



**CHALLENGES OF COMMUNITY RETAIL OUTLET: CASE STUDY IMPLEMENT
MERCHANDISE DISPLAY AT D'MART FELDA MAOKIL, LABIS**

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ABSTRACT

Merchandise display is the process where the merchandise offer merchandise at the right place and at the right time while meeting the organization's financial goals, it is also the special presentation of a store's products used to attract and entice the buying public (Asuquo & Igbongidi, 2015). Recent observation shows that D'Mart Felda Maokil struggled with a few crucial issues related to their retail, staff, customer behavior and lack of inventory management. Therefore, this study aimed to understand the processes involved at receiving consignment, identifying factors that affect merchandise display and determine whether the new layout is more manageable than the previous layout at this D'Mart. In order to accomplish this study, a qualitative study was conducted by interview with three respondents: a manager and two staffs with extended work experiences at D'Mart retail. The evidence gathered from the interviews were recorded, summarized as transcript and analyzed. The result of the research pointed out that there are several steps they need to follow after receiving the consignment, four factors (merchandise display, staffs, customers and audit) and three causes new layout more manageable in D'Mart (constant merchandise arrangement, attractive layout and assist elder customers). They need more focus on the position of merchandise display and staffs knowledge in retail business. Therefore, it is recommend that the retail need do a systematic ways in ordering and taking the acknowledgment staffs to make the effective merchandise in D'Mart.

CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

Malaysians love to shop. In the early days, people shop at shops nearest to their homes, especially for basic necessities like cooking oil, fresh vegetables, fish and etc. They travel out of their small towns to large cities to shop for specific and more expensive products and services; like electrical appliances, furniture and fashion and apparels. They are very in control of where they will spend their Ringgit.

With the realization that technology is changing consumer behaviors, retailers are increasingly concerned about maintaining consumer loyalty and attracting customers away from the competition (Bodkin and Sewell (2012).

Nowadays, consumers are willing to travel out of their small town for their daily fast moving consumer goods (FMCG) needs, they prefer to shop at large hypermarkets or superstores, for their attractive selection of goods and services; and low prices offered. Nowadays, the heavy use of technology had caused the customers' shopping pattern to change Lesonsky (2012) reported on a study by Prosper Mobile Insights which found that 40% of their respondents, after learning of lower prices via their mobile device, left the store they were currently in to go to a competitor's store. But price is only one of the evaluative criteria used by consumers when making a purchase. Retailers have found that customer service and product quality may also provide a means to reduce cross-shopping behavior and increase store loyalty.

For a small town like Labis in Johor, their nearest big town is Segamat, a 30 minutes' drive. Customers in Labis have the options whether to shop at their regular small stores or travel to Segamat. In Segamat, it has a medium sized mall, One Segamat; complete with a superstore (OU), cinema, bookshop (Popular), DIY store, fast food restaurants (KFC and bakeries), fashion and apparel outlets; pharmacies (Guardian and Watsons), and many others.

The local retailers in Labis have to face the challenges in the growing trends and competition from large superstores. Consumers in Labis are more knowledgeable about the prices and quality of products and services offered; attractiveness of a store layout and merchandise selection available at those retails in Segamat. This is a threat to small grocery stores in Labis