CHALLENGES EMERGING IN SPORTS GOODS RETAIL MARKET IN VIDARBHA REGION

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ABSTRACT

This paper examines the performance of sports goods retailers in Vidarbha and throws light on the current patterns of consumers purchasing the sports goods, identifies a range of potential responses to the main opportunities and challenges emerging in sports goods retail market in Vidarbha region. For this study the subjects were exclusively sports goods retailers registered with sales tax department in Vidarbha region. Researcher has outlined the "retail realities" in sports goods of Vidarbha region that could potentially have an impact on retailers. Success will likely be shaped by several factors, weaved together in a flexible, scalable, and agile model. The retailers must leverage technology shifts to their advantage and turn business intelligence and data into actionable insight to grow and benefit the business. Leading retailers must adapt their frame of mind on store formats and return on investment. The successful retailer, by embodying these and other success factors can manage the complexity and diversity of retailing in the region.

Keywords: Sports Goods, Retailers.

INTRODUCTION

Retail comes from the Old French word tailler, which means "to cut off, clip, pare, divide" in terms of tailoring (1365). It was first recorded as a noun with the meaning of a "sale in small quantities" in 1433 (from the Middle French retail, "piece cut off, shred, scrap, paring"). Retailer purchases goods in large quantities and sells smaller quantities to consumer for a profit. New trend in retailing is also done using online websites, electronic payment then delivered via a courier or any other services since 2000’s. Online retailing, a type of e-commerce used for business-to-consumer (B2C) transactions and mail order is a form of non-shop retailing. In India, sports goods retail business is still dominated by small family-run stores, but this market is increasingly being taken over by large retail chains. Most of these stores are called high street stores. Gradually high street stores are being re-grouped at one location called Malls. These are more defined and planned spaces for retail stores and Brands.
Sport goods retailing is itself an in business and it means many different things to different people. Sports goods manufacturing industry is a truly global industry as significant portions of the workforce in India rely on this industry for their livelihoods. Also sports stir up deep passion with spectators and players around the globe. To business people, sports provide a lucrative and continually growing marketplace worthy of immense investments with astonishing variety of sports goods. Evolving technologies and fashions have an immense impact on sales of sporting goods within specific sectors as manufacturers introduce new fashions, new colors and new styles yearly in an effort to get consumers to buy new or buy up, trying to create reasons for consumers to buy new equipment and adopt new technologies with great success as soon as they become available.

ORGANIZATION AND STRUCTURE

The sports goods market is largely seasonal in Vidarbha. As wide range of sports products is available, many retailers in Vidarbha specialized in providing equipment for certain activities dealing primarily with team equipment for educational and other institutions. In Vidarbha, many sports goods retailers had concentrated their business towards specific equipment popular in the region. Due to continuous rapid change throughout the sports industry, as consumers’ tastes and manufacturers’ product lines evolve, consumers of sports goods want to play but they want to do so at reasonable cost from retail market. Leading retailers have ambitious growth plans on the table and the increasing interest of sports brands in managing their own sales operations is bringing another new dimension to the market. Sports goods online retail market boosted in start of this decade due to massive growth in sports participation particularly among women and younger adults, which was a welcome counterpoint to the continuing squeeze on disposable incomes that has forced many people to economise on leisure spending.

BACKGROUND AND DEVELOPMENT

In this decade sports goods retail market in Vidarbha embarked rapid consolidation. Wholesalers/Dealers of sporting goods were in a relatively weakened position compared to manufacturers, so instead of competing with their prices, they opted to emphasize value-added services not offered by manufacturers to regain a larger portion of the market. Primarily youth-oriented, extreme sports derived their appeal largely from marketing campaigns advertising a general lifestyle, rather than health or sportsmanship. Moreover, the industry grew increasingly diversified, with the development of sporting goods tailored to ever-more specific lifestyles. Of particular concern to wholesalers, however, was the growth in the retailers’ strength in the industry, which afforded retailers greater leverage in demanding services and concessions.

USE OF TECHNOLOGY

Major factors’ affecting the retailers includes increased use of the Internet by buyers of sporting goods. Advantages to retailers and consumers included the fact that Internet has more ‘shelf space’ than conventional brick-and-mortar retail outlets and can offer various discounts. Other trend affecting this sector includes rising costs of transportation and inventories. In late 20th century sporting goods distributors were offering clients computer systems that could track their desired goods for purchase. This systems offered by businesses has several unique advantages and has became an integral part of business in the current era for consumers to shop. Retailers must use this information via Internet to facilitate business-to-business e-commerce such as automating their inventory, offering customer service, distributing products, and utilizing order fulfillments. By the
mid-2000s, however, industry-specific online stores faced encroachment from mass e-retailers offering brand names in a vast array of sporting activities.

