

Emerging Retail Sector In India: Challenges before Educators and Trainers



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Abstract

Indian Economy is witnessing the Indian organized Retail sector's drastic expansion, despite facing opposition from a number of local vendors and political Parties. The Indian Retail sector has been declared as an attractive destination for the major Retail biggies from all over the world and is successful in attracting huge investments from not only the national players like Reliance, Raheja's, RPG, Bharti etc but also from the International Retail giants like Wal-Mart and Carrefour. But being a developing country Indian retail is still in its Infancy. With major problems like Infrastructure constraints, political pressure, big rural share and Human Resource problems. Indian Retail sector is still dominated by a 95% share of the Unorganized sector. These factors serves as an attractive ground for people who want to pursue their careers in Retail, as the emergence of retail sector is definitely going to create big employment opportunities in the country and as a result the demand for retail Management as a separate course is coming up which definitely is not free from problems, The article throws light on certain important aspects of retail along with the challenges and problems faced by educators and trainers in Imparting retail Management education to the Management aspirers.

Introduction

Indian is an emerging economy, where all the sectors are growing with leaps and bounds. One such sector which is growing and has immense potential for future growth is the Indian Retail Sector. The concept of retailing is not strange or new to the Indians. Retail can date back since the inception of Economic activities. Man has been selling through different Retail formats since a number of years.

Retailing started in India with weekly haats or gathering at a small market place(still existing and quite common in rural areas), which was followed by Local Mom and Pop stores and small kirana stores. But Now an altogether new aspect of the Indian Retail Sector can be seen to be emerging, which has forced the marketers and big business houses to put their foot forward into the matter and thereby accelerating the Research work in this particular field.

Indian Retailing can be divided into organized and Unorganized sector. With 97% of its business being run by the unorganized retailers like the traditional family run stores and corner stores, Indian retail sector is dominated by unorganized retail sector. According to a study conducted by Associated Chambers of Commerce and Industry of India (Assocham), the rapid growth in India will further continue and total sales will touch \$365 bn in 2008, as against \$300 bn in 2007.

With the present contribution of a meager 5% (\$16 bn) share of the organized retail in the total retail sales, the figure is nearly negligible when compared to major economies like US, Taiwan, Malaysia etc, where the contribution of organized retail sales is of the volume of 80% in the total retail sales(**Exhibit**), the contribution of organized retailing in India is expected to be more than double over the next five years. The organized retail is expected to grow at a rate of approximately 35% per annum till 2010.

The growth of organized retail sector in India is evident from the simple fact that Organized retail players occupied a space of 14 million sq ft by 2007 as against just 1 million sq ft in the year 2002.