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"ROLE OF KEY ACCOUNTS MANAGEMENT IN RETAILING- A STUDY WITH SAUDI ARABIAN PERSPECTIVE"

Submitted by

(Name: Muhammad Al-Dali SAP ID: 500057891)

Guided By

Dr. K. SHAHUL HAMEED.M.COM, MBA, M.Sc. (Health Care Mgt.), **PhD.**
Director, EduGulf Institute of Higher Learning, Riyadh, Saudi Arabia.

A DISSERTATION REPORT SUBMITTED IN PARTIAL FULFILLMENTOF THE

REQUIREMENTS FOR

MASTER OF BUSINESS ADMINISTARTION IN LOGISTICS AND SUPPLY CHAIN MANAGEMENT

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Muhammad Al-Dali
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Declaration by the Guide

This is to certify that the Mr. *Muhammad Aldali*, a student of **MBA in logistics & Supply Chain Management**, SAP ID : **500057891** of UPES has successfully completed this dissertation report on **"ROLE OF KEY ACCOUNTS MANAGEMENT IN RETAILING - A STUDY WITH SAUDI ARABIAN PERSPECTIVE"** " under my supervision.

Further, I certify that the work is based on the investigation made, data collected and analyzed by him and it has not been submitted in any other University or Institution for award of any degree. In my opinion it is fully adequate, in scope and utility, as a dissertation towards partial fulfillment for the award of degree of MBA.

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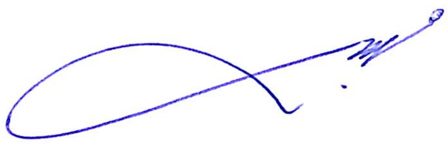
Declaration by Student

I am **Muhammad Aldali** a student of MBA in logistics and supply chain management SAP ID : **500057891** of UPES, declare that dissertation titled "**Role of Key accounts management in retailing – A study with Saudi Arabian perspective**" was carried out by me in partial fulfillment of the requirements for fulfillment of the requirements for MBA (logistics and supply chain management) of university of petroleum & energy studies Dehradun

It is my original work and has not been submitted to any other organization for any purpose.

Muhammad Aldali



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CHAPTER -1

INTRODUCTION

1.1 Overview.

1. The Saudi retail industry is one of the largest and most dynamic in the region. In 2008, total retailing sales peaked, outpacing the average growth recorded over the review period. The oil-rich country is one of the strongest economies in the world, continuing to benefit from the global hike in oil prices. Socio-demographic factors were also very favorable to the retail industry with population growth of 3% during the year.

2. Price increases in addition to many other growth factors boost sales in 2008

3. Some of the most influential factors to influence the marketplace in 2008 were the price increases that affected many imported goods, including grocery and non-grocery. According to the Central Department of Statistics, the inflation rate reached its highest level since 1999 at 3% in 2008 The hike in retail prices was mainly due to the weakness of the dollar to which the Saudi riyal is pegged and which made imported goods from Europe more expensive. In addition to this, the retail industry continued to benefit from several other growth factors that made an impact during the latter part of the review period. The most important of these were: the further improvements in legislation with wholesale and retail trade both opened to foreign investments in March 2008 higher per capita disposable income; a booming real estate industry; and the aggressive expansion plans undertaken by many giant retailers during the year. **Strong gains by leading retailers quicken the concentration process**

4. The retailing industry in Saudi Arabia is highly fragmented, largely dominated by single-outlet operations featured in the largest retailing formats including independent grocers, food specialists and leisure and personal goods retailers. However, in line with the trend demonstrated over the latter years of the review period, 2008 saw strong gains achieved by giant retailers with chained outlets, leading to acceleration in the concentration process. Most dynamic retailers present within the top ten in 2008 included: Aziza Panda;

5. Al Othaim Commercial Group; Axiom Telecom; Fawaz Al Hokair Group; Al Sawani Group; M H Alshaya; and Al Bandar Trading. The strong gains these players experienced were a direct result of their aggressive expansionism either in terms of number of outlets or selling spaces.

6. **Non-grocery retailers continue to offer greater potential in 2008**

7. Non-grocery retailers continued to take the largest share of retailing in 2008 and was more dynamic than grocery retailers. The sector, which is largely represented by clothing and footwear retailers, furniture and furnishings stores, durable goods retailers and other leisure and personal goods retailers, was the most likely to benefit from booming real estate and the rapid expansion of giant retailers. Multinational and local brands including Mother care, Next, Benetton and Esprit in fashion and clothing, The Body Shop and Arabian Oud in perfumeries, and Axiom, Extra and Best in durable goods, are becoming the main players in most of the new shopping malls. Backed by the high per capita income that most Saudis enjoy, the marketplace also witnessed growing demand for many non-grocery products such as mobile phones, PCs and laptops, LCD's among many new technology products, while Saudi women continued to spend lavishly on gold and cosmetics and toiletries thereby boosting sales through other leisure and personal goods retailers and perfumeries.

8. **Momentum to continue for retailing value sales over the forecast period**

   By 2012, sales are forecast to grow almost at the same healthy CAGR of the review period, at above 5% per annum. The rapid population growth boosted spending power and rising living standards will continue to fuel the expansion of the Kingdom's retail industry between 2007 and 2012. More young Saudi nationals will gain buying power by entering the workforce and more shopping malls, hypermarkets, durable goods retailers, furniture stores and department stores, all with mega selling spaces, are likely to develop over the next few years, in line with the aggressive expansion plans unveiled by many leading retailers in Saudi Arabia.

1.2 Background.

a. SAUDI ARABIA. The lack of provision for social life arises from a basic cultural difference in Arab life in that consumers are orientated to the extended family and have fewer social contacts outside the family circle, whereas the reverse is true for Westerners. This has a bearing on the retail scene, shopping habits and the ways retailers are required to tailor both the substance and presentation of their international food brands, clothing and other consumer goods. Therefore, it is relevant to state these social customs at the beginning of this report.

Arabs spend most of their time visiting family homes and have less need for external provisions of social life of the kind that would take for granted in the West. A further, direct consequence is that social contact between Arabs and Westerners is rare, no matter how friendly they are in work. Another constraint on social life is that bachelors tend to be avoided in social networking and the trend is to see family groups or single men, either Western or from the Indian Subcontinent, clearly defined in shopping malls. Such social gatherings that do exist such as sports clubs are segregated into 'families' and 'bachelors' often by simply restricting bachelors to the most unpopular times of day or week.

Outside the new gleaming shopping malls, of which there are many, there are traditional markets for bargain hunters, such as the furniture souq, the Kuwaiti souq (for house wares), the stationery souq, the electrical souq and the clothing souq in Riyadh. Also good for bargains are the plethora of SR 5, 10, 15, 20 shops. In Riyadh there are two major gold souks at Batha and Shola Mall where jewellery can also be made to a personalized design. Electricals and electronic goods are also sold in the old district of Batha in Riyadh.

1. Demographics driving the market

Over 50% of the population of Saudi Arabia are under 20 and population growth rate is 3.5% per annum, making it one of the highest in the world. It is not unusual for Saudi couples to have up to eight children. This creates demand for consumer goods and services including of course clothing. Accessories, cosmetics and footwear are important, as these items are among the permitted visible signs of affluence and style, particularly for women. All women in Saudi Arabia are expected to dress conservatively and cover up. Local women are required to wear the veil (hijab) and black robe (abayah), however for the Western woman, modest dress is acceptable (by covering arms and legs in public) although wearing an abayah over normal clothes, possibly with a scarf, during shopping visits is usually the norm. Inside the Arab home, women play a much more dominant role than outside. This gives them a curious advantage as a major but often "unseen" role as a decision-maker in decisions about shopping for the household.

Underneath the abayah, women dress in a variety of different styles, mostly imported fashions. Women are the main consumers of high quality, imported collections. They also purchase large quantities of high-quality textiles, which they have tailored to their own tastes. In the privacy of their own homes and with other female friends, women in Saudi Arabia compete to have the latest fashion and accessories.

Saudi men (and many other Arab men living there) usually wear traditional Saudi dress: crocheted skullcap; cotton head covering in plain white or with red and white pattern called a shmaag; a long white shirt down to the ankle called a thobe; and cufflinks and shoes. Interestingly, the UK is the largest exporter to the region of high quality shmaag's and provides a large amount of the cloth that is used. The large expatriate community in the Kingdom creates demand for all kinds of men's wear, including formal suiting, casual and leisurewear. Young children invariably wear western clothes. Saudi boys usually start wearing the traditional Saudi attire at the age of six when they start school. Girls start wearing full length skirts or dresses at about aged seven.

All hospitality and generosity are usually deeply ingrained and genuine, and considered high virtues. A person who regularly practices these virtues gains the respect and reputation of not having been negligent in assuming his or her responsibility.

A feature of the Hejira calendar is the holy month of Ramadan, which according to the lunar cycle should run for 28 days. During this period Muslims are required to fast by day, however they make up for this by coming out to shop and socialize at night. The West Ramadan can be thought of as a month of Christmas celebrations. The fasting is taken very seriously and in public places, which includes offices, even non-Muslims must abide by Islam which means no eating drinking or smoking during daylight hours, although for expats a room is normally set aside for meals, hidden from normal view.

Saudi Arabia is the home of Islam; therefore, prayers are followed strictly five times a day. For those Muslims found standing around the streets during prayer time, the Muttawa (religious police) can be frequently seen rounding them up and taking them to prayers. The other tasks of the Muttawa include deciding what is "haram" (against Islam) therefore there is an element of censorship and adaptation of advertising images and images on packaging, with some items not allowed on the shelves.

Strictly speaking photography is not permitted in Saudi Arabia and camera telephones are prohibited at the time of writing. However, cameras and photographic shops are common, and it is normal practice to ask permission and to be sensitive when photographing anything.

The importation, production and sale of alcohol is prohibited and transportation of home-made alcohol, although it exists, is seen as distribution and severely punishable. The Saudi food retail sector also has some specific labelling and other characteristics. Any products containing alcohol or pork are not permitted.

The Hejira calendar is in use, so the weekend is Thursday and Friday, however for some international companies the working hours can include part of Thursday. Working hours for Saturday to Wednesday vary widely. As in other Islamic countries, working hours tend to be dramatically reduced during the holy month of Ramadan which changes by 11 or 12 days each year depending on the cycle of the moon, in 2005 it will be around 4 October for 28 days. Shop opening hours are variable, but core hours are 9.00 am to 12.00 and 4.30 pm to 10.00 pm on Saturday to Thursday. Opening hours on Friday are variable but generally evenings only. The larger food stores stay open 24 hours (except for prayer times).

2. Clothing market environment

All the usual Western clothes are available in Saudi Arabia, although outside the pure luxury brand stores a lot of the quality is poor, or where the quality is acceptable, the price is higher than the equivalent stores in Europe or North America. There is a middle ground in the form of Sana on Talateen Street in Riyadh, Last Chance on Khorais Road and Debenhams and M&S prices are also in the middle market range with stores such as Next, Mango, Liz Claiborne slightly above. Due to climatic conditions, clothes need to be washed more often, a typical day seeing two changes of clothes (work and home). So, a typical household will have a big quantity of lightweight clothes with some heavier clothes for travelling.

As with many markets in the GCC, the traditional wholesale and agency business is on the decrease and local retailers are becoming more sophisticated. There are still not many department stores in the traditional sense of the term with the exception of Debenhams, BHS, M&S, JC Penny, Sak's Fifth Avenue and Harvey Nichols. Although both agents and importers are present in the market, there is no central network of agents and importers. They can be difficult to find, and their reliability is variable. Trade fairs in Paris, Milan, Germany and Dubai are potentially good places for meeting Saudi wholesalers and buyers as well as agents and importers. The teenage market is strong for reasons of the demographics mentioned earlier. Style is the overriding consideration for most Saudi teenagers. The following brands are already established in the market: Next, BHS, Oasis, River Island, Nine West, Accessorize, Monsoon, Dorothy Perkins, Camaieu, Promod, Levis, Guess, Esprit, Diesel, Claire's, Stefanel, Springfield, La Senza. Casualwear brands from Europe tend to be at the "higher end" of the market with a real concept and strong local partners. Those international retailers who are already in the market face major competition, particularly from the likes of Zara, Mango, H&M and the newer wave of franchise brands. To survive in the market, international companies will have to react to the market's tastes and requirements: a steady flow of new products which are well designed, use lightweight fabrics all year round and offer longer sleeve and skirt options for those wishing to cover up. Most importantly they need to offer competitive prices and be able to react quickly to market needs. Much of what the current international wholesale collections offer to Saudi Arabia falls within the following categories: "higher-end" and designer evening and occasional wear, lingerie and children’s wear. In most cases these products are sourced at established international trade fairs or through agents. These remain the key areas of potential growth for international retailers. There is also a large number of franchise brands in the market.

