Consumer Perception towards Organized Retail Store:
A Factor Analytical Approach

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Abstract

Retailing is the one of the oldest business that human civilization has known. It acts as an interface between producers and consumers improve the flow of goods and services and raise the efficiency of distribution in an economy. Therefore customer regarded as king of retailing sector and there is a need to identify the customer perception towards organized retail store. The current study analyzed the various factors that affect the customer perception towards organized retail stores. The data was collected with the help of structured questionnaire the sample constituted of 100 respondents from Jalandhar, Amritsar and Ludhiana. The factor analysis has been applied.. The result indicated that there are six factors i.e. Easily Accessible, Quality stock, Comfort Zone, Infrastructure, Quality time, Add on services or facilities, Variety which affects the customer perception towards organized retail store.

Keywords: Consumer, Perception, Organized Retail Store.

Introduction

Retail is currently the flourishing sector of the Indian economy. The word 'retail' is derived from French word 'retailer' which means to cut a piece or to break bulk. In simple terms, it implies a firsthand transaction with the customer. Retailing consist all activities involved in marketing of goods and services to consumers for their personal, family, or household use. Retailing acts as an interface between the producer and consumer, improves the flow of goods and services and raises the efficiency of distribution in an economy (kumar, vikraman, 2012).

Retailing is the set of business activities that add value to the products & services sold to consumers for their personal or family use (Levy & Weitz 2008). Retailing refers to all functions and activities involved in the selling of commodities directly to consumers.

Retailing is the one of the oldest business that human civilization has known. It acts as an interface between producers and consumers improve the flow of goods and services and raise the efficiency of distribution in an economy. For a strong, stable and consistency growing economy, a well organized an efficient retail is require (kumar, Vikkraman, 2012)

Retailing can be defined as buying and selling of goods and services. It is sale of goods to end users for use and consumption by purchaser, but

not for resale. It can also be defined as timely delivery of goods and services to the consumers demanded by them at a competitive and affordable price

Challenges to organized retail development in India

Organized retail is largely an urban phenomenon and the pace of growth is still slow. Some of the reasons for this slow growth are:

1. **The Kiranas continue:** The organized retail industry in India is facing competition from the unorganized sector. Traditionally retailing has a low cost structure, mostly owner operated, has negligible real estate and labor costs and little or no taxes to pay. Customer familiarity that runs from generation to generation is one big advantage for the unorganized sector. On the other hand, organized sector have to meet many expenses and even have to charge low price enough to compete with the traditional sector.

2. **Retail not being recognized as an industry in India:** Lack of recognition of retailing as an industry hampers the availability of finance to the existing and new players. This affects growth and expansion of organized retailing.

3. **The High Costs of Real Estate:** Prices of real estate in some cities in India are relatively high. The lease or rent of property is one of the major areas of expenditure. A high lease or rent reduces the profitability of a project. It become difficult to find suitable properties in central locations for retail, primarily due to fragmented private holdings, infrequent auctioning of large government owned vacant lands and litigation disputes between owners.

4. **High Stamp Duties:** In addition to the high cost of real estate the sector also faces very high stamp duties on transfer of property, which varies from state to state.

5. **Lack of Adequate Infrastructure:** Poor roads and the lack of infrastructure hamper the development of food and grocery retail in India.

6. **Price War:** There is a price war between different retail organizations. Every one is saying to provide goods at low cost and offers various promotional schemes. In such a case it is difficult to keep one's customers with oneself. (Dr. Shahid Akhter et al).

7. **Shortage of Skilled Manpower:** Store operations accounts for 75-80% of the total manpower employed in the organized retail sector. Unfortunately, there are very few courses specific to the retail sector and graduates/post graduates from other streams are recruited.

8. **Policy Induced Barriers:** Organized retail in India is managed by both the Ministries of Commerce &

Consumer Affairs. While the Ministry of Commerce takes care of the retail policy, the Ministry of Consumer Affairs regulates retailing in terms of licenses and legislation. There is a need to set up a single apex body that governs the retail operations because a single agency can take care of retail operations more effectively.

