

# BUILT ENVIRONMENT AND SOCIETY



GROUP 4

## RITCHIE STREET ACROSS THE TIME

**COMPETITIVE  
LANDSCAPE**

**HISTORY**

**TECHNOLOGY**

**TIME**

**ECONOMY**

**SPACE**

# HISTORY OF RITCHIE STREET



1970-

RADIO MARKET

First electronics store was opened. Only 5 shops were there initially.



1982

125 more shops came up



1990



NOW

Now it has more than 2500 shops

# SPATIAL EVOLUTION

TEMPORAL SHIFTS AND THEIR  
LOCAL IMPACT







## EDUCATIONAL & CULTURAL PURSUITS

Started as an extension of the Ritchie's Christian Institute primarily associated with its educational and cultural activities

## BOOKSTORES & STATIONARY MARKETPLACE

Over time it transformed into a commercial hub catering to the needs of students, book lovers and those seeking office supplies

## ELECTRONICS & TECHNOLOGY HUB

Finally evolved into what we know today; the one-stop destination for electronics





## 1970-1980

- With the evolution of technology, the commercial hub of Ritchie Street identified this new market and, inspired by Nehru Place, started the sales of electronics.
- This was still in its very early stages with around 10-20 shops and didn't lead to much change in the physical space

## 1980-1990

- With the Electronics Policy of 1984 by the Rajiv Gandhi government, there was a huge boom in this industry
- Most of the bookshops were replaced by those specialised in electronics





## POST 1990

- With the reduction of sales tax by the then-governor, many manufacturers set up shop there and this led to another boom in the number of stores
- After that, the stores kept up with the improvements in technology, adapting to laptops, mobile phones, smart phones, etc.

## WHEN DID RITCHIE ST. START TO LOOK LIKE HOW WE KNOW IT TODAY?

- Although a lot of shops took off after the policy of 1984, the interwoven, cramped and busy streets were created by the advent of globalization in the 90s and early 2000s



## EXPLORING THE BYWAYS

- Post-globalization, there was a lack of space to expand inside Ritchie Street itself
- This led to the smaller byways between streets also being converted into shopping complexes and the construction of underground units
- A major disadvantage of this is that the shops are hidden from the eyes of the customers
- To combat this, employees stand outside to attract customers inside these complexes
- A lot of shops also use spaces in these complexes as warehouses for their shops on the main street
- A lot of wholesale sellers also occupy these spaces as they don't have much need to attract customers from the road as most customers don't come to buy in bulk
- When we talked to a lot of these shops, we found that loyalty is one of the main factors that keep their business running even when they aren't as visible as others





## OTHER DEVELOPMENTS

- Infrastructure: A lot of developments like increased parking, pavements and lighting have been implemented but these haven't been able to keep up with the increasing popularity of the place
- Community : With the increasing population of sellers and residents, unions were formed in Ritchie Street to help in the development of the community as a whole
- Digital Presence: Although very weak when compared to e-commerce websites, a lot of shops on Ritchie Street have an online presence. We even saw a shop that had an Instagram account with 58K followers
- Security: Due to its cramped and informal nature, Ritchie Street is not a stranger to thefts. To combat this, the trade union with the Greater Chennai Police have set up CCTV surveillance around the area

# EVOLUTION OF (ELECTRONIC) MARKETS



A horizontal timeline with four blue diamond markers. Below each marker is a stage name in yellow and a description in white. The background is dark blue.

## PRE INDEPENDENCE

Moghul and British baazars: bustling single commodity markets with global products.  
Played hide-and-seek with taxation and law.

## NATIONALIST STATE

Commercial areas built by the government to act as commercial districts  
Example: Nehru Place, New Delhi

## GLOBALISATION

Gradually the influence of the state reduced.  
The domain of technoculture left the monument and emerged in the street.

## POST GLOBAL

New Electronic Baazars: same difficult relationship with law and taxation.  
Markers of new arena of consumption.



Pirate electronic culture, by emerging in the very ruins of functionalist buildings, has invested them with deep layers of indeterminacy, where flows have transformed the original urge for order.

- Ravi Sundaram



# DATASET

## SHOPS ESTABLISHED PRE GLOBALISATION: 1959-1980S

- 4th generation owners mostly managed these shops, Most of them were migrants who came to Chennai years ago, spoke fluent english and were considerably well off.
- Very few of them survive today, we interviewed 5 such shops.

