

From Local Roots to Retail Legacy: A Comprehensive Case Study on Madhav Provision Store's 35-Year Journey in Vadodara

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Abstract

The Indian retail sector is undergoing a dynamic shift, with traditional kirana stores competing alongside modern supermarkets, online grocery platforms, and the rapid digitalisation of transactions. While supermarkets and e-commerce platforms attract customers through price advantages, convenience, and product variety, local provision stores maintain a significant edge due to personalised service, trust-based relationships, and immediate product availability. Madhav Provision Store, established in 1989 in Vadodara, Gujarat, exemplifies the resilience and adaptability of small-scale retail outlets. Over the past three decades, the store has expanded its product range, introduced home delivery services, adopted digital payment methods, and engaged with the community through personalised services.

This research paper employs a qualitative approach, relying on primary data collected through interviews with the owner, staff, and customers, and complemented by secondary sources, including industry reports, newspaper articles, and academic studies. The study examines how Madhav Provision Store has navigated challenges, including rising competition from supermarkets and online platforms, supply chain disruptions during the COVID-19 pandemic, and evolving consumer expectations. Furthermore, it evaluates the impact of digital transformation, including UPI payments, WhatsApp ordering, and social media promotions, on store efficiency and customer loyalty.

The findings highlight that trust, reliability, and personalised service remain core drivers of customer retention, even in an increasingly digital marketplace. Madhav Provision Store demonstrates that integrating traditional values with modern operational strategies can

provide a sustainable competitive advantage for small retail businesses. Insights from this case study offer practical guidance for other local retailers seeking to survive and grow in the contemporary Indian retail landscape.

Keywords: Retail Store, Customer Loyalty, Digital Transformation, Madhav Provision Store, Vadodara.

1. Introduction

Retailing in India is one of the most diverse and rapidly growing sectors, encompassing everything from small neighbourhood kirana stores to supermarkets and online marketplaces.

According to IBEF (2024), the Indian retail industry is valued at over USD 1.1 trillion and employs millions of people across both urban and rural areas. Retail in India has historically been dominated by small-scale kirana stores, which serve as the backbone of daily household consumption. Despite the surge of modern retail chains and e-commerce platforms, kirana stores continue to thrive due to their accessibility, trust-based relationships with customers, and personalised services.

Urban centres like Vadodara have undergone significant changes in their retail landscapes over the past three decades. The introduction of supermarkets such as D-Mart, Reliance Smart, and Big Bazaar has increased competition for local stores. At the same time, online platforms like Big Basket,



Blinkit, and Amazon Fresh have further transformed consumer expectations.

Despite these pressures, many traditional provision stores continue to maintain their



relevance, especially among middle-class families and senior citizens who value personal interaction, immediate product availability, and credit facilities.

Madhav Provision Store, established in 1989 in Manjalpur, Vadodara, exemplifies how a local family-run store can sustain growth and customer loyalty over decades. Initially a small shop offering essential groceries and household items, the store has expanded to include a broader range of products, including packaged food, beverages, dairy products, cleaning supplies, and snacks. Its ability to adapt to changing market conditions while retaining traditional values, such as customer trust and credit facilities, has contributed to its long-standing success.

The store's operational strategies, including personalised service, home delivery, flexible payment options, and adoption of digital payments through UPI and QR codes, highlight how local retailers can compete effectively in a modernised retail environment. Furthermore, the store actively engages with the community, supports local vendors, and ensures consistent quality, reinforcing its reputation as a trusted neighbourhood outlet.

This study aims to explore the growth journey of Madhav Provision Store, the challenges it faces in the context of modern retail competition, and the role of technology in sustaining operations and customer engagement. By analysing this case, the research also seeks to provide insights applicable to other small-scale retailers in India, demonstrating how traditional values combined with modern strategies can result in a sustainable competitive advantage.

2. Literature Review

Traditional Kirana Stores: Gupta & Saxena (2022) note that kirana stores dominate local retail because they provide personalised service, credit facilities, and quick access to daily essentials.

Customer Trust and Loyalty: Mehta (2021) emphasises that emotional bonding and trust are stronger drivers of loyalty than discounts or promotions.

Digital Integration: PwC India (2023) highlights that kirana stores adopting digital payment systems, inventory management apps, and social media promotion experience faster growth and higher customer satisfaction.

Local vs. Modern Retail: According to Deloitte (2024), while supermarkets offer variety and price advantages, traditional stores excel in service quality, reliability, and emotional connection with customers.

Community Impact: Research indicates that local provision stores play a significant social role, serving as hubs for interaction and supporting local suppliers (Choudhury & Dey, 2020).

This literature supports the hypothesis that Madhav Provision Store's longevity is linked to trust, service, and adaptability rather than just product availability.

