

“ATMA NIRBHAR BHARAT VISION 2047 RETAIL SECTOR AND SERVICE QUALITY – A STUDY”

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ABSTRACT

As the new mantra “Vocal for Local” is the buzzing word in the world of globalization. In order to encourage domestic entrepreneurs, become self-sufficient. Atma Nirbhar Bharat Vision 2047 introduced by our hon’ble P.M Shri Narendra Modi Ji. In this connection several sectors are getting influenced and there is huge scope towards growth and profit maximization. Among all the incredible sectors contributing to our economy, the retail sector is one of the biggest contributions to our GDP. The latest developments India had in this sector is FDI which intended to bring investments. But our local players are not less than any multinational giants. To refer here Shri Radha Krishna Damani Leading D-Mart has taken the retail sector to the new elevations. A true example of Atma Nirbhar Bharat. This idea triggered us to work on the Atmanirbhar concept relating to retail. Therefore, this paper attempts to understand how Atma Nirbhar Bharat can influence retailing in terms of service and quality.

Keyword: Vocal for Local, Atma Nibhar Bharat, Economy, Retail Sector, Service and Quality

Introduction

In the era of digitization and artificial intelligence, the world is moving towards inclusive growth. This is the period of change where new policies and reforms are emerging with a determination in the direction of economic development and national opulence. Among all the revenue generating sectors, retail takes a special place in terms of operational efficiency. Retail business models are exceptional in their own way contingent on the sort of customer segmentation and targeting the forthcoming prospects. The scope of retail is humongous and it provides large employment opportunities to the younger generation. The effectiveness of the retail and its success mainly depends on how the customers are served and maintain quality in the service they provide during the retail operations.

According to Shri Narendra Modi, Prime Minister of India on Atma Nirbhar Bharat, Vision

2047 having a dramatic diaspora for the “Digital India Movement” including the production of the products like semiconductors, setting up 5G networks, and placing optical fibre networks has revealed great results in various specialities like education, healthcare and changes in common man’s lives and more. According to him India is under the tech era which is why we are here. With the advent of 5G, manufacturing semiconductors and OFCs even in villages, the nation is bringing a revolution through Digital India to the people grassroots level showing inclusive growth.”

Our path is: Reforms, Performance and Changes – Shri Narendra Modi, Prime Minister of India.

Objectives of the Study

The following are the objectives of the study:

1. To understand the concept of Atma Nirbhar Bharat 2047 in the context of retail sector

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2. To study the impact of Atma Nirbhar Bharat on retail sector
3. To identify the role of service and quality of retailing under Atma Nirbhar Bharat
4. To provide suggestions based on the detailed study

Need for the Study

In contemporary situations, it is very important to produce employment openings and create avenues for revenue. This can be attained through Atma Nirbhar Bharat 2047. In this connection the retail sector should be given priority as it provides a great impact on the employment generation and development of the economy contributing to GDP. Therefore this is the need of the hour to study on this topic.

Methodology

The following methodology is been adopted for the study:

Primary Data

Data that has been produced by the researcher oneself with the surveys, interviews, experiments, expressly premeditated for thoughtful understanding and resolving the research problem on mark.

Secondary Data

By means of prevailing data produced through large government, public, private organizations, health care facilities etc. in some cases even the part of organizational record keeping also included. This conveys the researcher to consider the data and extract from other diverse data files which are already available. Data obtained from journals, magazines, records, web browsers also come under this class.

The study is mainly conducted based on secondary data

Limitations of the Study

The following are the limitations of the study:

1. The data collected in this study is from secondary source and no primary data was collected
2. This study is purely of academic interest

Review of Literature

It was observed that “Prime Minister Narasimha Rao and Minister of Finance Manmohan Singh”, from “June 1991 to May 1996” are attributed with implementation of monetary transformation agendas. These changes were originated by the Indian government in 1991 which are focused on a fast and generous mix of the Indian economy with the worldwide economy in a unified means.

According to Smitha and Harish (2020) Atmanirbhar Bharat Abhiyan is the new version of ‘Make in India’ which was proclaimed under the leadership of Hon’ble Prime Minister on 12 th May 2020 with a new vision for Bharat. The comprehensive declarations were a maiden five days relief package by the finance minister Nirmala Sitaaraman to alleviate the negative effects of the COVID-19 pandemic. She clarified that it doesn’t aim to adopt protection against other countries. Those sectors which necessitates FDI and foreign technology are always wanted.

