Store Ambience Influencing Factors Of Unorganised Supermarkets In Kerala

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Abstract

Retailing is the major part of India's economic growth. Retailing includes organized and unorganized retailing. Organized retailing is more competitive in nature by adopting new trends and technology by conducting market research regularly and moving according to the customer expectation. But the unorganised retailers are not [1]ready to invest much in market research because of their unawareness on the importance of store ambience. This is same in the case of supermarkets. Old traditional stores converted as supermarkets, and they are growing in a slow pace. The Smart Bazaar, D-Mart, Star Bazar, Spencer's Retail, More Retail, Food world and Smart Point are the competitors for the unorganized supermarkets, these stores regularly do market research and maintain store ambience for their customers. This study of store ambience of unorganized supermarkets, tries to learn the present situation of these stores. So, the study reveals the elements that the unorganized supermarkets need to give importance to store ambience to compete with organized supermarkets. The study conducted in Trivandrum with a sample of 30 supermarkets. Both from rural and urban.

Keywords: *Supermarkets, Store ambience, Organized, Unorganized.*

Introduction

The retail sector in India is arising as the largest sector in the frugality, it contributes 10 percent to the GDP and 8 chance to the employment. India has enthralled a clear position in the global merchandising. India has high request eventuality, low profitable threat and political threat. As of 2003, India's merchandising assiduity was basically proprietor manned small shops. In 2010, larger format convenience stores and supermarkets reckoned for about 4 chances of the assiduity, and these were present only in large civic centres. The Indian retail assiduity is resolve into organized and unorganized sectors. The National Commission for Enterprises in the Unorganized Sector NCEUS} defines organized and unorganized merchandising as:

Organized retailing refers to trading conditioning accepted by certified retailers, that is, those that are registered for deals duty, income duty, etc. And which is a sector conforming of all incorporated enterprises which are engaged in the deals or product of goods and

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services operated as private limited or limited associations governed by Companies act and having further than ten total workers. They're large retail businesses who constantly keep upgrading to the request dynamics with this description, Organized Retail Sector will be characterized as Company possessed retail setups, Part of the workers are on the direct payroll of the company (some may be on the contract also), workers are governed by minimal stipend act, these outlets are frequently "standalone company possessed exchange" or" The retail space" in any of the super request or boardwalk, etc.

Unorganized retailing, on the contrary hand, refers to the normal formats of low- cost merchandising, not regulated by government terms and working hours per day are n't fixed, workers work on diurnal stipend. illustration, the original kirana shops, proprietor manned general stores, paan/ beedi shops, convenience stores, hand wain and pavement merchandisers. still, we will notice a considerable difference in the type of retail stores that live.

Still, we will notice a considerable difference in the type of retail stores that live, if we compare the retail script now to that of the early 80s and 90s. One of the main reasons for this change is the rise of the marketing period. Retailers began to realize that giving guests discriminational gests and immolations is a great way to increase gains. This gave rise to different types of retail establishments that we see moment that depend on the consumers' geste and manufacturers' capacities. Each of them differentiates themselves from the rest grounded on the products they offer and the manner in which it's offered. A supermarket is a tone- service shop offering a wide variety of food, potables and ménage products, organized into sections. This type of store is larger and has a wider selection than earlier grocery stores, but is lower and further limited within the range of wares than a hypermarket or big- box request. There are over 12 million procurators in India and account for over 90 shares of the Indian F&G request. There are relatively 435,000 supermarkets in India. The loftiest ten organized supermarkets are Smart Bazaar, D- Mart, Star Bazar, Hypercity, Reliance Fresh, Spar, Spencer's Retail, further Retail, Food world and Smart Point are Supermarkets coming under organized generally chain stores, supplied by the distribution centres of their parent companies, therefore adding openings for husbandry of scale. The store air is veritably important to produce an encouragement among the client's perception and feelings. People always wanted to be in good atmosphere, also only new studies will appear. Like with in the case of supermarkets, the atmosphere is good people will stay much further time in store and make impulse purchases. The store atmosphere is about the look, the appearance, the smell, the music, the boards, deals persons, parking installation. In the earlier times people go buy whatever they want, but now the trend has been changed they're going with family to the shop and spend time inside the store, everyone's eyes are going to be engaged on the products and shelves. But the unorganized sector still believes in the product and quality that only makes the profit for the store not the air. This traditional idea makes them losing their request share and thus the guests will transfer their decision to buy from organized supermarkets.

The store ambience has four major components, according to the literature review. The study is conducted according to the components, they are mentioned below;

Table 1

Visual Merchandising	Store Layout

Assortment Theme Racks and shelves Display Promotional Signage's Lighting fixtures Flooring fixtures	Floor space Allocation E- Display Location Merchandise grouping Payment counters Front display
Exterior Atmosphere	**Interior Atmosphere**
Storefront Board Display windows Parking Sign Accessibility Size of the building	Flooring Temperature Lighting Odour Music Cleanliness

These four components make the customers to purchase and spend more time in the store.

