Challenges and Opportunities of Grocery Business: A Study on Rangpur City Corporation in Bangladesh

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ABSTRACT

The study has revealed the challenges and opportunities of grocery business in Rangpur City Corporation in Bangladesh. Seventy individual shop-keepers from seven different areas in Rangpur City Corporation have been selected following stratified random sampling technique and the first-hand information has been collected from the selected respondents using structured questionnaire for rigorously study with due diligence. Empirical findings have revealed that the age of most of the shop business is within the range of five to ten years and the average growth rates of sales and profit are very insignificant and in both the case it is below 10 percent. On the whole, the shop business is not doing. The research finding disclose a long list of hurdles that stand in the way to healthy growth of these highly popular business segment where about 0.75 percent of the citizens are depending for their livelihood. Among the bottlenecks, shortage of capital and severe compaction are the leading causes. Therefore, the study recommends for easy access to the bank credit with a very low rate of interest and lenient terms for sustainable growth in grocery business and welfare of the tiny businessmen as well as their family members and dependents.

Key Words: Grocery Business, Rangpur City Corporation (RCC), Capital Employed, Income Generation

INTRODUCTION

A retail store that primarily sells food is a grocery store. It often offers non-perishable food that is packaged in cans, bottles, and boxes, with some also having fresh produce, butchers, delis, and bakeries. Beginning in the 14th century, the dealer in palatable dry goods such as spices, peppers, sugar, and some drinks is called the grocer. Nowadays, the main foodstuffs are become expanding. For this reason, today, grocers deal in a wide range of our main food-stuffs. Now, the grocers include the perishables goods such as meats, produce and dairy products. Many rural areas in Bangladesh still contain some general stores that sell goods various necessary items. Traditionally, general stores have offered credit to their customers,

a system of payment that works on trust rather than modern credit cards. These general stores allowed the farm-families to buy staple goods until their harvest could be sold. The first self-service grocery store, Piggly Wiggly, was opened in 1916 in Memphis, Tennessee by Clarence Saunders, an inventor, and entrepreneur. Before this innovation, the customer of a grocer would walk up to a counter to hand over a grocery list and ask for the food items they wanted to purchase.

The concept of modern grocery shop is different from the Bangladeshi grocery shop. It is also true that the nature of the grocery shop is far different from one area to another. The content of grocery items is far different from one to another. Basically, sometimes the nature of grocery shop depends on the socio-economic culture and conditions of an area. In this study, the grocery shop of Rangpur City Corporation is considered as a subject. So it needs to define the nature of the grocery shop in this area. It is true that the grocery shop provides the daily emergency products to its customers. The grocery shop of RCC also provides the necessary items to its customers. The day to day needs of a customer can be satisfied by this area's grocery shop. This shop contains the basic items like rice, dal, oil, soap, light cosmetics and some ready food items.

Grocery business is gaining popularity very quickly in Bangladesh. People engaged in this sector should pay special attention to the development of their business. Most of the cases a single family depends on the earnings from this grocery retail shop. Grocery shop supplies the daily grocery items for a family. So from this point of view a grocery shop plays a vital role for the people. Rangpur is a new born city corporation. For well-functioning of a city as well as for the better satisfaction of the citizen, it is very important to ensure the optimum satisfaction from the grocery shop. A city needs a Super markets and online markets to get products under one roof or to get the products from the virtual world. To get the desired services from this shop it is necessary to run the shop properly. Grocery shop requires very low capital to run, but it needs care. This shop business is very risky as well as very competitive. The existence of some people depends on the development and proper running of this shop. Now a day, this shop business is facing a lot of challenges. The challenges and prospects of the grocery shop of Rangpur City Corporation are identified. This research has given some recommendations for its betterment in the future. It is expected that the financial conditions of the grocery shop of Rangpur City Corporation are poor. It is anticipated that these shops are struggling with their existence. The researcher thinks that the volume of capital and the financial performance of these shops are not significant enough for their sustainable growth and development. The primary data regarding this topic shows that the grocery shop in this area needs core extra care.

