CHAPTER-IV

CONSUMER VALUE ADDITION IN TRADITIONAL RETAILING BUSINESS IN SILCHAR: A STUDY OF PERCEPTUAL CHANGES IN POST ORGANISED RETAILING.

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CHAPTER-IV

CONSUMER VALUE ADDITION IN TRADITIONAL RETAILING BUSINESS IN SILCHAR: A STUDY OF PERCEPTUAL CHANGES IN POST ORGANISED RETAILING

4.1 INTRODUCTION

The very first challenge facing the organized retail industry in India is competition from the unorganized sector. Traditionally retailing has established in India for centuries. It is a low cost structure, mostly owner operated, has negligible real smaller quantities from stores conveniently located near their homes. (Rajan Divekar et al).

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 consumers for their personal, family, or household use. In 2004, The High Court of Delhi defined the term “retail” as a sale for final consumption in contrast to a sale for further sale or processing (i.e. wholesale)

Value refers to belief systems that go beyond behaviour and attitude. Values are stable and occupy a central position in a person’s cognitive systems. Values are determinants of attitudes and behaviour, and provide a stable and inner oriented understanding of consumers. For example, an individual may value ambition and honesty, which in turn determines his attitude and lifestyles.

Depending on the product or service, the customer profile study should include information relevant to the target market. Many retailers seek out information on a potential user’s lifestyle, loyalty and spending habits.

However, when customer’s expectations are greater than their perceptions of the delivered product or service, customers are dissatisfied and feel that the quality of the retailer’s service is poor. Thus retailers need to reduce the service gap (the difference between customers expectations and perceptions of customer service) to improve customers satisfaction.

Consumer behaviour is the understanding of how consumers make decisions to use their resources such as time, money and effort and effort for buying, using and disposing goods and services. In the retail context, marketers would specifically be more interested to know about consumers shopping behaviour which involves an understanding of decision variables when, where and what to shop (shopping timing, choice of retail format and store
etc.). Such decision variables are the factors to be considered by the retailer’s consumers shopping behavior.

For example, in case of pickle, retailers will interested in finding out the type of pickle consumers intend to buy (single vegetable/ fruit or mixed, spicy or not, oily or dry, veg or non-veg), the brand preference (national, private, generic); the reason for using (to add taste, for food preparation, to eat along with snacks), the place of purchase (super bazaar, convenience store, vendors, homemade) and frequency of purchase (weekly, biweekly, monthly). On the basis of various alternatives to consumer needs, marketers evolve the best possible marketing mix to attract the target market.

The most critical factor is providing quality product and efficient customer service to the consumers is that the retailers need to have complete knowledge of customer’s expectations. Lack of accurate information about customers need and expectation leads to faulty preparation of retail strategy. This lack of information can result in poor decisions, which might leave a bad impression on the customers.

For example, a grocery store may put everything on display so that a customer chooses what he wants, but it may fail to realize that customers in the locality prefer being served personally. Therefore, what the store should have done is to keep staff to take orders from the customers and serve them over the counter. To develop a better understanding of customer expectations, retailers need to increase interaction between retail managers / sales person and customers and to improve competition between managers and employees who provide customer service.

In Silchar city there are many families who are traditionally using traditional retail – (kirana shop/ mom and pop shops) offering a wide range of merchandise mix. Generally these traditional shops are the family business of these small retailers which they are running for more than one generation. This is one of the reason why customers does not want to change their old loyal traditional shops, loyalty emerges due to long term relationship. These traditional retailers are having their own management system and with this they are fulfilling the needs of the customers.

A large number of working class in Silchar is working as daily wages basis, at the end of the day when they get their wages; they come to this small shop to purchase wheat, flour, rice etc. in loose mode for their supper. For them this the only place to have those food items because purchase quantity is so small that no Vishal Megamart or Big Bazar would entertain this.
Similarly there is another two types of consumer class who are the seasonal worker. Seasonal worker during their unemployment period they use to purchase from this kirana store in credit and when they get their salary they clear their dues. Now this type of credit facility is not available in organized retail, so this kirana stores are the only place for them to fulfill their needs.

Another reason might be the proximity of store. It is the convenience store for the customers. In every corner of the lane a traditional retail shop can be found that is hardly a walking distance from the customers’ house. Many times customers prefer to shop from nearby traditional shop rather than to drive a long distance organized retail stores. This traditional retail stores having number of options to cut their costs, they incur little to no real-estate costs because they generally operate from their residence.

**Some Stages of processing/value addition by traditional retailers.**

- Pre cleaning: It referred to the removal of particles such as pieces of trash, stones, clods, removal of unfamiliar materials, other products etc, larger in size than desirable products from threshed products lot. In case of fruits and vegetables, it was the washing of fruits and vegetables to remove dusts, removal of decayed material etc.
- Grading: It referred to the actual cleaning and grading of products based on the quality preferences.
- Treating: It referred to the application of fungicide, insecticide or combination of both, to products so as to disinfect them from seed borne or soil borne pathogenic organisms and storage insects.
- Bagging and weighing: It referred to filling of products in bags/ polythene bags to an exact weight.
- Labeling and stitching: It referred to attaching labels, certificates, tags on the products bags and sewing the seed bags.

**LITERATURE REVIEW**

Ramanathan & Hari(2011) observed from their study that due to the recent changes in the demographic system of consumers, and the awareness of quality conscious consumption, consumers preferred to buy different products both from the organized and unorganized retailers.

Joseph, Soundararajan, Gupta, & Sahu, (2008) concluded that unorganized retailers in the locality of organized retailers were adversely affected in terms of their volume of business
and profit. According to him with the emergence of organized outlets consumers gained through the availability of better quality products, lower prices, one-stop shopping, choice of additional brands and products, family shopping, and fresh stocks. According to report of ICRIER “organized and unorganized retail not only coexist but also grow substantially. “The reason behind that the retail sector is gradually growing on an overall basis hence the benefit of this growth goes to both the sectors.

Kearney, (2006) found that traditional markets are transforming themselves in new formats such as departmental stores, hypermarkets, supermarkets and specialty stores.

Martineau, (1958) first time used the concept of store image. This store image was partly based on functional attributes and partly on psychological attributes. In functional attributes he included variety of commodities, layout, location, price value relation, and service that consumers could independently compare with other stores. Whereas in psychological attributes attractiveness and lavishness symbolized special attributes of that store.

Munjal, Kumar, & Narwal, (2011) through their research concluded that the kirana shops being affected by malls is only a myth. He further concluded that in spite of the available opportunities to the organized retail to grow in India these kirana shops also were benefited from this growing economy.

Sivaraman.P, (2011) from his study concluded that the impact of organized retailers was clearly visible on the business of unorganized retailers in terms of sales, profit and employment. Due to their financial infirmity these small retailers continuously struggled to introduce changes in their existing retail practices. Some kind of intervention was required for their future existence.

