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A Study on Changing Consumer Preference Towards Organized Retailing from Unorganized Retailing with Special Reference to Reliance Retail in Coimbatore City

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Abstract

Organized and unorganized both sectors of retail are contributing a lot to the nation. Not Only in terms of giving employment to the people but also in terms of satisfying customers and contributing to the national income of the country. However, the success of any business depends upon the customer satisfaction and customer preference how a particular retail makes space in the mind and heart of its

customers. The study aims to find the factors or the Reasons that actually changing the preferences of retail customers for organized from unorganized retailing. This scaling was given to the various factors which influenced by prefer the organized retailing. The statistical tools used for analysis of data were chi-square test, description analysis.

Keywords: Customer Satisfaction, Coimbatore City, Reliance Retail, Unorganised, Organized

1. Introduction of the Study

Retailing means Re-tailing" to the customers so that they come back towards them. Retailing Consists of all activities involved in selling goods and services to customers for their personal, Family, or household use. This study on the factors which influenced by the customers to Change towards the organized retailing from unorganized retailing one besides most Prioritized attributes which attract the customers towards either of them Retail sector can be divided into two sectors. Commerce activities undertaken by licensed retailers that is those who are registered for sales Tax, income tax, etc. These include the publicity traded supermarkets corporate backed Hypermarket and retail chains and also the privately owned large retail. It refers to the traditional formats of minimum cost retailing. For example, the Local general stores, convenience store, handcart and pavement vendors.

2. Statement of the Problem

For a retailer, it's very difficult to retain the potential customer. Because the buyers are scattered according to the convenience of purchasing. The Coimbatore retail industry is dominated by unorganized retail out lets due to certain advantages, such as credit facility, personal contact with the retailers. Due to emergence of organized retailing must give importance to all the attributes like variety service, discount, mode of payment with special attention to retail customer so it is essential to analyzes changing the customer preference towards organized retailing from unorganized retailing.

3. Objectives of the Study

1. To study the influence of the demographic factors on buying decision from organized and unorganized retailer.
2. To analyze the factors which influencing the consumers to prefer organized retailing from unorganized retailing.
3. This study is to identify and analyze the factors which influences the customers to move towards the organized retailing from unorganized retailing.
4. This study will help the retailers to make analyze of them and understand where they stand, and in order to move forward in what area they must focus.

Limitations of the Study

- Due to time constraints sample size was restricted to 145 which was very less when compared to entire reliance retailing.
- The respondent had replied according to their own perception and experience and therefore personal bias may also possible.

- The respondent were unable or unwilling to give a complete and accurate response to certain question.
- The survey was conducted in specific regions of Coimbatore is result occupied may vary in other region.

4. Review of Literature

Prof. Arati. Biradar (2018) [1]

Analyse of Customer Perception has become a very important component in giving outstanding customer service. By increasing popularity of customer relationship management can companies are now placing more importance on customer perception and their relationship with customers. Many of the manufactures are adjusting flexible strategies to attract customers from various classes. Structure of the research methodology: Research design – Descriptive and sample size is 100. Major Findings from the survey are that it was found that maximum customers are visit occasionally. 2 Most of the respondents purchase products from Reliance Digital, because of product Variety, better quality and various brands available at store. 3. According to the respondents the best part of Reliance Digital is availability of products.

K. Maran, Praveen Kumar (2017) [2]

In their review on study on the brand apparels customers purchase behavior regrading the India" expressed that the target of the study is to look at the effect of quality apparent and incentive hooked in to behavior purchase towards the holding of city marked in India. The survey is employed to work out the components what Indian buyer not driving towards a brand of Indian clothing. A respondent from Chennai participated during this review. This survey provides important major ramifications to Indian retailers who shall "expand their market'.

5. Research Methodology

Research methodology is a way of systematically solving the research problem. Research methodology deals with the research design used and methods used to present the study.

Research Design

The research design adopted for this study is Descriptive Research. Descriptive method was adopted because it deals with description of the state of affairs as it exist at present.

Sampling Techniques

The next step in research study after collecting data is the sampling process. When a decision is made to use the sample, a number of factors must be taken into consideration. The target population in this study was the consumers who belong to Coimbatore district. The sampling technique had to be selected.

Simple Random Sampling

Simple Random Sampling is the simplest type of sampling, in which we draw a sample of size (n) in such a way that each of the 'N' members of the population has the same chance of being included in the sample. A sample selected in this way is called a simple random sample.

Tools for Data collection

There are several ways of collecting the appropriate data. While deciding about the method of data collection to be

used for the study, the researcher should keep in mind, that there are two types of data:

1. Primary data
2. Secondary data

Primary data

Primary data are those which are collected a fresh and for the first time and thus happen to be original in character. Primary data can be collected either through experiment or through survey.

