

# INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT

ijrcm



A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A.

as well as in Open J-Gate, India [link of the same is duly available at Infilbnet of University Grants Commission (U.G.C.)]

Registered & Listed at: Index Copernicus Publishers Panel, Poland

Circulated all over the world & Google has verified that scholars of more than 1388 Cities in 138 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

[www.ijrcm.org.in](http://www.ijrcm.org.in)

# CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	THE IMPACT OF PLANNING AND CONTROL ON SERVICE SMES SUCCESS GAD VITNER & SIBYLLE HEILBRUNN	1
2.	CHALLENGES FOR SMALL AND MEDIUM ENTERPRISES IN INFORMATION TECHNOLOGY IN THE CITY OF BANGALORE, INDIA SULAKSHA NAYAK & DR. HARISHA G. JOSHI	9
3.	ROLE OF MANAGEMENT INFORMATION SYSTEMS IN MANAGERIAL DECISION MAKING OF ORGANIZATIONS IN THE GLOBAL BUSINESS WORLD MD. ZAHIR UDDIN ARIF, MOHAMMAD MIZENUR RAHAMAN & MD. NASIR UDDIN	14
4.	EFFECTS OF CALL CENTER CRM PRACTICES ON EMPLOYEE JOB SATISFACTION DR. ALIYU OLAYEMI ABDULLATEEF	19
5.	DETERMINANTS OF CAPITAL STRUCTURE: EVIDENCE FROM TANZANIA'S LISTED NON FINANCIAL COMPANIES BUNDALA, NTOGWA NG'HABI & DR. CLIFFORD G. MACHOGU	24
6.	RELATIONSHIP BETWEEN INTRINSIC REWARDS AND JOB SATISFACTION: A COMPARATIVE STUDY OF PUBLIC AND PRIVATE ORGANIZATION TAUSIF M.	33
7.	NUCLEAR ENERGY IN INDIA: A COMPULSION FOR THE FUTURE DR. KAMLESH KUMAR DUBEY & SUBODH PANDE	42
8.	CONTEXTUAL FACTORS FOR EFFECTIVE IMPLEMENTATION OF PERFORMANCE APPRAISAL IN THE INDIAN IT SECTOR: AN EMPIRICAL STUDY SUJOYA RAY MOULIK & DR. SITANATH MAZUMDAR	47
9.	A STUDY OF CITIZEN CENTRIC SERVICE DELIVERY THROUGH e-GOVERNANCE: CASE STUDY OF e-MITRA IN JAIPUR DISTRICT RAKESH SINGHAL & DR. JAGDISH PRASAD	53
10.	TWO UNIT COLD STANDBY PRIORITY SYSTEM WITH FAULT DETECTION AND PROVISION OF REST VIKAS SHARMA, J P SINGH JOOREL, RAKESH CHIB & ANKUSH BHARTI	61
11.	MACRO ECONOMIC FACTORS INFLUENCING THE COMMODITY MARKET WITH SPECIAL REFERENCE TO GOLD AND SILVER DR. G. PANDURANGAN, R. MAGENDIRAN, L. S. SRIDHAR & R. RAJKOKILA	68
12.	CRITICAL ANALYSIS OF EXPONENTIAL SMOOTHING METHODS FOR FORECASTING UDAI BHAN TRIVEDI	71
13.	COMPARATIVE STUDY ON RETAIL LIABILITIES, PRODUCTS & SERVICES OF DISTRICT CENTRAL CO-OPERATIVE BANK & AXIS BANK ABHINAV JOG & ZOHRA ZABEEN SABUNWALA	75
14.	SECURE KEY EXCHANGE WITH RANDOM CHALLENGE RESPONSES IN CLOUD BINU V. P & DR. SREEKUMAR A	81
15.	COMPUTATIONAL TRACKING AND MONITORING FOR EFFICIENCY ENHANCEMENT OF SOLAR BASED REFRIGERATION V. SATHYA MOORTHY, P.A. BALAJI, K. VENKAT & G. GOPU	84
16.	FINANCIAL ANALYSIS OF OIL AND PETROLEUM INDUSTRY DR. ASHA SHARMA	90
17.	ANOVA BETWEEN THE STATEMENT REGARDING THE MOBILE BANKING FACILITY AND TYPE OF MOBILE PHONE OWNED: A STUDY WITH REFERENCE TO TENKASI AT VIRUDHUNAGAR DISTRICT DR. S. VALLI DEVASENA	98
18.	VIDEO REGISTRATION BY INTEGRATION OF IMAGE MOTIONS V.FRANCIS DENSIL RAJ & S.SANJEEVE KUMAR	103
19.	ANALYZING THE TRADITIONAL INDUCTION FORMAT AND RE – DESIGNING INDUCTION PROCESS AT TATA CHEMICALS LTD, MITHAPUR PARUL BHATI	112
20.	THE JOURNEY OF E-FILING OF INCOME TAX RETURNS IN INDIA MEENU GUPTA	118
21.	ROLE OF FINANCIAL TECHNOLOGY IN ERADICATION OF FINANCIAL EXCLUSION DR. SARIKA SRIVASTAVA & ANUPAMA AMBUJAKSHAN	122
22.	ATTRITION: THE BIGGEST PROBLEM IN INDIAN IT INDUSTRIES VIDYA SUNIL KADAM	126
23.	INFORMATION TECHNOLOGY IN KNOWLEDGE MANAGEMENT M. SREDEVI	132
24.	A STUDY OF EMPLOYEE ENGAGEMENT & EMPLOYEE CONNECTS' TO GAIN SUSTAINABLE COMPETITIVE ADVANTAGE IN GLOBALIZED ERA NEERU RAGHAV	136
25.	BIG-BOX RETAIL STORE IN INDIA – A CASE STUDY APPROACH WITH WALMART M. P. SUGANYA & DR. R. SHANTHI	142
26.	IMPACT OF INFORMATION TECHNOLOGY ON ORGANISATIONAL CULTURE OF STATE BANK OF INDIA AND ITS ASSOCIATED BANKS IN SRIGANGANAGAR AND HANUMANGARH DISTRICTS OF RAJASTHAN MOHITA	146
27.	USER PERCEPTION TOWARDS WEB, TELEVISION AND RADIO AS ADVERTISING MEDIA: COMPARATIVE STUDY SINDU KOPPA & SHAKEEL AHAMED	149
28.	STUDY OF GROWTH, INSTABILITY AND SUPPLY RESPONSE OF COMMERCIAL CROPS IN PUNJAB: AN ECONOMETRIC ANALYSIS SUMAN PARMAR	156
29.	DEVELOPMENT AND EMPIRICAL VALIDATION OF A LINEAR STYLE PROGRAM ON 'STRUCTURE OF THE CELL' FOR IX GRADE STUDENTS RAMANJEET KAUR	160
30.	PERFORMANCE APPRAISAL OF INDIAN BANKING SECTOR: A COMPARATIVE STUDY OF SELECTED PUBLIC AND FOREIGN BANKS SAHILA CHAUDHRY	163
	REQUEST FOR FEEDBACK	173