LITERATURE REVIEW

Roberta (1990) determined that Demographic and lifestyle trends in the United States have induced a disintegration of the mass market into a highly segmented one. In addition, slower population growth is increasing competition. Both these trends will make target marketing strategies even more critical in the 1990s. Yet in today's fragmented consumer and media markets, the productivity of promotional efforts is declining. Consequently, market share battles will become more costly in the future, requiring increasingly localized approaches. Understanding consumers will be a critical factor in developing efficient target marketing approaches. This will require improved data collection and information management systems. Access to information could become a controversy issue as the information gap widens between the grower and retailer ends of the distribution system.

Durham (2011) revealed that the South African retail landscape is dynamic to say the least. Retailers are dealing with challenges from all sides: customers' changing buying habits, the ongoing battle between independents and branded retail and the eminent entry of large foreign players, like Walmart. But it is also full of possibility – as retailers launch new shopping platforms, improve customer communication with loyalty programmes and watch as private label continues to grow in market share. **Bahadur (2006)** attempted to measure acceptability and feasibility of super market concept through customer's perception about super shops. This paper identify whether demographic variables like age, gender, education, income, and bargaining behavior have impact in choosing between super market and Kacha bazaar. **Harun et al. (2013)** tried to identify the factors affecting customer hospitality of the fast food industry in Bangladesh. To do so, 288 samples were selected considering six large cities (Dhaka, Rajshahi, Khulna, Barisal, Sylhet and Chittagong) of Bangladesh. The paper evaluates the Impact of Independent variables (greetings, sitting arrangement, quality of food, menu variety, employ Behavior, speed of service, child corner, security, decoration and fair price) on customer hospitality of the fast food industry in Bangladesh. **Islam and Hossain (2012)** examined the important features of a number of goods and service providing Electronic Commerce websites (Business to Consumer category) in Bangladesh. The prices of a range of products of online and those of traditional stores in Dhaka city were also compared. Five Businesses to Consumer websites were selected to study the features while the prices from one of them were noted for a number of product categories. The prices were then compared with those of the traditional stores. The results revealed that the online stores are more user-friendly in product viewing, ordering and delivery. However, the prices of most of the products of online stores were found to be high compared to those of the traditional stores. **Rana et al. (2014)** aimed to determine the factors constituting customer satisfaction of retail chain stores in Bangladesh. The paper results that the model satisfactorily explains customer satisfaction and that retail chain store owners and managers should focus on four major elements – responsiveness, product quality, physical design and pricing policies if customer satisfaction is to be treated as a strategic variable. The study found that, responsiveness and product quality were most important to customers followed by price and physical design. **Rahman and Chakraborty (2010)** determined the availability of super stores and analysis of locations of super stores in Dhaka City. The study explores the optimum location of super stores to minimize inconveniences faced by the residents to access super stores. **Badiuzzaman (2006)** attempted to assess the credit need, adequacy of the received as well as repayment of loan by the sample beneficiaries.

In the earlier, most of the researchers tried to study regarding the business of super market, fast food, online, retailing, super stores, and credit management in SME etc. Our study has given the attention on the present and future conditions of sustainability of grocery business in the Rangpur City, Bangladesh. The present study tries to find out the challenges and potentiality of grocery business in the study area.

OBJECTIVES OF THE STUDY

The main objective of the study is to identify the challenges and prospects of the grocery shop of Rangpur City Corporation and recommend going forward. The specific objectives of the study are as follows:

- To highlight the financial results and illustrate the financial conditions of the grocery shop business in RCC area of Bangladesh.

- To identify the growth and development of this shop.

