

# [Big bazaar (project in the making)](https://assignbuster.com/big-bazaar-project-in-the-making/)

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“ Retailing is a distinct, diverse and dynamic sector” . “ It is an activity of enormous economic significance to most developed nations”. It generates revenue and wealth for nation, encourages investments and brings technological advancements. Stated that “ it brings employment and creates wealth of the economy”.

“ It is a vibrant part of our changing society and a major source of employment” Retailing performs activities at larger level so it requires massive manpower to handle and manage it’s operations. Retailing also helps society in general by providing goods and services in reasonable price and increasing their standards of living. “ Retailing activity can be viewed as a significant contributor to the economy in general”. Retailing is the set of activities that markets products or services to final consumers for their own personal or household use. It does this by organizing their availability on a relatively large scale and supplying them to consumers on a relatively small scale. ” Retailing makes products and services available in large quantities. Retailers produce or order the products/services in bulk so they can take advantage of economy of scale and thus they can formulate competitive pricing strategies.

Products and services are generally sold through the store or on the internet. Introduction to Retail Industry The first decade of modern retail in India has been characterized by a shift from traditional kirana shops to new formats including department stores, specialty stores hypermarkets, and supermarkets and across a range of categories. Modern retail formats have mushroomed in metros and mini-metros. In the last few years, modern retail has also established its presence in the small cities, exposing residents to shopping options like never before. Some of these stores are branded stores(exclusive showrooms either owned or franchised out by a manufacturer) , specialty stores(greater choice to consumer, comparison between brands is possible) , department stores/supermarkets (one stop shop catering to varied consumer needs) , hyper-mart (low prices , vast choice available including services such as cafeterias. , shopping malls (variety of shops available to each other ). Introduction to Big Bazaar Big Bazaar is a chain of shopping malls in India currently with 31 outlets, owned by the Pantaloon Group.

The idea was pioneered by entrepreneur Kishore Biyani, the head of Pantaloon Retail India Ltd. The idea from the very beginning was to make Big Bazaar very comfortable for the Indian customer. That was Kishoreji’s strength as a retailer. He had a lot of confidence in what he was doing, even though it defied conventional logic. Big bazaar is not just another hypermarket. It caters to every need of yourfamily. Where Big Bazaar scores over other stores is its value formoneyproposition for the Indian customers.

At Big Bazaar, you will definitely get the best products at the best prices - that’s what they guarantee. With the ever increasing array of private labels, it has opened the doors into the world of fashion and general merchandise including home furnishings, utensils, crockery, cutlery, sports goods and much more at prices that will surprise you. And this is just the beginning. Big Bazaar plans to add much more to complete their customers shopping experience. If one looks at Indian bazaars, mandis, melas, they are environments created by traders to give shoppers a sense of moment, of event, of place. They provide an inclusiveenvironmentwhere men and women from all castes, creeds and classes can come and shop at the same place. The founders of Big Bazaar were from the beginning very clear that they had to reflect the look and feel of Indian bazaars at their modern outlets, so that no customer would feel intimidated with the surroundings.

In India most of us are not prepared for the consumerism that is setting in this country. We underestimate how many people are going to fly and that s why our airports get crowded. We underestimate how many people will speak on the phone for how many billions of minutes and therefore our cell phone networks are always congested. But the minds responsible for the huge success of Big Bazaar have captured and understood the force of consumerism that is unfolding. Big Bazaar’s all overIndia attract a few thousand customers on any regular day, and a lot more if they are offering something extra on each buy, which they normally are! And the sales force at Big Bazaar along with the executives is prepared for them. Objective of Big Bazaar The central objective for earlier businesses of Big Bazaar w was to bring in stability and consolidation. They were built to enforce order.

However, in the new era where nothing remains constant, the dominant theme for businesses needs to be speed and imagination. The new macro-differentiator can be design. Design is helping companies to sell differentiated experiences and solutions that connect with the consumer’s emotions. It’s no longer about selling products and services alone. Nor is it just about completing transactions. Every time a customer walks in, it is an opportunity to build a relationship and invite the customer to become a part of the transformational scenario. Design management is helping us position the customer at the center of every decision we take and also operate with true entrepreneurial spirit.

