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A STUDY ON CONSUMER ATTITUDE MANAGEMENT TOWARDS ORGANIZED ON UNORGANIZED RETAIL SECTOR IN MYSORE CITY

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Abstract

The retail sector in India has contributed significantly to the country's economic growth over the past few years. It is also a leading employment generating sector, which continues to play an important role in the upliftment of the country's economic and financial stability. However, it has been noticed that most retail companies in India are yet to attain the high standards of their international counterparts. Therefore, majority of the Indian retail companies are yet to make their presence felt in the global markets. Retailing is one of the pillars of the economy in India and accounts for 35% of GDP. The retail industry is divided into organised and unorganised sectors. Over 12 million outlets operate in the country and only 4% of them being larger than 500 sq ft (46 m²) in size. Organised retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed hypermarkets and retail chains, and also the privately owned large retail businesses. Unorganised retailing, on the other hand, refers to the traditional formats of low-cost retailing, for example, the local kirana shops, owner manned general stores, paan/ beedi shops, convenience stores, hand cart and pavement vendors, etc. Most Indian shopping takes place in open markets and millions of independent grocery shops called kirana. Organized retail such supermarkets accounts for just 4% of the market. . Regulations prevent most foreign investment in retailing. Moreover, over thirty regulations such as "signboard licences" and "anti-hoarding measures" may have to be complied before a store can open doors. There are taxes for moving goods to states, from states, and even within states.

Keywords: Retailing, Unorganized, Retail Busienss.

Introduction

The distribution of consumer products begins with the producer and ends at the ultimate consumer. Between the producer and the consumer there is a middleman—the retailer, who links the producers and the ultimate

consumers. Retailing is denned as a conclusive set of activities or steps used to sell a product or a service to consumers for their personal or family use. It is responsible for matching individual demands of the consumer with supplies of all the manufacturers. Retail plays a

major role in selling products to different types of customers. The play is very important when it comes to sell a product separately. So the retailing is the instrument for selling all those products. Nowadays retailing is an important task for analyzing the different products to be selected by the customers group. Retailers segment the market to identify specific groups of customers in their trade area on whom their selling efforts can be concentrated.

Objectives of the Study

1. Study the status of Organized Retailing and Unorganized Sector in Mysore city.
2. To study the consumers attitudes towards Organized on Unorganized Retail Sector in Mysore city..
3. To study the problems of Organized on Unorganized Retailing Sector and to suggest the suitable measures thereof.

Methodology

The study is based on both Primary as well as Secondary data. The primary data has been collected from the consumers in organized as well as unorganized retail outlets in Mysore city by administering questionnaire.

The secondary data on organized retail sector has been collected from selected organized retailers and also from unorganized retailers and City Corporation Office the other concerned Institutions/agencies.

In addition to this, the secondary data from the published Books, Journals, Research Papers, and Seminar Volumes and also from various Newspapers.

The Questionnaire based survey of consumers' shopping at organized retail outlets and also consumers' shopping at unorganized outlets.

Sample Method

The sampling method chosen is simple random sampling which is a type of probability sampling.

Sample Size

The 300 consumers are selected in both organize and unorganized retail sector, the data is collected using a random sample of

consumers. Consumers who have significant knowledge of the topic were identified and selected at random for questioning. The Reference period for the study will be 2018.

Questionnaire

The Questionnaire was designed keeping in mind the objectives of the study which were to analyze the impact of organized retailing on unorganized retail and to find out the survival strategies adopted by unorganized retailers in mall culture. The literature survey and pre study consultation with industry experts were taken into account. The questionnaire consisted of few open ended questions, some questions were either using ranking scale or Likert scale, and dicotomes type of questions and open ended question.

This survey intends to analyze the impact of organized retailing on unorganized retail sector in Mysore city. This research explicates various aspects like the perceived and expected levels of satisfaction of the consumers and the factors which unorganized retailer should take cognizance of in the course of establishing and enhancing their business. As per questionnaire, interviews were conducted face to face so as to capture the attitude and experience of consumers who had just purchased grocery items from organized and unorganized retail outlets. Both qualitative and quantitative data analysis is done in order to get deeper insights into the consumer behavior and store loyalty for local grocery stores. Larger the sample size greater is the precision or reliability when research is replicated.