METHODOLOGY

The study is empirical. Both primary and secondary data have been applied in the study. The primary data have been collected from 70 grocery shops through a structured questionnaire covering the different areas of Rangpur City Corporation such as Modernmoar, Chokh Bazar, Darshona, Mahigonj, Lalbagh, Shapla, Bus Terminal, Medical moar, CO Bazar, Dhap, Kachari, City Bazar, Kamal Kachna, Jumma Para etc. The secondary data are collected from published official statistics, annual reports and publications of various business journals and articles, books, reports, statements, documents, periodicals, websites etc. Researchershave executed the tabulation work to classify data and to make them ready for analysis. Some statistical tools like mean, median, mode, rank, etc. have been applied.

FINDINGS AND DISCUSSION

Age of the Business

The table 1 shows the age of the grocery business. The age limit of the grocery business is from 1 year to 40 years. The survey result shows that the age of most of the business is below 20 years. And only 1.43% business's age is from 35 years to 40 years.

Table 1: Survey by the age of the business

Age of the Business	Number of Shop	Percentage
0-5 Years	13	18.57
5-10 Years	19	27.14
10-15 Years	8	11.43
15-20 Years	14	20.00
20-25 Years	8	11.43
25-30 Years	3	4.29
30-35 Years	4	5.71
35-40 Years	1	1.43

Capital size of the business

The table 2 shows the capital size of the grocery business. The capital size of the grocery business is from below 1 lack to above 6 lacks Taka. The survey result shows that, half of the business capital size is below two lac taka.

Table 2: Survey by the capital size of the business

Capital Size	Number of Shop	Percentage
Below 1,00,000	10	14.29
1,00,000-2,00,000	24	34.29
2,00,000-3,00,000	9	12.86
3,00,000-4,00,000	9	12.86
4,00,000-5,00,000	6	8.57
5,00,000-6,00,000	4	5.71
Above 6,00,000	8	11.43

Change of Capital according to capital size of the business

The following table shows that the capital size is increased in all types of shops from 2009 to 2014. There are 10 shops, which are very poor, and their capital is below one lac taka. In the last five years, the capital size of these types of business is increased by 11.11%. Whereas, it is very impressive that, the grocery business with 3 lac to 4 lac taka capital, has been increased their capital with a triple. On the other hand the business with over 6 lac taka capital, their capital is increased by cent percent in the last five years.

Table 3: Increase/decrease rate in the capital of sampled units according to the capital size of the shop

Capital Size	Number of Shop	Capital (Lakh Taka)		Difference	Increase/decrease rate (%)
		2009	2014		
Below 1,00,000	10	6.75	7.5	0.75	11.11
1,00,000-2,00,000	24	17.5	36	18.5	105.71
2,00,000-3,00,000	9	12.75	22.5	9.75	76.47
3,00,000-4,00,000	9	10.5	31.5	21	200.00
4,00,000-5,00,000	6	11.5	27	15.5	134.78
5,00,000-6,00,000	4	11	22	11	100.00
Above 6,00,000	8	26	52	26	100.00

Materials purchased per month according to the capital size of the business

The following table shows the relationship between capital size and the materials purchased per month. There is no relationship found between the data taken from 2009 to 2014. The business with over 6 lac taka capital, per month material purchase in this business is increased by 58.49% in the last five years. On the other hand the, poor business increased their purchase by 35.88%. But middle-class grocery business's (Capital is 4 lac to 5 lac) purchase position is increased by 204%.

Table 4: Increase/decrease rate in materials purchased per month of sampled units according to the capital size of the shop

Capital Size	Number of Shop	Materials Purchased per Month (000' Taka)		Difference	Increase/ Decrease rate (%)
		2009	2014		
Below 1,00,000	10	327.5	445	117.5	35.88
1,00,000-2,00,000	24	652.5	1162.5	510	78.16
2,00,000-3,00,000	9	512	725	213	41.60
3,00,000-4,00,000	9	225	765	540	240.00
4,00,000-5,00,000	6	292.5	480	187.5	64.10
5,00,000-6,00,000	4	320	400	80	25.00
Above 6,00,000	8	530	840	310	58.49

Sales per month according to the capital size of the business

The following table shows the relationship between capital size and the average total sales per month. But the relationship cannot be mentioned in a single sentence. In near about 40% of the cases, the sale per month is increased by approximately 50%. And it is a good sign that there is no negative relationship between the capital size and the average total sales per month. But it is also true that middle-class business (Capital is 3 lac to 4 lac) is highly increasing their sales in the last five years.

