**AS- ANY BUSINESS THAT DIRECTS  
ITS MARKETING EFFORTS TOWARDS  
SATISFYING THE FINAL CONSUMER  
BASED UPON THE ORGANIZATION  
OF SELLING GOODS AND SERVICES  
AS MEANS OF DISTRIBUTION**

# What is Retailing-

**Retailing** includes all the activities involved in selling goods or services directly to final consumers for personal, nonbusiness use-by  
Kotler

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# RETAIL MANAGEMENT IS.....

- THE PROCESS OF BRINGING THE ULTIMATE USER TO THE MAIN PRODUCER THROUGH A SERIES OF STAGES WHERE RETAILING IS THE LAST ONE.
- IT IS NOT LIMITED TO QUANTITIES BUT TO THE EXACT REQUIREMENT OF LAST USER.
- BRINGING ABOUT OPERATIONAL EFFICIENCY AT THIS LAST STAGE AND MAKING AN ENVIRONMENT SO COMPELLING THAT THE CONSUMER LOOKS NO WHERE ELSE.

- **RETAIL MANAGEMENT IS AN ART.**
- **IT REQUIRES A NUMBER OF MANAGEMENT TOOL FOR A COMPLETE END USER SATISFACTION.**
- **RETAIL MANAGEMENT IS GETTING TO KNOW THE FINAL USER ON BEHALF OF A MANUFACTURER.**





# EFFECTIVE RETAIL MANAGEMENT

- THE RETAILER MUST KEEP A RECORD OF ALL THE PRODUCTS COMING INTO THE STORE.
- THE PRODUCTS MUST BE WELL ARRANGED ON THE ASSIGNED SHELVES ACCORDING TO SIZE, COLOR, GENDER, PATTERNS ETC.
- PLAN THE STORE LAYOUT WELL.
- THE RANGE OF PRODUCTS AVAILABLE AT THE STORE MUST BE DIVIDED INTO SMALL GROUPS COMPRISING OF SIMILAR PRODUCTS. SUCH GROUPS ARE CALLED CATEGORIES. A CUSTOMER CAN SIMPLY WALK UP TO A PARTICULAR CATEGORY AND LOOK FOR PRODUCTS WITHOUT MUCH ASSISTANCE.

A UNIQUE SKU CODE MUST BE ASSIGNED TO EACH AND EVERY PRODUCT FOR EASY TRACKING.

NECESSARY LABELS MUST BE PUT ON THE SHELVES FOR THE CUSTOMERS TO LOCATE THE MERCHANDISE ON THEIR OWN.

DON'T KEEP THE CUSTOMERS WAITING.

MAKE SURE THE SALES REPRESENTATIVES ATTEND THE CUSTOMERS WELL. ASSIST THEM IN THEIR SHOPPING. GREET THEM WITH A SMILE

THE RETAILER MUST ENSURE ENOUGH STOCK IS AVAILABLE AT THE STORE.

- MAKE SURE THE STORE IS KEPT CLEAN. DON'T STOCK UNNECESSARY FURNITURE AS IT GIVES A CLUTTERED LOOK TO THE STORE. THE CUSTOMERS MUST BE ABLE TO MOVE FREELY.
- THE STORE MANAGER, DEPARTMENT MANAGERS, CASHIER AND ALL OTHER EMPLOYEES SHOULD BE TRAINED FROM TIME TO TIME TO EXTRACT THE BEST OUT OF THEM. THEY SHOULD BE WELL AWARE OF THEIR ROLES AND RESPONSIBILITIES AND CUSTOMER ORIENTED. THEY SHOULD BE EXPERTS IN THEIR RESPECTIVE AREAS.

THE STORE MANAGER MUST MAKE DAILY SALES REPORTS TO KEEP A TRACK OF THE CASH FLOW. USE SOFTWARES OR MAINTAIN REGISTERS FOR THE SAME.

REMOVE THE UNSOLD MERCHANDISE FROM THE SHELVES. KEEP THEM SOMEWHERE ELSE.

CREATE AN ATTRACTIVE DISPLAY.

PLAN THINGS WELL IN ADVANCE TO AVOID CONFUSIONS LATER ON.

# RETAIL COMES FROM.....

- **A FRENCH WORD**
- **TO CUT OFF, CLIP OFF, DIVIDE.**



# CHARACTERISTICS OF RETAILING

- **DIRECT END USER INTERACTION**
- **SALES ARE IN SMALLER UNIT SIZE BUT ON FREQUENT BASES.**
- **LOCATION IS A CRITICAL FACTOR.**
- **SERVICES ARE AS IMPORTANT AS CORE PRODUCTS.**

