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The retail industry is broken into a number of sectors nationally and internationally. For the purpose of industry reporting\* the type of product sold determines the sector into which an individual business falls.

A retailer has the choice of selecting the approach which is suitable as per the nature of the business activity in different sectors. viz. Dixons and Burtons is classed as an electrical retailer and a clothing retailer respectively. There are two important approaches in product sectors:

Centralized approach · Decentralized approach Some retailer adopts a centralized approach or decentralized approach. Both the approaches have their own benefits and drawbacks. Which approach is better, this is a debatable topic.

A centralized approach has the advantage of economies of scale by having a specialized team in the sector. On the other hand, in UK there are non-specialised retailers that have created large retail business. Marks and Spencer consider them as 'mixed retailer'. The non-specialised sector shows how the sector distinction used by the producers to classify retailers that actually reflect modern retail business activity at a very reasonable rate. In a decentralized approach, some retailers sell a very wide range of goods and services where all products have an equally dominating sale.

For example Body Shop introduced a decentralized structure in 1999 by UK. In order to develop the retail business, the company split its market into four countries: UK, Europe, Asia and America, established a specialized team for each country. In this way, the sale of the product became easy to identify more quickly rather than having managed from only UK. It was realized by

the retail market management that such decentralized approach make easy the product management in retail market. Further in few cases, product range creates different approach among retailers as per the demand of the product. For example Kingfisher, has capture the market at great extent in aggressive way in international market especially in the European Market.