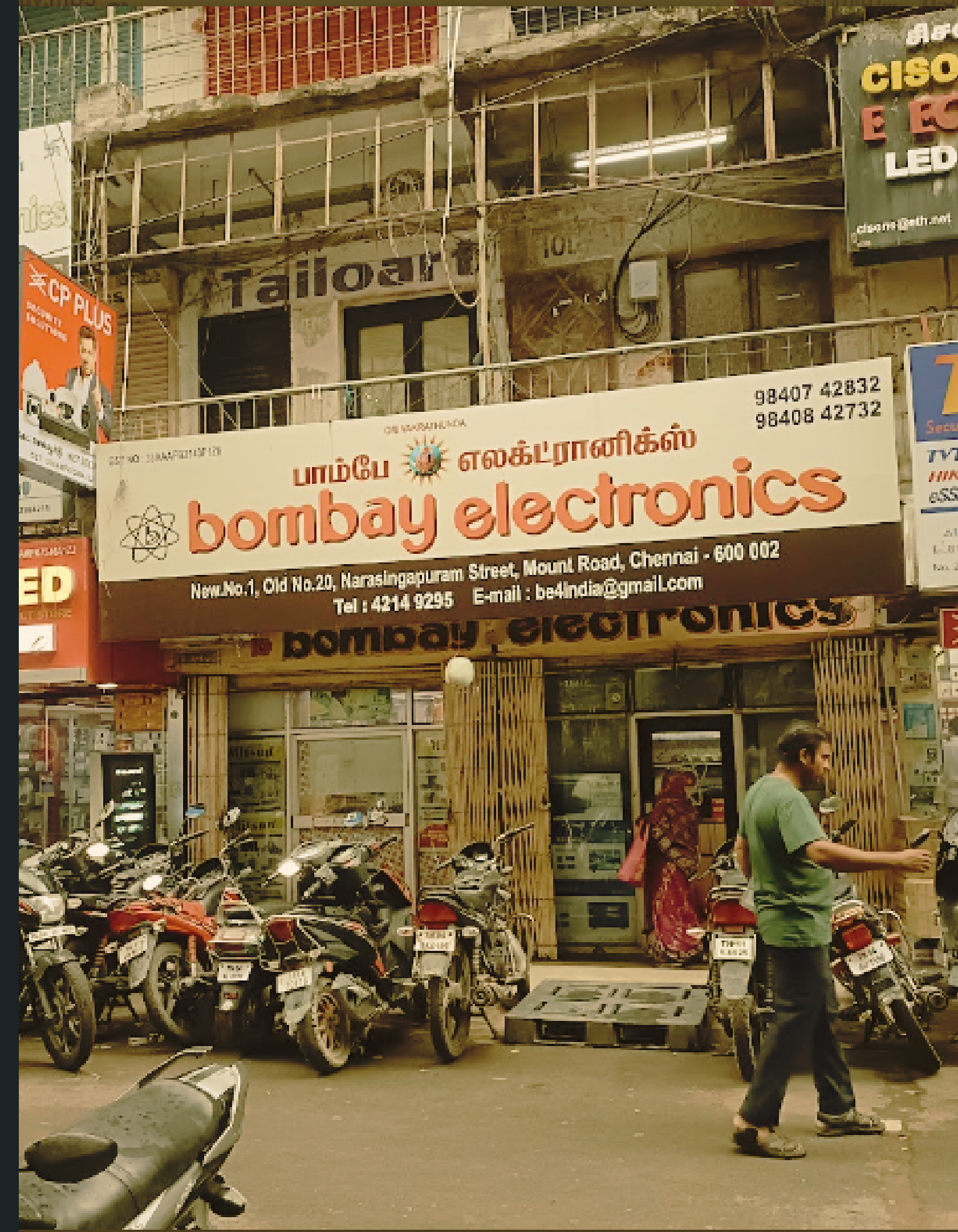
## SHOPS ESTABLISHED POST GLOBALISATION: 1990-PRESENT

- Majority of them had recently migrated to Chennai to join the buisness of their family/friends. Most worked in smaller shops, talked in Hindi/Tamil.
- They found it much easier to cope with the rapidly changing technology.
- We talked to 10 such dealers, we could find a much diverse

# BOMBAY ELECTRONICS

## ESTD. 1971

- Owned by Partition migrants, who reallocated from Mumbai to Chennai in 1970
- One of the first ten shops in Ritchie Street when it was established, they majorly dealt with radio equipment.
- Television equipment, then Telephones, and now Laptop parts
- Their products are primarily imported from China, a very recent shift.
- The digitisation of the marketplace reduced their revenue by 75%, however they are working on digitising their sales as well.
- The biggest challenge they identified was keeping up with the rapidly changing market.



# GREY BAAZAR

- Many of the things sold here parallel imports, enforcing the image of Ritchie Street as a new bazaar: it's global, it's legally grey.
- The greyness of the market prompts the dealers to offer 'personal warranties' to reassure their clients.
- In a market characterized by almost perfect competition and razor-thin margins, the 'personal warranty' has emerged as a means to discriminate between one retailer and another.
- Thus, forming a consumer base based on loyalty.