## CHIEF PATRON

**PROF. K. K. AGGARWAL**

Chancellor, Lingaya's University, Delhi  
Founder Vice-Chancellor, Guru Gobind Singh Indraprastha University, Delhi  
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

## PATRON

**SH. RAM BHAJAN AGGARWAL**

Ex. State Minister for Home & Tourism, Government of Haryana  
Vice-President, Dadri Education Society, Charkhi Dadri  
President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

## CO-ORDINATOR

**AMITA**

Faculty, Government M. S., Mohali

## ADVISORS

**DR. PRIYA RANJAN TRIVEDI**

Chancellor, The Global Open University, Nagaland

**PROF. M. S. SENAM RAJU**

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

**PROF. M. N. SHARMA**

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

**PROF. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

## EDITOR

**PROF. R. K. SHARMA**

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

## CO-EDITOR

**DR. BHAVET**

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

## EDITORIAL ADVISORY BOARD

**DR. RAJESH MODI**

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

**PROF. SANJIV MITTAL**

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

**PROF. ANIL K. SAINI**

Chairperson (CRC), Guru Gobind Singh I. P. University, Delhi

**DR. SAMBHAVNA**

Faculty, I.I.T.M., Delhi

**DR. MOHENDER KUMAR GUPTA**

Associate Professor, P. J. L. N. Government College, Faridabad

**DR. SHIVAKUMAR DEENE**

Asst. Professor, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

**MOHITA**

Faculty, Yamuna Institute of Engineering & Technology, Village Gadholi, P. O. Gadholi, Yamunanagar

