

**EXPANSION OF
DEPARTMENTAL STORES
AND LIVELIHOOD
VULNERABILITY:
UNDERSTANDING THE
CHANGING FORTUNES OF
LOCAL SHOPKEEPERS IN
KASHMIR**

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Abstract

This study examines the varied impacts of departmental stores on local shopkeepers in the urban areas of Kashmir. The proliferation of departmental stores in these regions has raised concerns about their social and economic implications for traditional local retailers who predominantly sell kiriyana (groceries) and general merchandise. Through in-depth interviews conducted with 40 shopkeepers, this study investigates the challenges and opportunities faced by local businesses in the wake of the growing presence of departmental stores. The findings reveal a complex interplay of factors influencing the dynamics between departmental stores and local shops. Economic factors such as pricing strategies, inventory management, and consumer preferences emerge as significant determinants of competition. Additionally, social factors, including community ties, customer relationships, and cultural preferences, play a crucial role in shaping the survival strategies adopted by local shopkeepers amid changing market dynamics. This study also explores the adaptation strategies employed by local shopkeepers to remain competitive, encompassing diversification of products, personalized customer service, and leveraging local knowledge and networks. The study further examines the role of government policies and regulatory frameworks in mediating the impact of departmental stores on local businesses. By elucidating the challenges and opportunities arising from the coexistence of departmental stores and local shops, this

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report underscores the importance of fostering inclusive and sustainable growth in the retail sector to support the livelihoods of local communities in Kashmir.

Keywords

Departmental stores, local shopkeepers, *kiryana* shops, adaptation strategies, Kashmir, urban economy

Introduction

The proliferation of departmental stores has significantly reshaped the retail landscape and its socio-economic surroundings. Departmental stores, characterized by their large scale, extensive product range, and one-stop shopping convenience, have become an integral feature of urban life. This transformation, while offering multiple benefits to consumers, has simultaneously generated profound economic and social implications for small, traditional retailers. The entry of large departmental stores often leads to what has been described as retail agglomeration, where clusters of organized retail outlets attract consumers through convenience and scale advantages (Basker, 2005). However, this concentration of retail power can adversely affect small, independent shopkeepers who operate with limited capital and purchasing capacity.

Studies indicate that large retail establishments benefit from economies of scale, enabling them to offer lower prices and broader product assortments compared to small retailers (Artz & Stone, 2006; Basker, 2007). This pricing disparity frequently results in a shift in consumer behavior, as shoppers gravitate toward cost-effective and standardized retail environments. Consequently, local retailers often face shrinking profit margins, declining sales, and, in some cases, business closures. The impact of departmental stores is therefore not confined to competition alone but reflects deeper structural transformations within market economies.

Understanding this shift requires engagement with broader sociological perspectives on consumer behavior. Early economic theories viewed consumers as rational actors seeking utility maximization; however, subsequent sociological analyses have emphasized that consumption is shaped by cultural norms, social relationships, status considerations, and psychological motivations (Schiffman & Kanuk, 2007; Solomon, 2014). Social factors such as reference groups, family influence, and symbolic value attached to certain retail spaces influence shopping preferences (Arnould, Price, & Zinkhan, 2004). Departmental

stores often position themselves as modern, aspirational spaces, thereby shaping consumer identities and reinforcing status-linked consumption patterns.

Markets do not merely respond to consumer behavior; they actively shape and construct consumer needs. Through advertising, branding, and product differentiation strategies, corporations cultivate desires and redefine perceptions of necessity (Keller, 2001; Kapferer & Bastien, 2012). Product innovation and planned obsolescence further generate cycles of demand (Christensen, 1997; Schor, 2004). Promotional techniques, competitive pricing, and experiential retail environments are strategic market responses aimed at attracting and retaining consumers (Kotler & Keller, 2016). In this context, departmental stores represent both a response to and a driver of changing consumption patterns.

Globalization has further accelerated the expansion of organized retail. Increased interconnectedness of markets, technological advancements, and global supply chains have facilitated the diffusion of standardized retail formats across regions (Bordo et al., 2003; Brynjolfsson & Smith, 2000). The emergence of global brands and the convergence of consumer preferences have contributed to the homogenization of retail spaces (Levitt, 1983; Ritzer, 2010). While globalization enhances variety and efficiency, it can simultaneously marginalize localized retail structures and erode traditional commercial practices (Barber, 2007; Stiglitz, 2002).