Table 5: Increase/decrease rate in average total sales per month of sampled units according to the capital size of the shop

Capital Size	Number of Shop	Average Total Sales per Month (000' Taka)		Difference	Increase/ decrease rate (%)
		2009	2014		
Below 1,00,000	10	225	480	255	113.33
1,00,000-2,00,000	24	760	1360	600	78.95
2,00,000-3,00,000	9	452.5	655	202.5	44.75
3,00,000-4,00,000	9	215	735	520	241.86
4,00,000-5,00,000	6	217	290	73	33.64
5,00,000-6,00,000	4	340	420	80	23.53
Above 6,00,000	8	550	840	290	52.73

Loan amount according to the capital size of the business

In the earlier table (Table 3), capital increase rate is shown from 2009 to 2014. Now the question is, is there any relationship between the loan amount and the capital size. The following table shows that, in poor business, in the last five years the average capital increase rate of 11.11%, but the loan increase rate is 133.33%. The middle-class business, the loan increased by 68.42%, whereas, the capital increased by 68.42%. And the high capital business loan increase rate is one-third of the capital increase rate.

Table 6: Increase/decrease rate in the loan amount of sampled units according to the capital size of the shop

Capital Size	Number of Shop	Loan Amount (Lakh Taka)		Difference	Increase/ decrease rate (%) Loan amount	Increase/ decrease rate (%) In capital
		2009	2014			
Below 1,00,000	10	2.25	5.25	3	133.33	11.11
1,00,000-2,00,000	24	9.75	19	9.25	94.87	105.71
2,00,000-3,00,000	9	3	7	4	133.33	76.47
3,00,000-4,00,000	9	4.75	8	3.25	68.42	200.00
4,00,000-5,00,000	6	2.5	7.75	5.25	210.00	134.78
5,00,000-6,00,000	4	6.75	8.75	2	29.63	100.00
Above 6,00,000	8	9.75	18	8.25	84.62	100.00

Total receivables according to the capital size of the business

In the following table, the total receivable position is shown. And the table shows that, the business with below 1 lac taka capital, increase they'er receivable by 200%, the business with 3 to 4 lac taka capital, increase their receivable by 113.33% and the rich business increases they'er receivable by 81.48%.

Table 7: Increase/decrease rate in total receivables of sampled units according to the capital size of the shop

Capital Size	Number of Shop	Total Receivables (Lakh Taka)		Difference	Increase/ Decrease rate (%)
		2009	2014		
Below 1,00,000	10	1.5	4.5	3	200.00
1,00,000-2,00,000	24	12	23.5	11.5	95.83
2,00,000-3,00,000	9	5.25	8	2.75	52.38
3,00,000-4,00,000	9	3.75	15.5	11.75	313.33
4,00,000-5,00,000	6	3	8.75	5.75	191.67
5,00,000-6,00,000	4	4.5	6.5	2	44.44
Above 6,00,000	8	13.5	24.5	11	81.48

Profit per month according to the capital size of the business

The following table shows the increase rate of profit per month in the last five years. The grocery shop with below 1 lac taka capital, increase their profit per month by 117.20%, the shop with 1 lac to 2 lac taka capital, increase their profit per month by 99.71%, the shop with 2 lac to 3 lac taka capital, increase their profit per month by 44.74%, the shop with 3 lac to 4 lac taka capital, increase their profit per month by 254.65%, the shop with 4 lac to 5 lac taka capital, increase their profit per month by 35.09%, the shop with 5 lac to 6 lac taka capital, increase their profit per month by 75%, and the last one, the shop with above 6 lac taka capital, increase their profit per month by 72.97%.