**ASSOCIATE EDITORS**

**PROF. NAWAB ALI KHAN**

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

**PROF. ABHAY BANSAL**

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

**PROF. A. SURYANARAYANA**

Department of Business Management, Osmania University, Hyderabad

**DR. ASHOK KUMAR**

Head, Department of Electronics, D. A. V. College (Lahore), Ambala City

**DR. SAMBHAV GARG**

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

**PROF. V. SELVAM**

SSL, VIT University, Vellore

**DR. PARDEEP AHLAWAT**

Reader, Institute of Management Studies & Research, Maharshi Dayanand University, Rohtak

**S. TABASSUM SULTANA**

Associate Professor, Department of Business Management, Matrusr Institute of P.G. Studies, Hyderabad

**SURJEET SINGH**

Asst. Professor, Department of Computer Science, G. M. N. (P.G.) College, Ambala Cantt.

**TECHNICAL ADVISOR**

**AMITA**

Faculty, Government H. S., Mohali

**MOHITA**

Faculty, Yamuna Institute of Engineering & Technology, Village Gadholi, P. O. Gadholi, Yamunanagar

**FINANCIAL ADVISORS**

**DICKIN GOYAL**

Advocate & Tax Adviser, Panchkula

**NEENA**

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

**LEGAL ADVISORS**

**JITENDER S. CHAHAL**

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

**CHANDER BHUSHAN SHARMA**

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

**SUPERINTENDENT**

**SURENDER KUMAR POONIA**

## CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the area of Computer, Business, Finance, Marketing, Human Resource Management, General Management, Banking, Insurance, Corporate Governance and emerging paradigms in allied subjects like Accounting Education; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Monetary Policy; Portfolio & Security Analysis; Public Policy Economics; Real Estate; Regional Economics; Tax Accounting; Advertising & Promotion Management; Business Education; Management Information Systems (MIS); Business Law, Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labor Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; Public Administration; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism, Hospitality & Leisure; Transportation/Physical Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Digital Logic; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Multimedia; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic and Web Design. The above mentioned tracks are only indicative, and not exhaustive.

Anybody can submit the soft copy of his/her manuscript **anytime** in M.S. Word format after preparing the same as per our submission guidelines duly available on our website under the heading guidelines for submission, at the email addresses: [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) or [info@ijrcm.org.in](mailto:info@ijrcm.org.in).

## GUIDELINES FOR SUBMISSION OF MANUSCRIPT

### 1. COVERING LETTER FOR SUBMISSION:

DATED: \_\_\_\_\_

THE EDITOR  
IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF \_\_\_\_\_.

(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other. **please specify**)

DEAR SIR/MADAM

Please find my submission of manuscript entitled ' \_\_\_\_\_ ' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

#### NAME OF CORRESPONDING AUTHOR:

Designation:

Affiliation with full address, contact numbers & Pin Code:

Residential address with Pin Code:

Mobile Number (s):

Landline Number (s):

E-mail Address:

Alternate E-mail Address:

#### NOTES:

- a) The whole manuscript is required to be in **ONE MS WORD FILE** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
- b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:  
**New Manuscript for Review in the area of** (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
- c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
- d) The total size of the file containing the manuscript is required to be below **500 KB**.
- e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
- f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS:** The author (s) **full name, designation, affiliation (s), address, mobile/landline numbers**, and **email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.
6. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.
7. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
8. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
9. **MAIN TEXT:** The main text should follow the following sequence:

**INTRODUCTION**

**REVIEW OF LITERATURE**

**NEED/IMPORTANCE OF THE STUDY**

**STATEMENT OF THE PROBLEM**

**OBJECTIVES**

**HYPOTHESES**

**RESEARCH METHODOLOGY**

**RESULTS & DISCUSSION**

**FINDINGS**

**RECOMMENDATIONS/SUGGESTIONS**

**CONCLUSIONS**

**SCOPE FOR FURTHER RESEARCH**

**ACKNOWLEDGMENTS**

**REFERENCES**

**APPENDIX/ANNEXURE**

It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed **5000 WORDS**.

