

COMPARATIVE ANALYSIS OF CUSTOMER SATISFACTION FROM ORGANIZED AND UNORGANIZED RETAIL MARKET

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Abstract:

Retail industry is the biggest industry in India with an employment of nearby 8% and contributing to above 10% of its GDP. Conventionally there was family maintained businesses followed by indigenous kirana stores, mandi, day-to-day or weekly food markets etc. In 1990's the concept of organized retail sector has been developed & after liberalization the government of India permitted 100% FDI in retail followed by 300 operating shopping mall, 1500 superstores & 325 departmental stores in 2018. In the present age, customer is the midpoint point of all the marketing activities. The objective of today's marketers has lifted from "maximization of profits" to "maximization of customer satisfaction". By satisfying their customers through high class services, corporate firms can not only maintain their current customers but they can also increase probable customers. The present research work basically look upon the significant difference between the consumers satisfaction about Organized and Unorganized retail Market. The researcher has been used the Mean, standard deviation and Coefficient of variation for the analysis of data. The "t" test also have used by the researcher for the purpose of data analysis.

Keywords:

Organized and Unorganized retail market, Customer satisfaction, "t" test.

Introduction:

Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. Total consumption expenditure is expected to reach nearly US\$ 3,600 billion by 2020 from US\$ 1,824 billion in 2017. It accounts for over 10% of the country's gross domestic product (GDP) and around eight% of the employment. India is the world's fifth-largest global destination in the retail space. India ranked 73 in the United Nations Conference on Trade and Development's Business-to-Consumer (B2C) E-commerce Index 2019. India is the world's fifth-largest global destination in the retail space and ranked 63 in World Bank's Doing Business 2020. India is the world's fifth largest global destination in the retail space. In FDI Confidence Index, India ranked 16 (after US, Canada, Germany, United

Kingdom, China, Japan, France, Australia, Switzerland, and Italy. 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, etc. The Indian retail sector is highly fragmented with 97 per cent of its business being run by the unorganized retailers. The organized retail however is at a very nascent stage. The sector is the largest source of employment after agriculture, and has deep penetration into rural India generating more than 10 per cent of India's GDP. The retail scenario is one of the fastest growing industries in India over the last couple of years. India retail sector comprises of organized retail and unorganized retail sector. Traditionally the retail market in India was largely unorganized; however with changing consumer preferences, organized retail is gradually becoming popular. Unorganized retailing consists of small and medium grocery store, medicine stores, subzimandi, kirana stores, paan shops etc. More than 90% of retailing in India fall into the unorganized sector, the organized sector is largely concentrated in big cities. Organized retail in India is expected to grow 25-30 per cent yearly

Objectives:

The present research work is mainly emphasis on assessment of Customer's Satisfaction level from Organized and Unorganized retail sector. The researcher has framed following objectives of Research Paper.

1. To analyze effect over the consumer's financial status.
2. To study the Demographic profile of consumers.
3. To Know the Customer's Satisfaction level from Organized and Unorganized retail sector.
4. To find out some Conclusions about research work.

Hypothesis:

H₀:-There is significant difference between Consumer satisfactions towards retail practices of Organized & Unorganized retail sector.

H₁:- There is No significant difference between Consumer satisfactions towards retail practices of Organized & Unorganized retail sector.

Research Methodology:

The researcher has decided to analyze Customer’s Satisfaction level from Organized and Unorganized retail sector. So that scientific research methodology has been followed as following:

1. Sampling:

Sampling is a technique of selecting individual members or a subset of the population to make statistical inferences from them and estimate characteristics of the whole population. Different sampling methods are widely used by researchers in market research so that they do not need to research the entire population to collect actionable insights. It is also a time-convenient and a cost-effective method and hence forms the basis of any research design. Sampling techniques can be used in a research survey software for optimum derivation. In this research work the researcher has selected 50 consumers from Organized and Unorganized retail market who are already engaged in market activities. The Random sampling method has been adopted for the selection of Sampling. The researcher has used Lottery method for choosing samples from different region.

Data Collection:

Data collection is defined as the procedure of collecting, measuring and analyzing accurate insights for research using standard validated techniques. A researcher can evaluate their hypothesis on the basis of collected data. In most cases, data collection is the primary and most

important step for research, irrespective of the field of research. The approach of data collection is different for different fields of study, depending on the required information. In this research work the researcher has collected the data from 50 consumers from Organized and Unorganized retail market through Google form which has designed and framed with the consultation of research scholar who are working in the Market and concern areas.

