

*Kolkata is often referred to as the 'City of Joy'. Due to its strong cultural heritage its citizens have an affinity for indigenous materials such as cotton and khadi, thereby creating a strong market for homegrown stores. The mall culture in the city is mainly being driven by the younger population aged 14-30. There are also dedicated shopping zones in the city where people tend to shop.*

– By Surabhi Khosla

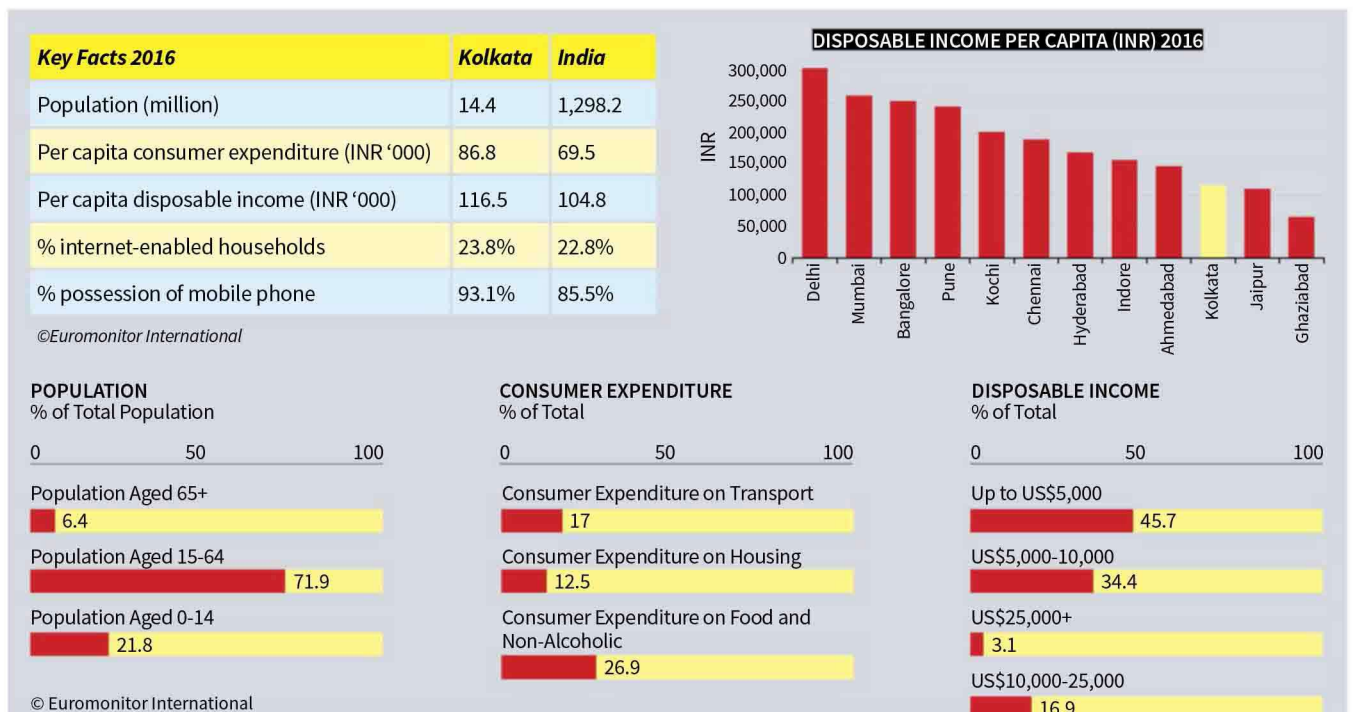


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# KOLKATA: TRADITIONAL RETAIL FORMATS REMAIN STRONG

## PART 1: CONSUMER PROFILE IN KOLKATA

- Mostly locals are a mix of Bengalis and Marwaris. The city is also populated by immigrants from nearby states such as Bihar, Assam, Orissa, and all the North-Eastern states.
- Economically, the city's development is not at par with Delhi, Mumbai or Chennai, which results in limited job opportunities and lower per capita income. This results in people preferring high streets and homegrown players.
- People in Kolkata continue to prefer traditional clothing styles and materials. There is a strong and inherent presence of cultural elements in the way the people in Kolkata dress. As a result, the city still houses a number of home-grown shops catering to such requirements.



**PART 2:  
RETAILING FORMATS**

Specifically, in Kolkata, high street shopping hubs enjoy dominance. People in the city have pre-determined shopping destinations that are situated in certain areas of the city. In addition, with many shops present in these areas, people are spoilt for choice in terms of product offerings. Kolkata also has strong presence of state emporiums, which remain the key retail format for consumers to shop.

Separately, the mall culture is a new phenomenon and is gaining popularity. Kolkata was one of the earliest Indian cities to have introduced the concept of malls. Malls are now acting as a gateway for premium players such rather than traditional shopping destinations.

Meanwhile, the city's population has not entirely adopted the idea of purchasing products via the online channel. With small independent stores providing consumers with a vast variety of products at affordable prices, there is no price benefit for consumers to shop online for their needs.