Literature Review

KC Mittal and Anupama Prashar (2010) described availability & variety, quality of product, discount and price, ambience, service and promotion are the six major factors which influencing customer preference. The retailers need to develop policies and strategies by considering these factors will help them to attract new customers and retaining existing ones and it also helps to maintain a better customer loyalty.

Meera Mathur and Subham Goswami (2014) described store atmosphere and mood of the customers are the main factors influence the buying decision of a customer. Well-structured shop layout and decent shop ambience can built a positive feeling in the mind of customer and it will leads to spend more time in the store, it leads the customers to impulse purchases. Consumer characteristics and purchase characteristics with store characteristics are the major criteria considered by a customer for selecting a particular shop or store.

G. Somasekhar, M.Suresh Babu, Shaik Saleem and R. Madhu (2015) described smooth transaction & exchange, convenience and comfort, ambience, attractive promotions , merchandise mix, value added facilities and store relationship are the seven common factors were extracted from 21 store attributes which influencing customers preference while purchasing from unorganized supermarkets. Merchandise mix, ambience and smooth transaction & exchange were the top three factors preferred and expected by customers and only by satisfying customer's preferences unorganized supermarkets can sustain in this competitive world.

Dr. Sarbjit Singh Bedi, Amit Kumar Lal, Sukhwinder Kaur (2015) described the physical ambience in the organized supermarkets plays vital role in attracting new customers to the stores. There is four factors of physical ambience which contributes the success of organised malls are; Security, Technology, Atmosphere and Relaxation. With inclusion of these physical ambience in the stores can increase customer's attention to the stores and enable them to gain more market share than unorganized stores.

Statement of the Problem

According to the IBEF study 2019 unorganized retailing was 88 percentage and organized retailing are of 12 percentage of the market. The organized market in India is growing at a CAGR (Compound Annual Growth Rate) of 20-25 percentage per year. It is projected that by 2021 traditional retail will hold a major share of 75 percentage and organized retail share will reach 25 percent of the total market. The report shows a decline in the unorganized retail sector. Which indicates the slow pace of adopting the new market strategies by unorganized sector. The supermarket business has more opportunities in the recent years. As a part, organized supermarkets are expanding and old traditional (unorganized) stores are launching as new supermarkets. But the unorganized supermarkets are unaware of the new strategies prevailing in the market because of inadequate market research. Therefore, they face shutdown procedure and financial crisis. In the past years customers are only focused on the product and its attributes but now they tend to ask for additional beneficial elements before they finalise the purchase decision.

A study by Paromita Goswami in 2008 state that all unorganized store has to make a realistic and critical examination of their potentiality as well as their vulnerability. The organized supermarkets are conducting market research and they had found store ambience as one of the strategies for increasing customer satisfaction. So, the study attempts to understand the awareness of store ambience of supermarkets.

Significance of the Study

The study is important in the present and in the future years because organized supermarkets are expanding on a large scale and the unorganized supermarkets are struggling to cope up with the competition. Organized supermarkets are conducting market research and they know the customer needs and wants. They are aware of the factors that influence the customer to stay more time in the supermarkets and for impulse purchase by the customer. The organized supermarkets are giving more importance to the factors like scent, colours, music, parking facility, staffs quality, therefore they have a profitable sale.

Scope of the Study

The study focus only on supermarkets of Trivandrum, Kerala. The unorganized supermarkets are the private owned traditional formats of low-cost retailing, not regulated by government terms and working hours are not fixed, employees work on daily wages.

Objectives

- The study to analyse the weight given by unorganized supermarkets to different components of store ambience.

Methodology

The study is Analytical and Descriptive in nature. Both primary and secondary data were collected. Primary data was collected by Interview Schedule and by observation method. 30 supermarkets were selected from both urban and rural area as sample by purposive sampling due to time limit and financial constraints. Five-point Likert scale was used for data collection. The data thus compiled using SPSS to find their mean and standard deviation. Secondary data was collected from online journals, books, articles, and websites.

Analysis and Discussion

The data has been collected from 30 supermarkets; the average age of establishment is five years. Equal number of supermarkets have selected from both urban and rural areas. In the study 60 percentage of supermarkets have proper arrangement of storefront and 40 percentage of supermarkets have no proper arrangement of storefront. 57 percentage of supermarkets have parking facility for both two wheelers and four wheelers, 30 percentage supermarkets have only two-wheeler parking facility and 13 percentage supermarkets have

no parking facility. In the study 47 percentage of supermarkets have only name board for the supermarkets, 30 percentage supermarkets have name board and notice board, 17 percentage supermarkets have name board, notice board and promotional boards, only 7 percentage supermarkets have direction board to

reach the supermarkets. The average area of the supermarkets is 1880 square feet. In the study 67 percentage of supermarkets responded that they are not maintaining any theme for the window display and 33 percentage of supermarkets are replied as they are periodically changing their theme for window display.