Statistical Tools and Techniques

The suitable statistical tools and techniques have been adopted to draw a definite and precise conclusion of the study. In addition to these statistical techniques the tables, graphs and charts has generated from the analysis of both primary and secondary data collected. The statistical techniques which was adopted in the study are Growth Models, SPSS- Frequency analysis.

RESULTS AND DISCUSSIONS

Consumers preference in organized retail outlets while purchasing of food products.

Income	Branded	Quality	Quantity	Price	All of the them	Total
Up to 5000	8	28	2	2	8	48
5001 to 10000	8	26	6	8	22	70
10001 to 25000	14	40	2	2	40	98
25001 to 50000	4	32	0	0	22	58

50001 to 100000	4	2	0	0	8	14
Above 100000	2	6	0	0	4	12
Total	40	134	10	12	104	300

The table and figure depicted the consumers preference in food products in Organized retail outlets, of the 300 consumers 45 per cent opined that their preference on purchasing of food products in retail outlet has been given to Quality of the product, 35 per cent for all such as Brand, Quality, price as well quantity, 13 per cent would be given preference to Branded products, 4 per cent for Price and 3 per cent for Quantity.

The study highlights that, the preference in purchasing of food products in Organized retail outlets has been given to Quality of the products and then other aspects would be concentrated by the consumers.

Buying Frequency of Food Products

Particulars	Respondents	%
Daily	4	1
Monthly	148	49
Weekly	80	27
Occasionally	68	23
Total	300	100

The table and figure analyze the Buying Frequency of Food Products in Organized retail outlets. Out of 300 consumers, 49 per cent opined that they do shopping once a month, 29 per cent of the consumers does shopping once a weekly, 23 per cent occasionally the visit Organized retail outlets and 1 per cent of them buy food products daily. The study observed that the more number of consumers buy food products in organized retail outlets once in a month.

Purchase of food products by respondents

Particulars	Respondents	%
Only Raw products	42	14
Only processed products	32	11
Both products	226	75
Total	300	100

The table and figure indicates the purchase of food products in Organized retail outlets. The 75 per cent of the consumers buy in Organized retail outlets Both the products, 14 per cent buy only raw products and 11 per cent has interest towards only processed products. The majority

of the consumers have the interest to buy the both products.

Purchasing of fruits and vegetables by the consumers

Particulars	f	%
Organized retail outlets	198	66
HOPCOMS	30	10
Unorganized	72	24
Total	300	100

The table and figure depicts the purchasing of fruits and vegetables from various retail outlets. It is evident that, out of 300 consumers, 66 per cent indicates that they buy fruits and vegetables from Organized retail outlets, 24 per cent from Unorganized retailers and 10 per cent from HOPCOMS in Mysore city. The study reveals that the more number of consumers purchase fruits and vegetables from Organized retail outlets in Mysore city, because Organized retail outlets provide good service as well as quality fruits and vegetable and also price is less when compared other organized retail outlets in Mysore city.

Reason for purchase of food products in organized retail outlets

Reasons	f	%
Choice of preferred varieties	50	16
Better product Quality	50	17
Fresh/new stocks	96	31
Freedom to choose/sort	50	17
Specific product is available	10	3
One stop shopping	44	16
Total	300	100

The table and figure analyses the main reason for purchase of food products in Organized retail outlets. Out of 300 consumers, 31 per cent indicates that their main reason for buying food products in Organized retail outlets that they provide fresh products and new stock, 17 per cent indicates as freedom to choose or sort and better product quality, 16 per cent opined as choices would be given and one stop shopping and 3 per cent indicates that they get specific products. The majority of the consumers purchase fruits and vegetable in organized retail

outlets due to fresh and new stock are available.

Composition of Purchase food products purchased

Food Products	Respondents	%
Fruits	38	13
Vegetables	98	32
Food products	46	15
Processed food products	56	19
Other food products	50	17
Others	12	3
Total	300	100

The table and figure shows composition of food products purchased in organized Retail Outlets in Mysore city. The more number of consumers prefers to buy fresh vegetables in organized Retail outlets with 32 per cent of vegetables followed by 19 per cent of Processed food products, 17 per cent of Other food products, 15 per cent of Food Products, 13 per cent of Fruits and only 3 per cent of them preferred to by other food products. The study clearly identifies that majority of the consumers preferred to by vegetables in organized Retail Outlets.

