THE CHANGES IN RETAILING IN TANZANIA: AN EVOLUTION OR A REVOLUTION? THE CASE OF DAR ES SALAAM

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Abstract

Changes have taken place in retail stores and institutions in Dar es Salaam since the introduction of trade liberalisation in 1985. The emerging changes include new types of retail businesses, stores, merchandise assortments, ownership, stores' physical appearance and layout, new locations and large stores. New business environment that allows private ownership and initiatives in the running of the economy competitively and retailers who are market driven and those with entrepreneurial behaviour influence the changes. The competitive environment challenge retailers who have to design strategies that attract and change consumer behaviour and buy from their stores. The retailer's appeal to market needs through marketing strategies that focus on retail mix factors -the physical structure and location of the retail stores, merchandise assortment and pricing, customer care and services. The supply system supports the changes because manufacturers and importers are continuously providing variety, complementary and substitute goods. The retail stores are different from each other due to differential knowledge of marketing skills by retailers such that each retail owner creates impressive positions in their stores in order to provide value to end users, convenience and bargain in some goods or services offered. The noted changes of the retail sector are evolving gradually and take place where finances are available. Revolution of the sector is not easy to come by because retailers are faced with problems, which are associated with low profits, bureaucracy, high taxes and poor physical environment. The trends of retail changes are identified showing implications for policy, manufacturers, retailers and consumers.

Key word; Retail changes, New business environment, evolving gradually, revolution is slowed by problems