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The retail industry in India is emerging as a one of the largest industries estimated to account for more than 10 per cent of the country's GDP and around 8 per cent of the employment. Its highly dynamic and fast growing nature has put India on the threshold of a major shake-up to become the next retail boom area. Despite global slow-down and economic recession faced by most of the established as well as developing countries Indian economy has weathered the storm showing a fast track come back on the pre-recession stage.

Retail industry is divided into unorganized and organized sectors. In India, unorganized retailing has been predominantly in the form of local Kirana shops also called Mom-n-Pop stores, owner/ manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors, etc. Organized retailing on the other hand refers to licensed retailers, who are registered for sales tax, income tax, etc. including corporate-backed hypermarkets



and retail chains besides the privately owned large retail businesses. The retail sector is expanding and modernizing rapidly in line with India's economic growth and recent Government of India's initiatives.

Modern retail sector is at the crossroads where the growth of organized retailing and growth in the consumption by the Indian population is going to take a higher growth trajectory. It is undergoing a major transformation as entry of global players and watchful expansion by major Indian retailers has opened new vistas of joint ventures, tie-ups and franchise offering new formats, services, private labels, locations and recently to diverge from metros to smaller towns, Arvind Singhal Chairman Technopak Advisors has rightly said that, "A lot of international retailers and brands are most likely to look at India, as global markets have stabilized and the Indian economy has proved to be better than most other countries.

With the changing retail scenario the consumers are bound to look beyond traditional retail stores towards organized outlets may be with some reservations. This necessitates study of the factors which influence the consumers to move towards the organized retailing from unorganized one besides most prioritized attributes which attract the consumers towards either of them.

Jammu the winter capital of the state of Jammu & Kashmir is on the threshold of entry of organized retail in a significant way and accordingly requires study of consumer's preferences related to unorganized and organized retail outlets.

Overview of Global Retail Industry

Retail has played a major role in world over in increasing productivity across the board especially in consumer goods and services. The impact is significant in countries like U.S.A., U.K., Mexico, Thailand and china. Economies of countries like Singapore, Malaysia, Hong Kong, Sri Lanka and Dubai are also heavily assisted by the retail sector. Retail is the second-largest industry in the United States both in number of establishments and number of employees. More than 22 million Americans are employed thereby generating about \$3 trillion in retail sale annually. The organized retailing share in the total retail volume has been estimated as 20% in China, 25% in Indonesia, 35% in Philippines, 40% in Thailand and 50% in Malaysia against less than double digit in India.. The proportion of organized retailing in US is around 80%, in Europe it is 70 %, while as in Asia on the whole it comes to around 20%.

Indian retail scenario

Several authorities and surveys conducted by different agencies have given current as well future projections of retail trade in India. Currently, India is one of the fastest growing economies in the world and by 2030, India would be one of the Top 5 economies in terms of GDP. The India retail market is estimated at US\$ 470 Bn in 2011, accounting for ~35% of GDP and is expected to grow to US\$ 675 Bn by 2016, @ CAGR of 7.5%

The **BMI India Retail Report** for the first quarter of 2011 forecasts that the total retail sales will grow from US\$ 392.63 billion in 2011 to US\$ 674.37 billion by 2014 whereas its report for the first quarter of 2012 estimated that the total retail sales will grow from US\$ 422.09 billion in 2011 to US\$ 825.46 billion by 2015. The report highlights strong underlying economic growth, population expansion, increasing disposable income and rapid emergence of organized retail infrastructure as major factors behind the forecast growth. The growing wealth with the middle-class in India, the population size and the big percentage of population being in 30s, makes immense possibilities for entrepreneurial growth in the retail sector. The Technopak Advisors have further estimated that the country's retail market is expected to touch 620 billion Euros (around Rs 37 lakh crore) by 2020 at a compounded annual growth rate (CAGR) of more than 25%. The organized retail market is estimated at US\$ 26 Bn and accounts for ~6% of the overall retail market for 2011. The organized retail market is projected to grow to US\$ 84 Bn by 2016, @CAGR of 26%

McKinsey & Co., have also suggested that the organized retail market in India is expected to grow to 14-18% by 2015 of the total retail market in India from 8% in 2008. Its value is estimated to be around US\$450 billion by 2015. In the latest global retail development index (GRDI),