9. **Channel Conflicts:** Globally, retailers maintain a direct relationship with their suppliers. Due to the complex taxation structure and geographical spread, most FMCG companies have developed regional distribution and redistribution network which affect the operating structure of distributors.

10. **Unique Indian Customer:** Buying habits of the Indian consumers have still not change, where people prefer to buy most of the fruits and vegetables on a daily basis. The Indian consumers prefer freshly cooked food than packaged. Due to non-availability of personal transport facilities the consumers prefer to buy smaller quantities from stores conveniently located near their homes which have impact on the basket size (Rajan Divekar et al).

Literature Review

Goswami and Mishra (2009) aimed to understand whether Indian consumers move to organized retailers instead of kirana store for purchasing groceries. They took 4 cities for their study in which two major and two small cities. It took sample of 100 respondents from each city. They used the stratified systematic sampling design with sample size of 400 and used multivariate statistical techniques to analyze the data collected through structured questionnaire. They found that customer are positively related to location, helpful, trustworthy, salesperson, home shopping, cleanliness, quality and negatively related to travel convenience. They found that kiranas do well on location but poor on cleanliness, offer, quality, helpful, trustworthy salesperson.

Dineshkumar and Vikkraman (2012) purpose of investigation was to identify the determinants of customer satisfaction in an organized retail outlets in erode city. The other objective of study was to identify the attitude and behavior of customers towards organized retail outlets. They adopted descriptive research design. They took the sample of 200 respondents. Data was collected through structured questionnaires contains open ended-closed ended questions. The collected data was analyzed through various tools like percentage analysis, chi-square test, and correlation and cross table analysis. They found that 64% of respondents were purchasing from convenience store before moving from organized retail stores. They also found that consumers were highly satisfied with quality of services provided in organized retail stores and highly dissatisfied

with variety of mode of payment and parking facility. They also found that there are no significant relationship between quality of services offered and education qualification of respondents but there is significant relationship between monthly income of respondents and monthly purchases.

Pandy and Bariya (2012) purpose to study various attributes of organized and unorganized retail store that consumer prefer in vodadara city. The objective of study to know the consumer's preference towards organized and unorganized retail store in vodadara city and reasons for their preference. They took sample of 200respondents and applied stratified sampling techniques. They found that most of consumers are satisfied with various attributes of organized and unorganized retail store like price, convenience, assortment, transparency in billing etc. They also found that most of the respondents preferred the unorganized retail store for staple items, fruits, vegetables and most of respondents preferred organized retail for other packaged food, cosmetics and households cleaning products.

Priya Vij (2013) tried to find the consumer behavior toward organized and unorganized retail store and their satisfaction level from organized and unorganized retail stores. They used the primary data collected by survey of retailers. They used the simple random sampling method. They found that 38.5% customers prefer unorganized retail shopping and 26% customers prefer organized retail shopping but 36% customers are not sure. They also found that 44% customers visit fortnightly to malls, 32% customers visit weekly, 18% customers visit monthly and 6% visit daily to the malls. She also found that the purposes for which customers visit malls. They found 32% customers visit malls for shopping, 36% customers visit for entertainment, 32% visit for window shopping. They also found that 64% customers are satisfied with the pricing strategy of malls while 36% customers are not satisfied. They found that consumers prefer organized outlets due to the availability of better quality products, lower prices, and one stop shopping, choice of additional brands and products, family shopping, and fresh stocks.

Zia and Mohammad Azam (2013) aimed to develop scale that measure shopping experience in unorganized retail environment and to find various factors that affect the shopping experience in unorganized retail environment. They took the samples of 355 retail shoppers. They exploratory factor analysis, confirmatory factor analysis. They applied multiple regression techniques for accessing the impact of factors on shopping experience. They found that factors like helpfulness, acknowledgement, place to enjoy, shopping convenience, store services quality, return & exchanges, reliability, transaction , merchandise, product variety, store appearance have positive impact on shopping experience but factors like shopping time, complain handling, physical aspects, loyalty programs leads to negative impact on shopping experience.

