FACTORS THAT DETERMINE THE SHOPPING BEHAVIOUR OF CUSTOMERS OF ORGANIZED AND UNORGANIZED RETAIL OUTLETS: – A STATISTICAL SURVEY OF CUSTOMER BEHAVIOUR OF SHOPPING IN DELHI/NCR

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ABSTRACT

The retail sector has strong impetus to overall economic growth as a significant driver of the growth of services sector, which contributes more than 50 per cent of GDP. It has strong backward and forward linkages with other sectors like agriculture and industry through stimulating demand for goods and through mass marketing, packaging, storage and transport. Moreover, it creates considerable direct and indirect employment in the economy. Also, the consumers have benefited in terms of wide range of products available in a market. The retail business in India is estimated at grow at 13 percent per annum from US$ 322 million in 2006-7 to US$ 590 billion in 2011-12 and expected to be US$ 700 billion in 2015-16. The unorganized sector is expected to grow at about 10 percent per annum from US$ 309 billion in 2006-7 to US$ 496 billion in 2011-12 and expected to be US$ 650 billion in 2015-16. Organized retail which now constitutes a small four percent of retail sector in 2006-7 is likely to grow at 45-50% per annum and quadruple its share of total retail trade to 16 percent by 2014-15. Retailing in India came with evolutionary patterns from grocery store to super market/malls. This sector was un-organized in the initial stage, and after that it is carried forward and now it is growing as supermarket and hypermarket. The paper depicts the main drivers of the retail revolution in India and how this revolution changes the buying behavior of the customer, increase in disposable income of the middle class, infrastructure development and changing customer choice. Organized Retailing is introduced in the last decade and has emerged as one of the sunrise industries in India. The survey intends to analyze the consumer behavior towards organized and

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unorganized retailing, their source of purchasing and the factors which influences their mall purchasing *in India.* The research paper intends to find out the consumer behavior towards organized (supermarkets/malls, hypermarkets, departmental stores etc) and unorganized (local grocery stores, weekly bazaars etc) retail stores in Delhi/NCR. The study focuses on the consumer's satisfaction level from organized retail stores as well as unorganized retail stores.

This research paper is based on respondents who buy their product at organized and unorganized retail outlets. The study has tried to find out consumer behavior of respondents when they shop through organized and unorganized retail outlets. As a part of consumer behavior, their perceptions, motivation levels and demographic factors were studied. The study has also tried to study the reasons for preference of retail outlets and the attributes that consumers look for when they visit retail outlets.

KEY WORDS: *Organized and unorganized retail outlets, Consumer behavior, Perceptions, motivation, Demographic Factors.*

1. INTRODUCTION

Retail is India's largest industry, and arguably the one with the most impact on the population. It is the country's largest source of employment after agriculture, has the deepest penetration to rural India. Retailing is the set of activities that market the products or services to final consumers for their personal or household use. It does this by organizing their availability on a relatively large scale and supplying them to customers on a relatively small scale. The word 'retail' means to sell or be sold directly to individuals Retailer is a person or Agent or Agency or company or organization that is instrumental in reaching the goods or services to the End User or Merchandise or Services to the End User or Ultimate Consumer. Retailing is buying in large quantity from a whole seller or directly from a manufacturer and selling the goods/services to consumer for personal consumption. Retailing is one of the pillars of the economy in India and accounts for 13% of GDP.

The retail industry is divided into organized and unorganized sectors. Over 12 million outlets operate in the country and only 4% of them being larger than 500 sq ft (46 m2) in size. Organized 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. Unorganized 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, hardware shop at the corner of your street selling everything from bathroom fittings to paints and small construction tools; or the slightly more organized medical store and a host of other small retail businesses in apparel, electronics, food etc. Organized retailing includes the corporate retail formats of the exclusive brand outlets, hypermarkets, supermarkets, departmental stores and shopping malls. 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.

Modern retailing has entered India in form of malls and huge complexes offering shopping, entertainment, leisure to the consumer as the retailers experiment with a variety of formats, from discount stores to supermarkets to hypermarkets to specialty chains. However, kiranas still continue to score over modern formats mostly due to the convenience factor i.e. near to their house. Moreover, over thirty regulations such as "signboard licenses" 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 The Indian retail market is the fifth largest retail destination globally. Modern retail is increasing its share in the total retail market to 22% in 2010. India has one of the largest numbers of outlets in the world. Of the 12 million retail outlets present in the country, nearly 5 million sell food and related products. Though the market has been dominated by unorganized players, the entry of domestic and international organized players is set to change the scenario. Around 7% of the population in India is engaged in retailing. The research paper highlights points which are necessary for the growth of retail sector in India. The retail industry in India has undergone a rapid growth in the organized sector since the year 2000. The organized retail sales volume in 2004-2005 had just about 2% share of the total retail sale. In present competitive scenario it's very important to compete with the competitors and sustain ahead, all companies are analyzing and doing research to know and understand the consumer buying behavior for the same. The share of retail trade in the country's gross domestic product (GDP) was 22% in the year 2010. The Indian Retail Sector is booming and modernizing rapidly in line with India's economic growth. In this review the author has talked about the impact of organized retailing on traditional retailing. With the increase in

number of various formats for shopping like malls, departmental stores, hypermarkets etc., the Indian consumers' preferences are changing towards and that is the reason why foreign investors like the king of retail Wal-Mart also came into the Indian retail ground in collaboration with Bharti.

2. LITERATURE REVIEW

The literature review focuses on the triggers of shopping identified by various researchers across the globe, with specific emphasis on merchandising as an attribute and use of factor analysis as a quantitative tool to create constructs affecting shopper behavior. Moreover, it explores the different quantitative methods followed by different researchers to reach at quantifiable factors under different conditions of study. The focus of the literature review is to understand factors influencing shopper behavior and the scales used by different researchers across the globe to address shopper buying behavior. This also identifies the gap in the present research and derives hypotheses to address those areas.