Data Analysis:

Data analysis is the process of collecting, modeling, and analyzing data to extract insights that support decision-making. There are several methods and techniques to perform analysis depending on the industry and the aim of the analysis. All these various methods for data analysis are largely based on two core areas: quantitative methods and qualitative methods in research. In the long run, it will drive success to marketing strategies, allow to identify new potential customers, and avoid wasting resources on targeting the wrong people or sending the wrong message. Researcher can also track customer satisfaction by analyzing your client’s reviews or your customer service department’s performance. From a management perspective, Researcher can also benefit from analyzing data as it helps to make business decisions based on facts and not simple intuition. In this research work the researcher has decided to analyze the data using T-test. The researcher has adopted Paired sample t test for the purpose of analysis. The analysis of data is as follows:

Demographic analysis:

The demographic analysis of consumers of Organized and Unorganized retail market has been assessed on the basis of Gender, Age, Marital status, Educational, Occupation and Monthly status. The analysis of sample respondents are as follows

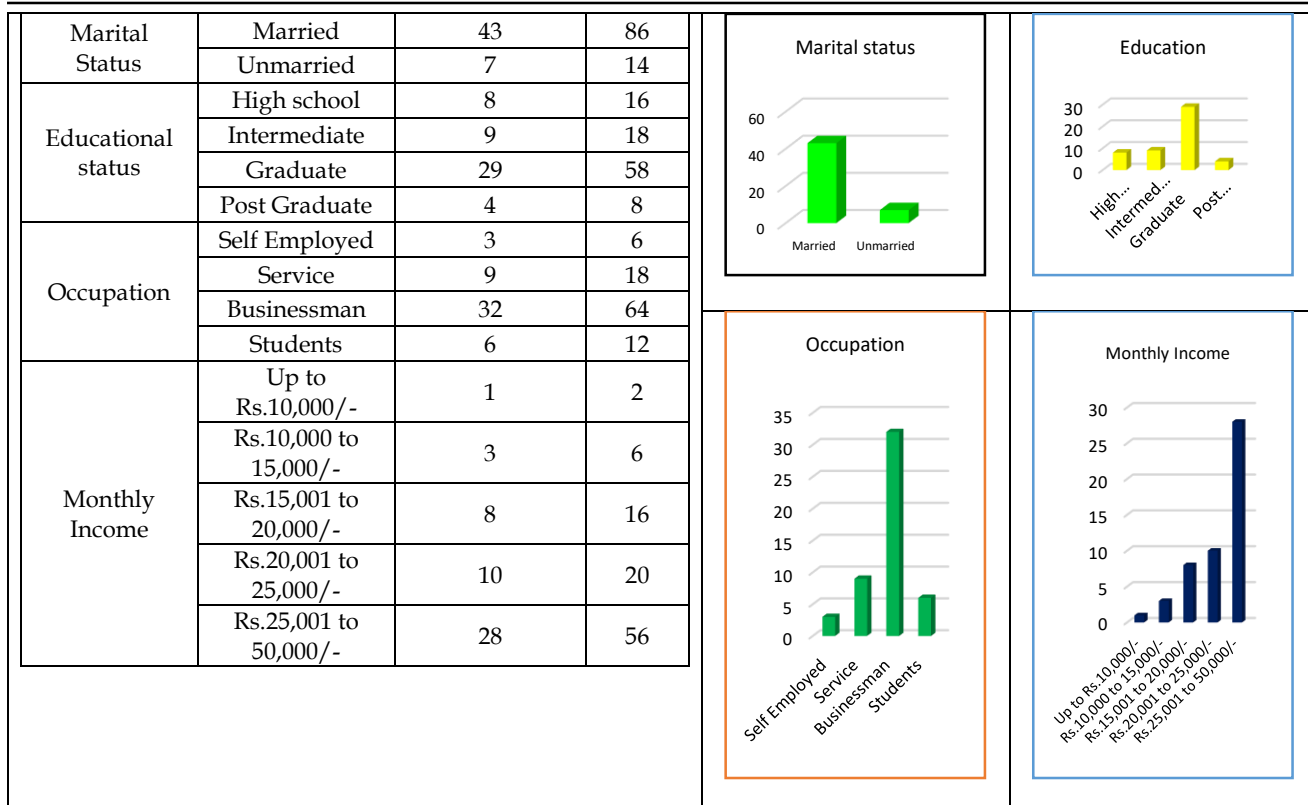
**Table No.1
 Consumer’s Demographic analysis**

Attributes	Category	Number of Respondents	Percentage
Gender	Male	37	74
	Female	13	26
Age	18 to 25	21	42
	25 to 30	12	24
	30 to 40	9	18
	40 to 50	7	14
	above 50	1	2

Gender

Male Female

Age



Source: Primary Data

Analysis based on T test:

In this research work the analysis is done by very popular and widely accepted **Paired Sample “t” test**. Statistical techniques such as "Fisher's t test" have been adopted to meet the research objectives and to analyze the data collected on the basis of various data sources. The “t” test is used to study significant differences between two or more variables. This significant difference is statistically measured at two significant levels of 0.01 and 0.05. In the present research, **the researcher has analyzed the facts obtained at the level of 0.05**. To perform the above statistical analysis, the researcher has come to the conclusion using the software “MS Excel - 2013” and “SPSS v 25”. This

has definitely helped to increase the accuracy of the research. The research hypotheses with their Null Hypothesis are presented as follows.

