

The Ultimate Guide to Starting a Supermarket Business



Over the past decade, there has been a tremendous rise in the number of supermarkets in our country. The number has increased from 8,500 supermarkets in 2016 to 18,500 in 2021 because it continues to provide the convenience of shopping customers are looking for. According to the experts, the retail industry is set to grow at a CAGR of 37.1% from 2021 to 2028, reaching 38.9 billion USD.

So in case you are thinking about starting a supermarket, the stats are there for you. It's the perfect time to start your supermarket store. The need for a good supermarket for the consumers is there, and it's only been increasing by the day. Just make sure that you are ready and prepared for it.

Follow this guide along to kick-start your journey towards opening a successful supermarket. It will guide you with the right and innovative ideas to succeed in this venture.

A supermarket is a place where you will find your everyday requirements fulfilled conveniently. It's a place where people will always find the right product at the right price. An average Indian supermarket would offer you products varying from groceries, utensils, apparel, electronics, and stationery items at affordable prices. It's a self-service and cost-saving place where you find a variety of products at impressive rates.

People are getting busier, and they hardly get time to shop, so they either shop online or visit their nearest supermarket as here they get all their daily needs items under one roof.



BENEFITS OF STARTING A **SUPERMARKET BUSINESS**

Self Service

Imagine that you just got done with work at your job, and on the way home, you remember that you needed to buy some groceries and stationery. Now, the last thing you want is to go to two different stores and tell the salespeople what you want. Supermarkets give you the facility to silently look around, browse its collection, and choose from its multiple options.

This arrangement satisfies you as a customer, as there is less interference by the seller.

You hardly need to tell or ask anyone anything. Also, it's good to have the least interaction with people around these days of social distancing.

As a store owner, you can do with a lesser number of employees and count the extra profit in this arrangement.

No-Bargain Policy

Unlike Kirana stores, supermarkets can follow the fixed price rulebook and conveniently stick to it. Hence it allows no room for any bargaining. This takes off an excess burden from both the seller and the customer since they know they now don't have to spend their energy deciding a commodity's selling price.

Neatly Displayed Goods

When shopping in a traditional store, they can see a product, shape, size, and quality and compare it with multiple options. They want to try on the clothes and check for defects. They are there to experience the pleasure of shopping. A supermarket provides customers access to a neat and convenient display of products.

No Credit Policy

In the supermarket business, you are free from the traditional obligation of providing credits. You don't have to give away your goods, hoping that the customers will pay for them later. And since you don't offer a credit facility, your business keeps on running smoothly, and you face no accounting problems.



Diversified Products

As a supermarket owner, you can offer a variety of goods under one roof. From groceries, toys, electronics, cosmetics, and other household items, you can sell everything in one place. You also have the facility to offer your customers multiple options as your store has much more space than a Kirana store, so they stay with you and don't go elsewhere to look for more options.

Large Scale Operations

When you open a supermarket, you know that you will play in big numbers as your business grows. You will be spending quite a sum on the inventory and operational costs, but the returns you get will be wonderful. Your profit margins becomes high.

Goodwill

Goodwill plays an important part in the marketing of any business, and supermarkets are no exception. Choosing the right location is part of creating goodwill. People need a supermarket that can supply them with everything in one place and a convenient location. And you have people's goodwill, because you can provide them with all that.



7 STEPS TO START A **SUPERMARKET**

From upfront investments to operational costs and making a profitable business, here is a simple guide to the process of starting and running a supermarket business successfully.



STEP 1

The Right Location

The first factor in finalising a location for your supermarket is to see whether the location is easily accessible to residents within a 5 km radius. The best place for your business would be a busy road, which is frequented by people daily. Check out the average vehicular traffic on the streets leading to that location, so you know how prime the place is.

Find out if people with a regular income live in the adjoining areas, as they should be able to buy your products. Similarly, find out about the lifestyle of the residents, a demographic overview of the area, the population, age, and income of the residents. Consider if there is adequate parking space around the location as you undoubtedly wish to see a good inflow of customers.