3. Agriculture

This fast-growing population coupled with a harsh climate, insufficient arable land and limited water supplies means that Saudi Arabia is largely dependent upon imports of all types of food and drink in particular fresh and processed food products.

Because Saudi Arabia has long been a food importer, agriculture is a key area of development. The lack of water has made less than 1% of the land area useful for farming. Irrigated lands near oases have been virtually the only sites of cultivation. Many of the foreign workers and technicians who have been brought in are engaged in agricultural projects.

Saudi Arabia's leading crops are wheat, watermelons, dates and tomatoes. Other major crops are barley, sorghum, onions, grapes and citrus fruit. Livestock includes sheep, goats, cattle and camels.

Saudi agriculture has shown rapid growth in production over the last several years, while food processing has only recently begun significant expansion. The growth in agricultural output has been led until recently by wheat, but notable increases have also taken place in livestock, vegetables and fruits. Much of the expansion has relied on imported technology and production inputs. Wheat production is now declining, but output continues upward for most other crops and livestock. Thus, the prospective demand for inputs is mixed, with a weak near-term outlook for large machinery and irrigation equipment, but likely growth in demand for inputs related to the livestock or fruit and vegetable segments. Imports of most food and bulk agricultural products, other than a few items such as wheat, eggs and dates, are continuing at a strong pace.

The food processing industry has started significant growth with some major players in certain sectors such as dairy, but it remains modest. Investment in food processing, handling and storage equipment is continuing and demand is high.

4. Trends in the Saudi food retail sector

Food shopping is diverse in the major cities, ranging from "bakalas" (corner shops) to supermarkets, such as Tamimi (AKA Safeway), Euromarché, Jazira, Al Othaim, Carrefour, Geant and Panda (AKA Azizia) and through to wholesale markets. Bakalas tend to be used more for convenience shopping, although some are quite well stocked.

Panda stores owned by the Savola Al Azizia group are found in 16 locations around Riyadh with the first HyperPanda just opened and another 30 Panda locations around the Kingdom. In September 2005 plans were announced to open the first HyperPanda outside the Kingdom, in Dubai's Festival City. Tamimi has four branches and five outside Riyadh. Al Othaim has at least one in each district of Riyadh and the other majors each have at least one store each in Riyadh. Euromarche is currently building a second hypermarket in Riyadh and the large-scale hypermarket and "big box" discount concept is growing generally, with Carrefour (by Olyan Holding) about to make its first entrance into the Saudi market. The table below shows a profile of the leading food retailers in the Kingdom:

Table No: 1.1

LIST OF RETAIL COMPANIES IN SAUDI ARABIA

Sl.No	Name of the retailing co.	Location	No. Of Shops in KSA
1	Panda (part of the Savola Group)	Riyadh, Jeddah, Dammam, Dharan, Jubail, Rastanura, Mecca and Qassim, madina	Al Azizia stores: 130
2	Universal Marketing (Al-Othaim)	Riyadh, Qassim, Hafralbatin, Jeddah.	81
3	Farm Supermarkets	Dammam, Jeddah, Al-Khobar, Dharan, Qatif, Jubail, Rastanura	18
4	Bin Dawood Superstores	Jeddah, Mecca and Madina	14
5	Giant Stores	Riyadh, Dammam, Jeddah, Khamis, Jubail	12
6	Tamimi Safeway Markets	Riyadh, Dammam, Al-Khobar	11
7	Al Raya	Jeddah, Mecca, Medina, Taif	10
8	Omar Ali Balsharaf Supermarkets	Jeddah, Riyadh, Mecca	10
9	Max Discount Center	Riyadh	1
10	Euromarche Superstore	Riyadh	1
11	Carrefour. Hypermarkets	Riyadh, Jeddah, Madina, Dammam	9
12	Géant Hypermarket (part of Groupe Casino with Al Hokair	Riyadh, Jeddah, Madina, Dammam, Al-Kharj and Qassim.	10

The quality of all the supermarkets is quite high, with the possible exception of fresh produce, and the choice and prices tend to be more varied than the Western equivalent in many cases. A lot of products on supermarket shelves are local but imports tend to be from the US or UK, with the exception of the 'Oriental Aisle'. In the period 2003 to 2005 US food imports have tended to increase at the expense of European supplies due to the high cost of the Euro.

Food distribution has been product rather than service led with many local and imported brands competing to establish a share of the evolving market. Exclusive agency agreements dictate that distributors still have power in the market. But although conservative, the market is undergoing dynamic change. Polarization is taking place as the market is divided into smaller numbers of larger retail chains with ever larger stores and new hypermarket and cash-and-carry formats emerging. The independents and wholesale sector are seeing its market share reducing, though slower than many expected. However, distributors and suppliers have been successful in introducing direct home delivery of bulk items. Trading and marketing ideas are rapidly being adopted from the West, but Arabic shopping styles also need to be followed in terms of packaging, more bulk packs and a large fresh foods area.

5. Market opportunities and challenges

Saudi consumers are discriminating consumers and they enjoy new food products. Saudi buying and eating habits have changed significantly since the introduction of Western-style supermarkets and restaurants in the late 1970s. Built initially to cater to Western expatriates, modern Western-style Class A supermarkets and hypermarkets are popular with the Saudis and continue to increase in number in the major urban areas of the Kingdom: Riyadh, Jeddah, Dammam, Al Khobar, Dharan, Madina, Mecca, Taif, Tabuk, Abha, Jubail, Yanbu, Buraydah, Hail and other major cities. An increasing number of Saudis shop regularly at supermarkets, especially women. The retail sector now accounts for over 60% of all food purchases in the Kingdom with the balance in the wholesale sector. Supermarket shopping is considered a primary form of entertainment for the Saudi family. Many supermarkets have built large play areas for children and are surrounded by several boutiques, photo booths, music shops, barber shops and fast food restaurants.

The recent increase in the number of outlets in the organized supply chain, and the larger average size of outlets, has made it feasible for many supermarket chains to import a portion of their stock directly from the US or Europe. The number of 'upmarket' supermarkets continues to increase, creating greater opportunities to display new-to-market international food products. In this respect the newer entrants such as Géant and Max Discount Center have had an influence on the supply chain. Nevertheless, supermarket chains and other retailers depend largely on local importers for sourcing, merchandising and inventory control. The food importing industry is equipped with modern climate-controlled warehouses, cold storage facilities, fleets of refrigerated trucks and a plentiful supply of employees. About 80% of all food items sold in retail outlets are imported as consumer-ready products. The balance is manufactured locally (made predominantly with imported ingredients).

a) **Private label:** Some large Saudi importers pack foodstuffs under their own brand names locally and in foreign countries. The firms have developed private labels appealing to Saudis and other Arabs in the Kingdom. Others use labels with Western-sounding names to appeal to UK, Americans, and other Western and non-Arab expatriates. Salim Basamah Company, perhaps the largest importer of grocery products in Saudi Arabia, places its private label 'Goody' on a wide variety of food products imported from the US. Goody appeals to expatriates as well as to Saudis due to its Western-sounding name. Basamah's cousin, also a large food importer and significant food processor, uses an Arabic sounding private label 'Al-Alali' to appeal to Saudis and Arabs, even though a significant percentage of his products are also US origin. Hence products can be marketed in Saudi Arabia under several different labels, private label (Western or Arabic) or branded.

b) **Sole agency agreements:** Some importers deal with global food companies manufacturing and marketing major brands such as Heinz, Knorr, Kellogg's, Campbell Soup, Budweiser non-alcoholic beer and usually require sole agency agreements. The Saudi importers will help build the brand, but request support from the brand holder. Assistance offered by the brand owner includes promotional and marketing assistance.

c) **Foreign based consolidators:** Some companies import a wide range of food products for mass distribution, employing the use of overseas consolidators. Many of the consolidators are sole regional agents of major manufacturers or brand owners covering the entire Middle East and African regions. Most foreign consolidators assist Saudi food importers by sourcing products from wholesalers and providing services such as placing stickers on labels. Current Saudi regulations allow foreign suppliers to place an Arabic language sticker on the original English language label. The stickers translate key ingredient and product information into Arabic. Stickering is a laborious task and most manufacturers do not want to bother with this at the production line. If a product has performed well in the Saudi market, the brand owner may opt to go beyond the sticker stage and develop a bilingual label in both Arabic and English. For example, non-alcoholic Budweiser beer was launched in the Kingdom in 1999 with a red, white, and blue bilingual label. Significant quantities of international origin grocery items found in Saudi supermarkets have stickers.

d) **Direct imports by retailers:** The above-mentioned French hypermarkets and many local supermarket chains such as Tamimi Markets, especially those with the ability to handle large volumes, are importing directly part of their needs. At least one local company owning a modern supermarket chain imports several containers of food products each month for sale in its stores, lending support to a wide range of brands without a binding agency agreement. Saudi importers are constantly searching for new products, and often request support from suppliers for promotion and advertising. The Saudi consumer is a discriminating consumer, closely examining labels and looking for the best deal. Advertising is considered a necessity to win Saudi consumers. Two-for-one deals are very popular in larger supermarkets in moving near expiry foodstuffs. Major Saudi supermarkets are in the initial stage of introducing category management. As the system becomes more popular, many product brands that do not perform well will be eliminated. The recent introduction of French hypermarket chains Géant and Carrefour to the Saudi retail market as well as the opening of Hyper Panda have launched a new era of retailing in the Kingdom with the state-of-the-art shopping experience resulting in a fierce head on competition in the Kingdom's retail sector. Local distributors are typically being asked for listing fees ranging from US$2,000 to up US$27,000 depending on the size and power of the distributor. The bigger the distributor, the more power he has to negotiate the least listing fee. In addition to listing fees, distributors are asked to provide specified percentage rebate on total annual turnover, contribute to advertising campaigns, provide at least 60-day payment terms, and reimbursements for expired items. Distributors authorise retailers to offer special offers to consumer such as 'buy one and get one' free mainly for products with 60 days shelf life remaining.

In terms of local production Saudi Arabia now boasts some of the world's largest dairy production units. Meat processing, water and beverage (fruit juice and carbonated) production, bread, biscuit and confectionery manufacturing have grown so large in recent years that they are meeting most consumer needs. But the major Saudi-owned supermarkets such as Azizia-Panda, Tamimi and Danube all import a significant percentage of dry goods directly, employing consolidators. They import chilled beef and dairy products, fresh fruit and vegetables directly from the US, Egypt and India. Chilled beef, strawberries, apples, celery, lettuce and other selected produce are flown in while others arrive by ship in containers.

All major food-producing countries are active in this highly competitive market. The US, France, Germany, Switzerland, New Zealand and the Netherlands are major players. But countries like Argentina and Brazil (meat) and China (poultry) have taken large market shares in recent years. Much of their success was due to bans on European meat and dairy products (in place at that time because of fears over BSE and Foot and Mouth).

Meanwhile there are several other important market trends and requirements that importers need to be aware of:

1. The growing number of fast food restaurants, hotels and resorts and the thriving catering sector depend heavily on imported institutional size food products
2. Arabic labeling, biotechnology labeling and shelf life restrictions.
3. All consumer ready foodstuffs must arrive at Saudi ports with half shelf life or more remaining.
4. Rapidly growing food-processing sector depends on imported ingredients.
5. Halal certification required for all meat and poultry products exported to Saudi Arabia.
6. Additional statements on the health certificate accompanying poultry and livestock meat shipments to indicate that the animals slaughtered for export to the Kingdom were not fed animal protein, ruminants and were not treated with growth hormones.
7. Saudi consumers like to try new products and shop more often at supermarkets.
8. Saudi regulations require that the number of different food items in one container not exceed 25.
9. The increasing positive attitude of Saudis to mass media advertisements.
10. Willingness by a significant percentage of the Saudi consumers to support calls to boycott US products for political reasons.
11. Changing lifestyles - the number of working women is slowly increasing, leading to more shopping at supermarkets to purchase prepared food items.