Target customersBig Bazaar targets higher and upper middle class customers because there has been growth in Indian middle class that has so far been used to buying apparel and groceries from small and cluttered neighborhood market shops is fast realizing the joys of visiting malls that have redefined the freedom to shop and entertain. Such malls are the new temples of leisure and weekend entertainment. India’s National Council for Applied Economic Research estimates that the nation’s middle class population currently comprises about 17 million households – 90 million people – with annual earnings ranging between $4, 500 (? , 400) and $22, 000 (? 11, 736). An additional 287 million could be termed as ‘ aspirers’ or those that hope to join the middle class in the near term. Rising incomes, particularly in the lower and middle-income households, are impacting retail growth in India as these groups tend to spend more on upgrading and diversifying their lifestyles, eating out and moving on to processed and convenience foods. Targeting young working class The large and growing young working population is a preferred customer segment for Big bazaar. These young people are early adopters of most modern product lines.

The ongoing boom in sectors such as informationtechnologyand business process outsourcing has created a clientele with high disposable income and a increased demand for lifestyle merchandise such as watches, cosmetics and perfumes. This is a much-travelled and brand-savvy urban population. Interestingly, an estimated 40-50% of the Indian working woman’s salary is spent on apparel and footwear. Eating out, mobile phones and accessories make up the other leading spending options. Big Bazaar specifically target young, working professionals, home makers who are primary decision maker. Value for money All our lines of business are consumer centric andI believethat if we are to be in the larger consumer space, we would need to keep changing, evolving and accordingly be flexible in our business plans. Consumers are the same everywhere; we are only bound by our social systems.

Their desires, greed’s and needs are similar. The value for money proposition is so ingrained in the Indian consumers mind that he needs to be shown true value all the time. Therefore, all our current and future businesses would necessarily have the common denominator as the consumer. All our alliances and relationships with many company’s have been built, keeping the synergies of business and consumer offerings in mind. Image “ Is se sasta aur accha kahin nahi” Nothing captures the sprit of Big Bazaar better than this one liner. It is a simple statement and yet it positioned at the top of Indian customers mind. It shows that big bazaar was built on the foundation of entrepreneurship and simplicity.

They believe in service and value for the customers. They consider that it is their only duty to keep customer in mind at every step, they go that extra mile and buy directly from source in bulk so that they can get best rates by keeping the margin low Big Bazaar is constantly on the lookout for finding new ways and means to improve the current state of affairs. Thus, innovation is a very important aspect of their working strategy. The other very importantphilosophyis that of Indianness. All the concepts and formats as well as the way of doing things are very Indian. The way Big Bazaar is designed and the way the whole concept has developed reflects a sense of Indianness. Study parameters of Big Bazaar “ In order to implement specific retail strategy managers prepare the ideal combination of retail-mix variables and coordinate the activities of the different elements of the mix such as: •Merchandise assortmement •Location •Price •Visual merchandising •Store atmosphere •Customer service •Advertising •Promotion •Personal selling” Merchandise “ Main objective of the store layout is to maximize the interface between customers and merchandise” It provides easy accessibility to the customers to view the offerings of the store.

Layout of the store has been strategically designed in order to make effective use of merchandise and passage to draw customers’ attention on store’s offerings Big Bazaar has a wide range of merchandise they have both branded and unbranded products like : •Home lien items: Like bed sheets, pillow covers, carpets to kitchen utility items like steel utensils and crockery and other minor utility items required in a house •Electronic items: like refrigerator, T. V, vacuum cleaner , musicsystem, vacuum cleaner, washing machine. Etc •Mobile Zone: A wide range of mobile phones and accessories is available at lowest possible price •Furniture: All kinds of furniture is available that one may require to decorate their house. •Star Sitara: In this section all kinds of cosmetic items are made available •Opticians: In this section all brands oand types fashion glasses are available •Men Ladies and kids wear: This section includes fashion and casusal wear for men ladies and kids both branded and unbranded. •Foot wear: In this section footwear for men women and kids is made available. •Music: A wide collection of CDs DVDs is made available Toys: All kinds of toys for children is available •Stationary: all kind of office stationery and stationery for school going kids is available Location Big bazaar is located has 31 outlets in India , big bazaar locates its outlet near the commercial area and residential complexs so that they can cover all their target customers Eg : their outlet in phoenix mill , lowerparel mumbai , is located near commercial areas so that the working class people can drop in and shop house hold items after office hrs. On the other hand their outlets in sangle is a bit different from what we would see at say , high street Phoenix in Mumbai.

For instance isn’t air conditioned: instead, there are air coolers installed inside the store , also there are many shoppers there on days as an weekends . Unlike office going people in big cities , people in smaller towns do not restrict their shopping to weekends . The choice of location of Big Bazaar in many ways captures the essence of what they were doing- they adapt themselves to the habits tastes and preferences according to the location. One of the distinct feature of their location is that it is easily accessible and they try to locate their outlet in such a location where they can reach a large customer base. Layout In today’s competitive environment store design has now become a strategic tool for differentiating the offerings of the store and retaining customers. Customer’s perception regarding in-store design has changed. They see shopping as an activity which gives fun and excitement.

