

## **Factors influencing customers' shift to organised retail – A Kolkata based study**

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**Abstract:** *The Indian Retail industry has gone through an astronomical amount of change particularly in the last five to ten years. This huge metamorphosis is distinctly visible once we see the small kiranas gradually getting replaced by huge super markets in the vicinity. This aspect is more visible particularly in the metros and tier one towns with a very huge population base. This study reveals that one of the main reason for the customers to opt for these organized retail outlets was the availability of all their daily needs under one roof. However, it has also been observed that the major determinants influencing today's customer to shift their shopping needs from unorganised to organised retailers are – Easy Accessibility, Quality Stock Availability, Shopping Comfort Zone, Infrastructure, Quality Time Spending, Availability of Add-on or Value Added Services and Variety. This study has made an endeavour to unearth how these above mentioned factors are getting framed from the consumers perspective of Service dimensions in some of the prominent retail chains in Kolkata.*

**Keywords:** Organised Retail, Customers Satisfaction, Factor Analysis, Infrastructure, Value-Added Services, Comfort Zone, Kiranas

### **Introduction**

Retail sector is one of the main driving forces of current Indian Economy. In today's society, shopping has become more a habit than a need. Gone are those days when people used to shop for all the household requirements once a month or may be once a fortnight. With the changing socio-economic structure where both the husband and wife are working leading to more disposable income and consequently higher propensity to spend – shopping today is more pleasure driven than a necessity driven aspect.

Retailing consist all activities involved in marketing of goods and services to consumers for their personal, family, or household use. Retailing is the set of business activities that add value to the products & services sold to consumers for their personal or family use (Levy & Weitz 2008). Retailing refers to all functions and activities involved in the selling of commodities directly to consumers. For a strong, stable and consistently growing economy, a well organised and efficient retail sector is an utmost requirement (Kumar, Vikkraman, 2012).

In general terms - retailing can be defined as buying and selling of goods and services. However, a refined approach defines "Retail" as timely delivery of goods and services to the consumers demanded by them at competitive and affordable price.

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### **Literature Review**

A number of earlier researchers have tried to throw some light on the aspect of Consumers Shift to Organised Retail with their respective works in this particular area of study. Some of those major contributions are being mentioned here.

One of the earlier researches had been done by Goswami and Mishra (2009) who wanted to understand whether Indian consumers move to organized retailers instead of kirana store for purchasing groceries. Their research had been undertaken on two major and two small cities with a total sample size of 409 respondents. Stratified systematic sampling design had been used along with multivariate statistical techniques for analysis of data collected through structured questionnaire. The study revealed that customer patronage to grocery stores was positively related to location, helpful and trustworthy salesperson, home delivery, cleanliness, product quality and negatively related to travel inconvenience. They found that kiranas do well on location but poor on cleanliness, offers, quality, helpful and reliable salesperson.

Another similar study had been undertaken by Gupta, Kim and Sharma (2011) who made an attempt to study factor of Customer switching to Organised Retail from Unorganised Retail Sector particularly in the Semi-urban pockets of India based on Constraint and Dedication based model. A Survey method was used for the study in context of establishing generalizability. Data had been collected from 198 respondents which included general customers at various locations in the cities as well as near the malls to get an opinion mix from a heterogeneous population. The corresponding responses from the respondents had been measured on a 7-point Likert scale. The statistical tools for the study had been – Exploratory Factor Analysis and Hypothesis Testing had been done by Multiple Regression Analysis. These researchers concluded that Customer switching could be a result of one's innate characteristics or experience of purchasing with the vendor. If a customer is satisfied with the vendor he becomes dedicated to the vendor. However, even if the customer is not satisfied with the vendor, he may experience costs of switching and therefore refrain to switch. The results of this study show that more than innate characteristics of the customer, it is the experience of the customer with the current vendor that prevents switching to the organized retailer.