Another study by Ali, Kapoor. & Moorthy, (2010) in their study indicated that consumers shopping behavior was influenced by their income and educational level while gender and age had no significant impact on their behavior.

While Dodge, Robert, Summer, & Harry, (1969) and Aaker, Jones, David, & Morgan, (1971) concluded that consumers socio economic background, their personality, and past purchase experience were those factors upon which the customers” decision lied.

Nair & Nair, (2013) in their study revealed that the perception of service quality was influenced by various natures among various customers and some of the general factors like personal interaction, physical aspects on which customer perception remained constant and common.
But Singh & Agarwal, (2012) revealed that customers' preferences for grocery shopping were gradually shifting from local kirana stores to organized convenience stores. Brand choice and credit card facilities were the main determinants which influenced preferences from kirana to organized retail. Payment through credit cards increased purchases from organized retail store.


Gupta , (2012) concluded in her study that store attributes like convenient operating hours and accessibility were the factors which lead to customer loyalty and not store appearance. Similarly, product attributes like freshness of the product and availability of products range according to the pocket were major determinants of loyalty. It was also evident that even today Kiranas are preferred by customers because of various reasons viz. convenient location, home delivery, personal relations with shopkeeper, giving products on credit, payment in installments.

Srivastava, (2012) in his study showed that the overall customers' perception across urban and sub-urban was not varied. The customers were ready to pay higher prices for branded goods across the urban and suburban areas. They gave priority to purchase grocery from nearby shops while for purchasing of apparel they liked to travel some distance. The outcomes of the study showed that the exposure of marketing strategy through electronic and print media made the customers more choosey and knowledgeable.

Whereas Solagaard & Hansen, (2003) identified several store attributes that were considered important for the consumers evaluation of stores. These attributes were merchandise, assortment, merchandise quality, personnel, store layout, accessibility, cleanliness and atmosphere.

Mathew and Gupta (2008) while studying the impact of organized retailing on traditional retailing observed that with the increase in number of various formats for shopping like malls, departmental stores, hypermarkets etc., the Indian consumer’s preferences are changing towards these.

Similar observations were reported by Urvashi Gupta (2012) in her study in Jammu. RNCOS (2009) has stated that as per "Global Convenience Store Market Analysis", changing consumer preferences, lifestyle and rising income level, which is heavily influenced by economic growth, remains the major driving force for e-store industry in the Asian region.
Arshad et al., (2007) have found that dynamics of the demographics, double income, urbanization and internet revolution tilt the consumer’s preference towards organized retail outlets.

Dash et al., (2009) found that consumers in Bangalore coming of growing middle class besides large number of earning youth and increase in spending capacity may favour organized retail but in built deficiencies like inefficiency of distribution channels, internal logistical problem and retail shrinkage may shift the choice towards unorganized retailers. Ghaziabad is a city with many malls and supermarkets and consumers there are expected to be fashion and brand conscious.

Gupta (2004) based his study on the residents’ behavior there and found that people in Ghaziabad generally prefer to purchase and stock for a month rather than keep purchasing frequently. Departmental stores and wholesale shops emerged as consumers’ first choice but different categories of products were being purchased from different types of shops. The study by Jasola (2007) highlights that malls, specialty stores, discount stores, department stores, hypermarkets, supermarkets, convenience stores and multi-brand outlets are the most preferred retail formats in India. In the organized sector, super-markets contribute to 30% of all food and grocery retail sales.

Ghosh and Tripathi (2010), attempted to analyze purchase pattern of customers towards organized retail outlets in terms of merchandise categories purchased, time spent within the store, number of merchandise purchased on each visit, stores switching behavior and store attribute. The results of the study depicted that the younger generation has greater tendency to visit organized retail outlets. The shoppers which remained within a store for at least two hours considered shopping to be a stress releaser and fun activity. The commonly purchased items from a retail outlet are garments followed by groceries, lifestyle products and household appliances. The study further reveals that customers in tier 2 and tier 3 cities evaluate a store on convenience and merchandise mix, store atmosphere and services.

Singh (2007) had concluded that production oriented market has been shifting towards consumer oriented market. Traditional consumption pattern has also been facing large-scale changes. The study pointed out that the degree of brand awareness of various food products among urban respondents is more in comparison to the rural consumers.

Tender and Crispen, (2009) studied the influence of in-store shopping environment on impulsive buying among consumers and the results show that among poor consumers,
economics factors such as cheaper prices, coupons and helpful shop assistants were more likely to influence impulsive buying. On the other hand, factors with an atmospheric effect such as music, fresh scent and ventilation may have only been important in helping to keep consumers longer in shops although they were unlikely to directly influence impulsive buying.

Muralidharan (1981) compared the processing of sugarcane into sugar, gur and khandasari on Mandya district of Karnataka. It was found that the processing cost per quintal was Rs. 70.51, Rs. 43.05 and Rs. 116.66 for sugar, gur and Khandasari, respectively. Share of fixed cost in the total processing cost was 64.24 per cent in sugar units, 30.78 per cent in gur units and 17.29 per cent in case of khandasari units. Whereas, variable cost formed 35.76, 69.22 and 82.71 per cent for sugar, gur and khandasari, respectively.

Ipte and Borude (1982) in their study on economics of marketing and processing of cashewnut in Ratnagiri/Sindhudurg district of Maharashtra found that the per quintal cost of processing worked out to Rs. 161.42. The major items of cost were the container (14.44%), labour (21.92%) and interest on capital (46.03%). The value addition due to processing of raw nuts was Rs. 350.72 per quintal which worked out to 52.66 per cent.

Singh and Ali (1985) studied economics of mustard and rapeseed marketing in the western region of Uttar Pradesh. They found that the cost of processing was Rs. 20.98 per quintal. They suggested for establishment of expellers in co-operative basis.

Hassan and Raghuram (1987) in their study on cashew processing and marketing in Prakasam district of Andhra Pradesh observed that drying of nuts, roasting of nuts, shelling of nuts, drying of shelled kernels, peeling of kernels, grading of kernels, conditioning of graded kernels and packing of graded kernels were the major stages in processing. The study reported that 80 kg of raw nuts when processed resulted in 22 kg of kernels (28% recovery). The processor incurred Rs. 87.06 as processing cost of which labour constituted 56.6 per cent and material cost stood at 42.5 per cent. Within the labour cost shelling accounted for higher proportion followed by peeling.

Verma (1989) studied the economics of processing and marketing of gur in Indore (Madhya Pradesh) and found that the average cost of processing of sugarcane under power kohlu units of gur was Rs 6.80 per quintal. Further it revealed that the cost of processing varied from mill to mill according to the level of capital investment, power and sugarcane crushed during the year.

Hemachand (1989) in his study on economics of processing units of arhar pulse in Narasighaper district (Madhya Pradesh) revealed that the fixed and variable costs
accounted for 45 per cent and 55 per cent, respectively. The costs of processing of arhar dal worked out to Rs 61.62 per quintal.

