Impact of Organized Retailing on Unorganized Retailing in Madurai City with Special Reference to Food and Grocery Sector

R. Murugan

Assistant Professor of Economics, PG and Research Department of Economics, The American College, Madurai, Tamil Nadu, India

Email: murugankani82@gmail.com

Abstract

Retailing is defined as a set of actions that markets products or services to consumers for their individual or family use. It accomplishes this by organizing goods on a huge scale and supplying them to consumers on a comparatively small scale. A retailer is a person, agent, agency, company or organization that sells goods to the final consumer and performs various functions like forestalling consumer needs, developing assortment of products, obtaining market information and financing (Newman and Cullen, 2007). India is known as the 'nation of shops'. Retailing is one of the oldest businesses of mankind and almost close to settled agriculture, as its origins can be traced back to the time when exchange goods of started taking place. Retail sector in India is one of the fastest growing industry in the world. Retailing has become such an intrinsic part of our everyday lives that it is often taken for granted. The nations that have enjoyed the greatest economic and social progress have those with a strong retail sector. India is the world's fifth largest global destination in the retail space. It is projected to grow from US$672 billion in 2017 to US$1.1 trillion in2020. It accounts for over 10 percent of the country's Gross Domestic Product (GDP) and around 8 percent of the employment (IBEF 2017). The proposed research paper emphasized in the retail food sector contribution to the retail market in the selected area, global retail, Indian retail scenario, policy measures to improve retailing food respectively.

Keywords: Retailing, Unorganized Retailing, Food and Beverages, Indian Retail, Global Retail etc.

Introduction

The Indian retail business is divided into organized and unorganized sectors\Small trader or Traditional sectors. Organized retailing business is undertaken by licensed retailers;

those who register for sales tax and income tax. These comprise the corporate-backed hypermarkets and retail chains, and also the privately owned large retail businesses. Unorganized retailing, conversely, refers to the traditional formats of low-cost retailing, for example, the local kirana shops, pan/beedi shops, owner manned general stores, convenience stores, hand cart and pavement vendors etc.

India is known as the 'nation of shops'. Retailing is one of the oldest businesses of mankind and almost close to settled agriculture, as its origins can be traced back to the time when exchange goods of started taking place. Retail sector in India is one of the fastest growing industry in the world. Retailing has become such an intrinsic part of our everyday lives that it is often taken for granted. The nation that have enjoyed the greatest economic and social progress have those with a strong retail sector. India is the world's fifth largest global destination in the retail space. It is projected to grow from US$672 billion in 2017 to US$1.1 trillion in2020. It accounts for over 10 percent of the country's Gross Domestic Product (GDP) and around 8 percent of the employment (IBEF 2017).

An important facet of current economic framework in India is the emergence of organised retail. The rapid changes which took place in India after the introduction of new economic policy in 1991 brought major reforms not only in financial, industrial, international trade & commerce but also in retail sector. The emergence of modern retail formats was first noticed in southern part of India. It has slowly moved to the northern and western states. There has been considerable growth in organised retailing business in recent years and is poised for much faster growth in future. Major industrial houses like Aditya Birla, Future Group, Reliance, and Tata have entered this area and have announced very ambitious future expansion. Major retail giants like Wal-Mart, Tesco also seeking to come to India and set up retail collaborations with big Indian companies. Previously retailing in India done by family owned small grocery stores (kirana stores) with limited stock. There were also PDS (Public Distribution shops) run by Government as well as cooperative stores which believes in counter service. The main benefit of these type of store is they maintain good customer relationship with their customers as result these stores provide credit to the customer. It is based on low cost structure and has low tax to pay. According to Jayadatta et.al (2016) unorganized retailing is still prevailing in India due to many reasons: 1. Many number of families in urban areas and in small towns are doing shopping from small grocery stores from

since many years. This has created a personal relationship with the grocery store. 2. There are number of working class in India who are working on daily basis. At the end of the day they get their wages and small grocery store is the only option for them to buy rice, oil wheat flour etc. 3. There are other consumer who work on seasonal basis. When they are idle i.e. they have no jobs they buy from grocery stores on credit and when they get their wages, they pay their dues. 4. Location may one of the reason. For a single purchase consumer will go to grocery store. However the concerns have been raised that the growth of organised retailing may have an adverse effect on retailers in unorganised sector. It is argued that growth of organised retailing will improve supply chain enabling better access to markets to producers on one hand and lower prices to consumers on the other.