There is a huge untapped market in India right now which provides number of opportunities for retailers (Mathew Joseph and Manisha Gupta, September 2008), Increasing trend of organized retailing have been drive the growth of convenience store industry in the world. By 2011, Asia remains the fastest growing convenience store market in the world as the major. Asian retail markets registered explosive growth in opening up of new convenience store. 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, as per "Global convenience Store Market Analysis, The research on shopper behavior goes back to 1969 when Dodge and Summer found out that Store choice has been found dependent on socio-economic background of consumers, their personality and past purchase experience. Later Kotler (1973), Cort and Dominguez (1977), Mattson (1982), Meyer and Eagle (1982), Malhotra (1983), Lumpkin et al. (1985), Zeithaml (1985), Fotheringham (1988), Sparks (1995), Davies (1995) contributed a lot towards the research on shopper buying behavior. McGoldrick and Betts (1995) conducted a research named Consumer behavior and the retail sales" in UK and used quantitative analysis (factor analysis) to bring out eight factors that influence shopper behavior in UK. However till 2003, there was not much research done on Indian shopper behavior. Sinha and Banerjee (2004) worked on "Store Choice Behavior in an evolving Market". This analysis was

based on seven constructs and 43 variables. The seven constructs are proximity, merchandise, ambience, service, patronized and others (two constructs). One of the most recent Indian researches on shopper behavior is by Goswami and Mishra (2008) who studied traditional kirana stores visa-a-via organized Supermarkets for grocery shopping and came out with factors related to grocery store patronage and identified dimensions of customers‟ needs and desire which are relevant for grocery store choice. In this study 44 attributes were considered in the questionnaire that was brought down to 11 factors by factor analysis. A very recent research on shopper behavior is by Swoboda, Haelsig, Klein and Morschett (2009) who used a 15 attribute model, converting the attributes into 5 factors in their research "Moderating role of involvement in building a retail brand". From the existing literature, it is quite evident that lot of work has been done on shopper buying behavior globally, but except Sinha and Banerjee (2004) and Goswami and Mishra (2008) there is hardly any relevant research being published on shopper buying behavior in Indian context. The existing researches in India and abroad have identified many dimensions of Shopper behavior in addressing the issues like retail branding, store location, differentiating kirana store and organized retailing etc. But none of these researches address the question of shopper behavior in a supermarket‟ adequately. Either they talk of shopper behavior in general (not specific to supermarket) or shopper behavior to specific stimuli differentiating super markets from kirana stores. Contrary to above published research findings, the proposed research is in between that tries to address the triggers affecting shopper behavior in a super market, and studies in specific shopper behavior in response to the triggers

India's retail sector is going to transform and with a three-year compounded annual growth rate of 46.64 per cent, retail sector is the fastest growing sector in the Indian economy. Traditional markets are transforming themselves in new formats such as departmental stores, hypermarkets, supermarkets and specialty stores. Western-style malls have begun appearing in metros and near metro cities, introducing the Indian consumer to a new shopping experience.

3. OBJECTIVES

The research analyzes the various aspects like 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. The objective of the research is:

1. *To find out the consumer behavior towards organized (supermarkets/malls, hypermarkets, departmental stores etc) and unorganized (local grocery stores, weekly bazaars etc) retail stores in Delhi/NCR.*

2. *To find out the consumers satisfaction level from organized retail stores as well as unorganized retail stores.*

3. *To study various attributes of organized and unorganized retail outlets in Delhi that consumers prefer.*

4. *To study the preference of respondents for organized and unorganized retail outlets in Delhi and the reasons for their preference.*

4. PROBLEM STATEMENT

The study looks at the possibility of the malls replacing the Kirana stores (a popular form of market stores in India) by adopting a flexible strategy which enables it to successfully adopt the key features of these local stores and at the same time provide the benefits of the shopping malls. The study undertakes an analysis of the attitudes of Indian consumers towards these malls and how the malls need to modify themselves to better service the Indian consumer.

5. RESEARCH METHODOLOGY

An exhaustive and detailed questionnaire has been designed to explore all the aspects enumerated above. To arrive at the final questionnaire, firstly a rough draft with a few questions has been formulated, which generated a lot of qualitative data, which play a crucial role in helping us zero in on the final questions. An attempt has been made to make the study as broad based as possible by taking a sample of 20 malls in the Delhi NCR region. A minimum of 5-8 shopkeepers and tenants in each of these malls have been contacted and surveyed. Detailed and specific information have been extracted from them and documented. Personal visits have been made to conduct a detailed interview of the respondents (these included both the customers and shopkeepers at these malls). Method of passive observation of shoppers at these malls has also been adopted to study the shopping styles and behavior of the Indian customer. Another important tool used for data collection will be that of Appreciative Inquiry (AI). Appreciative Inquiry is a positive approach to change that focuses on probing a firm's best attributes and practices. AI is typically thought of as a "soft" strategy used. Visiting in the various malls helps

to get a glimpse of how the mind of the consumer makes choices in real life scenarios. Case studies have also been undertaken and focused group discussions have also been used to collect data and information.

Primary data: - The method of data collection was done by the way of survey. The primary data have been collected in the form of structured questionnaires, Online Questionnaire, and Direct Interview

Secondary data:-The secondary data have been collected in the form company profile, different journals, selected cities, book, and websites, Internet, Reports, Books and Journals.etc.

5.1. SAMPLE DESCRIPTION

1. Sample size & Simple unit: Two hundred respondents from Delhi/NCR have been selected in sample size in Organized and Unorganized Retail Outlets in Delhi/NCR.

2. Sample selection procedure: Stratified sampling technique has been used to select samples. For this, strata as selected on the basis of occupation

6. ANALYSIS AND INTREPRETATION

Retailing in India is one of the pillars of its economy and accounts for 14 to 15 percent of its GDP. The Indian retail market is estimated to be US$ 500 billion and one of the top five retail markets in the world by economic value. India is one of the fastest growing retail markets in the world, with 1.2 billion people. As of 2013, India's retailing industry was essentially owner manned small shops. In 2010, larger format convenience stores and supermarkets accounted for about 4 percent of the industry, and these were present only in large urban centers. India's retail and logistics industry employs about 40 million Indians (3.3% of Indian population).

In January 2012, India approved reforms for single-brand stores welcoming anyone in the world to innovate in Indian retail market with 100% ownership, but imposed the requirement that the single brand retailer source 30 percent of its goods from India. Indian government continues the hold on retail reforms for multi-brand stores. At this stage a study of consumer behavior yields great insights into the strategy which must be adopted by the organized retail sector in India. Consumer behavior is seen to involve a mental decision process as well as physical activity. The actual act of purchase is just one stage in a series of mental and physical activities that occur during a period of time. Some of these activities precede the actual buying, while others follow

it. However since all are capable of influencing the adoption of products and services, they will be considered as part of the behavior of consumers.

According to the Indian Council for Research in International Economic Relations, there would be no long term impact due to the entry of organized retail chains on the neighborhood grocery shops in the country. In clear terms the impact of organized retailing on unorganized sector are as follows:

1. The adverse impact on sales and profit weakens overtime.

2. There is some decline in employment which however also weakens over time.

3. The rate of closure of unorganized retail shops in gross terms is found to be 4.2% per annum which is much lower than the international rate of closure of small businesses.