6. Market structure of Class A stores and growing competition

The supermarket and hyper market chains listed above are the larger supermarkets in the Kingdom (in terms of floor space and volume) and are referred to by the food trade as Class A supermarkets. The list shown above is a partial list of Class A supermarkets operating in the Kingdom and they total about 210. Smaller supermarkets (those which contain grocery carts) number more than 100 and are referred to as Class B supermarkets. The definition between Class A and Class B supermarkets is not well defined in Saudi Arabia. Information on the supermarket industry and food trade in the

Kingdom is scarce. Saudi companies are not subject to taxes and financial information is not available to the public. Larger supermarkets are normally found in the largest commercial urban areas of the Kingdom: Jeddah, Riyadh and Dammam, Al-Khobar, Dhahran. Class B supermarkets are located in major urban areas and medium-size cities of the Kingdom. The number of Class A and Class B supermarkets increased from about 80 in 1984 to over more than 300 in 2004 and continue to grow. Factors that have contributed to the growth of supermarkets include more exposure to the West via satellite television and travel, changing lifestyles and a hunger of Saudi consumers for brands and variety. The introduction of French hypermarket chain Géant (last year), the opening of Hyper Panda a couple of months ago and the expected opening of Carrefour, have all helped launched a new competitive era of retailing with stronger category management and instore presentation. The proliferation of large size supermarkets has increased consumer awareness. Exposure to Western style foods has increased demand for all types of canned, packaged and chilled foods. The market in frozen foods remains relatively undeveloped, because Saudi's shop much more frequently than western counterparts (often daily) but it is picking up. Many of the large food importers and distributers have introduced their own labels in a wide range of canned, packaged, dry, fresh and frozen foods.

The introduction of the two French retail groups represented a debut for foreign food retailers since a trial entry by the US-based Safeway in late 1970s, which lasted only for a few months due to some operational difficulties. The Safeway chain, which initially joined hands with a local businessman, exited the Saudi market by selling its shares to the Saudi partner who renamed it 'Tamimi Markets'. The store continues to carry Safeway brand products and is one of the leading class A supermarket chains in the country. Géant Saudi Arabia - a joint venture with Al Hokhair Group of Companies - has planned to commission 16 stores in the Kingdom in the next few years. In 2005 Géant inaugurated two stores in Al Khobar/Dammam and one store each in Riyadh, Jeddah and Mecca. Similarly, Carrefour Saudi Arabia, a joint venture between Carrefour and a Saudi trading company Olyan Holding, opened its first two stores in late 2004 (one each in Riyadh and Al Khobar cites) and is forging ahead with two more stores in Riyadh and one in Jeddah in 2005. Major Saudi supermarket chains such as Azizia-Panda, Tamimi, Danube and Giant Stores have reportedly made waves of structural changes to compete head-to-head with the newcomers. All four of the local store chains have already started to build hypermarkets to match the larger sizes of the French units.

1.3 Purpose of the study.

Saudi Retail Industry is at emerging stage its growing rapidly from unorganized trade to organized trade but still 70% of business are driven from unorganized trade and 30% from organized trade, where as in western countries more than 90% business are driven by organized trade. This study enables to assess the role of Key accounts Management in Retiling. It's vital for us to study the scope of retail industry and the important of Key accounts management in retailing. Because, the success of retailing is depending on customer satisfaction and customer retention strategy. This study focusses on the role of Key Accounts Manager in retention of customers and how to notch the corporate from the opponents.

This study specifies the nature of Saudi Arabian Market and the scope of retailing in Saudi Arabian market. This study helps me to understand the market acceptability of Key Accounts Management in retailing in Saudi Arabian Environment. It is focused in Saudi Arabian environment only. All the inferences were drawn based on Saudi Arabian market only.

For the purpose of the study both Primary sources Secondary sources of data are collected the primary data for the study were collected by systematic sample survey from the respondents. The study is based on the opinion of employees. As it is impossible to meet and seek opinion of all people in the Company within a stipulated period, sample survey method was adopted.

1.4 Research Design.

The research design used here is descriptive research design. Descriptive research studies are those studies, which are concerned with describing the characteristics of individual, group and situation. It narrated the facts and characteristics concerning individuals and situations. It is also concerned with determining the frequency with which something occurs or how two variables vary together. For the purpose of the study both Primary sources Secondary sources of data are collected the primary data for the study were collected by systematic sample survey conducted among end uses and the Key Accounts Managers.

Whereas the secondary data were collected from: Official website of selected Retail sectors, Research websites and Monographs, Organizational manuals and Newspapers, Office site of the Wall mart, Panda Giant and Carrefour, Published Research reports from official website of international Retail Association and Retail Associations. The study is based on the opinion of employees. As it is impossible to meet and seek opinion of all people in the Company within a stipulated period, sample survey method was adopted. Total size of the samples for the study is 100.This samples are selected from different part of KSA. This study covers all city in KSA. (Eastern province, Central and Western province. The respondents are selected randomly from different consumers from different destination. This study specifies all communities including Saudi nationalities. The questionnaires were distributed among the respondents & collected directly from them.

Chapter- 2

Literature Review

2.1 Review Area- Broad View

a. Class supermarkets/hypermarkets

Sales area over 500 square meters. Completely self-service with modern IT systems and stocking comprehensive grocery (produce, butchery, frozen, chilled etc.) and non-food ranges. Product supplied direct from suppliers.

b. Class supermarkets.

Sales area of 100-499 square meters with two or more checkouts. EPOS in most stores. Typically, in urban areas relying on proximity to generate traffic. Stock comprehensive range of grocery.

c. Class large groceries and pharmacies/semi-wholesalers.

Sales area of 40-99 square meters with size depending on location. Counter service with an average of two employees. Stocks a good range of grocery 35% delivered and 65% collected. Generally unsophisticated systems.

d. Smaller groceries and bakalahs.

Small neighborhood stores under 40 square meters. Limited access to distributors, therefore reliant on wholesalers. Prices tend to be high and market share is dwindling. Forced to deal on a cash basis and collects 70% of his goods. Product delivered from wholesalers except for a few brands with large direct delivery capability.

e. Wholesalers.

Food stores from 50 to 500 square meters. Unsophisticated, only a few have a proactive sales force. Sell in bulk to catering trade and in boxes to families or bakalahs. A few of the large players do stock comprehensive ranges. Offers some credit facilities to selected retailers. Large wholesalers account for most of the total wholesale trade.

f. Cash-and-carry.

Large membership outlets up to 10,000 square meters are a relatively new feature of the market.

Source: http://www.bi-me.com/main.php?id=173&t=1&c=56&cg=9

Competition for locations and consumers stepped during 2005 with the new Géant hypermarket, the largest store in the South Riyadh suburbs, opened in August 2004.

The inaugural ceremony, held in the presence of an estimated 75,000 shoppers, was led by a child, who was among the first customers to arrive in the hypermarket. The new hypermarket, on the West Ring Road of the capital, has more than 55,000 items under its roof with guaranteed "best prices" and a further 500 products on special promotion for the launch period. Senior Géant executives, including Salman a Al-Hokair and his family members, owner of the Riyadh-based Géant Saudi Arabia, were also present.

Mohammed Adil, Géant Saudi Arabia CEO, predicts that within next three years, his company will open 15 hypermarkets in the Kingdom. The company has already announced the opening of its first hypermarket in Jeddah, before the holy month of Ramadan this year. The ambience and the construction of the mall, the competitive prices that are so important in the Saudi market, and the new facilities, such as "the largest" food court, entertainment center and ice-skating rink are all expected to attract customers. “This hypermarket is designed to provide an entirely new shopping experience for people of Riyadh,” says Adil. As with the other regional Géant stores, the Riyadh branch stocks and sells a wide range of food and non-food products, from groceries, bakery, textiles, to fashion goods and electronics at highly competitive prices.

g. Not just price wars transforming the market

Although Géant is not the first hypermarket in the Kingdom, it is one of the first of the big foreign names to enter with a true large-scale hypermarket concept (as opposed to cash-and-carry), ahead of Euromarché and Tamimi Safeway. It has also enjoyed a high profile in the local press with its launch promotions and it has all the ingredients for success.

Saudi conglomerate The Savola Group is busy developing Panda, a hitherto supermarket brand into a national hypermarket chain with the first hypermarket in Riyadh anchoring its own shopping mall, Azizia Mall. Strategically located between King Fahad Road and Olaya Main Road, the mall opened in 2004 encompasses 32,000 square meters of leasable area. The first Panda Hypermarket occupies 16,700 square meters of sales space.

To the North of Riyadh, the General Organization for Social Insurance (GOSI) is busy developing Granada Centre, a destination mall of some 200,000 square meters fronting the Eastern Highway and Al Imam Abdallah Road. This will be anchored by the Kingdom's first Carrefour of some 12,500 square meters, operated with local franchisee Olyan Financing Company, part of Olayan Group, the leading Saudi food manufacturer and distributor with more than 40 companies and affiliates.

Mohammed Adil, CEO of Géant Saudi Arabia, says that the Géant hypermarkets are purposefully incorporating a very high standard of display and merchandising, not only low prices. That, he argues, is in sharp contrast to how things were before, and the consumer is the ultimate winner in the current fierce war of price competition.

“They [the supermarkets] were poor quality, low standard,” says Adil. “Today, when a consumer goes into a hypermarket, he’s offered almost 55,000 SKUs. Previously, he was offered 10,000 plus or minus. There were no promotions. It was only shelf selling. Today, when he enters my hypermarket, he gets 500 plus promotions.”

Today, the Saudi consumer can buy pretty much everything he or she needs in one place, at better prices than before and with around 500 products on promotion at any one time.

"We are the pioneers and we have introduced the French hypermarket model in the Kingdom for consumer benefit with marginal profitability,” Adil says.

“I am very grateful to our customers of the Central and Eastern regions, who have proven their support and loyalty to Géant. We are the leaders in the market mainly because of the customer support.”

According to Ajlan Al-Haddad, a Saudi customer on opening day, that the quality and the prices are better than many other similar hypermarkets or supermarkets in Riyadh. “A range of products including television, computers, comforters, toys and most grocery items are priced 10% to 50% lower,” said Masood Hashmi, an Indian shopper, talking to local reporters.

To get their discounted items home the first customers had to tolerate checkout lines that were always at least 15 carts long. A few Asian shoppers were also seen carrying several carts full of pampers and comforters simply to resell them at a higher price.

Note: https://apps.fas.usda.gov/gainfiles/200511/146131577

2.2 Review Area – Narrow

2.2.(a). Hypermarket model for Saudi Arabia

The benefits of hypermarkets for the consumer are now well-proven in the Gulf, but Adil believes that Géant is doing much more than driving down prices and giving consumers convenience and choice. He believes that the hypermarket business model is bringing about fundamental changes in the way that suppliers work, changes that are good both for retailers and suppliers themselves.

Such has been the impact of the hypermarkets on the Kingdom's retail scene that Adil is confident Géant Saudi Arabia can top US$1 billion in annual revenue within just three years. The franchise owner of the French Géant brand of Groupe Casino, Fawaz Al Hokair Group, is one of the largest retailers in the Middle East besides being involved in many business projects in other sectors. Al Hokair is a diversified company with interests in real estate, retail and construction. The company already operates around 700 stores in Saudi Arabia, holding the rights to names such as Zara and Marks & Spencer.

Winning the Géant license represents an opportunity for the group to move into the potentially lucrative FMCG retailing market from its fashion origins. Tying up with a hypermarket company with clear regional ambitions, to rival Carrefour, meant that Al Hokair Group would have the best chance to succeed in what is becoming a very competitive segment.

The choice of Géant was a logical one because of Adil's previous experience in Bahrain, where he had been involved in BMA Group's opening of the first Géant store in the Gulf. Since then Géant opened its first store in Dubai recently.

2.2.(b). Expansion pushes on the supply chain

Géant Saudi Arabia opened its first store in Riyadh in April 2004 and followed this with another opening in Al Khobar in the Eastern Province. A second Riyadh store opened in 2005, followed by Jeddah and then Qassim, in the central Najd area, saw its first Géant opened in December 2005.

Another four Géant stores will follow during 2006, bringing the total to nine, and a total of 15 should be in operation within three years. Each outlet requires initial investment of around US$15 million according to the company and is expected to make US$65-75 million in annual turnover in the long term. The sales area of each Géant store ranges from around 9,500 square meters to 13,500 square meters.

Despite coming to the market with something a little bit different - with a store ambience that is slightly above other cash-and-carry operators and even Carrefour - Géant Saudi Arabia has still faced plenty of challenges. In fact, one of its greatest advantages, its breadth of products, its non-food offerings, is also one of its greatest challenges. Prior to the arrival of Géant, most supermarkets were carrying 10,000 SKUs, according to Adil, and distribution was usually to a central warehouse. The hypermarket model, however, requires 50,000 or more SKUs and direct to store delivery, all of which places much greater demand on suppliers.

Adil confirms that it did take suppliers some time to readjust to this new way of working. "We had our challenges and we overcame them, but there's still a long way to go for the local distributors to cater to direct to store delivery," he says. "They're used to the central warehousing facilities of existing chains."

Nevertheless, Adil says that suppliers have upped their game and that 90% of Géant Saudi Arabia's SKUs are sourced through local distributors. Sometimes, stocks do run out but the frequency with which that happens is becoming less and less. Geant Saudi Arabia also imports 5,000 SKUs directly from other parts of the word. This consists of own label products, plus items that can't be sourced locally. "The local distributors have a very limited range, but to make us different from other operators we have 5,000 SKUs that you don't find anywhere else," says Adil. "For example, nestle does not carry its global range here - they keep very limited items - but Nestle has an additional 50 items in Europe that are very high quality and that customers are ready to pay for, so we import them directly."

