

Changing Consumer Perceptions towards Organized Retailing in Hyderabad City: An Empirical Analysis

Kavitha Thakur¹, B. Muralikrishna²

Abstract

Retailing is one of the largest sectors in the global economy & is going through an evolutionary change in India. Retail is currently a flourishing sector of the Indian economy. The Indian Retail Industry is the largest among all the Industries accounting for over 10 percent of the country's GDP as well as provides around 8 percent employment. It has emerged as one of the largest industry contributing to employment generation, revenue generation, increased turn over and many more. Organized retailing is showing signs of enormous creativity. It has emerged as one of the most dynamic and fast paced industries with several players entering the market. As a matter of fact retailing in India is gradually edge its way towards becoming the next boom industry. The basic objective of this study is to analyse the customer perception towards organized retailing & the factors which influence their purchases.

Keywords: Retail Sector; Organized Retailing; Customer Perceptions.

Introduction

The term "retailing" is referred to as any activity that involves a sale to an individual customer. Retail industry is of late often being hailed as one of the upcoming sectors in the economy. Retailing in India is the second largest untapped & potential market after China.

Professional & effective management and strong customer focus characterize organized retailing. India has one of the largest number of the retail outlets in the world. Out of the more than 12 million retail outlets present in the country, nearly 5 million sell food and other consumer related products. Though the market has been dominated by unorganized players, the entry of domestic & international organized players is set to change the scenario.

Organised Retail in India

Indian Retail industry is the largest industry in India, with an employment generating more than around 8% and contributing to over 10% of the country's GDP. Retail industry in India is expected to rise 25% yearly being driven by strong income growth, the changing life style and favourable demographic patterns. It is expected that by 2018 modern retail industry in India will be worth US\$ 200-300 billion.

Review of Literature

Richard (2011), studied the shopping habits of consumers to form an idea as to the store concepts, product ranges and strategies of the companies are appropriate towards consumer needs & requirements. Consumers are satisfied when the perceived service meets or exceeds their expectations. They are dissatisfied when they feel the service falls below their expectations. When retailers provide unexpected services, customers will be truly delighted. Thus, to delight customers, retailers need to understand the customer's expectations and take the necessary steps to meet the expected service Raut and Dash (2011), the consumer is no longer shopping from the local

Author's Affiliation: ¹Research Scholar, Andhra University, Vishakapatnam, Andhra Pradesh State, India - 530003.
²Professor, Samatha College, Andhra University, Vishakapatnam, Andhra Pradesh State, India - 530017.

Reprint's Request: Kavitha Thakur, Research Scholar, Andhra University, Vishakapatnam, Andhra Pradesh State, India - 530003

Email: kthakur4@gmail.com

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market; rather the place of shopping has shifted to the stores in malls. Malls are also towards catering to the younger population segments. The shopping behavior of the consumer varies according to their age. Moreover shopping behavior of younger consumers is focused towards seeking entertainment, while older consumers focus on comfort, convenience and leisure. India is currently in the second phase of evolution, that is, consumer demand organized formats (Jhamb and Kiran, 2012).

According to Kotler, Keller, Koshy and Jha (2012) "Customer Shopping Behaviour is the study of how individuals, groups and organizations select, buy, use and dispose of goods, service, idea, or experiences to satisfy their needs and wants".

Objectives of the Study

1. To understand the customer perceptions towards organized retailing.
2. To understand the factors influencing the customers to purchase from organized retail stores.

Research Design

The Research design is descriptive in nature because the study aims to find out the customer perception towards the organized retail stores.

Data Collection

The data collection sources are:

Primary data: The data is collected by the help of questionnaire.

Secondary data: The data is collected by the help of internet, books, articles & journals.

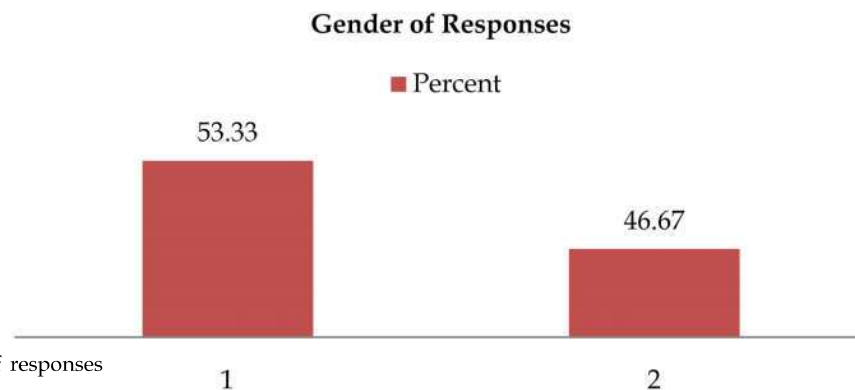
Research instrument: The questionnaire is used as one of the research instrument.

