

Retail Marketing Strategy

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Lecture-9

Hello everyone, today we will be beginning with session 4 of the course retail business marketing strategy and we are indeed in week 2. So, if you remember as far as the last session is concerned we had had a discussion about a retailers role in supply chain. We started with understanding what supply chain actually is then we further delved into the concepts of backward integration, forward integration and vertical integration.

Learning Objectives:

After going through this module, the learner will be able to appreciate:

- Various aspects of Retail Management Decision Process
- Kahn's Retailing Success Matrix

Extra Fodder for Thought: "High-Tech Retail Stores"

Learning Something New: "Customer Centric Approach"



Apart from that I also gave you the snapshot of the retail management decision process. So, as far as today's session is concerned we will be continuing with the other aspects of retail management decision process. Along with that we will also be discussing about the Kans retailing success matrix and again we will be getting into our two exciting elements which are extra fodder for thought and learning something new.

So, as far as extra fodder for thought is concerned we will be learning about the hamas stores which are owned by Alibaba group and basically operate in China and along with the facet of learning something new we will be learning about the customer centric approach. Now again we get to the exciting part or most fascinating part of our course

FOOD FOR THOUGHT



Source: <https://giphy.com/PDishke>



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which is extra food for thought. Now as I just said today we will be covering Hama grocery stores which are basically based in China and are owned by Alibaba group. Now you might be wondering what is so fascinating that makes Hama grocery stores a perfect example as a part of discussion for extra fodder for thought.

So, considering this question the answer is it is all about technology this emerges as one of the best grocery stores that is using technology at the central for kind of extending a heightened customer experience to the shoppers. So, I will highlight some key points about Hama stores then maybe you can look at the video and you will be able to see why we are discussing it as a perfect example for understanding how technology can lie at the fulcrum of a grocery store. Now the first thing is this store definitely has a robot restaurant which again offers a unique experience to the shoppers. Robots are being used for delivering food to the customers but for some complicated items like let us say soup they are anyway using the human workforce. Apart from that this is one of the examples which is also being used as a distribution center.

See one way is it is definitely a retail store where people coming and buying products right but when we say this is also being used as a distribution center what we mean is online orders are being fulfilled through this retail store. So, whenever you will be looking at this video you will be able to see that some staff will be kind of putting or assembling some items in various bags or boxes. Now these boxes are then through the automatic belts are transferred to the centers from where these are then transported to the customers itself. Another thing which makes the store very fascinating is the pricing methods. Now what they are using is digital ways of indicating pricing and the advantage which comes with this is that the prices can be changed in real time basis.

Let us say you have a particular grocery item and the shelf life of that is just you may be we can say a one day is left as far as the shelf life of that particular grocery item is concerned. Now when you have digital price tags the best thing is that you can immediately change the pricing and kind of stimulate people to buy more of those products before their shelf life expires. Now this again is one of the advantages apart from that when you kind of scan the barcode on the price tag they also provide you additional information about whether the product is organic or not which was the date on which the particular product was brought to the store and if there are any interesting or exciting things about the product they are also highlighted. Along with that if you are within 3 kilometers the store promises to make the delivery within 30 minutes. Now another thing which again makes this store fascinating is they have sample stations.

So these sample stations are basically used to introduce new products to the customers and once they basically try them as samples are provided to them on the spot if they like it then they can also be provided some exciting sales promotion deals so that the sales can be closed then in there itself. Along with this the store is a complete no cashier store which means you are not going to find cashiers in the stores there is no one to take your cash or complete the billing process because the whole ideology is that you can pay by using Alipay app or they also have the facility that you can pay by scanning your face. Now this again comes as a new element as far as the retailing stores are concerned. So before we move further and discuss more exciting things in retailing I would urge you to have a look at this video.

