

# Globalization and Consumerism – SWOT Analysis in North- West India.

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## **Abstract**

Globalization is an unavoidable wonder driving the whole world towards getting to be one market, a worldwide town. Globalization has had a noteworthy commitment in empowering the associations worldwide to venture out of limited household markets and to set up their activities over the globe with certainty. India has ascended to another class of consumerism set apart by the accessibility of an assortment of shopper products supported by the extension of multinationals, the dissemination of media transmission and satellite advancements and sorted out retailing. The goal of this paper is to show impacts of consumerism and advancement of shopping center culture in India.

Key Words: Globalization, Consumerism, Malls, SWOT.

## **Introduction:**

### **Globalization**

Consistently since freedom has been set apart by the generous moves in the business condition of the country. The time from fifties to late sixties has been set apart by move from rural economy to modern economy. Mid seventies to late eighties saw the time of developing polished methodology and birth of numerous famous Indian brands in the commercial center.

- The post advancement stage in India has experienced a lot of changes in the market place. This stage has not just detected the huge inflow of brands originating from different nations all around the world yet has additionally watched the changing customers and developing patterns in the buyer conduct. These exchanges required the move from 'Generation Oriented Marketing' in mid fifties to the 'Comprehensive Marketing', at the contemporary occasions. The mechanical progressions, media upheaval, quality direction, administration work culture and unbeaten wild challenge have instructed the clients more than ever.
- Present day clients have developed from those looking for fulfillment to the individuals who need to be pleased by their advertisers. The items required, the brands wanted, the method for drawing closer and expending them have changed

fundamentally. Adam Smith in his 'Abundance of Nations' sees that it is so essential to deal with the enthusiasm of the shoppers : "Utilization is the sole end and motivation behind all preparations and the interests of the item should be taken care of, just to the extent it might be vital for advancing that of the buyer."

- Peter Drucker says "each business can be characterized as serving either clients or markets or end clients".
- Fred J Burch sees client as 'the support, the turn point about which the business moves in working for the reasonable interests of all concerned.'
- To guarantee that the customer isn't abused, bamboozled and exposed to hardships, his rights are distinguished and perceived, John F Kennedy recognizes the privilege to security, the privilege to be educated, the privilege to pick and the privilege to be heard as the essential shopper rights. Similarly as the most spoke and expounded on monetary frameworks, 'free enterprise' and 'communism', the 'consumerism' is quick picking up cash with a distinction that it is seen as a 'people groups' development instead of a framework.

### **Consumerism**

Consumerism is all around characterized as a 'social development looking to expand the rights and intensity of purchasers in connection to dealers.

Consumerism is an endeavor with respect to buyers to make produces mindful about their advantage and reality.

### **History of concept of Consumerism**

Consumerism is the disclosure of the twentieth century. Two countries USA and UK have tried spearheading endeavors for assurance of shopper rights. Consumerism initially started in USA in the mid 1900s. The sustenance and Drug Act (1906), the Meat Inspection Act (1906), making of the Federal Trade Commission (1914) and so on were presented for the security of shopper intrigue. As far back as at that point, increasingly more buyer Acts and laws have been passed in USA , UK and numerous different nations. The advancement of commercialization in any nation whether created or less created relies upon its financial condition and its significant parts.

Consumerism in India has begun its voyage with a need to raise his voice against the nature of products as back as in 1969 through housewives at Mumbai. It took a state of upset at later stage and one day parliament passed a represent the welfare of purchasers in 1986, known as 'Shopper Protection Act 1986'.

Government is getting sorted out purchaser's day on fifteenth March each year from the year, 1987, to reinforce the purposeful and supported endeavors required to make the development a triumph.

In financially propelled nations, a few organizations have set up customer illicit relationships divisions to help detail strategies and react to buyer grievances. However, the circumstance isn't relevant in India . Lion's share of Indians as buyers are unconscious about their job, standing and obligations in the business sectors.

As ordinarily comprehended, consumerism alludes to wide scope of exercises of government, business and free associations intended to secure privileges of the customers. It is a procedure through which the purchasers look for change (to fix), compensation and solution for their disappointment and dissatisfaction with the assistance of their everything sorted out or disorderly endeavors and exercises. Commercialization, being a development of the buyers, its prosperity depends totally on the mindfulness, awareness and the duties of the customers when they act and respond in the market.