Simply getting things on shelves is only one part of working with hypermarkets. Géant has also introduced Saudi Arabia's suppliers to different ways of payment. "We were the first company to push the existing distribution companies into a new way of negotiation, which is rebates, advertising fees and opening fees, and they were not used to it," says Adil. "They were doing it in a conventional way for 50 years and when we put in place the new formula it was a bit tough for them to adjust."

2.2.(c). Definition of Retailing.

Retailing involves the sale of merchandise from a fixed location, Such as a store, for direct consumption by the customer. It can be defined as an activity that ensures that customers derive Maximum value from the buying process. Retailers organize the availability of merchandise on a large scale and supply them to consumers on a relatively small scale. In the process, they provide the accessibility of location and convenience of timing, size, information, and lifestyle support. When retailers perform these activities, they create value for their customers, who pay for these services. The major role played by the retailer is to enable the adoption

Of products and services.

2.2.(d). Definition of Organized Trade

Organized trade can best be described as a modern concept of Retailing. Organized trade helps in organizing all household requirements from foodstuff to electronic gadgets under one roof. This helps the retailer (Hypermarket) in offering the best Value for money concept in the selling area of the hypermarket.

Thus, Organized trade symbolizes retailing, which means enhanced consumerism. Some of the benefits of thriving organized trade (Retailing) are as follows,

- Access to products.
- Organized and better merchandised products.
- Not having to settle for second or third choice when shopping for a particular product.
- Access to best value for money promotions on merchandise.
- Greater customer satisfaction, and higher levels of customer
  Service.

2.2.(e). Definition of Key Accounts Management

Key accounts management can best be described as management of retail

Operations in an organized trade environment. Key accounts management from the supplier's viewpoint defines it as the management of their promotions and merchandise in these high-profile retail showrooms. Thus, this gives suppliers the opportunity to offer best value for money offers to promote their products on an organized trade format. For retailers this is the best opportunity to promote their stores with maximum footfalls. Thus, the entire process of organizing, merchandising, best value offers. On a continuous basis is termed as key accounts management. Finally, key accounts management can also be described as something. Which a key accounts manager does.

CHAPTER – 3

Research Design, Methodology and Plan.

3.1 Data Source.

Data refer to information or facts. Data sources could be broadly classified as

1. Primary sources.
2. Secondary sources.

a. Primary sources: The primary data for the study were collected by systematic sample survey conducted among end uses and the Key Accounts Managers.

b. Secondary Sources: The secondary data were collected from:

- Official website of selected Retail sectors.
- Research websites and Monographs
- Organizational manuals and Newspapers.
- Office site of the Wall mart, Panda Giant and Carrefour
- Published Research reports from official website of international Retail Association and Retail Association of India.
- Reports by other organizations.

The collected primary and secondary data were used in the preparation this report.

3.2. Research Design.

For the purpose of the study we use descriptive research design. Descriptive research studies are those studies, which are concerned with describing the characteristics of individual, group and situation. It narrated the facts and characteristics concerning individuals and situations. It is also concerned with determining the frequency with which something occurs or how two variables vary together.

3.3 Survey Questions

Under this research design both Primary sources Secondary sources of data are collected. The Prime and fresh data were collected by systematic sample survey conducted among end uses and the Key Accounts Managers in various Hyper markets and Departmental stores in the kingdom of Saudi Arabia.

Whereas the secondary data were collected from: Official website of selected Retail sectors, Research websites and Monographs, Organizational manuals and Newspapers, Office site of the Wall mart, Panda Giant and Carrefour, Published Research reports from official website of international Retail Association and Retail Associations. The study is based on the opinion of employees. As it is impossible to meet and seek opinion of all people in the Company within a stipulated period, sample survey method was adopted. Total size of the samples for the study is 100.This samples are selected from different part of kingdom. This study covers all city in KSA. (Eastern province, Central and Western province. The respondents are selected randomly from different consumers from different destination. This study specifies all communities including Saudi nationalities. The questionnaires were distributed among the respondents & collected directly from them

3.4 Objective of the Research

a. Primary Objective

To assess the role of Key accounts Management in Retiling.

b. Secondary Objective

- To understands the terminology of modern trade
- To assess the outlook of modern trade in the kingdom
- To assess the consumer assessment of modern trade in KSA.
- To assess the Social-Cultural Influences on Shoppers
- To know the consumers buying behavior in retail sectors
- To know the consumers opinion about the retailing
- To know the consumers opinion about selecting a brand
- To know the consumers opinion about private labelling
- To know the role of private labelling in retailing.
- To assess the Factors Influencing Purchase Decisions

3.5 Scope of the study.

This study specifies the nature of Saudi Arabian Market and the scope of retailing in Saudi Arabian market. This study helps me to understand the market acceptability of retailing in Saudi Arabian Environment. It is focused in Saudi Arabian environment only. All the inferences were drawn based on Saudi Arabian market only.

3.6 Research Approach.

Survey method is used for this study. The study is based on the opinion of employees. As it is impossible to meet and seek opinion of all people in the Company within a stipulated period, sample survey method was adopted.

3.7 Research Tool used.

The data was collected using 5-point scale structured questionnaires with 13 questions. The questions were framed in English. The researcher collected information from the supervisors through discussions. The company profiles and HR records of the company also was an effective tool for getting data.

3.8 SAMPLING PLAN

a. **Sampling Unit:**

In this research study, I have selected simple random method of sampling. the survey was conducted among the consumers and Interview with chief executive of retail sectors.

b. **Sample Size:**

Total size of the samples for the study is 100.This samples are selected from different part of KSA. This study covers all city in KSA. (Eastern province, Central and Western province).

c. **Sampling Procedure:**

The respondents are selected randomly from different consumers from different destination. This study specifies all communities including Saudi nationalities. The questionnaires were distributed among the respondents & collected directly from them.

3.9 Limitations of the Study.

- It is a mock-up study, since all the units in the population cannot be considered.
- This study specifies the role of Key Accounts Management in Retail Sectors only.
- This study limited with 100 samples. Due to time limit, extensive samples size is not taken.
- This study is limited to Saudi Arabian environment; all the inferences were drawn based on the Saudi Arabian marketing environment.
- Due to the conservative society, I was not able collect the data from the families and children.
- The respondents have not divulged all the information needed because of their company policies.
- The public's perception may not be completely accurate, since the sample size was restricted to the male persons in the society.
- This study focusses on Supply chain and customer relationship Management in KAM. Supplier partnership dimensions are not taken into consideration.

CHAPTER – 4

Data presentation and Analysis

TABLE No :4.1

Consumer's opinion about Locations is customer friendly

Sl. No	Opinion	No. Of Consumers
1	Agree	45
2	Strongly Agree	30
3	Disagree	20
4	Strongly Disagree	5

Inference:

In the above table reveals that most of the respondents agree about Retail out let location. Majority of the respondents pinions that outlet location are very much friendly and easy to access the market. Only 5% of the respondent strongly disagree the location of the outlets are far from the city.

Chart No: 4.1

Consumer's opinion about Locations is customer friendly

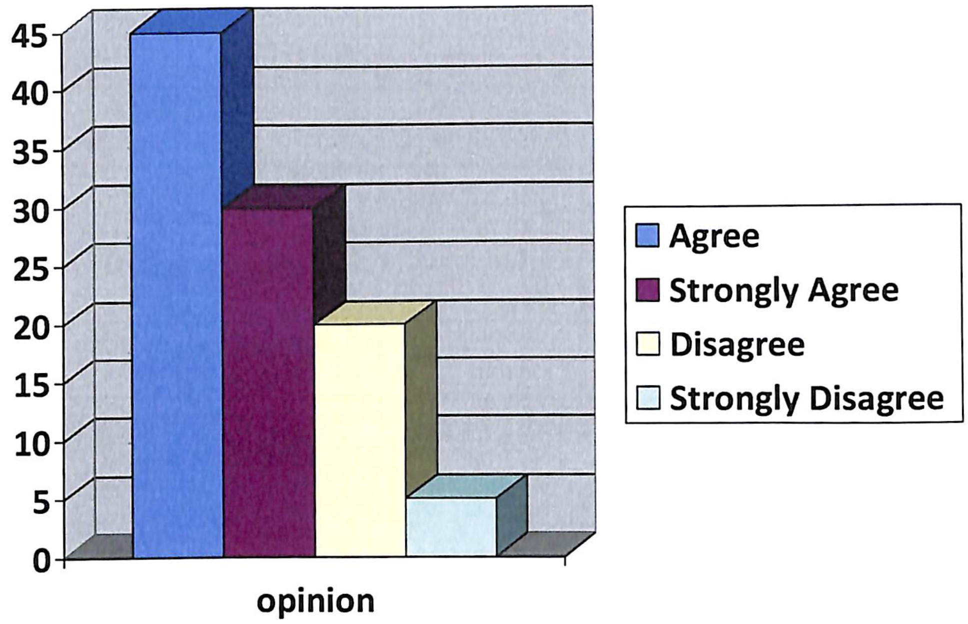

TABLE No :4.2

Consumer's opinion our stores are hygienic, good to visit for families along with the ambience.

Sl. No	Opinion	No. Of Consumers
1	Agree	40
2	Strongly Agree	28
3	Disagree	25
4	Strongly Disagree	7

Inferences

In the above table reveals that 40% of the total respondents are agree with stores are hygienic, good to visit for families along with the ambience. 25% of the respondent disagree with hygiene and ambiance of the outlets. This is due to various expectation of different nationalities and their perspectives are highly different from the nationalities.

Chart No: 4.2

Consumer's opinion our stores are hygienic, good to visit for families along with the ambience.

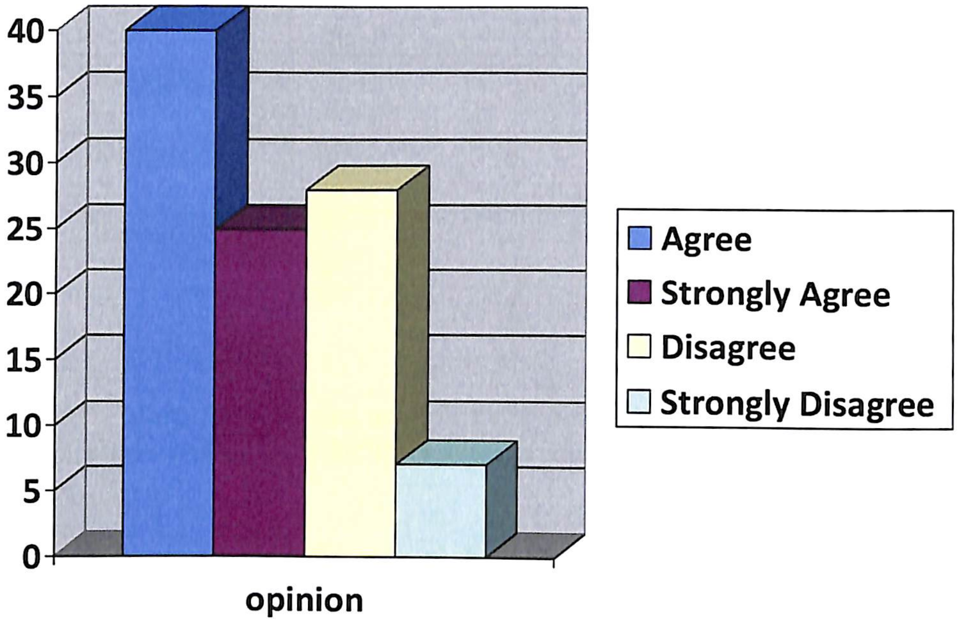

TABLE No :4.3

Consumer's opinion our stores do you feel the promotion leaflet, Trolleys and lighting facility at the entrance are organized Professionally.

Sl. No	Opinion	No. Of Consumers
1	Agree	30
2	Strongly Agree	45
3	Disagree	21
4	Strongly Disagree	4

Inference

Nearly 40% of the Respondents are opinion about stores do you feel the promotion leaflet, Trolleys and lighting facility at the entrance are organized professionally.