Customers like to shop in a changing and exciting environment. Retailers are developing innovative strategies for store design. Store design is now become a marketing tool for retailers. Thoughtful design of physical elements is a significant aspect for communicating store image to customers. Retailers are giving more attention on creating favourable in store environment for customers, this requires deep understanding of the target customers. In retail environment now more systematic attention is been given to efficient designing of the store which influences the buying behaviour of the customers. Visual merchandising and store layout are considered as most significant elements of in-store design.

Visual merchandising coordinates stores marketing, positioning andcommunicationstrategy. Thoughtful in-store display creates favourable appearance of the store for the target customer and attracts them towards products. Effective display provides easy accessibility of product to target customers and demonstrate the products in a way to make selection process easy for the customers. Efficient design of the store layout contributes to profitable utilization of store space. Efficiently designed layout can create enjoying the environment by providing convenient shopping. Retailers adopt different patterns of store layout to encourage circulation of the customers to all parts of the store and to provide easy accessibility of merchandising. The ultimate objective of efficient store design is to increase sales and profit of the store.

Directly or indirectly the elements have some impact on the buying behaviour of the customers. Visual merchandising is considered to create an interest in the customers and create a favourable image of the store in the mind of the customers. Store layout provides convenience to customers and makes shopping smooth. Retailers always try to create favourable psychological impact on customers by designing element of the store in most sophisticated way. E. g. retailers use graphics with social meanings to associate customers with some life style.

People often complain that Big Bazaar outlets always look very crowded. But few realize that it is concisely designed to look just like that. When the shop looks neat and empty, the masses never walk into it. There has to be what is called the ‘ button brush effect’, and an ‘ organized chaos’. As Indians, we like bumping into people, chatting, gossiping and eating while we shop! Big Bazaar layout consists of layout of long rows of parallel fixtures, with no aisles because aisles can be boring they restrict space and can’t be dramatized. At Big Bazzar, they create multiple cluster or mini-bazaars within every store. It was designed as an agglomeration of bazaars with different sections selling different categories’.

• “ It uses space efficiently. •It provides easy sitting of merchandise and linking of the product throughout the store. •It allows more customers in the store at any time. •Allows staff of the store to work easily alongside the customers without disturbing them. •Provide self-service atmosphere. The structure of Big bazaar at phoenix mill in Mumbai covers two floors that is basement, middle level and first floor. The basement includes •Furniture •Home lein •Mobile zone •Star and sitare •Opticians •WatchesThe middle level includes •Electronic items The first floor includes •Men , ladies and kids wear •Apparels •Foot wear •Music •Toys •Stationary Interior design “ The interior of a Big Bazzars comprises of the living space of the store which includes ceiling, walls, flooring and lighting, fixture and fittings” The elements of the interior design are selected economically.

The general design of the interior is in uniform with the exterior. Following are the interior attributes: •Envelope: the internal structure and decoration of the building that provides the physical boundaries within which shopping takes place. Internal layout: the internal paths customer use are in order to view merchandise. •Methods of display: including the fitting and fixtures; their positioning; and the color and texture are within the product themselves. •Visual merchandising: display of the items on sale together with models, pictures and other items that illustrate product use or create lifestyle impressions relating to their use”. The interior design of Bigbazzar is very vibrant they have a colour combination of vibrant colors like blue and orange that leave an impression on Indian minds . The interior of big bazzar is truly designed as Indian hyper market that promises one stop shoping .

It is designed as agglomeration of bazaars with diffrentv sections selling different categories. The “ U” shaped section and islands have proved to be more appropriate for Indain context than long aisles. Exterior design The exterior of Big Bazzar includes , the exterior of the stores like the e fascia, entrance of the store, architectural design of the building and window. The exterior design of Big bazzar is easily visible from the distance and it can be distinguished from its competitors. The exterior is attractive enough to encourage customers to enter in to the store. Big bazaar uses harmony between the elements of the exterior of the store in order to deliver desired store image. Window display is used as an effective medium to introduce new offerings of the company, so special attention is given in designing windows of the store.