10. **FIGURES & TABLES:** These should be simple, crystal clear, centered, separately numbered & self explained, and **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. It should be ensured that the tables/figures are referred to from the main text.
11. **EQUATIONS:** These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.
12. **REFERENCES:** The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per the following:
  - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
  - Use (ed.) for one editor, and (ed.s) for multiple editors.
  - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
  - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
  - The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
  - For titles in a language other than English, provide an English translation in parentheses.
  - The location of endnotes within the text should be indicated by superscript numbers.

**PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:**

**BOOKS**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

**CONTRIBUTIONS TO BOOKS**

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

**JOURNAL AND OTHER ARTICLES**

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

**CONFERENCE PAPERS**

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

**UNPUBLISHED DISSERTATIONS AND THESES**

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

**ONLINE RESOURCES**

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

**WEBSITE**

- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>



**BIG-BOX RETAIL STORE IN INDIA – A CASE STUDY APPROACH WITH WALMART**

**M. P. SUGANYA**  
**PROJECT RESEARCH FELLOW**  
**DEPARTMENT OF COMMERCE**  
**UNIVERSITY OF MADRAS**  
**CHENNAI**

**DR. R. SHANTHI**  
**ASST. PROFESSOR**  
**DEPARTMENT OF COMMERCE**  
**UNIVERSITY OF MADRAS**  
**CHENNAI**

**ABSTRACT**

*The retail industry in India is one of the sunrise sectors in the economy. AT Kearney (2011) has ranked India fourth indicating that the country is one of the most attractive markets for global retailers to enter. It has made India the cause of a good deal of excitement and the cynosure of many foreign eyes. A big-box store is a physically large retail establishment, usually part of a chain. This is also referred to as supercenter, superstore, or megastore. Examples contain large department stores such as Wal-Mart. The purpose of the paper is to study the impact and trends of big-box retail, and to explore strategies used to regulate big-box retailers. This paper also discussed a case study of WalMart. The study is purely based literature reviews. Through the study of the overall research works, concludes "WalMart is always bad for business, if there is no government stringent regulation".*

**KEYWORDS**

Big-box retailing, WalMart, retailing.

**INTRODUCTION**

The retail industry in India is of late often being hailed as one of the sunrise sectors in the economy. AT Kearney (2011) has ranked India fourth indicating that the country is one of the most attractive markets for global retailers to enter. A **big box store** is a physically large retail establishment, usually part of a chain. The term sometimes also refers, by extension, to the company that operates the store. This is also referred to as **supercenter, superstore, or megastore**. Examples include large department stores such as Wal-Mart. A big-box retail chain's success depends heavily on cost efficiency and that includes the cost that consumers incur in reaching a big-box store from their house or workplace.

**BIG BOX RETAIL STORE**

Big box retail is generally defined as a store that is several times the size of a traditional outlet in its category. The list of qualities and characters of big box retail stores have been identified by the Columbia university researchers. The characteristic of big box retail store includes:

- Usually occupy substantially more than 50,000 square feet, with typical ranges between 90,000 and 200,000 square feet;
- Derive their profits from high sales volume rather than price mark-up;
- Large, windowless, rectangular single-story buildings;
- Standardized facades;
- Reliance on auto-borne shoppers;
- Acres of parking;
- No-frills site development that eschews any community or pedestrian amenities;
- Seem to be everywhere and unique to no place, be it a rural town or urban neighborhood.

**CATEGORIES OF BIG BOX RETAIL**

There are numerous ways to categorize big box retail formats, with the following four of the most common:

- Discount department stores: Range in size from approximately 80,000 square feet to 150,000 square feet and offer a wide variety of merchandise including, house wares, home furnishings, apparel, and beauty aids.
- Superstores: These are discount department stores that sell groceries in 25% to 33% of their store area. The largest of the big box stores, they can occupy as much as 200,000 square feet and up.
- Warehouse clubs: Offer a variety of groceries and discount general merchandise in bulk at wholesale prices. There are a more limited number of product items than offered at general discount stores or supermarkets, and annual membership dues are usually charged. Store sizes range from 100,000 to 170,000 square feet.
- Category killers: Offer a large selection of merchandise and low prices in a particular type of product category. Store sizes are typically smaller, ranging from 20,000 to 80,000 square feet.

In light of all of the above, the following criteria are used to define big boxes for purposes of this study:

- Freestanding stores (i.e., not part of a mall) that average at least 100,000 sq. ft.;
- Stores that sell a relatively wide variety of merchandise, including products that fit into at least several of the industries within retail trade;
- Firms that do business nationally.