Chart No: 4.3

Consumer's opinion our stores do you feel the promotion leaflet, Trolleys and lighting facility at the entrance are organized Professionally

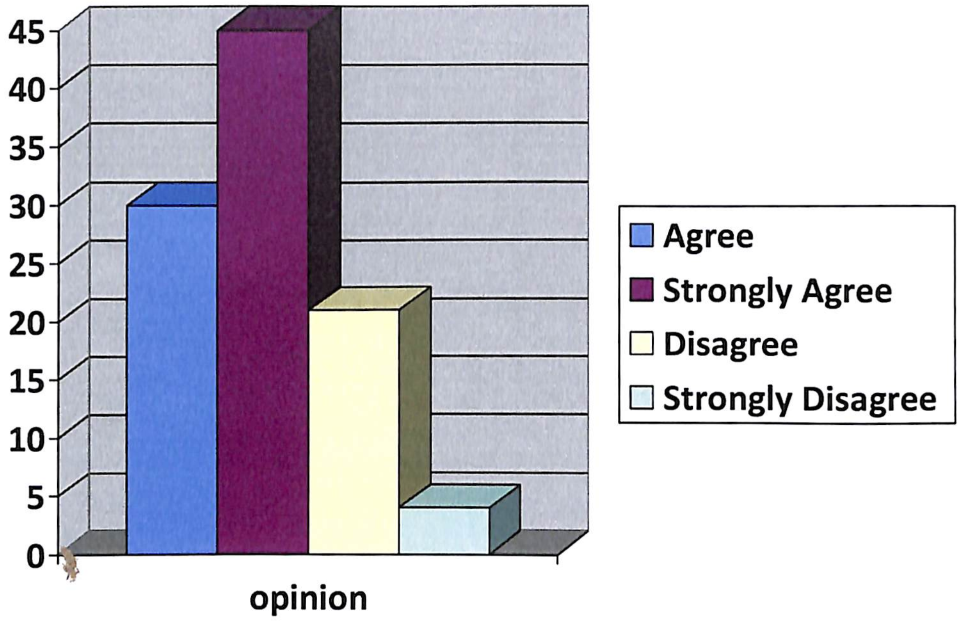

TABLE No: 4.4

Consumer's opinion about complete lighting facility as well as the Air-conditioning facility as the best you would find in any good store.

Sl. No	Opinion	No. Of Consumers
1	Agree	45
2	Strongly Agree	30
3	Disagree	20
4	Strongly Disagree	5

Inference

Nearly 45% of the Respondents are opinion about complete lighting facility as well as the Air-conditioning facility as the best you would find in any good store.

Chart No: 4.4

Consumer's opinion about complete lighting facility as well as the Air-conditioning facility as the best you would find in any good store.

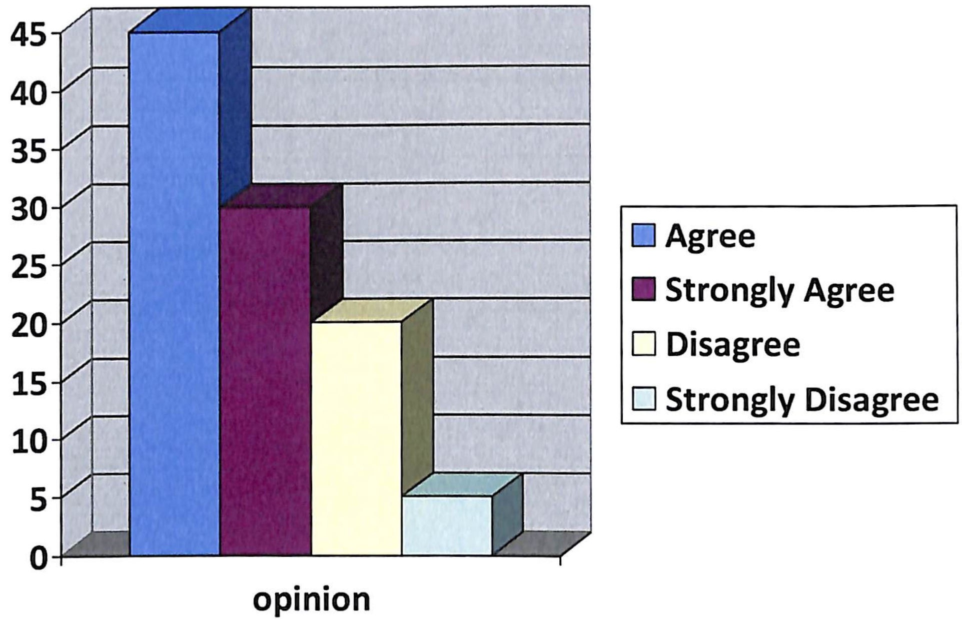

TABLE No: 4.5

Consumer's opinion about promotion products displayed Professionally for you to buy the products.

Sl. No	Opinion	No. Of Consumers
1	Agree	49
2	Strongly Agree	27
3	Disagree	19
4	Strongly Disagree	5

Inference

Most of the respondents are agree with promotion products displayed Professionally for you to buy the products. Only 5 % of respondents are strongly disagreeing with promotion products displayed professionally for you to buy the products.

Chart No: 4.5

Consumer's opinion about promotion products displayed

Professionally for you to buy the products.

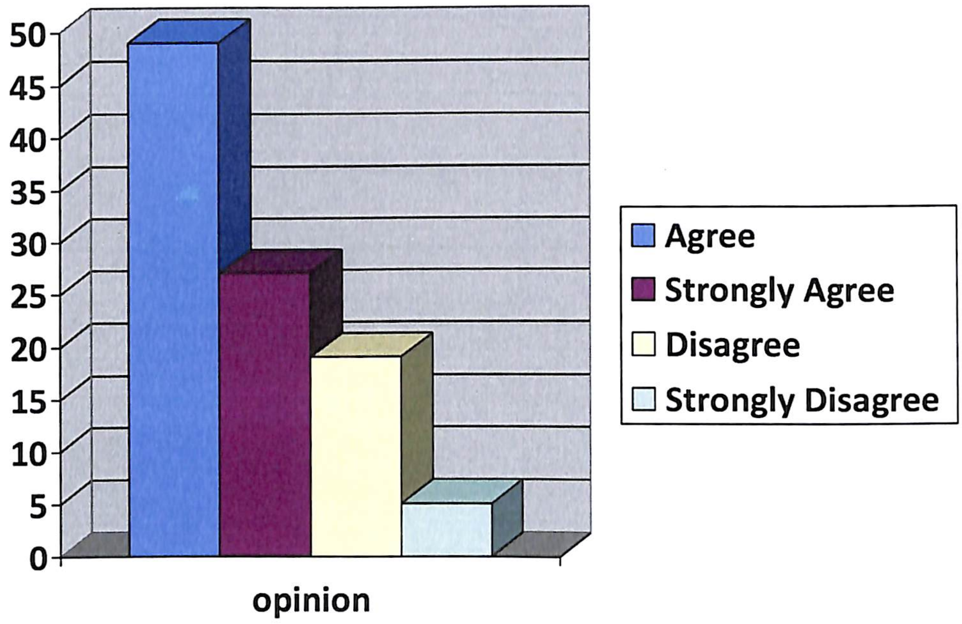

TABLE No: 4.6

Consumer's opinion about promotions mentioned in the leaflet are based on your requirements.

Sl. No	Opinion	No. Of Consumers
1	Agree	36
2	Strongly Agree	26
3	Disagree	30
4	Strongly Disagree	8

Inference

Most of the respondents are agree with promotions mentioned in the leaflet are based on your requirements. Only 8 % of respondents are strongly disagreeing with promotions mentioned in the leaflet are based on your requirements.

Chart No: 4.6

Consumer's opinion about promotions mentioned in the leaflet is based on your requirements.

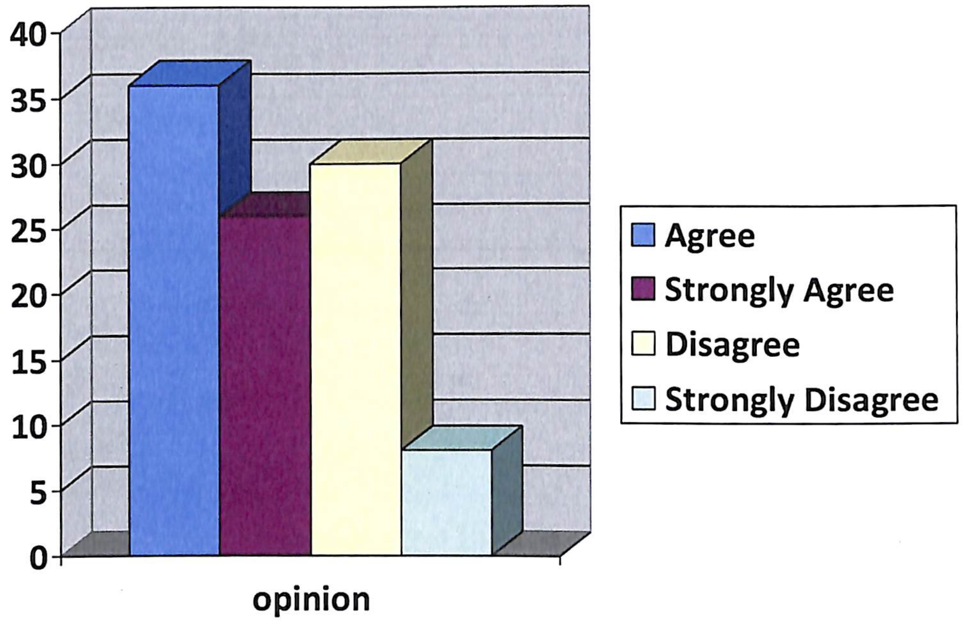

TABLE No: 4.7

Consumer's opinion about Key value items generally required in daily Consumption are promoted with best promotions

Sl. No	Opinion	No. Of Consumers
1	Agree	56
2	Strongly Agree	27
3	Disagree	14
4	Strongly Disagree	3

Inference

Most of the Consumer's opinion agree about Key value items generally required in daily Consumption is promoted with best promotions.

Chart No: 4.7

Consumer's opinion about Key value items generally required in daily Consumption are promoted with best promotions

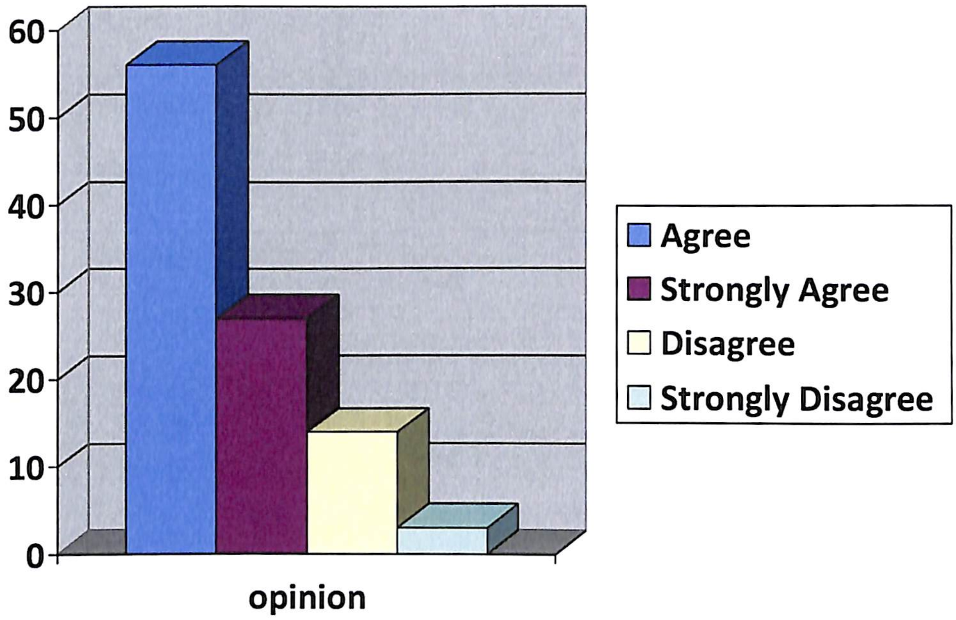

TABLE No: 4.8

Consumer's opinion about Branded fast moving products our Private label products give same value for money spent.

Sl. No	Opinion	No. Of Consumers
1	Agree	40
2	Strongly agree	29
3	Disagree	24
4	Strongly Disagree	7

Inference

Most of the Consumer's opinion about Branded fast moving products our private label products, give same value for money spent.