During the same period Goel and Dewan (2011) made an attempt to find out the factors affecting the Consumer Preferences of shopping at organised retail stores across the cities – Amritsar, Patiala, Mohali, Jalandhar and Ludhiana in Punjab. In this case almost 500 respondents had been considered for the study and data had been collected using 5-point Likert scale. Thereafter Exploratory Factor Analysis had been used for the analysis of available data. The results showed that due to intense competition in this field retaining customers is of prime importance and strategies have to be made from the retailers' part to enhance the same which depends on associated factors like – product availability and variety, ambience, service, pricing, advertisement, prestige and quality.

Two other researchers - Harish Nair and Girish Nair (2013) tried to find out the factors that attract the customers towards organized retail sector. In addition to that it also aimed to find interrelationship between various retail services and quality dimension which helps to identify the steps needed to improve the overall quality of services. Primary data were collected from various sources like magazines, journals, web portals. They took a sample of 100 respondents randomly and used statistical tools like the chi square test and factor analysis for the study. The study revealed that there is significant relationship between modern looking equipment and fixture and visually appealing variables of physical aspects of organized retail outlets. They also found that there is a positive relationship between easy accessibility and easy internal mobility

among the physical aspect of a retail store. The study also revealed that there is a positive relationship between employee knowledge and employee behaviour variables within the dimension of personal aspect.

According to the opinion of the industry experts the Retail sector is driven by Consumer Perception to a large extent. Some of those earlier researches in context are given below:

Talreja and Jain (2013) had tried to make a detailed empirical analysis of the changing consumer perception from unorganized to organized retail in Udaipur district of Rajasthan. They took a sample size of 100 customers and used purposive sampling method for the test. Primary data had been collected using structured questionnaire and the obtained data had been analysed using - Chi Square test and Weighted Average methods. The study revealed that the choice of retail format does not depend on shopping items, family income level and age but depend upon various other shopping factors like - the store image, range of products, brand choices, price, store atmosphere, credit availability, and shop proximity etc. This study also revealed that was observed that due to changes in the disposable income and increased awareness of quality, the consumers' perception towards organized and unorganized retailers differ on the basis of quality and price. Thus the product preference also varies for most customers products from the unorganized to the unorganized retailers.

Sushmana (2014) carried out an extensive research work to find out the consumer perception towards organized and unorganized retail stores along with finding out the consumer perception towards satisfaction level from organized and unorganized retail stores. They took a sample of 100 customers and used the structured questionnaire for collecting data using the random sampling techniques. Results revealed that 40% customers prefer unorganized retail for shopping while 34% customers prefer organized retail stores. The balance 26% consumers customers prefer both. They also found that 40% customers purchase groceries from kiranastore, 30% customers from supermarkets, 16% customers from convenience store and 14% customers from hypermarkets. The study showed that 45% customers visit mall fortnightly, 35% customers visit weekly, 15% monthly and 5% daily. In context to the behavioural aspect - 50% customers visit mall for shopping, 32% visit for entertainment and 18% visit for window shopping. They also found that consumers are attracted to unorganized retailers due to factors like - close proximity, goodwill, credit sales, bargaining, loose items, convenient timing and home delivery. On the other hand the consumers visited organized retailers for availability of better quality products, lower prices, one stop shopping, choice of additional brands and products, family shopping and fresh stocks. They also found that consumers from lower income level enjoyed better savings while shopping from organised retailers.

On similar lines Shashikala and Gangatkar (2015) also undertook a study in Bangalore where they tried to compare the consumer perceptions towards supermarkets and provisional stores. They studied provision stores as well as supermarkets in this regard. They framed the hypothesis and by the help of Convenience sampling a pool of 100 respondents were gathered. The results showed that in case of purchasing grocery, the factors like -quality, price, proximity, hygiene are regarded to be more important than services, ambience, store image, variety and availability. The study also revealed that though urban consumers prefer supermarkets, provision stores have not gone totally out of mind. Even today this neighbourhood, cosy store which knows individual consumer needs very well has its own place. Therefore, there is no need for provision store owners to feel the immediate threat as long as their customers are kept satisfied.