• **Comparative analysis of Customer Satisfaction about Organized & Unorganized retail Sector:**

The Researcher has collected the data through questionnaire. The following table studies the differences between statistical analysis and coefficient distribution based on Customer satisfaction from Organized and Unorganized retail sector. The Comparative analysis of Customer Satisfaction about Organized & Unorganized retail Sector is as follows:

Table No.1.

Comparative analysis of Customer Satisfaction about Organized & Unorganized retail Sector

Group Statistics			
Retail Sector	Mean	Std. Deviation	Coefficient of Variation
Organized Retail Sector	180.60	07.545	4.17
Unorganized Retail Sector	180.00	11.879	6.59

Source: Questionnaire based data

The above table shows Comparative analysis of Customer Satisfaction about Organized & Unorganized retail Sector. The Mean value \bar{X} of

Customer Satisfaction about Organized retail sector is 180.60 and Mean value \bar{X} of Customer Satisfaction about unorganized retail Sector is

180.00. The Mean \bar{X} of both sector shows mathematical difference. The above table also reveals the variation in customer satisfaction about given retail sector. The value of Standard deviation (σ) Customer Satisfaction about Organized & Unorganized retail sector is 07.545 and 11.879 respectively. The Coefficient of Variation (C.V) of Customer Satisfaction in both retail sector is differ

from each other. The value of C.V. for Organized & Unorganized retail sector is 4.17 and 6.59 respectively. The C.V for Unorganized retail sector shows greater statistical variation in customer satisfaction. In the below graph the Mean difference between Customer Satisfaction about Organized & Unorganized retail Sector of is shown.

Graph No.1.
 Mean difference between Customer Satisfaction about Organized & Unorganized retail Sector

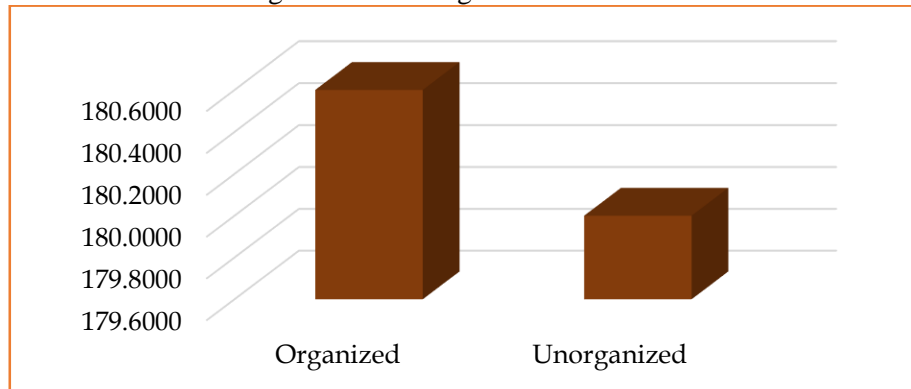


Table No.2
 Statistical difference between Customer Satisfaction Of Organized and Unorganized retail sector

Independent Samples T Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference		Significant Yes / No
								Lower	Upper	
Retail Sector	Equal variances assumed	4.103	0.058	0.135	18.00	0.894	0.60	-8.74956	09.94956	Yes
	Equal variances not assumed			0.135	15.24	0.895	0.60	-8.87212	10.07212	

The above table reveals Statistical difference between Customer Satisfaction of Organized and Unorganized retail sector. In the above table the researcher adopted Independent Sample “t” Test for the purpose of analysis. The Levene's Test for Equality of Variances shows Equal variances assumed because the value of Sig. (0.058) is greater than 0.05 alpha level. So that the researcher consider the “t” value i.e. 0.135. The Confidence Interval of the difference is varies between -8.74 to 0.09. The Significance value of “t” Test (0.894) is greater than 0.05 alpha level (“t” value > alpha

level) therefore, Null hypothesis is rejected and Alternative hypothesis is accepted. In a nut shell, the customer Satisfaction from Organized and Unorganized retail sector of have significantly different.

Conclusion, There is significant difference between Consumer satisfactions regarding organized & unorganized retail outlets.

Conclusions:

The above analysis shows that the significant value of frequency distribution between organized and unorganized retail outlets have more than the

critical value of t test. It reveals that customers have different level of satisfaction from both retail sectors. From above analysis it is statistically proved that there is significant difference between Consumer satisfactions towards retail practices of Organized & Unorganized retail sector. So that the first Hypothesis is **proved and accepted**.

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