Nagesh (1990) in his study on investment in production and marketing of cashew of Karnataka found that the overall cost of processing per quintal of raw nuts worked out to Rs. 553.54, out of which interest on capital itself formed 53.62 per cent of the total cost. This was followed by wages for piece rate workers (20.36%). The costs incurred on other items like administrative, overheads, salaries, depreciations, utilities, factory overheads and cost of packing material were found to be the least. The overall cost of production of kernels was found to be Rs. 1976.55 per quintal of raw nuts processed. The cost of raw material (Cashew nut) was the major component in cost of production of kernels accounting 71.99 per cent (Rs. 1423.01) of total cost.

Dalvi et al. (1992) studied economics of processing of cashew nut in Sindhudurg district of Maharashtra state and found that the cost of processing per quintal of cashew nut was Rs. 331.35 at an overall level. Out of the total cost, the major cost was the interest on fixed and working capital, accounting Rs. 21.55 (6.51%) and Rs. 148.16 (44.72%), respectively. The other items of costs were labour (13.74%) and tin containers (15.84%). The overall gross increase in the value of nuts worked out to Rs. 500.70 (45.96%) per tin and net increase was Rs. 174.50. Net added value worked out to 29.64 per cent. This was possible due to processing of raw nuts.

Venkatshesaiah (1992) in his comparative study on groundnut processing units in three different categories viz. 3-chamber, 2-chamber and baby-expeller oil mill noted that the per quintal total processing costs amounted to Rs 2696.18, Rs 2606.13 and 2536.126 for baby expeller, 2-chamber and 3-chamber oil mills respectively. The average processing cost for these three categories amounted to Rs 2551.32 per quintal. Further he revealed that of the total processing cost (average) total fixed costs accounted for about 0.53 per cent while the total variable costs accounted for about 99.47 per cent. The fixed cost was comprised of salaries, depreciation and interest costs while the variable cost was comprised of raw material, labour wages, power and fuel packaging and incidental charges.

Singh et al. (1994) in a study on economics of marketing and processing of pulses in Banda district (Uttar Pradesh) observed that per quintal cost of processing of arhar, gram, and lentil was Rs. 831.67, Rs. 823.47 and Rs. 752.05, respectively. Balasubramanian et al. (1996) in their study on pricing and transaction trend of raw cashewnut in India observed that the cost of production of kernel per quintal of cashewnut was maximum on raw
cashew nut (70%) followed by processing labour (10.50%), purchase tax (5%), handling charges (5%), packing material (4.50%) and so on. The minor item of costs was transportation cost, fuels, factory overhead, administrative overhead and depreciation (0.10% each). The study indicated different stages of processing for different commodities, percentage of value addition and the cost of production of finished products. The cost of production consists of the cost of raw material, which is a major item of cost accounted up to 75 per cent, interest on working capital and fixed capital (wages, salaries, packing material) and other miscellaneous costs. However, researcher did not clearly delineate the different costs incurred in processing.

Gajanan and Subrahmanyam (2001) studied the marketing and exports of lemongrass oil in Kerala. The processing involves filtration to remove sediments, moisture and blended for standardizing citral content, the processor observed shortage/loss of around one per cent during filtration of oil. The cost of processing of lemon grass oil was observed to be Rs 4.70 per kg.

Kumar et al. (2003) in examined the Indian research efforts in vegetable crops, new niches for vegetable production, and the impact of pest management research. It was indicated that the ongoing research programmes on vegetables addressing many emerging challenges, there is a wide scope for innovative improvements and a sharper focus on vegetable processing, value addition and quality control.

Packaging is a coordinated system of preparing goods for safe, secure, efficient and effective handling, transport, distribution, storage, retailing, consumption and recovery, reuse or disposal combined with maximizing consumer value, sales and hence profit (Saghir, 2002). Above its fundamental function of protecting, containing and preserving the product, the functions of packaging are manifold and complex and the definition here can be related to three main categories i.e. logistics, marketing and environment. Jönson (2000). Packaging may be classified as primary, secondary or tertiary, reflecting the levels of packaging (Jönson, 2000). These definitions should be used together with the consideration of packaging as a system, with hierarchical levels.
Definitions of different packaging types – modified from Jönson (2000).

<table>
<thead>
<tr>
<th>Packaging Type</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary packaging, consumer packaging or sales packaging</td>
<td>Packaging which is in contact with the product. The packaging that the consumer usually takes home</td>
</tr>
<tr>
<td>Secondary packaging</td>
<td>Secondary packaging is designed to contain several primary packages</td>
</tr>
<tr>
<td>Tertiary packaging</td>
<td>Used when a number of primary or secondary packages are assembled on a pallet or roll container.</td>
</tr>
<tr>
<td>Group packaging</td>
<td>Packaging which is conceived to facilitate protection, display, handling and/or transport of a number of primary packages</td>
</tr>
<tr>
<td>Transport packaging, industrial packaging, or distribution packaging</td>
<td>Packaging which is conceived to facilitate handling, transport and storage of a number of primary packages in order to provide efficient production and distribution as well as prevent physical handling and transport damage</td>
</tr>
<tr>
<td>Display packaging</td>
<td>Same as group packaging, quite often with an emphasis on display features</td>
</tr>
<tr>
<td>Retail packaging</td>
<td>Same as group packaging with a special emphasis on the design to fit in retail</td>
</tr>
<tr>
<td>Used packaging</td>
<td>Packaging/packaging material remaining after the removal of the product it contained</td>
</tr>
</tbody>
</table>

4.2 COMPARATIVE PERCEPTUAL STATUS OF CUSTOMERS VALUE ADDITION EFFORTS OF SMALL RETAILERS AND CUSTOMERS EXPERIENCES.

A signboard is usually a painted neon light displaying the store name alone or mixed with trademark and other important information of a retail store at the store front or entrance. In India most traditional retailers use painted tin boards placed outside the store front. The quality of signboard influences the image of the store perceived by the customers. Most of the manufacturers or suppliers sponsor signboard for the independent retailers with the name of the proprietor along with their own brand names and trademarks, signboard play an important role in enhancing the visibility of the store by providing a clear view of the store to the pedestrian and moving vehicle.

Table: 4.1: Changes Introduced In Signboard by the Traditional Retailers

<table>
<thead>
<tr>
<th>COMPONENTS</th>
<th>GREATER Changes</th>
<th>Moderately Changes</th>
<th>MINOR Changes</th>
<th>NO CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SIGNBOARD</td>
<td>33</td>
<td>36</td>
<td>15</td>
<td>16</td>
</tr>
</tbody>
</table>

Source: Primary data
Figure-4.1: Changes Introduced In Signboard by the Traditional Retailers

![Chart showing changes introduced in signboard by traditional retailers]

**Source:** Primary data

The table no.4.1 given above shows that majority of the responses of the retailer’s lies in the area of greater and moderately changes as introduced / claimed by them with regard to the signboards used by the small retailers in Silchar town. It signifies that according to the retailer’s great changes has taken place in signboards in recent times that contain name of the store & proprietors and image value of the store.