**Homegrown Stores & Emporiums Remain Popular**

As mentioned above, Kolkata remains one of the few cities which boasts a strong cultural heritage in terms of clothing. As a result, traditional clothing such as *sarees*, *salwar kameez*, *dhoti* and *kurta* play an integral part across all age groups. Traditional clothing also continues to be common during weddings and the festive season. Given the strong cultural roots, indigenous materials (*khadi*, cotton and silk) in traditional clothing is popular. Additionally, because of the

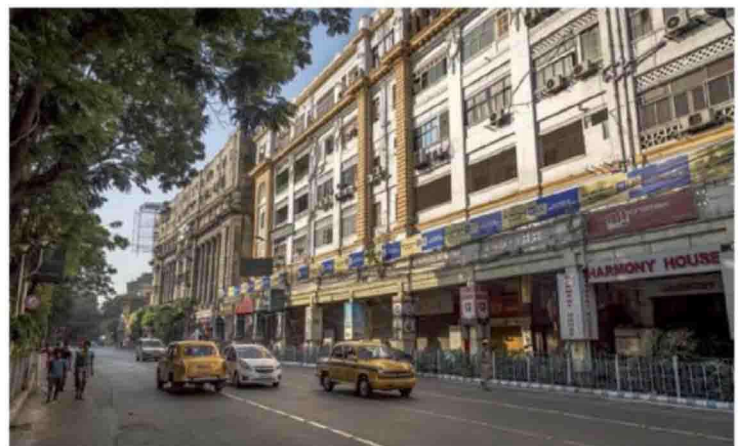
hot and humid weather conditions of the city, consumers prefer hand-woven light materials such as cotton and *khadi*. Areas such as Dakshinapan and Burra Bazaar are some of the best-known places that offer such clothing, using different materials. For instance, Dakshinapan is a government-aided shopping complex which houses emporiums offering products from different states, offering inexpensive yet good-quality items.

**High Street Shopping Hubs Enjoy Dominance**

People in the city commonly prefer shopping in high street shopping hubs rather than the malls. For non-grocery shopping, middle-income consumers opt for street shopping in popular shopping areas such as Hatibagan, Esplanade and Gariahat market. Similarly, College Street is dotted with numerous book stores and small kiosks selling a variety of new and second-hand books. For grocery shopping, Koley market located in the centre of the city remains one of the popular hubs for wholesale and retail grocery shopping. Other popular grocery shopping destinations include Manikata and Mechhua markets.

**Local Retail Formats Are Very Popular**

Due to the wide variety of offerings offered by street vendors, street food remains highly popular in the city. Areas such as Esplanade and Vivekananda Park are some of the best-known places in the city for street food. In addition, people in the city also prefer buying different cosmetic and jewellery products from these local



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street vendors as it is very reasonable. Areas such as Gariahat and Hatibagan are some of the popular places for shopping jewellery and cosmetic products.

Kolkata is also robust in terms of wholesaling. Located in different hyperlocal zones, wholesale markets sell a variety of products, from grocery to non-grocery items.

Places such as these are widespread across the city, thereby providing consumers with easy access to markets where they can buy different products at wholesale rates. These wholesalers assemble at designated areas on a weekly or daily basis and meet with retailers to sell their products. Such areas are popularly known as *haats*.

### The Mall Phenomenon

Malls are now gaining popularity among higher-income consumers who are looking for branded offerings. Many premium labels, such as Michael Kors and Burberry, are entering the city through malls such as Quest, thereby creating outlets for higher-income consumers. A similar trend has also been seen in the case of international bars, restaurants and pubs opening their doors in the city, operating in malls.

Multi-brand outlets are much more popular than single brand retail outlets in

the city. This is largely due to the fact that these outlets offer a variety of home-grown and international brands, allowing customers to choose from a wide and diverse range of products. Multi-brand outlets such as Pantaloons, Westside and Brand Factory, which house a number of brands at different price points, are more popular amongst brand-conscious consumers who are also looking for economical options.

It has been seen that multi-brand outlets like Pantaloons, Westside and Brand Factory enjoy more popularity than

single retail outlets such as Reebok or Van Heusen. With limited budgets, consumers opt to visit multi-brand retailers, as they can check out different offerings and compare prices across brands before buying products. In addition, multi-brand outlets run year-round sales and also offer a variety of seasonal discounts, which further increases the footfall.

In conclusion, traditional shopping zones such as Esplanade, Maidan, Chandni Chowk and Burra Bazaar are the major shopping destinations for consumers

and will continue to attract high footfall as customers seek options at reasonable rates. People in the city also like to indulge in bargaining, which further increases footfall in these shopping zones.

The home-grown outlets in the city enjoy high popularity among consumers as they offer different varieties of indigenous materials at reasonable rates. People in the city are quite traditional in their shopping tastes, and hence prefer to shop in these outlets. Malls are mostly limited to buying branded products during seasonal sales. 

*Extract contributed by Euromonitor International from the report 'Retailing in Kolkata' published in July 2017.*

*You can purchase the full report here: <http://www.euromonitor.com/retailing-in-kolkata/report> or contact us at [info-india@euromonitor.com](mailto:info-india@euromonitor.com)*

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