I am in Shanghai visiting Alibaba's new retail concept store the name Humma. Not only is the tech titan expanding into offline retail but this location is the first with its own robot restaurant too. Robots are actually delivering pretty much all the food. That's where I'll end up after the shopping experience. The Humma store is growing rapidly in China opening 65 locations in one year. There's three pillars to its strategy serving as a place to shop in person a distribution center for online orders and the restaurant.

It's hoping to define what the future of retail will look like. While I'm checking this out I might as well grab a basket. See what interests me. First thing I notice is the pricing system every price tag has a barcode in which you can use the Humma app to scan the barcode and then see the price of the item online. You can also see reviews of that product.

What's also fascinating is that even though these price tags look like they were printouts it's actually a special technology that can change the price in real time. And that's not all. It even tells you when it was delivered to the store and where it came from. You can

also see a scan of a government certificate proving for instance if it was organic. It also shows delivery options if you decide not to buy it in store.

I just saw a lady who works for the store and she was fulfilling an online order. So using her scanner she had a bag she would take the products and then what was really crazy is instead of walking across the store to get it where it needs to go she put it on a conveyor belt which then took it to the ceiling to the back area where then it will then go out for delivery. So essentially now you're talking about not only a retail store but also a distribution center. And if you live within three kilometers of a Humma store you can have delivery of your groceries within 30 minutes. You see a lot of employees walking around the store fulfilling orders.

I understand how it can maximize efficiency of sourcing but it creates for a somewhat chaotic experience too when you have a lot of people running around. A lot of sample stations throughout the store. It's like a Costco, sample stations everywhere. At one point you ask yourself why even come to the store then if everything is online and it's such an easy experience to just order from an app. Well one reason Chinese consumers prefer to come in store is for seafood.

It's very important for the Chinese consumer to see firsthand their seafood to make sure it's fresh. All right so I picked two items that I'm going to go check out with. One of them is bananas and then the other one is these Lay's potato chips. Italian red meat flavor. Why not try something new? There's literally no traditional cashier at this grocery store.

It's not like you have an option between a cashier and self-checkout. So if you're looking for that human interaction go somewhere else. Using the Humma app which is connected to Alipay consumers will swipe their phone in front of the scanner and that's pretty much it. There's also the option to pay using your face too. And now let me try those chips.

It's actually a very subtle taste. It's not too strong surprisingly. Now it's time to try the robot restaurant. To get a table here you can check in at a kiosk. You guessed it, using the app.

It's connected to your identity, your name, everything you've bought in the past and of course your wallet. From there you get assigned a table. Once you're assigned a table you scan the barcode at the table and then from there you can just start placing your order on the Humma app. So you're not waiting for anyone to come take your order. There's no pen and paper or any of that.

In fact you really have no interaction with a staff member. And then from there the robots deliver your food and you've already paid all within the same app. Alibaba leveraged its existing technology from the e-commerce automated warehouses to power

these new robot restaurants. It's really an entire ecosystem of robots that are working together pretty well. I have yet to see a collision.

Even the tablet at the table in a way is obsolete. The only thing the tablet can really do is entertain you. There's games, which your phone probably has. You can call for a server if you need. You can use the tablet for that.

And then there's also a demo of how the robots work as well. The robots can't handle everything though. For complicated dishes like soups that'll require a human server.

So I really hope you enjoyed looking at the various facets of the Humma stores and how technology has been brought at the center in offering a unique and heightened experience to the shoppers. Now as we move further we get to another exciting part which is learning something new.

Learning Something New



Customer Centric Approach:

Creating a **satisfying customer experience** at each step along the customer journey is the goal of a customer-centric approach to company. It **entails comprehending consumer wants, preferences, and behaviour** in order to design goods, services, and marketing tactics that meet or surpass their expectations.

Source: Customer Centric Selling, Second Edition, Bosworth, Holland and Visgatis, Mc Graw hill



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So today's term is customer centric approach. Now whenever we are talking about customer centric approach as in case of Humma stores we saw that technology was brought at Fulcrum. In case of a customer centric approach you bring customers at the center of your all decision making processes. No matter what decision is being taken you will always look at it from the perspective how this is going to impact your customers. Are they going to be benefited out of it or are we removing any pain points for them or are we enhancing the pleasure of shopping in our stores, retail stores for them.