**Table: 4.2:** Changes observed in signboard by the customers.

<table>
<thead>
<tr>
<th>COMPONENTS</th>
<th>GREATER Changes</th>
<th>Moderately Changes</th>
<th>MINOR Changes</th>
<th>NO CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SIGNBOARD</td>
<td>7</td>
<td>31</td>
<td>28</td>
<td>34</td>
</tr>
</tbody>
</table>

Source: Primary data

Figure4.2: Changes observed in signboard by the customers

![Chart showing changes observed in signboard by customers]

**Source:** Primary data

The table no. 4.2 given above shows that majority of the responses of customers lies in the area of minor or no changes as observed by them with regard to the signboards used by the small retailers in Silchar town. It signifies the need for greater makeover about the
Signboards in recent times that contains name of the store and proprietors which needs to be highlighted as it adds image Value for the store.

Signboard which is the image value of both the stores and the proprietor has significant role in present day retailing. Though the retailers feel that they have done enough in this matter but the data shows that customers did not perceive the things in the same manner. It delineates the need for some improvement by the retailers. It may be an illusion for the retailers as two might have born cost in this regard. But it is not the spending that matters alone, it should be appreciated and identified by the customers as it matter the most.

In Silchar traditional retailers have to understand that signboard is the face index of the store that can attract or drive back customers from the store. Customers may develop relations of trust, value, quality of goods and services, price, warranty and guarantee, etc as they come across visuals such as signage, window dressing, logo, etc based on past shopping experiences. These are called visual merchandise, Signs and graphics used in the store act as bridge between the merchandise and the target market. Design factors create artificial effect, add personality, beauty, and communicate store image.

Even the unorganized retailers have a good share in Market, but due to factors such as space to stand and move around, easy availability of products, non availability of self service; parking facility etc. a gap existed between both the formats. Retail space management is critical to any form of retail business. Their relevance emerges from the link between shopping behavior and physical environmental factors. Physical environmental factors, for instance, influence the perception of shopping hours spent and the assessment of products. It therefore becomes important for the retailers to effectively plan and organize all the aspects related retail space to be able to optimize scarce resources and improve profitability. Effective space management attempt to ensure optimum utilization of retail space along with convenience to customers and employees.

**Table-4.3: Changes introduced in Space to stand and move by the Retailers**

<table>
<thead>
<tr>
<th>Components</th>
<th>Greater Changes</th>
<th>Moderately Changes</th>
<th>Minor Changes</th>
<th>No Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Space to stand and move</td>
<td>12</td>
<td>60</td>
<td>14</td>
<td>14</td>
</tr>
</tbody>
</table>

**Source:** Primary data
Figure: 4.3 Changes introduced in Space to stand and move by the Retailers

Source: Primary data

The table no.4.3 presents that majority of the responses fall in the area of moderately changes. From the above, it is found that retailers have realized that still there is need to take more care regarding space utilization in the most effective way to the extent possible, ease of search, comfortless of customers etc.

Table: 4.4 Changes observed in Space to stand and move by the Customers

<table>
<thead>
<tr>
<th>Components</th>
<th>Greater Changes</th>
<th>Moderately Changes</th>
<th>Minor Changes</th>
<th>No Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Space to stand and move</td>
<td>6</td>
<td>43</td>
<td>15</td>
<td>36</td>
</tr>
</tbody>
</table>

Source: Primary data

Figure: 4.4 Changes observed in Space to stand and move by the Customers

Source: Primary data
The table no. 4.4 presents that majority of the responses fall in the area of moderate changes or/ and no changes. From the above, it is found that at present whatever sitting arrangements are there with small retailers are not enough. There is a greater need to take more care regarding the space utilization in the most effective way to the extent possible.

With regard to space to move around, the same perceptual design is evident here. This is an important factor for the positive customer’s response towards the store. Here also retailers have to work hard to keep customers’ foot fall on sustainable basis. This is one of the relative advantage for the Organized retailers which they are enjoying everywhere and must be taken seriously by traditional retailers. Their performance in this field has not improved so far.

The activities at the retail outlet include all levels of the packaging system and are dominated by handling and marketing properties. Manual handling, product information and sales promotion are important primary packaging factors. The operations in the retail outlet vary depending on the ownership, location, size, and retailing concept of the retail outlet.

**Table: 4.5 Changes introduced in packaging by the Retailers**

<table>
<thead>
<tr>
<th>Components</th>
<th>Greater Changes</th>
<th>Moderately Changes</th>
<th>Minor Changes</th>
<th>No Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>PACKAGING</td>
<td>48</td>
<td>34</td>
<td>2</td>
<td>16</td>
</tr>
</tbody>
</table>

Source: primary data

Figure: 4.5 Changes introduced in packaging by the retailers

**Source:** Primary data
The table no. 4.5 above shows the change that has been claimed by the retailers regarding the packaging of products in Silchar Town. From the above table it is very clear that majority of changes have been observed by the retailers in greater and moderately changes. Therefore, we can say that there is a big change took place in the area of packaging of products small traditional retailers.

Table: 4.6 Changes introduced in packaging by Customers

<table>
<thead>
<tr>
<th>Components</th>
<th>Greater Changes</th>
<th>Moderately Changes</th>
<th>Minor Changes</th>
<th>No Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>PACKAGING</td>
<td>26</td>
<td>38</td>
<td>11</td>
<td>25</td>
</tr>
</tbody>
</table>

Source: primary data

Figure 4.6 Changes introduced in packaging by Customers

Source: primary data

The table no. 4.6 above delineates the change that has been observed by the customers regarding the packaging of products in Silchar Town. From the above table it is clear that changes have been observed by the customers in a major way. So, we can say that there is a big change took place in the area of packaging of products that enables the retailers to protect goods from influence of changing weather conditions and the possible damages thereof. It also provides customers with requisite information regarding the ingredients and nutritional value of the products.

In the area of packaging retailers and customers experience was found to be almost the same. It is positioned in the fact that branded products are stored and retailers (unorganized) have not much role in packaging. Though it is a matter of satisfaction. Still, innovation in providing carrying bags, many is convenient and attractive offer that may
have positive impact on to the shopping experience of the customers visiting unorganized retail shops.

One of the significant factors that attract unorganized retailers to consumers is credit facility. Traditional retailers in Silchar used to give credit facility to their close, known and loyal customers. Have been extending more credit to attract and retain customers.

Table: 4.7. Changes introduced in credit facility by the Retailers

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>GREATER Changes</th>
<th>Moderately Changes</th>
<th>MINOR Changes</th>
<th>NO CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>CREDIT FACILITY</td>
<td>9</td>
<td>12</td>
<td>5</td>
<td>74</td>
</tr>
</tbody>
</table>

Source: Primary data

Figure: 4.7 Changes introduced in credit facility by the Retailers

Source: primary data

From the table no.4.7, 75 numbers of customers has observed no changes. It is clear from the above table that composite number of customers observing of greater change, moderate change and minor change is less than no change. So, we can say that credit facility provided by the small retailers has got no change in the last four years or so due to the fear of bed debts and non-recovery of money from the customers.