Beyond economic competition, the expansion of departmental stores carries social consequences. Traditional retailers often function as embedded community institutions, fostering personalized relationships and neighborhood cohesion (Zukin, 1995; 2009). The rise of large-scale, impersonal retailing can weaken these social ties and contribute to the standardization of cultural spaces (Haltiwanger, Jarmin, & Krizan, 2010). From a Marxian perspective, the consolidation of retail power reflects broader capitalist dynamics of accumulation and concentration (Marx, 1867). Commodity fetishism obscures the social relations underlying production, shifting attention to branded commodities and reinforcing consumerist ideologies (Marx, 1867).

At the same time, departmental stores are associated with employment generation, infrastructural growth, and increased tax revenues (Chechani, 2021). Their impact is therefore complex and multidimensional, encompassing both opportunities and disruptions. The coexistence of traditional and modern retail

formats represents an ongoing negotiation between scale-driven efficiency and community-based commerce.

In the specific context of Srinagar and Anantnag in Kashmir, traditional *kiryana* shops and small general merchandise outlets have historically operated through trust-based credit systems, local supply networks, and strong social embeddedness. The growing presence of departmental stores in these urban centres introduces new competitive pressures shaped by pricing strategies, inventory management systems, promotional practices, and changing consumer preferences. Issues such as parking infrastructure, regulatory frameworks, and administrative decisions further mediate the competitive environment faced by local shopkeepers.

Against this backdrop, the present study seeks to understand the varied economic and social impacts of departmental stores on local shopkeepers in Srinagar and Anantnag. Based on in-depth interviews with 40 shopkeepers, the research examines competitive dynamics, survival strategies, adaptive mechanisms, and perceptions of state policy. By situating local experiences within broader processes of consumer culture transformation, market restructuring, globalization, and capitalist consolidation, the study contributes to sociological debates on retail modernization, informal economies, and livelihood sustainability in contemporary urban contexts.

Review of Literature

Scholarship on organized retail expansion highlights the structural transformation of local markets through processes of retail agglomeration and market consolidation. Studies indicate that large departmental stores benefit from economies of scale, bulk procurement systems, and standardized pricing mechanisms, enabling them to offer competitive prices that small retailers often struggle to match (Basker, 2005; Artz & Stone, 2006). Such consolidation of retail power has frequently been associated with declining sales among traditional shops and intensified competitive pressures within localized markets. However, the transformation of retail landscapes cannot be explained solely through pricing dynamics. Scholars emphasize that consumer behavior is shaped by social, cultural, and psychological influences that extend beyond rational economic calculation (Schiffman & Kanuk, 2007; Solomon, 2014). The appeal of departmental stores is often linked to perceptions of convenience, variety, and modernity, which gradually reshape consumer expectations and everyday shopping practices. As consumption

becomes increasingly associated with aspirational identities and standardized retail environments, traditional shops face not only economic displacement but also symbolic marginalization within changing consumer cultures. Further literature on market behavior suggests that corporations do not merely respond to consumer preferences but actively construct and shape them through advertising, branding, and experiential retail strategies (Keller, 2001; Kapferer & Bastien, 2012). Through product innovation, promotional campaigns, and strategic positioning, organized retail generates continuous cycles of demand, reinforcing its market dominance. In this sense, the growth of departmental stores represents both a response to and a driver of evolving consumption patterns. These transformations are closely linked to broader processes of globalization. The diffusion of standardized retail models across national and regional contexts has been facilitated by technological integration, global supply chains, and cross-border investment flows (Levitt, 1983; Ritzer, 2010). While globalization enhances efficiency and expands consumer choice, it simultaneously intensifies competitive pressures on localized, small-scale enterprises that operate within limited resource frameworks. Beyond economic restructuring, scholars draw attention to the social embeddedness of traditional retail. Small retailers are often deeply integrated within local social networks, providing personalized services, informal credit arrangements, and sustaining community cohesion (Zukin, 1995; 2009). The shift toward impersonal, large-scale retailing raises concerns regarding the weakening of neighborhood ties and the homogenization of urban commercial spaces. In the Indian context, the expansion of departmental stores has been associated with urbanization, rising disposable incomes, and infrastructural development. Empirical studies document mixed outcomes, noting employment generation and modernization on the one hand, alongside significant economic pressures on kirana stores and family-owned enterprises on the other (Chechani, 2021). Although existing literature has extensively examined organized retail expansion at national and global levels, relatively limited research has focused on its localized socio-economic impact in Kashmir. Moreover, few studies integrate economic competition with sociological dimensions such as community embeddedness, shifts in consumer culture, and the role of regulatory mediation. The present study seeks to address this gap by examining the lived experiences of local shopkeepers in Srinagar and Anantnag, thereby contributing context-specific empirical insights to broader debates on retail transformation and livelihood sustainability.

