



NMIMS Global Access
School for Continuing Education (NGA-SCE)
Course: Strategic Management
Semester : II

ASSIGNMENT

1. After working in a corporate for fifteen years Mr. Mahesh plans to start his own retail business of footwear. Mahesh has a plan of starting at least fifteen retail stores in the first year and he has already arranged for the required capital. He plans to start fifteen stores as per the list:

Location	No. of stores
Mumbai	4
Pune	3
Delhi	3
Kolkata	3
Bangalore	2

He hires you as Business Development Manager (BDM) in his organisation to perform the following activity.

a) You are asked to frame the Vision, Mission, Goals and Objectives for the business that Mr. Mahesh has started.

Answer: As the Business development Manager of footwear store, I would first know the products launched by the organization thoroughly and the target audience. Secondly, I would perform an analysis by knowing the needs and requirements of the customer. Our business would offer

- Party wear
- Casual wear
- Formal wear
- Sports wear
- Home wear

for Men, Women and Kids. By providing a wide range to the consumers would make us a multi brand retailer for family footwear. Framing the vision, mission, goals and objectives is an integral part of the strategic plan to launch a business. Every organization has its own vision and mission. Vision is the ambition about the future whereas mission is a declaration of attitude and outlook. Goals are the aspirations of any Endeavour. It describes what you want to achieve with your efforts and is in a broad context whereas objectives further defines the goal. Objectives are

the guidelines on which the firm works in order to achieve the goal. In a footwear business, it is significant to be aware about the new trends, changing needs and the style conscious people around the globe. We would never compromise on customer satisfaction. We would try to provide stylish shoes without bargaining on comfort. One of the expert's quote on the footwear business.

“If you make your customers happy, they will talk and those they talk to may become new customers.”- Amit Chopra, MD Shoes & Access

1. Our vision



- ✓ To become a nationwide leader in footwear retail
- ✓ One stop destination for all footwear needs
- ✓ Healthy happy feet

2. Our mission



- ✓ To be the number one brand in the footwear market. To associate with leading footwear manufacturing companies and introduce their premium brands to the Indian market. .Our focus is to offer footwear that is trendy and affordable for every Indian.
- ✓ We want to be recognized as a prestigious company by 'WIC' principle
- ✓ World class quality
- ✓ Innovation and Upgradation
- ✓ Cost reduction

3. Our goals



We strive to achieve

- ✓ PAN India presence in the next five years.
- ✓ Provide best customer services to the people.
- ✓ To become a truly global brand catering to fashion conscious consumer who seeks contented soles.
- ✓ To have world class shoes with right price.

OUR OBJECTIVES

- ✓ To offer durable and decent shoes that could be affordable for every Indian.
- ✓ Consistent upgradation of products.
- ✓ One stop destination for in house brands and other companies.
- ✓ Feedback from the customers.

Apart from the vision, mission, goals and the objectives, we would incorporate values among employees. Some of the values which I would stress are

- ❖ Customer relation and service
- ❖ Passion for perfection
- ❖ Respect for each other
- ❖ Personal accountability
- ❖ Will to win
- ❖ Integrity

We can improve the business by leaps and bounds if we work towards excellence in the products. We can offer our consumers a new and unique range of footwear every three months. We would like to give our customers an affordable luxury. Also, we would consider our team to be the greatest asset and would hope to create an environment that empowers individuals and allows them to grow and flourish. One impressive *example* of a famous footwear brand **BATA** works and lives on the following principles

- ❖ To follow the highest standards of honest workmanship in whatever we make
- ❖ To ensure customer satisfaction, worldwide
- ❖ To remain a great corporation to associate with and to work for



❖ To understand that ‘we are about people’

b) You have to decide the fifteen specific locations (Example: Borivali in Mumbai) in the above mentioned city for the number of stores mentioned therein. Briefly state the reason for the decision on each location.