- **THEY OFFER AN ASSORTMENT OF PRODUCTS.**
- **LARGE NUMBER OF RETAIL OUTLET IN COMPARISON TO OTHER MEMBERS OF THE CHAIN.**
- **THE AVERAGE AMOUNT OF SALES TRANSACTION FOR RETAILERS IS MUCH SMALL.**
- **FINAL CONSUMER MAKES MANY UNPLANNED OR IMPULSE PURCHASE.**
- **RETAIL CUSTOMER USUALLY VISIT A STORE EVEN IF WEBSITE SALES EXISTS.**



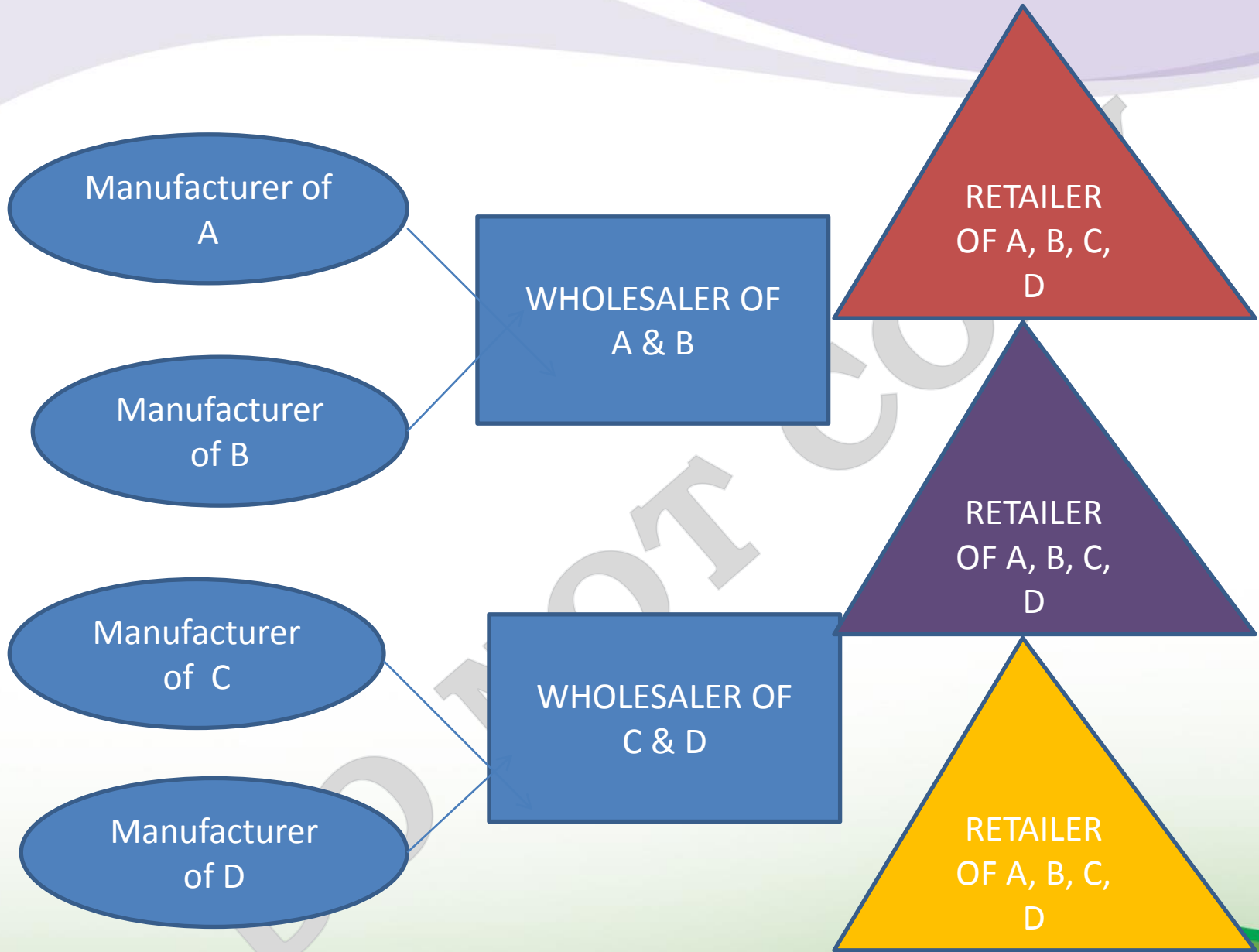
# **FUNCTIONS OF A RETAILER**

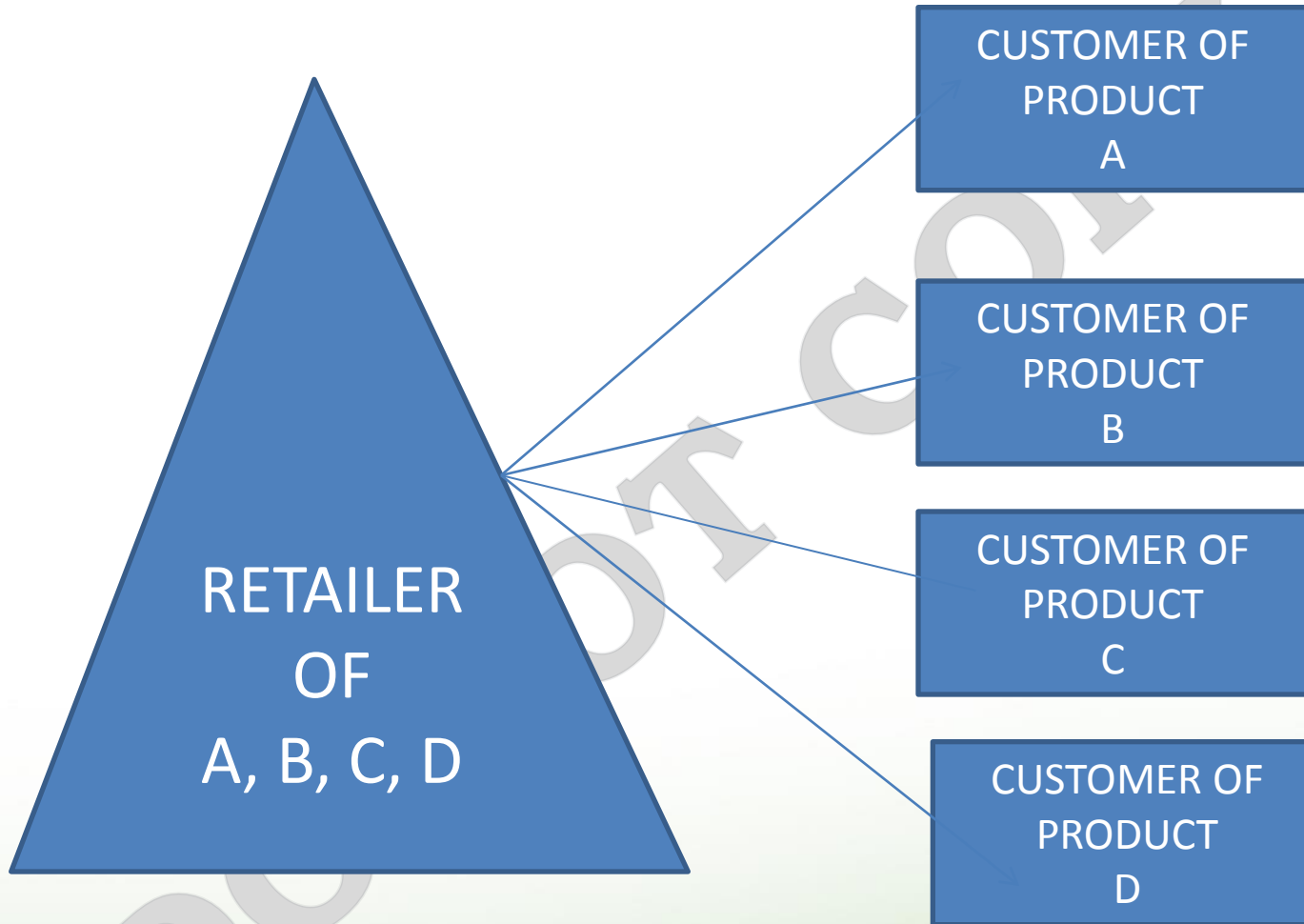
- 1. PROVIDING AN ASSORTMENT OF PRODUCTS**
- 2. BREAKING THE BULK**
- 3. HOLDING STOCK**
- 4. PROVIDING SERVICES**



# PROVIDING AN ASSORTMENT OF PRODUCTS

- **PROVIDE A LARGE VARIETY OF PRODUCTS.**
- **THE SAME AS WELL AS DIFFERENT BRANDS**
- **CONSUMERS THUS HAVE A WIDE RANGE TO CHOOSE FROM.**
- **RETAILERS BALANCE THE DEMAND FROM BOTH SIDES.**
- **THEY MAY SPECIALIZE IN ONE KIND OF ASSORTMENT.**





# EXAMPLES



# BREAKING THE BULK

- PRODUCERS SELL IN LARGE QUANTITIES AND CONSUMERS BUY IN SMALL QUANTITIES.



# HOLDING STOCK

- **HOLDS STOCK FOR THE MANUFACTURERS**
- **MAINTAIN AN INVENTORY FOR INSTANT AVAILABILITY OF PRODUCTS FOR CONSUMER.**
- **THIS HELPS TO KEEP PRICES STABLE.**



**• ENABLING MANUFACTURER  
TO REGULATE PRODUCTION.**

**HELPS CONSUMERS TO KEEP  
PRODUCTS IN SMALL  
QUANTITIES**





# PROVIDING SERVICES

- **CREDIT TO CONSUMERS**
- **DISPLAY OF PRODUCTS , CONSUMERS CAN SEE AND TEST THEM**
- **SALES PEOPLE TO ANSWER QUESTIONS AND ADDITIONAL INFORMATION.**
- **HOME DELIVERY.**