Table 8: Increase/decrease rate in profit per month of sampled units according to the capital size of the shop

Capital Size	Number of Shop	Profit Per Month (000' Taka)		Difference	Increase/ decrease rate (%)
		2009	2014		
Below 1,00,000	10	46.5	101	54.5	117.20
1,00,000-2,00,000	24	174.5	348.5	174	99.71
2,00,000-3,00,000	9	95	137.5	42.5	44.74
3,00,000-4,00,000	9	43	152.5	109.5	254.65
4,00,000-5,00,000	6	142.5	192.5	50	35.09
5,00,000-6,00,000	4	60	105	45	75.00
Above 6,00,000	8	185	320	135	72.97

Capital employed according to age of the business

The following table shows the increase/decrease rate of capital employed according to the age of business. Out of 70 businesses 13 is newly established, and their capital increase rate for the last five years cannot be assessed. There are 19 businesses, whose age is more than five years but less than ten years. These types of business increase their capital by 77.06% in the last five years. On the other hand, there is one business, whose the age is near about 40 years, increase its capital by 100%.

Table 9: Increase/decrease rate in capital employed of sampled units according to age of the shop

Age of the Business	Number of Shop	Capital Employed (Lakh Taka)		Difference	Increase/ decrease rate (%)
		2009	2014		
0-5 Years	13	0	32	32	!
5-10 Years	19	27.25	48.25	21	77.06
10-15 Years	8	16.5	29	12.5	75.76
15-20 Years	14	20	32.5	12.5	62.50
20-25 Years	8	18.75	31.5	12.75	68.00
25-30 Years	3	4.5	9.75	5.25	116.67
30-35 Years	4	8.25	14	5.75	69.70
35-40 Years	1	0.75	1.5	0.75	100.00

Average total sales per month according to the age of the business

The following table shows the Increase/decrease rate of average total sales per month in the last five years. The increase rate of average total sales per month of the grocery shop with below 5 years age cannot be measured. The shop with 5 to 10 years age, increase their average

total sales per month by 67.86%, the shop with 10 to 15 years age, increase their average total sales per month by 19.34%,the shop with 15 to 20 years age, increase their average total sales per month by 40.17%,the shop with 20 to 25 years age, increase their average total sales per month by 28.81%,the shop with 25 to 30 years age, increase their average total sales per month by 36.36%, the shop with 30 to 35 years age, increase their average total sales per month by 60%, and the shop with 35 to 40 years age, increase their average total sales per month by 85.71%.

Table 10: Increase/decrease rate in average total sales per month of sampled units according to age of the shop

Age of the Business	Number of Shop	Average Total Sales per Month (000' Taka)		Difference	Increase/ decrease rate (%)
		2009	2014		
0-5 Years	13		845	845	!
5-10 Years	19	700	1175	475	67.86
10-15 Years	8	452.5	540	87.5	19.34
15-20 Years	14	692	970	278	40.17
20-25 Years	8	590	760	170	28.81
25-30 Years	3	165	225	60	36.36
30-35 Years	4	125	200	75	60.00
35-40 Years	1	35	65	30	85.71

Total loan amount according to the age of the business

The following table shows the increase/decrease rate of the total loan amount in the last five years. The increase rate of the total loan amount of the grocery shop with below 5 years age cannot be measured. The shop with 5 to 10 years age, increase their total loan amountby 80.00%, the shop with 10 to 15 years age, increase their total loan amount by 50.00%, the shop with 15 to 20 years age, increase their total loan amount by 106.45%, the shop with 20 to 25 years age, total loan amount by 28.57%, the shop with 25 to 30 years age, increase their total loan amount by 100.00%, the shop with 30 to 35 years age, decrease their total loan amount by (7.69)%, and the shop with 35 to 40 years age has no loan.