In today's competitive retail scenario the aspect of Customer Satisfaction also plays a vital role for the success of any organised retail outlet. This particular property had been

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highlighted by some earlier researchers in their respective areas of study and are given below the study of Dinesh Kumar and Vikkraman (2012) was aimed to identify the prime factors of customer satisfaction in organised retail sector across Erode city in Tamil Nadu. They also tried to examine the attitude and behaviour of customers towards organised retail sector. By application of descriptive research techniques they collected data from 200 respondents with structured questionnaire. The obtained data were processed through percentage analysis, Chi-Square Test, Correlation and Cross Table Analysis. The results showed that 64 % of the respondents were purchasing from convenience stores before earlier before switching over to the organised retail formats. They found that the consumers were satisfied with the service quality of organised retail sector but dissatisfied with their mode of payment options. However the study also revealed that there was no significant relation between the service quality and education of the consumer but significant relation existed between the purchase volume and Income level of the consumer.

Hameed (2015) attempted to study the determinants of customer satisfaction in the organized retail sector in general. His other objective was to assess the - attitude, loyalty aspect, satisfaction and behaviour of consumers towards retail stores and future prospects of organized retail stores. With the help of convenience sampling technique a sample of 52 consumers had been drawn. Thereafter data was collected by the help of close ended structured questionnaire. Results revealed that a favourable store layout is very important for high level of customer satisfaction, whereas store loyalty depends on effective handling of customer relationships. The study also showed that less queue and welcoming staff positively affect services quality whereas accuracy of bills, price discount positively affects the customer's reliability.

Apart from the ones discussed above various other researchers have tried to provide their contributions in the context of various aspects of Organised Retail from time to time, some of which are being discussed here. Pandya and Bariya (2012) carried out a study on the attributes of Organised and Unorganised Retail sector that the consumers prefer across the city of Vadodra in Gujarat. They collected 200 samples by stratified sampling method. The study revealed that most of the consumers were satisfied with the factors like – pricing, shopping convenience, product or merchandise assortment and billing transparency in the organised retail formats It also showed that the consumers preferred unorganised retail stores for buying fruits, vegetables etc. whereas in case of buying packaged food and cosmetics that preferred organised retail stores.

Kanetkar (2013) made an attempt to find out the impact and effects of organized retail on Indian consumers particularly in the context of Nagpur region in Maharashtra. In this case sample size of 400 consumers were selected by random sampling method and data had been collected with structured questionnaire. This exploratory study revealed that - the purchasing pattern of the customer has changed to a great extent in the recent times where a customer's buying behaviour is being influenced by social factors, such as the group to which the customers belong along with their respective social status. It is quite evident that in a group, several individuals may interact to influence the purchase decision. Due to this drastic change in the behaviour of the consumer, in the view of growing economy, earning capacity, less time and fast track life the organized retail base has posed a major challenge to the traditional retail sector in modern India.

In a different study undertaken by Kusuma, Prasad and Rao (2013), the researchers tried to focus on the challenges faced by organized retail sector in India. It also provided some suggestions to overcome those challenges. They found that emergence of organized retail, spending capacity of youth, raising income level and purchasing power, changing mindset of

customers, easy customer credit facility, high brand consciousness, increasing disposable income, increasing number of dual income nuclear families, changing lifestyle, changing consumer behaviour, changing experience with formats and store design are some of the major reasons for growth of retail industry in India. They also suggested that factors like – provision of incentives for investments, comprehensive legislation, eliminating red tape-ism, proper tax structure will overcome the challenges for organized retail development.

Shenbagasuriyan and Balachandar (2016) tried to find out the type of retail sector from where customers buy their household needs and to analyse kind of products that customers buy from a particular retail sector. The study had been conducted in Virudhunagar district of Tamil Nadu where data had been collected from a sample of 160 consumers with structured questionnaire. They applied the chi square test to find the association between the retail sector from which a particular customer opts to buy and what kind of products they purchase in those stores. They found that there is association between type of retail sector and customers buying the products. The results revealed that 28.8% customers make purchase twice per month, 26.2% customers does it weekly, 18.1% was found to make purchases at least 3times a week, 14.4% does it monthly whereas 12.5%purchases occasionally. Results also revealed that 13.8% of customers visit the store below amonth, 23.8% customers visit every one to three months, 20% customers visit every three to six months, 12.5% customers visit every 6 months to 1 year, 30% customers visit the store above 1 year. They also opined that there needs to be certain level of control on the retail sector from the government bodies as well.