Selection of Sample: A sample of 30 respondents was randomly selected for analysis of the study. Simple percentages are used to analyse data among different attributes influencing the customer perception towards organized retailing.

Analysis of Data

Table 1: Gender of responses

Value Label	Value	Frequency	Percent	Valid Percent
1	Female	16	53.33	53.33
2	Male	14	46.67	46.67
	Total	30	100	100



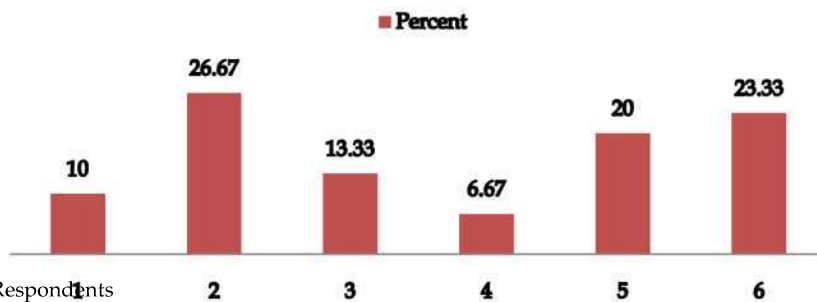
Graph 1: Gender of responses

The Table and Graph 1 represents the ratio of Females at 53.33% & Males at 46.67% constituting the sample of respondents.

Table 2: Income of Respondents

Value Label	Value	Frequency	Percent	Valid Percent
1	10000 - 20000	3	10.00	10.00
2	20001 - 30000	8	26.67	26.67
3	30001 - 40000	4	13.33	13.33
4	40001 - 50000	2	6.67	6.67
5	Above 50000	6	20.00	20.00
6	Less than 10000	7	23.33	23.33
	Total	30	100	100

Income of Respondents



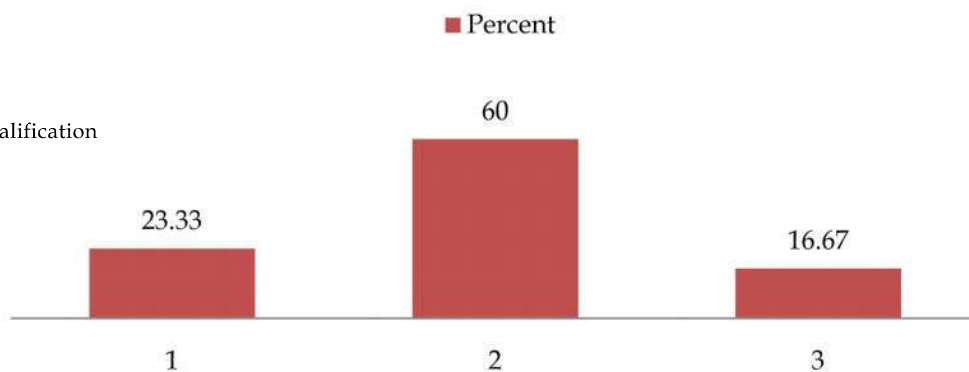
Graph 2: Income of Respondents

From the Table and Graph 2 it is observed that 26.67% of the sample respondents belong to the Income group of Rs.20000-30000 & 23.33% belong to less than Rs 10000/-.

Table 3: Qualification

Value Label	Value	Frequency	Percent	Valid Percent
1	Graduate	7	23.33	23.33
2	Post graduate	18	60.00	60.00
3	Professional Qualification	5	16.67	16.67
	Total	30	100	100

Qualification



Graph 3: Qualification

From the Table and Graph 3, it is observed that 60% of the sample respondents are qualified Post-graduates, 23.3% graduates & 16.67% are Professionals.

