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Customers Satisfaction Towards Merchandize and Pricing Strategies of the Unorganized Retailers in FMCG Segment

SVVSN Murthy¹ and P. Srinivasa Reddy²

¹PhD Scholar, Department of Management Studies, Vignan's University, Guntur, AP, India. Email: murthybod@gmail.com

²Professor, Department of Management Studies, Vignan's University, Guntur, AP, India. Email: psrir1@yaboo.com

ABSTRACT

The objective of this paper is to grasp the client satisfaction level towards unorganized retail stores. The main dimensions thought of for understanding client type of merchandize, quality of merchandize, atmosphere of the shop and repair of the unorganized store. The shopper's satisfaction level with relevance worth is additionally explained during this study. The first knowledge for the study is collected by a structured designed form. The outcomes of the study provide insights to unorganized place of business house owners, promoting organization and academicians World Health Organization have an interest within the retail research. The social control implication and conclusions of the study are briefed during this paper.

Keywords: Merchandize, Customers, Unorganized Retail Stores, Satisfaction, Service, Pricing, Variety, Quality, Ambience and Service.

1. INTRODUCTION

Unorganized selling suggests that ancient formats of stores like Kirana stores, general stores, and pan retailers etc in Indian state of affairs. The unorganized retail stores may be delineated as little retailers that are set in residential areas. The majority the unorganized retail stores belong to the class of family closely-held business. In Bharat the manufactures in FMCG (Fast Moving shopper Goods) business are ready to market their individual product solely through unorganized retail stores. But in Urban areas each organized and unorganized retail stores helps the makers of FMCG product to promote their product. The study of client satisfaction with relevance unorganized retail stores during this paper provides insights for the house owners of little retailers and unorganized stores to develop their selling methods. During this paper varied factors like merchandize, pricing, quality, variety, service and satisfaction are thought of whereas the satisfaction level of unorganized customers in Bharat.

The organized stores are giving powerful competition to unorganized stores within the gift era. During this regard it's essential to understand the buyer behavior from the angle of selling. If the unorganized retailers are ready to perceive expectations of shoppers and satisfaction level of shoppers then methods will be developed. Study helps to grasp whether or not customers within the present era are glad with quality of merchandize, kind of merchandize, store layouts of unorganized stores and services of unorganized stores. Overall this study explains the satisfaction level of shoppers in unorganized selling business.

2. LITERATURE REVIEW

The out-of-stock in retail stores have AN influence on perspective of consumers from completely different dimensions like searching perspective, store loyalty, perceived store costs, searching frequency, complete loyalty and store distance (Rani & Velayudhan, 2008). The cleanliness of stores is a lot of vital for purchasers once buying product and Indian retail shopper behavior is ever-changing within the recent years (Goswami & Mishra, 2009). The shoppers area unit within the gift era area unit condescending to ancient store formats and that they area unit less condescending to new store formats (Madan & Sharma, 2012). Additional average shopper isn't loyal to any specific store format. In line with Zia and Azam (2013) the merchandize is issue for attracting unorganized retail shopper and dependableness is that the least important issue for satisfaction of unorganized retail client (Zia & Azam, 2013).

Koul and Mishra (2013) had argues the shop special characteristics have positive impact on client perception towards unorganized or ancient stores in India. Additional the unorganized retailers will maintain effective client relationship compared to organized retail stores. The visual of stores have a control on shopper purchase behavior once most of the product look virtually similar, the effective window show can have a control on shopper behavior (Mehta & Chugan, 2014). In line with Balaji et. al., (2013) the low kind of product and high costs area unit the problems within the organized retail stores that sell fruits and vegetables. The fashionable marketing organizations have modified the face of marketing business in India. The fashionable customers area unit experiencing completely different setting whereas buying product from retailers within the gift era (Shukla & Shukla, 2013). In line with Kumar and Hindu deity (2016) there's no important distinction among shoppers between organized and unorganized retail stores. In several aspects each organized and unorganized retails stores area unit providing same quite service to shoppers. (Kumar & Hindu deity, 2016).

