

## What Is Retail?

**Retail**, by definition, is the sale of goods or service from a business to a consumer for their own use. A retail transaction handles small quantities of goods whereas wholesale deals with the purchasing of goods on a large scale. Retail transactions are not to be confused with online transactions; goods must be sold from a single point directly to a consumer for their end users.

A **retailer** is a person or business that you purchase goods from. Retailers typically don't manufacture their own items. They purchase goods from a manufacturer or a wholesaler and sell these goods to consumers in small quantities.

**Retailing** is the distribution process of a retailer obtaining goods or services and selling them to customers for use. This process is explained through the supply chain.

## Introduction

### Define Store:

"A store is place , real or virtual , where the shoppers comes to buy goods & services. The sales transaction occurs at this junction."

- The location of retail store has for along time been considered the most important **'P'** in retailing.
- Locating the retail store in the right place was considered to be adequate for success.

- ❑ Location becomes a critical decision for a retailer for several reasons. As like;
- ❑ Location is generally one of the most important factors customers consider while choosing a store.
- ❑ A bad location may cause a retailer to fail even if its strategic mix is excellent.. On the other hand , a good location may help a retailer succeed even if its strategic mix is mediocre.
- ❑ Store location is least flexible element of retailer's strategic mix due to its fixed nature, the amount of investment, and the length of lease agreements

## Types of Retail Location

- Various options are available to the retailer for choosing the location of store.
- The choice of the location of the store depends on the target audience and the kind of merchandise to be sold.
- A retailer has to choose among alternate types of retail locations available. It may locate in an isolated place and pull the customer to the store on its own strength, such as a small grocery store or paan shop in a colony which attracts the customers staying close by.

Typically a store location may be:

1. Freestanding /Isolated store.
2. Part of Business District/Centers (unplanned Business Districts).
3. Part of a Shopping Center (Planned Shopping Centers)

## 1. **Freestanding /Isolated store**

- Where there are no other outlets in the vicinity of the store and therefore store depends on its own pulling power and promotion to attracts customers.
- A biggest advantages for freestanding stores is that there is no competition around.
- This type of location has several advantages including no competition, low rent, often better visibility from the road, easy parking and lower property .
- **Neighborhood Stores;** colony shops serves small locality.
- **Highway Stores :** Ebony store in Ludhiana .

**Business Associated Location:** These are location where a group of retail outlets offering a variety of merchandise work together to attract customers to their retail area, but also compete against each other for the same customers. two types includes in ;

1. Part of Business District/Centers (unplanned Business Districts).
2. Part of a Shopping Center (Planned Shopping Centers)



## 2. Part of Business District/Centers (unplanned Business Districts).

- A retail store can also be located as a part of a business district. Or we can refer this as unplanned business centers
- A business district is place of commerce in a city which developed historically as the center of trade and commerce in the city or town.
- A business districts can be a central, secondary or a Neighborhood business district.
- A Central business District **CBD** is the main center of commerce and trade in the city. (high land rates , intense development)



### 3. Part of a Shopping Center (Planned Shopping Centers)

- A shopping center has been defined as “ a group of retail and other commercial establishments that is planned , developed, owned and managed as a single property”
- The basic configuration of a shopping centre is a “*Mall ” or Strip centre.*
- A mall is typically enclosed and climate controlled. A walkway is provided in front of the stores.
- A strip centre is a row of stores with parking provided in the front of the stores.

- In India we can planned shopping centre can categorize in two category

**Regional shopping centers or Mall:** Regional shopping centers or mall are the largest planned shopping centers..

- Often they are anchored by two or more major department stores have enclosed mall serve a large trading area and have high rents. (ansal plaza,spencers plaza crossroads, DLF city in Gurgaon)
- **Neighborhood/community/shopping centers:**  
Neighborhood /community centers usually have a balanced mix of stores including a few grocery stores , a chemist, a verity store and a few other stores selling convenience goods to the residents of the neighborhood.