Smitha and Harish (2020) have labelled in their study that Atmanirbhar Bharat Abhiyan is a long-term concept. In the short-term it is very difficult to attain because since 1991 all economies are united under LPG policy. From the above study it is concluded that the Indian Economy has huge potential to achieve self-reliance but it entails proper application of laws made by government and correct distribution of funds selected through the government. Not

only in urban, but rural sectors also have a great dimension to develop if proper policies are made and applied. Government should give all the facilities to develop those sectors which have potential to take innovative steps. This is not only government's accountability but also consumers' responsibility to consume domestically produced goods because demand is the main determinant to develop any sector. India is not only capable of producing basic products but also has the capacity to produce highly technical products.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, Boston Consulting Group (BCG) and Price water house Coopers in their reports have projected that India to surpass USA and may become the second major economy referring to the purchase power parity competence before 2040.



Source: <https://images.app.goo.gl/fsvgrVxbMeovhZ6A>

A facilitative legal framework will be created to enable farmers to engage with processors, aggregators, large retailers, and exporters in a fair and transparent manner. On the other hand, mitigation of risk for farmers has been assured of

returns, and superiority, standardisation that will form an essential part of the outline.

Ranjit(2021) have clarified that the significant challenges of the supply chain are disruptions in imports, delays, affected logistics, reaching to customers, and fewer returns on investment. It discourages production, manufacturing of goods, and services in the economy. The lack of efficiency in the supply chain will lead to creating less value for customers that will further reduce profitability.

1. In an important step in realising PM Modi's vision of a US\$5-trillion economy the initiative to make India a more investor-friendly destination, further smoothening investment inflows
2. This will bring synergies among various Ministries and Central/State Governments in various investment/incentive policies.
3. Increased foreign participation that will boost domestic industries and employment in the country.

During the COVID-19 pandemic, India is presented with an opportunity to attract FDI from companies that are looking to diversify their investments into new geographies to mitigate risks. To empower such opportunities, the Government is determined to enforce an investment-friendly ecosystem that supports foreign participants as well as domestic investors.

1. The Government predicts ramping up diverse production in India which will help to best oblige markets in the US, EU, etc.
2. The plan aims to reward opportunities from the global economy to make India among the largest companies in the global value chain.

According to Economic Times Foreign Direct Investment in retail in India has always been a contentious issue. In this regard the sources of

government allowing a progressive liberalisation of retail among all other sectors in our nation for attracting foreign direct investment and revenue. The last major move came in 2012 when 100% Foreign Direct Investment was allowed in single-brand retail. Researchers made efforts to understand the issue of Foreign Direct Investment in retail in India along with the advantages and disadvantages there under. Also EXPERTS talk about how the Indian economy is pretentious by the liberalisation in the government's Foreign Direct Investment policy and its implementation.



Source: <https://images.app.goo.gl/DqKjgMzfcX2nDckC9>

FDI in Retail Background

It was estimated that the Indian retail market is worth USD 600 billion and there is a magnanimous growth expected in this field. Indian retail falls in the top-five retail markets across the world in terms of its economic value calculated. Also, Indian retail is emerging as one of the fastest growing markets and the soaring population of more than a billion people in the country. It was anticipated that retail would grow enormously. Along with this the total consumption expenditure as estimated is going to reach about USD 3600 billion before 2020 as per the study. As the retail market is valued to have touched USD 1.1 trillion by the year 2020. Using the internet, online retail sales are growing at a rate of 30% also estimated. Economy in India

results in the retail sector among the main pillars of the national economy with it contributing about 10% in the Gross Domestic Product (GDP). The sector in the form of organised retail format is mere 9% and the unorganised sector leads ahead. Another component is that the maximum number of retailers operate out of less than 500 sq. feet of retail space according to the study. Unorganised retail sector also engrossed about 7% of the labour force in India providing employment opportunities. The central government has approved 100% Foreign Direct Investment in single-brand retail and 51% FDI in multi-brand retail.

