

Retailers:

The word 'Retailer' had been derived from the French word 'Re-tailer' which means 'to-cut again'. Obviously then, retailing means to cut in small portions from large lumps of goods. A retailer is last middlemen in the chain of distribution of goods to consumers. He is a link between the wholesalers and the consumer.

Characteristics of Retailers:

- 1. Selling in Small Quantities:** Retailers purchase goods in bulk from wholesalers or manufacturers and then sell them in smaller quantities to individual consumers. This allows consumers to buy only what they need, making products more accessible.
- 2. Direct Customer Contact:** Retailers typically interact directly with customers, providing personalized service and building relationships. This direct interaction is crucial for understanding customer needs and preferences.
- 3. Wide Product Variety:** Retailers often offer a wide range of products, sometimes even across different brands, to cater to diverse customer needs and preferences.
- 4. Marketing and Branding:** Retailers play a vital role in marketing and promoting products through displays, promotions, and other activities. They help build brand awareness and can be a key point of contact for customers to learn about new products.
- 5. Convenient Locations and Services:** Retailers often offer convenient locations for shopping, as well as services like product demonstrations, after-sales support, and credit facilities.
- 6. Feedback Mechanism:** Retailers act as a crucial link between the manufacturer and the consumer, providing valuable feedback on product performance and customer preferences.
- 7. Price and Promotion:** Retailers often have a simpler pricing policy than wholesalers and manufacturers, and they frequently use promotions and discounts to attract customers.
- 8. Last Link in the Distribution Chain:** Retailers are typically the final point in the distribution chain, where the product reaches the ultimate consumer for their personal use.

Functions Performed by a Retailer:

- A retailer performs the dual functions of buying and assembling of goods. The responsibility of a retailer is to identify the most economical source for obtaining the goods from the suppliers and passing on the advantages to the consumer.
- The retailers perform the functions of warehousing and storing. They store the goods in bulk and make them available as per the requirement of the consumer. Warehousing and store keeping helps in ensuring uninterrupted availability of the goods to the consumers.
- The primary function of a retailer is selling the products to the customers for which various techniques or business practices are being adopted by the retailer to achieve the strategic goals.
- The prime focus of a retailer is on maximizing customer satisfaction by delivering quality products and services both on cash as well as credit basis. As a result of which, retailer always runs the risk of accumulating bad debts on account of non-payment of the amount from the consumer.
- A retailer needs to have robust risk management capabilities. Various kinds of risks can be involved in a retail business which a retailer should be well prepared with like loss or damage of the products due to deterioration in quality, perishability or spoilage.
- A retailer performs the crucial function of grading for all those goods which at times are either left ungraded by the wholesalers or manufacturers so that the customers readily accept the goods. The retailer is responsible for the packing of goods in small packages or small containers for the customer's convenience.
- The retailers are the direct point of contact or communication with the customers; hence they gather information regarding the changing tastes and preferences of the consumers, pass on the customer feedback to the manufacturers for continuous improvement in service delivery.
- Retailers act as a vital channel for the launch of new products in the market as they are the direct interface with the consumers and can communicate directly with the targets consumers about the new product features and advantages.
- The retailers are responsible for the product promotion and advertisement by planning the product displays and visual merchandising for attracting the customers.