The entrance of the store is designed to welcome shoppers and to provide easy accessibility. The external environment of Big Bazzar: •Big bazzar outlets are located at shopping center, high street or local parade. The external architecture of Big bazzar building: Big bazzar uses a colour combination of Orange and Blue •External features such as: - Car parking - Horticulture, sculpture and lighting - Other external buildings - Outdoors seating, trolley parking and other miscellaneous Services Big Bazaar provides a wide range of services to its customers like Trial rooms , elevators, car parking , security, baggage counter , trolleys so that one could shop easily They even provide them with after sale services in case of buying electronic items. One of the major service provided by them is one stop shop as one could get a whole range of items under one shop and at the most reasonable price. They always have their outlets in such a location where it is easy to commute. They have also given major emphasis to convince for customers in which layout has played a major role. The layout of the store is so effective that customers find their way out of what they want.

Big Bazaar provides good employee service i. e their salesmen are always redy to provide help. Employee service is often neglected as part of good retail marketing but customer and employee interaction can be used as the significant tool for retail marketing. Visual merchandisingVisual merchandising at Big Bazaar uses “ Store display for promotional purpose, but as customers are becoming more sophisticated, Big Bazaar has found various techniques for effective display for providing information and communicating image of the store to the customers, helping them in taking purchase decision and creating exciting shopping environment” Big Bazaar not only uses visual merchandising for promoting their product, but they use it as a significant tool for creating appropriate store environment and influencing purchase decision of customers. They use danglers and hoardings at the entrance of the store as this may be a deciding element in a consumer’s decision to enter a store. It uses various visual merchandising like it uses remarkable window display for creating a shopping environment as it creates initiative impression in the mind of customers as window display also sometimes become a deciding factor whether to enter the store or not . Retailers develop visual merchandising in order to relate customer’s social life with the product, arouse their personnel interest for the product.

Retailers can use combination of elements of in store display; such as colour, texture, lighting, fixtures, graphics, signage. ” Promotion Big Bazaar uses various promotional strategies like the prices on Wednesdays are very low compared to other retailers, this helps is bringing in a huge number of customers they even have a concept of “ BIG DAY” which means they give huge discounts to their customers on the 26TH of Jan and on 15TH August. On such days they come up with promotional offers like bring old items from your house and take huge discounts and freebies. They come up with offers like School Jao Khushi Khushi: •Discounts on all school requirements like school bags, water bottles & lunchboxes. •lWin a pencil case with every purchase worth Rs. 500 & above •lSend us your experience of the “ Best day that you had in school” – the most humorous one will get a free shopping trip worth Rs 1, 000/- •lLucky draw – shop for Rs 1, 000 & above, drop in your kids name into our drop box – 10 lucky kids will get 30% off on an NIIT course •lShop for Rs 500 & above, drop in your kids painting the best painting will get sponsored for an art course. Khushi ki barsaat: •“ Discounts ki barish” – various discounts across the board •Special discounts on raincoats & umbrellas •Lucky Draw – On purchases worth Rs.

1000 & above – drop in your name into our drop box & you could be one of the 3 families to enjoy the rains in Goa. •Purchase goods worth Rs 500 – complete the slogan – I love the rains in Mumbai because… & win you own customized umbrella – get your friends & family photograph screen printed on it. Steal a deal: •Each object will have their individual price-tags. The consumer bargains on the MRP with the counter sales girlThe counter sales girl will be given a “ lowest bargain” slip for each piece of merchandise. The consumer who is able to match the best “ low bargain” walks away with her goodies. Happy Father’s Day: •Get caught shopping with your Dad on Father’s Day (20th June) & get a 20% discount on your total bill •Shop for Rs 500 & above - submit a picture if your Dad & you – the best pair – wins a complimentary dinner at Copper Chimney •Make purchases worth Rs 300 & above & fill in a line on what your Dad means to you & win tickets to the latest blockbuster movie. Advertising Following are the media channel used: Newspaper: Big Bazaar uses newspaper as one of its media vehicle because most of the population in urban areas is educated.

They place their full page and half page ads mostly in Times of India or Hindustan times. They also give their ads in newspaper in rural areas like “ Sangli” in local language newspaper Radio: Radio is another media vehicle used by Big Bazaar in urban areas “ Radio mirchi” is used and in rural areas “ All India Radio” is used widely for placing their ads T. V: T. Vis also used as one of its media vehicle when they come up with huge offers on the “ Big DAYs” like the 26th Jan and 15th August. Prices The prices at big Bazaar are kept lowest possible in order to attract huge number of customers they have the lowest prices on Wednesday they are able to do so because they believe in bulk buying which helps them in buying products at lower possible prices, by which in turn they give the benefits to customers “ Isse sasta aur accha kahin nahi” is the mantra that they follow and they stick by it while deciding on the prices of the products that they offer . So much so, that on the days that Big Bazzar is offering any of its deals the stores all over are flooded with customers . For eg.