Answer- There are five locations decided as per the business plan. We analyzed the most sought after shopping destinations in each of these locations. For a footwear retail business, it should address to the mass audience first and then moving to the luxurious section. According to the vision and mission of our business, I have decided the specific areas where we wish to open our stores. These have been discussed below with their specific reason. There are four locations in Mumbai which can be considered for launching the chain.

Why these four locations in Mumbai?

Mumbai is the capital city of the Indian state of Maharashtra. It is the most populous city in India, most populous metropolitan area in India. We have zeroed in four locations for our retail stores after doing the market analysis with the reviews, market trends and public accessibility.



Mumbai locations

- Lokhandwala market
- Nadco shopping center
- Linking Road market
- Colaba causeway



Pune locations

- Tulshibaug
- Fashion street
- Fergusson College Road



Delhi locations

- Lajpat nagar
- Rajouri Garden
- Karol Bagh

MUMBAI LOCATIONS

1. LOKHANDWALA MARKET- It is one of the well known markets in Mumbai and situated in Main road, Lokhandwala complex, Mumbai. It is very famous among shopaholics and draws mostly the young crowd. This place would be good for the footwear business. The prime location at Andheri west makes it a must visit for locals and visitors. The location and the market reach make it a favorable option for our business.

2. NADCO SHOPPING CENTER

It is a very center in a large another Mumbai. The caters to all needs like clothing, and accessories. Why NADCO?



famous shopping Andheri west as it is residence area and important suburb of shopping centre kinds of customer supermarkets, footwear, jewels

a) It has market which offers a large variety of leather boots and shoes as leather is manufactured in the nearby areas by the locals. It offers a wide range of footwear for the entire family.

b) It has an ample parking space for visitors with their own public conveyance.

3. LINKING ROAD MARKET

We just could not have avoided this famous market of Mumbai. Linking Road has everything from the world famous brands to the street shops....be it shoes, clothes or anything else. All the suave clothing & shoe brands are here. Linking Road which starts from just after Bandra Talao and extends up to Khar- Santacruz is a shopper's paradise. It not only hosts a range of new- age designer ware shops, restaurants and coffee shops but also gives the shopper to experience the thrill of Street shopping - be it for footwear, clothes or other household goods. It will provide the required ignition for our footwear retail launch.

4. COLABA CAUSEWAY-

Colaba Causeway, officially known as Shahid Bhagat Singh Road, is a commercial street,[1] and a major causeway or land link between Colaba and the Old Woman's Island in the city of Mumbai, India.

Why Colaba Causeway?

- a) It lies close to the Fort area, and to the east of Cuffe Parade, an upmarket neighbourhood in South Mumbai.
- b) It is close by are Mumbai's famous landmarks, the Gateway of India and Taj Mahal Palace & Tower.
- c) Gateway to India monument and walk past the Taj hotel.

d) Ethnic wear for women

PUNE LOCATIONS

Pune is the seventh-most populous city in India and the second largest in the state of Maharashtra. From the strategic point of view, three locations have been decided for the three retail stores to be opened in Pune.

1.TULSHIBAUG

Street side shopping in Pune is not complete without a visit to Tulsi Baug. This is a popular market place lodged in the bylanes between the busy Laxmi road and the mandai at the other end. The place is very popular among ladies who just love to shop here! It is a shoppers's paradise. The market is flocked with people round the year. It is a place worth investing as it has been among the most sought after market places in Pune.

2.FASHION STREET

3 reasons to choose this place as our store location

- ✓ Updated place with all the latest trends
- ✓ Big market covering all necessary items food, clothing and footwear
- ✓ Favorite among youngsters, couples and family.

3.FERGUSSON COLLEGE ROAD



One of our retail stores should be present at the mall for the mall lovers. What better than a mall near Fergusson College. The strategy behind choosing this place is to attract college going students and offering them party wear and casual wear footwear in all sizes and ranges. It would be a success if the store is kept updated on the latest trends in town as these days, girls and boys have become really fashion conscious. For the luxurious ones, they wish to have a unique footwear for every attire/occasion.

