

[11]

**ROLE OF RETAILERS ON CONSUMER PRODUCT SALES – A CASE STUDY OF
A GIANT PAKISTANI RETAILER IMTIAZ SUPERSTORE AND TANG PAKISTAN**Bushra Akhtar¹, Muhammad Furquan² and Afshan Hafeez³*^{1,2,3} Faculty of Management Sciences, Indus University***ABSTRACT**

Pakistan is a large consumer product market which accounts for more than 40% of consumer business (Baloch, 2011) and worths \$ 152 million showing an annual growth rate of 8% (Haq, 2016). The retail scenario in Pakistan has changed from Kiryana stores (GT) to Superstores (LMT/IMT). It happened because Kiryana do not promise all products at one place and superstores offer one window solution (Jaliawala & Rehman, 2014). Primary data gathered by interviewing customers and observation of the mystery shoppers revealed that LMTs in Pakistan, offer better price deals for FMCGs as compared to IMTS and therefore have more customer traffic. Interviews conducted by the giant retailers in Pakistan uncovered the fact that due to the change in this retail scene, the giant retailers especially LMTs have gained greater importance in Pakistan. Maintaining good relations with these LMTs therefore have become very critical for FMCG firms. In an interview conducted by the Trade Marketing Manager of Tang, one of the flagship brands of Mondelez Pakistan, to get the first hand information about the producer retailer relationship, unveiled that in summer 2013, had lost 40% market share of powdered beverage, when one of the giant LMT, Imtiaz Superstore entered into an arm's length relation with Tang Pakistan. The bone of contention between the two was the refusal of Tang Pakistan to co-advertise with Imtiaz superstore. Tang Pakistan had to pay a high price for these bitter relations when it revived the relationship with this giant superstore by paying unusually high shelf rent. Also it had to face immense competition not only from local powdered beverage brands but also with Tang international. For this case study, qualitative research was carried out making use of interviews with giant retailers and producers to uncover how LMTs are operating in Pakistan and the way FMCG firms are dictated by these retailers for high sales and profit.

Keywords: General Trade (GT), Local Modern Trade (LMT), International Modern Trade (IMT), Fast Moving Consumer Goods (FMCG)