Chart No: 4.8

Consumer's opinion about Branded fast moving products our Private label products give same value for money spent

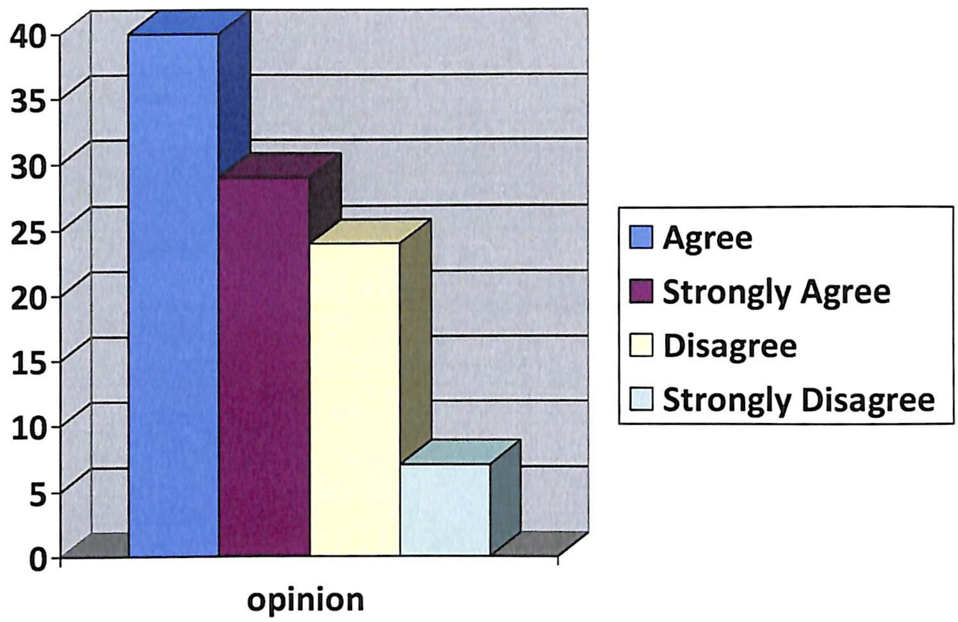

TABLE No: 4.9

Consumer's opinion about layout of our stores and placement of products are easy to find and are same for all stores.

Sl. No	Opinion	No. Of Consumers
1	Agree	37
2	Strongly agree	27
3	Disagree	32
4	Strongly Disagree	4

Inference

Nearly 37 % Consumer's opinion about layout of our stores and placement of products are easy to find and are same for all stores. Only 4% of respondents are strongly disagree with this.

Chart No: 4.9

Consumer's opinion about layout of our stores and placement of products are easy to find and are same for all stores.

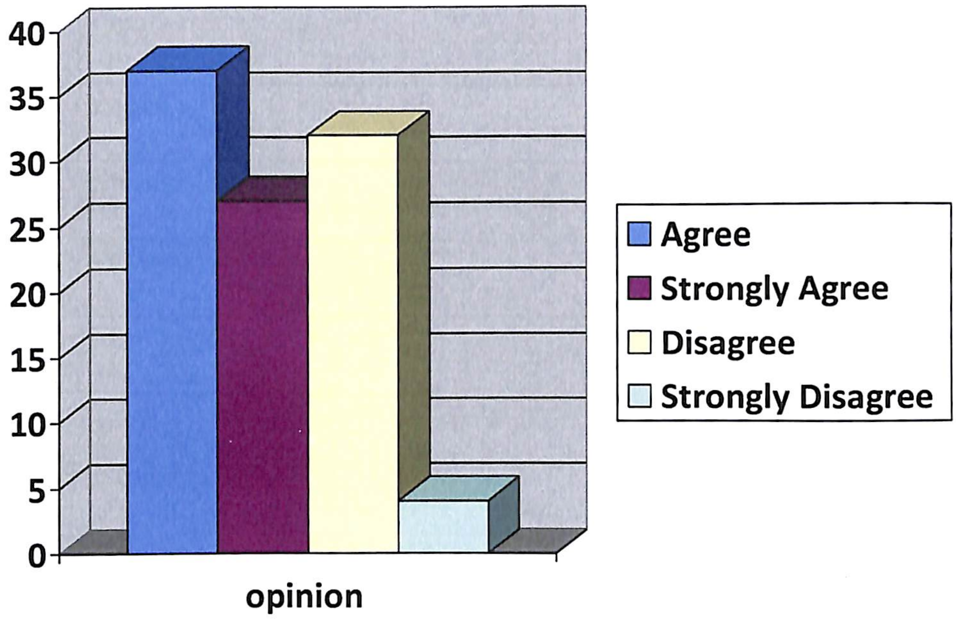

TABLE No: 4.10

Consumer's opinion about visit shelves where products are displayed, do you find excellent description of the product with price labels.

Sl. No	Opinion	No. Of Consumers
1	Agree	39
2	Strongly agree	27
3	Disagree	31
4	Strongly Disagree	3

Inference

Nearly 39 % Consumer's about visit shelves where products are displayed, do you find excellent description of the product with price labels. Only 3% of respondents are strongly disagreeing with this.

Chart No: 4.10

Consumer's opinion about visit shelves where products are displayed, do you find excellent description of the product with price labels.

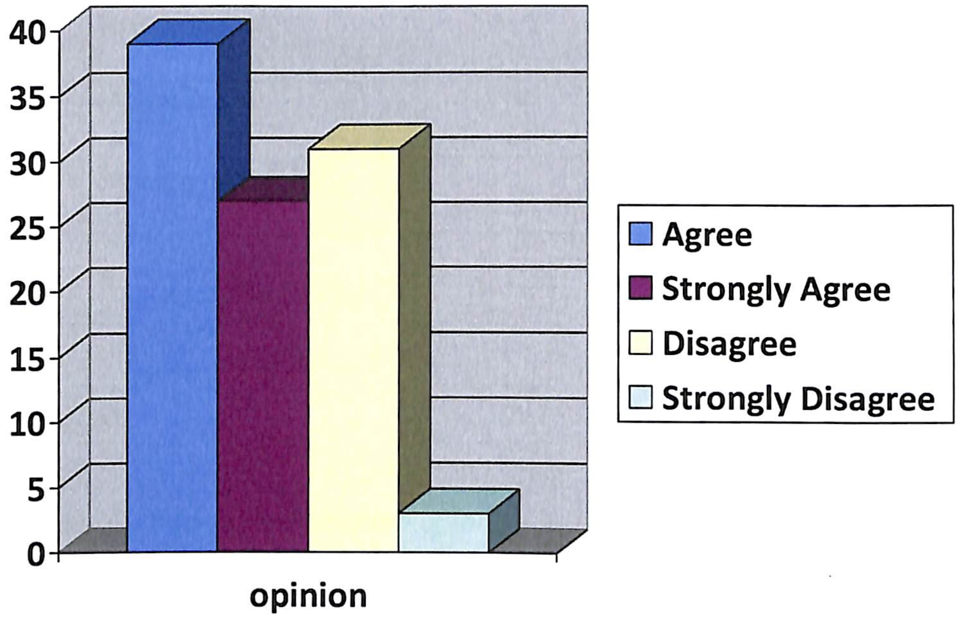

TABLE No: 4.11

Consumer's opinion about store selling area do you find our staff willing to help you out in all your requirements

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*63*
2	*Strongly agree*	*29*
3	*Disagree*	*21*
4	*Strongly Disagree*	*7*

Inference

Nearly 63 % of the respondents are opinion about store selling area do you find our staff willing to help you out in all your requirements. Only 7% of respondents are strongly disagreeing with this.

Chart No: 4.11

Consumer's opinion about store selling area do you find our staff willing to help you out in all your requirements

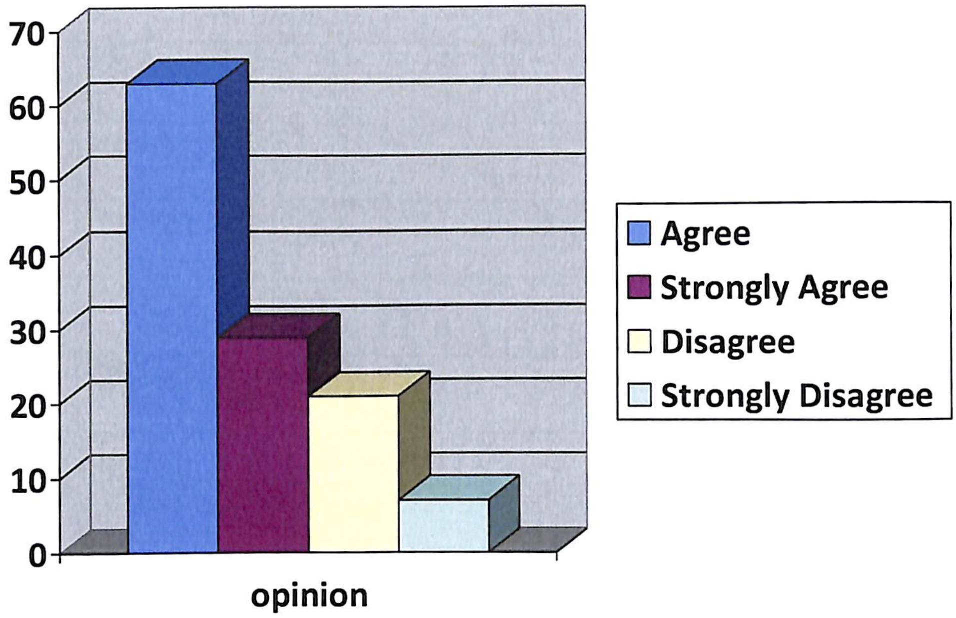

TABLE No: 4.12

Consumer's opinion about shopping requirements do you find our timings of operations Suitable, for you and your family to enjoy shopping with us.

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*47*
2	*Strongly agree*	*19*
3	*Disagree*	*29*
4	*Strongly Disagree*	*5*

Inference

Nearly 47% of the respondents are about shopping requirements do you find our timings Of operations Suitable, for you and your family to enjoy shopping with us.

Chart No: 4.12

Consumer's opinion about shopping requirements do you find our timings of operations Suitable, for you and your family to enjoy shopping with us.

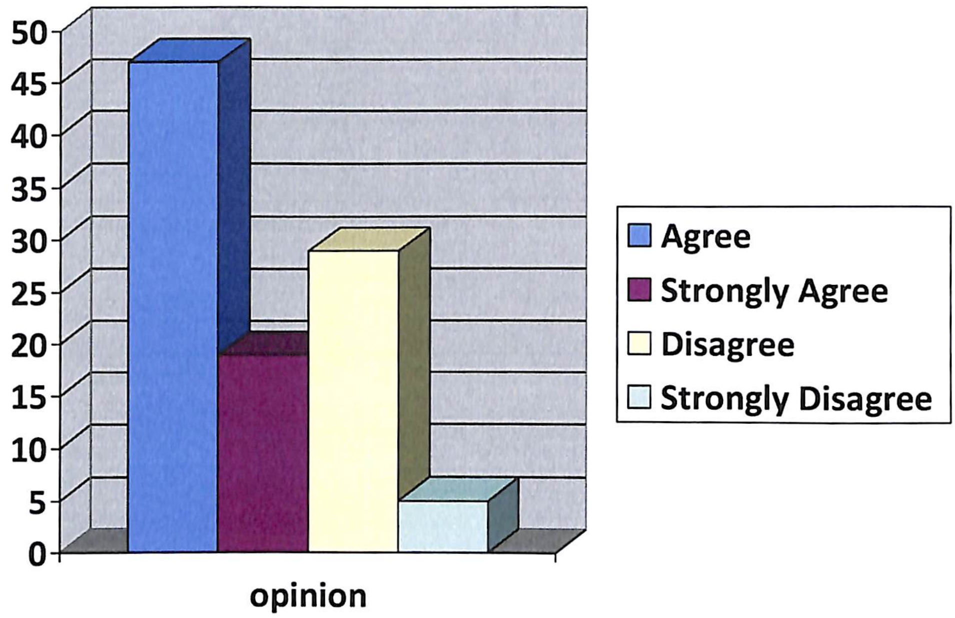

TABLE No: 4.13

Consumer's opinion about the approach of our employees as customer friendly And their approach in explaining new product launches as professional.

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*28*
2	*Strongly agree*	*34*
3	*Disagree*	*29*
4	*Strongly Disagree*	*9*

Inference:

Nearly 28% of customers like the approach of supermarket employees As friendly. about 34% strongly agree with that viewpoint.

Chart No: 4.13

Consumer's opinion about the approach of our employees as customer friendly And their approach in explaining new product launches as professional.