Talerja and Jain (2013) purpose to investigated the factor that affects the consumers for buying from organized and unorganized retail store. The other objective was to study the consumer's perception towards organized and unorganized retail stores. They took the samples of 100 customers. They used the purposive sampling methods. They followed chi square test, weighted average. They found that the choice of retailer's format doesn't depend upon various shopping items, family income level and age but depend upon various shopping factors. They identified various factors that influence the consumer's preference from traditional retailers to organized retailers. These factors were comfortable, convenient, value added services, quality & quantity up to expectation, proximity, better services, and entertainment.

Nair Harish and Nair Girish (2013) tried to find out the factors that attract the customers towards organized retail sector. This study also tried to find interrelationship between various retail services and quality dimension which helps t identify the steps needed to improve the overall quality of services. Primary data were collected from various sources like magazines, journals, web portals. They took the sample f 100 respondents randomly. They used the chi square test. They found that there is significant relationship between modern looking equipment and fixture and visually appealing variables of physical aspects of organized retail outlets. They also found that there is a positive relationship between easy accessibility and easy internal mobility variables of physical aspect dimension. They also found that there is a positive relationship between employee knowledge and employee behavior variables of personal aspect dimension.

Kusuma, Prasad and Rao (2013) focused on growth of retailing in India and challenges faced by organized retail sector in India. It also provided some suggestions to overcome the challenges. They found that emergence of organized retail, spending capacity of youth, raising income and purchasing power, changing mindset of customers, easy customer credit, high brand consciousness, increasing disposable income, increasing number of dual income nuclear families, changing lifestyle, consumer behavior, experience with formats and store design are reasons for growth of retail industry in India. They found that high stamp duty, high cost of real estate, lack of adequate infrastructure, price war, non recognition of retail as industry, shortage of skilled manpower are the challenges in organized retail development in India. They suggested that by providing incentives for investments, comprehensive legislation, eliminating arachic laws, proper tax structure, and establishment of national commission on retail will overcomes the challenges for organized retail development.

K Narayana, Samal and Rao (2013) tried to find out the consumer behavior towards organized and unorganized retail stores and consumers satisfaction level from organized

retail store as well as unorganized retail store. They collected the data from 200 respondents by using random sampling techniques. Questionnaire and personal interview was used for collecting the primary data. They found that 36% customers prefer organized retail store, while 38% customers prefer unorganized retail store but 26% are still not sure about their preference in shopping. They found that 38% customer's purchases daily groceries from local Grocery stores while 24%customer purchases from Supermarkets, 22% customers from Convenience Stores and16%customers prefer Hypermarket. 48% consumers declared that it lead to an increase in spending, 28% indicated a decrease and rest 24%no change.

Sushmana (2014) purpose for conducting research was to find out the consumer perception towards organized and unorganized retail stores and to find out the consumer satisfaction level from organized retail stores as well as unorganized retail stores. They took the sample of 100 customers. They used the questionnaire foe collecting the data using the random sampling techniques. They found that 40% customers prefer unorganized retail shopping while 34% customers prefer organized retail stores and 26% customers prefer both. They also found that 40% customers purchase groceries from kirana store, 30%customers from supermarkets, 16% customers from convenience store and 14% customers from hypermarkets. They also found that 45% customers visit fortnightly to mall, 35% customers visit weekly, 15% monthly and 5% daily. They found that 50% customers visit mall for shopping, 32% visit for entertainment, 18% visit for window shopping. They also found that 58% customers are satisfied with pricing strategy, 42% customers are not satisfied. They also found that consumers are attracted to unorganized retailers due to proximity, goodwill, credit sales, bargaining, loose items, convenient timing and home delivery and to organized retailers due to availability of better quality products, lower prices, one stop shopping, choice of additional brands and products, family shopping and fresh stocks. They also found that lower income consumer have saved more while purchasing at organized outlets.