Table 11: Increase /decrease rate of the total loan amount of sampled units according to the age of the shop

Age of the Business	Number of Shop	Total Loan Amount (Lakh Taka)		Difference	Increase/decrease rate (%)
		2009	2014		
0-5 Years	13		12.75	12.75	!
5-10 Years	19	7.5	13.5	6	80.00
10-15 Years	8	9	13.5	4.5	50.00
15-20 Years	14	7.75	16	8.25	106.45
20-25 Years	8	10.5	13.5	3	28.57
25-30 Years	3	0.75	1.5	0.75	100.00
30-35 Years	4	3.25	3	-0.25	-7.69
35-40 Years	1	0	0	0	!

Rate of receivables according to age of the business

The following table shows the increase/decrease rate of the total receivable in the last five years. The increase rate of total receivable of the grocery shop with below 5 years age cannot be measured. The shop with 5 to 10 years age, increase their total receivable by 76.19%, the shop with 10 to 15 years age, increase their total receivable by 50.00%, the shop with 15 to 20 years age, increase their total receivable by 130.00%, the shop with 20 to 25 years age, increase their total receivable by 36.36%, the shop with 25 to 30 years age, increase their total receivable by 88.89%, the shop with 30 to 35 years age, increase their total receivable by 116.67%, and the shop with 35 to 40 years age, has no change in their total receivable.

Table 12: Increase/decrease rate in receivables of sampled units according to the age of the shop

Age of the Business	Number of Shop	Total Receivables (Lakh Taka)		Difference	Increase/ decrease rate (%)
		2009	2014		
0-5 Years	13		17.75	17.75	!
5-10 Years	19	10.5	18.5	8	76.19
10-15 Years	8	10	15	5	50.00
15-20 Years	14	7.5	17.25	9.75	130.00
20-25 Years	8	11	15	4	36.36
25-30 Years	3	2.25	4.25	2	88.89
30-35 Years	4	1.5	3.25	1.75	116.67
35-40 Years	1	0.75	0.75	0	0.00

Rate in profit per month according to the age of the business

The following table shows the increase/decrease rate of average profit per month in the last five years. The increase rate of average profit per month of the grocery shop with below 5 years age cannot be measured. The shop with 5 to 10 years age, increase their average profit per month by 50.86%, the shop with 10 to 15 years age, increase their average profit per month by 64.81%, the shop with 15 to 20 years age, increase their average profit per month by 52.30%, the shop with 20 to 25 years age, increase their average profit per month by 53.02%, the shop with 25 to 30 years age, increase their average profit per month by 100.00%, the shop with 30 to 35 years age, increase their average profit per month by 58.54%, and the shop with 35 to 40 years age, increase their average profit per month by 66.67%.

Table 13: Increase/decrease rate in profit per month of sampled units according to the age of the shop

Age of the Business	Number of Shop	Profit per Month (000' Taka)		Difference	Increase/ decrease rate (%)
		2009	2014		
0-5 Years	13		183	183	!
5-10 Years	19	260.5	393	132.5	50.86
10-15 Years	8	108	178	70	64.81
15-20 Years	14	141.5	215.5	74	52.30
20-25 Years	8	140.5	215	74.5	53.02
25-30 Years	3	47.5	95	47.5	100.00
30-35 Years	4	41	65	24	58.54
35-40 Years	1	7.5	12.5	5	66.67

Reasons for the backwardness of a grocery business

The following table shows the reasons for which grocery shop in Rangpur City Corporation is not forwarded. The analysis shows that the first reason for backwardness is the lack of capital. And the second important reason is serious competition in this sector. There are seven reasons are being ranked, and other reasons are, high-interest rate of the fund, a high price of grocery items, lack of socio-economic safety, low demand and lack of personals.