Table: 4.8 Changed Observed In Credit Facility by the Customers

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>GREATER Change</th>
<th>Moderate Change</th>
<th>Minor Change</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>CREDIT FACILITY</td>
<td>19</td>
<td>14</td>
<td>11</td>
<td>56</td>
</tr>
</tbody>
</table>

Source: primary data
Figure: 4.8 *Changed observed in credit facility by the customers*

Source: Primary data

From the table no.4.8, figure 4.6; 56 no. of customers has observed no changes. It is very clear from the above table that composite number of customers observing of greater change, moderate change and minor change is less than no change.

So, we can say that credit facility provided by the small retailers has got no change in the last four years or so due to the fear of bad debts and non-recovery of money from the customers. Both the partner i.e. retailers and customers were found agreed over the non-availability of credit facility to the customers. Though most of the retailers following the cash basis of trading, still they are collectively devise some methods that help them to offer it to big pocket and needy customers. It will be a great value addition to the customers.

During the study period, we have observed five components which attract customers in selecting traditional retail namely-convenience, to purchase less quantity, to purchase loose items, credit facility and unaware of organized retail. Credit facility falls under this category. The consumers of the unorganized retail sector prefer credit facility. It is the main plus for the growth of the unorganized retail sector. So the unorganized retail sector shop keepers should consider credit facility more.

Price and quality of a products or services as the most important factor in any retail. At present consumer is king in the market. These things are happening due to increasing competition in the market. So, competition is best for consumers as it gives to the consumers at better prices and better quality.

Once price was ignored for a long time. But with the complexities of business and increasing competition, the importance of pricing decision is growing because today customers are looking for suitable ‘value’ value is the link between customers’ expectation
and his paying ability. Retailers, marketers are in business to increase their invested money. There are several factors that affect the profitability of a retail business but an appropriate pricing policy is a crucial decision towards increasing their invested money. (Dr.Harijit 2009).

**Table: 4.9 Changes Introduced In Price and Quality by Retailers**

<table>
<thead>
<tr>
<th>Components</th>
<th>Greater Changes</th>
<th>Moderately Changes</th>
<th>Minor Changes</th>
<th>No Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price &amp; Quality</td>
<td>83</td>
<td>15</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: primary data

Quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. Higher levels of quality result in higher levels of customer satisfaction while supporting higher prices and (often) lower costs. (Kotler 2002). This is clearly a customer-centered definition. A company that satisfies most of its customers’ needs most of the time is called a quality company.

**Figure: 4.9 Changes introduced in Price and quality by Retailers**

Source: Primary data

From the table no.4.9, above 83 numbers of Retailers has introduced greater changes in the price and quality category in Silchar Town. So, it is clear from the above table majority of the retailers response lies in the area of greater change.

Table: 4.10 Changes observed in price and quality by the customers

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>Greater Change</th>
<th>Moderate Change</th>
<th>Minor Change</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRICE AND QUALITY</td>
<td>53</td>
<td>12</td>
<td>19</td>
<td>16</td>
</tr>
</tbody>
</table>

Source: primary data
Source: primary data

It is clear from the table no.4.10 that highest level of change has been observed by the customers in the price and quality category in Silchar town and majority of the customers’ response lies in the area of greater change.

For small retailers’ price and quality which are the two major components of customer value addition, this is not small say here for them. It is all given in the most of the cases. Even though they can add value by adding more in terms of customer’s choice, assurance for quality, and cost effective delivery support etc.

The study by Mishra (2008) expose brand is an identification mark, symbol, name, design or a combination of all these to uniquely identify a product that differentiate itself from others. Availability of branded products is one of the strength and opportunities for modern retail model and helpful in driving youth towards organized retail from traditional retail. On the other hand unavailability of branded products is the weaknesses and threats for traditional retail formats.

Table: 4.11. Changes introduced in availability of branded products by Retailers

<table>
<thead>
<tr>
<th>COMPONENTS</th>
<th>GREATER Changes</th>
<th>Moderately Changes</th>
<th>MINOR Changes</th>
<th>NO CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BRANDED PRODUCTS</td>
<td>61</td>
<td>29</td>
<td>3</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: Primary data
It can be inferred from the above table no: 4.11 that there are great changes observed by 61 numbers of retailers regarding the availability and awareness of branded products. So, we can say that small retailers have taken great care regarding branded products to attract more and more customers.

**Table: 4.12 Changes Observed In Branded Products by the Customers**

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>Greater Change</th>
<th>Moderate Change</th>
<th>Minor Change</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>BRANDED PRODUCTS</td>
<td>28</td>
<td>30</td>
<td>12</td>
<td>30</td>
</tr>
</tbody>
</table>

Sources: Primary data

**Figure: 4.12 Changes Observed In Branded Products by the Customers**

**Source:** primary data
The above table: 4.12 indicates that out of 100 customers, only 28 customers find the availability of branded products which they did not have before. And 30 numbers of customers have observed the changes in the availability of branded products but not as greater change. So we can say that small retailers should take greater care regarding availability of branded products to attract more and more customers.

Branded products are now a day’s common store content and formats for the small retailers. For a better margin they are tempted to store localised products which were not much known about. Here they have the option to create brand value for such products, assuring comparable or at least minimum desired quality, using localized and store level brandings as customer’s relationship strategy. This will definitely be a win-win position for both the small retailers and small stored producers and suppliers. This is a unique opportunity to add value to the customers and for themselves as well.

Advertising is a form of communication proposed to convince an audience (viewers, readers or listeners) to purchase or take some action upon products, information, or services etc. and its primary objective is to reach Prospective customers and influence their awareness, attitudes and buying behavior. Loudon and Della (1993) identified that the function of several variables involve the customer’s motive for store choices. These determinants include factors like store design, store personnel, advertising and sale promotion, merchandise assortment, physical facilities, customer services and clientele (social-class membership) which have a larger impact on the store choice. Advertising is any paid form of non-personal communication about an organization or its product to a target audience through a mass/broadcast medium by an identified sponsor.

Table: 4.13 Changes introduced in Advertising by Retailers

<table>
<thead>
<tr>
<th>COMPONENTS</th>
<th>GREATER Changes</th>
<th>Moderately Changes</th>
<th>MINOR Changes</th>
<th>NO CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertisements</td>
<td>9</td>
<td>42</td>
<td>2</td>
<td>47</td>
</tr>
</tbody>
</table>

Source: Primary data
From the above table no.4.13, it is clear that only 9 no. of retailers out of 101 have recognized the retail advertising through different media. 42 no. of customers also have recognized the retail advertising but not deeply.

So, overall 51 no. of retailers have observed retail advertising and still there is thrust regarding retail advertising because it is a big tool to attract more and more customers in a very small time. During the data collection period it was found that maximum retailers were saying that they are not able to bear the expenditure of advertisements.