Hameed (2015) objective of this study was to identify the determinants of customer satisfaction in the organized retail stores. The other objective was to access the attitude, loyalty, satisfaction and behavior of consumers towards retail stores and future prospects of organized retail stores. They took the sample of 52 consumers and convenience sampling techniques was used. A close ended structured questionnaire was used to collect primary data. They used statistical mean and z-test. They framed the hypothesis. They found that store layout must be favorable for high level of satisfaction, for high level of loyalty brand must focus on customer relationships. They also found that less queue and welcoming staff positively affect services quality and

accuracy of bills, price and price and discount positively affects the customer's reliability. They also found that if additional facilities are provided to customers they are attracted towards stores.

R Shashikalar and J Gangatkar (2015) tried to compare and contrast the consumer perceptions towards supermarkets and provisional stores. They studied provision stores as well as supermarkets in India particularly in Bangalore. They framed the hypothesis. They took the sample of 100 respondents. Convenience sampling techniques was adopted. They found that while purchasing grocery quality, price, proximity, hygiene are the most important factors than services, ambience, store image, variety and availability.

Kumar Ravi and Devi Anita (2015) the purpose of this study was to evaluate the consumer perception towards organized and conventional retail store and to study the effectiveness of point of purchase advertisement and displays in organized and conventional retail stores. They set the hypothesis. They took the sample of 200 respondents which were selected by stratified random sampling method .They applied descriptive analysis to study consumers perception towards organized and conventional stores and z test to study the effectiveness of point of purchase advertisement and displays in organized and conventional retail store. They found that there is no much difference between consumer's perception towards organized retail stores and conventional retail store. They also concluded that point of sale advertisement and displays are more effective in organized retail stores than conventional retail stores.

Shenbagasuriyan and Balachandar (2016) tried to find out the type of retail sectors and place where customers buy the product and to analyze kind of products that customers purchases in a particular retail sector. They took the sample of 160 consumers. Questionnaire was used for collecting the data. They applied the chi square test to find the association between type of retail sector and customer buying the products and association between customers buying the products and kind of products they purchase in the store. They found that there is association between type of retail sector and customers buying the products. They also found that there is an association between customer buying the products and kind of products they purchase in the store. They found that 28.8% customers make purchase twice per month, 26.2% customers purchases weekly, 18.1% customers make purchases at least 3times a week, 14.4% customers make purchases monthly, 12.5%customers make purchases occasionally. They also found that 13.8% customers visit the store below on month, 23.8% customers visit one to three month, 20% customers visit three to six months, 12.5% customers visit 6 to 1 year, 30% customers visit the store above 1 year. They found that consumers are

not aware about the organized retail stores. They prefer to buy from street stall nearby their house. They suggested that retail stores should be promoted and there must be control of state government over these retailers.

Research Methodology

Need and scope of the study:

A large number of previous research studies have been conducted on organized retail store. However, not much work has been done to find the factors that influence the consumers to buy from organized retail store and problem which the consumers are facing while purchasing from the organized retail stores. This study has been done to fill the gap in the existing literature. The study is limited to organized stores in the Amritsar city only.

Objectives of the study:

1) To examine the factors which influence the customer to purchase from an organized retail stores.

2) To examine the problems that consumer faces while buying from organized retail stores.

Research Methodology

This chapter describe the research methodology of the study. It include research framework, Population and sample selection, Collection of data, method of analysis of data along with limitation of the study. It has following sections:

- Research framework
- Population and sample selection
- Collection of data
- Method of analysis of data
- Limitation of study

Research Framework:

The present study is based on the objectives of determining the factors that influencing the consumers to buy from organized retail stores and identifying the problems that consumers faces while purchasing from organized retail stores and customers preference towards the organized retail stores.