This chapter deals with Global retail scenario, Indian retail scenario and retail in Madurai. Next section discuss the problem statement followed by objective of the study Hypothesis of the study, Research Methodology, significance of the study, implication Of the study and finally organization of the whole thesis.

Retailing

Retailing is a commercial activity that arranges the goods in large scale from producer or wholesaler and selling these goods to the final customer for their individual or family use. In simple words it is an interface between the producers and the end user (Dunne, Lusch and Carver, 2015). Thus any person or firm selling goods and services to the customer for its consumption is performing a retailing activity. Now the concept of retailing is much more than the sale of goods. Now the retailing includes various another functions like forecasting the needs of the customers, developing the assortments of goods, obtaining the information etc. (Newmen and Cullen, 2007).

Retailing is a continuous evolving phenomenon. Retailers are using the Whole supply chain in order to achieve maximum control and achieve profit maximization. As part of their backward integration efforts, retailers have now set up their own manufacturing facilities or have entered into exclusive contracts with vendors. Many others who were just manufacturing products earlier, have now set up their own outlets and started selling products directly to the consumers to build their brand and increase their profitability (Madaan, 2009).

Definition of Retailing

According to Philip Kotlar, -"Retailing includes all the activities involved in selling of goods and services for the personal and non-business use a retailer or retail store is a business enterprises whose sales volume primarily comes from retailing".

Functions of Retailing

Since retailing is a conclusive set of activities or steps used to sell a product or service to consumers for their personal or family use, the distribution of consumer products starts from producer and finish with ultimate consumer. Between these two extreme points producers and the consumer there is a middleman--the retailer. Retailing also encompasses selling through the mail, the internet, door-to-door visits which means that any channel could be used to approach the consumer. For instance, computer manufacturers like Dell and book sellers like amazon.com both sell directly to the consumer ultimately performing a retailing function.

Types of Retailing

1. Organized Retailing

Organized retailing means the trading activities done by those retailers, who are registered for paying sales tax, income tax, etc. These include Hypermarkets, Malls, retail chains, and also private owned big retail businesses required large premises, high investment and trained staff to serve the customer. The organized retail which now constitutes a small 12% of the total retail sector is growing at a much faster pace (Sabnavis, Kansara and Mishra, 2019). The trading activities of organized retailing are registered some or other act. In organized retailing some advanced technologies as Customer Relation Management (CRM), Supply Chain Management (SCM) and Management Information System (MIS) are followed that make them more customers centric (Jain and Gupta, 2019).Some important characteristics of the organized retailing are as under:-

- ✓ The organized retailing operates in a much better infrastructure and provides better services to the customer.
- ✓ Used modern technics like SCM, MIS and CRM to maintain more focus on their customers.
- ✓ Organized retailing provides more employment opportunities because it has a lot of departments to operate.

- ✓ In organized retailing proper record is maintained for each and every transaction due to their compilation to follow all the provision of tax laws

2. Unorganized Retailing \Traditional Retailer

Unorganized retailing means to the oldest forms of retailing that includes local Kirana stores, owner operated general store, hand cart and street vender‘s, etc. The unorganized retailing includes the activities which are not regulated by any law enforced at that time. So there is no compulsion to make proper record of all the transactions. It is a kind of retailing having lack of technical and accounting standardisation. Unorganized retailing provides employment in to the salesmen and helper (Jain and Gupta, 2019). The unorganized retail constitutes a large part 88%of the total retail in Indian retail industry (Sabnavis, Kansara and Mishra,2019). Some important characteristics of the unorganized retailing are as under:-