Frequency of purchase of food items very frequently

Purchase of food items	f	%
Beverages	12	4
Confectionaries	28	9
Instant foods	68	23
Health foods	90	30
Dairy products	2	.7
Edible oils	80	27
Fruits and vegetables	12	4
Groceries	6	2
Processed foods	2	1
Total	300	100

The table and figure shows the frequency of purchase of food items very frequently in Organized Retail Outlets in Mysore city. Out of 300 respondents, majority of the consumers preferred Health foods with 30 per cent, followed by Edible oils with 27 per cent, Instant foods with 23 per cent, confectionaries with 9 per cent and Beverages and Fruits and Vegetables 4 per cent each. And other products having less than three per cent as indicated in table 11.

Problems faced by the consumers in Organized retail outlet

Problems	f	%
Parking	132	44
Less weight	12	4
High price	90	30
Quality of goods	10	4
Billing	30	10
Others	24	8
Total	300	100

Findings of the study:

- The more number of (49 per cent) number of respondents expressed that the average price in organized retail outlets has been maintained when compared to unorganized retail outlets.
- The more number of consumers buy food products in organized retail outlets once in a month.
- The more number of consumers in organized retail outlets expressed themselves good opinion towards organized retail outlets with respect to service they provide to the consumers.
- The various schemes or promotional activities affecting for purchasing plans in organized retail outlets for consumers. It is evident that out 300 consumers, 69 per cent expressed as Yes.
- The majority of the consumers are the opinion that their expenditure has been increased in organized retail outlets while purchasing the food products.
- The survey observes that, more number of consumers have been visiting organized retail outlets from 1 to 2 year.
- The more number of the consumers have the interest to buy the both raw products as well as processed products.

Recommendations

- Organized retail sector should continuously aim at providing better value to customers. It should not to be a onetime process. Organized retail outlets should provide what customer feel will enhance their value and Big Bazaar, More and Reliance fresh can do easily.
- Once customers are drawn to stores though sales promotion to many hidden condition should not be applicable. The big bazaar super center, More and Reliance Fresh is advertising their products only in the urban areas whereas, some of the customers are

from rural areas too, for them there is a need to create awareness about organized retail outlets in Print as well as in mass media.

- At present, The organized retail outlets are not providing home delivery services for food products but they are giving the same service for electronic and other non food products, the home delivery services for food products have to be extended to food products, the sale turnover could be increased. Meanwhile, they could attract the more and more number of customers. Big Bazaar, More and Reliance Fresh should also make provision for home delivery if customer demands.
- The some of the consumers who has responded in the study mentioned that only some of the food products are available, therefore, should be proper assortment of various product categories.
- Proper training should be provided to sales executives so that they could handle the customers more efficiently inside the retail outlet.
- Store should inform about discount offers to loyal customers. Organized retail outlets could also enquire about loyal customers if they skip a periodic visit. The majority of consumers are in need of Discount price. But the discount price is provided to non food products and one plus one products such as buy one get one free etc schemes are available for cloths and other products put the same has to be extended to food products in Big Bazaar, More and Reliance Fresh.

Conclusion

The organised retail which accounts for 5 per cent of the total retail trade is poised to grow at an annual rate of around 11 per cent and is

likely to touch business levels of 53,000 billion by 2020. The retailing accounts for 18 per cent of the organised retail today and is likely to have a lower share (12%) by 2020. The study has identified a few major impediments, especially structural, hampering the growth of organised retail. Direct sourcing by retailers from farmers is less prevalent though it is most desirable and in the interest of all stakeholders. The overall retail trade including the food retail is set to witness a tremendous growth in the near future and is expected to almost double by 2020 from its current levels. As we move into the new decade, we have seen a rapid growth of modern formats in food retailing with the emergence of the organised food retail sector. The Credit has been an important facilitator for retail business and will be more so if the organised retail's growth potential is be fully harnessed. At present the credit flow to this segment is low.

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