Table: 2

Descriptive Statistics							
Factors	**N**	**Minimum**	**Maximum**	**Mean**	**S.D**	**Rank**	**1/3 of mean**
Music	30	2	5	2.87	1.064	**5**	0.95
Temperature	30	1	5	2.53	1.106	**4**	0.84
Lighting	30	1	5	1.50	.938	**3**	0.5
Cleanliness	30	3	5	3.77	.774	**2**	1.25
Sales staff	30	3	5	3.77	.568	**1**	1.25
Visual Merchandising							
Theme of window display	30	1	4	2.00	1.287	**6**	0.66
Flooring fixtures	30	1	5	3.40	.968	**4**	1.13
Promotional signage's	30	3	5	3.63	.669	**2**	1.21
Shelves and moving racks	30	1	4	2.53	.973	**5**	0.84
Lighting fixtures	30	2	5	3.30	.837	**3**	1.1
Assortment	30	3	5	3.70	.651	**1**	1.23

In the **Interior Atmosphere** sales staff and cleanliness are the factors which have more importance, and their standard deviation is less than 1/3 of the mean, so these factors are highly considerable. The standard deviation is more than 1/3 of the mean in other factors like lighting, temperature, and music so that shows supermarkets are not giving importance to this factor.

In the **Visual Merchandising** supermarkets are giving importance to assortment of product,

Flooring fixtures, lighting fixtures and for promotional signage's as their standard deviation is less than 1/3 of the mean so these factors are highly considerable by the supermarkets. The

standard deviation of the theme of window display and the shelves and moving racks are higher than the 1/3 of mean that shows the supermarkets are not giving importance to these factors.

Findings and Suggestions

According to the study, supermarkets in urban area is more attractive than the rural supermarkets. Because they are much more aware of the market trends. The study revealed that supermarkets are conscious of the storefront. They know, that creates customer flow. The store front attracts the customer. But they are not maintaining any theme for window display, which is another factor for hike in sales. Keeping a good interior and exterior atmosphere for the customers is important in the present years. The unorganized supermarkets do not have much knowledge in the creation of store ambiance. These supermarkets have a limited parking facility which makes them unattractive in the where-to-buy decision. Tempting name boards and promotional boards are one of the factors which attract customers for shopping. But the unorganized supermarkets does not put much effort in it. The shops have a name board, an unattractive one. It will be on a small board with light colours designs. Promotional board are not fully maintained in the unorganized supermarkets, promotional boards are the board placed in the front of the store to show the offers prevailing in the store. It will attract buyers. Fixing direction board in the main junction and highways will make eye to the buyers but the unorganized supermarkets are not interested in these things. They consider product and the quality is the only factor which make them sales. Store ambiance is a major criterion for the customers to make purchase. Nowadays shoppers come with family to purchase the items. If the area is wide, they have parking facility, the temperature inside the store is ok, and the products are arranged properly they spend more time in the supermarket. And they will make impulse purchases. but the unorganized supermarkets are not giving significance to the elements of store ambiance. They are reluctant to accommodate these elements because they are not knowledgeable about these elements. Proper market Research is not done. Finance is the other problem they are facing. Quality sales persons are found in the unorganized supermarkets, and the best part of it is the educational qualification will be low but the professional experience is high, which make them quality salespersons. Music is one of the recent components in store ambiance, soothing melodies are played in store to spend more time in the supermarkets, but unorganized supermarkets are not at all believe music as a attractive element. Cleanliness carries a significant amount of importance in the present scenario of diseases, unorganized supermarkets are aware of it but in a partial way. In the case of visual merchandising flooring and lighting fixtures, promotional signage and assortment retained well. Lighting is fair, the products are visible in the eye of the customer. The overall finding is that lack of market study is seen in the store ambiance.

Conclusion

The study about store ambience of unorganized supermarkets gave a light on one the reasons for the shutdown of traditional supermarkets. The objective of the study was to know the weightage given by of unorganized supermarkets on store ambience, the study found that the major store ambience factors like music, temperature, lighting, and assortment are not well maintained. They are unaware of the elements of store ambience. Their only importance is the quality of sales persons and cleanliness. These two elements alone will not give profits to the unorganized

supermarkets. Because the competitors are the organized supermarkets like More, Smart Point, Smart Bazar, Ajmal Bismi, Spencer's etc. They have proper marketing team to analyse the movements of market and they conduct periodical market research to hold and attract the customers. Due to the lack of adequate market study the unorganized

supermarkets are unaware of customer trends so that they are losing the customers, and lead to shut down process. So the conclusion is that without the market research it not possible for the unorganised supermarkets to sustain in the competitive world.

Limitation of the Study

- The study confined only to Trivandrum, Kerala
- The period of the study was very limited
- The financial aspects of supermarkets are not considered.

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