- ✓ Product and services are sold on a fixed location.
- ✓ This is the easiest way to generate self-employment. As it required fewer amounts of capital and efforts to start‘. It is a form of low cost retailing.
- ✓ Most of the stores are run by the family members.
- ✓ The people generally prefer to purchase in small quantities from unorganized retailers.
- ✓ Lack of standardisation of store.
- ✓ Unorganized retailer are of small size with average area of the grocery retail store is 217 sq. ft. the average size of the vegetable shop is 129 sq. ft.((ICRIER, 2008,).
- ✓ No compulsion to follow the provision of any existing tax laws.
- ✓ The unorganized retailers maintain a personal relation with their customers. They are well known to their customers and vice-versa.
- ✓ In unorganized retailing many of times the goods are sold on credit base.

Distinction Between Organized and Unorganized Retailing

Criteria	**Organized Retailing**	**Unorganized Retailing**
Ownership	Corporate Business.	Households Business.

Average Size	Comparatively large average size is approx. 4000 sq. feet.	Small store average size is approx. 300 sq. feet.
Investment	More amount of investment is needed to start	Comparably lesser amount is needed.
Employment Generation	It has more employees with different capacity and skills.	Generally family member are employed.
Product availability	Wide range of branded and non-branded products.	Selective range of branded and non-branded products.
Credit Facility	Usually no credit facility.	As the customers are well known to the retailers, so provide credit facility.
Selling price	Less than or equal to MRP.	Always prefer MRP.
Bargaining	Bargaining is not possible at any condition.	Generally bargaining happen and customer get benefit from by this.
Store ambience	Store ambience is very attractive.	Generally poor and unappealing to the customers.
Promotion	Joint promotion	Company promotion only
Tax payment	Greater enforcement of taxation mechanism	Generally Evasion of taxes
Use of technology	Use modern technics like SCM, CRM and MIS.	No use of modern technology.
Services	The services are more customers centric.	The services are personalized in nature varies from person to person.

Source: Madan, (2009), Sivarama, (2012), and Pradhan (2015)

Global Retail Scenario

Retailing has become an intrinsic part of our daily lives. Nations that have enjoyed the greatest economic and social progress have a vibrant retail sector. Retailing is one of the most

important industries in the world and plays a predominant role in economic development of the country. Globally, retailing is the largest revenue generator and employment provider next only to agriculture. Retail industry is predominant in developed countries like USA, UK etc. In India it is an upcoming industry. Organized sector accounts for over 50% of retail sales in most developed countries including USA, UK, Germany, France etc. Even in developing countries like Brazil, Mexico and China the share of organized retail is much higher than in India.

Deloitte's Global Powers of Retailing 2021 reviews the global economic scenario and its impact on the retailing industry. The report identifies the 250 largest retailers around the world based on publicly available data for FY2019 (fiscal years ended through 30 June 2020), and analysis their performance across geographies and product sectors. It also provides a global economic outlook, looks at the 50 fastest-growing retailers, and highlights new entrants to the Top 250. A new section in this year's report is a short preview of next year's Global Powers of Retailing report—looking at how the COVID-19 pandemic has impacted the retail revenue growth of the Top 25 global retailers in FY2020 (DELOITTE,2020)



On global basis continued growth of hypermarkets and emergence of discounters have raised the sales. In both cases rising sales were associated with growth of number of outlets. The expansion of supermarkets, convenience stores appeared to take unorganized independent small grocers, food/drink/tobacco specialists and other grocery retailers. These channels were less able to compete because of low pricing model, wider product ranges and convenience provided by modern grocery stores (Euro monitor, 2012).