Population and Sample selection:

For the study Sample are taken from Jalandhar ,Amritsar and ludhiana city. The sample size taken for the study was 100 respondents.

Collection of data:

The questionnaire method has been used for data collection

from 100 respondents as a primary data and articles from the secondary data.

Method of analysis of data:

Analysis of the collected data was done by;

1) Factor analysis
2) Mean and standard deviation

Factor Analysis:

In order to determine the factors that influence the consumer to buy from organized retail stores, factor analysis have been applied. Factor analysis identifies a common factor from available variables and provides information that links together the unrelated variables and then provides information about structure of the data collected.

Communalities :

It is the amount of variance the variables have with each other. It is also the proportion of variance explained by the common factor.

Eigen Value :

It represents the total variance explained by each factor.

Factor Loading :

These are the simple correlation between variables and factors.

Bartlett's Test Of Spherecity :

Whether the correlation matrix is an identity matrix, which would indicate that factor model is inappropriate. It is used to interpret the hypothesis that whether the variables considered in study are correlated or uncorrelated in the population.

Kmo Measure :

This measure of sampling adequacy is used to examine the correctness of the factor analysis. high value lying between .050 and 1.00 indicates that factor analysis is appropriate.

Mean and Standard deviation :

Mean and standard deviation is used to identify the problems that the consumers are facing while purchasing from organized retail store. This method is used for ranking the problems.

Factor Analysis:

In order to find the factors that influences the consumers to buy from organized retail store factor analysis has been run. The results are given below:

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Adequacy	Measure of Sampling	.652
Bartlett's Test of Sphericity	Approx. Chi-Square	732.094
	Df	300
	Sig.	.000

Here value of KMO is .652 which is higher than .5 which means sample size is adequate. Chi square value is 732.094 and level of significance is .000 it means it is adequate 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	15.127	15.127	3.782	15.127	15.127	2.793	11.172	11.172
2	3.295	13.182	28.309	3.295	13.182	28.309	2.467	9.867	21.040
3	2.029	8.114	36.423	2.029	8.114	36.423	2.447	9.789	30.828
4	1.979	7.915	44.338	1.979	7.915	44.338	2.134	8.538	39.366
5	1.534	6.137	50.475	1.534	6.137	50.475	2.029	8.114	47.481
6	1.419	5.677	56.152	1.419	5.677	56.152	1.796	7.186	54.666
7	1.315	5.258	61.411	1.315	5.258	61.411	1.686	6.744	61.411
8	.990	3.959	65.370						
9	.897	3.589	68.959						
10	.831	3.323	72.281						
11	.787	3.147	75.429						
12	.748	2.993	78.422						
13	.660	2.640	81.062						
14	.608	2.432	83.494						
15	.550	2.198	85.692						
16	.517	2.069	87.761						
17	.461	1.844	89.605						
18	.447	1.786	91.391						
19	.427	1.709	93.101						
20	.376	1.504	94.605						
21	.366	1.465	96.070						
22	.325	1.300	97.370						
23	.251	1.005	98.375						
24	.214	.855	99.230						
25	.192	.770	100.000						

Extraction Method: Principal Component Analysis.

Interpretation: We will consider the components whose eigen value is more than 1. The variance of the first components is 11.172, of second are 21.040, of third are 30.828, of fourth is 39.366, of fifth is 47.481, of sixth is 54.666 and of seventh is 61.411. it means there are seven factors whose eigen value is more than one, therefore number of factors should be seven.