On the 26th of JAN 2006 when Big Bazaar was running its promotional offer ; word about the low prices spread so quickly that they had an over whelming response because of which a special team had to be called to manage the crowd. Even on this day Big Bazaar thought of its customers first and they ran the promotional offer for two more days so that their loyal customers who had taken presious time in their day to stand in the queues could avail all the offers . This day was marked as a day in the history of Big Bazzar as “ SAB SE SASTA DIN “ Personnel Selling: Big Bazaar in the metropolitan cities are easily accessible to their customers. They have strength of 300-400 working sales force at a time in an outlet. This sales force is professionally trained to assist all kinds of customers through out the day. There are majorly two types of customers; One’s who prefer selecting their merchandise themselves and don’t ask for help unless required. The other is of the type that requires assistance from the time they walk in the store till the time they exit.

Big Bazaar sales force is dressed up in yellow t-shirts. While deciding that the founders have looked in to the minute aspects of the customer’spsychology. They found out that a sales man wearing formal clothes with a tie is normally intimidating to a customer. Especially a customer who might not be as educated or sophisticated as the sales man! The main aim of Big Bazaar has always been to cater to all kinds of customers. Which also include the lower middle class. Therefore in an attempt to not make their varied customers feel inferior big Bazaar has made their sales force wear yellow t-shirts and yellow being a friendly colour it makes it easier for the customers to strike a conversation and seek help. The other very minute aspect of customer psychology that the Big Bazaar sales force takes care of is; that the customer requires help only when required .

Therefore the distance at which a sales man is standing has great importance because if the sales man is standing very close to the customer then he or she gives the impression that the customers going to steal something. My Effort: The Visit to Big Bazaar: I visited the Big Bazaar situated at Lower Parel (west) – Phoenix Mills. The first thing i noticed was that the outlet was situated in such a place that was very easily accessible to customers be it from the station or from the bus stops. The layout of this Big Bazaar was arranged in a way that placed the products for promoting sales creating goodwill and increasing publicity. The main objective of Big Bazaar’s layout is to promote sales in the store. The layout was in such a fashion that it provided convenience to customers most likely encouraged them for product shopping or browsing. Browsing does not only help them in shopping but can also influence purchasing decision of customers that is it may lead to customers making more unplanned purchases.

My Recommendation Positive buying emotion and store design are the most significant components of retailing. Big Bazaar should constantly work on creating favourable shopping environment. Store design is a significant aspect in attracting and keeping the consumer excited about the shopping experience. Attractive decoration, creative merchandising, efficient layout, appropriate lighting, music and aromas enhance mood and emotion, which may leads to impulsive buying behaviour. Using affective visual displays may also arouse impulsive buying emotion. Efficiently arranged layout provides convenience and comfort to customers. These elements can be used to create favorable in store environment and motivate shoppers to make an impulse purchase.

Our study shows that there is a strong relationship between visual merchandising and impulse buying of the shoppers. So visual merchandising is a significant tool for every retailer. Therefore Big Bazaar should always concentrate on efficient visual merchandising. Retailers should display things in the store in such a way that customer get attracted and excited. This may lead them to unplanned purchase, which will increase the sales as well as profit of the store. Layout of the store is a significant aspect of in-store environment which makes shopping easy for customers. There is a relationship between convenient store layout and product browsing.

Product browsing makes customers aware of offerings of store and various promotional schemes. Big Bazaar should arrange layout of the store in a way to provide maximum convenience to customers, this may create positive impact on the sales of the store. Employees’ service is also a crucial factor for retail sector. If employees are well trained, they can provide better service to customers and if customers would be happy with their response and behaviour, they will maintain a relationship with the store. Behaviour of the employee can influence the purchase decision of the customer. Big Bazaar should develop effective training and development programs for employees so that they can continue to work on maintaining good customer relationships. Conclusion: We would like to conclude by saying that Big Bazaar has carved a niche for itself in the retailing industry as a store that caters to customers from all classes, caters to their every need at a reasonable price.

Mr. Kishore Biyani the founder of Big Bazaar has emphasized hispersonalityto reflect on that of Big Bazaar which is” Indianess”. His belief that only an Indian can understand an Indian has lead to the creation of such creative ideas from his work force that Big Bazaar has struck an emotional cord in the Indian customer so much so that theloyaltyof the customer are driven to Big Bazaar Their Sab Se Sasta din event of 26th Jan can now be called the maker for when democracy for in retailing truly setting for a vast majority of urban Indians the Glitzy shopping malls and modern retail formats where perceived to be expensive and exclusive. But on that day, many urban Indian shed their inhibitions for the first time and visited Big Bazaar stores located in shopping malls and thus Big Bazaar became a hit.