### **Scope of the Study**

The earlier studies have shown a considerable amount of work has been done in the retail sector by some earlier researchers in other states and cities of India. However not much work has been done regarding the factors that influence the consumers shift from unorganised to organized retail stores in the context of West Bengal. Indian consumers are at such a crossroad today where more and more people are slowly but gradually shifting their shopping needs to the so called organised retailers and are preferring it more to the local kiranas. This observed shift had been due to a number of factors that's influenced by the consumer's - cultures, practices, habits, preferences and choices. This study had therefore been conducted not only to focus on the factors that influence the consumers' shift towards some prominent outlets of Big Bazaar and Spencer's only within the city of Kolkata but also to analyse the problems that consumers might be facing while buying from those retail stores.

### **Objectives of the Study**

The main objectives of the study are mentioned as per the following

1. To analyse the main factors that influence the consumer to purchase their household needs from the organized retail stores.
2. To analyse the problems that consumers might be facing while buying from those organized retail stores.

### **Research Methodology**

#### **Research design**

The present study had a descriptive research design, and efforts have been taken to explore and study the demographic characteristics of the people visiting and shopping at specific retail outlets

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of Big Bazaar and Spencers. Form the procured data on demographic attributes study had been undertaken to explore how they are determining the brand preference of the visiting customers.

### Sampling design

- Population: population had been all those customers who visit and shop at the specific organised retail chain outlets of Kolkata.
- Sample size: The Sample size for the study was 270 respondents
- Sampling technique: Sampling had been done by approaching every 5<sup>th</sup> customer leaving the outlet by “Mall Intercept Method” and thereafter directly interacting with them by the help of pre-structured questionnaire.

### Research Instrument and data collection methods

Data collected was mainly primary in nature through structured questionnaire which was filled by the respondents visiting and shopping frequently at those retail outlets in Kolkata.

**Analysis tools:** Data collected was analysed by using various statistical tools and techniques wherever deemed necessary.

### Analysis and Interpretation

#### Factor Analysis

The results obtained are mentioned as per the following

**Table 1: KMO and Bartlett Test**

|  |         |
|--|---------|
| <b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</b> | .754    |
| <b>Approx. Chi-Square</b>                              | 825.094 |
| <b>Bartlett's Test of Spehercity Df</b>                | 300     |
| <b>Sig.</b>  | .000    |

As observed in Table 1, the KMO value is .754 and that is higher than .5 which proves that the sample size is adequate. The Chi square value is 825.094 and level of significance is .000, so it's adequate for running factor analysis.