In line with Sharma et. al., (2015), a minimum of for next 2 to 3 decades the marketing business in experiences constant growth and it accounting for roughly ten % of India Gross Domestic Product and eight % of the utilization. The availability chain management, maintaining kind of product, home delivery, and adoption of recent e-commerce technology area unit the most important challenges for unorganized retailers, Jayadatta et. al., (2016) had explained regarding the challenges and opportunities with unorganized marketing in India and mentioned that shopper familiarity plays an important role in unorganized marketing business. In line with Kakkar (2016) credit facility, straightforward replacement, a lot of comfort and convenience and handiness of product encourage shoppers to choose searching in unorganized retail stores. (Kakkar, 2016)

Indian shoppers like little retailers thanks to assortment, relationship with customers and store facility. Thence the manufactures can give their product through little retailers for reaching the shoppers in remote locations (Khare, 2014). The perception of shoppers differs between organized and unorganized retail stores

and also the motivating factors for choosing specific retail stores area unit completely different (Sahoo & Mishra, 2016). It's found from review of literature that specific studies associated with client satisfaction from the attitude of valuation and merchandizing had not been conducted. Thence there's necessity to satisfy the analysis gap within the space of unorganized marketing business.

2.1. Managerial Implication

The homeowners of unorganized retailers ought to modification their existing business processes to boost client satisfaction. The new processes like home delivery and may maintain type of product to retain the shoppers. It's determined that rating is a lot of necessary issue and homeowners of unorganized retail stores ought to supply some discounts to regular customers. Owing to advancement in technology folks are getting privy to schemes, discounts and promotions thus the retailers of tiny retailers ought to pass the advantages of these programs to the shoppers. At the present the unorganized retailers don't seem to be meeting the expectations of consumers with respect to quality and it's essential for them to supply quality product for sustaining within the competitive unorganized merchandising trade.

2.2. Limitations of the Stud

The time and cash area unit major limitations of this study. The patron behavior is dynamic that major limitation whereas explaining psychographic variable likes satisfaction is. The study is conducted in undivided state and therefore the results can't be generalized to alternative geographical variables. The client satisfaction is influenced by sizable amount of things and everyone those factors don't seem to be thought-about during this study.

3. RESEARCH OBJECTIVES AND METHODOLOGY

3.1. Research Objectives

1. To assess the satisfaction level of unorganized retail customers concerning the standard of merchandize, variety, store layout and repair at the stores.
2. To review the satisfaction level of consumers towards worth of merchandize in unorganized retailers.
3. To judge the satisfaction of unorganized retail client towards the shop.

3.2. Research Methodology

The first information is collected through structured form and also the sample size for this study is 414. Easy sampling technique had been used for sample choice. The target cluster for this survey is the entire people UN agency area unit twenty one years and on top of. The respondents were explained regarding the target of the study before continuing for assortment of knowledge. The secondary information is procured from journals, books, magazines and electronic sources. The applied mathematics Package for Social Sciences (SPSS) version twenty.0 was used for information analysis. The applied mathematics techniques, like frequencies, descriptive statistics and weighted averages were used whereas analyzing the first information. The respondents belong to numerous districts of undivided state.

4. DATA ANALYSIS

The majority of the respondents are male because in general they go to bring products for household consumption. Among the respondents 47.8 percent belong to the age group of 21 to 30 years. The demographic characteristics are shown in Table 41.1. Most of the respondents are private employees who 47.8 of the total respondents.

Table 41.1
Demographic Characteristics of Respondents

<i>S.No.</i>	<i>Variable</i>	<i>Characteristic</i>	<i>Percent</i>
1	Gender	Male	87.0
		Female	13.0
2	Age group	21 – 30 Years	47.8
		31 – 40 Years	17.4
		41 – 50 Years	17.4
		51 – 60 Years	10.9
		Above 61 Years	6.5
3	Occupation	Government employee	2.2
		Private employee	47.8
		Business	26.1
		House wife	10.9
		Others	13.0

Source: Field data

4.1. Variety of Merchandize

From Table 41.2, it can be stated that majority of the respondents level of satisfaction regarding the variety of merchandize availability is moderate which is 1.52 followed by low level of satisfaction reported by 21.7 percent of respondents in unorganized retail stores.