Table: 4.14 Changes observed in Advertisement by Customers

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>Greater Change</th>
<th>Moderate Change</th>
<th>Minor Change</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADVERTISEMENT</td>
<td>26</td>
<td>32</td>
<td>8</td>
<td>34</td>
</tr>
</tbody>
</table>

Source: Primary data

Source: Primary data
From the table no. 4.14, and figure 4.14, it is clear that only 26 no. of customers have recognized the retail advertising through different media. Retail advertising helps in making purchase decision. 32 no of customers also have recognized the retail advertising but not deeply.

So, overall 58 no of customers have observed retail advertising and still there is thrust regarding retail advertising because it is a big tool to attract more and more customers in a very small time.

There is not much difference relating to advertisement. This is not done in an effective way by the small retailers. By following standard models, they can devise store and product advertising at store level and can add value image for the small retailers. Here group advertising has some definite assurance though not many studies have been available into this specific issue.

The seating arrangements consist of wooden chairs, plastic chairs or bench, is used by the retailers for customers sitting and convenience purpose in their store.

Table: 4.15 Changes introduced in Sitting Arrangement by Retailers

<table>
<thead>
<tr>
<th>COMPONENTS</th>
<th>GREATER Changes</th>
<th>Moderately Changes</th>
<th>MINOR Changes</th>
<th>NO CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SITTING ARRANGEMENT</td>
<td>7</td>
<td>51</td>
<td>10</td>
<td>32</td>
</tr>
</tbody>
</table>

Source: Primary data

Figure: 4.15 Changes introduced in Sitting Arrangement by Retailers

Source: Primary data

From the above table no.4.15, it is clear that there is no change observed by 43 no. of retailers regarding the sitting arrangements or in ease of searching products in small shops.
Only 7 no. of retailers have observed greater change has got no meaning and 51 no. of retailers have observed some moderate changes regarding sitting arrangements.

So, we can say that there is a huge need to take precautions and steps by the small shops retailers of Silchar Town regarding the sitting arrangements and convenience at buying.

Table: 4.16 Changes observed in Sitting Arrangement by Customers

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>Greater Change</th>
<th>Moderate Change</th>
<th>Minor Change</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>SITTING ARRANGEMENT</td>
<td>5</td>
<td>35</td>
<td>9</td>
<td>51</td>
</tr>
</tbody>
</table>

Source: Primary data

It can be inferred from the above table 4.16 that there is no change observed by 60 no. of customers regarding the sitting arrangements or in ease of searching products in small shops. Only 5 customers have observed greater change has got no meaning and 35 customers have observed some moderate changes regarding the sitting arrangements.

So we can say that precautions must be taken by the small shops of Silchar Town regarding the sitting arrangements and convenience at buying.

Figure: 4.16 Changes observed in Sitting Arrangement by Customers

Source: Primary data

Sitting arrangement is one of the strategic components for customer’s satisfaction, especially for the small retailers. It is so because of this segment of retailing customers are in greater need for comfortable and convenient stay at stores more than the high net workt customers. Those who need sitting arrangement not for conveyance and comfort only but
for status symbol and esthetic value perceptual and needs collective effort to improve the situation.

Whether express orally or in writing or by sales person, the aim of all sales talks to increase the retail sales by attracting more customers. Personality of sales person, a well turned phrase, friendly smile, familiar behaviour are still potent attributes and devices for causing increase in sale. Lather et al (2006) and Gupta (2007) study uncovered six main indicators: viz., price, sales personnel, quality of merchandise, assortment of merchandise, advertising services and convenience services that play key role for retailers in choosing the type of retail formats that may help them to cope up with the changing preferences of consumers.

Table: 4.17 Change introduced in Sales Persons Behavior

<table>
<thead>
<tr>
<th>COMPONENTS</th>
<th>GREATER Changes</th>
<th>Moderately Changes</th>
<th>MINOR Changes</th>
<th>NO CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Persons Behaviour &amp; Response</td>
<td>17</td>
<td>54</td>
<td>5</td>
<td>24</td>
</tr>
</tbody>
</table>

**Source:** Primary data

Figure: 4.17 Change introduced in Sales Persons Behavior

Source: Primary data

As shown in the table no. 4.17, only 17 no. of retailers have observed greater changes in the behavior of salespersons, managers and owners etc. 54 no. of retailers have observed changes in behavior of sales persons, managers and owners but not deeply.
So, overall only 17 no. of retailers have observed changes in behavior of sales persons, managers and owners and still there is a need to take care of their sales persons training, counseling, entertainment etc.

Table: 4.18 Changes observed in sales person’s behavior by Customers

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>Greater Change</th>
<th>Moderate Change</th>
<th>Minor Change</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>SALES PERSONS BEHAVIOUR</td>
<td>13</td>
<td>40</td>
<td>15</td>
<td>32</td>
</tr>
</tbody>
</table>

Source: Primary data

As shown in the table no. 4.18, only 13 customers have observed greater changes in the behavior of sales person, managers and owners etc. 40 no. of customers have observed as moderate changes. There is also very less difference between the greater change, moderate change, minor change and no change.

Therefore, we can say that small shops retailers should also take care of their sales persons training, counseling, and entertainment because a sad boy cannot please or welcome the customers.

Apart from physical components of customers value addition while shopping in small retail outlets, human factor where the whole shopping experience is negotiated and communicated, it is understandable that sales force at centers and floors must play a vital role. The information offered above has clearly revealed the distance at perceptual platform.

Figure: 4.18 Changes observed in sales persons behavior by Customers

Source: Primary data
Retailers here have assured their new efforts quite commendably but failed to pass it on to the customers’ psyche and experience and for this more is to be done. Retailers should supervise, monitor and upgrade the interpersonal and sales skills of the sales-force working at floor level dealing closely with the customers.

Luisa Andreu, Enrick Brigne et.al (2006) The study focused on the effects of the perceived retail environment on consumers’ affective and behavioral reactions, the present research shows the consistent positive effects of retail atmospherics on: (i) the positive emotions experienced by consumers during their shopping trips; (ii) their repatronage intentions; and (iii) their desire to remain longer at the point of sale. These results show the importance of the physical retail environment in retaining customers. It is clearly in the retailer’s interest to encourage positive emotions among customers by means of appropriate atmospherics—such as lighting, décor, and good temperature. It is also important to consider the external atmospherics—such as parking and accessibility. A positive evaluation of these external atmospherics by consumers has a direct positive effect on consumers’ emotions, repatronage intentions, and desire to remain longer at the shopping area. It is essential for retailers to understand the shopping experience delivered by their retail environments if they wish to design and position their channel options as value-rich packages.

Baker (1986) the retail environment includes such elements as interior design, décor, lighting, music, and cleanliness. Mattila and Wirtz, 2001, several studies of retailing have explored the effects of the retail environment on induced emotional states and the resulting influence on purchasing behaviour.

