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EXPECTATION OF CUSTOMER FROM RETAIL SECTOR

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Abstract:

We look at the structured retail business in India in this research report. It began to feel its influence about ten years after the first set up of companies. A short introduction and transformation reveals how organized retailers have shifted their gears from mom and pop markets in India into chain stores. The networks between the manufacturer and the actual customer can be said to be the retailing. Retailing is the final link to the production and delivery chain for the actual customer. Retail involves selling products directly to the customer in limited amounts for personal use from a particular point (malls, market, departments, shops etc.). Indian shoppers' changing situation demonstrates the future possibility of retailing. SWOT and its subheadings bring you to the heart of retail research, from which we devise future prospects. FDI at retail was a constant problem and, considering the perceived political situation, could face opposition. The paper outlines the various retail types. The research study examined how organized retail services had improved their approach to customers.

Key Words: Organized Retailing, Unorganized Retailing, FDI in Retail.

Introduction:

Media for retailing "The consumers' re-tailing so they can return to them. The retail consists of all operations engaged in marketing to individuals, families or household's products and services to customers. 2004 described the phrase by the High Court of Delhi "retail' in comparison to a sale for further processing or sale for final consumption (i.e. wholesale). India is the world's second most rapidly growing nation. In terms of GDP and the fourth biggest purchasing power parity economy, this is the third largest economy in the world. India offers an enormous chance to serve as a hub for the planet. India is the "promised land", "A vibrant economy," for world brands and Indian distributors. Retailers in India are gradually evolving into the next most rapidly expanding market. According to A.T. Kearney, $410 billion was in stock and just 5% of the previously mentioned industry is in integrated retailing. India ranked 5th of the top 30 emerging retail markets, according to the 2012 Global Retail Development Index. The recent retail announcement of the Indian government FDI, which allows 100% FDI in single and multi-brand FDI, has created positive attitudes in this market. In particular, the Indian Government is making a positive decision.

India's retail industry in many different industries and segments has enormous scope for growth and opportunities. The corner food shops (kirana shops) have been the consumer's only option for a long time! However, the 1991 LPG reform paved the way for India in international retail formats. Over time, coordinated retailing creates interest among Indian customers in particular to design them in large numbers into shopping malls. The expansion of organized retail is nevertheless largely confined to the country's metropolitan markets. Even the big unorganized retails did not fall short of this nominal rise in the organized business and have sought, through self-service formats and value-added services such as credit and home deliveries, to restructure and redefine. In order to preserve the spot on the market, retailers have tried by offering new measurements and designing exclusive shopping opportunities for their consumers to draw customers. The perceptions of these retailing companies are primarily influenced by observable shop characteristics such as format or scale, proximity, accessible varieties and intangible considerations like the environment of the store, handling of complaints etc. The Indian retail market is a turning point for the increase in the organized retailing and consumption of the Indian population. There is a significant demographic shift in the Indian population. A young worker population under 24 years of age, sharp rise in the per capita earnings, a growth in nuclear dual-income family members in urban areas and the number of working women. The main growth factors in the organized retail market in India will be in the services sector. The entire retail paradigm has changed in format and patterns of customer shopping, which could eventually lead to shopping in India.

Literature Review:

During their investigation Rama Venkatachalam and Arwah Madan (2012) [1], both organized and unorganized resellers have emphasized the consistency of fresh products and the supply of exotic fruit and vegetables, the show & hygiene, house distribution & credit facility. Changes in consumer preferences were found by unorganized or arranged retailers as they purchase fresh food. The author has said that integrated retailing works well to maintain, thrive and expand. The new and conventional retailers will coexist for some time, according to Monika Talreja and Dhiraj Jain (2013) [2], as all are equally competitive. The shops in Kirana are low-cost, located and popular with customers, while integrated retail provides a combination of product breadth and depth and better purchases. Detailed information about the growth of India's retail industry is provided by Vidushi Handa, Navneet Grover [3]. It explores the increased awareness and brand awareness by individuals from across socio-economic groups in India and the witnesses of substantial growth in urban and semi-urban retail markets. It addresses India's role in the development of industries and the need for more reforms. The paper covers development of the Indian retail market, policies, retail strengths and prospects, the Indian retail format, recent developments and challenges.

In her research, Medha Kanetkar-(2013) [4] reveals that the environment is transforming undoubtedly and customer behavior is emerging faster than average. In areas that we have never seen before, consumers and suppliers are electronically pulled together. One of the most interesting facets of the modern digital environment is that users can personally communicate with people living on and off the blocks. The retail idea was primitive in the Indian sense, as stated in Lakshmi Narayana K, Ajata

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Shathru Samal and P Nagaraja Rao-(2013) [5]. We had supermarkets, medical shops, and several more stores around the country, which worked surprisingly well. People have recently been aware of the traditional shops that would disappear. But we can never forget enough to remind us that this old idea is deeply rooted. The very new organized shops took the notion that these old stores wouldn't be sold anywhere else. Dhruv Grewal, et al. (2011) [6] synthesizes the latest pricing and marketing results about enhanced targeting and pricing models and increased efficacy, in their paper. A business model for retailers shows how a distributor generates demand for consumers and a consumer value. Retail business models innovations are becoming more and more important to creating a sustainable profit on a market characterized by steady changes, the consumer demands, and strong competition.