AT Kearney of US-based global management consulting firm has placed India as the most attractive nation for retail investment among 30 emerging markets, His report further revealed that revealed that luxury brands market in India grew at a healthy 20 per cent during 2010 reaching a size of US\$ 5.8 billion. It further stated that the Indian luxury market stood at a value of US\$ 4.76 billion in 2009 and is anticipated to be worth US\$ 14.7 billion by 2015. His further estimates suggest that India's organized retail had a 31% share in clothing and apparel, while the home supplies retail was growing between 20% to 30 % per year. In 2011 Food accounted for 70% of Indian retail, but was under-represented by organized retail.

A report by **Boston Consulting Group (BCG)** has revealed that the country's organized retail is estimated at US\$ 28 billion with around 7 per cent penetration. It is projected to become a US\$ 260 billion business over the next decade with around 21 per cent penetration.

Talwar (2010) has also projected India's overall retail sector to US\$ 833 billion by 2013 and to US\$ 1.3 trillion by 2018, at a compound annual growth rate (CAGR) of 10%. The consumer spending has risen sharply with an impressive gain of 75% in the past four years alone.

Till 2011, Indian Government refused FDI (Foreign Direct investment) in multi-brand Indian retail, forbidding foreign groups from any ownership in supermarkets, convenience stores or any retail outlets to sell multiple products from different brands to Indian consumers. Recently **Hon. Prime Minister Dr Manmohan Singh** has announced relaxation in the rules by allowing single brand retailers to have 100 % investment as



against 51% previously with certain checks and balances. This decision of the government would trigger entry of various foreign MNCs in Indian retail band wagon of single brand which may be followed by multi brands at a later stage.

Technopak Advisors Pvt. Ltd have estimated the category wise share of different consumer items traded under both unorganized and organized retail in India as on 2006,2011 and projections of 2016.The details of these estimates are given as under:-

India Retail-share of Categories (Billion US Dollars)

S.No	Category	2006	2011	2016	CAGR % (2011-16)
1	Food and Grocery	217	325	425	5.50
2	Restaurants & Food Junction	4.6	8.8	15.8	12.50
3	Apparel	25	35	50.2	7.50
4	Furniture & furnishings	6.5	9.1	17.1	13.50
5	Healthcare & Fitness services	0.4	1	2.5	20.00
6	Consumer Electronics & Information Technology	16.5	22.7	42.8	13.50
7	Pharmacy	8	13.9	23.4	11.00
8	Jewellery, Watches etc	16.5	25.6	44.2	11.50
9	Beauty Services	0.6	1.3	3	18.00
10	Footwear	3.6	4.5	8.3	13.00
11	Others	11	23	42.5	13.10
	Total US \$(Bn)	310	420	675	7.50

Source: Computed from Technopak Advisors Pvt. Ltd data

From the above listed table it can be affirmed that Food and Grocery constitutes the bulk of Indian retailing and its share is estimated at US\$ 325 Bn in 2011 (69% of the overall retail) and is expected to grow to US\$ 425 Bn by 2016 (63% of the overall retail), @ CAGR of 5.5%

Apparel market in India is estimated at US\$ 35 Bn in 2011 and is expected to grow to US\$ 50 Bn by 2016, @ CAGR of 7.5%. The next in importance is clothing and footwear, the share of which has been about is estimated at US\$ 5.5 Bn in 2011 and is expected to grow to US\$ 8 Bn by 2016, @ CAGR of 8.5%.This has been followed by others like furniture, furnishing, appliances and services whose share rose from about

Though the share of organized retailing remains low but in few categories it is quite high. Categories like Apparel market which is estimated at US\$ 5.5 Bn in 2011 and is expected to

grow to US\$ 8 Bn by 2016, @ CAGR of 8.5% The organized Food and Grocery retail market in India is estimated at US\$ 9 Bn in 2011 and is expected to grow to US\$ 34 Bn by 2016, @ CAGR of 30% At 35%, Food & Grocery has the highest share of organized retail. Food & Grocery along with Apparel, Jewellery & Watches and Consumer Electronics & IT accounts for ~80% of the organized retail market in India in 2011 which is likely to grow in 2016.