It is the conduct of customers that show in looking for, acquiring, utilizing, assessing and discarding items, administrations and thoughts that fulfill their needs.

Collins Dictionary of Sociology: Consumerism is the cultural dominance, in modern capitalist societies, of an orientation to the marketing and consumption of goods and services.

### **Factors Accounting for Indian Consumerism**

Following are the variables illustrative of the development of India towards a buyer – situated society. The variables are:

- Rising buyer yearnings and desires crosswise over numerous sections of the populace.
- Burgeoning white collar class, its switching esteems and repressed buyer request.
- Changing ladies' jobs, their work interest and the changing structure of the family.
- Increased buyer spending on extravagance things supported by past reserve funds and the presentation of the credit framework.
- New kinds of shopping conditions and outlets.
- Media expansion, satellite and digital TV and flourishing film industry.
- High level of buyer mindfulness and refinement crosswise over various portions.

- Emergences of voyaging Indian Consumers, abroad specialists, visitors and experts and their introduction to overall customer items.
- Strong household buyer merchandise producing part.
- Entry of global partnerships into India .
- Today's purchaser is requesting, suspicious and basic.
- Liberalization and globalization – the twin drivers of work and business openings.
- India will turn into the world's fifth biggest buyer showcase by 2025. India 's rising genuine wages have just significantly affected neediness decrease.
- With monetary progression started in 1991, new items have cleared a path into the Indian Markets, expanding item assortments. Import permitting limitations have been annulled and subsequently a variety of purchaser merchandise has been flooding Indian markets. Multinationals are seeing India as a vital market.

### **Impacts of Consumerism:**

Consumerism alludes to the utilization of products at a higher rate. Consumerism is turning into the sign of most world financial matters. The economy is made a decision by the generation and selling of products. The flourishing of a country is made a decision by the per capita pay of people living in it.

In shopper society, individuals supplant their merchandise with more current ones, use them and discarded them. Individuals have cash to buy products in bounty. On the off chance that, they don't do as such, its prompts subsidence monstrous joblessness. The accomplishment of a customer society is estimated with the rate of generation, buy and utilization.

Twenty years back, Indian shopper's ways of life and purchasing patterns were a long ways from what we see now. With restricted decisions, buyers acquired wares from the few brands accessible. After 1991, the circumstance has changed significantly. Today, buyers are spoilt for decision and completely recognize that they are rulers in the business sectors. Despite the fact that India has a low for each capita pay, however its still remains a worthwhile market, notwithstanding for exorbitant items. A major section of the human populace isn't simply expending to satisfy their fundamental needs yet is getting a charge out of a state where they are spending gigantically to satisfy their endless needs.

### **Constructive outcomes**

Consumerism is a hypothesis as indicated by which expanding utilization of merchandise is advantageous for the economy. Consumerist strategies underline on rousing the buyer and

making a longing in him to shopper increasingly bringing about progressively mechanical generation.

- Consumerism has brought various changes into the ways of life of the general population just as on the course of activity that the business sectors recently had. Concentrate on the format of the items has moved from the generation end to utilization end.
- Consumers have assortments of merchandise to look over. Therefore the ways of life of society just as of the individual have been influenced.
- The makers additionally complete a ton of research before delivering any ware to conform to the particular prerequisite of the shoppers.
- Big Corporations attempt to make individuals purchase their items by utilizing increasingly promoting strategies. Promoters better skill to change the need of the purchaser into need.
- The marvel of free decision has increased current standards of rivalry to a more elevated amount that has brought about the rise of the mechanically – progressed, improved and client – benevolent items and administrations.
- Increased creation prompts greater business openings.
- Countries currently seek after worldwide exchange relations offering approach to global products, western world has furnished individuals with the chance to get numerous things through credit.
- Consumption gives a few people a feeling of status.

### Negative Effects

- Consumerism prompts the frenzy of normal assets at an uneven rate, corruption of the earth, air and water contamination, land tainting and so on.
- Stronger countries in an offer to procure more noteworthy measure of assets will attempt to control the more fragile ones which prompts worldwide pressures and dividers.
- Consumerism offers ascend to realism. Individuals, so as to satisfy their status or sense of self satisfying needs, attempt to buy wares without thinking about their utility. Realism has begun meddling with the virtues of the general public.
- Over – reliance on work sparing gadgets.
- Crime rate has likewise expanded as everybody needs to have costly products.
- Happy living, glad connections and way of life and important life assume a lower priority and results in pressure and work – related strains.
- Cheaper merchandise are imported from different nations influencing the development of privately based assembling enterprises.
- A vehicle for every individual methods slow disintegration on open transport.