STEP 2

Layout Planning of the Store

Having a thoughtfully done store layout is crucial for maximizing revenue for your supermarket store. By planning the layout strategically, you can direct shoppers to high-priority products and drive impulse sales. A good layout also helps in managing the customer flow besides keeping your inventory organized. Instor has been a store design and layout specialist and has helped numerous supermarkets with layouts tailored to their space and needs.



STEP 3

Choose Fixtures and Racks

Choosing quality fixtures and racks become priority 1 when you start a supermarket business. You need to make sure that they are modern yet durable, robust yet customizable. Instor provides a complete range of shelving solutions to help supermarkets create a unique shopping experience.





STEP 4

Finding and Assorting the Products

Finding the right goods for your store is both art and science. You have to collect all the possible data you may have of your customers and then choose the best goods. Find out what's in trend. Partner with some leading brands or even tries to get an exclusive deal from a lesser-known brand. Have a good stable product quantity or variety of goods your supermarket.

Then work on the product quality and also keep up with the variations of the product. For example, selling a comprehensive range of shampoos and hair care items will come under product quantity, and different shampoo brands would mean product quality. To put it simply, stock your inventory well but wisely.



STEP 5

Merchandising

Merchandising means promoting or advancing the sale of the goods through effective and impressive display and presentation in the store. This again highlights the role of racks and display shelves, which are vital to display goods in your supermarket store. There are different layout designs, and each one serves a specific purpose in enhancing your store's sales. Go through the different kinds of supermarket layouts yourself for a better understanding. You can also consult store design experts.

Instor has been providing retail fixtures and fittings all over India; we have seen the market from up close. So you can take our word in the right fittings for your store. Our take would be to go creative and mix up multiple layout designs both floor-wise and section-wise. This way you will have the best of all. Make sure to maintain the aesthetics in your supermarket store. Be careful about the temperature, music, colors, and smells in the store, as all these contribute to creating a complete user experience.



STEP 6

Pricing of Products

Price is one of the first things which come to your mind when you are shopping. We don't want customers to go away just because things are expensive and, at the same time, we can't do the business without profits. This is where effective sales strategies come into the picture.

Discounts, coupons, special offers, giveaways, lucky draws are the most popular methods sellers use to increase sales. Always decide on the price in a calculated and fair manner and then use various sales-enhancing strategies to draw customers.





STEP 7

Management of Stock

Have proper inventory accounts and constantly keep updating them. You must keep the products updated and stocked so that customers don't get disappointed when they can't find what they are looking for.

Keep a diversity of goods, and make sure to have only quality goods in your store. Remember, that's how you will gain people's trust, leading to establishing long-term goodwill.

Never overstock, as it will only mean your loss.

Now that we have gathered tips on starting a supermarket, you must also consider the essential compliances.

1. Get a license and required permissions for the supermarket.

2. Have all the required and valid property documents. Obtain a trade license from the municipality for operating your business.

3. Since you will be selling food items, too, you would need an FSSAI license.

4. GST registration

If you are considering a supermarket business, the right time is now. Start your process today.

All the best!

About Instor India

INDIA'S LEADING MANUFACTURER OF A COMPLETE RANGE OF RETAIL STORE FIXTURES THAT INCREASE PROFITS!

With a functional, innovative and modern range of fixtures and solutions, we make retail stores distinctively modern, attractive and customer friendly.

Trusted by more than 7,000 retailers, our widest range of standard and customised solutions with the best space utilisation designs, most durability, and beautiful aesthetics help retailers deliver the best experience at every touch point and grow their retail footprint. We cater to unique needs and formats of a variety of retail stores in India and global markets.

Connect with one of our sales representatives to get complete guidance on how to set up your Supermarket business.

Schedule a Call or Get a Free Quotation

Instor by Kider India Pvt Ltd
+91 8669966938 | +91 98220 09838
sales@instorindia.com
instorindia.com

instor
KIDER INDIA PVT. LTD.