**MMR COMPULSORY ASSIGNMENT PART 2**

1) Importance of personal selling in retailing

Personal selling is the process of communicating with a potential buyer (or buyers) face-to-face with the purpose of selling a product or service. The main thing that sets personal selling apart from other methods of selling is that the salesperson conducts business with the customer in person. Though personal selling is more likely to be effective with certain types of products or services, it has important applications for nearly all kinds of small businesses. In fact, most of history's successful entrepreneurs have been skilled salespeople, able to represent and promote their companies and products in the marketplace.

Personal selling is one part of a company's promotion mix, along with advertising, sales promotion, and public relations. Advertising is any form of paid sales presentation that is not done face-to-face. Television and radio commercials, newspaper and magazine advertisements, and direct mail inserts are well-known forms of advertising. Sales promotion is the use of incentives—such as coupons, discounts, rebates, contests, or special displays—to entice a customer to buy a product or service. Public relations is the act of building up a company's image in the eyes of the community in the hopes of translating the feelings of goodwill into sales. An example of public relations might include a company sponsoring a charity event.

Personal selling offers entrepreneurs both advantages and disadvantages in comparison with the other elements of the promotion mix. On the positive side, personal selling allows the salesperson to target the message specifically to the audience and receive immediate feedback. In this way, it is more precise than other forms of promotion and often has a greater persuasive impact. Conversely, personal selling cannot reach as many potential customers as advertising, plus the cost of each contact is much higher. Another advantage is that personal selling can be an important source of marketing information. Salespeople may learn about competitors' products, for example, or about emerging customer needs that may lead to the development of a new product. If the sales force is well trained—acting as problem solvers and advisors for customers rather than using hard-sell tactics—personal selling may help a small business build loyal, long-term relationships with customers.

2) Evolution of retailing in India.

Retailing in India is one of the pillars of its economy and accounts for about 10 percent of its GDP.The Indian retail market is estimated to be US$ 600 billion and one of the top five retail markets in the world by economic value. India is one of the fastest growing retail markets in the world, with 1.2 billion people.

As of 2003, India's retailing industry was essentially owner manned small shops. In 2010, larger format convenience stores and supermarkets accounted for about 4 percent of the industry, and these were present only in large urban centers. India's retail and logistics industry employs about 40 million Indians (3.3% of Indian population).

Until 2011, Indian central government denied foreign direct investment (FDI) in multi-brand retail, forbidding foreign groups from any ownership in supermarkets, convenience stores or any retail outlets. Even single-brand retail was limited to 51% ownership and a bureaucratic process.

In November 2011, India's central government announced retail reforms for both multi-brand stores and single-brand stores. These market reforms paved the way for retail innovation and competition with multi-brand retailers such as Wal-Mart, Carrefour and Tesco, as well single brand majors such as IKEA, Nike, and Apple. The announcement sparked intense activism, both in opposition and in support of the reforms. In December 2011, under pressure from the opposition, Indian government placed the retail reforms on hold till it reaches a consensus.

3) The rise of non store retail formats

Non-store retailing is the selling of goods and services outside the confines of a retail facility. It is a generic term describing retailing taking place outside of shops and stores (that is, off the premises of fixed retail locations and of markets stands). The non-store distribution channel can be divided into direct selling (off-premises sales) and distance selling, the latter including all forms of electronic commerce. Distance selling includes mail order, catalogue sales, telephone solicitations and automated vending. Electronic commerce includes online shopping, internet trading platforms, travel portals, global distribution systems and teleshopping. Direct selling includes party sales and all forms of selling in consumers’ homes and offices, including even garage sales.

Non-store retailing, sometimes also labeled ‘home shopping’, is consistently achieving double-digit growth, and slowly taking a bigger share of overall retailing. In the first quarter of 2014 online sales in the US represented over 6% of all sales. However, in product niches such as travel, books, and media, the share is significantly higher. As of March 2014, 19.5% of all book sales made by Amazon are for their Kindle e-book reader. Fashion and lifestyle brands have entered the non-store retailing space including [Everlane](https://en.wikipedia.org/wiki/Everlane), Dollar Shave Club and Tieks. According to Eurostatr, 38 per cent of European consumers consider the internet as the most important source of information about travel and 42 per cent of consumers purchased travel services over the internet in 2008.

The non-store distribution channel is marked by low entry thresholds. Compared to store retailing that requires a retail outlet, inventory, cash flow to hire staff and advertising, non-store retail start-ups usually have to invest little to reach out to potential buyers of the goods and services they offer. Non-store retailing is therefore not only used by established brick and mortar business retailers who develop an online bricks and clicks business model presence, but also by the individual pure play, often him- or herself a consumer, to create an EShop or to run sales parties. The rise of social media helps to connect sellers to potential buyers.