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The Effectiveness of Grand Kerala Shopping Festival in Chalakudy, Kerala

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Abstract:

The shops selected for the study are engaged in the business of textiles, home appliances, electronics, furniture and other items. Promotion of sales is one the important reasons for registering in GKSF followed by gifts and incentives offered by the government of Kerala. Student t test is used to find out the significance of the difference between the average monthly sales and sales during the season of Grand Kerala Shopping Festival. The use of t test states that there are significant differences in the two sales. The study revealed that sales are promoted due to the conduct of the Grand Kerala Shopping Festival.

Keywords: Grand Kerala Shopping Festival, event promotional technique, hub of international shopping, retailer shops and

1. Introduction

Shopping festivals are conducted in different parts of the world from time to time. Dubai and Singapore shopping festivals are some among them. The GRAND KERALA SHOPPING FESTIVAL is Asia's largest shopping festival conducted by the department of tourism in co-ordination with the departments of industry, commerce, finance and local self-government from 2008 on words. The government of Kerala has successfully conducted eight seasons of GARAND KERALA SHOPPING FESTIVAL (hereafter GKSF). In Kerala, GKSF is during the periods starting from middle of December to the last of January. It is observed that the period of GKSF is an off season programme. Kerala entered into this venture on the 1st December 2007 and continued for 47 days and has turned out to be an annual shopping festival in God's own country. In Kerala GKSF is an initiative for strengthening the economy of Kerala. The aim of this venture is to promote and develop commerce, trade and industrial sector of Kerala using the brand value of Kerala tourism. The broad objective is to develop the state as a hub for international shopping.

1.1. Importance of the Study

Kerala is often called a land of paradoxes by experts world over. The development experience of Kerala has received so much international acclaim that some scholars encoded it as Kerala model of development. Kerala's economic growth is directly linked with the development of the tertiary sectors which include trade, hotels and restaurants, banking, insurance, transport, storage, communication, real estate, public administration and other services. During the 1960s the contribution from primary, secondary and tertiary sectors was respectively 56percent, 15percent, and 29 percent (Economic Survey 1962). In 2009 -2010 the contribution from primary, secondary and tertiary sectors to the GSDP constitutes 15.79 percent, 22.85 percent and 61.36 percent respectively. Thus, it is clear that the service sector has grown more than any other sector in Kerala. Kerala is also a consumer state because of its dependency on other states and countries for its needs like food, vegetables, clothing and other consumer durables. Their retail sector generates a large amount of revenue to the government of Kerala through various sales revenues like sales taxes and VAT (value added tax). Therefore the revenue from this sector has a great role for every government, especially a state like Kerala.

Grand Kerala shopping festival is an event promotional technique which aims to boost sales during the period and thereby to increase VAT and sales tax revenues to the government of Kerala. The participation in the grand Kerala shopping festival is opened to all merchant establishments except liquor and medical shops.

1.2. Statement of Problem

A state like Kerala spends a considerable amount of its revenue on GKSF with the aim of increasing shopping during the seasons of the same. It attracts tourist as well as natives for shopping from Kerala. The number of traders registered for the GARAND KERALA SHOPPING FESTIVAL is increasing year by year. This reveals the optimism of retailers on the event and it is an indicator that their

revenue has increased. It is not substantiated by any studies in Kerala. Has the GKSF promoted retail business in Kerala, is an investigative question to be researched.

1.3. Objectives of the Study

The study seeks to analyze the effectiveness of GARAND KERALA SHOPPING FESTIVAL among the retailers of Chalakudy municipality the specific objectives of the study largely confined to asses.

- To analyze the role of GRAND KERALA SHOPPING FESTIVAL in promoting retail business.
- To study the sales improvement caused by GRAND KERALA SHOPPING FESTIVAL in the Chalakudy municipality.

1.4. Research Methodology

Research methodology is a method that can be used to solve the research problem. The present study is based on primary data, as well as secondary data. The secondary data is collected from news papers, journals, reports and internet. The crucial data required for the study is the primary data. The primary data is collected on administering a well structured interview schedule. The sample of the study is twenty retailers selected through random sample. Total number of retailers in Chalakudy is 120. The sample forms 16.6 percent of the universe. T test is used to test the effectiveness of GKSF in Chalakudy Municipality.

The area of study is Chalakudy town, in Trissur district. Chalakudy town is selected because number of shops is greater in Chalakudy than the nearby towns like kodakara and koraty.