3. Research Methodology

This paper is prepared based on the classroom assignment on 'Studying the Success Story of Retail Outlets in Vadodara City'. An Exploratory Research Design was used to prepare this paper. Both Primary and Secondary Data Sources were used to collect the Data. Primary data was collected through a personal interview with the owner of Madhav Retail Store. We studied the Madhav Provision Retail Store, which is situated in the Manjalpur area of Vadodara city. Primary objective behind this research is to know the daily activities of an owner Mr. Madhavbhai Parmar of Madhav Store, How he started his journey in 1989, what and how he is motivated for starting this store, what he done during difficulty times like covid, How he contact with his customers, How he use Social Media for reaching to target customers, plans, etc.

4. Case Study of Madhav Provision Store¹

¹ Prepared base on Personal Interview of Owner of Madhav Store, Madhavbhai Parmar.

Madhav Provision Store was established in 1989 with a limited range of groceries and household essentials. Mr Madhavbhai Parmar aimed to provide quality products at reasonable prices while building strong relationships with customers. Over the years, the store's reputation grew due to its honesty, consistency, and personal attention to customers.

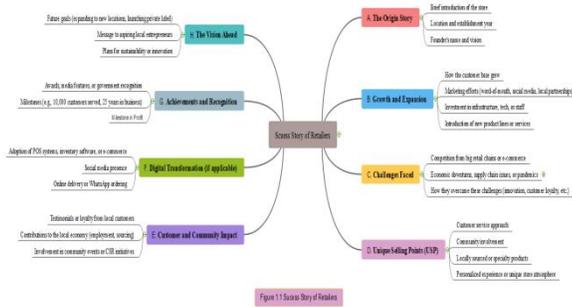


Figure 1. Success Story of Retailers

Growth and Expansion:

1990s: Focus on basic groceries and building a loyal customer base.

2000s: Expansion to include packaged food, dairy, snacks, and beverages.

2010s: Introduced home delivery and credit facilities for regular customers.

2020s: Digital adoption with UPI payments, WhatsApp ordering, and social media promotions.

Financial and Operational Challenges

- High initial investment in inventory and shop setup.
- Competition from other local stores and emerging supermarkets.
- Customer Education for Credit and Digital Payments.
- Supply chain disruptions during COVID-19 lockdowns.

Customer-Centric Strategies

1. Developing a personal relationship with customers to understand their preferences.
2. Flexible credit system for trusted regular buyers.
3. Quick home delivery within the local area.
4. Adoption of digital payments for convenience.

Customer Analysis

Why Customers Prefer Madhav Provision Store:

1. Trust and Quality of Products
2. Credit Facilities (Udhar system)
3. Quick Home Delivery
4. Familiarity and Personal Bond
5. Competitive Prices

Reasons for Choosing Madhav Provision Store:

- Trust & Quality: 35%
- Home Delivery: 20%
- Credit Facility: 15%
- Competitive Prices: 15%
- Convenience: 15%

Interpretation: Trust and reliability remain the primary reasons for customer loyalty.

Competitive Landscape:

Tables 1 & 2. SWOT Analysis

Strengths	Weaknesses
Strong reputation over 35+ years	Limited physical space
Personalised customer service	Traditional inventory system
Home delivery and credit facility	Small product range compared to supermarkets
Adoption of digital payments	Less aggressive marketing

Opportunities	Threats
Expansion to new areas	Competition from supermarkets and online apps
Inventory management software	Changing consumer preferences
Social media promotion	Rising operational costs

Challenges Faced:

1. Competition from supermarkets (D-Mart, Reliance Smart).
2. Rising operational and inventory costs.
3. Supply chain disruptions, especially during the COVID-19 pandemic.
4. Growing preference for online shopping.
5. Limited physical space for expansion.
6. Educating customers about digital payments.
7. Managing seasonal demand fluctuations.
8. Retaining younger customers attracted to e-commerce platforms.

Digital Transformation:

- UPI and QR code payments were implemented in 2018.
- WhatsApp ordering system increased sales during lockdowns.
- Active social media presence for promotions and customer engagement.
- Local delivery tie-ups ensured fast fulfilment.

Community and Social Impact

- Supports local suppliers and small vendors.
- Provides part-time employment opportunities.
- Strengthens neighbourhood connectivity.
- Offers flexible payment for financially constrained customers.

Achievements and Recognition

- Recognised as “Trusted Retailer of Vadodara” by the local Chamber of Commerce (2023).
- Expanded product range from 200 SKUs in the 1990s to over 2000 SKUs in 2025.
- Maintained high customer retention (~80%).

4. Conclusions

The case study of Madhav Provision Store illustrates how a small, family-run business can evolve into a trusted local brand by combining traditional service values with modern tools and technology. Through strong customer relationships, adaptability, and digital adoption, the store has successfully navigated competition and market challenges, maintaining consistent growth. Its journey provides valuable insights for other local retailers aiming to sustain and expand in today’s dynamic retail landscape.

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