Objectives of the study

In order to systematically examine the changing retail landscape and its implications for traditional livelihood, the present study is guided by the following specific objectives:

- To analyze the socio-economic impact of departmental stores on local shopkeepers in the selected urban areas.
- To examine the extent to which departmental stores have influenced sales revenue, profitability, and the long-term sustainability of local retail enterprises.
- To investigate the perceptions, challenges, and adaptive strategies adopted by local shopkeepers in response to increasing competitive pressures from departmental stores.

Universe of the study

The universe of the present study comprises local shopkeepers operating in the urban areas of Srinagar and Anantnag, Kashmir. These respondents primarily manage *kiryana* (grocery) and general merchandise stores. The study is specifically confined to shopkeepers whose establishments are located within a 150-meter radius of nine selected departmental stores. This spatial delimitation has been adopted to ensure that the participants are directly exposed to the competitive presence of departmental stores and are therefore well positioned to provide informed and experience-based insights relevant to the objectives of the study.

Sampling

The study employed a purposive sampling strategy to ensure the selection of respondents who were directly relevant to the research objectives. Given the specific focus on the impact of departmental stores, only those local shopkeepers whose businesses were situated within a 150-meter radius of nine identified departmental stores in Srinagar and Anantnag were considered eligible for inclusion. This spatial criterion was deliberately adopted to ensure that respondents had direct and sustained exposure to organized retail competition. Purposive sampling was considered appropriate because the study sought depth of insight rather than statistical generalization. The objective was to engage with shopkeepers who were experiencing tangible economic and social effects resulting from the proximity of departmental stores. By concentrating on a clearly defined geographic zone of competitive interaction, the research ensured contextual specificity and analytical relevance. A total of 40 shopkeepers were selected across the identified locations. Care was taken to include variation in terms of shop

size, years of operation, product range, and customer base in order to capture diverse experiences within the local retail ecosystem. Both long-established family-run *kiryana* stores and relatively newer small enterprises were included to understand generational and structural differences in adaptation. The sampling process was iterative in nature. Initial interactions helped identify suitable participants, and subsequent selections were guided by emerging patterns and thematic relevance. This approach enabled the researcher to reach a point of thematic saturation, where additional interviews were yielding recurring insights rather than substantially new information. By combining spatial delimitation with purposive selection and attention to diversity, the sampling design ensured that the study remained focused, contextually grounded, and methodologically coherent.

Data collection

The study primarily relied on qualitative methods of data collection to capture the nuanced economic and socio-cultural experiences of local shopkeepers. In-depth, semi-structured interviews constituted the principal tool of inquiry. The interview guide was carefully designed to elicit detailed narratives regarding changes in sales patterns, profitability, customer behavior, competitive pressures, and adaptive strategies. The semi-structured format allowed flexibility, enabling respondents to elaborate on their lived experiences while ensuring alignment with the objectives of the study. Given the linguistic context of the research setting, interviews were conducted primarily in Urdu and Kashmiri, depending on the comfort and preference of the respondents. This approach facilitated open communication and minimized barriers that might arise from language constraints. Where necessary, responses were translated into English during transcription and analysis, with careful attention to preserving contextual meanings, idiomatic expressions, and culturally embedded nuances. Efforts were made to ensure that translation did not dilute the interpretive richness of the original responses. Consideration was also given to the working schedules and business routines of shopkeepers. Interviews were conducted at times convenient to respondents, often during relatively less busy hours, so as not to disrupt their commercial activities. This sensitivity to respondents' time constraints not only ensured ethical engagement but also fostered trust and rapport, thereby enhancing the quality and depth of responses. In addition to interviews, non-participant observation formed an important supplementary technique. The researcher spent extended periods

seated outside local shops as well as departmental stores to observe customer footfall, interaction patterns, and comparative flow dynamics. These observations enabled a contextual understanding of spatial proximity, consumer movement, peak hours, and visible differences in shopping behavior. Observational insights were systematically recorded in field notes and later triangulated with interview data to strengthen interpretive validity. The combination of language-sensitive interviewing, time-conscious engagement, and structured field observation ensured a comprehensive and contextually grounded data collection process.