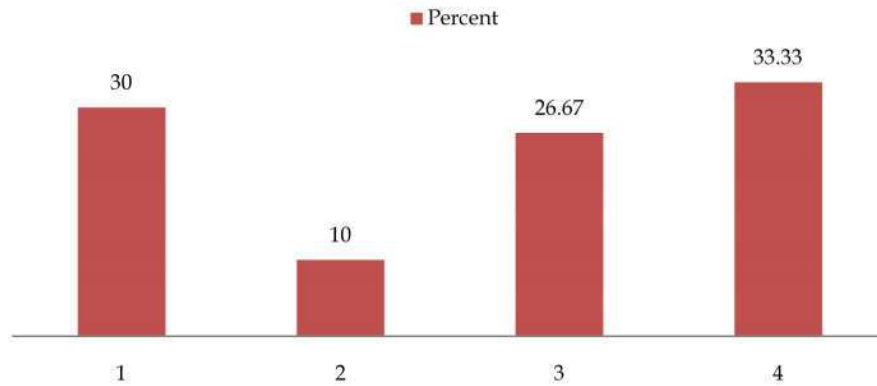
Attributes Influencing the Customer Perceptions towards Organized Retailing

Table 4: Wide range of items at one place

Value Label	Value	Frequency	Percent	Valid Percent
1	High	9	30.00	30.00
2	Low	3	10.00	10.00
3	Medium	8	26.67	26.67
4	Very High	10	33.33	33.33
	Total	30	100.0	100.0

It is observed from the Table and Graph 4, that the Customer perception regarding wide range of items at one place is very high with 33.33% of the respondents & low with 10% of respondents.

Wide range of items at one place



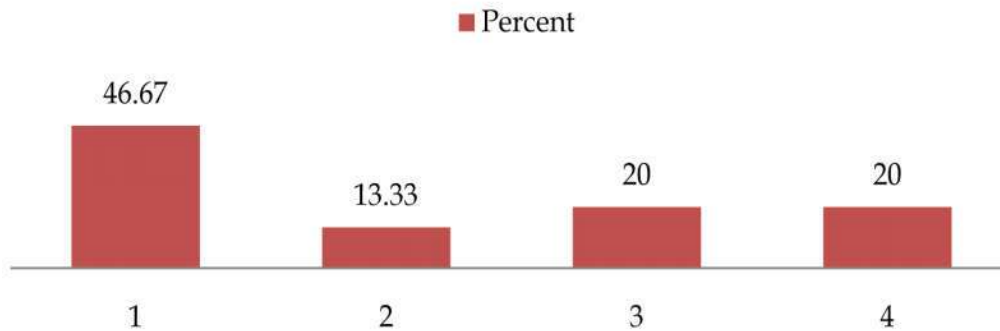
Graph 4: Wide range of items at one place

Table 5: Fresh stock of items

Value Label	Value	Frequency	Percent	Valid Percent
1	High	14	46.67	46.67
2	Low	4	13.33	13.33
3	Medium	6	20.00	20.00
4	Very High	6	20.00	20.00
	Total	30	100	100

From Table and Graph 5, it is observed that the Customer Perception with regard to Fresh stock of items is high with 46.67% of respondents & low with 13.33% of respondents.

Fresh stock of items



Graph 5: Fresh stock of items

Table 6: Availability of sizes

Value Label	Value	Frequency	Percent	Valid Percent
1	High	13	43.33	43.33
2	Low	3	10.00	10.00
3	Medium	5	16.67	16.67
4	Very High	9	30.00	30.00
	Total	30	100.00	100.00

From Table and Graph 6, it is observed that the Customer Perception with regard to Availability of sizes is high with 43.33% of respondents & low with 10% of respondents.

Graph 6: Availability of sizes

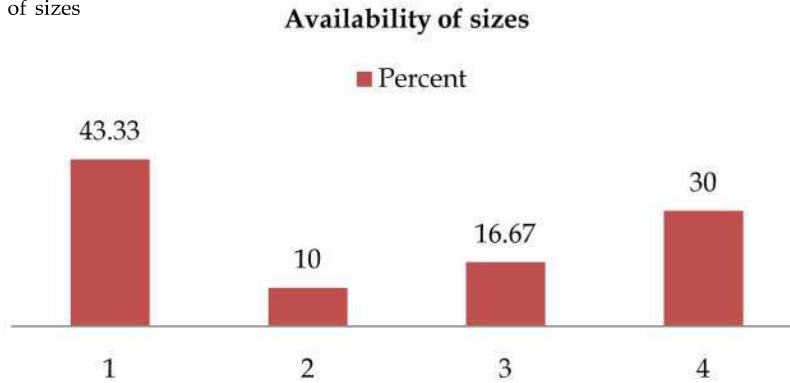


Table 7: Quality services

Value Label	Value	Frequency	Percent	Valid Percent
1	High	14	46.67	46.67
2	Low	4	13.33	13.33
3	Medium	7	23.33	23.33
4	Very High	5	16.67	16.67
	Total	30	100.0	100.0

From Table and Graph 7, it is observed that the Customer Perception with regard to Quality Services is high with 46.67% of respondents & low with 13.33% of respondents.