4. The rate of closure on account of competition from organized retail is lower still at 1.7% per annum.

The grocery stores and pan shops are seen part of community life and hence unorganized retail will stay. It was observed that if organized retail does not grow, the unorganized sector will not able to handle the surging demand. Being unorganized retailing is a serious step; there are still challenges for organized retailing in India.

Traditional retailing has been established in India for some centuries. It has a low cost structure, mostly owner operated, has negligible real estate and labour costs and little or no taxes to pay. Consumer's familiarity that runs from generation to generation is one big advantage for the traditional retailing sector. In contrast, players in the organized sector have big expenses to meet, and yet have to keep prices low enough to be able to compete with the traditional sector. Moreover, organized retailing also has to cope with the middle class psychology that the bigger and brighter sales outlets are, the more expensive it will be Until 2011, Indian central government denied foreign direct investment (FDI) 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 directly to Indian consumers..

As the contemporary retail sector in India is reflected in sprawling shopping centers, multiplex-malls and huge complexes offer shopping, entertainment and food all under one roof, the concept of shopping has altered in terms of format and consumer buying behavior, ushering in a revolution in shopping in India. This has also contributed to large scale investments in the real

estate sector with major national and global players investing in developing the infrastructure and construction of the retailing business. The trends that are driving the growth of the retail sector in India are

- Low share of organized retailing
- Falling real estate prices
- Increase in disposable income and customer aspiration
- Increase in expenditure for luxury items

Another credible factor in the prospects of the retail sector in India is the increase in the young working population. In India, hefty pay-packets, nuclear families in urban areas, along with increasing working-women population and emerging opportunities in the services sector are other factors making an impact on retail sector. These key factors have been the growth drivers of the organized retail sector in India which now boast of retailing almost all the preferences of life - Apparel & Accessories, Appliances, Electronics, Cosmetics and Toiletries, Home & Office Products, Travel and Leisure and many more. With this the retail sector in India is witnessing a rejuvenation as traditional markets make way for new formats such as departmental stores, hypermarkets, supermarkets and specialty stores.

The retailing configuration in India is fast developing as shopping malls are increasingly becoming familiar in large cities. When it comes to development of retail space specially the malls, the Tier II cities are no longer behind in the race. If development plans till 2007 is studied it shows the projection of 220 shopping malls, with 139 malls in metros and the remaining 81 in the Tier II cities. The government of states like Delhi and National Capital Region (NCR) are very upbeat about permitting the use of land for commercial development thus increasing the availability of land for retail space; thus making NCR render to 50% of the malls in India.

Retail Space Distribution in Delhi, NCR
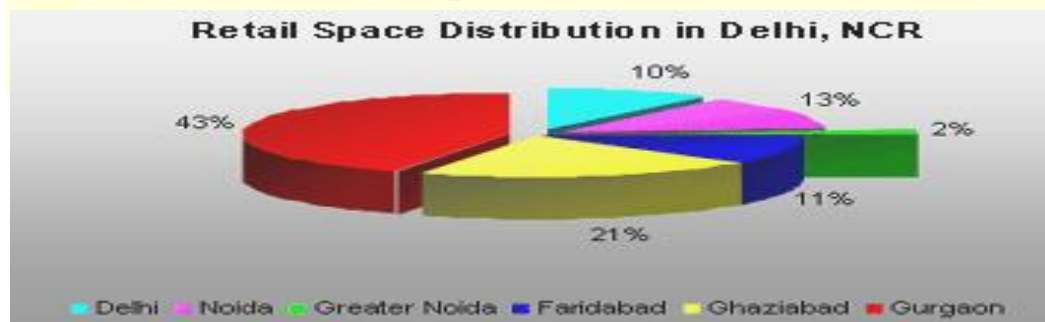
India is being seen as a potential goldmine for retail investors from over the world and latest research has rated India as

the top destination for retailers for an attractive emerging retail market India's vast middle class and its almost untapped retail industry are key attractions for global retail giants wanting to enter newer markets. Even though India has well over 5 million retail outlets, the country sorely lacks anything that can resemble a retailing industry in the modern sense of the term. This presents international retailing specialists with a great opportunity. The organized retail sector is expected to grow stronger than GDP growth in the next five years driven by changing lifestyles, burgeoning income and favorable demographic outline.

Associated Chamber of Commerce and Industry conducted recent survey and revealed that, Over 55% of the malls in Delhi-NCR region are vacant partly due to economic slowdown, poor designing, lack of robust revenue generation model and located in remote areas. As per ASSOCHAM estimates, the total rate of vacancy in malls in Delhi-NCR is 55%, while in Mumbai it is 52% followed by Ahmadabad (51%), Chennai (50%), Hyderabad (48%), Bangalore (45%) etc. The position in the nearby town of these locations is much disturbing. Another cap to the retailing industry in India is allowing 51% FDI in single brand outlet. The government is now set to initiate a second wave of reforms in the segment by liberalizing investment norms further. This is not only favor the retail sector develop in terms of design concept, construction quality and providing modern amenities but will also help in creating a consumer-friendly environment. Retail industry in India is at the crossroads but the future of the consumer markets is promising as the market is growing, government policies are becoming more favorable and emerging technologies are facilitating operations in India. And this upsurge in the retail industry has made India a promising destination for retail investors and at the same time has impelled investments in the real estate sector. As foreign investors cautiously test the Indian Markets for investments in the retail sector, local companies and joint ventures are expected to be more advantageously positioned than the purely foreign ones in the evolving India's organized retailing industry.

According to the study, kirana/grocery stores provide for 25 per cent cheaper purchases and offer options for avoidance of payment of duties such as VAT and other local levies on articles sold by them. The malls thus attract only up-market buyers. The survey was conducted through March-April in 15 major cities including Delhi, Kolkata, Chennai, Bangalore, Mumbai, Hyderabad, Pune, Ahmadabad, Lucknow, Patna, Bhopal, Nagpur, Kanpur, Jaipur and Ludhiana. Around 5,000 shoppers were interviewed. The study also found that malls only entertain shoppers and

make a big hole in their pocket, while retail shops offer consumers the satisfaction of scanning through major brands and products, available at negotiable prices.

The study busted the myth that malls and shopping complexes store sustained quality products. Malls only provide range and variety in branded stuff, while well-established retail outlets not only provide affordable brands but also have abundant variety of products with significant margin reduction. It was also found that shoppers do not like the compulsion of taking the cash memo for every purchase made at the malls. The study noted that the malls have not been an effective substitute for traditional local markets. Local residents prefer the familiarity of ambiance, accessibility, variety and flexible opening and closing timings of these markets. In contrast, the survey also revealed that mall culture is becoming a little pervasive in suburban cities like Ghaziabad, Gurgaon, Noida, Faridabad and Navi Mumbai, and customers in such places get disillusioned due to wide gaps in margins and lack of availability of cheaper products.