Rotated Component Matrix[a]

	Component						
	1	2	3	4	5	6	7
price bargaining	.783						
proximity to workplace	.736						
proximity to residence	.655		.402				
provision of parking facilities	-.546						
provision of products at affordable prices	.502	.443					
stock of different varieties of goods are available		.660					
provision of trendy products		.650					
recognition of regular customers		.585					
quality of product is better		.583					
extremely pleasing ambience			.781				

Variable	1	2	3	4	5	6	7
offer various discounts			.724				
Well trained staff			.655				
window shopping				.836			
easy accessible layout				.622			.415
cleanliness				.550			
provision of proper advice to customers		.417		.441			
home delivery					.690		
enhance value for money					.631		
beautiful interior with entertainment					.617		
huge game zone for kids					.511		
time saving					.502		
offer much more than just shopping						.727	
provision of credit facilities to customer						-.705	
variety of mode of payment							.715
variety of brands are available							.697

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.[a]
a. Rotation converged in 14 iterations.

Component Transformation Matrix

Component	1	2	3	4	5	6	7
1	.537	.522	.422	.334	.307	.212	.102
2	-.560	-.094	.502	.487	.088	-.354	.234
3	-.429	.470	-.450	-.093	.409	.173	.431
4	.117	-.668	-.035	.084	.671	.276	.079
5	-.007	.181	-.290	.220	.413	-.480	-.658
6	-.199	.118	.524	-.725	.311	-.036	-.217
7	.400	-.071	-.080	-.249	.114	-.702	.512

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

Interpretation:

Factors	Variables	Loading
1) Easily Accessible	Price bargaining	.783
	Proximity to workplace	.736
	Proximity to residence	.655
	Provision of parking facilities	-.546
	Provision of products at affordable prices	.502
2) Quality stock	Stock of different varieties of goods are available	.660
	Provision of trendy products	.650
	Recognition of regular customer	.585
	Quality of product is better	.583
3) Comfort Zone	Extremely pleasing ambience	.781
	Offer various discounts	.724
	Well trained staff	.655
4) Infrastructure	Window shopping	.836
	Easy accessible layout	.622
	Cleanliness	.550
	Provision of proper advice to customers	.441

5) Quality time	Home delivery	.690
	Enhance value for money	.631
	Beautiful interior with entertainment	.617
	Huge game zone for kids	.511
	Time saving	.502
6) Add on services or facilities	Offer much more than just shopping	.727
	Provision of credit facilities to customer	-.705
7) Variety	Variety of mode of payment	.715
	Variety of brands are available	.697

Factor 1: Easily Accessible

? Price bargaining

? Proximity to workplace

? Proximity to residence

? Provision of parking facilities

? Provision of product at affordable prices

There are 5 variables in factor 1.

Factor 2: Quality Stock

? Stock of different varieties of products are available

? Provision of trendy products

? Recognition of regular customers

? Quality of product is better

There are 4 variables in factor 2.

Factor 3: Comfort Zone

? Extremely pleasing ambience

? Offer various discounts

? Well trained staff

There are 3 variables in factor 3.

Factor 4: Infrastructure

? Window shopping

? Easy accessible layout

? Cleanliness

? Provision of proper advice

There are 4 variables in factor 4.

Factor 5: Quality time

? Home delivery

? Enhance value for money

? Beautiful interior with entertainment

? Huge game zone for kids

? Time saving

There are 5 variables in factor 5.

Factor 6: Add on services or facilities

? Offer much more than just shopping

? Provision of credit facilities to customer

There are 2 variables in factor 6.

Factor 7: Variety

? Variety of mode of payment

? Variety of brands are available

There are 2 variable in factor 7.

Rank of problems that consumers are facing while purchasing from organized retail store:

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

Problems	Mean	Standard deviation	Rank
Poor quality of products	2.8200	1.12259	15
Over price	3.7100	.85629	3
Wastage of money	3.0900	.95447	10
Non availability of goods at all time	3.1100	1.04345	9
Poor after sale services	3.0400	.87525	11
Price discrimination	3.2300	1.10878	8