Graph 7: Quality services

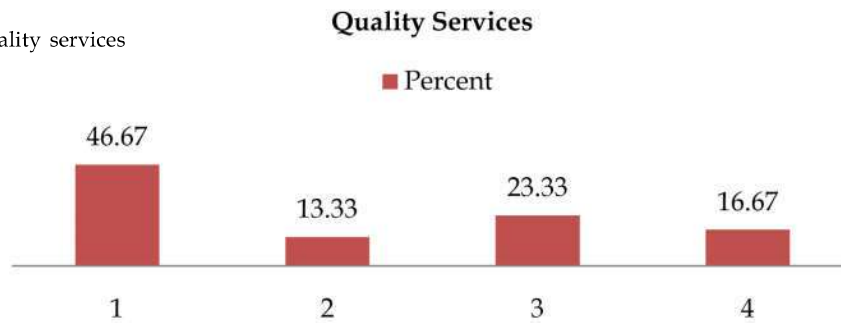
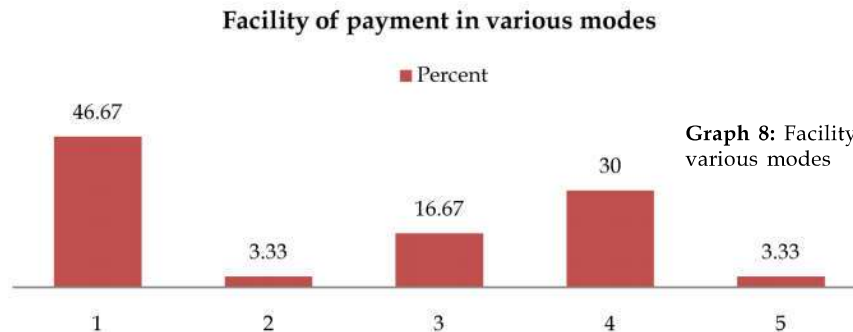


Table 8: Facility of payment in various modes

Value Label	Value	Frequency	Percent	Valid Percent
1	High	14	46.67	46.67
2	Low	1	3.33	3.33
3	Medium	5	16.67	16.67
4	Very High	9	30.00	30.00
5	Very Low	1	3.33	3.33
	Total	30	100	100

From Table and Graph 8, it is observed that the Customer Perception with regard to Facility of payment in various modes is high with 46.67% of respondents & low with 3.33% of respondents.



Graph 8: Facility of payment in various modes

Table 9: Location of stores

Value Label	Value	Frequency	Percent	Valid Percent
1	High	3	10.00	10.00
2	Low	8	26.67	26.67
3	Medium	10	33.33	33.33
4	Very High	5	16.67	16.67
5	Very Low	4	13.33	13.33
	Total	30	100.00	100.00

From Table and Graph 9, it is observed that the Customer Perception with regard to Location of stores is medium with 33.33% of respondents & very low with 13.33% of respondents.

Graph 9: Location of stores



Table 10: Promotional schemes and offers

Value Label	Value	Frequency	Percent	Valid Percent
1	High	14	46.67	46.67
2	Low	3	10.00	10.00
3	Medium	6	20.00	20.00
4	Very High	6	20.00	20.00
5	Very Low	1	3.33	3.33
	Total	30	100.00	100.00

From Table and Graph 10, it is observed that the Customer Perception with regard to Promotional schemes & Offers is high with 46.67% of respondents & very low with 3.33% of respondents.