<table>
<thead>
<tr>
<th>COMPONENTS</th>
<th>GREATER Changes</th>
<th>Moderately Changes</th>
<th>MINOR Changes</th>
<th>NO CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decoration</td>
<td>47</td>
<td>30</td>
<td>2</td>
<td>21</td>
</tr>
<tr>
<td>Lighting &amp; Display</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary data
Figure 4.19 Changes introduced in Decoration and proper lighting and Display by Retailers

![Bar Chart: DECORATION & LIGHTING]

Source: Primary data

The table no. 4.19 gives a glimpse of changes that took place in traditional retailing in Silchar Town. Near about 78 no. of retailers have observed the changes in decoration, lighting and store display etc. So, here we can say that near about 80 percent of retailers have observed the changes that took place in traditional retailing in Silchar Town.

Table: 4.20 Changes observed in Decoration, Lighting and Display by Customers.

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>Greater Change</th>
<th>Moderate Change</th>
<th>Minor Change</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>DECORATION &amp; LIGHTING &amp; DISPLAYS</td>
<td>23</td>
<td>36</td>
<td>13</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: primary data

Figure: 4.20 Changes observed in Decoration, Lighting and Display by Customers

![Bar Chart: Decoration & Lighting]

Source: primary data
The table no.4.20 gives a glimpse of changes that took place in traditional retailing in Silchar town. Near about 59 no. of customers have observed the changes in decoration, lighting and store display etc. So, here we can say that 60 no. of respondents have observed the changes which supports substantial change in this regard.

Now at last but not the least, the issue relating to decoration and lighting arrangement in stores/shops, customers are by and large satisfied with whatever was being offered to them. The store display is also in a comfortable position and this has been identified and then felt by the customers. This is a better position and should be mentioned always for a better shopping experience for the customers. New innovative products availability at cheaper and affordable prices for such purposes has given a better opportunity to traditional retailers to improve in this suggested of shopping experiences.

4.3 CHANGES OBSERVED BY THE CONSUMERS AND VALUE CLAIMED BY THE TRADITIONAL RETAILERS

Table: 4.21. Changes Observed by the Consumers

<table>
<thead>
<tr>
<th>Sl no</th>
<th>COMPONENTS</th>
<th>Greater Change</th>
<th>Moderately Change</th>
<th>Minor Change</th>
<th>No Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Signboard</td>
<td>7</td>
<td>31</td>
<td>28</td>
<td>34</td>
</tr>
<tr>
<td>2</td>
<td>Space to Stand and Move</td>
<td>6</td>
<td>43</td>
<td>15</td>
<td>36</td>
</tr>
<tr>
<td>3</td>
<td>Packaging</td>
<td>26</td>
<td>38</td>
<td>11</td>
<td>25</td>
</tr>
<tr>
<td>4</td>
<td>Credit facility</td>
<td>19</td>
<td>14</td>
<td>11</td>
<td>56</td>
</tr>
<tr>
<td>5</td>
<td>Price and Quality</td>
<td>53</td>
<td>12</td>
<td>19</td>
<td>16</td>
</tr>
<tr>
<td>6</td>
<td>Branded Products</td>
<td>28</td>
<td>30</td>
<td>12</td>
<td>30</td>
</tr>
<tr>
<td>7</td>
<td>Advertisements</td>
<td>26</td>
<td>32</td>
<td>8</td>
<td>34</td>
</tr>
<tr>
<td>8</td>
<td>Sitting Arrangements</td>
<td>5</td>
<td>35</td>
<td>9</td>
<td>51</td>
</tr>
<tr>
<td>9</td>
<td>Sales Persons</td>
<td>13</td>
<td>40</td>
<td>15</td>
<td>32</td>
</tr>
<tr>
<td>10</td>
<td>Decoration and Lighting</td>
<td>23</td>
<td>36</td>
<td>13</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: primary data

In store display is also in comfortable position and this has been identified and then felt by the customers. This is a better position and should be mentioned always for a better shopping experience for the customers. New innovative products availability at cheaper and affordable prices for such purposes has given a greater opportunity to small retailers to improve in this suggested of shopping experiences.

In consistence with the objective of the study, the necessary data collected from 100 number of respondent were analyzed and interpreted and the results of such analysis are mentioned below.
Table: 4.22. Changes introduced by the Retailers

<table>
<thead>
<tr>
<th>Sl no</th>
<th>COMPONENTS</th>
<th>Greater Change</th>
<th>Moderately Change</th>
<th>Minor Change</th>
<th>No Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Signboard</td>
<td>33</td>
<td>36</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>2</td>
<td>Space to Stand and Move</td>
<td>12</td>
<td>60</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>3</td>
<td>Packaging</td>
<td>48</td>
<td>34</td>
<td>2</td>
<td>16</td>
</tr>
<tr>
<td>4</td>
<td>Credit facility</td>
<td>9</td>
<td>12</td>
<td>5</td>
<td>74</td>
</tr>
<tr>
<td>5</td>
<td>Price and Quality</td>
<td>83</td>
<td>15</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>Branded Products</td>
<td>61</td>
<td>29</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>7</td>
<td>Advertisements</td>
<td>9</td>
<td>42</td>
<td>2</td>
<td>47</td>
</tr>
<tr>
<td>8</td>
<td>Sitting Arrangements</td>
<td>7</td>
<td>51</td>
<td>10</td>
<td>32</td>
</tr>
<tr>
<td>9</td>
<td>Sales Behaviour</td>
<td>17</td>
<td>54</td>
<td>5</td>
<td>24</td>
</tr>
<tr>
<td>10</td>
<td>Decoration And Lighting</td>
<td>47</td>
<td>30</td>
<td>2</td>
<td>21</td>
</tr>
</tbody>
</table>

Source: primary data

**INTERPRETATION OF DATA**

**Signboard:**
Signboard speaks much and has long lasting impact on the customer’s memory. It signifies the need for greater makeover about the signboards in recent times that contains name of the store and proprietors which needs to be highlighted as it adds image value for the store.

**Space to Stand and Move:**
It is found that retailers have realized that still there is need to take more care regarding space utilization in the most effective way to the extent possible, ease of search, comfortless of customers etc.

**Packaging:**
It is clear that changes have been observed by the customers in a major way. So, we can say that there is a big change took place in the area of packaging of products that enables the retailers to protect goods from influence of changing weather conditions and the possible damages thereof. It also provides customers with requisite information regarding the ingredients and nutritional value of the products.

**Credit Facility:**
It is very clear from the above table no. 4.21 that composite number of customers observing of greater change, moderate change and minor change is less than no change. So, we can say that credit facility provided by the small retailers has got no change in the
last four years or so due to the fear of bed debts and non-recovery of money from the customers.

**Price and Quality:**

It is clear from the table no. 4.21 above that highest level of change has been observed by the customers in the price and quality category in Silchar town and majority of the customers’ response lies in the area of greater change.

