

Key Reasons for Customers' Preference for the Organised Retail Sector in Kolkata – An Insight

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ABSTRACT

The Indian Retail industry has experienced a galactic measure of progress especially in the last five to ten years. This enormous transformation is particularly noticeable once we see the little kiranas continuously getting supplanted by colossal markets in the region. This viewpoint is increasingly noticeable especially in the metros and level one towns with an exceptionally immense populace base. This examination uncovers that one of the principle purpose behind the clients to pick these composed retail outlets was the accessibility of all their day by day needs under one rooftop. Nonetheless, it has additionally been seen that the significant determinants affecting the present client to move their shopping needs from disorderly to sorted out 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 examination has made an undertaking to uncover how these previously mentioned components are getting confined from the buyers point of view of Service measurements in a portion of the conspicuous retail chains in Kolkata.

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

INTRODUCTION

Retail segment is one of the fundamental main impetuses of current Indian Economy. In the present society, shopping has turned out to be more a propensity than a need. Gone are those occasions when individuals used to look for all the family unit necessities once every month or might be before a fortnight. With the evolving financial structure where both the couple are working prompting increasingly discretionary cash flow and subsequently higher inclination to spend – shopping today is more joy driven than a need driven angle. Retailing comprise all exercises engaged with advertising of merchandise and ventures to shoppers for their own, family, or family unit use. Retailing is the arrangement of business exercises that increase the value of the items and administrations offered to buyers for their own or family use (Levy and Weitz 2008). Retailing alludes to all capacities and exercises associated with the selling of items legitimately to buyers. For a solid, stable and reliably developing economy, an efficient and effective retail segment is a most extreme prerequisite (Kumar, Vikkraman, 2012). All in all terms - retailing can be characterized as purchasing and selling of products and ventures. In any case, a refined methodology characterizes "Retail" as auspicious conveyance of merchandise and ventures to the purchasers requested by them at focused and moderate cost.

LITERATURE REVIEW

Goswami and Mishra (2009) meant to comprehend whether Indian shoppers move to sorted out retailers rather than a kirana store for acquiring staple goods. They took 4 urban communities for their examination in which two significant and two little urban areas. They took an example of 100 respondents from every city and utilized stratified methodical examining plan with test size of 400 and utilized multivariate factual strategies to break down the information gathered through organized poll. They found that client are decidedly tuned to area, accommodating and reliable sales rep, home conveyance, neatness, item quality and contrarily identified with movement burden. They found that kiranas do well on area however poor on neatness, offers, quality, supportive and dependable salesman.

Goel and Dewan (2011) made an endeavour to discover the elements influencing the Consumer Preferences of shopping at sorted out retail locations in 5 urban areas of Punjab. They referenced that because of serious challenge in this field holding clients is of prime significance and systems must be made to upgrade a similar

which relies upon related variables like – item accessibility and assortment, mood, administration, value, notice, esteem and quality.

Gupta, Kim and Sharma (2011) made an investigation on Customer changing to Organized Retail from Unorganized Retail Sector especially in the Semi-urban pockets of India. They reasoned that the semi-urban market elements being very not the same as the urban markets and city, the degree of connection among clients and little retailers is an impressive test for sorted out retailers. Sorted out retailers need to concentrate on this factor and can draw in clients dependent on comfort and quality.

The investigation of **Dinesh Kumar and Vikkraman (2012)** was intended to distinguish the prime components of consumer loyalty in sorted out retail segment crosswise over Erode city in Tamilnadu. They likewise attempted to look at the frame of mind and conduct of clients towards sorted out retail part. By utilization of engaging examination methods they gathered information from 200 respondents with organized poll. The got information were handled through rate investigation, Chi-Square Test, Correlation and Cross Table Analysis. The outcomes demonstrated that 64 % of the respondents were buying from accommodation stores before prior before exchanging over to the composed retail organizes. They found that the shoppers were happy with the administration nature of composed retail segment yet disappointed with their method of installment alternatives. Anyway the investigation uncovered that there was no critical connection between the administration quality and instruction of the customer however huge connection existed between the buy volume and Income level of the purchaser.