- Consumerism depends on free and liberal market economy. Over utilization dependent using a credit card prompts what buyers expend, they don't have and will never have. This causes flimsiness both in cash and credit markets.
- Consumerism likewise urges producers to pursue beguiling approaches to give purchaser non-strong products.
- Destruction of neighborhood societies and conventions, supplant with western/American qualities.
- Multi-million publicizing industry instills false needs and wants.
- Global warming weights, changing from Bicycles to vehicles.
- An economy that truly sumptuous in routine will prompt a high level of swelling and diminish national sparing as a wellspring of national investment. Overall, the craving for consumables isn't really an awful thing yet ought not be a habit.

### **Role of Consumerism in Modern Retailing in India**

Since the mid 1990s the market in India has been portrayed by a noteworthy move from customary shops to present day designs that is incorporate retail chains, hypermarkets, general stores and shopping centers.

Another influx of consumerism driven by quick ocean changes in local socioeconomics, expanding urbanization, improvement in way of life, ways of life and progression in data innovation has made an open doors for the development of retail area in India. Grocery stores, hypermarkets and shopping centers are picking up unmistakable quality.

The Indian customers have acknowledged the shopping center culture and the possibility of 'Idea Malls' which show just a single item through some of its retail outlets inside its premises in a single specific territory. The quickly developing Indian customers are presently searching out an alternate shopping knowledge with expanding familiarity with data and innovation.

### **Shopping center Culture in India**

India is in the period of transformation from unremarkable shopping exercises to making shopping a pleasurable and rich experience. Shopping center culture is another marvel and unrest in the Indian market situation. It has developed at a unimaginable pace the whole way across India , particularly in the metropolitan urban communities. Developing westernization and rise of multi-nationals have brought the impact of consumerism. Shopping centers, first and foremost were a fever among youths however at this point they pull in all age gatherings. New shopping centers symbolize India 's development to an interrupting eminent economy. 10 years back these were no shopping centers and in 2010, India 's north zone is driving with a sum of

14,790,000 sq. feet of shopping center space accessible crosswise over India . In 2011, there is in increment in the quantity of shopping centers by 350. Mushrooming of shopping centers demonstrates that the influx of consumerism is arriving relentless and quick. Individuals' observation has totally changed towards shopping. Friendly environment, world class

condition, worldwide brand, essential courtesies and outlandish cooking styles are accessible under one rooftop .With the commencement of shopping centers, individuals have now access to fundamental and pointless needs under a similar rooftop. Shopping centers have changed shopping from a need driven action to a relaxation time excitement. The centralization of shopping centers is 39% in North zone, 18% in South, 10% in East and 33% in West Zone.

### **SWOT Analysis of Indian Malls**

SWOT investigation, is a key arranging instrument used to assess the qualities, shortcomings, openings and dangers associated with a task or in a business adventure. The point is to recognize the key inside and outer components in charge of accomplishing the objectives.

#### **Strengths**

- Rising retails configurations like shopping centers or grocery stores and strength stores give items, science and diversion at one spot.
- Effective retailers work intimately with their sellers to foresee shopper request, abbreviate lead times, diminish stock holding and eventually spare expense.
- Indian Consumers have high expendable livelihoods prompting high utilization levels.
- Growth of land and improvement in foundation.
- Agricultural area offers wealth of crude materials.
- Attractive goals for municipal and official gatherings, hang outs and decreasing pressure.
- Procurement of merchandise legitimately from production lines and ranchers if there should be an occurrence of way of life and sustenance/drinks separately.

#### **Weakness**

- Demographic contrasts between the areas require a provincially balanced way to deal with business.
- Presence of countless solid and entrenched players in as far as possible market. Retail outlets are yet to settle down with the best possible product blend for the shopping center outlets. Since the independent outlets were set up prolonged stretch of time back, they have balanced out regarding footfalls and product blend and having a higher client unwaveringness base.

- Lack of satisfactory framework including inventory network and stopping offices.
- Shortage of qualified human work force in the zone of office the board, inventive firms and configuration houses.