Analyzing the above criteria's, a big-box retail chain's success depends heavily on cost efficiency and that includes the cost that consumers incur in reaching a big-box store from their house or workplace. The technical paper of Thomas J. Holmes, identified the average distance to a Wal-Mart store is approximately 6.9 miles (~11 Kilometers) for census block groups (US) with a population of 500,000 people in a 5 mile (~ 8 Kilometer) radius.

**NEED OF THE STUDY**

This study critically analysis the impact of big box retail outlets and its impact in the country. The study helps to policy maker to concentrate on the discussed issue, to frame rules and regulation on Big box retail stores.

**OBJECTIVE OF THE STUDY**

The primary objective of the study focused on

1. To identify the impact of big box retail stores and its trends in India.
2. To suggest the strategies to regulate big box retail store.

**IMPACT OF BIG BOX RETAIL STORES IN THE ECONOMY**

Many studies that examine the impact of Wal-Mart and Other large retail chains and, in some cases, the benefits of locally owned businesses.

With respect to the impact of entry by big-box stores such as Wal-Mart on retail employment and earnings, evidence from the United States is mixed. Using county-level data, a recent study finds that Wal-Mart entry increases retail employment in the year of entry while contrasting evidence indicates that each Wal-Mart worker replaces approximately 1.4 retail workers representing a 2.7 percent reduction in average retail employment (Neumark, Zhang and Ciccarella, 2008). Yet other work on Wal-Mart expansion suggests that store openings reduced both average earnings of retail workers (Dube, William and Eidlin, 2007). Recent evidence also suggests that having a chain store in a market makes roughly 50% of the discount stores unprofitable and that WalMart's expansion over the 1990s explains about 40–50% of the net reduction in the number of small discount stores (Jia, 2008).

According to AT Kearney's 2011 edition of Global Retail Development Index (GRDI), Organized retail accounts for 7 percent of India's roughly US\$ 435 billion retail market and is expected to reach 20 percent by 2020. Big-box retail, in the form of hypermarkets, has gained prominence a refocus from the burgeoning supermarkets and small formats of several years ago. Food accounts for 70 percent of Indian retail, but it remains under-penetrated by organized retail. Organized retail has a 31 percent share in clothing and apparel and continues to see growth in this sector. The home segment shows promise, growing 20 to 30 percent per year. India's more urban consumer mindset means this sector is poised for growth.

The following are the important aspect of big box retail stores:

**1. Economic impact of local businesses vs. Chains:**

These study have found that locally owned stores generate much greater benefits for the local economy than national chains. Pankaj Ghemawat and Ken A. Mark (2007) studied about the real WalMart effect, the finding of the study is Wal-Mart's treatment of workers and host of other alleged knocks against society. But its overall impact benefits the economy and lower-income consumers. The real conflict is not between the capital and labour. It is a battle involving consumers and cost-efficient producers against traditional retailers, organized labour and community activists.

**2. Retail employment:**

This study examined whether the arrival of a superstore increases or decreases the number of retail jobs in the region. The upstream of a big-box store creates very few jobs for the local economy (i.e., Made in China), and the downstream ripple effects are terrible because retail jobs are overwhelmingly part-time and poverty-wage, with no health care. That means most retail workers have very small disposable incomes: after paying for bare necessities, they have little left with which to stimulate the local economy. Building new retail space just moves sales and lousy jobs around. It doesn't grow the economy. At present 40 million people are employed in Indian retail sector but with the entry of big retail giants we will witness heavy cuts on employment level. The government proposes to open FDI in multi-brand retail in cities with population of more than a million people. But even if that happens 4 lakh people will lose their jobs.

**3. Wages & benefits:**

The study has found that big-box retailers, particularly wal-mart, are depressing wages and benefits for retail employees. Retailing is infamous for its low wages, part-time hours, and lack of health insurance and pension benefits. The only exception are those grocery chains that are unionized, but big-box behemoth Walmart, by entering the grocery business with its Supercenters and aggressively fighting union organizing efforts, is now the top seller of food and a major source of downward pressure on grocery wages. The same pattern is true even in retail segments where there are no unions (Stacy Mitchell). As studies by the Austin, Texas-based consulting firm have found, national retail (including restaurant) chains in general pay lower wages and benefits than do locally owned businesses. By that measure and others, it has found that the chains generate fewer ripple effects in local economies: they procure less, bank less, contribute less, and participate less.