Table 41.2
Weighted Average for Variety

	<i>Frequency</i>	<i>Percent</i>	<i>Weighted Score</i>	<i>Weighted Average</i>
Low	90	21.7	90	0.21
Moderate	315	76.1	630	1.52
High	9	2.2	27	0.06
Total	414	100.0	747	1.79

Source: Output from SPSS

4.2. Quality of Merchandize

As per Table 41.3, it is evident that quality of merchandize is noted to be moderate which is 1.13 for most of the respondents (56.5), while it is rated low (0.43) by rest of the respondents (43.5) in case of unorganized retail stores.

Table 41.3
Weighted Average for Quality

	<i>Frequency</i>	<i>Percent</i>	<i>Weighted Score</i>	<i>Weighted Average</i>
Low	180	43.5	180	0.43
Moderate	234	56.5	468	1.13
Total	414	100.0	648	1.56

Source: Output from SPSS

4.3. Ambience of the Store

According to Table 41.4, it is observed that most of the respondents (91.3) rated the ambience of unorganized retail stores is moderate (1.82). Further as many as 6.5 percent of respondents reported their level of satisfaction as low (0.06) and another 2.2 percent of the respondents rated the satisfaction towards ambience as high (0.06).

Table 41.4
Weighted Average for Ambience

	<i>Frequency</i>	<i>Percent</i>	<i>Weighted Score</i>	<i>Weighted Average</i>
Low	27	6.5	27	0.06
Moderate	378	91.3	756	1.82
High	9	2.2	27	0.06
Total	414	100.0	810	1.94

Source: Output from SPSS

4.4. Service of Unorganized Retail Stores

It is found from Table 41.5 that 59.4 percent of the respondents rated their satisfaction regarding service available as low (0.59) followed by moderate (0.76) satisfaction level towards service of unorganized retail stores by as many as 38.4 percent of the respondents.

Table 41.5
Weighted Average for Service

	<i>Frequency</i>	<i>Percent</i>	<i>Weighted Score</i>	<i>Weighted Average</i>
Low	246	59.4	246	0.59
Moderate	159	38.4	318	0.76
High	9	2.2	27	0.06
Total	414	100.0	591	1.41

Source: Output from SPSS

4.5. Pricing at Unorganized Retail Stores

From Table 41.6 it is evident that 83.3 percent of the respondents had expressed that satisfaction level towards pricing at unorganized retail outlets is moderate (1.66). Further only 5.8 percent of the respondents high (0.17) with regard to pricing at unorganized retail stores.

Table 41.6
Weighted Average for Pricing

	<i>Frequency</i>	<i>Percent</i>	<i>Weighted Score</i>	<i>Weighted Average</i>
Low	45	10.9	45	0.10
Moderate	345	83.3	690	1.66
High	24	5.8	72	0.17
Total	414	100.0	807	1.93

Source: Output of SPSS

The Table 41.7 displays evidence related to overall satisfaction of customers towards unorganized retail outlets. Among the respondents 54.3 percent are satisfied with unorganized retail stores and remaining 45.7 percent of respondents are satisfied to some extent.

Table 41.7
Satisfaction Level of Respondents

	<i>Frequency</i>	<i>Percent</i>
Satisfied	225	54.3
Satisfied to some extent	189	45.7
Total	414	100.0

Source: Output from SPSS

5. DISCUSSION

The customers are moderately glad with respect to type of merchandize thus there's necessity for retailers to keep up massive type of merchandize to boost customer satisfaction. The shoppers don't seem to be glad extremely with the standard of merchandize in unorganized retail stores. The explanations for not maintaining quality of merchandize can rely on varied factors like investment demand for product and ineffective offer chain etc. but out all the factors the shoppers' area unit a lot of glad with atmosphere of stores. However still the shop atmosphere has to be improved as a result of the weighted score for atmosphere isn't thus high. The service of unorganized retail stores should be improved as a result of customers predicts home delivery and alternative services.

6. CONCLUSION

The unorganized retailers ought to modification themselves to sustain within the business as a result of organized merchandising is apace growing in Republic of India. The client satisfaction level towards unorganized retail stores ought to be augmented for attaining client retention. The rating ways of unorganized retailer's area unit moderately satisfying the shoppers thus it's necessary to supply discounts and schemes etc to enhance satisfaction level among unorganized retail customers. The satisfaction level of consumers towards unorganized retail stores is additionally moderate. Many purchasers area unit glad solely to some extent with the service of unorganized retail stores.

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