The Central Government announced the following steps, prime on 24 November 2011 for the growth of retail sector:-

- *India will allow foreign groups to own up to 51 per cent in "multi-brand retailers", as supermarkets are known in India, in the most radical pro-liberalization reform passed by an Indian cabinet in years;*

- *single brand retailers, such as Apple and IKEA, can own 100 percent of their Indian stores, up from the previous cap of 51 percent;*

- *both multi-brand and single brand stores in India will have to source nearly a third of their goods from small and medium-sized Indian suppliers;*

- *All multi-brand and single brand stores in India must confine their operations to 53-odd cities with a population over one million, out of some 7935 towns and cities in India. It is expected that these stores will now have full access to over 200 million urban consumers in India;*

- *Multi-brand retailers must have a minimum investment of US$100 million with at least half of the amount invested in back end infrastructure, including cold chains, refrigeration, transportation, packing, sorting and processing to considerably reduce the post harvest losses and bring remunerative prices to farmers;*

- *The opening of retail competition will be within India's federal structure of government. In other words, the policy is an enabling legal framework for India. The states of India*

have the prerogative to accept it and implement it, or they can decide to not implement it if they so choose. Actual implementation of policy will be within the parameters of state laws and regulations.

The opening of retail industry to global competition is expected to spur a retail rush to India. It has the potential to transform not only the retailing landscape but also the nation's ailing infrastructure. The study claims that fresh investments in Indian organized retail will generate 10 million new jobs between 2012–2014, and about five to six million of them in logistics alone; even though the retail market is being opened to just 53 cities out of about 8000 towns and cities in India.

Choice Preference for the Organized and Unorganized Retails outlets with background characteristics of Respondents using percentage frequency distribution and Chi-Square statistics in Delhi/NCR

Table 1

Gender-wise Preferences of Respondents

Details	Organized		Unorganized		Total	Chi-Square	P-Value
	N	%	N	%		0.001	0.979
Male	91	65.9	47	34.0	138		
Female	41	66.1	21	33.9	62		

As per the above table 34% male customer's and 33.9% female prefers unorganized retail shopping while 65.9% male customers and 66.1% female customers prefers organized retail shopping .The malls are either so remote and location is far away from the residential colonies. This trends shows that for routine purchasing, customers likely to prefer shopping from the nearby grocery shops and special circumstances, they prefer to visit to the malls.

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161

Table 2

Age-wise Preferences of Respondents

Details	Organized		Unorganized		Total	Chi-Square	P-Value
Age	N	%	N	%		2.774	0.428
Less than 30	27	57.4	20	42.6	47		
31-35	30	73.2	11	26.8	41		
36-40	25	70.0	12	30.0	40		
40 and above	47	65.3	25	34.7	72		

The study found that 73.2%, 70% and 65.3% respondents belonging to the 31-35, 36-40 and above 40 years of age groups respectively preferred to go to the malls/ shopping complex/organized retails outlets, whereas 42.65% respondents belonging to the age groups of less than 30 years were preferred to go to the unorganized retail outlets. It means less than 30 years preferred to buy from the nearby unorganized and more than 30 preferred to buy from unorganized retails outlets.

Table 3

Marital- Status Preferences of Respondents

Details	Organized		Unorganized		Total	Chi-Square	P-Value
	N	%	N	%		1.040	0.308
Married	119	67.2	58	32.8	177		
Unmarried	13	56.5	10	43.5	23		

The above table reveals that 67.2% married and 56.5% unmarried were preferred to go to the organized retail outlets, whereas 32.8% married and 43.5% unmarried preferred to unorganized retail outlets. It was concluded that married prefer to visit organized and unmarried preferred to unorganized retail outlets.

Table 4

Family -Size Preferences of Respondents

Details	Organized		Unorganized		Total	Chi-Square	P-Value
	N	%	N	%		0.973	0.324
Nuclear	66	69.5	29	30.5	95		
Joint	66	62.9	39	37.1	105		

The above table reveals that 69.5% and 62.9% are from Nuclear and joint family respectively likely to go to the organized outlets, whereas 30.5% and 37.5% respondents likely to visit to the unorganized sector. The study found that majority of respondents from the both of the above family size are preferred to buy and likely to visit to the Mall/Shopping Complex.

Table 5

Education-Profile and Preferences of Respondents

Details	Organized		Unorganized		Total	Chi-Square	P-Value
	N	%	N	%		9.012*	0.029
HSC	15	62.5	27	37.5	79		
Graduates	56	78.9	15	21.1	71		
Post-Graduates	34	61.8	21	38.2	55		
Others/Above PG	27	54.0	23	46.0	50		

(*Significant at5% level of significant (P<=.05)

The above table reveals that 62.5%, 78.9%, 61.8% and 54% were having an education HSC, graduates, post-graduates and above PG/others respectively, preferred to go to organized retail

outlets, where as 37.5%, 21.1%, 38.2% and 46% respondents having an education of HSC, graduates, post-graduates and above PG/others preferred to go to the unorganized sector. It concludes that majority of class mention-above prefer to visit the Malls/Shopping Complex.

Table 6

Occupational Pattern and Preferences of Respondents

Details	Organized		Unorganized		Total	Chi-Square	P-Value
	N	%	N	%		6.555*	0.038
Service	52	65.8	27	34.2	79		
Profession	33	55.0	27	45.0	60		
Business	47	77.0	14	23.0	61		

(*Significant at5% level of significant (P<=.05)

The study observed that 77.0% and 65.8% respondents belonging to business and service class respectively; they preferred to go to organized retail outlets, whereas 45.0% respondents belonging to professional class who preferred to go unorganized retail outlets. The others respondents prefer to go 45.6 % to the Organized and 54.4% prefer to go to the unorganized sector.

Table 7

Income-Wise/Groups Preferences of Respondents

Details	Organized		Unorganized		Total	Chi-Square	P-Value
	N	%	N	%		14.830*	0.005
Less than 30,000	21	70	9	30	30		
30,000-50,000	25	58.1	18	41.9	43		

50,000-1,00,000	39	55.7	31	44.3	70		
1,00,000-2,00,000	32	91.4	3	8.6	35		
2,00,000 and above	15	68.2	7	31.2	22		

(*Significant at5% level of significant (P<=.05)

The study reveals that all types of Income groups prefer to visit to the Malls/Shopping Complex. It's an amazing findings in this respect that even those respondents who having less than 30,000 income per month (70%), were given the preference to visit to the malls, and then Income category of

1,00,000-2,00,00, ninety percent respondents having a choice of organized sector, and above 2,00,000 income groups 68.2% respondents like to visit to the organized retail sector. The study reveals that the trends of preference to visiting are opposite in different income groups, the higher income groups prefer to go to the mall and big shopping complex and lower income groups prefer to buy form unorganized retails outlets. Looking at the overall comparisons of respondents with background characteristics of respondents' education, occupation and income categories were found to be highly associated regarding the choice preference among the organized and unorganized retail outlets.