DELHI LOCATIONS

1. LAJPAT NAGAR

Lajpat Nagar can be one of the important store locations of our business. This market is located in south delhi and always remain flocked by youngsters, girls and women for their apparel, cosmetic and beauty needs. It is a sought after destination for wedding functions as one gets everything from lehengas to stylish footwear for the newlyweds. This market is a blend of international brand stores and Indian ethnic wear. People shop for traditional jutti's to stylish stilettos. Hence, it would be a favorable option to sell footwear and I am sure the store would never go out of fashion.

2. RAJOURI GARDEN



It is a must visit for every Delhi girl. Girls love to shop from the main rajouri garden market just next to the Delhi metro station. It has all the big footwear brands and small retail stores to fulfill and satisfy every girl's footwear frenzy. Big brands like Steve madden, woodland, clarks have their retail outlets and small stores owned by the locals like big shoes, stilettos and Kin's are famous for their exclusive sale and bargains. Personally speaking, I have never seen this market vacant at any season of the year.

3. KAROL BAGH

This place in the heart of national capital draws a large number of people from all states of India. It is famous for manufacturing shoes and apparel at incredibly low price. They are manufactured and sold at half the price from branded stores. One important thing to note here is one can get a replica of any branded shoe with the same style and elegance at very low prices. Gaffar market is famous for footwear, denim jeans and electronic items. So, we can say that investing in Delhi at our retail stores would prove to be a promising decision.

KOLKATA LOCATION

Kolkata is the one of the oldest centers tanning and leather processing centre. There are two peak seasons – i) pre-festival period from August to October and pre summer season from February to March. The production varies considerably between peak and slack season and so also their size of employment. Major raw materials are leather, foam, PVC soles, leather substitutes from china, Eva slippers, rainwater shoes etc.

The three major locations in Kolkata are

1. BENSHELL HAAT

Popularly known as ‘juto bazaar’, at Padmapukur on CIT Road, it is a rare flourishing haat in the south of the city.

Over a century old, it once used to be known as chamra haat (leather bazaar). Benshull Haat is not just the largest wholesale market for shoes catering to retailers and individual buyers but also a shoe-maker’s delight for accessories and materials like leather, soles, adhesives, rexine, rubber, nails and cobbler tools..

2. NEW MARKET



New Market is a market in Kolkata situated on Lindsay Street. Over 2000 stalls under its roof sell everything from clothing to wheeled luggage to electronics to a special cheese found nowhere else. Under its apparent chaos lie extraordinary finds as well as remarkable bargains. It also houses a lot of leather shoe shops where one can find a lot of variety. This place holds historic importance hence, it should be considered for the footwear retail outlet in Kolkata.

3. METRO PLAZA

It is a well known shopping mall and I firmly think that our store’s presence should be felt from small stores to shopping malls. Metro plaza is a very famous and well-known shopping mall. It is an air-conditioned mall and a haven for all shopaholics. It has a variety of stores selling both branded and non-branded goods. The mall mostly has readymade clothes for men, women and children while other shops deal only in imported garments, mostly from Bangkok. The mall also has large parking space so that parking isn't inconvenient for its visitors. Here is a review: A huge range of lovely shoes are available at metro plaza. Girls would love it. They are inexpensive and collection is amazing.



KOLKATA

- BENSHELL HAAT
- NEW MARKET
- METRO PLAZA



BANGALORE

- COMMERCIAL STREET
- JAYANAGAR COMPLEX

BANGALORE LOCATIONS



Indian footwear industry

every person .
 ar industry rank second-largest
 hina.
 experience phenomenal growth in

- The Indian footwear market as the demand for Indian footwear will continue to grow.
- India is the only major source for supplying medium and low-priced footwear.