So these are a few things that we precisely consider under customer centric approach. Another domain which basically can be aligned with customer centric approach is the

fact of looking how we are enhancing the experience of shoppers with respect to touch points that we offer to them. It is more like making sure that the customer is satisfied and a wow factor is created in all the transactions that they have with us. And it also includes understanding the needs, wants, preferences and behavior of the customers so that whatever products are offered to them will eventually help in creating a wow factor which means you are working towards identifying ok this is the product which our customers are going to like and only then you are keeping them in stores. And it definitely requires a lot of analysis with respect to the real time data or predictive analytics as we have spoken about it earlier also that you can analyze how the baskets of the consumers have looked like in the past 6 months and then you can see what is the best product that can be offered to them.

But there are a few more interesting things about customer centric approach but as we will be entering in the next week which is week 3 and which is entirely focused on understanding consumer behavior we will look at the star distinction between traditional approaches and the customer centric approach which retailers can definitely adopt to kind of create very good and satisfying experiences for the shoppers.



Now again we get back to the part which we have been discussing from the last session which is retail management decision process. So, I had given you a brief about all the elements which all the elements is in all the important decisions which need to be taken by the retailers to sustain their business to have competitive advantage and to create a set of happy customers. But what we will be doing now is we will be discussing each one of them in brief in order to give you a broader perspective about why retail management decision process becomes so important.

The World of Retailing

- Retail managers need to understand the environment in which they operate
- Critical Environment Factors are **MICRO AND MACRO**

Macro: Technological, Economic, Social, Cultural, Ethical and Political Environment

Micro: Competitors (Intra-type competition and Scrambled merchandising) and Customers



Now, as we move further we will first begin by understanding the world of retailing and whenever we are talking about decoding the world of retailing the first things which becomes important is understanding the environment in which retailers operate.

Now, this can be further bifurcated into two categories which is micro environment and macro environment and whenever we are talking about macro environment the forces that we consider are technological forces in which we precisely see how the technology is changing even with respect to how you are kind of offering services to the customers and also in terms of the products that you are keeping and this can also be looked at from the perspective of processes that you have in your store let us say inventory management systems right. So, they can also be a language in terms of technology. Another thing what you see is economic factors. In economic factors what we precisely consider is direction of the economy whether there is a boom or prosperity or recession or depression or the economy is in recovery mode. Apart from that in economic factors what you consider is the cost of living, employment rates, consumer buying power and spending habits.

Let us say if the consumer buying power is high and they are interested in buying more of products then definitely retailers are also going to offer more of assortment, but this can also vary with respect to different regions, different localities, different cities and different countries. Now, when you get to another facet social and cultural factors we actually see the impact of culture on buying habits of the people and now this again becomes important let us say if you even consider how the grocery basket of customer in north and south or west will look like it anyway indicates the impact of culture or lifestyle or habits on a very micro and macro level and finally, we get to the facet of

ethical and political environment. Now, the ideology of the government who is in power right the policies that they decide whether that is on an international level, national level, regional level, local level is all going to have an impact on retailing practices. Along with that as far as the politic environment is concerned even the law and legal regulations which are passed by the government are also going to have an impact. I think one cue which I can give you for understanding this is just imagine when the policy of liberalization, globalization, privatization was passed by the government in 1991 or was embraced by the government in 1991 we all know how retailing change.

We had a lot of global players entering into the market you know who were offering better quality products at competitive prices. Now, this also had an impact of the competition as far as our domestic players were concerned. So, we will be talking about a lot of these factors as we will move further apart from this we will also be looking at the micro factors in which we precisely look at competitors and also considering the facet of intra type competition and scrambled merchandising and finally we will also be looking at how the modern complex shoppers look like as far as the current retailing dynamics are concerned.