Table 8

Percentages frequency distribution of different products categories   respondents bought from different retails outlets in their visit in Delhi/NCR

	Organized		Unorganized		Both	
Product Categories	**N**	**%**	**N**	**%**	**N**	**%**
Staples	75	37.5	122	61	3	1.5
Other Food Grains	47	23.5	63	31.5	90	45.0

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165

Cooking oil/Ghee	78	39	101	50.0	21	10.5
Toiletries	103	51.5	54	27.0	43	21.5
Cosmetics	103	51.5	61	30.5	36	18
Household cleaning products	81	40.5	75	37.5	44	22
Fruits	41	20.5	108	54.0	51	25.5
Vegetables	40	20.0	112	56.0	48	24.0

The staples food includes rice, Atta, flour and wheat, other food items includes Maida, Rava, Suji, Dal's, Spices, Masalas, Sugar, Eggs, Bread, Milk, etc. Toiletries' includes soaps, detergents, shampoo, talcum powder, shaving products, and sanitary napkins, etc. From the above table it is evidently clear that 51.5% respondents bought other packaged foods and cosmetics from organized retail outlets, 61.0%, 50.5%, 54.0% and 56.0% respondents bought Staples items, cooking oil/ghee/vanaspati, fruits and vegetables respectively from unorganized retail outlets, whereas 45.0% respondents bought other food grains from both retail outlets. Most of the respondents brought different products from unorganized retail outlets.

Table 9

Mean Comparison of Monthly Amount Spent by Respondents for different Items with respect to the categories of Retail outlets by using One Way Analysis:

Retail Outlets	Mean	Standard Deviation	F-Value	P-Value
Staples Items				
Organized	1153.33	539.102	14.806	0.000
Unorganized	852.21	472.328		
Both	2000.00	500.00		
Other Food Items				
Organized	3202.13	944.892	7.128	0.001
Unorganized	2819.05	915.962		
Both	3397.78	944.169		
Cooking Oil,				

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166

Ghee/Vanaspati				
Organized	767.95	222.438	1.663	0.192
Unorganized	712.87	205.019		
Both	776.19	284.438		
Other Packaged Food Items				
Organized	2285.44	1114.821	7.675	0.001
Unorganized	1643.52	925.327		
Both	2197.67	737.915		
Cosmetics Items				
Organized	915.46	648.923	3.855	0.023
Unorganized	570.49	438.689		
Both	766.67	585.052		
Household cleaning Items				
Organized	722.22	257.876	3.855	0.023
Unorganized	610.00	217.635		
Both	704.55	336.158		
Fruit Items				
Organized	1063.41	743.894	5.622	0.004
Unorganized	698.15	506.220		
Both	927.45	786.913		
Vegetables Items				
Organized	2037.50	725.961	7.914	0.000
Unorganized	1489.29	764.217		
Both	1775.00	843.306		

Average amounts spent by respondents for different product categories and the categories of retail outlets are alike: As per the result F- value (14.08) was found to be significant at 5% level

of significance, hence, it can be concluded that there exists real difference in the defined category of retail outlet regarding amount spending on the staple items. Further by applying Schiff rang test, real significant difference was found between organized with Unorganized and both category, so far as respondents were spending more money for staple items in the organized than unorganized retail outlet.

Comparison between organized, unorganized and both retail outlets regarding average amount spent by respondent for the above specific category i.e. food grains, using one-way analysis of variance test, it was found to be significant with F-value (7.128). It was also found that average amount spent in organized retail outlets (Rs.3202.13) was greater than in unorganized outlets (Rs.2819.05)

As per the result, F- value (1.663) was not found to be significant at 5% level of significance, hence, it can be concluded that there does not exist real difference in the defined category of retail outlets regarding amount spent for the cooking oil, ghee and vanaspati items. Wherever consumers find it convenient, they make purchases.

As per the result F- value (7.675) was found to be significant at 5% level of significance, hence, it can be concluded that there exists real difference in the defined category of retail outlet regarding amount spend for the other packaged food items. As per the result F- value (8.320) was found to be significant at 5% level of significance, hence, it can be conclude that there exists real difference in the defined category of retail outlet regarding amount spend for the cosmetic items. As per the result F- value (3.855) was found to be significant at 5% level of significance, hence, it can be concluded that there exists real difference in the defined category of retail outlet regarding amount spend for the household cleaning products. As per the result F- value (5.622) was found to be significant at 5% level of significance, hence, it can be concluded that there exists real difference in the defined category of retail outlet regarding amount spend for the fruit items. As per the result F- value (7.914) was found to be significant at 5% level of significance, hence, it can be concluded that there exist real difference in the defined category of retail outlet regarding amount spend for the vegetable items.

Further by applying scheffe rang test, real significant difference was found between organized with unorganized and, so far as other packaged food items,

Cosmetics items, Household cleaning items, fruits items and vegetables items

respondent's were spending more money in the organized than unorganized retail outlet.

Table 10

Percentage Frequency Distribution of Different factors of Buying from Organized Retail Sector

Factors	SD	%	CS	%	SA	%	Total
Choice of More variants'	1	0.7	21	13.8	130	85.6	152
Better Products Quality	5	3.3	14	9.2	133	87.5	152
Fresh /New Stock	4	2.6	23	15.1	125	82.2	152
Promotional Schemes	0	0	15	9.9	137	90.2	152
Discounted Prices	4	2.6	10	6.6	138	90.8	152
Freedom of Choice	4	2.6	9	5.9	139	91.4	152
Better Service	0	0	18	11.8	134	84.2	152
Modes of Payment	3	2.0	21	13.8	128	84.2	152
Proximity to House	32	21.1	39	25.7	81	53.3	152
Easy Access	10	6.6	45	29.6	97	63.8	152
Family Shopping	9	6	25	16.4	118	77.6	152
Entertainment	5	3.3	32	21.1	115	75.1	152

Time Saving	16	10.5	27	17.8	109	71.8	152
Home Delivery	11	7.2	34	22.4	107	70.4	152

Primary data was collected from the respondents to know the reasons for buying from organized retail outlets. They were asked to provide their agreement or disagreement for each statement on a 5 point scale with 1 as "Strongly Disagree" and 5 as "Strongly Agree". The study was found that, more than 80% respondents agree with buy from organized retail outlets.