Nancy M. Puccinelli, et al. , [7] aims to enhance this awareness by offering a review of current research on consumer activity and proposing that basic elements of consumer behavior: aims, information retrieval, recollection, participation, behavior, affective treatment and customer attributions and options play an important role. Urvashi Gupta-(2012) [8] has carried out an analysis to consider market transition in new retail formats and conventional retailers. It has been noted that shoppers have several choices to select from new retail chains to local stores, given the changing demographics, urbanization and visibility due to electronic media in particular the Internet. Most customers frequent arranged sizes for diversity, easy accessibility, cleanliness with additional entertainment facilities for children and accessible parking and restaurant facilities. If the shop is not structured, the credit and negotiation facilities balance the tilt immediately. In contrast to older generations who like to frequent Kirana shops, the younger generation is more inclined to organize shopping. Both organized and non-organized stores need to incorporate value-added offerings to improve the convenience and value of their shopping experience. The study on the conduct of client patronage in shopping malls in Suman Yadav, Richa Arora (2012) [9] highlights the work that has been done in the last two decades, and focuses on future Indian studies. The definition of purchasing in terms of customer purchase behavior changes organized retailers. Today's shopping is something more than just purchasing – it is an adventure. Due to the arrival of supermarkets and central air-conditioned centers, the retail sector in India has seen huge expansion.

Objectives of the Study:

1. To investigate factors that affect the buying of organized and unorganized retailers by customers.
2. To examine the impact on coordinated and unorganized retail purchases through demographic factors.
3. To research consumer understanding of structured and unorganized retail business.

Hypothesis Framed for the Study:

1. There is no substantial distinction between store format options for shopping goods.
2. The preferences of retail formats around the family income level do not vary significantly.
3. The preference of the store format for different buying reasons does not vary greatly.
4. The store style options around the age of the respondents are not significantly different.
5. The options of the retail format through the gender of respondents are not important.

Research Design & Method:

Research Method	Description of the Research
Sample Strategy	
Sampling Structure	Clients who buy from organized and unorganized Chennai merchants.
Sampling Element	Customers from various ages, ethnicity, income and backgrounds in different places.
Sampling Scope	100 clienteles
Sampling Procedures	Subjective sampling
Data Collection Approaches	
Prime Data	Review Method (The complete program is uniform and formal)
Ancillary Data	Facts from interviewees and publications is compiled and from earlier retail industry studies.
Type of Program	Organized Survey with appropriate scaling
Type of Queries	Likert Scale, Close ended and objective response.
Statistical Tool Used	Chi square test, Weighted average

Research Instrument:

Questionnaires became the research tool used to gather primary data. The survey was divided into three sections.
Part-1 had concerns about respondents' demographics.
Part 2 relates to some fundamental facts about the decision of the respondent to visit a specific store to buy an item.
Part-3 consisted of a semantic differential dimension to assess consumer expectations of the store's image attributes.

Table 1: Demographic Data of Model Respondents

Demographic		**No. of Response**	
		Frequency	**Percentage**
Gender	Male	46	46
	Female	54	54
Total		**100**	**100**
Age-group	< 20 yr	18	18
	20 to 30 yr	41	41
	30 to 40 yr	26	26
	40 to 50 yr	12	12

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	> 50 yr	3	3
Total		**100**	**100**
Marital Status	Single	52	52
	Married	48	48
Total		**100**	**100**
Qualification	Higher Secondary	21	21
	Bachelor degree	34	34
	Master degree	30	30
	Professional	15	15
Total		**100**	**100**
Livelihood	Student	29	29
	Employee (Private)	26	26
	Employee (Government)	13	13
	Entrepreneur	16	16
	Homemaker	16	16
Total		**100**	**100**
Nature of Family	Elementary Family	37	37
	Extended Family	63	63
Total		**100**	**100**
Income (Monthly)	< 20000 Rs	23	23
	20000 to 30000 Rs	33	33
	30000 to 40000 Rs	22	22
	> 50000 Rs	22	22
Total		**100**	**100**

The respondents' demographic features (Table 1) indicate that most of the respondents (54%) are females. In addition, it is seen that most respondents (41%) were in the 20-30 years age group, with 26% being in the 30-40 year age group. A median of 29 per cent of students is employed, led by 26 per cent of private staff. Any of the participants were single (52 percent). A majority of participants (34%), led by postgraduates, were graduates (30 percent). This showed that education was also a dominant factor in retail choice.