Also the effects of technology such as cell phones, Internet, video games and other technology-related trends hampered the retail business in the region. The sporting goods industry works to find a way to tap into the next generation's high-tech mindset.

OBJECTIVES FOR THE STUDY

The objective of this research was

1. Throw light on the current patterns the consumers opts for purchasing sports goods.
2. Examine the performance and marketing strategy of sports goods retailers in Vidarbha
3. Identify a range of potential responses to the main opportunities and challenges emerging in sports goods retail market in Vidarbha region.
4. To get acquainted with back ground of sports goods retailers and find deficiency in the way sports goods are marketed from their outlets.
5. To encourage retailers for use and application of ICT to become competent enough to face the new challenges in the current market position in the region.

SIGNIFICANCE OF THE STUDY

The present study will be significant in the following ways:-

- Determine the strength and weaknesses of sports goods retailers in Vidarbha.
- To suggest measures for uplift of standards in the outlets.
- The study may be useful guideline for the sports goods manufacturers may be able to make suitable change in their marketing plan and policy to achieve better result.

HYPOTHESIS

For this study following Hypothesis were made.

H1: Sufficient stock is available with sports goods retailers.
H2: Minimum use of technology for marketing strategy is made by retailers in the region.
H3: Women consumers had great impact on sales of sports goods in the region.
H4: Branded sports goods are preferred by retailers in the region.

DELIMITATIONS OF THE STUDY

The present study was delimited to the following aspects.

i. The study was delimited to various Sports goods retailers of Vidarbha region.
ii. The Study was delimited to the self-made questionnaire prepared with the help of marketing experts.
iii. The study was delimited to last two financial years.[2012-13 to 2013-2014]
LIMITATIONS OF THE STUDY

The study had the following limitations cited below:

a. The individual's responses related to certain nature of the questions may influence the attitude of respondents they adopt.
b. The hesitation in presenting the fact by the respondents may also affect the results.
c. The authenticity of the data lies on the honesty, experience and knowledge of the respondents.

TOOLS FOR COLLECTION OF DATA

The major source of the subjects was exclusively sports goods retailers registered with sales tax department in Vidarbha region. For collection of data major Qualitative method and Quantitative method were used, views and opinions were collected from sports goods retailers. Researcher tried to collect maximum data from each every respondent irrespective of age, caste, creed and gender. Total response from 105 Sports goods retailers from Vidarbha region was collected.

RELIABILITY

The reliability is based on the reply of questionnaire received by the respondents. As Primary data has been collected with the help of a pretested questionnaire specially designed for the purpose covering maximum aspects. Similarly, secondary data and information collected from various sources and personal observations.

ANALYSIS OF DATA

The data were scrutinised, classified, compiled and analysed. The descriptive analysis of data was carried out. The researcher has organized and prepared questionnaire for interviews and sectioning data based on the sources of information and brought in to percentage and then analysed the outcome out of the result. The data was analysed to validate the information provided by the respondents. The Hypothesis applicable is being verified accordingly.

CONCLUSIONS

1. Almost 75.24% [79 respondents] of the retailers surveyed bought goods closer to the selling season, rather than overstocking products during the off-season.
2. Almost 70.48% [74 respondents] of the retailers surveyed opined that exercise / health equipment sector was among the industry's saving graces in early 2000’s as fitness products were particularly popular among individual consumers for use.
3. If a customer wants to view an item online, purchase it using their phone, and return it, they can do so in a smooth and seamless way will be the forthcoming marketing strategy of 66.67% [70 respondents] of the retailers.
4. In near future retailers will be taking big strides towards that number by adopting solutions such as PayPal, Google Wallet, Square Wallet, Dwolla, and more.
5. Scholar investigated that 58.09% [61 respondents] of the retailers surveyed already started investing in adopting ICT, and other plan to do so in near future.
6. Currently no retailers are using social sites to monitor feedback and connect with customers.
7. Almost all retailers surveyed opined that due to rise in women's participation and interest because of increasing high-profile media coverage sale of sports goods has increased.
8. Almost 76.19% [80 respondents] of the retailers surveyed stated that Branded sports goods have huge opportunities in the region.

After analysis of data all hypotheses has been proved positive in nature, hence accepted.

RECOMMENDATIONS

1. Rise in popularity of both gender, in various forms opened new market niches driving overall industry growth.
2. Renovations of outlets are necessary for maximum retailers of sports goods in the region.
3. Consumers are becoming increasingly comfortable with using digital technology in the shopping environment and presumably will more frequently measure a retailer on how well it supports this change.
4. The challenge for retail companies is how well they can adapt, how wisely they can make spending decisions on new technology, and how best they can use technology to continuously connect with their greatest asset the consumer. Maximum use of current technology should be made by retailers in order to increase foot prints of consumers and increase sales from their retail outlets.

REFERENCES