The study sought out that 98% and 94.5% respondents were preferred to purchase because of wider range of products available and choice of more variants in the organized retail outlets. They preferred to visit the mall (90.8%) due to discounts/lesser price and (90.2%) promotional schemes. The respondents in the study also accepted the easier mode of payment(84.2%) and providing of better service(88.1%)and freedom of choosing the products(91.4%), as the most preferred reasons to visit the Malls/shopping complex. However, 53.3% respondents preferred and finding convenient to visit to the Malls/Shopping Complex because of closer to their houses, as the organized retail outlets generally are located far away from the residential areas. The study pointed out the reasons of buying from organized retail outlets like; better product quality, availability of range of products, fresh and new arrival, freedom of choice, better service and different modes of payment, are found more attractive and basic points of buying from the organized retail outlets.

Table 11

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170

Percentage Frequency Distribution of Different factors of Buying from Unorganized Retail Sector

Factors	SD	%	CS	%	SA	%	Total
Choice of Preferred Brands	4	2.5	52	31.9	107	65.6	163
Choice of Preferred Variants'	15	9.2	19	11.7	129	79.2	163
Better Products Quality	6	3.7	26	16.0	131	80.4	163
Fresh /New Stock	7	4.3	27	16.6	129	79.1	163
Choice of taking Loose Items	4	2.5	9	5.5	150	92.0	163
Promotional Schemes	4	2.5	52	31.9	107	65.6	163
Discounted Prices	14	8.6	18	11.0	131	80.4	163
Freedom of Choice	39	23.9	41	25.2	83	51.0	163
Credit Availability	1	0.6	10	6.1	152	93.2	163
Better Service	8	4.9	25	15.3	130	79.8	163
Modes of Payment	4	2.5	52	31.9	107	65.6	163
Proximity to House	1	0.6	8	4.9	154	94.5	163

Easy Access	4	2.5	34	20.9	125	76.7	163
Convenient Timing	8	4.9	31	19.0	124	76.1	163
Time Saving	10	6.1	17	10.4	136	83.5	163
Home Delivery	2	1.2	28	17.2	133	81.6	163

The primary data was collected from the respondents to know the reasons for buying from unorganized retail outlets. They were asked to provide their agreement or disagreement for each statement on a 5 point scale with 1 as "Strongly Disagree" and 5 as "Strongly Agree". The study was found that, more than 75% respondents agree with bought from unorganized retail outlets. In the case organized retail outlets, out of the respondents 92.0% respondents preferred that unorganized retail outlets due to the reason that specific product is available, while 82.2%, 80.4% and 79.2% respondents preferred the same because of choice of taking loose items, better product quality and choice of preferred variants respectively. The study made it clear that 93.2% respondents preferred to visit the mall due to availability of credit

The respondents (97% and 80.4%) preferred to buy from unorganized retails outlets because of bargaining and discounted/lesser price respectively. The study found that 79.8% and 94.5% preferred to buy/visit to unorganized retail outlets due to better service and proximity to house. It was sought out that 83.5% and 81.6% respondents preferred to buy from the nearby Unorganized retail outlets to save time and getting home delivery.

Table 12

Mean Comparison of Various Attributes score given by respondents for   organized and unorganized sector.

Attributes	Organized		Unorganized		T-Value	P-value
	Mean	SD	Mean	SD		
Price	7.72	1.386	7.83	1.209	0.762	0.446
Convenience	7.49	1.422	7.72	1.126	1.644	0.101
Assortments	6.83	1.620	7.05	1.696	1.181	0.238

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172

Transparency	7.19	1.570	7.36	1.423	0.963	0.336
Sale Service	4.59	3.417	4.83	3.252	0.634	0.526
Advertisement	6.09	2.210	5.77	2.364	0.910	0.364
Ambience	6.21	1.644	6.31	1.571	0.556	0.579
Buying Facilities	6.11	2.407	6.87	2.377	2.822	*0.005*
Promotional/ Motivation to visit	6.99	1.539	7.40	1.334	2.00	*0.013*

Average score by assigned respondents to various attributes for organized and unorganized retail outlets area like buying facility and promotional/motivating to visit, t -value were found significant (P=0.005) and (P=0.013) respectively, so by rejecting null hypothesis it can be concluded that there exists significant difference in the mean value for buying facility and promotional/motivating to visit attributes across organized retail outlets than unorganized retail outlets. It was found in the study that unorganized retail outlets were having bigger mean value than organized retail outlets.

The malls must market themselves as offering the customer better quality products and also a greater variety of products to choose from. Further the organized retailers have the advantage of large scale operations. This can be used to eliminate intermediaries and offer better prices to the customers by passing on the middlemen's margins to them. The retailers are able to get better bargains with suppliers and manufacturers by offering business scales higher than the local kirana. Thus customization and localization of the malls is the norm of today. It is said that those retail chains are most successful that come and change for a particular city and react to it

Table 13

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173

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Information about store selling groceries

	Super- Market	*C-Store/Malls*	*Unorganized*
Grocery prices	5% below MRP	2% below MRP	On MRP
Delivery Cost	0	0	0
Total Travel Time	25	15	10
Typical check out time	10	5	2
Number of Products/SKUs	15,000	10,000	1,000
Fresh Products	Yes	Yes	Yes/No
Ease of Finding products	Difficult	Easy	.Not As
Ease of Collecting the products	Difficult	Difficult	Simple
Economical	yes	Yes	Cannot say
Convenience	yes	Yes/no	yes
Assortment	yes	No	Yes/no

The process of choosing a specific store involves the matching of consumer characteristics and purchase characteristics with store characteristics. An individual may use different criteria to evaluate which store best meets his or her needs depending on the type of purchase. Consumers compare retail and store options based on how they perceive each will perform on the various criteria.