Poor reply on enquiry	2.9900	.99995	12
Difficult to return the purchased products	3.8100	.97125	2
Rush in counters	3.4100	.99590	4
Adultered products	3.2700	1.01359	6
Poor cooperation from employee	2.9200	1.03162	14
Improper arrangement of goods	2.6600	.90140	18
Wastage of money due to unnecessary purchase	3.3700	.92829	5
Poor ventilation	2.7200	.98555	16
Lack of knowledge	2.9600	.97359	13
Selling expired goods	2.5700	.95616	19
Inconvenient parking facility	2.7100	1.03763	17
No proper cleaning	2.4200	.91210	20
No door delivery	3.2400	.96525	7
No price bargaining	3.8600	1.01524	1

Interpretation: No bargaining facility has first rank, difficult to return the purchased good has second rank, overprice has third rank, rush in counters has fourth rank, wastage of money due to unnecessary purchases has fifth rank, adultered products has seven rank. Thus main problems faced by customers are fixed price, difficulty in returning the purchased products, overprice charged by retailers, rush in counters and wastage of money due to unnecessary purchases.

Summary and Finding of Study

The major findings of the study are as under:

- From study, it is analyzed that majority of respondents go to organized retail store occasionally & the percentage of these shoppers in this category is as high as 73%.
- Majority percentage of the population prefer organized retail store for purchasing and enjoyment purposes.
- Majority of the respondents prefer to buy clothes from the organized retail store and percentage of these shoppers in this category is as high as 50%
- By applying factor analysis, the seven most important factors are deducted that affect the buying behavior of the customers. These factors are:
  i) Easily accessible
  ii) Quality control
  iii) Comfort Zone
  iv) Infrastructure
  v) Quality time
  vi) Add on services or facilities
  vii) Variety
- By applying mean and standard deviation majors problems that consumers faces while purchasing from

organized retail store are identified. Mostly the consumers face the problem of fixed price whose mean value is 3.

Suggestions

- Large and cost efficient assortment should be stored as most of the customer sighted main reason for visiting retail outlets as "one stop shop".
- Increasing the awareness among of retail stores among rural areas
- Careful selection of store Location as most of the customers prefer convenient store location from their home
- There should be well trained staff as they have to directly interact with the customers.
- Value of money should b provided to the customers by providing good quality products at reasonable prices, price satisfaction.
- Provide compensation to customer if required sometimes sometime product doesn't perform its appropriate function.
- Convenient and timely mode of payment which will save customers time as adequate number of counter and multiple way of billing will save the customer's time.
- Choice of correct retail strategy is very necessary, store should know their strong and weak points and keeping both these points in the mind it should decide its retail strategy which should enhance stores each and every aspects.

Conclusion

The research study aims to find the relationship between the consumer buying behavior and organized retail stores. The study was conducted to know the factors that influence the customers to buy from the organized retail stores and

problems that the consumers are faces while purchasing from the organized retail store. The objective of the study are:- to examine the consumer's preference towards organized retail stores, to examine the factors that influence the customers to purchase from the organized retail store, to examine the problems that consumers faces while buying from the organized retail stores. The study has given a positive result that the consumers are highly influenced by the factors which are considered in the study. The result of the factor analysis achieved this objective. 100 respondents had taken to participate in the study. We include 32 variables that influence the customers to buy from organized retail store and factor analysis categorized these variables into 7 factors. These factors are easily accessible, quality stock, comfort zone, infrastructure, quality time, add on services or facilities, variety. Factor 1 has 11.172% influence on the customers, factor 2 has 9.867% influence, factor 3 has 9.789% influence, factor 4 has 8.538% influence, factor 5 has 8.114% influence, factor 6 has 7.186% influence and factor 7 has 6.744% influence on the customers to buy from organized retail stores. The other objective of the study ids to identified the problems that the customer faces while purchasing from organized retail stores. This objective has been achieved by applying the mean and standard deviation. The problems that the most of consumers faces while purchasing from the organized retail stores are fixed price, difficult to return the purchased product, overprice, rush in the counters, wastage of money due to unnecessary purchase, Adultered products, no door delivery, price discrimination etc.

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