

ORGANIZED RETAILING IN RURAL INDIA: THE KEY ELEMENTS OF SUCCESS FOR RETAILERS, OPPORTUNITIES AND CHALLENGES

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ABSTRACT

More than sixty-five per cent of India's population is living in rural areas. With organized retail increasingly taking off in India, retailers are fast penetrating rural markets with different models to serve the shoppers of rural and semi-urban India with many innovative ideas like smaller size products that appeal to this segment. This paper first studies some of the retailers who have already entered these markets with rural supermarket format: Future group and Godrej's joint venture Aadhar, ITC's Choupal Saagar, DCM's Hariyali Kisaan Bazaar, Triveni Khushali Bazaar and Mahindra & Mahindra's Shubhlabh. Thereafter, this paper further suggests the retailers through a comprehensive model to consider key elements and variables to be successful in rural markets along with some of the opportunities and challenges for retailers while entering country's rural markets.

KEY WORDS: Rural Retailing, Rural India, Organized Retailing, Rural Supermarkets.