Graph 10: Promotional schemes and offers

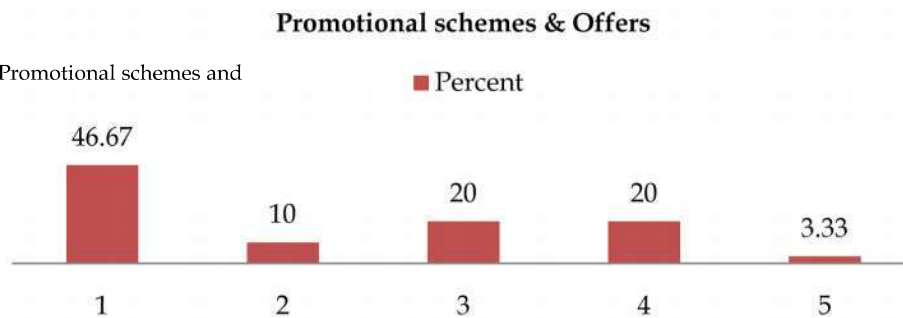
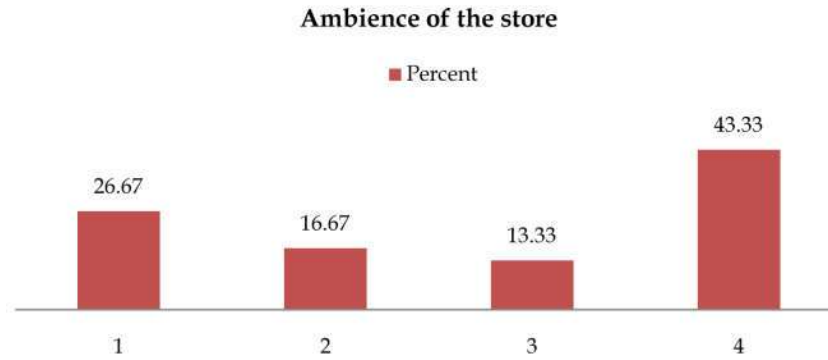


Table 11: Ambience of the store

Value Label	Value	Frequency	Percent	Valid Percent
1	High	8	26.67	26.67
2	Low	5	16.67	16.67
3	Medium	4	13.33	13.33
4	Very High	13	43.33	43.33
	Total	30	100.00	100.00

From Table and Graph 11 it is observed that the Customer Perception with regard to Ambience of the store is Very high with 43.33% of respondents & low with 16.67% of respondents.



Graph 11: Ambience of the store

Findings

1. The major number of the sample respondents are females constituting of 53.33% & males consisting of 46.67%.
2. The Income levels are observed that 26.67% of the sample respondents belong to the Income group of Rs.20000-30000 & 23.33% belong to less than Rs 10000/-.
3. It is observed that 60% of the sample respondents are qualified Post- graduates, 23.3% are graduates & 16.67% are Professionals.
4. The Customer perception regarding Wide range of items at one place in organized retailing is very high with 33.33% of the respondents & low with 10% of respondents.
5. With regard to Fresh stock of items is high with 46.67% of respondents & low with 13.33% of respondents.
6. With regard to Availability of sizes is high with 43.33% of respondents & low with 10% of respondents.
7. That the Customer Perception with regard to Quality Services is high with 46.67% of respondents & low with 13.33% of respondents.
8. With regard to Facility of payment in various modes is high with 46.67% of respondents & low with 3.33% of respondents.
9. That the Customer Perception with regard to Location of stores is medium with 33.33% of respondents & very low with 13.33% of respondents & with regard to Promotional schemes & Offers is high with 46.67% of respondents & very low with 3.33% of respondents.

Lastly with regard to Ambience of the store is Very high with 43.33% of respondents & low with 16.67% of respondents.

Suggestions

- The study of customer perception towards organized retailing is very significant to understand the customer requirements & tastes & preferences.
- The organized retailers need to provide more wide range of products.
- More & different promotional efforts to be made on specific occasions so as to attract the consumers & have a long relationship.
- More organized retail stores to be established in nearby areas to make it accessible to the customers.
- The organized retailers to cover all categories of people belonging to gender, income group etc.
- The attributes like Ambience of the store, Facility of payment in various modes, Fresh stock of Items & Promotional Schemes of the retail stores play a significant role in the changing Consumer Perceptions towards organized retailing.

Conclusions

The Organized retailing needs to take several steps as well as improve their methods of catering to the needs, tastes & preferences of the customers so as to meet the competition from the unorganised sector as well as the foreign retailers thereby meeting ultimately the Customer perception & total customer satisfaction. These findings may not have universal application in view of the limitation of the study in scope & sample characteristics therefore further research is inevitable. Though some of the findings are familiar with the findings of the earlier research it may be suggested that with the increased competition the retailers need to find a realistic approach to survive in the emerging economy. Therefore the retailers should comprehend the changing Consumer

perceptions & behaviours & understand how the retail stores should evolve in the rapidly fast growing Indian economy.

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