Share of Organized Sector in Total Retail by category (Billion US Dollars)

S.No	Category	2006	2011	2016	CAGR % (2011-16)
1	Food and Grocery	2	9	34	30.00
2	Restaurants & Food Junction	0.5	1.5	6	30.00
3	Apparel	3.5	5.5	8	8.50
4	Furniture & furnishings	0.4	0.7	1.2	12.00
5	Healthcare & Fitness services	0.1	0.2	0.6	25.00
6	Consumer Electronics & Information Technology	1.5	4	18	35.00
7	Pharmacy	0.2	0.8	4.5	41.00
8	Jewellery, Watches etc	1	2.5	7.5	25.00
	Beauty Services	0.2	0.2	0.5	20.00
	Footwear	1	1.7	3.8	17.50
	Total US \$(Bn)	10	20	84	26.00

Need of the Study

From the review of literature as well as appearance of organized retail in Jammu region there is a need to study shifting preferences of consumers towards various retail formats. Whether there is any relation between the demographic profile of the consumers and preferred retail format and does income besides other family attributes play a role in selection of the retail formats are some of the questions require a probe in. The problems faced by consumers shopping from organized as well as unorganized retail outlets also need a thorough study.

Objectives

- a) To identify the demographic profile of the customers visiting organized retail outlets and unorganized retail outlets



- b) To analyze the factors which influence consumers to prefer organized retailing over unorganized retailing and vice-versa
- c) To identify the problems faced by consumers from organized as well as unorganized retail outlets.

Limitations of the Study:

- a) The survey has been confined to Jammu city; the winter capital of the State only whereas Srinagar, the other main city and summer capital of the state has not been concentrated upon. Other cities of all the three regions including Ladakh though less populated were not included due to time constraints.
- b) The sample size was restricted to 150 which is comparatively very less as compared to the entire population of the city/region
- c) Few respondents were unwilling to give an accurate response to certain questions and have replied as per their own perception and experience thereby the possibility of personal bias cannot be ruled out completely.

Review of literature

Mathew and Gupta (2008) while studying the impact of organized retailing on traditional retailing observed that with the increase in number of various formats for shopping like malls, departmental stores, hypermarkets etc., the Indian consumer's preferences are changing towards these. Similar observations were reported by Urvashi Gupta (2012) in her study in Jammu. RNCOS (2009) has stated that as per "Global Convenience Store Market Analysis", changing consumer preferences, lifestyle and rising income level, which is heavily influenced by economic growth, remains the major driving force for c-store industry in the Asian region. Arshad *et al.*, (2007) have found that dynamics of the demographics, double income, urbanization and internet revolution tilt the consumer's preference towards organized retail outlets. Dash *et al.*, (2009) found that consumers in Bangalore coming of growing middle class besides large number of earning youth and increase in spending capacity may favour organized retail but in built deficiencies like inefficiency of distribution channels, internal logistical problem and retail shrinkage may shift the choice towards unorganized retailers.

Ghaziabad is a city with many malls and supermarkets and consumers there are expected to be fashion and brand conscious. Gupta (2004) based his study on the residents' behavior there and found that people in Ghaziabad generally prefer to purchase and stock for a month rather than keep purchasing frequently. Departmental stores and wholesale shops emerged as consumers' first choice but different categories of products were being purchased from different types of shops. The study by Jasola (2007) highlights that malls, specialty stores, discount stores, department stores, hypermarkets, supermarkets, convenience stores and multi-brand outlets are the most preferred retail formats in India. In the organized sector, super-markets contribute to 30% of all food and grocery retail sales.

Ghosh and Tripathi (2010), attempted to analyze purchase pattern of customers towards organized retail outlets in terms of merchandise categories purchased, time spent within the store, number of merchandise purchased on each visit, stores switching behavior and store attribute. The results of the study depicted that the younger generation has greater tendency to visit organized retail outlets. The shoppers which remained within a store for at least two hours considered shopping to be a stress releaser and fun activity. The commonly purchased items from a retail outlet are garments followed by groceries, lifestyle products and household appliances. The study further reveals that customers in tier 2 and tier 3 cities evaluate a store on convenience and merchandise mix, store atmosphere and services. Singh (2007) had concluded that production oriented market has been shifting towards consumer oriented market. Traditional consumption pattern has also been facing large-scale changes. The study pointed out that the degree of brand awareness of various food products among urban respondents is more in comparison to the rural consumers. Tender and Crispen, (2009) studied the influence of in-store shopping environment on impulsive buying among consumers and the results show that among poor consumers, economics factors such as cheaper prices, coupons and helpful shop assistants were more likely to influence impulsive buying. On the other hand, factors with an atmospheric effect such as music, fresh scent and ventilation may have only been important in helping to keep consumers longer in shops although they were unlikely to directly influence impulsive buying.