Since our company has decided on two locations to be chosen, I would recommend the following two places to bring our business to. They are

1. COMMERCIAL STREET

Commercial Street in Bangalore is one of the busiest and most popular shopping destinations. People flock to Commercial Street to get the best deals at the lowest price. As you walk down the maze of streets, you can find a string of shops selling clothes, jewelry, shoes, novelties, sports goods etc. There is no better shopping area in the entire city of Bangalore than Commercial Street. As Bangalore is a lively city, it would always have locals migrants and tourists flocking the area for shopping. Hence, it could be good option for a retail store.

2. JAYANAGAR 4TH BLOCK COMPLEX

Jayanagar 4th Block Complex has withstood the changing face of time. It's one of the very few places in the city that shelters a slew of shops of wide varieties. The complex is situated in the middle of Jayanagar 4th Block. The shopping complex is on 15,000 sqmts, The complex itself is sprawling and has many entrances. It offers a variety of shoes for all age groups in all ranges.

In a nutshell, it can be said that the retail stores if opened at these locations would be a success as these places have been strategically decided after performing market analysis and need of the hour.

c) Study the external business environment for footwear business in India.

Answer.

India is seen as a key business partner all over the world. ISAF consolidates the event as an unparalleled business platform for the industry.” - Adesh Gupta, CEO – Liberty Shoes.

Footwear is huge and increasingly diversified business driven by a host of demographic lifestyle, and fashion trends. Globally the footwear industry is expanding rapidly. As the world population increases so the living standards of people rise thus increasing the demand of footwear.

Indian Scenario:

The Footwear Industry is a significant chunk of the Leather industry in India. India ranks second among the footwear producing countries next to China. The industry is labor intensive and is concentrated in the small and cottage industry sectors. While leather shoes and uppers are concentrated in large-scale units, the sandals and chappals are produced in the household and cottage sector. India produces more of gents footwear while the world’s major production is in ladies footwear. In the case of chappals and sandals, use of non-leather material is used to manufacture these in the domestic market.

SATRA REPORT

What is SATRA ?

It has a unique position in the footwear industry with unrivalled experience in footwear research and development and footwear testing. Our footwear testing laboratories house the most comprehensive range of footwear tests and footwear test equipment, and SATRA maintains the largest database of footwear test results in the world.

According to the report published by SATRA, Asia including India Subcontinent is the largest market for FOOTWEAR in terms of consumption. Next to Asia is Americas and then followed by Europe and rest of the world. In monetary terms the market shows a different picture as Asia lies behind Europe and North America but irony to the situation is that Asia is the leader in terms of footwear consumption and market. It is merely because of the population density in the Asia. China is the largest producer and exporter of shoes and it is also the biggest consumer of footwear by virtue of the size of its population. Overall the footwear production is highly

concentrated in Asian market and the consumption in the US and European market.



SWOT Analysis (Footwear in India)

One of the major tools used for strategically carrying out the industry's analysis. Here, we have tried to analyze our retail business by performing a SWOT analysis of the footwear industry in India.

STRENGTHS

- ✓ Existence of more than sufficient productive capacity in tanning. Easy availability of low cost of labour. Exposure to export markets.
- ✓ Managements with business background become quality and environment conscious.
- ✓ Presence of qualified leather technologists in the field.

WEAKNESSES

- ✓ Low level of modernisation and upgradation of technology, and the integration of developed technology is very slow.
- ✓ Low level of labour productivity due to inadequate formal training / unskilled labour.
- ✓ Horizontal growth of tanneries.