**4. Existing businesses:**

The arrival of a big-box retailer displaces sales at existing businesses, which must then downsize or close. This result in job losses and declining tax revenue, which some of these studies quantify.

Kenneth E. Stone et al (2001) study examines several Iowa communities where big box building supply stores, such as Menards and Home Depot, have opened in the last decade. Sales of hardware and building supplies in the host community and surrounding counties are tracked over several years to test what the authors call the "zero-sum-game theory," namely that the retail sales gains generated by big box stores are offset by sales losses at existing, often locally owned, retail stores. The results confirm the theory, finding that sales of hardware and building supplies grow in the host communities, but at the expense of sales in smaller towns nearby. Moreover, after a few years, many of the host communities experienced a reversal of fortune: sales of hardware and building supplies declined sharply, often dropping below their initial levels, as bigger box stores opened in the surrounding region and saturated the market.

**5. Consumers & prices:**

The survey found that, by "an eye-popping margin," independent drugstores outranked all other pharmacies-- including drugstore chains, supermarkets, mass merchandisers (e.g., wal-mart), and internet companies--in terms of providing personal attention, offering health services such as in-store screenings, filling prescriptions quickly, supplying hard-to-find drugs, and obtaining out-of-stock medications within 24 hours. Prices at independent pharmacies were lower than at chain pharmacies, but higher than at mass merchandisers and internet companies. (Time to switch drugstores? - *consumer reports*, october 2003)

**6. Traffic:**

This study indicates that the manual significantly underestimates the traffic generated by large supercenters (stores that combine general merchandise and a full grocery department) and that traffic analyses based on it are unreliable indicators of the actual traffic impact of a supercenter development.

As big-box stores multiplied in the 1990s, the road miles logged by the average household for shopping increased by more than 40 percent—a total of 95 billion additional miles a year for the country as a whole. (U.S. Dept. of Transportation, National Household Travel Survey). A 2005 study of 3,200 households in King County (greater Seattle), Washington, found that, compared to residents of low density subdivisions that lack neighborhood stores, people who live in traditional neighborhoods with a variety of small scale retail services, schools, parks, and other uses nearby:

- log 26 percent fewer vehicle miles per day;
- generate lower emissions of pollutants such as nitrous oxide, volatile organic compounds, and carbon dioxide, a leading cause of global warming;

**7. Charitable contributions:**

Companies with fewer than 100 employees gave an average of \$789 per employee, compared to \$334 per employee at firms with more than 500 employees. A study of businesses in the mid-coast region of Maine. Funded by the Minneapolis-based Institute for Local Self-Reliance, found that for every \$1 million in sales, big-box stores gave approximately \$1,000 to local charities. Conversely, locally owned businesses gave more than \$4,000 per \$1 million in sales—a fourfold increase. For communities strapped by the current slump, charitable giving is an important component of the local economy.

**8. Other Issues**

- Poverty rates:** Some studies found that WalMart store in certain Counties have fared worse in terms of family poverty rates.
- City costs:** some studies compare the municipal tax benefits of big-box development with the cost of providing these stores with city services, such as road maintenance, police and fire—finding that cities do not always come out ahead.
- State costs:** some studies proved that the big box retailers such as wal mart, the employees in the country no earning enough money to meet their own expenses. The states of the countries are reported that high costs associated with providing healthcare (Medicaid) and other public assistance to big-box employees.



d. **Subsidies:** The expansion of big-box retailers has been financed in part by massive development subsidies and tax advantages provided by local and state governments.

## THE TRENDS OF BIG BOX RETAIL STORES

The trend of big box retailing has expanded to a global level, increasing sales figures and store numbers has fuelled this movement. It revolves around WalMart developing a solid strategy for success. Though expanded sales, employment, and percentage share of the grocery market, WalMart has focused on practices and information sharing in addition to supply chain innovation. They followed alternative formats in capturing significant share of markets, shopping at traditional supermarkets less frequently than in the past has provided opportunities for alternative outlets, where leaders are increasingly extending their reach with new store formats and offerings, including community involvement and innovative promotions. Retailers are also moving towards becoming more sophisticated marketers by fulfilling needs of consumers; strategies revolve around catering to top shoppers through loyalty, signature items, and brand recognition. The retailers are organizing around the need state, this focuses on programs designed to meet consumer lifestyles and needs based on time, family, money, and personal obligations. The retailers are also focused on optimizing the box, including efficiency and allocation through space, packaging, and handling. As a major contributor in consumer decision-making, pricing strategies apply price optimization and management to effectively strengthen a given product's price image. These trends are rounded off by the evolution of developed market and opening up of FDI through new laws allows greater market access. The trends in global retailing explain directional changes of retail on the world market and provide insight to future focuses of retail marketing.

