

Strategy formulation

[Business](#), [Management](#)



RETAIL STRATEGY Introduction Retail strategy entails the retailer's effort of planning his/her market, whether involving a start up or the development of an already existing business. The retailer has to investigate on the market forces, resources required, amongst other aspects (Girijesh, 2009).

The Scope of the Retail Strategy

Retail strategy entails making a definite and clear outlined plan of the market, prepared by the retailer. This plan is intended to establish a retailer-consumer long-term relationship. Retail strategy formulation reflects a process similar to any other industry (Girijesh, 2009). The process begins when the retailer defines or states the organization's mission. Such a mission tends to be at the retailer's core of existence.

Additionally, there is a possibility of variance in other retail strategy, over time it's paramount to analyze objectives regarding the context of the intended market, identify possible options, obtain and perform resources allocation, and generate implementation plan. It is also important to monitor progress, as well as performing the necessary controls (Girijesh, 2009).

While defining purpose or mission of the organization, the retailer presents what he/she intends to accomplish; the purpose should concentrate on the chosen markets within which the retailer intends to operate. Other aspects of concerns regard the commodities to be offered, the target customers, and the geographical location of the organization. Consequently, a situation analysis should be conducted, where the retailer, inwardly seeks to understand the strengths, as well as the weaknesses of the organization (Girijesh, 2009).

Outwardly, the retailer should analyze the existing opportunities as well as

threats. Such analysis assists in determining the firm's position strengths, and weaknesses. It is also profound to put into consideration all available alternatives, which would help the retailer tap a given market. Such alternatives include: diversification, market penetration, retail format development, or market development.

The two significant aspects of retailers include the market performance as well as the financial performance. While setting the objectives, one has to bear in mind, the market share, profitability targets, sales volume target, returns on investment, and liquidity targets. The resources required by a retailer include the financial resources and human resources. Human resource should reflect consistency with the organization's overall strategy. The human resource focuses on selecting, recruiting, training, motivating, and compensating personnel. This calls for efficient and effective management. Financial resources cover the organization's monetary aspects (Girijesh, 2009).

Conclusion

Retail strategy calls for well decisive process of strategizing on better approaches of doing business. The scope of the requirements of the retail strategy range from the mission or the purpose defined to run the organization, to the resources required.

Reference

Kumar, Girijesh. (2009). Retail Strategy. Retrieved January 05, 2012, from <http://www.slideshare.net/giri.singh143/retail-strategy>