Advantages and Benefits – “FDI in Retail”

- As the growth can be seen in the economy, when foreign companies come forward to build the new infrastructure. Alongside the sectors like real estate and banking will see growth. MNCs will pay a lot of taxes to the Indian government which again can be used to build infrastructure that is very essential for nation building.
- As far as Employment generation is observed, Foreign Direct Investment in retail can create a proportion of job opportunities in the giant organised retail organizations.
- There is great benefit for farmers as well. On the other side this will benefit the farmers and producers, with procurements, products purchased directly from them and, eliminating intermediaries as well. As a result, the farmers will obtain their margins with improvements.
- As in the unorganised sector, huge wastage is taking place around 40% in the case of vegetables and fruits in general. Retail chains that are big in size can reduce this wastage by investing in supply chains and acceptable storage facilities.

- Foreign businesses can carry in better technology, management best practices, and more learnings for Indian players when we make a comparison in a positive sense.
- There is going to be a push to productivity as of now, Indian making of products and products in agriculture and food is far below. Foreign Direct Investment in retail will give a much desirable impetus to the build of new infrastructure in agriculture and farming practices in India.
- To benefit consumers with Foreign Direct Investment in retail infers low levels of prices and improved and more diversity of products for consumers to select. They will also become accessible to international brands and companies.
- As it can encourage competition, and induce competition in the market profiting both consumers and producers as well.

Disadvantages and Apprehensions- Foreign Direct Investment in Retail Sector:

- It was observed that Foreign Direct Investment may become the reason for the drain out in the country's revenue share to foreign countries. This can damage the nation's overall economy and development.
- Importantly the domestic retail players are not in a position to be able to withstand the competition posed by these big MNCs and their existence may be wiped out from the market or at least absorbed by the bigger players.
- The prices may be taken down primarily, but once the MNCs get a throttle hold in the market, they can root the reason for price rise and may also form cartels harming the consumer's interest.
- The farmers, who may benefit firstly, may also be at the mercy of these big retailers after they get a strong share of the country's total market.
- They use predatory pricing policies helping big retailers that will harm small and medium players in the retail sector in India.

Dimensions of Service Quality as explained by Kalaiselvi (2016) In measurement of service quality depends on the perception of customers and this could be dissimilar from the likely service. As one can regulate the gap amongst services expected upon apparent service, quite a few models are cast-off like the SERVQUAL and RATER models, e-SERVICE QUALITY and more. The key dimensions of service quality resilience can be coined as:

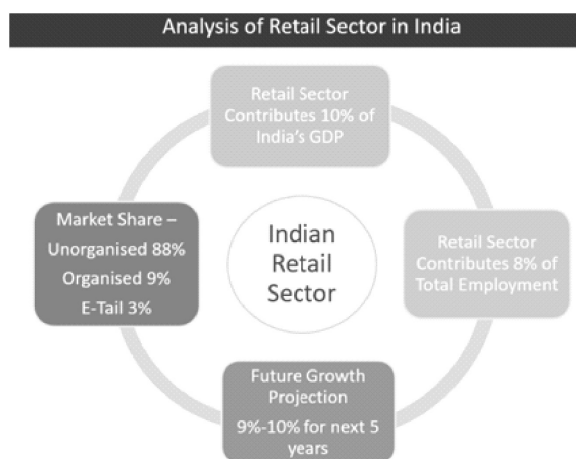
- The Reliability Factor: This is the capability to accomplish the service consistently and precisely, as assured. For instance, in software service, it would be the accurate technical functionality of the submission and innumerable features such as GUI, billing, product related information and more.
- The Responsiveness Factor: Precession of the services are to be concentrated to the customer and the timeliness of service distribution as well. With due respect to software services, it is the ability to respond to customer problems and provide suitable solutions to them.
- The Factor of assurance: In this context it is to measure service with ability to carry trust elements to the customers and how better they can spread courteousness. The software has to assure and involve the amount of sureness that the customer has in handling the software application, navigating the web site, the belief that has on the information provider and its clarity, reputation and more.