Table 2: Shopping Needs Rate of Visit

Purchasing Source	**No. of Response**	**Percentage**
Organized Sector	36	36
Non-organized Sector	64	64
Total	**100**	**100**
Under the Organized Sector		
Super-market	18	50
Chain-Stores	15	42
Departmental-Stores	3	8
Total	**36**	**100**
Under the Non-organized Sector		
Conventional-Stores	11	17
Neighborhood-Stores	43	67
Others	10	16
Total	**64**	**100**

Table 2 shows that 36% of respondents buy vital products from coordinated store sizes and 64% from non-organized retailers. Table 2 shows Further, 50% of respondents purchased from super-markets, 42% from chain-stores and 8% from department-stores. Roughly 17% prefers to buy from traditional shops, 67% and 16% tend to buy from local markets and elsewhere, such as kiranas etc.

Different Shopping Things:

Testing chi-square (At 5 percent Level significance)

Table 3: (Considered product opinion from retailers)

Items Bought	**From Organized Sector**	**From Non-Organized Sector**
Vegetables, Food Items and Grocery	6	16
Electrical, Electronic goods and Homemade Appliances	6	8
Textiles	9	10
All of above	15	30
Total	**36**	**64**

χ^2 calculated = 4.8 χ^2 tabulated (at 5% degree of significant) = 7.8

Interpretation:

The foregoing investigation reveals that the selections of retailers' formats on the shopping products are not significantly different and that the uppermost hypothesis is thus approved. These retailer formats are not taken into account by the respondents on the basis of the purchases.

Various Income Levels:

Table 4: Most purchases made according to monthly family income by respondents

Salary	Respondent's View on bulk buying	
	Organized	Non-Organized
< 20000	5	18
20000 to 30000	12	20
30000 to 40000	9	14
> 40000	10	12
Total	**36**	**64**

χ^2 calculated = 4.1 χ^2 tabulated (at 5% degree of significant) = 7.8

Interpretation:

The study gives sufficient evidence that the zero hypothesis is not rejected. In other words, the choice of store formats across family incomes does not change significantly.

Various Shopping Factors:

Table 5: Reaction to purchase from both Organized and Unorganized retail companies

Factors	No. of Response	
	From Organized Sector	From Non-organized Sector
Product Range	7	11
Better quality	5	10
Smart discounts and schemes	4	8
Payment mode	4	4
Only grocery	0	9
Delivery at door	4	5
Urgent buying	0	7
Price affordability	0	6
Store owner attitude	0	2
Availability of Credit scheme	1	2
Handling of complaints	4	0
Satisfaction & Self-service	7	0
Total	**36**	**64**

χ^2 calculated = 37.9 χ^2 tabulated (at 5% degree of significant) = 19.7

Interpretation:

As the null hypothesis is accepted, we may infer that the choices of store formats are no significant change across age.

Across Gender:

Table 6: Purchases made according to Gender

Gender	Response on Purchases	
	Organized	Non-organized
Male	22	23
Female	14	41
Total	**36**	**64**

χ^2 calculated = 9.4 χ^2 tabulated (at 5% degree of significant) = 3.8

Interpretation:

Since the null hypothesis is rejected, we may conclude that the selections of merchants by genre are significantly different. Perception across the organized and unorganized sector

Table 7: Respondents preference on organized compared to unorganized retail sector on various factors

Factors	Ratings					Weight	Rank
	5	4	3	2	1		
Suitable	29	43	15	8	5	3.62	2
Vicinity	13	51	25	9	2	3.16	5
Easy	34	40	19	5	2	3.7	1
Additional services	35	29	26	8	2	3.44	3
Better services than traditional stores	15	33	41	4	7	2.65	6
Entertainment	12	23	29	28	8	2.42	7
Quantity & quality	20	41	24	12	3	3.17	4

Interpretation:

The above table stated that because of their comforting shopping atmosphere and convenience, customers' attitude of organized sectors was high. In the absence of a structured retail, value-added services might be given appropriate priority in creating strong customer relations to assist them retain present consumers and attract new clients.

Conclusion:

In the retail industry, India is at the crossroads. For some time now both contemporary and traditional shops in India will coexist, since they have their unique competitive advantages. The Kirana is low priced, conveniently located and intimate to its customers whereas newer retailers provide product width and depth and a better shopping experience. The aims of this study were primarily to develop consumer perceptions for organized and unorganized stores in different demographics. This study has shown the customers like to buy fruit & veggies from air-conditions because of excellent goods, but they are still prudent in buying these types from local sellers of mobile veggies or the neighboring market because of their high pricing. In addition, the analysis showed the proximity of non-organized outlets as a considerable comparative benefit. The relative great advantage of unorganized merchants are their capacity to sell loose goods, credit rates, trade and home delivery equipment.

Due to the shop picture, product availability and price reductions, organized retail is of higher benefit. The study shows that the perspective of customers towards organized and unorganized shops differs based on quality and price owing to changes in the available income and greater quality awareness. They like to acquire various things from the organized and distinct stores. The survey indicated that the majority of respondents had a favorable picture of organized merchants in comparison with the disorganized retail structure. Although even unorganized retailers had a substantial market share, there was a difference between the two types due to space, parking etc. More outlets are desired by clients. Despite the great potential and chances for expansion for the organized sector, the unorganized dealer won't be much affected by Indian customers, who won't dream of a life without a local kirana store in the neighborhood.

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