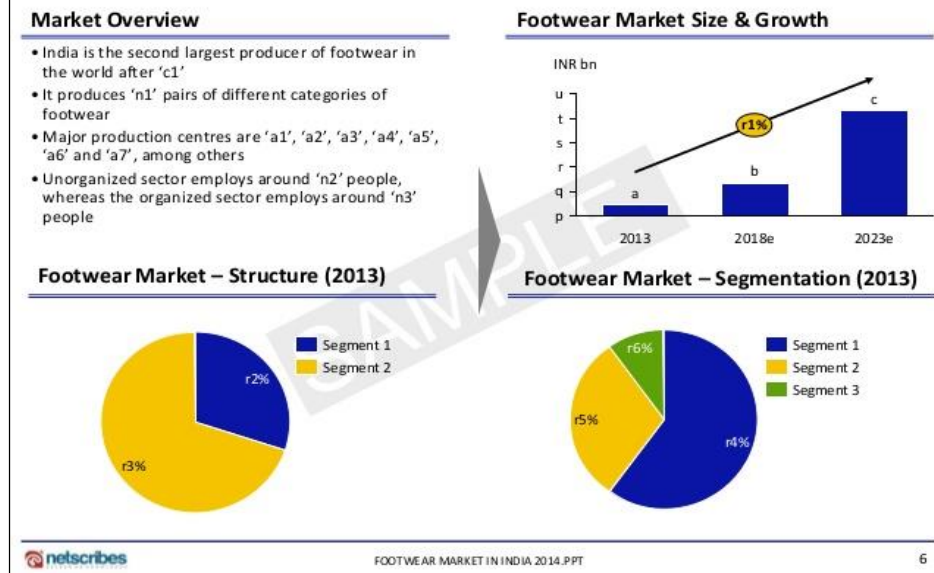
OPPORTUNITIES

- ✓ Use of information technology and decision support software to help eliminate the length of the production cycle for different products
- ✓ Product diversification - There is lot of scope for diversification into other products, namely, leather garments, goods etc.
- ✓ Growing international and domestic markets.

THREATS

- ✓ Entry of multinationals in domestic market.
- ✓ Fast changing fashion trends are difficult to adapt for the Indian leather industries.
- ✓ Limited scope for mobilizing funds

Footwear market in India is showing an upward trend with a rise in consumer base



There are nearly 4000 units engaged in manufacturing footwear in India. The industry is dominated by small scale units with the total production of 55%. The total turnover of the footwear industry including leather and non-leather footwear is estimated at Rs.8500-9500 crore (Euro 551.3-1723.1 Million) including Rs.1200-1400 crore

(Euro 217.6-253.9 Million) in the household segment.

The footwear industry exist both in the traditional and modern sector. While the traditional sector is spread throughout the country with pockets of concentration catering largely to the domestic market, the modern sector is largely confined to select centres like Chennai, Ambur, Ranipet, Agra, Kanpur and Delhi with most of their production for export. Presently, the Indian footwear market is dominated by Men's footwear market that accounts for nearly 58% of the total Indian footwear retail market. By products, the Indian footwear market is dominated by casual footwear market that makes up for nearly two-third of the total footwear retail market. As footwear retailing in India remain focused on men's shoes, there exists a plethora of opportunities in the exclusive ladies' and kids' footwear segment with no organized retailing chain having a national presence in either of these categories. The Indian footwear market scores over other footwear markets as it gives benefits like low cost of production, abundant raw material, and has huge consumption market.

Emerging Institutes and events in India

India has been developing rapidly in the footwear industry. New institutes have been developed for the young generation to provide specialized education to the students in footwear design and manufacturing.

- ❖ FDDI is one such institute set up under government of India which aims at inculcating values to young minds about new technology in footwear. With the objective of skilling the youth with an emphasis on employability and entrepreneur skills, FDDI has accorded utmost priority to promoting 'Skill Development' to conduit the skill gap for the growth of the Footwear, Leather and Allied Sector and is instrumental as a 'One Stop Solution Provider'.
- ❖ ISAF (India shoes and accessories forum) India Shoes & Accessories Forum (ISAF) is a must-attend event for those in the business of shoes and accessories. The only B2B forum which brings together brands, retailers and manufacturers under one roof. An event which will allow for new business opportunities - be it forging partnerships or simply networking. This is the only event where one can devise the future growth of the market by focusing on new trends in the industry and the emerging markets in the region.

With such initiatives, we can aspire for a future where India would be self equipped with all technologies involved in manufacturing, sales and marketing in the coming years.