

SUBJECT- BUSINESS ORGANISATION

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LARGE SCALE RETAILING- DEPARTMENTAL STORE-MEANING AND FEATURES

"The departmental stores have not become much popular in India. There are only a few important departmental stores in the country even today."

A departmental store is a large-scale retail organisation having a number of departments under one roof. Each department specialises in one particular kind of trade. All these departments are centrally organised and are under one united management and control.

Some of the important definitions are given below:

In the words of Killough, "A departmental store is a retailing institution that deals in many lines of merchandise, including women's wear and house furnishing, each line being separated or departmentalised from the other."

According to Converse, "A departmental store is a retail shop handling several classes of goods including women's wear or dry goods, each class being separated from others in management, accounting and location."

Clark defines it as "that type of retail institution which handles a wide variety of merchandise under one roof with the merchandise grouped into well-defined departments which is centrally controlled. Thus, a departmental store is an organisation of several retail stores carried on in one building and under united controlled management.

The basic objective of a departmental store is to provide a large variety of merchandise from a pin to an aeroplane at one place. It also aims at providing quality goods and service to the customers and acts as a universal supplier.

* Characteristic Features:

- (i) Departmental stores are large-scale retail establishments.
- (ii) They have a number of departments organised under one roof.
- (iii) Each department specialises in a particular kind of trade.
- (iv) Their basic principle is that it is easier to sell more goods to the same customer by providing a large variety of goods than to sell the same kind of goods to many customers. Hence, they provide a large variety of merchandise from pin to an aeroplane, and act as universal suppliers.
- (v) Their aim is to provide quality goods and service to the customers. Restaurants, telephone facilities, recreational facilities, reading rooms etc. are also provided by them.
- (vi) They are located in the important central places of the big cities.
- (vii) A huge amount of capital is required to establish a departmental store.