It has often been noticed that what others say often influences consumer behavior to a very large extent. The term **conspicuous consumption** describes purchase decisions motivated in part by the desire to show others just how successful we are. As can be seen, this kind of outlook is widely prevalent amongst the people surveyed. Hence, two factors which we felt would be

highly correlated did not turn out to show any significant relationship – these factors included the prestige factor associated with shopping in the malls and also the people's perception of the prices in the malls. The survey shows that simple comparison on various grounds between three types of stores on information about store selling groceries. There are various factors varies and customers prefer on these grounds to buy these items. The major difference is on price variances, the organized sectors provides usually a discounts between 2-5% on groceries items and unorganized sector not providing this benefits to the customers. Another factors in the mind of the customers for travelling to the malls/super stores, which is not economical and far away from the resident, whereas the reaching to the nearby grocery stores for the customer is an ease for them. Another major factor that attracts the customers towards the malls and super markets is the availability of grocery items in abundant and freedom of choice. Unorganized retailers in the vicinity of organized retailers have been adversely affected in terms of their volume of business and profit. Unorganized retail has maintained employment levels perhaps as a result of competitive response. The major factors that attract unorganized retailers to consumers are proximity, goodwill, credit sales, bargaining, loose items, convenient timings, and home delivery. There is clear evidence of a competitive response from traditional retailers who are gearing up to meet the threats from organized retailers. Consumers have generally gained with the emergence of organized outlets through the availability of better quality products, lower prices, and one- stop shopping, choice of additional brands and products, family shopping, and fresh stocks. Lower income consumers have saved more from purchases at organized outlets. These results are not indicative of the countrywide scenario. For the country as whole, unorganized retail is growing at a reasonable rate and will continue to do so for many years to come. India is however a latecomer to organized retail expansion and the picture still remains unclear as to its future direction. The study advocates a balanced approach to retail and suggests that the government plays a major role in shaping its future course. There is no doubt that traditional retail has been performing a vital function in the economy and is a significant source of employment.

7. CONCLUSIONS/RECOMMENDATIONS:-

Most of the respondents preferred organized retail outlets because of wider product range, one stop shopping, choice of more brands, choice of more variant's and better parking facility. On other hand most of the respondents preferred unorganized retail outlets due to possibility of

bargaining, closer to their house, credit availability, avoidance of unnecessary purchase and availability of specific products. Most of the respondents were satisfied with various attributes like price, convenience, assortments, transparency in billing and sales person service in organized and unorganized retail outlets but respondents more satisfied with parking facility and motivating to visit in unorganized retail outlets.

As per the above study, 34% male customer's and 33.9% female prefers unorganized retail shopping while 65.9% male customers and 66.1% female customers prefers organized retail shopping .The malls are either so remote and location is far away from the residential colonies. This trends shows that for routine purchasing, customers likely to prefer shopping from the nearby grocery shops and special circumstances, they prefer to visit to the malls.

The study reveals that 67.2% married and 56.5% unmarried were preferred to go to the organized retail outlets, whereas 32.8% married and 43.5% unmarried preferred to unorganized retail outlets. It was concluded that married prefer to visit organized and unmarried preferred to unorganized retail outlets. The study found that 73.2%, 70% and 65.3% respondents belonging to the 31-35, 36-40 and above 40 years of age groups respectively preferred to go to the malls/ shopping complex/organized retails outlets, whereas 42.65% respondents belonging to the age groups of less than 30 years were preferred to go to the unorganized retail outlets. It means less than 30 years preferred to buy from the nearby unorganized and more than 30 preferred to buy from unorganized retails outlets

The study found that majority of respondents from the both of the above family size are preferred to buy and likely to visit to the Mall/Shopping Complex. The above study reveals that 62.5%, 78.9%, 61.8% and 54% were having an education HSC, graduates, post-graduates and above PG/others respectively, preferred to go to organized retail outlets, where as 37.5%, 21.1%, 38.2% and 46% respondents having an education of HSC, graduates, post-graduates and above PG/others preferred to go to the unorganized sector. It concludes that majority of class mention-above prefer to visit the Malls/Shopping Complex.

The study pointed out that the trends of preference to visiting are opposite in different income groups, the higher income groups prefer to go to the mall and big shopping complex and lower income groups prefer to buy form unorganized retails outlets. Looking at the overall comparisons

of respondents with background characteristics of respondents' education, occupation and income categories were found to be highly associated regarding the choice preference among the organized and unorganized retail outlets. It is evidently clear that 51.5% respondents bought other packaged foods and cosmetics from organized retail outlets, 61.0%, 50.5%, 54.0% and 56.0% respondents bought Staples items, cooking oil/ghee/vanaspati, fruits and vegetables respectively from unorganized retail outlets, whereas 45.0% respondents bought other food grains from both retail outlets. Most of the respondents brought different products from unorganized retail outlets. The study observed that 77.0% and 65.8% respondents belonging to business and service class respectively; they preferred to go to organized retail outlets, whereas 45.0% respondents belonging to professional class who preferred to go unorganized retail outlets. The others respondents prefer to go 45.6 % to the Organized and 54.4% prefer to go to the unorganized sector.

The study sought out that 98% and 94.5% respondents were preferred to buy because of wider range of products available and choice of more variants in the organized retail outlets. They preferred to visit the mall (90.8%) due to discounts/lesser price and (90.2%) promotional schemes. The respondents in the study also accepted the easier mode of payment(84.2%) and providing of better service(88.1%)and freedom of choosing the products(91.4%), as the most preferred reasons to visit the Malls/shopping complex. However, 53.3% respondents preferred and finding convenient to visit to the Malls/Shopping Complex because of closer to their houses, as the organized retail outlets generally are located far away from the residential areas. The study pointed out the reasons of buying from organized retail outlets like; better product quality, availability of range of products, fresh and new arrival, freedom of choice, better service and different modes of payment, are found more attractive and basic points of buying from the organized retail outlets.

It can be concluded that there exists real difference in the defined category of retail outlet regarding amount spending on the staple items. Further by applying scheffe rang test, real significant difference was found between organized with Unorganized and both category, so far as respondents were spending more money for staple items in the organized than unorganized retail outlet. Comparison between organized, unorganized and both retail outlets regarding

average amount spent by respondent for the above specific category i.e. food grains, using one-way analysis of variance test, it was found to be significant with F-value (7.128). It was also found that average amount spent in organized retail outlets (Rs.3202.13) was greater than in unorganized outlets (Rs.2819.05)

As per the result, F- value (1.663) was not found to be significant at 5% level of significance, hence, it can be concluded that there does not exist real difference in the defined category of retail outlets regarding amount spent for the cooking oil, ghee and vanaspati items. Wherever consumers find it convenient, they make purchases.

As per the result F- value (7.675) was found to be significant at 5% level of significance, hence, it can be concluded that there exists real difference in the defined category of retail outlet regarding amount spend for the other packaged food items. As per the result F- value (8.320) was found to be significant at 5% level of significance, hence, it can be conclude that there exists real difference in the defined category of retail outlet regarding amount spend for the cosmetic items. As per the result F- value (3.855) was found to be significant at 5% level of significance, hence, it can be concluded that there exists real difference in the defined category of retail outlet regarding amount spend for the household cleaning products. As per the result F- value (5.622) was found to be significant at 5% level of significance, hence, it can be concluded that there exists real difference in the defined category of retail outlet regarding amount spend for the fruit items. As per the result F- value (7.914) was found to be significant at 5% level of significance, hence, it can be concluded that there exist real difference in the defined category of retail outlet regarding amount spend for the vegetable items. Further by applying scheffe rang test, real significant difference was found between organized with unorganized and, so far as other packaged food items, Cosmetics items, Household cleaning items, fruits items and vegetables items respondent's were spending more money in the organized than unorganized retail outlet.