Findings of the study

Demographic profile of the respondents: The demographic profile of the respondents provides an essential background for understanding the socio-economic context within which the impact of departmental stores is experienced. The study included a total of 40 respondents, all of whom were male shopkeepers operating general merchandise and *kiryana* (grocery) stores in the urban areas of Srinagar and Anantnag. The absence of female respondents reflects the prevailing gendered structure of small-scale retail trade in the selected areas, where shop ownership and management are predominantly male-driven. In terms of age distribution, respondents were categorized into three groups. Nine respondents fell within the 20–30 years age bracket, sixteen were between 31–45 years, and fifteen were above 45 years. This distribution indicates that the retail sector in these urban localities comprises both relatively young entrepreneurs and long-established shopkeepers. A significant proportion of respondents belonged to the middle-aged and older categories, suggesting continuity of family-based retail practices and accumulated market experience over time. Geographically, the respondents were distributed across two primary locations: 23 shopkeepers were based in Srinagar and 17 in Anantnag. This regional spread allowed for capturing variations within urban retail environments while maintaining a focused comparison between the two districts. An examination of economic background reveals that most shops were family-operated enterprises. In several cases, businesses had been previously managed by fathers or uncles before being taken over by the current respondents. Assistance from brothers, fathers, and other family members was common in day-to-day operations, underscoring the embedded nature of these enterprises within family structures. Such intergenerational continuity reflects the traditional character of local retail trade in the region. With regard to earnings, monthly incomes for most

shopkeepers ranged between ₹20,000 to ₹30,000, with some reporting earnings between ₹40,000 and ₹50,000, and one respondent indicating earnings as high as ₹100,000 per month. These figures suggest considerable variation in business scale and customer base among respondents. The primary expenditures reported by shopkeepers included healthcare expenses, education of children, and procurement of goods for resale. These expense patterns indicate that shop income plays a crucial role not only in sustaining business operations but also in meeting essential household needs. Overall, the demographic characteristics of the respondents reveal a retail sector rooted in family ownership, moderate income levels, and long-term engagement with local markets. This socio-economic positioning provides the foundation for understanding how departmental stores affect not merely commercial activity but also livelihood security and household stability in the studied areas.

Impact of Departmental Stores: The presence of departmental stores in close proximity to traditional retail shops has produced noticeable changes in the local commercial landscape. A substantial majority of respondents reported experiencing shifts in their customer base following the establishment of departmental stores nearby. Out of the 40 shopkeepers interviewed, 37 indicated that they had observed a change in customer patterns, while only three respondents reported no significant alteration. This overwhelming response suggests that the expansion of organized retail has had a visible and immediate influence on neighborhood-level commerce.

When asked to describe the nature of this change, respondents highlighted two primary patterns. A large proportion reported a decline in customer footfall, attributing this reduction to the convenience, product variety, and organized environment offered by departmental stores. Others noted a demographic shift in their clientele, particularly observing that younger customers and relatively more affluent consumers increasingly preferred shopping at departmental outlets. These responses indicate that competition is not only quantitative, in terms of reduced numbers of customers, but also qualitative, involving shifts in consumer preferences and expectations. The impact on sales emerged as one of the most significant consequences reported by respondents. A majority confirmed that their sales had been adversely affected since the opening of departmental stores in the vicinity. Only a small fraction stated that their sales remained stable. Among those reporting a decline, the extent of impact varied. Some