**Table 2: Total Variance Explained**

| Component | Initial Eigen values |               |              | Extraction Sums of Squared Loadings |               |              | Rotation Sums of Squared Loadings |               |              |
|-----------|----------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
|           | Total                | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % | Total                             | % of Variance | Cumulative % |
| 1         | 3.782                | 15.127        | 15.127       | 3.782                               | 15.127        | 15.127       | 2.793                             | 11.172        | 11.172       |
| 2         | 3.295                | 13.182        | 28.309       | 3.295                               | 13.182        | 28.309       | 2.467                             | 9.867         | 21.040       |
| 3         | 2.029                | 8.114         | 36.423       | 2.029                               | 8.114         | 36.423       | 2.447                             | 9.789         | 30.828       |
| 4         | 1.979                | 7.915         | 44.338       | 1.979                               | 7.915         | 44.338       | 2.134                             | 8.538         | 39.366       |
| 5         | 1.534                | 6.137         | 50.475       | 1.534                               | 6.137         | 50.475       | 2.029                             | 8.114         | 47.481       |
| 6         | 1.419                | 5.677         | 56.152       | 1.419                               | 5.677         | 56.152       | 1.796                             | 7.186         | 54.666       |
| 7         | 1.315                | 5.258         | 61.411       | 1.315                               | 5.258         | 61.411       | 1.686                             | 6.744         | 61.411       |
| 8         | .990                 | 3.959         | 65.370       |                                     |               |              |                                   |               |              |
| 9         | .897                 | 3.589         | 68.959       |                                     |               |              |                                   |               |              |
| 10        | .831                 | 3.323         | 72.281       |                                     |               |              |                                   |               |              |
| 11        | .787                 | 3.147         | 75.429       |                                     |               |              |                                   |               |              |
| 12        | .748                 | 2.993         | 78.422       |                                     |               |              |                                   |               |              |
| 13        | .660                 | 2.640         | 81.062       |                                     |               |              |                                   |               |              |
| 14        | .608                 | 2.432         | 83.494       |                                     |               |              |                                   |               |              |
| 15        | .550                 | 2.198         | 85.692       |                                     |               |              |                                   |               |              |
| 16        | .517                 | 2.069         | 87.761       |                                     |               |              |                                   |               |              |
| 17        | .461                 | 1.844         | 89.605       |                                     |               |              |                                   |               |              |
| 18        | .447                 | 1.786         | 91.391       |                                     |               |              |                                   |               |              |
| 19        | .427                 | 1.709         | 93.101       |                                     |               |              |                                   |               |              |
| 20        | .376                 | 1.504         | 94.605       |                                     |               |              |                                   |               |              |
| 21        | .366                 | 1.465         | 96.070       |                                     |               |              |                                   |               |              |
| 22        | .325                 | 1.300         | 97.370       |                                     |               |              |                                   |               |              |
| 23        | .251                 | 1.005         | 98.375       |                                     |               |              |                                   |               |              |
| 24        | .214                 | .855          | 99.230       |                                     |               |              |                                   |               |              |
| 25        | .192                 | .770          | 100.000      |                                     |               |              |                                   |               |              |

**Extraction Method:** Principal Component Analysis

In the Table 2, those components where the Eigen value is more than 1 will be considered. The variance of those components whose Eigen Value is more than 1 are mentioned as per the following:

1<sup>st</sup>Component : 11.172,  
 2<sup>nd</sup>Component : 21.040,  
 3<sup>rd</sup>Component: 30.828,  
 4<sup>th</sup>Component : 39.366,  
 5<sup>th</sup>Component : 47.481,  
 6<sup>th</sup>Component : 54.666  
 7<sup>th</sup>Component : 61.411

Therefore, there will be seven factors which should be considered.

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**Table 3: Rotated Component Matrix**

|   | Component |       |       |       |       |        |       |
|---|-----------|-------|-------|-------|-------|--------|-------|
|   | 1         | 2     | 3     | 4     | 5     | 6      | 7     |
| Price Bargaining                                | 0.783     |       |       |       |       |        |       |
| Workplace Proximity                             | 0.736     |       |       |       |       |        |       |
| Residence Proximity                             | 0.655     |       | 0.402 |       |       |        |       |
| Provision of Parking facilities                 | -0.546    |       |       |       |       |        |       |
| Provision of products at Affordable prices      | 0.502     | 0.443 |       |       |       |        |       |
| Availability of different varieties of products |           | 0.660 |       |       |       |        |       |
| Provision of trendy products                    |           | 0.650 |       |       |       |        |       |
| Recognition of Loyal customers                  |           | 0.585 |       |       |       |        |       |
| Better Quality of Product                       |           | 0.583 |       |       |       |        |       |
| Pleasing Ambience                               |           |       | 0.781 |       |       |        |       |
| Offers and Discounts                            |           |       | 0.724 |       |       |        |       |
| Well trained Staff                              |           |       | 0.655 |       |       |        |       |
| Window Shopping                                 |           |       |       | 0.836 |       |        |       |
| Easy and Accessible layout                      |           |       |       | 0.622 |       |        | 0.415 |
| Cleanliness                                     |           |       |       | 0.550 |       |        |       |
| Provision of proper advice to Customers         |           | 0.417 |       | 0.441 |       |        |       |
| Facility of Home Delivery                       |           |       |       |       | 0.690 |        |       |
| Value for Money                                 |           |       |       |       | 0.631 |        |       |
| Beautiful Interiors                             |           |       |       |       | 0.617 |        |       |
| Game and Kids Zone                              |           |       |       |       | 0.511 |        |       |
| Savings of Time                                 |           |       |       |       | 0.502 |        |       |
| Beyond Just Shopping                            |           |       |       |       |       | 0.727  |       |
| Credit facilities for customer                  |           |       |       |       |       | -0.705 |       |
| Variety of mode of payment                      |           |       |       |       |       |        | 0.715 |
| Variety of Brands are available                 |           |       |       |       |       |        | 0.697 |