Secondary data

Secondary data on the other hand are those which have already been collected by someone else and which have already been passed through the statistical process. In this study, the data was collected from the primary source through questionnaire.

Sample Size

The sample size selected for this study is 145 respondents.

Period of Study

The study was conducted for the period of four months. This primary data was collected and it took one month time period. The review of literature and discussions with the field experts in the species board took another one month. Data analysis and interpretation was carried for a period of one month and final period of the report took the remaining period.

Tools used for the Study

The collected data were analysed and interpreted properly to find the results of the research work. Conventional tools like descriptive tables and percentage were used for the purpose of analysis. The graph and charts have also been made use of where ever necessary. Further, the following specific tools were used:

- Simple percentage analysis.
- Rank analysis.
- Weighted average analysis.
- Chi-square analysis.

6. Analysis and Interpretation

Simple Percentage Analysis

Table 1: Gender

S. No	Gender	Frequency	Percentage
1	Male	72	49.7%
2	Female	73	50.3%
	TOTAL	145	100%

Source: Primary Data

Interpretation

It is observed from the above table 49.7% of them are belong to Male and remaining 50.3% of them are Female.

Inference

Majority 50.3% of the respondents are belonging to Female.

Chi Square Analysis

Relationship between Monthly Incomes of the Respondents Monthly Expenditure in the Reliance Retail
To find out the association between monthly income and

monthly expenditure in reliance retail store level of respondents, chi-square test is used and result is given below.

Hypothesis

There is significant relationship between monthly income of the respondents and monthly expenditure spend in reliance retail store.

Table 2: Chi-Square Test

Factor	Calculation	Df	Table value	Remarks
Annual income	25.50	9	16.92	Rejected

Interpretation

The calculated value of chi-square is more than the table value. Hence, the hypothesis is rejected stating that there is significant relationship between the income of their respondents and their monthly expenditure in reliance retail store.

Weighted Average Analysis

Table 3: What is your satisfaction towards parameters on Reliance Retail?

S. No	Factors	1(5)	2(4)	3(3)	4(2)	5(1)	Total	Mean Score
1	Overall quality	77 385	39 156	26 78	2 4	1 1	145 624	4.303
2	Value of money	28 140	94 376	20 60	3 6		145 582	4.013
3	No of cash counters	32 160	60 240	40 120	4 8	1 1	145 529	3.648
4	Complaint handling	27 135	78 312	28 84	10 20	2 2	145 553	3.813

Interpretation

The above table shows the different parameters of reliance retail store. The highest mean score rise 4.303 from the overall quality.

Ranking Analysis

Table 4: Factors influence the purchase of reliance retail product

	5(1)	4(2)	3(3)	2(4)	1(5)	Total	Rank
Price	87 87	20 40	30 90	5 20	3 15	145 252	VII
Quality	17 17	89 178	22 66	17 68		145 329	VI
Convenience	17 17	35 70	81 243	7 28	5 25	145 383	I
Brand	22 22	48 96	44 132	26 104	5 25	145 379	II
Availability	26 26	52 104	37 111	20 80	10 50	145 371	IV
Freshness	24 24	50 100	48 144	20 80	3 15	145 363	V
Brand	28 28	37 74	53 159	18 72	9 45	145 378	III

Interpretation

The above table shows that factors influence the purchase of reliance retail product that are ranked based on the return by the respondents. Convenience is given I by the respondents, Brand is given II, Brand is given III, Availability is given IV, Freshness is given V, Quality is given VI, Price is given VII.

Findings

- Majority 50.3% of the respondents are belongs to Female.
- The calculated value of chi-square is more than the table value. Hence, the hypothesis is rejected stating that there is no significant relationship between the income of their respondents and their monthly expenditure in reliance retail store.
- The above table shows the different parameters of reliance retail store. The highest mean score rise 4.303 from the overall quality.
- The table above shows the difference between Reliance Retail stores. The highest average performance score increased by 4,303.

7. Suggestion and Recommendations

1. Retail Stores should sell their products at reasonable price, which will induce more customers to purchase.
2. It should also adopt various customer loyalty programs and recognize the loyalty customers by providing them discounts, free gifts and so on.
3. It should also adopt new store technologies like self-checkout lane, computer kiosk, and portable hand held scanner which can reduce the rush in the billing counter.

8. Conclusion

In order to accomplish success in retailing sector, the existing players as well as new entrants need to consider a host of factors. Understanding their evolving needs aspirations and life style is the underlying key to success for any retailers. The findings of the study reveals that consumers prefer modern retail formats due to quality, variety of products and for security purpose. Based on the study majority of the respondents are faced problem like insufficient parking facility, no proper crowd management and slow billing. Hence, the retail stores should concentrate mainly on consumer preference and satisfaction. To be successful, Retail Stores have to blend the best expertise and technology that the world has to offer and synergize these with the demands and expectations of the consumers.

9. References

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