- The Empathy Factor: It is to Give tailored devotion, empathetic to the requirements and caring for the customers as the real success component. This software service would comprise customized applications, one on one customer attention, security privacy and understanding customer and other things as they preferred.
- The Tangibility Aspect: The physical qualities like appearance, equipment, facilities and so on. After we express software services, the tangibles would be aesthetics of the software application or website, navigation features, accessibility, flexibility and many others.

According to Dhanasri (2016) it was described in her study that the retail sector is one of fastest growing sectors of India. The grocery and FMCGs sector have grown in terms of shopping malls and hypermarkets in the past few years. Retail sector particularly in countries like India has been characterized into two types which are organised and the unorganised retail sectors. According to her, unorganized retail captured a foremost share of about 95% of the total segment. Here the organized retail sector with mere 5% share comprises super markets, departmental stores, shopping malls, hypermarkets and so on to create a unique customer experience. In most cases the existing formats largely pacted in grocery items, FMCGs and personal care products related business models.

Negi (2009) points out that overall service quality is significantly associated with and contributes to the overall satisfaction of mobile subscribers. Kothadiya (2012) mentioned that quality of services is the most indispensable competitive strategy to retain customers and reach the customer delight. In their study Saravanan and Rao (2007) have coined that

customer satisfaction is grounded on the level of service quality delivered by the service providers which resolves the consumer's increasing knowledge of all of the opinions of interaction with companies. According to Hokanson (1995) Customer Satisfaction is precious and is influenced by the factors like friendliness and courteousness, knowledge of the sales people, helpfulness to the customer doubts, correctness of billing, competitive pricing methods and speed of services offered. This shows that there is some link between service quality and customer satisfaction. (Wicks and Roethlein, 2009).



Source: <https://i0.wp.com/blog.investyadnya.in/wp-content/uploads/2019/08/Analysis-of-Indian-retail-sector-1.png?fit=712%2C517&ssl=1>

The National Retail Policy was planned to promote e-commerce all over the country, leverage retail trade as a tool for socio-economic development of the country and encourage skill development and create more employment opportunities for all sections of society involved in retail trade. This policy also was framed to identify and address existing infrastructure gaps affecting the retail trade industry. Also to accelerate investment flow to underdeveloped regions across the country.

Findings

The following are the findings of the study:

- Atma nirbhar Bharat Vision 2047 is one such initiative that believes in inclusiveness
- The Atma Nirbhar Bharat enables the people of the nation towards self-reliance
- This initiative builds resilience in the people mindset which is helpful for the growth of atma nibhar economy
- There are so many good virtues, are there in this initiative but retail sector was not considered that serious as the other sectors may include in MSME. On the other side National Retail Policy can give necessary inputs for the developments in this sector.
- Retail involves employment generation, it requires best of the supply chain support, import-export and so many other dimensions so it can be related to the 5 pillars of Atma Nirbhar Bharat.

Suggestions

Following are the suggestions for this study:

- Retail sector should be considered as important contributor for the economy of the nation
- Special incentives to be provided to the youngsters who want to enter into the retail sector.
- Proper implementation of National Retail Policy integrating Atama Nirbha Bharat Vision 2047.

Conclusion

According to the department for promotion of industry and internal trade, it was proposed to formulate the national level retail policy to promote the growth of domestic trade as well. In the retail policy the aim is to streamline the trade and promote ease of doing business. In

promoting the retail sector India could attain developed-country-status in 2047 if, by then, it is in the high income group of people. For this, its GNI per capita would have to grow from \$2,170 to \$12,700 at constant 2021 prices, which would require per capita income growth at 7% per annum, in real terms, for the next 25 years.

With the launch of Atma Nirbhar Bharat 30,000 jobs in the toy market can be created in India. In the Edible Oil segment India will be self-resilient. PepsiCo is going to invest 186 Cr. Rs in India in its developmental initiative. With the government. interventions Indian Retail Sector is marching ahead with technological innovation and global competitiveness. The latest developments India had in this sector is FDI which intended to bring investments. But our local players are not less than any multinational giants. To refer here Shri Radha Krishna Damani Leading D-Mart has taken the retail sector to the new elevations. A true example of Atma Nirbhar Bharat. This idea triggered us to work on the Atmanirbhar concept relating to retail. Therefore, this paper attempts to understand how Atma Nirbhar Bhart can influence retailing in terms of service and quality.

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