shopkeepers described moderate reductions in monthly sales, while others reported substantial decreases that significantly affected their overall revenue. For several respondents, the reduction in income was not merely a temporary fluctuation but an ongoing concern influencing their long-term business sustainability. In explaining the reasons behind this impact, shopkeepers identified multiple factors. One of the most frequently mentioned concerns was limited physical space. Compared to departmental stores, local shops operate within confined premises, restricting their ability to display a wide range of products or create an attractive shopping environment. Customers, according to respondents, are drawn toward larger stores where they can access diverse products under one roof, often at competitive prices. The self-service model, organized shelving, and perceived efficiency of departmental stores were also cited as influential factors in shaping consumer preference. Customer satisfaction was repeatedly mentioned as a critical element. Respondents observed that departmental stores provide an environment that many consumers perceive as modern, convenient, and reliable. This perception contributes to shifting loyalty patterns, where customers who once relied on local shops for daily purchases now diversify their shopping behavior. In some cases, traditional shopkeepers felt that customers preferred the standardized pricing and packaging practices of departmental outlets, even when price differences were minimal. At the same time, a small number of respondents expressed resilience, suggesting that their businesses remained stable due to long-standing customer loyalty. These shopkeepers emphasized personal relationships, trust-based credit facilities, and familiarity as factors that helped retain a core group of customers despite increased competition. Overall, the findings reveal that the impact of departmental stores extends beyond simple price competition. It encompasses changes in consumer behavior, perceptions of quality and convenience, and evolving expectations regarding shopping experiences. For most local shopkeepers, the presence of departmental stores represents a structural shift in the retail environment, one that requires adaptation, strategic adjustment, and continuous negotiation to sustain their livelihoods.

Economic Impact: The economic consequences of the emergence of departmental stores were strongly articulated by the respondents. A considerable number of shopkeepers reported that their profitability had declined after the establishment of departmental stores within close proximity to their shops. While

some described the reduction as gradual, others emphasized that the impact was immediate and noticeable in their daily sales records. Many respondents stated that before the arrival of departmental stores, their sales were relatively stable and predictable. However, after organized retail outlets began operating in the area, fluctuations in daily income became more frequent. Several shopkeepers estimated that their monthly earnings had reduced by amounts ranging from ₹5,000 to ₹15,000. For small-scale retailers operating on limited margins, such reductions were described as significant and burdensome. The decline in profitability was attributed to multiple interconnected factors. One major concern was price competition. Respondents observed that departmental stores often offered discounts, promotional schemes, and competitive pricing strategies that local shopkeepers found difficult to match. Due to bulk purchasing and larger capital reserves, departmental stores were perceived as capable of sustaining lower margins while maintaining overall profitability. In contrast, local retailers depend on smaller procurement cycles and limited stock capacity, which restrict their ability to reduce prices without affecting their own earnings. Another economic challenge reported was the reduction in bulk purchases by regular customers. Shopkeepers noted that customers increasingly preferred to purchase monthly or weekly household supplies from departmental stores, leaving local shops primarily for urgent or small-quantity purchases. This shift in purchasing behavior has reduced the volume of sales and, consequently, overall revenue generation for traditional retailers. For some respondents, the impact extended beyond sales decline to concerns about long-term business sustainability. A few expressed apprehensions about whether their shops would remain viable in the coming years if the trend continued. The fear was not merely about immediate income loss but about gradual erosion of customer loyalty and shrinking market presence. In cases where shops served as the primary source of household income, reduced earnings directly affected family expenditure patterns, including education and healthcare expenses. At the same time, it is important to note that not all respondents experienced severe economic disruption. A small segment reported relatively stable earnings, attributing this to strong customer relationships, provision of credit facilities, and long-standing presence in the locality. These shopkeepers believed that trust and familiarity continued to provide them with a degree of economic security despite competitive pressures. Overall, the economic impact of departmental stores on local shopkeepers emerges as uneven but

substantial. While some businesses demonstrate resilience, the majority report reduced profitability, altered purchasing patterns, and growing uncertainty regarding future sustainability. The findings suggest that organized retail expansion has restructured the local economic environment in ways that disproportionately affect small-scale, family-operated enterprises.