Pandya and Bariya (2012) did an examination on the properties of Organized and Unorganized Retail area that the purchasers incline toward over the city of Vadodra in Gujarat. They gathered 200 examples by stratified examining strategy. The investigation uncovered that the majority of the purchasers were happy with the components like – estimating, shopping comfort, item or product collection and charging straightforwardness in the composed retail arranges. It likewise demonstrated that the buyers favored sloppy retail locations for purchasing natural products, vegetables and so forth though if there should be an occurrence of purchasing bundled nourishment and beauty care products that favored organised retail locations.

Talreja and Jain (2013) where they made a point by point exact investigation of the changing purchaser recognition structure sloppy to composed retail in Udaipur region of Rajasthan. They took the examples of 100 clients and pursued chi square test, weighted normal strategies. The investigation uncovered that the decision of retail organization doesn't rely upon shopping things, family salary level and age yet rely on different other shopping components like - the store picture, scope of items, brand decisions, value, store climate, credit accessibility, and shop vicinity.

Kanetkar (2013) made an endeavour to discover the effect and impacts of composed retail on Indian buyers especially with regards to Nagpur district in Maharashtra. The investigation uncovered that - the acquiring example of the client has changed, as it were, in the as of late where a client's purchasing conduct is being impacted by social components, for example, the gathering to which the clients have a place and societal position. It is very apparent that in a gathering, a few people may associate to impact the buy choice. Because of this intense change in the conduct of the purchaser, in the perspective on developing economy, winning limit, less time and quick track life the sorted out retail base has represented a significant test to the customary retail area in current India.

The investigation made by **Harish Nair and Girish Nair (2013)** attempted to discover the variables that pull in the clients towards sorted out retail area. Notwithstanding that it likewise intended to discover interrelationship between different retail administrations and quality measurement which recognizes the means expected to improve the general nature of administrations. Essential information were gathered from different sources like magazines, diaries, web-based interfaces. They took an example of 100 respondents haphazardly and utilized the chi square test procedure. The investigation uncovered that there is critical connection between current looking gear and installation and outwardly engaging factors of physical parts of sorted out retail outlets. They additionally found that there is a positive connection between simple openness

and simple interior portability of physical angle measurement. They additionally found that there is a constructive connection between worker learning and representative conduct factors of individual viewpoint measurement.

Kusuma, Prasad and Rao (2013) attempted to concentrate on the difficulties looked by sorted out retail segment in India. It likewise gave a few recommendations to conquer those difficulties. They found that development of sorted out retail, spending limit of youth, raising salary level and buying power, changing attitude of clients, simple client credit office, high brand awareness, expanding discretionary cashflow, expanding number of double pay family units, evolving way of life, changing shopper conduct, changing knowledge with configurations and store configuration are a portion of the significant explanations behind development of retail industry in India. They additionally proposed that components like – arrangement of motivators for ventures, extensive enactment, disposing of formality ism, legitimate expense structure will conquer the difficulties for composed retail advancement.

Sushmana (2014) proposed to go for an exploration to discover the customer discernment towards sorted out and chaotic retail locations alongside discovering the purchaser observation towards fulfilment level from composed and sloppy retail locations. They took an example of 100 clients and utilized the organized survey for gathering information utilizing the irregular examining procedures. Results uncovered that 40% clients favor sloppy retail for shopping while 34% clients incline toward sorted out retail locations. The parity 26% shoppers clients incline toward both. They likewise found that 40% clients buy staple goods from kirana store, 30% customers from markets, 16% clients from comfort store and 14% clients from hypermarkets. The examination demonstrated that 45% clients visit shopping center fortnightly, 35% clients visit week after week, 15% month to month and 5% day by day. In setting to the conduct angle - half clients visit shopping center for shopping, 32% visit for excitement and 18% visit for window shopping. They likewise found that shoppers are pulled in to disorderly retailers because of elements like – closeness, altruism, credit deals, bartering, free things, helpful planning and home conveyance. Then again the customers visited composed retailers for accessibility of better quality items, lower costs, one quit shopping, decision of extra brands and items, family shopping and new stocks. They additionally found that purchasers from lower salary level delighted in better investment funds while shopping from composed retailers.