**Extraction Method:** Principal Component Analysis.

**Rotation Method:** Varimax with Kaiser Normalization.a

a. Rotation converged in 14 iterations.

**Interpretation**

The Table 3 (Rotated Component Matrix) and the Table 4 (Elucidation) explains that the following factors have been obtained as a combination of different components of services as perceived by the customers

**Table 4: Elucidation**

| <b>Factors</b>                    | <b>Variables</b>                                | <b>Loading</b> |
|-----------------------------------|---|----------------|
| <b>Easily Accessible</b>          | Price bargaining                                | 0.783          |
|                                   | Workplace Proximity                             | 0.736          |
|                                   | Residence Proximity                             | 0.655          |
|                                   | Provision of Parking facilities                 | -0.546         |
|                                   | Provision of products at Affordable prices      | 0.502          |
| <b>Quality stock</b>              | Availability of different varieties of products | 0.660          |
|                                   | Provision of trendy products                    | 0.650          |
|                                   | Recognition of Loyal Customers                  | 0.585          |
|                                   | Better Quality of Product                       | 0.583          |
| <b>Comfort Zone</b>               | Pleasing Ambience                               | 0.781          |
|                                   | Offers and Discounts                            | 0.724          |
|                                   | Well trained Staff                              | 0.655          |
| <b>Infrastructure</b>             | Window shopping                                 | 0.836          |
|                                   | Easy and Accessible Layout                      | 0.622          |
|                                   | Cleanliness                                     | 0.550          |
|                                   | Provision of proper advice to Customers         | 0.441          |
| <b>Quality time</b>               | Facility of Home delivery                       | 0.690          |
|                                   | Value for Money                                 | 0.631          |
|                                   | Beautiful Interiors                             | 0.617          |
|                                   | Game and Kids Zone                              | 0.511          |
|                                   | Savings of Time                                 | 0.502          |
| <b>Add on services/facilities</b> | Beyond just Shopping                            | 0.727          |
|                                   | Credit facilities to Customers                  | -0.705         |
| <b>Variety</b>                    | Variety of Modes of Payment                     | 0.715          |
|                                   | Variety of Brands Available                     | 0.697          |

**Factor 1: Easily Accessible**

- Price bargaining
- Workplace Proximity
- Residence Proximity
- Provision of Parking facilities
- Provision of product at Affordable prices

There are 5 variables in factor 1.

**Factor 2: Quality Stock**

- Availability of different varieties of products
- Provision of trendy products
- Recognition of Loyal Customers.
- Better Quality of Product

So, there are 4 variables in factor 2.

**Factor 3: Comfort Zone**

- Pleasing Ambience.
- Offer and Discounts

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- Well trained Staff

So, there are 3 variables in factor 3.

### **Factor 4: Infrastructure**

- Window shopping
- Easy and Accessible Layout
- Cleanliness
- Provision of proper advice to Customers

So, there are 4 variables in factor 4.

### **Factor 5: Quality time**

- Facility of Home delivery
- Value for Money
- Beautiful Interiors
- Game and Kids Zone
- Savings of Time

So, there are 5 variables in factor 5.

### **Factor 6: Add on Services / Facilities**

- Offers something more beyond just shopping
- Offers Credit facilities to Customers

So, there are 2 variables in factor 6.

### **Factor 7: Variety**

- Variety of mode of payment
- Variety of brands are Available

So, there are 2 variable in factor 7.