Economic Factors: Factors such as inflation, recession, and unemployment certainly impact how consumers spend, what they buy and what they don't buy? which in turn affects retail sales. For example, during recession, we might see a fall in purchase of non-essential products.

Political factors: Retail enterprises may be impacted by political considerations such as modifications to laws, taxation, and trade policy. For instance, modifications to import and export laws may have an effect on the pricing and supply chain of commodities.

Now, see as I just said whenever you are talking about economic factors we precisely look at inflation recession and how unemployment impact how consumers spend. Now, economic forces are definitely going to impact what consumers buy and what they do not buy.

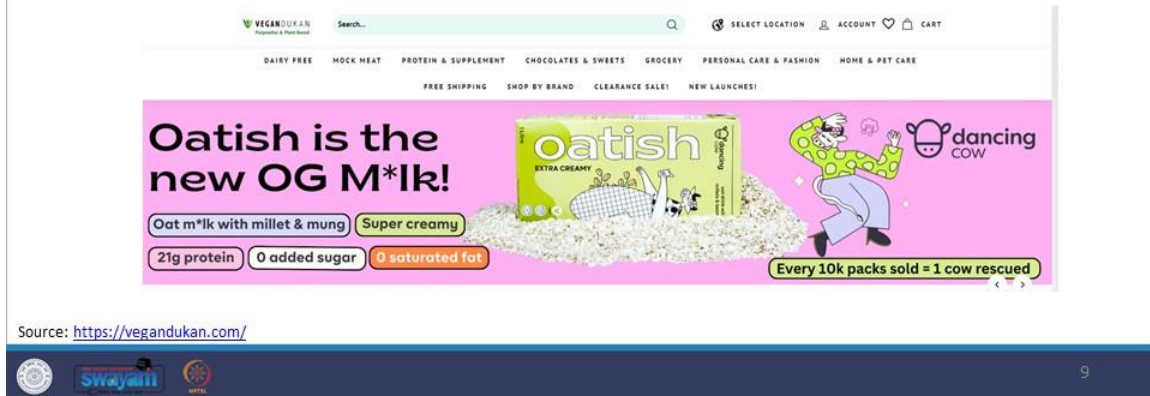
So, one particular example of looking at this facet could be just imagine the income level of people who are living in a particular locality or maybe to look at it in a more defined way you can consider consumer disposable income the income that people spend on

buying products and services or consuming products and services. Now, if in a particular locality where grocery retailers are operating let us understand it this way if the disposable income of people is going to be higher then a retailer is definitely going to keep more of stock and offer a very large assortment of products to the customers. They might even decide to keep a lot of elite products or the expensive ones if the disposable income of people is high and they can sense on the basis of their analysis it would be good if this is done in a scientific way that people are interested in buying elite products or an expensive range. So, this is one of the economic factors which can have an impact. Likewise even if you look at a very macro level during recession you will see people will not be spending much on non-essential items right because they do not have that much income left whereas if there is a prosperity you will see people spending a lot on non-essential items they might also be spending a lot on entertainment services and all those things which they might not spend if they do not have that much income.

Now, this was a facet which was precisely related to economic factors. Apart from that political forces are also going to have an impact. As I just said in the last slide that if you go back to the year 1991 there was a huge impact which was created by the policy of liberalization, privatization, globalization. We had a lot of global players entering into the markets, the market becomes more competitive even domestic players has to you know kind of be on their toes with respect to dealing with customers because it also brought in a perspective where consumers started expecting more for less and this precisely happened because the competition was heightened you had a lot of global players who were offering the best of services, qualitative products at very competitive prices. So, in many ways it also escalated the competition to the next level.

Apart from that this also considers like if there is a modification with respect to loss, taxation and trade policy that again is definitely going to have an impact on retailing practices.