## BIG BOX RETAILING IN INDIA

India has its own 'Big Box Retailers. Currently all major business groups in India have a retail presence – Tata, Aditya Birla, Reliance, RPG, Future. Besides cooperative organizations have been active for quite a while – Sahakari Bhandar, Chintamani etc. While these have made some impact on the retail environment, they are nowhere near the scales operating in other countries.

Delhi-based Indian Council for Research on International Economic Relations looks at the effect organized retailing has on the unorganized retail sector. It shows that, on average, when an organized retailer opens, the kirana stores nearby generally lose about 23% of their sales in the first year, but are back at their original sales figures within five years. About 1.7% close down every year, but, even in the medium to long run, traditional retailers will still control 85% of the market

The factors that are in play influencing role in development of Retailing in India are:

- 1. Product diversity:** Consumer market in India, despite its overall size is rather limited in width. The number of Stock Keeping Units available for stocking is simply not sufficient to fill a 15000 sq ft space with adequate diversity. Imported products can help to widen, but despite FMCG imports being permitted now for many years, nationally this has not yet taken off. Food habits of the population at large are also quite conservative. While people may be ready for experimentation, habits are difficult to form. And it will be habits that drive product demand at retail level.
- 2. High Real Estate Costs:** Relative to income levels rentals in urban India are very high. Compounding this is the fact that sheer availability of large, well connected spaces in residential areas is poor. Further, many landlords take an advance or deposit to let out space owned by them. All these cumulatively push up the overheads and constrain a big box retailer to operate within the city. Many Shopping Malls especially those that started up early followed the Real Estate model rather than a Facilities model. This has had an impact in maintenance of the common areas and facilities – lifts, escalators, and toilets, parking to name a few. If footfall in the malls is compromised as a result, it will impact those retailers who would have set up shop especially if it is set up on rental (rather than profit / turnover share) basis.
- 3. Last Mile Logistics:** As of now this probably is the most important constraint impacting growth of big box retail in India. In Western countries reportedly bulk of the savings in logistics is realised in controlling the last mile i.e. supply from warehouse to the point of sale. In India this cost element is high. For instance traffic restrictions and difficulties result in practically little savings. If suppliers are required to effect deliveries to individual retail outlets, it becomes difficult to realise the benefit of scale. In such cases there may be no difference in logistics cost between servicing a provision shops and a Big Box Player. This dimension is also compounded by fiscal issues. Fiscally India is not one country, although this may change with GST implementation. ICRIER study suggests that those who sell directly to organized retailers get 60% more than they would receive from selling in the "mandi," the traditional Indian market system dominated by middlemen.
- 4. Local Competition:** For most groceries in India, operation is not exactly on business principles such as healthy return on investment and opportunity costs. They are run more as a source of livelihood or occupation. The ability of these players to compete by accepting low margins will also affect scale-ups by the big box players. Besides the 'connect' these players have with their Shoppers say through provision of credit is also difficult to match by the big box players. The benefit to consumers is rather obvious: an efficient supply chain and the economies of scale reaped by big-box retailers will lead to lower prices for produce and other basic goods that urban middle class consumers currently purchase from local stores. Lower prices, in turn, mean more disposable income in the pockets of these consumers to spend on other things, to save, to invest in the education of their kids, or whatever else.
- 5. Technology / Processes:** For a given system it can be contended that Technology or related processes have not been a constraint for existing players. An existing retail player can implement scanning, for instance. In other words relevance or applicability can be the question – availability is not. However this dimension has another side to it. Infusing technology and processes in this business has been happening at very high level of manpower costs. For instance a Provision Stores does not need a CEO, CFO or a Marketing Manager. The high costs incurred by the organised players need to be recovered from the margins generated.

The Big Players are unable to effect significant reductions in price only the other benefits remain – such as shopping experience and convenience.