# ECONOMIC CHANGES

## MOON STAR- BASEMENT PHONE SHOP

- Different Outlets - Different Incharge persons - One owner
- Revenue is not steady - customers are attracted by the shops in the front



The great depression of the 1930s was another major feature that influenced the process of urbanisation during this period. As an effect of the depression, there was a severe contraction in external and internal trade. The crisis in the trade sector led to a complete collapse of the credit structure and this led to a situation of excess, idle funds in the market. The trade crisis also led to a process of centralisation or rationalisation of the market. Market activities became concentrated in some towns which perhaps enjoyed the benefits of better transport connections and development of other market infrastructural facilities, while a number of market towns which had come up during the earlier phase of market buoyancy languished. It is this process of centralisation and rationalisation of the markets which is one of the factors underlying the phenomenon of duality which begins its appearance on the urban scene in Tamil Nadu in this period.

## WHY TOO MANY SHOPS?

Favourable conditions for supply of goods-as these goods all have to be supplied to one area in Chennai, the resultant transport costs are lower, hence enabling them to charge lower prices than dispersed stores.

## SYNKISM

The force of synekism (as Edward Soja defines it, the force of urban agglomeration leading to synergies resulting in positive outcomes for most part of the time)- appears to be active here.

## HELPFUL

The prices are roughly uniform through all the shops. So, by some form of implicit collusion and by not undercutting each other, nobody loses out. SOCIAL CAPITAL ESTABLISHED.



## RADIO STREET

- Radios, Transistors, Resistors, Capacitors
- Market bloomed around 70s and 80s
- Cassettes, tape recorders and computer systems became available - Split of electronic market into electronic and technology



## CASSETTES AND ELECTRONICS-1984

- Cassettes to Transformers
- Peculiar item sales.
- Cassette(3-4yrs) - video cassette(5yrs)- transformer
- Changes exist but it's not gonna flip the market upside down





## NOBLE ELECTRONICS- 1999

- Competition high
- fluctuates
- import from china
- didnt adapt to other product
- salem , madurai
- refernce is how they build connections
- wholesale rate

## WHAT DO THEY DO?

- E. Kumar, proprietor of N.K. Computers, says: business is not as rosy as it was in the 90s and 2000s. The advent of online retailers, with their huge discounts and better customer care, has eaten into the already-shrinking market share.



# COMPETITIVE LANDSCAPE

## **RICHIE STREET'S ORIGINS:**

- Began as a radio market with virtually no local competition.

## **EVOLUTION TO ELECTRONICS HUB:**

- Expanded product offerings to include computers, electronics, and more.

## **GROWING MARKET DEMAND:**

- Rising demand for a comprehensive electronics marketplace spurred growth.

## **PRESENT-DAY SIGNIFICANCE:**

- Richie Street now boasts over 2500 shops, establishing itself as one of Chennai's largest markets.
- This slide concisely captures the journey from the market's humble beginnings to its current prominence.



## HOW DID COMPETITION INCREASE?

### Escalating Competition Due to Urbanization:

- Competition intensified as rapid urbanization took place over time.

### Expanding Competition Beyond the Street:

- The surge in competition extended to businesses both inside and outside of Richie Street.

## INFLUENCE OF TIME

- In its inception, Richie Street's primary competition was predominantly internal.
- Shops could readily assess and understand their local competition.
- The intensity of competition among the shops was relatively low.
- Each shop operated with its unique business focus, resulting in a reasonably high concentration ratio.



- As time passed, competition among the shops on Richie Street intensified.
- Growing consumer demand attracted more businesses to the market.
- The increasing number of shops led to a reduction in the concentration ratio.
- This decrease in concentration resulted in heightened competition among shops with similar business offerings.



## WHERE DID THE COMPETITION GROW?

- Initially, new shops emerged within the same vicinity.
- Over time, surrounding areas in Chennai began to grow and develop.
- Locations like Sowcarpet saw a surge in the establishment of numerous shops.
- Convenience became a priority as consumers opted not to travel extensively, leading them to choose Sowcarpet over other areas.



# COMBATTING THE COMPETITION

## Adaptation to Market Demand: Insights from ORBIT

- ORBIT, an example of adaptation to changing market demand.
- Began with the sale of cassettes, reflecting the preferences of the time.
- Transitioned to video players as consumer needs evolved.
- Finally, responded to market shifts by specializing in the sale of transformer parts



# Customer Loyalty

## The Significance of Loyal Customers

- Loyal customers are a linchpin for Richie Street businesses, according to many owners.
- Richie Street's long history has fostered a dedicated and faithful customer base.
- This enduring loyalty keeps businesses thriving and "evergreen."
- The market benefits from continuous recommendations, extending from the outskirts of Chennai, further bolstering their success.

## How is this created?

- Owners expand their reach by establishing smaller shops across the city.
- Smaller shops may not carry the full range of products, directing customers back to Richie Street, their parent shop.
- This practice fosters a loyal network of customers around Chennai.
- Richie Street shops also collaborate with other businesses in the city for mutual support and growth.



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