Social factors: Social factors such as changes in consumer preferences, lifestyle trends, and demographics can impact retail businesses. For example, the growing demand for eco-friendly products has led to an increase in demand for sustainable products and retailers that sell these products.



Now see when we get to the domain of social factors we precisely look at changes in consumer preferences, lifestyles, trends, demographics that can have an impact on retail businesses. Like let us say as the social fabric is changing today people are becoming more environment conscious we see a demand for eco friendly products rise that is why you also see a lot of retailers offering such products and even marketers coming up with new products which are basically considered as sustainable or environmental friendly. In many cases this also happens at a very micro level certain set of consumers who believe in sustainability in different ways you will also see that they will ask retailers to keep paper bags they would not be even interested in carrying the polythene bags when they buy some products that is why many retailers in order to give a hint that they are adopting practices of sustainability would keep eco friendly bags or paper bags in order to provide products to the customers or maybe to offer a convenience of carrying the products. Now what you see on slide is one of the online retailers which is VeganDukan.com. Now the only reason why I have brought in this example is see whenever you know there is a change in consumer preferences or let us say you have a certain section of people who are now adopting veganism so retailers have also started offering such products or you see new retailers entering into the market. So one such example is VeganDukan.com who is very popular for providing vegan products to customers who have embraced veganism. Likewise the Adana example that you can see is because of the changes in lifestyle of the people, people becoming more health conscious they have even started buying smart watches which help them track a lot of health parameters like their heart rate, the quality of their sleep, their blood pressure levels and other things which becomes possible by using all these smart watches

Source: <https://www.titan.co.in/product/titan-talk-s-quartz-digital-smart-green-dial-watch-for-men-with-silicone-strap-90165ap03>

from the point of view of the retailers that there is definitely going to be a huge demand for smart watches as compared to traditional watches which people have been buying for ages. Now another thing which we consider in the environment is technological factors.

Now this can be looked at from a multidimensional perspective. So one is with respect to the products right because you will also see products becoming more technological advanced as we just discussed about watches and there is a perfect example with respect to mobile phones also and cameras also. But another way is how retailers are using technology with respect to providing you services. Now just see the whole gamut of online retailing. It allows you to buy products at any time of the day whenever you want right.

If it's 6 am in the morning then also you can order products. If it's 12 pm in the night then also you can order products. Apart from that even staff that work in retail stores also use a lot of handheld devices to provide information to the customers right. Another thing with technology has made very much easier and popular is access to information.

Technological Factors : Technological factors such as advances in e-commerce, mobile technology, and automation can impact retail businesses.

For example, the growth of online shopping has led to changes in the way consumers shop and has led to increased competition for traditional brick-and-mortar retailers.



You can read a lot of reviews online about any product which anyway helps you in making rational product choices.

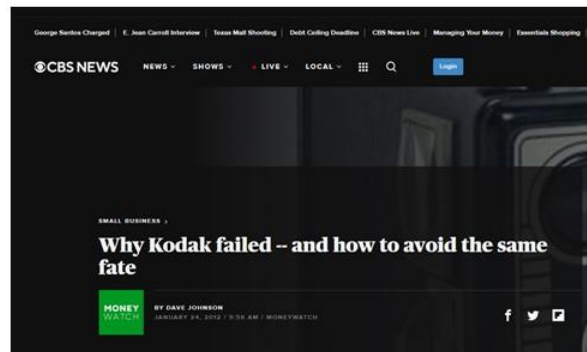
So these reviews are anyway available on a lot of customer groups also about certain products as well as on online channels whether it is Flipkart, Mintra, Amazon and Snapdeal. So the whole idea is these technological perspectives have made it very much easier for the customers to kind of retrieve any kind of information about any products and definitely it also helps them in avoiding bad product choices. And now you can also see how the competition has been changed whether as far as the brick and mortar and online retailers are concerned. And today we are sitting in a age where you also have facets like click and collect where you can place the orders online but you can collect the products by visiting the physical store. So as I was just telling you one fantastic example that you can consider with respect to technology and what happens if a retailer is not able to walk hand in hand as far as the technological changes are concerned is of Kodak.