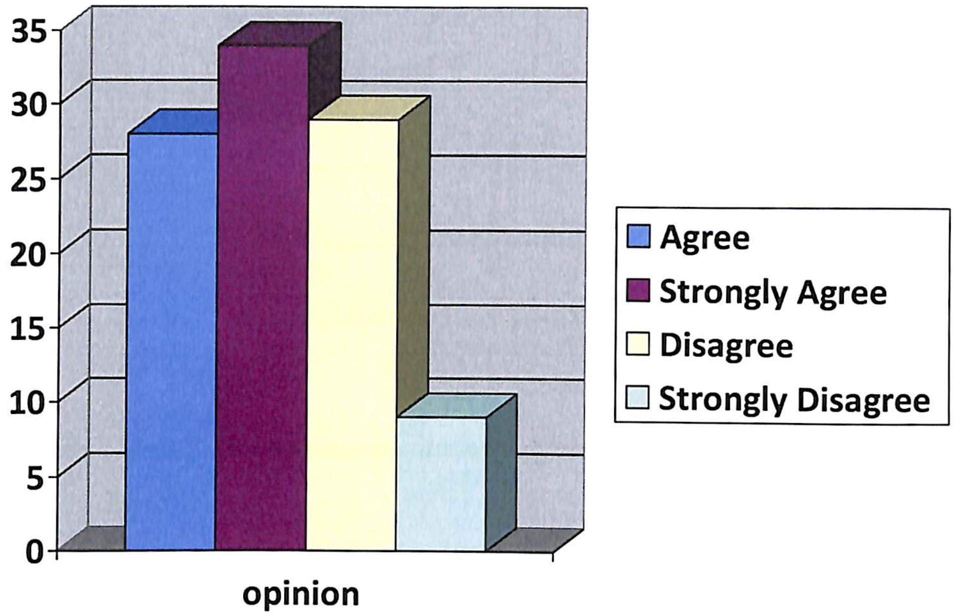

TABLE No: 4.14

Consumer's opinion about our employees are neatly dressed and look cheerful.

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*35*
2	*Strongly agree*	*28*
3	*Disagree*	*31*
4	*Strongly Disagree*	*6*

Inference—Nearly 28% consumers strongly agree that employees are neatly Dressed.

Chart No: 4.14

Consumer's opinions about our employees is neatly dressed and look cheer full.

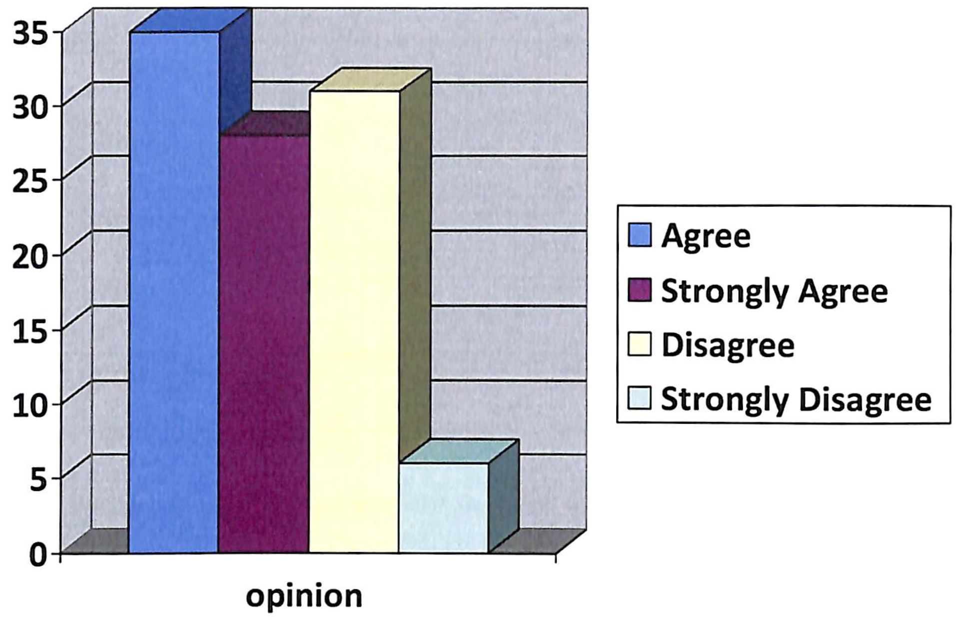

TABLE No: 4.15

Consumer's opinion about the children play area and our amusement park as excellent, while you shop with us

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*40*
2	*Strongly agree*	*27*
3	*Disagree*	*29*
4	*Strongly Disagree*	*4*

Inference--- 40% of the consumers are satisfied with the children's play area.

Chart No: 4.15

Consumer's opinion about the children play area and our amusement park as excellent, while you shop with use cheerful.

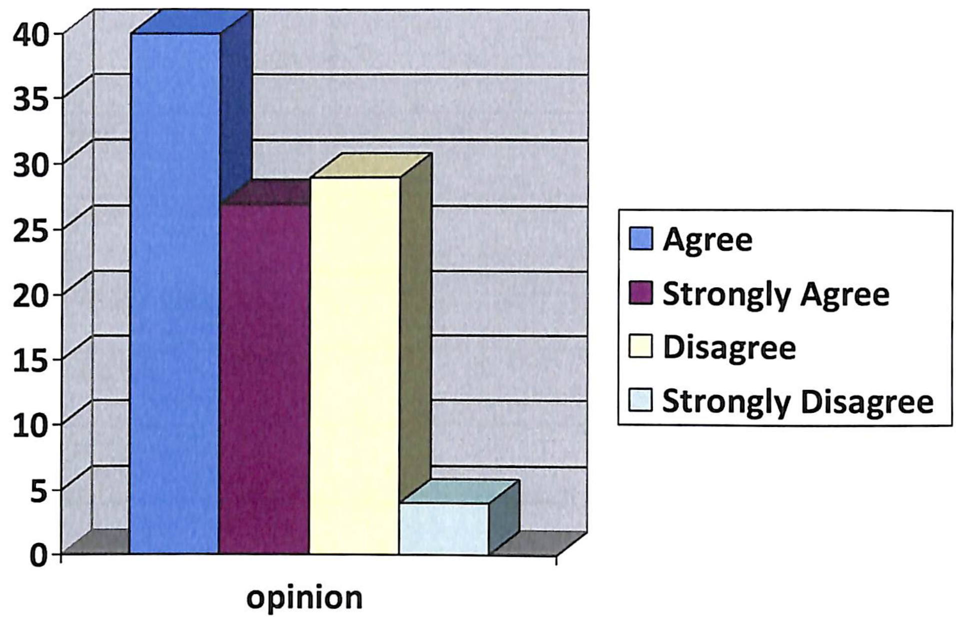

TABLE No: 4.16

Consumer's opinion about any problem or product complaint do you find our Managers supportive in solving your problems

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*56*
2	*Strongly agree*	*21*
3	*Disagree*	*17*
4	*Strongly Disagree*	*6*

Inference—only 6% of the consumes strongly disagree that the manager cannot Solve their problems.

Chart No: 4.16

Consumer's opinion about any problem or product complaint do you find our Managers supportive in solving your problems

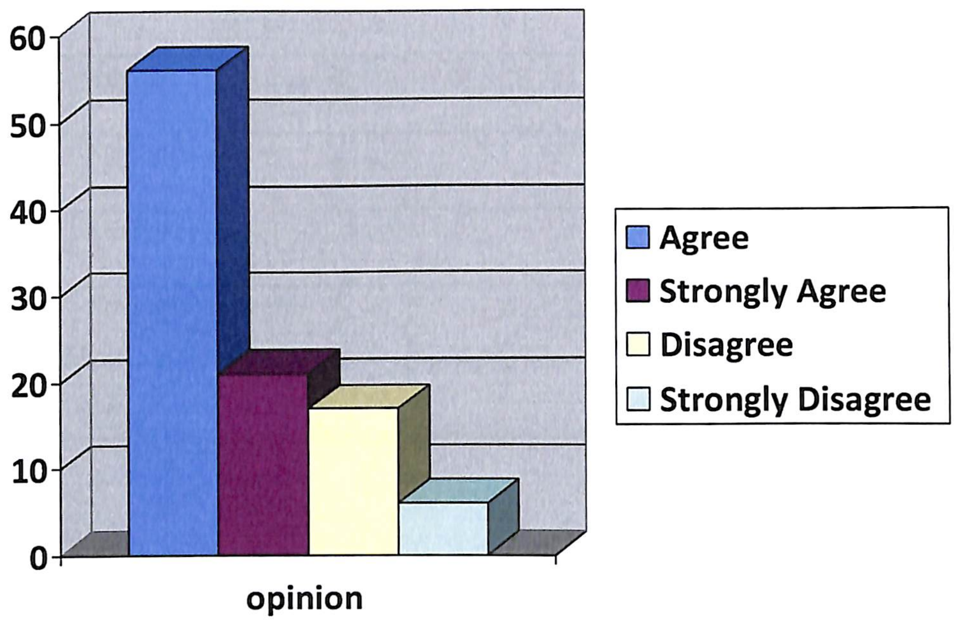

TABLE No: 4.17

Consumer's opinion about our training to our employees based on their Interaction with you is professional.

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*44*
2	*Strongly agree*	*21*
3	*Disagree*	*26*
4	*Strongly Disagree*	*9*

Inference—44% consumers feel our employees' performance as professional.

Chart No: 4.17

Consumer's opinion about our training to our employees based on their Interaction with you is professional.

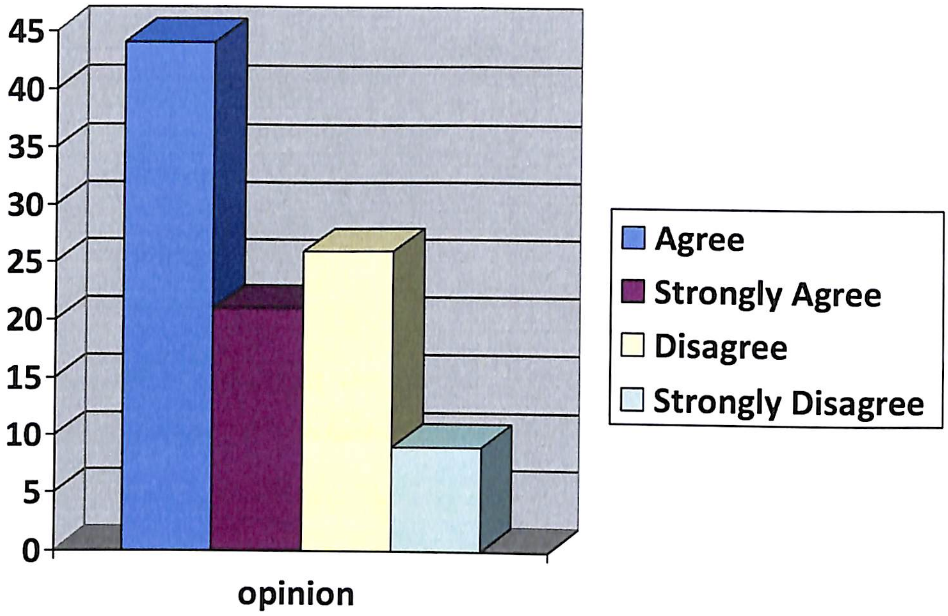

TABLE No: 4.18

Consumer's opinion about our cashiers at the cash counters is fast, efficient and accurate in their transactions with you.

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*46*
2	*Strongly agree*	*24*
3	*Disagree*	*27*
4	*Strongly Disagree*	*3*

Inference—46% agree that the cashier is professional in his job and 27% of the respondents disagree due to lack of trained staff in the cashier.

Chart No: 4.18

Consumer's opinion about our cashiers at the cash counters is fast, efficient and accurate in their transactions with you.

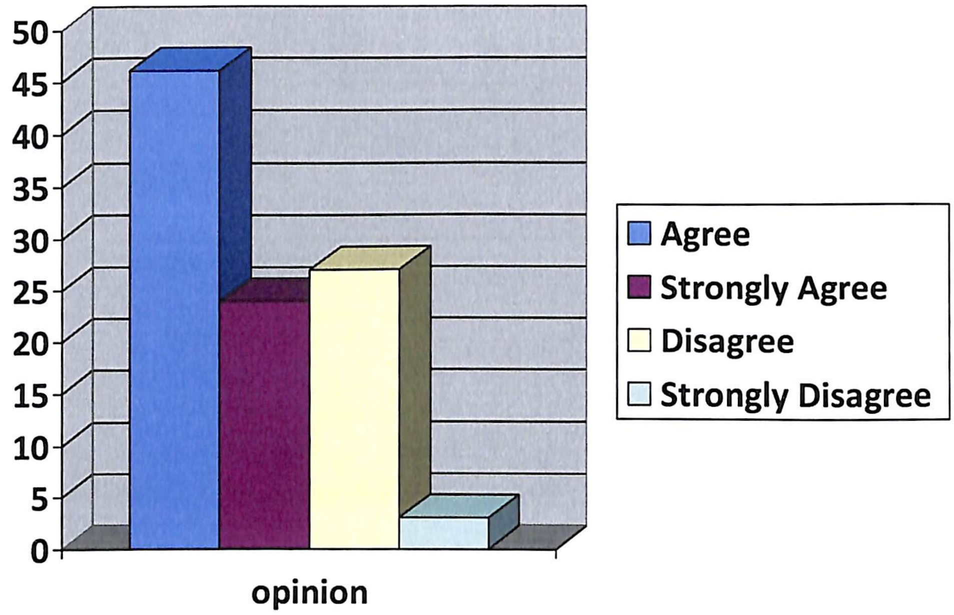

TABLE No: 4.19.