Methodology

Sample Design: Primary data was collected from 150 respondents (75 shopping from organized retail outlets and 75 shopping from unorganized retail outlets. These 150 respondents were selected by convenience sampling technique of Probability random sampling

Data Collection: The present study is based on primary data as well as secondary data. The secondary data was drawn from various books, journals, articles, newspapers etc .Consumers shopping at organized retail outlets and unorganized retail outlets were interviewed to collect the primary data. Their answers were further looked into, in some detail to add value to this research.

Time Period of study: the study was conducted in the organized retail outlets (City Mall at Jewel Chowk, Vishal mega marts Bakshi Nagar and Gandhi Nagar) and unorganized retail outlets during the months of August- September 2011 at Jammu

Statistical Tools Applied: Data collected through survey and interview was analyzed and presented in master table and required sub tables were prepared. For analyzing the data statistical tools like weighted average and percentage method were adopted to find out the customer preferences about various attributes and the dependency between the two variables were worked out and presented in the results.



Results & discussions

Data regarding various factors which influence the customer's preference towards either unorganized or organized retail outlets is given in the tables **I-VIII** and discussed hereunder: As per data summarized in the table – **I(a) and(b)** below, factors like quality of product(82.67%),choice of brands(69.33%),easy availability(84%),shelf display(89.33%), cleanliness(88%),shopping environment(86.67%),entertainment for children(85.33%) and parking facility(93.33%) are the factors which tilt the customers' choice towards organized retail outlets. . Immediacy of the store, billing duration and replacement of defected items were however attributes negated the purchase from the organized retail outlets.

Table I(a) Factors which influence customer to prefer organized retail outlet:

Factors	Extent of Preference (No/%)					Total
	Strongly Agree	Agree	Neither agree nor Disagree	Disagree	Strongly Disagree	
Quality of products	35/ 46.67	27/ 36.00	7/ 09.33	4 / 05.33	2/ 02.67	75/100
Immediacy of the store	10/ 13.33	9/ 12.00	12/ 16.00	30/ 40.00	16/ 21.33	75/100
Status	23/ 30.67	12/ 16.00	17/ 22.67	15/ 20.00	8/ 10.67	75/100
Relations with the shopkeeper	39/ 52.00	20/26.67	7/9.33	5/6.67	4/5.33	75/100
Choice/Variety of Brands	29/38.67	23/30.67	11/14.67	7/9.33	5/6.67	75/100
Easy availability of products	40/53.33	23/30.67	8/10.67	3/4.00	1/1.33	75/100
Supportive sales personnel	23/30.67	13/17.33	7/9.33	11/14.67	21/28.00	75/100
Proper packaging of products	11/14.67	15/20.00	15/20.00	20/26.67	14/18.67	75/100
Product Bundling Offers	43/57.33	15/20.00	5/6.67	7/9.33	5/6.67	75/100
Proper shelf display of the products	40/53.33	27/36.00	3/4.00	2/2.67	3/4.00	75/100
Cleanliness of the Store	41/54.67	25/33.33	2/2.67	6/8.00	1/1.33	75/100
Billing Duration	--	--	10/13.33	40/53.33	25/33.33	75/100
Shopping Environment	45/60.00	20/26.67	5/6.67	4/5.33	1/1.33	75/100
Entertainment for children	39/52.00	25/33.33	7/9.33	4/5.33	-	75/100
Credit Availability	--	-	5/6.67	46/61.33	24/32.00	75/100
Bargain Facility	--	--	6/8.00	50/66.67	19/25.33	75/100
Proper parking facility	41/54.67	2/38.67	3/4.00	2/2.67	-	75/100
Easy replacement of defected products	--	5/6.67	4/5.33	35/46.67	31/41.33	75/100



CHANGING CONSUMER PREFERENCES FROM UNORGANIZED RETAILING TOWARDS ORGANIZED RETAILING: A STUDY IN JAMMU

In the case of unorganized retail outlet customers' preference was comparable higher for immediacy of the Store(96%) ,relations with the shopkeeper(88%),billing duration (69.33%), credit Availability(89.33%),bargain Facility(86.67%) and easy replacement of defected products (89.33%).The factors like quality of product, variety and easy availability however ranged medium in the response.