Why Did Kodak Fail and What Can You Learn from its Demise?

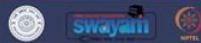
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source: blogs.uccs.edu



Source: <https://brand-minds.medium.com/why-did-kodak-fail-and-what-can-you-learn-from-its-failure-70b92793493c>, <https://www.cbsnews.com/news/why-kodak-failed-and-how-to-avoid-the-same-fate/>



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And what you see on screen is why did Kodak fail and what can you learn from its demise and another article is from CBS news which basically talks about why Kodak failed and how to avoid the same fail. So one of the key factors which has been attributed to the failure of Kodak is technology. They were not able to walk hands in hand or keep up with the changing technologies as far as cameras are concerned or I would say as far as the business of capturing memories was concerned. So I would definitely urge you to click on these links and read more about it and we will be happy to read your views and what you think about the failure of Kodak in the forum section. Now one of the last factors which we are going to consider is definitely cultural factors.

Cultural factors: Cultural factors can influence consumer behavior and thus retailing, in terms of the types of products that customers prefer and hence what should be kept at a retail store.

Their shopping habits, and their attitudes towards shopping will also influence retailing. For example, in some cultures, bargaining is a common practice, which can impact pricing strategies for retailers.

What according to you would be the assortment in a grocery store in Kerala or in Uttarakhand or in Maharashtra?

Now cultural factors also influence consumer behavior and thus retailing in terms of the products that customer prefer and in a way it also decides what kind of product should be kept at the retail store. Now whenever we are talking about culture we precisely define it as the personality of the society. Many times it has also been referred as the invisible hand that governs the society. So it includes knowledge, values and beliefs, language, customs, traditions, religion, art and music, arty crafts and all those things. So whenever you are talking about values we precisely see what people consider as right and wrong.

Now this can also be aligned with certain products. You might have a certain segment of people who out of their own beliefs might consider consuming non-veg as not so much aligned with their values. So you will never see them kind of visiting such restaurants which serve them. So this again can be aligned with values as an aspect of retailing. Another way of looking at this could be you must have seen many times in terms of consumer activism some customers will say if they anyway figure out that the particular retailer is using is kind of executing child labour and is using children who are not beyond a certain age and they are working on the shop or retail stores they might have that value system that they might not be buying from it. Likewise for certain cosmetic brands you will also see that they will clearly state no animals were harmed during testing.

Now this can also be looked at from the perspective of value system of customers. They might say that if you are involved in such practices we will not be buying it right. Now when you talk about norms which again becomes a part of culture what we look at is informal rules that govern society. Then you get to believe specific statements that

people believe to be true. Then we look at customs which again is about habitual practices and that also determines what people consume, what they eat, what they eat all these facets are going to be impacted.

Rituals also become a part of it which are established predicted ceremonies that people usually execute as a part of their culture. Then we also look at the facet of festival. As far as India is concerned or even internationally you can see how people shop during Christmas in Europe or as far as India is concerned you can see how people shop during Diwali or even Christmas or let us say other festivals that people celebrate. Let us say in case of Andhra Pradesh you will see a lot of people doing a lot of shopping on Makar Sankranti and when you move to Kerala you will see a lot of people doing a lot of shopping on Onam. So, festivals also anyway impact culture right because during days of festivals retailers are more interested in offering a larger assortment of products offering new products and they also look at that period as a period in which they will be earning and they will be kind of moving towards the stages of prosperity.

Now as a facet of culture we also look at subculture which are distinct culture groups that exist within the larger mainstream culture. One perfect example of looking at this could be even if you look at India the habits eating habits what we wear in North India are completely different from people in South. Likewise a distinction can also be drawn from the people living in East or maybe West right. So, maybe you can just imagine if you look at the grocery business what is the assortment of products that you might find in Kerala or maybe a place like Roorkee in Uttarakhand. But along with this there is one other important factor that you need to consider as a part of culture which is cross culture which is all about being exposed to the international in foreign culture.