Consumer's opinion about our promotions make you satisfied and can we look forward to seeing you regularly in our store which is your store as well.

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*38*
2	*Strongly agree*	*27*
3	*Disagree*	*29*
4	*Strongly Disagree*	*6*

Inference—38% of consumers feel that the store is worth visiting again.

Chart No: 4.19

Consumer's opinion about our promotions make you satisfied and can we look forward to seeing you regularly in our store which is your store as well.

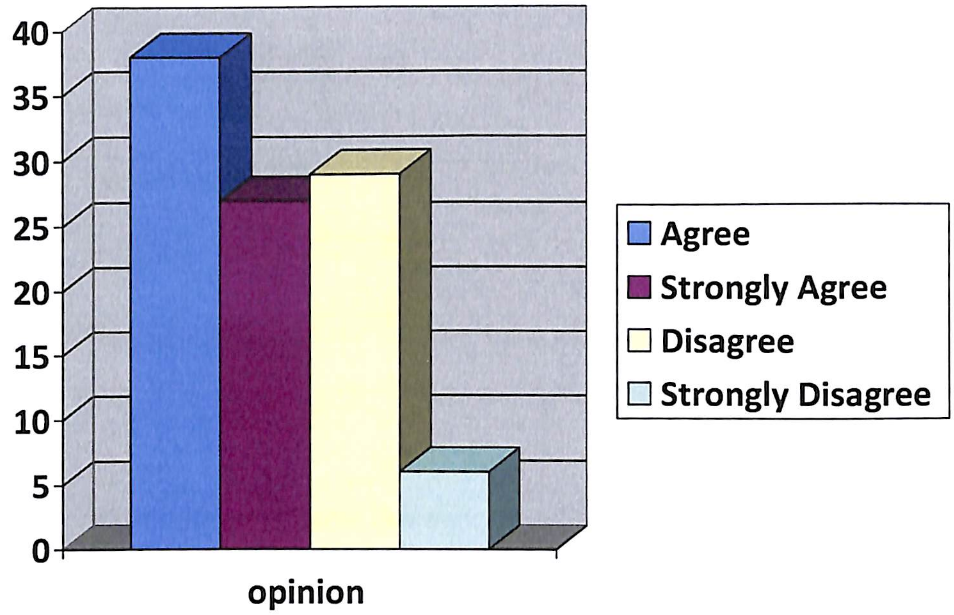

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TABLE No: 4.20

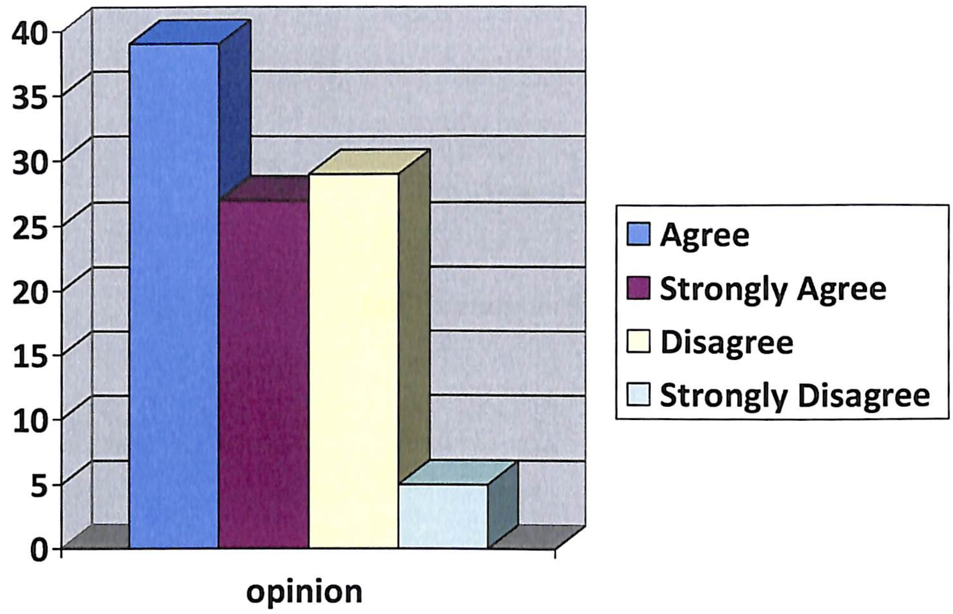
Consumer's *opinion about* professional comments on our Customer service as well as referral to other customers.

Sl. No	*Opinion*	*No. Of Consumers*
1	*Agree*	*39*
2	*Strongly agree*	*27*
3	*Disagree*	*29*
4	*Strongly Disagree*	*5*

Inference—39% customers agree that they are fully satisfied and will refer it To other customers.

Chart No: 4.20

Consumer's *opinion about* professional comments on our Customer service as well as referral to other customers



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CHAPTER -5

Interpretations of the result

BCG MATRIX LEADERS IN RETAILING IN THE KINGDOM OF SAUDI ARABAI

Table No: 5.1

Role of Key Accounts in Buyer Behavior Analysis

Buyer Behavior Analysis sheet

Sl. No	Buyer Opinion on KAM	SA	A	DA	SDA
1	Consumer's opinion about Locations is customer friendly	45	30	20	5
2	Consumer's opinion our stores are hygienic, good to visit for families along with the ambience	40	25	28	7
3	Consumer's opinion our stores do you feel the promotion leaflet Trolleys and lighting facility at the entrance are organized Professionally	30	45	21	4
4	Consumer's opinion about complete lighting facility as well as the Air-conditioning facility as the best you would find in any good store	45	30	20	5
5	Consumer's opinion about promotion products displayed Professionally for you to buy the products	49	27	19	5
6	Consumer's opinion about promotions mentioned in the leaflet is based on your requirements	36	26	30	8
7	Consumer's opinion about Key value items generally required in daily Consumption are promoted with best promotions	56	27	14	3
8	Consumer's opinion about Branded fast moving products our Private label products give same value for money spent	40	29	24	7
9	Consumer's opinion about layout of our stores and placement of products are easy to find and are same for all stores	37	27	32	4
10	Consumer's opinion about visit shelves where products are displayed, do you find excellent description of the product with price labels	39	27	31	3
11	*Consumer's opinion about* store selling area do you find our staff willing to help you out in all your requirements	63	29	21	7
12	*Consumer's opinion about* shopping requirements do you find our timings of operations Suitable, for you and your family to enjoy shopping with us	47	19	29	5
13	*Consumer's opinion about* the approach of our employees as customer friendly and their approach in explaining new product launches as professional	28	34	29	9
14	*Consumer's opinions about our employees is neatly dressed and look*	35	28	31	6
15	*Consumer's opinion about* the children play area and our amusement park as excellent, while you shop with us	40	27	29	4
16	*Consumer's opinion about* any problem or product complaint do you find our Managers supportive in solving your problems	56	21	17	6
17	*Consumer's opinion about* our training to our employees based on their Interaction with you is professional	44	21	26	9
18	*Consumer's opinion about* our cashiers at the cash counters is fast, efficient and accurate in their transactions with you	46	24	27	3
19	*Consumer's opinion about* our promotions make you satisfied and can we look forward to seeing you regularly in our store which is your store as well.	38	27	29	6
20	Consumer's *opinion about* professional comments on our Customer service as well as referral to other customers	39	27	29	5

In the above table reveals that customers over all rating of the performance of Key accounts Management.

Chapter -6

Findings, Suggestions, Conclusion and Future Research

a. Findings:

1. The Saudi retail industry is one of the largest and most dynamic in the region although it's in emerging stage as compare to worldwide standard.
2. Biggest chunk of Saudi retail turnover is from unorganized retail sector as compare to organized retail in western countries.
3. Saudi retail sector is slowly moving towards organized retail sector from unorganized retail.
4. Saudi is oil-rich country with one of the strongest economies in the world. Socio-demographic factors were also very favorable to the retail industry with population growth of 3% during the year.
5. Due to the growth of organized retail trade focusing on expensive brands, the rich population of Saudi Arabia has reduced travel to Europe, to buy the same.
6. The concept of modern retail industry has also opened the doors of amusement parks for children while parents' shop, making it more like a picnic.
7. Retail selling areas have become meeting places for families who do not have time otherwise to meet, due to busy schedule.
8. The concept of organized trade has given the supplier a platform to offer value for money products. In this type of arrangement, the hypermarket, the supplier and the consumers are the winners.
9. Due to severe competition the consumer has become the most focus entity, a concept never seen before.
10. The growth of modern retail trade has suddenly opened tremendous employment opportunity for Saudi nationals as well as the expatriates.

b. Suggestions and conclusion:

1. Due to growth of organized retail trade, the true concept of value for money Will come into play, helping the consumers. This concept should be implemented for Growth of the economy itself.
2. Retail trade should be encouraged because the economy is then based on retail trade Apart from oil, a model of business same as UAE.
3. Organized trade creates jobs and employs the population. A major problem of the Country solved.
4. Organized retail trade brings foreign investment in the economy making the economy Stronger. Hence the government should encourage such projects.
5. Organized retail trade store with meeting places for families and recreational facilities, should be encouraged as this is a part of Arab culture and it enhances the human Values. Thus, this helps to build progressive society in general.

Conclusions.

This study emphasis on role of key accounts management in retails sectors, with the help of the systematic application of the research tools, the markets is unorganized. The domestic market is wide in nature, there are huge demand for retail sectors in the kingdom. Therefore, the new generation market leaders should consider and implement the effective marketing philosophy of "Customer is the King". Moreover, the leader should implement a systematic consumer friendly approach to retain the market. We have been identified that there is only limited regional players are concentrating the entire domestic market. The service gap is huge; therefore, it will give a good potential for the new players can enter the market with differential marketing strategies. As for as the competition is concern

"Poor firm ignore the competitor, Average firm Copy the competitor, winning firm lead the competitor."- Philip Kotler - 21st Millennium edition "Marketing management"

Therefor it's a right time for domestic market leaders to have different strategy to lead the competitors.

12. Scope of New Research.

The current study focusses on the top players in kingdom retail Market, many small departmental stores and Super Markets are ignored, the study reveals nearly 28% of the domestic retail markets are covered by Small Medium Enterprises like, Convenient stores, Balaka and others Multi chain stores. Therefore, the market demand can vary due to wider domestic market. Moreover, the New Kingdom Foreign Investment Initiative (FII) and Vision- 2030. Loss of international players are decided to come to the retails sectors. So There marketing approach of existing players may vary. It will boost up the demand and give more importance customer-oriented market. The current research concentrated only FMCG market only, there may be an extensive study need in the other sectors like, Fashion, hospitality, healthcare and other Non FMCG Sectors.

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Questionnaire

Key Accounts project Questionnaire.

1. As a customer do you think our locations are customer friendly?
   a. Agree b. Strongly agree. C. Disagree d. Strongly disagree.

2. Do you feel our stores are hygienic, good to visit for families along with the ambience.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

3. When you enter our stores do you feel the promotion leaflet, trolleys and lighting facility at the entrance are organized professionally.
   a. Agree b. Strongly agree c. Disagree d. Strongly Disagree.

4. Do you find the complete lighting facility as well as the air-conditioning facility as the best you would find in any good store.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

5. when you enter our stores do you find promotion products displayed Professionally for you to buy the products.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

6. Do you feel the promotions mentioned in the leaflet are based on Your requirements.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

7. Do you feel the Key value items generally required in daily Consumption are promoted with best promotions.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

8. Do you feel as compared to Branded fast-moving products our Private label products give same value for money spent.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

9. Do you feel the layout of our stores and placement of products are easy to find and are same for all stores.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

10. when you visit shelves where products are displayed, do you find excellent description of the product with price labels.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

11. While in the store selling area do you find our staff willing to Help you out in all your requirements.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

12. Based on your shopping requirements do you find our timings Of operations Suitable, for you and your family to enjoy shopping with us.
   a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

13. Do you find the approach of our employees as customer friendly And their approach in explaining new product launches as professional.
    a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

14. Do you feel our employees are neatly dressed and look cheerful.
    a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

15. Do you find children play area and our amusement park as excellent, while you shop with us.
    a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

16. In case of any problem or product complaint do you find us Managers supportive in solving your problems.
    a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

17. Do you feel our training to our employees based on them Interaction with you is professional.
    a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

18. Do you feel our cashiers at the cash counters are fast, efficient and accurate in their transactions with you.
    a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

19. Do you feel our promotions make you satisfied and can we look forward to seeing you regularly in our store which is your store as well.
    a. Agree b. Strongly agree c. Disagree d. Strongly disagree.

20. Can we look forward to your professional comments on us Customer service as well as referral to other customers.
    a. Agree b. Strongly agree c. Disagree d. Strongly disagree.