Indian Retail Scenario

Retail is one of the largest business activities in many national economies. Countries differ in how they define the industry, but according to ILO, "retail is universally understood as the final step in the distribution process in which retailers are organised to sell merchandise in small quantities to the public". This differs from wholesale trade where firms sell to other firms. The retail market in India is estimated at US$ 470 billion in 2011 and is projected to grow to US$ 675 billion by 2016 with CAGR of 7.5% for the period 2011-16 (Technopak, 2011).

Indian retail industry is one of the fastest growing industries in India, comprising of organized and unorganized sectors. In recent years, retail has caught lot of attention of the people. It has witnessed high growth rate in developed countries and for emerging countries the rate of growth is faster as time passes (Pawan and Neha 2014). At Kearney (2011) ranked India as the second most attractive retail destination among 30 emerging markets. The changing economic scenario of the country has increased the purchasing power of the people. Thus in terms of purchasing power India ranked 4th largest economy after US, China and Japan (At Kearney 2012). Before 2000-01 unorganized sector have capture the whole retail market contributing 98 percent of Indian retail. This sector is the second largest employer after agriculture, employing more than 35 million people with wholesale trade generating an additional employment to 5.50 million more. Consumers growing disposable income results in different spending habits. The Indian retail market has witnessed consistent growth over the last few years' accounts for 30 percent of country's GDP at current price.



Compared to other countries India has been slow in joining the organised retail revolution that was rapidly transforming economies. It is due to two reasons: 1.Because of dominance of grocery shops, 2. Due to fragmented food supply chain with the presence of several intermediaries resulting in high cost and huge value loss. Currently retailing formats such as vendors, grocery shop stores, pavement shops etc. has existed for long time. A major contrast to these formats is the emergence of supermarkets, department stores, hypermarkets, malls which has transformed Indian retailing environment and is expected to push organized retiling into the fast track

India is currently facing the world's most dynamic combination, of highly informed and demanding consumers on one hand, and of rapidly increasing consumption levels across various retail product categories from various geographies on the other, which have created a more complex and competitive market place. The consumer class in India is estimated at 400 million people with a raising disposable income and 50 per cent of the population with below the age of 24 is contributing for the growth of organised retail in India. Population shifts towards urban areas and income shifts towards higher income classes are key factors driving consumerism. The earning power of the younger generation has increased with lesser dependencies and more income available for spending rather than savings and investments (CII- A.T.Kearney Report).

A stable democracy and increasing consumerism are attracting most of the international retailer's attention. Retail is a significant contributor to India GDP. However

organised retail plays only a small proportion. Food and grocery account for about 70 per cent however this category has the lowest organised retail penetration of one per cent, which is indicative of greater opportunity available for organised retail.. Several of the major Indian conglomerates like the Reliance, AV Birla group, the Tata and the like are establishing their presence with experimenting of new formats and concepts. Indian organised retailers are currently operating in three types of formats like Specialty store, Department Store/Super Market/Hyper Market/Convenient Store, and Mall.

Evolution of Indian Retail

- **Retail Initiation (pre 1990s)**

As India started to open up the economy since 1980 onwards, liberalization came for corporate, the apparel segment saw the emergence of companies like Bombay dyeing, Raymond group, S. Kumar group and Grasim establishing and expanding their retail chains across the country and in footwear segment Bata establish their retail chain. Central and state government departments and cooperative bodies such as the public distribution system, Mother dairy, Kendriya bhandar and Super bazar played a key role in the Indian retail market. Along with textile and fashion houses, a number of food and grocery businesses were also ruling. Nilgri supermarket started in early 1990s and is one of the finest retail chains for grocery shopping. Along with Nilgri, food world was set up in 1996. These remained the only organized retailers in the country for quite a long time.

- **Retail Conceptualization (1990-2005)**

During this phase it was not the manufacturer but retailers who entered the retail market to expand pan India like Pantaloons, Shoppers Stop and Lifestyle. The importance of this phase was the liberalization of the Indian economy and the 13 opening of entry for foreign brands and retailers. The first generation of international brands to make an India entry during this phase were McDonald, Benetton, Levis Strauss, Adidas, Nike and Reebok.