Now this will also get reflected in terms of products like recently there was a wave and people were watching a lot of Korean shows. So, Netflix also started offering more of Korean shows and also a lot of products like famous Korean noodles and chips were also being provided by retailers at the retail shops. So, there are many ways in which even the cross culture or international culture can have an impact right. So, I really hope you enjoyed learning about the discussion that we just had about how let us say various macro forces can impact retailing business. But another important facet which becomes important is intra type competition and scrambled merchandising.

Intra-type competition and Scrambled Merchandising

Intra-type competition: *A retailer's primary competitors are other retailers that use the same type of store*

*What's your view on this?
Competing for Time*

Scrambled merchandising: When a retailer also offers those products as a part of the assortment which lie outside their focus, like a grocery store keeping medicines or a line of clothing etc.



So, whenever we are talking about intra type competition what we are trying to understand is the competition that happens between retailers. Now intra type competition technically states that a retailers primary competitor or other retailers that use the same type of store which means a departmental store will be competing with a departmental store, the hyper store will be competing with the hyper store or a kiosk will be competing with the kiosk, but that is not the case. I would be happy to hear your views on this and please go and share them on the forum. But what I want you to have is a different perspective which is aligned with time and we will understand this by considering the example of entertainment business. Let us say you have 3 hours to spend one way is you can go and watch a movie in a theatre, another way is you can go and visit a theme park with your friends, another way could be you might go and have a great socialization experience along with your friends in a restaurant also.

And the last way is you can be at your home in your comfort zone and maybe you can watch a movie on television or YouTube or another way is you can consume any of the OTT platforms like Netflix, Amazon Prime, Disney Hotstar, Zee5 and all these which are available. Now just imagine what we are trying to say is that it is all about the currency of time and the consumers are empowered to use it wherever they want. So if you start looking at competition from the perspective of time where consumer will be spending their time. Now see this can also be aligned with physical retail stores that is why in today's time we are talking about offering a unique and memorable experience to shoppers. Not only shopping is fine but which retailer is offering a unique experience where consumers would prefer and spending more of time is definitely going to be a game changer.

Now you are thinking about what consumers prefer, what they buy, how they buy and where they would be interested in going or which retailers they would be interested in going. Please look at it from the perspective of the currency of time and regarding this also I will be happy to read your views in the forum section. Now when we move further we will be looking at scrambled merchandising. Scrambled basically indicates a mishmash of certain things. So scrambled merchandising simply indicates those retailers who keep products that go beyond their focus.

Let's say you visit a grocery store and you find a medical store inside it or you see a grocery store keeping a line of clothing now that can be considered as an example of scrambled merchandising. Just look at this if you go to smart point stores you are most likely to find pharmacy stores within the smart point itself.



Now this in ways can indicate scrambled merchandising but if you ask me personally as far as the strategic retailing perspective is concerned the whole idea is about making sure that the customer is not going empty handed or you are creating a very very satisfying experience for the customers even with respect to providing them what they want right. This is definitely going to be an important pillar. So it is not like the retailer can keep all kinds of product categories, but still a level of scrambled merchandising is definitely going to work well as far as consumers shopping experiences are concerned.

Understanding the Modern Days Complex Shopper

- Convenient and seamless shopping experience
- Personalization
- Mobile-friendly options
- Omnichannel experience
- Value Offerings
- Competitive pricing and value
- Responsibility
- Efficient customer service
- Want More for Less



Now as we move further the discussion of micro environment is definitely going to be incomplete if we do not discuss about the modern days complex shoppers right. If we do not talk about customers I think we will be missing out on the major facet of micro environment. Now if you look at the modern day shoppers today what they want is a convenient and seamless shopping experience and what we mean by this that they look for a venues where they can move smoothly from one point to another or they can interact with multiple channels whenever they want and that too without any hassles. I think this can also be looked at from the paradigms of omni channel retailing. Now in omni channel retailing what happens is all the touch points which a retailer offers to customers let us say it could be a physical store, it could be a mobile application or it could be through the website that they have developed what they want is a complete integration between all these elements.