2. Result and Discussions

The sample size of the present study (as explained in section 1.3) is 20. The shops registered were medium and large shops. The success of this event mainly depends upon registration of retailers for the same. Government run this event, aiming the retailers. Nature of shops registered in GKSF is given in table.

Nature of Shops	Total Number	Percent
Textile	12	38
Home appliance	9	31
Electronics	4	31
Furniture	2	0
others	2	0
Total	20	100

Table 1: Nature of shops registered in GKSF
Source: Primary Data

The shops selected for the study are engaged in the business of textiles, home appliances, electronics, furniture and other items. The highest number (12) is occupied by the textile shops because from the number of shops registered for GKSF in Chalakudy, textile shops form the major share (35%). Furniture shops are comparatively less in Chalakudy.

Category	Number of Shops	Percent
1-10 year	8	40
10-25 year	9	45
above25	3	15
total	20	100

Table 2: Experience of Retail shops (in years)
Source: Sample Survey

Table 2 explains the years of the experience of shops registered in GKSF. Majority of the shops (85%) have experience of one year to 25 years in business. This shows that the shops registered in GKSF are not new comers and they are quite experienced in the field. The procedure for registration as explained by the shop owners are narrated in table 3. Majority of owners stated that the procedure for registration was quite easy. Thus the government of Kerala does not make much complication on the registration process.

Particulars	Easy	Complicated	Highly complicated	Total
No. of Despondence	16	2	2	20
Percent	80	10	10	100

Table 3: Procedure for Registration
Source: Sample Survey

The reasons for the registration as narrated by the shop keepers are put forth in table 1.4. It is clear from table 4 that promotion of sales is the important reason of registering in GKSF followed by gifts and incentives, compulsion from others and reduction in advertisement cost. It is observed during the survey that advertisement cost is reduced because government bears the cost of advertisements. None of the shop keepers wants to compete with others.

Reasons	No. of Respondent	Percent
Promotion of sales	10	50
Gift & incentives	3	15
Compulsion from others	3	15
Reduce advertisement cost	3	15
Make goodwill	1	5
Compete with others	0	0
Total	20	100

Table 4: Reasons for Registering in GKSF
Source: Survey Data

The government of Kerala offers gifts and incentives to the customers during the GKSF. Attracted by the gifts and incentives sales are promoted. The entire advertisement cost is borne by the government of Kerala. The effects of GKSF is discussed in table 5

Category	Number of Respondents	Percent
promoting	18	90
Highly promoting	2	10
Not promoting	0	0
Total		100

Table 5: Effect of GKSF on Sales
Source: Sample Survey

Table 5 portrays the effectiveness of GKSF on sales. The retailer shops in Chalakudy found GKSF as promoting sales. Only ten percent responded that it was promoting sales highly. It was observed during the survey that GKSF increased the sales revenue. The shop keepers participated in the survey expects more gifts and incentives from the Government of Kerala. They expressed that the government of Kerala has to offer more support to the business community in the form of financial support and making GKSF consumer friendly by conducting periodic surveys on its acceptability and making modifications accordingly.

2.1. Testing the Significance of Differences in Sales of Shops

The sales of shops gathered were divided into two parts. The 1st part was the average monthly sales and the second one sales during the period of GKSF. T test is used to test the significance of differences since the sample is below thirty in number. The formula applied is

$$t = \frac{\bar{d}}{S.E}$$

\bar{d} is the mean value of the difference between the values.

$$S.E = \frac{S}{\sqrt{n-1}}$$

n-1 is the Degrees of freedom.

H_0 = There is no difference in sales.

If calculated value is less than the table value we accept the null hypothesis. The calculated value t is 3.71 the table value of t is 2.179. Since table value is less than calculated value, the null hypothesis is rejected. There exist significant differences in the two sales. The sales in season of Grand Kerala Shopping Festival and average monthly sales of firms differ. The sales during GKSF are more compared to the average monthly sales.

3. Conclusion

The present study entitled "EFFECTIVENESS OF GRAND KERALA SHOPPING FESTIVAL AMONG THE RETAILERS OF CHALLAKUDY MUNICIPALITY" is a simple effort to find out sales promotion due to the event of GKSF. It is found that grand Kerala shopping festival has helped to promote sales and shopping. The government of Kerala has made appreciable efforts to popularize the event. It is yet to get national as well as international recognition. Cooperation between the government and private sectors can turn this festival as world renowned shopping carnival.

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