Table I(b) Factors which influence customer to prefer unorganized retail outlet:

Factors	Strongly Agree	Agree	Neither agree nor Disagree	Disagree	Strongly Disagree	Total
Quality of products	17/22.66	13/17.33	6/8.00	23/30.66	16/21.33	75/100
Immediacy of the Store	45/60.00	27/36.00	3/4.00	-	-	75/100
Status	-	-	7/9.33	42/56.00	26/34.66	75/100
Relations with the shopkeeper	39/52.00	27/36.00	8/10.66	1/1.33	-	75/100
Choice/Variety of Brands	13/17.33	17/22.66	4/5.33	22/29.33	19/25.33	75/100
Easy availability of products	15/20.00	16/21.33	3/4.00	27/36.00	14/18.67	75/100
Supportive sales personnel	16/21.33	18/24.00	2/2.67	25/33.33	14/18.67	75/100
Proper packaging of products	-	-	4/5.33	44/58.67	27/36.00	75/100
Product Bundling Offers	-	-	9/12.00	37/49.33	29/38.66	75/100
Proper shelf display of the products	6/8.00	8/10.67	5/6.67	33/44.00	23/30.67	75/100
Cleanliness of the Store	7/9.33	8/10.67	5/6.67	3/45.33	21/28.00	75/100
Billing Duration	25/33.33	27/36.00	9/12.00	8/10.67	6/8.00	75/100
Shopping Environment	14/18.67	17/22.67	9/12.00	18/24.00	17/22.67	75/100
Shopping Entertainment	-	-	15/20.00	35/46.67	25/33.33	75/100
Credit Availability	41/54.67	26/34.67	6/8.00	2/2.67	-	75/100
Proper Parking Facility	6/8.00	8/10.67	3/4.00	31/41.33	27/36.00	75/100
Bargain Facility	35/46.67	30/40.00	4/5.33	4/5.33	2/2.67	75/100
Easy replacement of defected products	34/45.33	33/44.00	8/10.67	--	--	75/100

On studying the relationship between age and frequency of retail outlet visited by consumers as given in **Table II(a) and (b)** below it was found that 86.67% consumers of all ages visited the unorganized outlets on weekly and monthly basis against 81.33% consumers who visited organized retail outlets on monthly and quarterly basis. The younger



generation has more inclination towards organized retail outlet against the higher age groups who have an inclination to visit Kirana outlets on weekly and monthly basis presumably to meet the day to day needs of the family. So age has a significant relationship for the type of store visited.

Table II(a) Age and the frequency of visit to unorganized retail Store

Age	Unorganized Retail Outlet(Kirana outlets) Nos				
	Weekly	Monthly	Quarterly	Half Yearly	Yearly
Below 25 years	3	2	-	-	-
26-40	6	11	2	-	-
41-60	11	10	3	-	-
Above 60 Years	12	10	4	-	-
Total	32 (42.66%)	33 (44.00%)	9 (12.00%)	1 (1.33%)	-

Table II (b) Age and the frequency of visit to organized retail Store

Age	Organized Retail Outlet				
	Weekly	Monthly	Quarterly	Half Yearly	Yearly
Below 25 years	2	5	-	-	-
26-40	-	17	8	4	-
41-60	4	16	9	2	1
Above 60 Years	-	6	-	-	1
Total	6 (8.00%)	44 (58.66%)	17 (22.67%)	6 (8.00%)	2 (2.67%)

Data summarized in Table III (a) and (b) indicate the frequency of visits of different income group customers to retail outlets is given as under:-

Table III (a) Income and frequency of visits for shopping needs in organized retail outlet