Hameed (2015) endeavoured to think about the determinants of consumer loyalty in the sorted out retail. His other target was to survey the - mentality, devotion perspective, fulfilment and conduct of buyers towards retail locations and future prospects of sorted out retail locations. With the assistance of accommodation examining procedure an example of 52 shoppers had been drawn. From that point information was gathered by the assistance of close finished organized survey. Results uncovered that an ideal store design is significant for elevated level of consumer loyalty, though store unwaveringness relies upon compelling treatment of client connections. The investigation additionally demonstrated that less line and inviting staff emphatically influence administrations quality while exactness of bills, value markdown decidedly influences the client's unwavering quality.

R Shashikala and J Gangatkar (2015) did an investigation in Bangalore and attempted to think about shopper discernments towards grocery stores and temporary stores. They considered arrangement stores just as grocery stores in such manner. They surrounded the speculation and by the assistance of Convenience testing an example of 100 respondents were assembled. The outcomes demonstrated that if there should be an occurrence of buying basic food item, the components like - quality, value, vicinity, cleanliness are viewed as considered more significant than administrations, mood, store picture, assortment and accessibility.

Shenbagasuriyan and Balachandar (2016) attempted to discover the sort of retail division from where clients purchase their family unit needs and to break down sort of items that clients purchase from a specific retail segment. They took the example of 160 purchasers after which survey was utilized for gathering the information. They applied the chi square test to discover the relationship between the retail division which

the client settles on purchasing the items and what sort of items they buy in those stores. They found that there is relationship between sort of retail segment and clients purchasing the items. The outcomes uncovered that 28.8% clients make buy two times a month, 26.2% clients does it week after week, 18.1% was found to make buys in any event 3times per week, 14.4% does it month to month though 12.5%purchases infrequently. Results likewise uncovered that 13.8% of clients visit the store underneath a month, 23.8% clients visit each one to a quarter of a year, 20% clients visit each three to a half year, 12.5% clients visit at regular intervals to 1 year, 30% clients visit the store over 1 year. They additionally opined that there should be sure degree of control on the retail division from the administration bodies.

SCOPE OF THE STUDY

The prior examinations have demonstrated a lot of work has been done in the retail part by some previous specialists in different states and urban communities of India. Anyway very little work has been finished in regards to the components that impact the purchasers move from sloppy to composed retail locations with regards to West Bengal. Indian buyers are at such an intersection today where an ever increasing number of individuals are gradually yet step by step moving their shopping needs to the alleged sorted out retailers and are leaning toward it more to the nearby kiranas. This watched move had been because of various components that is affected by the shopper's - societies, rehearses, propensities, inclinations and decisions. This investigation had along these lines been led not exclusively to concentrate on the components that impact the customers' work day towards some noticeable outlets of Big Bazaar and Spencer's just inside the city of Kolkata yet in addition to examine the issues that shoppers may confront while purchasing from those retail locations.

OBJECTIVES OF THE STUDY

The primary targets of the investigation are referenced according to the following :

1. To break down the fundamental factors that impact the shopper to buy their family needs from the sorted out retail locations.
2. To examine the issues that purchasers may confront while purchasing from those sorted out retail locations.

RESEARCH METHODOLOGY

Research Design :The present investigation had an enlightening examination plan, and endeavours have been taken to investigate and ponder the statistic qualities of the individuals visiting and shopping at explicit retail outlets of Big Bazaar and Spencers. Structure the secured information on statistic characteristics study had been embraced to investigate how they are deciding the brand inclination of the meeting clients.

Sampling Design

- Population had been every one of those clients who visit and shop at the particular composed retail chain outlets of Kolkata.
- The Sample size for the investigation was 240 respondents.
- Sampling strategy had been undertaken by moving toward each fifth client leaving the outlet by "Shopping centre Intercept Method" and from that point legitimately communicating with them by the assistance of pre-organized survey.

Research Instrument & Data collection:Information gathered was for the most part essential in nature through organized poll which was filled by the respondents visiting and shopping every now and again at those retail outlets in Kolkata.

Analysis Tools :Information gathered was broken down by utilizing different measurable statistical methods as might have been deemed necessary.

