ABSTRACT

The Indian retail sector is going through a transformation and the emerging market is witnessing a significant change in its growth pattern. Both existing and new players are experimenting with new retail formats. These emerging retail formats provide wide variety to customers and offer an ideal shopping experience with an amalgamation of product, entertainment and service, all under a single roof. Changing tastes and preferences of consumers’ are leading to radical transformation in lifestyles and spending patterns and this in turn is giving rise to spurt in new business opportunities. Consumer dynamics in India is also changing and the retailers need to understand the changing dynamics and its impact on shopping behavior and formulate their strategies accordingly to deliver the expected value to the consumers.

The present study is a comprehensive study of both organized and unorganized retail outlets influence on customer buying preference. Consumers’ perspective covers all the important aspects of retailing. Firstly, it covers the types of organized and unorganized retail formats. The study also does an in-depth various factors influencing on consumers, to choose particular retail formats. Furthermore, it also attempts to study the preference of diverse retail formats for purchasing different categories of merchandise and service. Based upon all this analysis, a framework of consumers’ perspective for emerging retail formats has been designed to cover consumers’ preferences for organized and unorganized retail formats. Questionnaire has been used to gather data from 300 consumers at Bangalore City. The study uses a five point Likert scale for assessing data from consumers. Descriptive statistics, ANOVA, Factor analysis and Regression, Correlation, t-test, Percentage analysis and mean and Std. Deviation, analysis has been used to identify the consumers perception, preferences and attitude on unorganized and organized retail formats. Results of the study depict that choice of emerging retail formats
are influenced by consumer demographics and other factors. Type of product category also influence consumer’s buying from different retail formats. The results highlight that young consumers prefer to shop more at organized retail outlets. On the other hand, older consumers prefer to purchase from unorganized retail store. The results reveal that the emerging retail formats are changing consumers preference due to changing life style, increase in income of respondents, conscious of quality, different taste and habits, service, ambience, etc, which enhance the shopping experience of consumers like: good parking facility and friendliness of employees. Moreover consumers’ are more inclined towards emerging retail formats. Regarding the purpose of visiting emerging retail formats, consumers prefer to go there not only for shopping purpose, but also for entertainment and relishing food at food courts. The study also throws light on format-wise-preferences of marketing strategies and the results explain that the new emerging retail formats.