Table 14: Reasons for the backwardness of a grocery shop in Rangpur City Corporation

Reasons	Frequency	Percentage	Rank
Acute Competition	38	54.29	2
Lack of Capital	46	65.71	1
High-interest Rate of Fund	29	41.43	3
High-price of Grocery Items	26	37.14	4
Lack of Personals	4	5.71	7
Low Demand	10	14.29	6
Lack of socio-economic safety	11	15.71	5

FINDINGS OF THE STUDY

In the study, it is found that, the age of 57.14 % grocery shop business is below 15 years. So they are not experienced enough. And it is also mentionable that, 1.43% business age 35 to 40 years. The study also shows that, the capital is very poor. 61.44% business holds only below 4 lac taka capital. Some other findings are shown in below.

i) The average increase rate in capital for the last five years is 48.36%. And the best growth (200%) is happened in middle class grocery shop. And there is no negative growth in capital increase (Table-3).

ii) The average increase rate in material purchased according to the capital size for the last five years is 59.35651%. And the best growth (240%) is happened in middle class grocery shop, and the lowest growth rate is 25% (Table-4).

iii) The average increase rate in average total sales per month according to the capital size for the last five years is 51.73%. And again the best growth (241.86%) is happened in the business with 3 to 4 lac taka capital (Table-5).

iv) Loan is the most important factor for the development of the grocery shop. The costs of loans highly influence the profit rate. The average increase rate in loan amount according to the capital size for the last five years is 52.54%. Low capital shop is less depended on loan (Table-6).

v) The average increase rate in receivables according to the capital size for the last five years is 47.671%. And the poor business has a great receivables proportion to the capital. On the other, hand last five years the grocery business increase their profit by 55.011% in the RCC (Table-7).

vi) The capital employment rate in the last five years according to the age of business is increased by 48.362% in this area. And the most increase is done in old business (Table-9).

vii) Profit is the portion of sales value. And in the last five years, the total sales per month of grocery shop according to the business age in RCC are increased by 57.730% (Table-10).

viii) The average increase in loan according to the age of the business is 52.54%. The total receivables is increased by 47.411% and profit per month increased by 55.011% (Table-11).

ix) The main reason identified in this study for the backwardness of grocery shop is lack of capital (Table-14).

Specific pitfall of grocery shops in RCC:

The grocers and the grocery shop are in trouble. They are facing a lot of challenges. They are surviving with other grocers as well as other business. The margin of this business is getting closer with zero by day by day. Though it is easy to start a grocer business, the reality is a number of this business is shutting down every day. So it can be said that the grocery shop of RCC are is in some challenges. Some of these are mentioned in below:

- low capital and low profitability with high competitive business;
- high cost of capital increase the per unit cost of sales;
- little learning in business issues provides the lack of skills decisions;
- for the change of the society-culture the demand the grocery items is reducing every day.

Prospect of a grocery shop in RCC:

There is a high potentiality of the grocery business in RCC. As a new city corporation, if the grocery business can provide the basic quality grocery items for its customers, the customers will be highly satisfied. As a new city corporation, the market is expanding day by day. So there is a high possibility of growth of this business in RCC.

SUGGESTIONS AND RECOMMENDATIONS

After the study, it can be suggested that grocery shop need some extra care for its growth and development. A large number of people can be employed though this business. For the proper development of this business, the following Suggestions and Recommendations are put.

The main problem with the grocery shop business is the lack of capital. So for the proper survival of this business, it is must to provide the loan to this business with a low cost. And the local government should take some initiative for the welfare of this business.

The trade-license systems should be regulated properly. The Government has to provide necessary support by increasing proper supervision. Government should take some initiative Acute Competition to resolve the challenges regarding Lack of Capital, High-interest Rate of Fund, High price of Grocery Items, Lack of Personals.

CONCLUSION

This research highlights the financial result of the grocery business. The financial conditions of the grocery business are being illustrated. The growth and development of this business are being shown in research work. The work shows some recommendation and suggestions for the decision makers. It is a core conclusion to the research that, the development of grocery business is must for the development of our economy. So the government should take some initiative for their survivals. The study has covered the single range/ area only. The researchers think that the further study may be done in the larger concept relating to the grocery business.

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