ANALYSIS AND INTERPRETATION

Factor Analysis : The outcomes procured are being stated below –

KMO and Bartlett Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.796
Approx. Chi-Square	838.25
Bartlett's Test of Sphericity	300
Sig.	.000

As watched, the KMO worth is .796 and that is higher than .5 which demonstrates that the size of the sample is satisfactory. The Chi square worth is 838.25 and significance level is .000, so it is satisfactory for running factor analysis.

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	15.217	15.217	3.782	15.217	15.217	2.793	11.213	11.213
2	3.295	13.581	28.798	3.295	13.581	28.798	2.467	9.735	20.948
3	2.029	8.645	37.443	2.029	8.645	37.443	2.447	9.876	30.824
4	1.979	7.344	44.787	1.979	7.344	44.787	2.134	8.462	39.286
5	1.534	6.136	50.923	1.534	6.136	50.923	2.029	8.243	47.529
6	1.419	5.383	56.306	1.419	5.383	56.306	1.796	7.244	54.773
7	1.315	5.359	61.665	1.315	5.359	61.665	1.686	6.892	61.665
8	0.99	3.891	65.556						
9	0.897	3.552	69.108						
10	0.831	3.323	72.431						
11	0.787	3.177	75.608						
12	0.748	2.993	78.601						
13	0.66	2.64	81.241						
14	0.608	2.432	83.673						
15	0.55	2.198	85.871						
16	0.517	2.049	87.92						
17	0.461	1.844	89.764						
18	0.447	1.766	91.53						
19	0.427	1.609	93.139						
20	0.376	1.414	94.553						
21	0.366	1.465	96.018						
22	0.325	1.3	97.318						
23	0.251	1.015	98.333						
24	0.214	0.865	99.198						
25	0.192	0.78	100						

Extraction Method : Principal Component Analysis

Explanation : Here, the components with Eigen values more than 1 has to be considered. The variance of the components with Eigen Values more than 1 are being mentioned below :

1stComponent : 11.213,

2ndComponent : 20.948,

3rdComponent : 30.824,

4thComponent : 39.286,

5thComponent : 47.529,

6thComponent : 54.773 &

7thComponent : 61.411

So, here we will be considering seven factors.

Rotated Component Matrix

	Component						
	1	2	3	4	5	6	7
Price Negotiation	0.786						
Workplace Vicinity	0.746						
Residence Vicinity	0.665		0.404				
Provision of Car Parking	-0.566						
Affordable product prices	0.501	0.445					
Products of different Varieties		0.658					
Trendy products		0.650					
Value to Loyal customers		0.583					
Good Quality Product		0.581					
Soothing Ambience			0.782				
Discounts and Special Offers			0.726				
Professionally trained Workforce			0.653				
Window Shopping				0.846			
User Friendly Layout				0.625			0.416
Neat & Clean				0.552			
Supportive Advice for Customers		0.415		0.439			
Home Delivery Facility					0.690		
Value for Money					0.633		
Interiors					0.618		
Special Zone for Kids					0.513		
Time Management					0.504		
Shopping and Beyond						0.725	
Provision of Credit facilities						-0.703	
Diverse Payment Modes							0.714
Diverse Brand Variety							0.695

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.a

a. Rotation converged in 14 iterations.

Explanation

Factors	Variables	Loading
1) Accessibility	Price Negotiation	0.786
	Workplace Vicinity	0.746
	Residence Vicinity	0.665
	Provision of Car Parking	-0.566
	Affordable product prices	0.501
2) Quality of Stocks	Products of different varieties	0.658
	Trendy products	0.650
	Value to Loyal Customers	0.583
	Good Quality Product	0.581
3) Comfort Zone	Soothing Ambience	0.782
	Discounts and Special Offers	0.726
	Professionally trained Workforce	0.653
4) Store Infrastructure	Window Shopping	0.846
	User Friendly Layout	0.625
	Neat & Clean	0.552
	Supportive Advice for Customers	0.439
5) TimeUtilisation Quality	Home delivery Facility	0.690
	Value for Money	0.633
	Interiors	0.617
	Special Zone for Kids	0.513
6) Value Added	Time Management	0.504
	Shopping and Beyond	0.725
	Provision of Credit Facilities	-0.703
7) The Variety	Diverse Payment Mode	0.714
	Diverse Brand Variety	0.695

Elucidation :The factors below had been gathered as an amalgamation of various service components according to the customers' perception –

Factor 1: Accessibility

- Price Negotiation
- Workplace Vicinity
- Residence Vicinity
- Provision of Car Parking
- Affordable Product Prices

There are 5 variables in factor 1.