- **Retail Expansion (2005-2010)**

Retail expansion is the most active phase of the Indian retail industry in terms of growth, entry of new players and development of new formats. A growing middle class, increase disposable income and young consumer population led to the rapid growth of Indian retail market. By seeing India’s potential large industrial conglomerates like Mahindra and

Mahindra, Reliance, Tata, Aditya Birla and Essar entered the Indian retail market during this phase. Their success brought in global retailers such as Metro, Max retail, shoprite, hypercity and more recently Carrefour, Tesco and Zara announced their Indian entry. Bharti Walmart is a noticeable entry that entered in this phase. This phase also saw the emergence of Cash and Carry, large format discounters, food courts, multiplexes, children play zones and gaming zones. On the real estate front there was fast development of malls developed across major metros and tier 2 cities. The size of mall went through rapid transformation from an average size of 1, 50,000-2, 00,000 sq ft to 5, 00,000-1, 00, 0000 sq ft. The rapid growth attracted to luxury product segment for consumers like high end automobiles, fine dining, and global luxury brands. With the FDI policy 2005-06 allowing single brand retailers take up to 51 percent share in joint venture with a local firm. With this there was the entry of several premium brands like Armani, Versace through joint venture.

- **Retail Consolidation (2010 onwards)**

Considering the challenges faced by Industry, retail chains focus on consolidations to cut costs and service in the market. Companies are increasingly concentrating on strengthening existing operations while assessing growth options through consolidation.

Significance of the Study

With the Government policy of liberalization and privatization large numbers of retailers are entering into market which is a threat for the unorganized retailers. It leads to healthy competition between organized and unorganized retailers. These retailers try to take away each other piece of share in cut throat competition. In this competitive environment every retailer tries to improve his position for their survival. The competition was developed in terms of attracting large number of consumers and to retain them. To attract consumers they adopt various strategies and implement them in market. On one hand Government policy of modernizing unorganized retailers will improve competitiveness and on other by protecting unorganized retailers restricting the enormous benefits generated by organized retail. The proposed study focuses on various facets of retailing in Ahmedabad and analyses the impact on unorganized retailers in terms of employment, sales and would indicate the area in which unorganized retailers have to make changes so that they able to compete with organized retailers. The study will also focus on impact on consumers due to expansion of organized retail.

Objectives of the Study

1 To know the impact of supermarkets on small grocery shops in Madurai District of Tamilnadu.
2 To know the factors that lead to rise in organized retail.
3 To understand the response of small grocery shops to the competition from supermarkets.
4 To identify the problems faced by the small traders towards after existence of the organized retail outlets in Madurai District of Tamilnadu.
5 To understand the purchase pattern of consumer shopping from supermarkets and small grocery shops because shift of customer from small grocery shops to supermarket is a concern

Method of Research

The research work is both descriptive and analytical nature. It is descriptive because it is a fact-finding investigation and focuses on particular facets or dimensions of the problem by gathering descriptive information and the study uses the statistical methods for analyzing the quantitative data, it can be described as an analytical study also. The study uses the Stratified Random Sampling Method.

Sources of Data

Both the secondary and primary data have been collected and used for the research work.

- **Primary Data**

  Primary data have been collected from organized and unorganized retailers in Madurai and customers of both organized and unorganized retailers.

- **A Secondary Data**

  The secondary data needed for the study has been collected from the following sources: Annual Report on Indian Retail Sector, Organized retailers Website, Websites of FLRS, Research Dissertations and Theses, Research Journals, Periodicals, Study Reports, Research Publications, Books related to the study area, other websites

Sample Size

For the purpose of the study a sample size of 70 Retailer's and 50 Consumer's Was decided on

Sample Area

Sample area was Madurai District in Tamil Nadu.

Tool of Analysis

There is different type of statistical tool for analysing the collected data. The important tools used in the present study are percentage analysis, Diagrams, Chart and Trend.

