

Retailing

[Business](#), [Marketing](#)



Retail Strategy of LuLu Hypermarket Retailing can be broadly defined as business strategy for expanding business through forging alliances with others so as to meet customers' requirement and maintain one's competitive advantage (Levy, Weitz & Pandit, 2008; Gilbert, 2003). The retail strategy therefore becomes critical element of the success of business, especially for hypermarket chains like LuLu. It is one of the largest hypermarkets of Doha, Qatar that has more than 90 stores across 18 countries with more than 435,000 shoppers per day (LuLu). It has been able to maintain its niche market position because of its retail strategy that is people centric. Their major focus is on loyalty to customer from wide demographic market segment that caters constantly to their changing preferences.

Kotler and Armstrong (2009) have described marketing as major component of business strategy that helps to meet the changing needs and requirements of the people profitably. The success of LuLu Hypermarkets shows that it understands changing consumer psychology. It continuously strives to update its products line with that of the changing public demands. By introducing latest products and excellent services at competitive prices, it has earned significant customer loyalty that prefer to shop here than elsewhere. LuLu has earned market credibility mainly because of its efforts to maintain high quality of its in-house brands and at the same time, providing its customers with wide range of branded products from across the world, thus promoting customer satisfaction. The main reason it has earned customer loyalty is by providing them with unique shopping experience. Through strategic business alliances, it has considerably increased its organizational capabilities to meet the challenges of cut throat business.

Scholars have asserted that creating values for customer has become the need of the hour (Gabriel, 2005: 14). LuLu's retail strategy has also used customers' preferences as its major objective to forge business liaisons and partnership so it can cater to the demands of its diverse customers coming from different market segments. Thus, value creation for its customers through customized services and quality has become its hallmark.

LuLu hypermarkets are spread over very large areas keeping in mind all conceivable needs of customers coming from diverse background. They even have banking counters for money exchange and provide shoppers with huge facilities like convenient parking, playground for children, cafeteria. The chic and friendly ambience of ultra modern hypermarket attracts customers.

Indeed, LuLu mainly relies on creating value through customer satisfaction so that they become emotionally attached thereby, becoming committed long term customers. It has been able to gain effective leverage against its rivals by exploiting its internal resources like brand equity, quality products and excellent service.

Last but not the least important element of its retail strategy has been its focus on adopting sustainable business practices. It promotes goods and services that are intrinsically linked with environment conservation and preservation. At the same time, its supply chain management ensures that all its business partners also promote sustainable development. In the current times, fast depletion of natural resource has increasing become a global concern as it has disturbed the natural ecosystem resulting in drastic climate change endangering the survival of human race. Thus sustainable development or sustainable business practices which promote environment

conservation become essential. LuLu has set an exemplary example of promoting goods and services which facilitate environment conservation and preservation. The growing awareness of environment amongst people has been another major factor that has given huge advantage to LuLu and significantly impacts their loyalty. (words: 572)

Reference

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