Factor 2: Quality of Stock

- Products of different varieties
- Trendy Products
- Value to Loyal Customers.
- Good Quality Products

So, there are 4 variables in factor 2.

Factor 3: Comfort Zone

- Soothing Ambience.
- Discounts and Special Offers
- Professionally trained Workforce

So, there are 3 variables in factor 3.

Factor 4: Store Infrastructure

- Window shopping
- User Friendly Layout
- Neat & Clean
- Supportive Advice for Customers

So, there are 4 variables in factor 4.

Factor 5: Time Utilisation Quality

- Facility of Home delivery Facility
- Value for Money
- Interiors
- Special Zone for Kids
- Time Management

So, there are 5 variables in factor 5.

Factor 6: Value Added Services / Facilities

- Shopping and Beyond
- Provision of Credit Facilities

So, there are 2 variables in factor 6.

Factor 7: The Variety

- Diverse Payment Mode
- Diverse Brand Variety

So, there are 2 variable in factor 7.

Mean and Standard Deviation

The mean and standard deviation was determined for positioning the issues that are looked by customers while acquiring their needs from sorted out retail locations.

Problems	Mean	Standard Deviation	Rank
Non-Flexible Pricing	3.92	1.01743	1
Cumbersome Exchange Policies	3.84	0.97012	2
Exorbitant Pricing	3.79	0.85841	3
Billing Counters' Queue	3.51	0.98891	4
Impulsive Purchases	3.39	0.92798	5
Contaminated / Damaged Products	3.28	1.01378	6

Unavailability of Home delivery Facility	3.23	0.96516	7
Price Differences	3.19	1.10891	8
Unavailability of products on demand	3.15	1.04537	9
Money Wastage	3.12	0.95449	10
Dissatisfactory Post-Sales Services	3.05	0.87648	11
Unprofessional Reply on Customer Enquiry	2.98	0.99897	12
Poor Knowledge of Store Workforce	2.94	0.97362	13
Poor Co-operation from Store Workforce	2.91	1.03267	14
Bad Quality of Available products	2.83	1.13358	15
Claustrophobic Ventilation of Shop / Store	2.75	0.98679	16
Inconvenient Car Parking	2.68	1.04783	17
Untidy Product & Goods Arrangement	2.62	0.9122	18
Business on Expired Goods	2.52	0.98617	19
Poor Hygiene of the Store Premises	2.35	0.92374	20

Elucidation :Use of Mean and Standard Deviation uncovered a few issues that clients are confronting as of now while shopping from these sorted out retail outlets. A portion of the significant ones are being listed below :

- Non-Flexible Pricing
- Cumbersome Exchange Policies
- Exorbitant Pricing
- Billing Counters' Queue
- Impulsive Purchases
- Contaminated / Damaged Products
- Unavailability of Home delivery Facility
- Price Differences
- Unavailability of products on demand
- Dissatisfactory Post-Sales Services etc.

CONCLUSION

The Indian retail industry has developed as one of the most powerful and quick paced ventures because of the existing as well as new players. It represents more than 10 percent of the nation's Gross Domestic Product (GDP) and around 8 percent of the workforce. India is the world's fifth-biggest worldwide destination in the retail space. In spite of the fact that the Indian Retail division is still profoundly divided with the corporate retailers just accounting upto 8-10 % of the entire retail space, still there is huge scope for them to succeed and develop at a quicker pace in the occasions ahead. Nonetheless, it should be comprehended that purchasers today are substantially more mindful and cognizant about their own decisions and inclinations as well as about the administration conveyance factor which influences their tendency to look for or maintain a strategic distance from a specific store or a retail chain. The present players should deal with this factor and furthermore attempt to kill the issues that the present customers are confronting while shopping from these outlets. Today the buyers are now over-burdened with parcel of shopping

alternatives and it is simple for them to switch over to another outlet or another retail chain in the event that they face certain hiccups while shopping. Subsequently its critical for a retailer to concentrate on this viewpoint and addressing procedures that counter these impacts appropriately.

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