Implications of the Study

The results of the study have brought several implications on unorganized retailers due to the emergence of organized retailing in Madurai. Consumer shopping for supermarket is increasing; this attitude will bring some serious consequences on the business of unorganized retailers in future. As of now unorganized retailers suffer from slower turnover in their business and also organized retail is not impacting much, but the situation might change in coming years. As more number of organized store will open in the city more the consumer will open visit these stores, leading loss for small grocery retailers. Higher income and upper middle income are already shifted towards supermarket, slowly middle-income people will start buying from supermarkets, as these stores provide discount, low pricing strategy so that middle income people can have savings for the future. From the study it reveals that 50 percent of monthly customers are already shifting to organized retail, if these stores continue to operate on low pricing strategy, in the years to come organized retailers will vanish the business of small retailers. Along with that if Government allows 100 percent FDI in multi brand retailing, it will create more problems for unorganized retailers. Government should form policies keeping in mind for both organized retailers and small retailers. Organized retail should grow and there will not be any impact on unorganized retail. Since the entry of organized retail in Madurai is less than a decade, much impact is not seen by unorganized retailers. If the same study is studied after some more years on what will be the impact, the government should start taking remedial measures in order to protect the business of small retailers on which they survive.

The study also provides the structure of consumer preferences for organized retailer in Madurai. The different set of store attributes are provided to consumers to visit their store and organized retailers continue to apply strategies where by consumes are bound to do repeat purchases from these stores. The result shows that discount would be the main factor to rely more on organized stores. Now a days shopping is fun, as consumer get everything under one roof.

Period of Study

This study was undertaken during the period of April 2023.

Summary, Findings and Conclusion

Impact of Organized Retailing on Unorganized Retailing

Madurai city has the highest number of supermarkets (36), as the focus of study is to know the impact of supermarkets on grocery shops it will be more accurate to find the result where there is large number of supermarkets

The study shows that majority (51%) of the respondents are in the age group of 36- 45 years group are owned the shop than other age group. The results showed that the male (67%) respondents have maximum level to running the shop than female. The majority of 34% retailers have SSLC qualification.

The study found from the comparison of number of employees before and after five years, it is clear that the number of employees reduced to small retail stores. Findings showed that experience between 6 – 10 years respondents have maximum level of the Experience in this field. From the analysis the results viewed that family Members category of the respondents have maximum level to establishment of small shop.

It also found that the total 70 respondents who said the traditional store are classified three type, they are Retail Store, Wholesale Store, Both store. It is seen that the majority of the traditional stores are retail stores of 63% and 13% of store are retail cum whole sale, both are 24% From the analysis, it is inferred that the trade classification (retail store) of the respondents have maximum level dominating the market of small traders.

Findings exhibited that the Grocery Store / Provision Store of the respondents have maximum level other store of Traditional trade. From the analysis, it is inferred that the 301-400 sq. ft. store size of the respondents have maximum than other of size of the store. The majority (67%) of the respondents opined that facing competition after existence of organized retail outlets.

Finding of the study viewed that majority (28%) of the respondents opined that neither satisfied nor dissatisfied about present position of the business from the existence of organized retail outlets. Total 70 grocery shop owners 38 respondents (54%) feels decline in customer footfalls. Due to various facilities available in supermarkets consumer shopping habit is changing. Therefore they prefer supermarket.

The study observed that the total 70 respondent mentioned in the previous point who said decrease in customer footfall, 51% feels there is decline in monthly customer. This finding shows slowly monthly customer are moving towards organised retailers they might believe in shopping once in a month and buy in bulk which saves time. Total 70 grocery shop owners, 57% feels decline in annual turnover. The reason might be as customer footfall decline it might decline in annual turnover.

The study found that, daily profit of the majority of the nearest retail store reduce because of competition from organized retailers, around stores face competition from organized and traditional retailers and far away retailers face competition from traditional retailers.