Yearly household income	Frequency of visits in Organized Retail Outlet				
	Weekly	Monthly	Quarterly	Half Yearly	Yearly
Less than 1.5 Lakhs	-	-	-	-	-
1.5 lakhs-4 Lakh	-	3	11	4	1
More than 4 Lakh-8 Lakh	1	17	13	1	-
More than 8 Lakhs	1	12	10	1	-
Total	2 (2.66%)	32 (42.66%)	34 (45.33%)	6 (8.00%)	1(1.33%)

Table III (b) Income and frequency of visits for shopping needs in unorganized retail outlet

Yearly household income	Frequency of visits in Unorganized Retail Outlet				
	Weekly	Monthly	Quarterly	Half Yearly	Yearly
Less than 1.5 Lakhs	2	8	2	-	-
1.5 lakhs-4 Lakh	5	19	3	-	-
More than 4 Lakh-8 Lakh	6	16	3	-	-
More than 8 Lakhs	5	6	-	-	-
Total	18 (24.00%)	49(65.33%)	8(10.67%)	-	-

From tables III(a) and III(b) above it may be concluded that income has direct relation with the type of store visited for shopping needs. People (approx 36 %) having income Less than 4 Lakhs prefer to go to neighborhood shops for purchasing whereas organized retail outlets are preferred by people having income more than 4 Lakhs (approx 40%). Further probing revealed that organized retail outlets are perceived as expensive by consumers having income less than 4 lakhs.

Education level and the type of store visited for Shopping Needs was also studied and the data given in **Table-IV** reveals that people who are below metric prefer to visit unorganized retail outlet where as undergraduate and graduate feel the importance of both types of retail outlets but post graduated prefer to make their purchasing mostly from organized retail outlet due to factors listed in Table 1(a)



Table IV: Education level and the type of store visited for Shopping Needs (No/ %)

Educational Qualifications	Organized	Unorganized
Below metric	10/ 13.33	21/ 28.00
Undergraduate	10/ 13.33	17/ 22.67
Graduate	23/ 30.67	22/ 29.33
Post graduate	32/ 43.37	15/ 20.00
Total	75/ 100.00	75/ 100.00

Occupation wise customer's preference for the type of store visited for shopping needs was also studied and it was found (**Table V**) that there does not seem to be a significant relation between occupation and type of store visited as consumers prefer both for their shopping.

Table V: Occupation and type of store preferred for shopping needs (No/ %)

Occupation	Organized	Unorganized
Business	06/ 8.00	07/ 9.33
Government Service	18/ 24.00	23/ 30.67
Private service	25/ 33.33	24/ 32.00
Students	03/ 4.00	10/ 13.33
Homemaker	22/ 29.34	11/ 14.67
Any other	01/ 1.33	-
Total	75/ 100	75/ 100.00

Family Size and type of store visited data given in **Table-VI** below indicated that that as the family size increases the preference for Unorganized retail outlet also increases. In Jammu joint family system is still preferred and most of the day to day purchases are made by the elder members which have an inclination towards traditional shopping areas like Kanak Mandi for bulk purchase and nukkar stores for petty household needs. However, nuclear families appear to prefer visit to organized retail outlets

Table VI: Family size and type of store visited (No/ %)

Number of members in the family	Organized	Unorganized
Less than 4	22/ 29.34	17/ 22.67
5-8	29/ 38.66	15/ 20.00
9-10	16/ 21.33	28/ 37.33
Above 10	8 / 10.67	15/ 20.00
Total	75/ (100	75/ 100.00

Number of working members in a family and the type of store visited was also studied and the data given in **Table-VII** below indicates that in families with single bread earner (about 55%) the house hold needs were met from unorganized stores/ neighborhood Kirana shops presumably due to credit facility, bargain facility, relations with the shopkeeper and less travel time. In contrast where working members are 2 – 4, the organized types of stores are preferred.

Table VII: Number of working members in a family and type of store preferred(No/%)

Number of working members in the family	Organized	Unorganized
1	17/ 22.67	41/ 54.67
2-4	39/ 52.00	16/ 21.33
More than 4	19/ 25.33	18/ 24.00
Total	75/ 100.00	75/ 100.00

Problems faced by consumers at Organized as well as Unorganized Retail outlets were studied and as per preferences shown by customers average score was accorded to each problem and based on these scores due ranks were assigned to each problem. The detailed average score arrived at and rank assigned to problems faced by consumers in organized retail outlets are given in **Table-VIII(a)** and corresponding figures for unorganized retail outlets in **Table-VIII(b)** as under:

The customers of **organized retail** considered inconvenient location as topmost problem followed by no home delivery, poor after sales service, long queue for billing, non cooperative attitude of sales personnel and unavailability of goods in decreasing order.