**Branded Products:**

The above table no. 4.21 indicates that out of 100 customers, only 28 customers find the availability of branded products which they did not have before. And 30 numbers of customers have observed the changes in the availability of branded products but not as greater change. So we can say that small retailers should take greater care regarding availability of branded products to attract more and more customers.

**Advertising:**

So, overall 58 no of customers have observed retail advertising and still there is thrust regarding retail advertising because it is a big tool to attract more and more customers in a very small time.

**Sitting Arrangements:**

It is found that at present whatever sitting arrangements are there with small retailers are not enough. There is a greater need to take more care regarding the space utilization in the most effective way to the extent possible. So we can say that precautions must be taken by the small shops of Silchar Town regarding the sitting arrangements and convenience at buying. Sitting arrangement is one of the strategic components for customer’s satisfaction, especially for the small retailers. It is so because of this segment of retailing customers are in greater need for comfortable and convenient stay at stores more than the high net worth customers. Those who need sitting arrangement not for conveyance and comfort only but for status symbol and esthetic value perceptual and needs collective effort to improve the situation.

**Sales Persons Behaviour:**

As shown in the table no. 4.21, only 13 customers have observed greater changes in the behavior of sales person, managers and owners etc. 40 no. of customers have observed as moderate changes. There is also very less difference between the greater change, moderate change, minor change and no change.
**Decoration and Lighting:**

Now at last but not the least, the issue relating to decoration and lighting arrangement in stores/shops, customers are by and large satisfied with whatever was being offered to them. In store display is also in comfortable position and this has been identified and then felt by the customers. This is a better position and should be mentioned always for a better shopping experience for the customers. New innovative products availability at cheaper and affordable prices for such purposes has given a greater opportunity to small retailers to improve in this suggested of shopping experiences.

The study and its findings derive some useful conclusions noted below:

- Firstly the unorganized retailers have definite understanding about the developments coming up around their business and have responded in that direction within their capacity.

- Secondly, there is a definite perceptual gap with respect to efficacy & sufficiency of changes adopted and implemented for customer’s value addition in their retailing efforts.

- Thirdly, there is a mix of results indicating a mix of success and failures in successfully communicating and getting customers feel the efforts made by the unorganized retailers for adding materials satisfaction to the customers leading to higher customers value addition in undersigned retailing.

- The unorganized retailers where they have successfully added value to the retailing experience for the customers viz. Branded products, price perception & quality & packaging, they should keep working on that and sustain the value proposition intact. However, they have expected to wake out exceptionally higher in the area of signboard, space to move around, credit facility, sitting arrangement, sales person behavior and decoration etc.

- The unorganized retailers have tried needed changes in the customer value addition emerged out of the entry of organized retailers here in Silchar, but there
are lot to do in this regard and also to bring it into the real time experience of the customers. For that they need a more organized and concerted effort on their part.

4.4 USEFUL SUGGESTION FOR TRADITIONAL RETAILERS:

- Unorganized retailers should purchase variety of products from the single wholesaler to avail adequate discounts so that they meet the cost expectations and needs of their customers.
- The unorganized retailers should continuously improve their display to compete with the organized sector.
- The unorganized retailers should provide adequate self service facilities to the customers.
- The unorganized retailers should offer cash discounts to customers on bulk purchases.
- The unorganized retailers should offer attractive weekly or monthly schemes for groceries and other items and promote them through leaflets or pamphlets.
- Unorganized retailers should make remarkable changes in their store ambience to retain the existing customers and attract new customers with sophisticated facility and more space.
- The unorganized retailers should make a strategy to retain their customers by providing quality goods and services because it is well said that “Quality is remembered long after the price is forgotten.” Gucci Family Slogan
- They should also go for collaborations within the regional level so that they can survive in this globally competitive world.
- Kirana outlets need to focus on proper shelf display so that customer gets awareness of products and variety available in the shop.
- Unorganized retailers may focus more on maintaining hygienic conditions in their outlets.
- By giving wide range of product assortment unorganized retailers can target those customers which were loyal to them but the switched to modern retail outlets.
- Credit and home delivery system may be strengthened further to provide better service and retain loyal customers
4.5 CONCLUSION

This study was conducted with a purpose of understanding the changes taking place in the minds of consumers towards modern retail formats and traditional retailers in Silchar town. It was observed that due to the changing demographics, increase in income, urbanization, and consciousness due to electronic media especially internet the customers have multiple options to choose from modern retail outlets to neighborhood shops.

Value refers to belief systems that go beyond behaviour and attitude. Values are stable and occupy a central position in a person’s cognitive systems. Values are determinants of attitudes and behaviour, and provide a stable and inner oriented understanding of consumers. For example, an individual may value ambition and honesty, which in turn determines his attitude and lifestyles.

In Silchar city there are many families who are traditionally using traditional retail – (kirana shop/ mom and pop shops) offering a wide range of merchandise mix. Generally these traditional shops are the family business of these small retailers which they are running for more than one generation. This is one of the reason why customers does not want to change their old loyal traditional shops, loyalty emerges due to long term relationship. These traditional retailers are having their own management system and with this they are fulfilling the needs of the customers.

However unorganized retailers have definite understanding about the developments coming up around their business and have responded in that direction within their capacity. The study revealed a perceptual gap with respect to efficacy & sufficiency of changes adopted and implemented for customer’s value addition in their retailing efforts. They have successfully added value to the retailing experience for the customers viz, Branded products, price perceptions, quality & packaging. They should keep working on that and sustain the value proposition intact. However, they are expected to wake up and put extra effort in the area of signboard, space to move around, credit facility, sitting arrangement, sales person behavior and decoration etc. Finally, the unorganized retailers have tried needed changes in the customer value addition emerged out of the entry of organized retailers here in Silchar, but there are lot to do in this regard and bring it into the experience of the customers. For that they need a organized and concerted efforts on their part.

From interaction and discussion with customers and retailers we found that majority of the consumers are visiting both organized and traditional retail shops. Organized formats for variety, easy availability, cleanliness with additional facility of entertainment for children.
and convenient parking facility and restaurant etc. It means everything found under one roof. In case of traditional retailers, closeness of the store, credit facility, familiarity and bargaining facility balance the gap.

From our observation during interview, we found that higher age groups who prefer to visit traditional retail, due to status, relation with the shopkeeper, choice/variety of brands, easy availability of products, supportive sales personnel, credit availability, bargain facility, prompt billing system, home delivery, shopping environment, and easy replacement of defected products. The younger generation has more fondness towards organized retail for shopping environment, weekly offers, and cleanliness of the store, entertainment, and proper parking facility. Families with having a single bread earner prefer shopping with nearby mom-and-pop stores. Customers with higher qualification were found to be more attracted towards organized retail outlets. It is indicated that traditional retailers of Silchar also need to add more product lines and focus on quality as well as variety to regain the vanished market share.

The organized formats have entered into the tier-II cities and other small cities and focusing on the middle class people as it had almost covered the metropolitan cities. Both organized as well as unorganized retailers need to add value added services to make the shopping experience more comfortable and value oriented.
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