Suggestions

- The male respondents have high level of perception than female respondents. Hence the study recommended that the government and policy makers take necessary steps for promoting women retailers too.
- The majority of the shoppers belong to 36-45 years of age. According to the study there is a relationship between age and purchase behaviour of customers. Age is an important variable when it comes to influencing the customer's purchase behaviour. Every age has its own state of attitude, perception and characteristics. Retail shops must gear up to the needs, mentality, taste and expectations of all age groups.

- The customers visit traditional retail store only for buying something. Retailers can attract more customers by giving some simple extra facilities like offer simple games, fix weighting machine, some instant food items like sweet corn. Through these types of facilities retailers can earn more profit and customers feel happy and relaxed.
- Most of the traditional retailers do not consider display of the merchandise. But this is important to persuade the customers to visit their stores. Displays and banners are important component of food and grocery retail stores and these strategies attract more customers.
- The sales person has important role to attract and retain customers. Stores must consider the education, experiences, helping nature, looks and knowledge of sales person and provide proper training.
- To keeping harmonious employer-employee relationships is a significant factor in retail store. These relations have to be maintained by giving proper remuneration and bonus.

Suggestions to Government

- Government should launch a program to upgrade small retailers by offering financial assistance to encouraging small retailers to form shop owner associations and to purchase products in bulk to lower costs. Like in Singapore in March 2001 Government launched a 10 year strategic plan for transforming small retailers in Singapore
- Encourage co-operatives and associations of unorganized retailers for direct procurement from suppliers and farmers.
- Ensure better credit availability to unorganized retailers from banks and micro-credit institutions through innovative banking solutions.
- Training should be provided to modernize unorganized retailers by improving infrastructure which involves proper hygiene, comfortable environment, store cleanliness etc.
- A committee/board/department should be set up by the urban local bodies, with representation from unorganized retailer associations, which should be empowered to grant licenses to organized retailers. It may help to control the establishment of organized retailers.

- Technological advancement training should also be organized to train unorganized retailers about how to install the facilities in their shops similar to organized retail. This includes installation of electronic billing system, debit/credit card machine, bar coding; improve display of merchandise, proper allocation of products etc.

Conclusion

The study was conducted on two fronts i.e. impact of supermarket on small grocery shops with sample size of 70 and the other consumer purchase behaviour with 50 sample size. The small traders have located the store at nearby the organized retailers have been adversely affected in terms of both their business volume and profit.

The study on grocery shops reveal that, the shop which is located nearby supermarket on an average 57 percentage feels decline in customer footfall and average daily turnover. The survey also reveals that monthly customer are shifting their shopping preference to supermarket. The survey reveals that grocery shop retailers started adding confectionary items to retain their customers. Some big store started offering add on services like debit/credit card, working for long hour, supply of fresh fruits and vegetables and dairy products. The retailers feel that customer habits are changing due to the advent of supermarkets and for convenience they still visit grocery shops for items of immediate needs. Hence we can conceptualize the slow harmful effect of supermarket on grocery shops situated near by supermarkets.

The study on consumer shopping behaviour reveals that there is going to be a serious impact on grocery shops. Now a day's consumer want quality products for which they might want to visit supermarket. Younger generation prefer supermarket but still older people prefer grocery shop as it is nearby to their residence. Store attributes like discount, long operating hour, and supermarket located from their office to home attracts customer to shop from supermarket. Further facilities like debit/credit card facility and display in supermarket attract customer. But customers have issue of billing in supermarket as they have to wait longer, for this reason they might visit grocery shop

There is some competitive response from traditional retailers through improved business practices and technology up gradation. They want to change business keeping with modern times but they don't have enough resource to change.

References

Halepete J, S. K. (2008). Wal-Mart in India: a success or failure? International Journal of Retail & Distribution Management, 36 (9), 701-713.

Mishra, S. (2008). New Retail Models in India: Strategic Perspective Analysis. Journal of Marketing & Communication, 39-47

India Retail Report. (2009). the India Retail Story. Www.indiaretailing. com/India-retail-report- 2009-detailed-summary.pd.