TableVIII (a) : Problems faced by consumers at Organized Retail outlets

Problems faced by consumer	Average Score	Rank
Inconvenient location	73.45	I
Long queue for billing	56.98	IV
Non cooperative attitude of sales personnel	49.78	V
No Home delivery	65.46	II
Improper space management	45.64	VI
Poor after sales service	61.30	III
Selling of counterfeit products	43.70	VII
Unavailability of goods	42.50	VIII



Similarly, the customers of **unorganized retail** considered improper parking facility as the most problematic condition followed by improper parking facility, improper shelf space, selling of counterfeit products, unavailability of branded items, lack of knowledge of retailers and unavailability of desirable products in decreasing order. Billing was considered to be the least problem in the case of unorganized retail outlets.

Table VIII(b): Problems faced by consumers at Unorganized Retail outlets

Problems faced by consumer	Average Score	Rank
Unhygienic Conditions of the store	68.75	II
Improper parking facility	71.32	I
Improper shelf space	65.6	III
Unavailability of branded items	58.78	V
Unavailability of desirable products	45.97	VII
Selling of counterfeit products	64.54	IV
Lack of knowledge of Retailers	55.87	VI
Billing Problems	7.8	VIII

Conclusion

This present study was conducted with a purpose of understanding the changes taking place in the minds of consumers towards modern retail formats and traditional retailers. It was observed that due to the changing demographics, increase in DINKS families, urbanization, and awareness due to electronic media especially internet the customers have multiple options to choose from modern retail outlets to neighborhood shops. Majority of the consumers are visiting organized formats for variety, easy availability, cleanliness with additional facility of entertainment for children and convenient parking facility and restaurant etc. In case of unorganized outlets immediacy of the store, credit and bargaining facility balance the tilt. Unlike higher age groups who prefer to visit Kirana stores, the younger generation has more inclination towards organized retail. Families with annual income less than 4.0 Lakh and having a single bread earner prefer shopping with nearby mom-n-pop stores. Customers with higher qualification were found to be more attracted towards organized retail outlets. It is indicated that unorganized retailers also need to add more product lines and focus on quality as well as variety to regain the vanished market share. . The organized formats have entered into the tier-II cities and other small cities and focusing on the middle class people as it had almost covered the metropolitan cities. Both organized as well as unorganized retailers need to add value added services to make the shopping experience more comfortable and value oriented.

Suggestions

Organized Retailers:

- The Research indicates that the organized retailers should take effective steps to improve their billing as most of consumers complained about long queues for billing.
- Organized retail outlets may start home delivery to cater to the needs of consumers
- A comprehensive credit scheme may be initiated to increase sales potential.
- The sales personnel may be educated to portray courteous behavior to make consumers shopping more effectual.
- As most of the respondents which visit shopping malls are young which are attracted towards branded products at reasonable prices and fixed prices but try to avoid bargaining. So organized retailers must ensure that there is availability of branded products with minimal need of bargaining.

Unorganized Retailers:

- Kirana outlets need to focus on proper shelf display so that customer gets awareness of products and variety available in the shop.
- Unorganized retailers may focus more on maintaining hygienic conditions in their outlets.
- By giving wide range of product assortment unorganized retailers can target those customers which were loyal to them but the switched to modern retail outlets.
- Special promotional activities may be started by Kirana shops also .
- Credit and home delivery system may be strengthened further to provide better service and retain loyal customers

Future implications of the Study

This study gives an insight into the changing customer preferences from unorganized retailers to organized retailers in Jammu city. It also enables us to understand the factors responsible for making a purchase from either of the retail formats. It will further help the retailers to make an analysis of internal as well as external factors which have an impact on the customers to make a purchase from organized/unorganized retail outlets. By understanding this picture, retailers can focus and devise their strategies to increase their



trade and profits. The study can be extended to other districts of Jammu Division and other regions of the state i.e., Kashmir and Ladakh besides.

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