### **Mean and Standard Deviation**

The mean and standard deviation was calculated for ranking the problems that are faced by consumers while purchasing their needs from organized retail stores.

### **Interpretation**

The Table 5 showed that application of Mean and Standard Deviation unearthed some problems that customers are facing currently while shopping from these organised retail outlets. Some of the major ones are enumerated as per the following:

**Table 5: Ranking the Problems**

| <b>Problems</b>                                   | <b>Mean</b> | <b>Standard Deviation</b> | <b>Rank</b> |
|---|-------------|---------------------------|-------------|
| Fixed Pricing                                     | 3.89        | 1.01633                   | 1           |
| Difficulty of Exchange on the purchased products  | 3.81        | 0.96712                   | 2           |
| Over Pricing                                      | 3.73        | 0.85631                   | 3           |
| Long Queue / Rush in Billing Counters             | 3.47        | 0.98791                   | 4           |
| Unnecessary purchases                             | 3.37        | 0.92798                   | 5           |
| Adulterated products                              | 3.25        | 1.01368                   | 6           |
| Absence of Home delivery Facility                 | 3.24        | 0.96525                   | 7           |
| Price discrimination                              | 3.19        | 1.10889                   | 8           |
| Non-availability of required products at all time | 3.12        | 1.04435                   | 9           |
| Wastage of money                                  | 3.09        | 0.95449                   | 10          |
| Poor after Sale Services                          | 3.03        | 0.87546                   | 11          |
| Poor / Unsatisfactory reply on enquiry            | 2.97        | 0.99796                   | 12          |
| Lack of Proper Knowledge of Store Personnel       | 2.94        | 0.97367                   | 13          |
| Poor Co-operation from Store Personnel            | 2.92        | 1.03267                   | 14          |
| Poor Quality of Available products                | 2.81        | 1.13259                   | 15          |
| Poor Ventilation of Shop / Store premises         | 2.72        | 0.98678                   | 16          |
| Inconvenient Parking Facility                     | 2.69        | 1.04753                   | 17          |
| Improper Arrangement of goods                     | 2.63        | 0.9022                    | 18          |
| Selling Expired Goods                             | 2.55        | 0.98613                   | 19          |
| Poor Cleaning of Shop / Store Premises            | 2.39        | 0.92273                   | 20          |

**Fixed Pricing**

- Problematic Return / Exchange Policies
- Over Pricing
- Queue and Rush in the Billing counters
- Unnecessary Purchases
- Adulterated Products
- Absence of Home Delivery
- Price Discriminations
- Unavailability of some goods and products
- Poor After Sales Services etc.

**Results/Findings**

Certain factors like – Easy Accessibility of a retail outlet, Availability of Quality Stocks, Shopping Comfort zone, Good Retail outlet Infrastructure, provision of Quality time spending during shopping, provision of add-on or special facilities and Variety of available brands as well as payment mode had been detected to be the prime factors influencing the customers' to shift to organised retail from the local kirana or so called “mom and pop” stores. However, in spite of

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the changing trends in customers shopping behaviour the general shoppers in the organised retail sector are facing some major difficulties like – Fixed Pricing, Problematic Exchange Policies, Over-Pricing at times, Long Queues and consequently more time requirement in the billing counters, Impulsive and unnecessary purchases, absence of facilities like home delivery, price discriminations, non-availability of certain brands and products to which a particular customer might be loyal and poor after sales services.

### Suggestions

Although the Indian Retail sector is still highly fragmented with the organised retailers only catering to 8-10 % of the total retail space, still there is significant scope for them to prosper and grow at a faster pace in the times ahead. However, it needs to be understood that consumers today are much more aware and conscious about not only their own choices and preferences but also about the service delivery factor which affects their inclination to seek for or avoid a particular store or a retail chain. The current players should take care of this factor and also try to eradicate the problems that the current consumers are facing while shopping from these outlets. Today the consumers are already overloaded with lot of shopping options and its very easy for them to switch over to another outlet or another retail chain in case they face certain hiccups while shopping. Therefore its extremely important for a retailer to focus on this aspect and frame strategies that counter these effects properly.

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