It will be certainly possible for a global player to enter and register presence in many markets. But implementation of their traditional business model on a large scale so as to displace the local dynamics may take a while. They deploy an alternative business model it may help. But whether such an alternative model will replace the Provision Stores rapidly remains to be seen.

It must be remembered that the livelihood threat that is often referred to has been existing. India has had its share of Supermarkets for many years, though not as sophisticated as those abroad. The international players will have deeper pockets and the ability to offset losses from India with profits from elsewhere. Still they too will be ultimately accountable to their shareholders – their ability to sustain developmental losses in India may not be infinite, as a result the key business drives are as follows as

- Maintain margins despite tight economy; optimize supply chain
- Avoid stock outs on in demand goods, improve responsiveness to trends/opportunities
- Compete aggressively with volume, category and convenience competitors
- Cost effectively educates consumers (mobile, digital displays, wands....)
- Satisfy demanding consumers and integrate their buying experience across channels
- Deal with regulation and compliance
- Optimize costs including IT
- Seek profitable expansion opportunities
- Manage online reputation risk

## SUGGESTIONS AND CONCLUSION

The Trends Affecting Retail Businesses are mobile marketing and social media, the Flat panel displays are at an all time low cost, demise of some larger chains, economy driven changes in consumer buying power and behavior; slow recovery, reinvigoration of credit card purchasing, Stop'n'Shop are experimenting with shopping wands.

The government has to monitor the foreign investors regarding the transparency of the business. The regulators should frame strict rules and regulation on big-box retailers. They should consider the following points as well before policy making, they are as follows as

1. The big box store should create value to consumers by way of prices.
2. The local retail firm owners should create their own retail business model to win the developing economy.
3. The prices of big box retailers and local shop owners should be comparable in this they can avoid cut-throat competition.
4. The stage of modern approach stores are not identical, shifting of choice of retail outlets and preference of consumer may going forward, it take time to see drastic changes in which as mentioned earlier local owners should create their own model to attract consumers. All big boxes are not identical, as Austin study said.
5. The small shop retailers should create customer value to enhance the local economy.
6. There should be a healthy competition between small and big box retailers in which they country can maintain economic stability and protection towards the local business owners.
7. The local fiscal impact of retail is a function of maintaining a retail base to meet local demand.
8. The City should promote design standards that reflect community values; but those standards should not be so onerous or prescriptive that neither national nor local retailers can justify doing business in India.
9. Big boxes put downward pressure on wages.
10. Lower wages tend to create social costs that are not fully accounted for in the price of the goods that consumers purchase.
11. Local retailers may have stronger linkages, per dollar of revenue, to the local economy than the big boxes
12. The healthiest consumer market is the market that maximizes consumer choice on a sustainable basis, i.e., a market that is competitive.
13. New Urbanism offers the possibility of mitigating some of the concerns associated with the big boxes, as well as potentially creating an opportunity to leverage destination consumers for local businesses which entails pedestrian-friendly scale, mixing a variety of land uses, connectivity with adjacent neighborhoods, facilitation of transportation choice, and a range of retail formats.(Austin Report)

## REFERENCES

1. AT Kearney's 2011 edition of Global Retail Development Index
2. Big Box Retail and Austin, June 2004.
3. Big box tool kit, A project of the Institute for Local Self-Reliance
4. "FDI in Retail", <http://friendsofbjp.org/content/fdi-retail-indian-context>,
5. Kenneth E. Stone et al (2001), "The Impact of 'Big-Box' Building Materials Stores on Host Towns and Surrounding Counties in a Midwestern State".
6. Pankaj Ghemawat and Ken A. Mark, "the real wal-mart effect" presidents and fellows of Harvard college, 2007 Harvards business school
7. Stacy Mitchell (2007), Big-Box Swindle: The True Costs of Mega-Retailers and the Fight for America's Independent Businesses.
8. The wall street journal: Economics Journal: Who's Afraid of Wal-Mart?, 5<sup>th</sup> December, 2011.
9. Time to switch drugstores? - *consumer reports*, October 2003

## **REQUEST FOR FEEDBACK**

**Dear Readers**

At the very outset, International Journal of Research in Commerce, IT and Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mails i.e. **infoijrcm@gmail.com** or **info@ijrcm.org.in** for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com).

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

**Academically yours**

Sd/-

**Co-ordinator**

## ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

### *Our Other Journals*