Devgan Deepak & Kaur Mandeep. (2010). Shopping Malls in India: Factors Affecting Indian Customers' Perceptions. South Asian Journal of Management, 29-46.

Singhal and Aravind, (2010) "Indian Retail: The road ahead", Retail Biz., 2010, p14. , www.etretailbiz.com.

Government of India (2011), "Industrial Needs, Opening up the Retail Sector to Multinationals", The Hindu, July 18, 2011, p.6.

Nileh Arora, (2012). A Critical Study of Customer Preference of Organized Retailing in India with Special Reference to Rajasthan. Jaipur

Sameer Ahmad Shalla, M.S. (2013). Foreign Direct Investment and Unorganized Retail Sector. A Case Study. Journal of Business and Management, 8(3), 01-05.

Dave, D., Mistri, J., & Patel, M. (2013). Purchase pattern of consumers for consumer durables along with preference towards organised and unorganised retail formats. Abhinav International Monthly.

Zia, A., & Azam, K. M. (2013). Unorganised retail shopping experience in India: An emperical investigation. Pacific Business Review International, 5 (7).

Ritika Sinha, Mohammed Naveed. (2014). A study on the customer perception towards unorganized grocery retailing in North Bangalore. Acme Intellects International Journal of Research in Management, Social Sciences & Technology.

Hamil, Ed. Priyadharshin. (2014). Impact of Supermarkets on Unorganized Retail. International Journal of Research in Business Management (IMPACT: IJRBM) ISSN (E): X; ISSN (P): Vol. 2, Issue 7, 37-56, 2347-4572, 2321-886.

Mayya, A. A. (2015). Impact of Shopping Malls on the Unorganized Retail Sector: A Case Study of Mangalore Region. Indian journal of marketing, 42(9).

Raghavendra, R. H (2017). An overview of unorganized retail sector in India. PhD Research Scholar, Department of Commerce, School of Management, Pondicherry University.

Seema bajaj(2017) - Impact of unorganization retailer – The Economic Times , 4.

R.Sivanesan(2019)-Understanding of the impact of organized retailer on unorganized retailer,Economic time,india.

Revelli Shashank(2020) "A Study On Impact Of Organized Retailers Unorganized Retailers", International Journal of Multidisciplinary Research Review, Vol.6, Issue7, July-2020.

Suman Kumar, Siddhartha Sarkar, Jayasree Raveendran & Vivek Balaraman(2021), Understanding the Performance of Unorganized Retail in India Under Nor mative andPandemic Scenarios Using an AgentBased SimulationApproach,50thEuropeanMarketingAcademyConference,Madrid,25-28May 2021,pp 1-10.

Berman, Berry and Joel R. Evans (1995), Retail Management, 6th ed., New Jersey: Prentice Hall.

Engel James F, Roger Blackwell and Paul Miniard (1995) Consumer Behaviour, Eight Edition, 1995, The Dryden Press, Orlando.

Kotler Philip (1996) Marketing Management – Analysis, Planning, Implementation and Control, Eighth Edition, 1996, Prentice Hall. Europe.

Levy M, Weitz, B.A, and Beitelspacher L.S (2012), Retailing Management. (8th Edition), McGraw Hill,Irwin.

Schiffman G Leon and Kanuk Lazar Leslie (1997), "Consumer behaviour", Upper saddle river, New Jersey.

Ernst and Young, "The Great Indian retail story".

Euromonitor (2013), "Grocery retailers in India".

Euromonitor (2013), "Retailing in India".

Global Powers of Retailing, Retail beyond begins (2014), Deloitte.

Indian Retail Report (2011), Images Group.

Indian Retail Report (2013), Images Group.

Economic Survey India 2012-2013.



Open Access & Licensing

Dr. BGR Publications supports Open Access scholarly communication, enabling published works to be freely accessible online.

License: Creative Commons Attribution 4.0 International License CC BY 4.0

Copyright: © Author(s)

Published by Dr. BGR Publications | India