Now how this is executed let us say if I order a product to the mobile app let us say I ordered Nike shoes from the Nike app. Now it will be an omni channel retailing experience when I have the facility of going to a physical store and returning it and taking my cash back for the product which I have returned. In other ways it could be let us say if you have bought a product from the Nike physical store then you can even return it through an app and the amount then again will be credited to your credit card or the bank account details that are registered with the retailer. It is more like there is a complete integration between all the channels and one biggest advantage of this which a retailer definitely enjoys is getting rich insights by looking at how consumers are using different channels and we will be indeed talking a lot more about it when we move further and we will be having a specific module on omni channel retailing right. Another thing which definitely customers want from the retailers is personalization.

Now this personalization should not be just looked at from a very micro perspective of let us say when you are writing mails to customers then you are writing their name you are not writing dear all or dear customers what you are writing is dear Mr. Raghav or let us say Mr. Sameer you are anyway using their name. But this is where the personalization happens at a very very micro level. The real personalization happens when you analyze the consumer data in depth and you are kind of able to determine what are the products which will be liked by the customers and what are the recommendations that you can make to them which eventually have a very high possibility of conversions.

Now personalization can also be looked at from the perspective of crafting specialized sales promotions for the customers by looking at their purchase history or by looking at what are the sales promotions that they found much more enticing. Now the highest level of personalization can happen when you start kind of designing or prototyping or producing certain products which eventually are very much in line with the needs of a specific segment of customers. Apart from this they also look for mobile friendly options and what we mean by that is that mobile applications that a retailer develops have to be very very responsive with respect to providing information as well as with respect to taking and executing orders of the customers. Now as far as omni channel experience is concerned as I said in the beginning it is all about creating an integrated seamless shopping experience for the shoppers where they can use multiple channels without any hassles. Now one thing which again becomes very very critical about the modern day shoppers is value offerings.

What they want is they want the products at competitive prices which means there should not be any compromise on the quality but the prices of the product should not be inflated. Now this can be done in multiple ways by the retailers by let's say building a very robust supply chain in which they actually decrease the cost to supply chain and these benefits are then passed on to the customers. This can also be worked towards by working on the innovation as well as technology perspective which means if you innovate certain products and you introduce new technologies which eventually help you in decreasing the cost of manufacturing that again is going to be a big game changer as far as competitive pricing and value offering are concerned. The customers also want the retailers to act with responsibility. They want them to adopt practices of sustainability along with that as I had given one example in many cosmetic brands now you will see they will specifically mention no animals were harmed during testing.

Now this again becomes a facet of understanding how customers want retailers to be much more responsive or act with responsibility as far as the environment sustainability practices are concerned and definitely they look for efficient customer service and as we have discussed this a couple of times what customers really want is a memorable and unique experience when they visit your stores and this again is definitely going to get translated into a larger part or a higher share of heart as well as wallet for that particular

retailer who succeeds in offering unique and memorable experiences. Eventually this can be summed up from the perspective of customers today want more for less and we all know how complicated customers have become as far as today's retailing dynamics are concerned. So, considering this session I am really hopeful that you enjoyed learning about our discussions that we had with respect to understanding micro environment, macro environment, intra type competition and the perspective of time currency and also the concept of scrambled merchandising and how today it may become very much important or even can and might even become a norm in the times to come and eventually I also hope that you gain some enhanced perspective about how complex modern shoppers have become today. So, as we move forward to the next session we will be discussing a lot more about the various retail formats that we exist and definitely we will be again looking at our two new exciting elements which are extra fodder for thought and learning something new. So, looking forward to meeting you in the next session. Thanking you for now. Thank you.