Social Impact: Beyond its economic implications, the expansion of departmental stores has produced noticeable social effects within the local retail ecosystem. Traditional *kiryana* and general merchandise shops in Srinagar and Anantnag have historically functioned not only as sites of economic exchange but also as spaces of social interaction. Shopkeepers often maintained close, informal relationships with their customers, many of whom belonged to the same locality and had long-standing associations with the shop. Several respondents observed that the establishment of departmental stores has altered patterns of customer interaction. Where earlier customers would frequently visit local shops, engage in casual conversation, and purchase goods on a daily basis, there is now a visible shift toward less frequent and more transactional engagements. Some shopkeepers remarked that interactions have become more limited and less personal, as customers increasingly divide their purchases between departmental stores and neighborhood shops. The weakening of traditional customer loyalty emerged as a recurring theme. Respondents expressed that while older customers continue to maintain relationships based on familiarity and trust, younger consumers tend to prefer the modern shopping environment offered by departmental stores. This generational difference in shopping preference was perceived as gradually reshaping community-based commercial ties. For many shopkeepers, the change was not merely about losing customers but about losing a sense of relational continuity that had characterized their business for years. Credit facilities, which traditionally strengthened social bonds between shopkeepers and customers, were also affected. Some respondents indicated that customers who previously relied on informal credit arrangements now prefer cash or digital transactions at departmental outlets. This shift has implications not only for business operations but also for mutual trust and interdependence within neighborhoods. At the same time, respondents did not uniformly portray departmental stores as socially disruptive. A few acknowledged that organized retail provides convenience and comfort, especially for families seeking a wide range of products in a single visit.

However, even among those who recognized these benefits, there remained a sense that the social character of local commerce was undergoing transformation. Overall, the findings suggest that the impact of departmental stores extends beyond measurable economic indicators to subtle but significant changes in social relationships. Traditional shops, once embedded within everyday neighborhood life, are increasingly operating in a more competitive and less relational environment. The transformation reflects a broader shift from personalized, community-based commerce toward standardized and impersonal retail practices, with implications for social cohesion at the local level.

Impact on Living Conditions: The economic changes experienced by local shopkeepers have had direct and indirect implications for their living conditions. For many respondents, the shop constitutes the primary or sole source of household income. Consequently, fluctuations in sales and profitability translate immediately into changes in household expenditure patterns, savings capacity, and overall financial stability. A significant number of respondents indicated that reduced earnings have affected their ability to comfortably manage essential expenses such as children's education, healthcare, and household consumption. While most shopkeepers continue to sustain their businesses, several expressed concern that declining income margins limit their capacity to plan for future contingencies. In households where income was already modest, even a reduction of a few thousand rupees per month was described as substantial. Some respondents conveyed a sense of growing financial insecurity. Although none reported immediate closure of their shops, there was an underlying apprehension about the long-term viability of their enterprises. The uncertainty surrounding future income stability has led some shopkeepers to reconsider expansion plans, postpone renovations, or limit reinvestment in stock. This cautious economic behavior reflects a broader perception of vulnerability within the changing retail environment. The impact was also evident at the level of psychological well-being. A few respondents acknowledged experiencing stress and anxiety related to declining customer numbers and unpredictable earnings. The competitive presence of departmental stores was perceived not merely as market competition but as a persistent pressure that influences daily business confidence. For shopkeepers who inherited their establishments from previous generations, the possibility of diminished sustainability carries emotional weight, as it affects both economic continuity and

family legacy. At the same time, resilience was visible among several participants. Some emphasized their determination to sustain their shops despite challenges, drawing strength from established customer relationships and community familiarity. Others expressed hope that local customers would continue to support neighborhood businesses out of loyalty and convenience. Overall, the findings indicate that the impact of departmental stores extends beyond commercial metrics into the domain of livelihood security and household well-being. While the effects vary in intensity, the general trend suggests increasing economic uncertainty and cautious adaptation among local shopkeepers. The transformation of the retail environment thus has tangible implications for everyday living conditions, financial planning, and perceptions of future stability in the studied areas.

Conclusion

The rise of departmental stores has introduced a series of challenges for traditional local shopkeepers, which are deeply examined in this dissertation. One of the primary insights from this study is the intense competition that local shops face from these larger retail entities. Departmental stores, with their extensive range of products, competitive pricing, and convenient shopping experience, have increasingly attracted customers away from local shops. This shift has resulted in diminished sales and reduced profitability for traditional vendors, who struggle to maintain their market share in an evolving retail landscape. The empirical findings demonstrate that this competition is not limited to pricing alone but is multidimensional in nature. Changes in customer footfall, shifting purchasing patterns, and the growing preference for organized retail environments collectively contribute to declining revenues among local shopkeepers. Many respondents reported noticeable reductions in monthly income, which directly affect household expenditure, savings, and reinvestment capacity. Thus, the expansion of departmental stores has implications that extend beyond commercial rivalry into questions of livelihood security and long-term business sustainability.