In the case organized retail outlets, out of the respondents 92.0% respondents preferred that unorganized retail outlets due to the reason that specific product is available, while 82.2%, 80.4% and 79.2% respondents preferred the same because of choice of taking loose items, better product quality and choice of preferred variants respectively. The study made it clear that 93.2% respondents preferred to visit the mall due to availability of credit

The respondents (97% and 80.4%) preferred to buy from unorganized retails outlets because of bargaining and discounted/lesser price respectively. The study found that 79.8% and 94.5% preferred to buy/visit to unorganized retail outlets due to better service and proximity to house. It was sought out that 83.5% and 81.6% respondents preferred to buy from the nearby Unorganized retail outlets to save time and getting home delivery.

It was found in the study that unorganized retail outlets were having bigger mean value than organized retail outlets.

From the above discussion, it can be concluded that majority respondents preferred to go to unorganized retail outlets for staples items, fruits and vegetable however they spent more amount in organized retail outlets, whereas majority respondents preferred to go to organized retail outlets for other packaged food, cosmetics and household cleaning products. For other food grains and cooking oil respondents preferred to go organized and unorganized retail outlets.

The growth in the Indian organized retail market is mainly due to the change in the consumer's behavior. This change has come in the consumer due to increased income, changing lifestyles, and patterns of demography which are favorable. Now the consumer wants to shop at a place where he can get food, entertainment, and shopping under one roof. This has given Indian organized retail market a major boost. Thus, in India it is quite skeptical that the organized retail will be ever able to overcome the unorganized retail completely. The values, cultures and beliefs of the customers prompt them to go the same retail shop where they can get the product required, at low price and with least waiting time for billing. No matter how lucrative is this sector and how bright is the market; the organized sector in retailing has to go a long way to understand the customer requirement. After analyzing the retail industry, we can conclude that the organized retail has opportunities to grow in India in spite of the kirana stores because these kirana shops will also get benefit of the growing economy. The argument that the kirana shops will be affected by these malls is only myth. The organized retail is attracting more and more Indian as well as foreign players of the retail industry. As our study shows that a major portion of the organized retail will be developed in small cities and towns, this opportunity has not been encashed by kirana stores and they are unable to meet the requirements of the customers. Therefore both the malls and kirana stores can play simultaneously in India so no need get afraid due to the malls.

The Government should encourage setting up of modern large cash-and-carry outlets, which could supply not only to grocery stores but also to licensed hawkers at wholesale rates. The Government should make available credit at reasonable rates from banks and micro-credit institutions for expansion and modernization of traditional retailers. The Government should take initiatives to convert all uncovered wet markets in a time-bound manner with emphasis on Hygiene, convenience to shoppers, proper approach roads, entry exits etc.

8. FUTURE PROPECTUS:-

The failure of numerous retail formats was due to the wrong blend between international retailing concepts and those adopted in India. It is to avoid such situations that it is often said that a careful selection of the correct genes of both the parents is the single most important factor in setting up an overseas retail operation. Adoption of the features and practices of either partner without a proper study of the specific situation existing on the ground, usually leads to such failures. In this context, the new retail formats in India not only need to adopt some features of the local kirana store but also provide greater value for money to the customer through differentiation and lower costs. This offering of the malls needs to be effectively communicated to the Indian masses, who perceive the malls to be a place for prestige shopping and to be more costly as compared to products in the local kirana stores. In this regard the retailers need to choose an appropriate marketing mix and hence establish the correct retail image of the malls in the mind of the consumers. Till this happens it is not possible for them to compete with the local kirana stores. As has been said about Nanz, the first organized retail venture (supermarket) in India – It failed as it was 'ahead of its time', the Indian consumer was not yet ready to change – and that they did not plan their entry into the market.

After careful study, we have been able to gauge that the major factor that has helped the kirana stores retain a competitive advantage against malls has been that of convenience: the location of kirana stores, services like home delivery, long association with the owner of the family run Kirana shop, ability to bargain on prices etc. Against this backdrop, instead of trying to pick up one or two features of the kirana stores and competing against them on their areas of strength, the malls would do well to adopt a model of co- optetion. **Co-optetion** is a business strategy based on a combination of cooperation and competition, derived from an understanding that business competitors can benefit when they work together. This business model is based on

games theory, a scientific approach to understanding various strategies and outcomes through specifically designed games.

In our context, this means the malls and the kirana stores working together towards maximizing customer satisfaction. Since the malls cannot offer the convenience of a kirana store and a kirana store cannot match a mall for the shopping experience, the possible solution could possibly be to retain the consumer friendly features of both formats and to develop a hybrid format. Miniature malls, covering 3 to 4 localities and their households would be ideal. These smaller versions of the mall, would have efficient supply chain management, discounts on bulk purchases, lower prices and better display of products, they would provide the consumer with a shopping experience to look forward to. These malls would have to base their marketing and inventory decisions based on an analysis of the tastes and preferences of their target customers. Based on such surveys, they would choose the right mix of goods and services to provide their customers with. These miniature malls would then have the convenience factor offered by the kirana stores and by providing additional services like home delivery, credit facilities, computerized bills, in store activities for children and adults. Concentrating on local people and their needs would help create a loyal customer base (repeat customers which the malls at present do not have). Such flexibility on the part of the organized retailers is essential for them to be able to tap the 'buy as and when the need arises' segment , adopt the convenience features of the local kirana stores and thus provide the Indian consumer with a new and more wholesome shopping experience.

With the increased interest in the Indian retail segment, the malls will soon be able to successfully capture the massive Indian market. This successful adaptation of the western shopping mall concept to the Indian context will not be the end of all problems. As has been observed – the changes of yesterday become the norm of today. The next question facing these malls will be, to make the shopping malls a "time saving" shopping offer for the Indian families. Fast growth, greater income to the middle class, working couples; nuclear families etc are factors that will make the future nuclear families look for ways to save their time and work within their budget while shopping. Thus to adapt to the needs of this new generation of young working couples, the malls would have to look at acquiring some special features. These would involve opening crèches for children so that these young and time pressed couples can shop easily and quickly. Also stores must be customized to display their products in a manner that facilitates easy

and quick decisions. Such kind of ideas targeted at flexibility must be kept in mind for the future Indian malls.

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