## Opportunities

- The IMAGES-KSA projections show that, by 2015, India will have more than 55 crore individuals younger than 20 – mirroring the huge open doors conceivable in the children and youngsters fragment.
- Increasing familiarity with customers about items and administrations.
- Changing buyer's necessities and ways of life.
- Innovations for new item improvements.
- Progressive development of optimistic buyer class, accepting more in spending than reserve funds.
- India's tremendous country population has gotten the attention of the retailers searching for new territories of development.

## Threats

- Rigid government strategies and guidelines limit the section of new players.
- Non-accessibility of satisfactory account.
- Threat from online players.
- Keeping up brand reliability.
- Price rivalry among retailers puts downwards weight on edges.
- Entry of worldwide players in Indian markets devours the offer of Indian retailers.
- Shopping society has not created in India up 'til now. Shopping centers are only a spot to stay nearby with family and companions and generally bound to window shopping and film viewing.
- Power being an unending issue in India , shopping centers expend high measure of power, setting aside the provincial zones in dull. Several shopping center multiply every year, uncovering tremendous wells to suck groundwater bringing about unsettling influence in the harmony of condition.

The coming up of sorted out retailing for example shopping centers have terrified the sloppy one. Despite the fact that the disorderly retail segment involves 93-94% of the all out retail pie, they are as yet frightened of the minority of the sorted out retail area (6-7%).

The attitudinal move of the Indian customer as far as 'decision inclination', esteem for cash and the development of sorted out retails have changed the substance of retailing in India .



Notwithstanding the upsides and downsides of regularly expanding shopping centers in the nation, individuals should love this pattern and welcome this culture too.

### Observations

A self – administered questionnaire was prepared to know the responses of the consumers and shop owners.

After interviewing 10 shop owners from various part of the city, (Mohali and Chandigarh ) the following conclusions have been drawn out:

Q: Does proximity to shopping mall affect your business or not?

---- Respondents (90%) say that nearness to shopping malls badly effect their business while 10% are not of any view.

Q: Are customers loyal to you or not?

---- (50%) respondents say that people of the older age group and customer with good and long life relationship are loyal only.

Q: Any strategies adopted by you to fight the situation?

---- Majority of the respondents (90%) are of the view that giving discounts, maintaining inter-personal relationship with customers, upgrading facilities, free home delivery, improving services, creating customer friendly environment, advertising locally, schemes in festive seasons, free gifts could be a part of their strategies.

Q: Should government interfere in between to protect the interest of retail shop owners?

----80% of respondents are of the view that government should interfere to bring out solutions.

Q: Do you get affected by various schemes, discounts, varieties and facilities offered by malls?

---- 80% of respondents responded yes and 20% no.

Q: Do you want to change infrastructure due to upcoming malls?

----30% of respondents have changed the look of their shop to make it look like malls. 20% have come up with the self service ideas too. 30% have come up with display strategies to attract more customers.

**For getting general perception regarding mall culture,30 customers of different age group, sex, economic class were interviewed and following results have been drawn out:**

Q: What factors influence your behavior, while going for shopping to malls or retail shops?

----Availability of parking space, discounts, variety. attainability, cleanliness, better services, credit facilities, social occasions are the factors affecting the consumer behavior.

Q: What are the things, you like about shopping malls?

----New products, style, design, brand name, price, comfort, discounts, latest fashion, architecture, aesthetic ambiance, relieving stress, availability under one roof, timings very convenient, Cineplex's, games, food courts, hang out with friends contributes towards popularity of malls.

Q: Where do you prefer shopping malls or retail outlets?

----Distance is the main deciding factor, sometimes family decision also contributes.

Q: Whether you are aware of the condition of the small retailer due to shopping mall?

----Yes, some respondents are aware of the losses incurred to shop owners due to upcoming malls. Some of the view that they sill earn reasonable profits due to loyal customers.

Q: Do you go to malls regularly or once in a month?

----Only younger class visit malls frequently while others go on occasions or once in a month.

Q: What influences you most while making purchasing decision?

----Family and friends, status symbol, help in making decisions to visit to malls.

Finally, the can say that most of the retail shop owners are affected by the opening up of the malls but are trying to minimize the impact of malls. The coming generation is influenced by the mall culture, but old generation still prefers retail outlets.

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