The research further reveals a significant disparity in infrastructure between local shops and departmental stores. Departmental stores typically feature spacious layouts, modern amenities, organized product displays, and ample parking facilities, which enhance the overall shopping experience and attract a substantial customer base. In contrast, local shops often operate within constrained spaces and lack adequate parking arrangements, limiting both accessibility and customer

convenience. This infrastructural inequity not only shapes consumer preference but also restricts the competitive capacity and growth potential of small-scale retailers. Field observations conducted during the study corroborate these findings. The visible difference in customer flow between departmental stores and adjacent local shops highlights the role of spatial organization and physical environment in influencing consumer behavior. Shopkeepers frequently emphasized that limited display space and congestion reduce their ability to compete effectively, even when product quality and pricing remain comparable. Addressing these challenges is crucial for ensuring the sustainability of traditional retail businesses. The findings underscore the need for proactive measures by government and local authorities to create a more equitable retail environment. Implementing policies to provide designated parking spaces for local shops, as exemplified by the Sonwar area initiative mentioned by respondents, could significantly improve accessibility and potentially enhance sales. Supporting infrastructure upgrades, facilitating modest expansions, and improving storefront visibility would enable local vendors to better showcase their products and enhance the shopping experience. At the same time, the study does not suggest the exclusion or restriction of departmental stores. Rather, it highlights the necessity of a balanced approach to retail development that recognizes the coexistence of both traditional and organized formats. A policy framework that acknowledges the socio-economic embeddedness of local shops—particularly their role in sustaining household incomes and neighborhood networks—can contribute to more inclusive growth. This dissertation therefore emphasizes that retail transformation in Srinagar and Anantnag is not merely a matter of modernization but of structural adjustment with social consequences. By addressing infrastructural disparities and fostering a supportive regulatory environment, the administration can promote economic resilience while preserving the diversity of community-based commerce in Kashmir. Strategic and context-sensitive interventions are essential to ensure that local shopkeepers are not displaced by market concentration but are instead supported in adapting to shifting retail dynamics. Such an approach would contribute to a more sustainable and socially balanced retail ecosystem.

Policy Implications and Recommendations

To address the challenges faced by traditional local shopkeepers in the context of increasing competition from departmental stores, a following set of context-sensitive interventions may be considered: Infrastructural enhancement around local shops is critical. The findings of the study indicate that disparities in physical space, layout, and parking significantly influence consumer preference. Investments in designated parking spaces, improved storefront design, and better spatial organization can substantially improve accessibility and customer experience. Local authorities may prioritize modest infrastructural upgrades in commercial clusters where small retailers operate in close proximity to departmental stores. Such measures would not eliminate competition but could reduce structural disadvantages faced by local vendors.

Financial assistance mechanisms may strengthen the adaptive capacity of small retailers. Government-supported grants, subsidized credit schemes, or temporary tax relief could enable shopkeepers to undertake necessary renovations, modernize storage and display systems, and adopt digital payment technologies. Given that many respondents reported constrained profit margins, even limited financial support could enhance their ability to compete more effectively.

Collective and collaborative strategies among local shopkeepers deserve consideration. Encouraging joint promotions, coordinated discount periods, and community-based commercial events may improve visibility and reinforce neighborhood-level commercial solidarity. Training programs focused on digital literacy, inventory management, and basic e-commerce practices could further empower shopkeepers to respond to changing consumer behavior. Institutional dialogue between local business associations and administrative authorities is essential. Structured engagement platforms can help policymakers better understand ground-level challenges and design targeted, evidence-based interventions. Regular consultation mechanisms would allow retail policies to reflect local realities rather than being shaped solely by macro-level economic considerations.

Strengthening customer retention mechanisms may provide local shops with a competitive advantage rooted in relational capital. Loyalty programs, personalized services, and flexible credit arrangements can reinforce trust-based relationships that departmental stores may not easily replicate. Such measures build upon the social embeddedness that characterizes traditional retail structures in Srinagar and Anantnag.

Taken together, these strategies aim not to restrict organized retail expansion but to promote a balanced and inclusive retail

ecosystem. A calibrated policy approach that supports infrastructural parity, financial resilience, and adaptive capacity can enable traditional shops and departmental stores to coexist. Ensuring such balance is essential for preserving livelihood security, sustaining community-based commerce, and maintaining the socio-economic diversity of urban Kashmir.

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