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Exploring Consumer Perception And Preference Towards The Organised Retail In The Digital Age

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Abstract

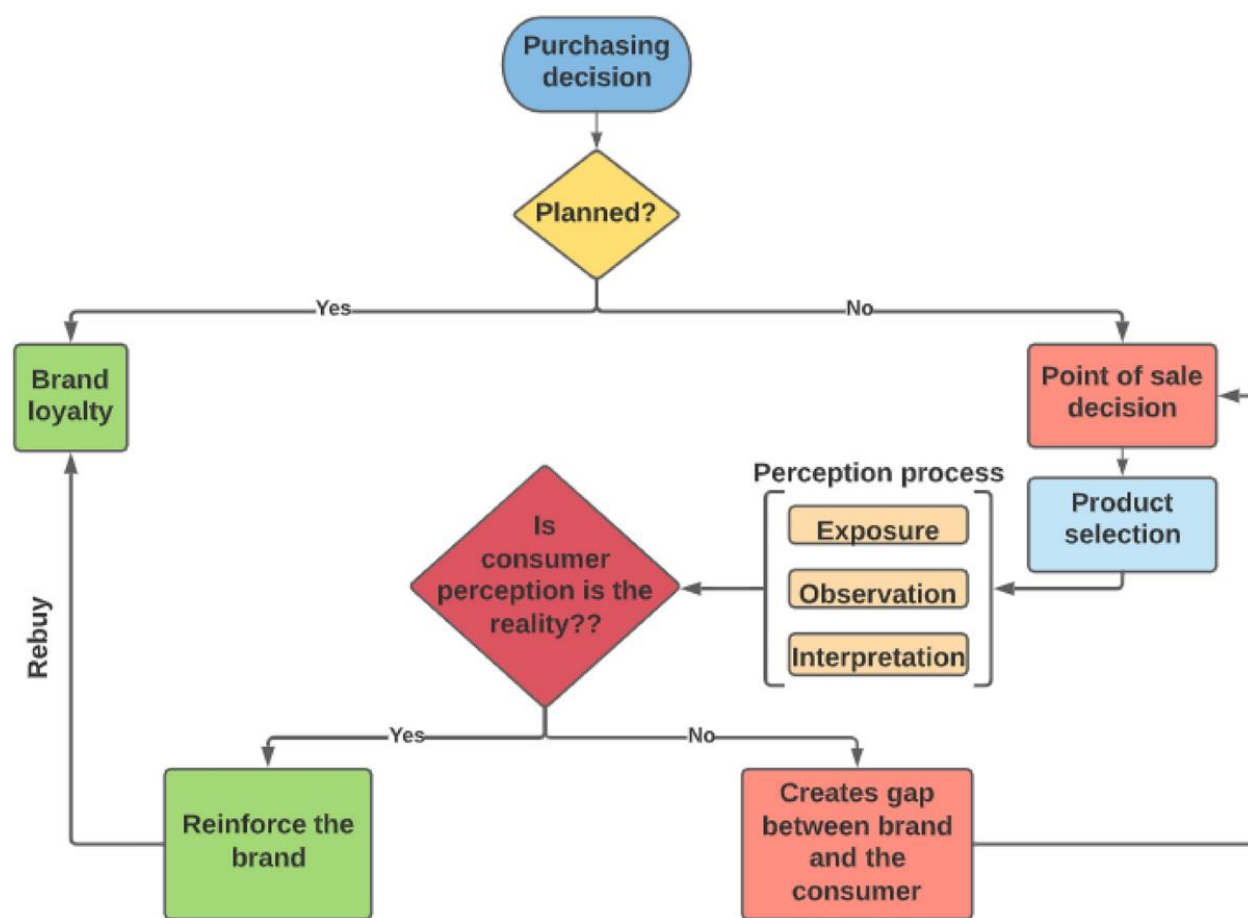
The research examines how customers view organized retailers by investigating elements which drive their retail choices. The growth of organized retailing continues at a rapid pace because of changing lifestyles and technological developments and increased urbanization. This research evaluates fundamental elements that affect consumer perception particularly focusing on price and quality together with customer service and shopping experience. Professional retail techniques bring together product diversity with enhanced shopping quality while increasing consumer convenience within the retail industry framework. The industry underwent significant change during recent decades due to globalization and rising consumer awareness and digital interconnection. This research examines organized retail distribution together with its powerful position in contemporary markets where competition has escalated while customer demands have matured. The research team used convenience sampling to obtain data from multiple consumer demographics. Data reveals how prioritizing strategic planning to navigate consumer expectations creates improved satisfaction standards and customer commitment. A combination of innovative methods and technological investments and customized interactions should be used as recommendations. This research presents clear action strategies that retail organizations should adopt to connect their operations with shifting consumer demands.

Keywords: Consumer Perception, Organized Retailers, Customer Satisfaction, Shopping Experience, Retail Strategy.

Introduction

This study examines how customer preference formation along with merchant impact on those preferences occurs by analyzing consumer viewpoints. The retail sector underwent a fundamental transformation from disorganized functioning models to structured retail frameworks which closely followed changing customer preferences and market patterns. When household income increases alongside growing contact with international brands consumers develop more discriminating shopping behaviors. The organized shopping model differs substantially from standard retail formats by features priorities for accessibility and both extensive choices and economical costing. Organised retail faces problems in both understanding and meeting the unique needs of different customers. The study investigates which factors shape customer perception along with their role in organized shop achievement. Researchers Ramanathan and Hari (2011) studied Indian customer opinions and experience satisfaction throughout India's surging organized retail sector because the growth problematizes traditional unorganized retail shops. The research assesses product quality alongside price and customer service delivery together with convenience elements and store ambiance. Customer attitudes toward these two store types show significant differences based on the research findings. The modern infrastructure and broad product variety along with superior quality and superior shopping environment makes structured stores a preferred choice. Community-based shopping, promotional plans and customer loyalty rewards attract customers through organised retail stores. Customers criticize retail formats organized as commercial facilities for maintaining higher prices past their unorganized counterparts. Unstructured merchants build trust through personalized shopping experiences and neighborhood accessibility together with customer-determined pricing. Unorganised shops get criticism for their limited product variety and insufficient infrastructure and unpredictable product quality management. The study shows organized retail continues to grow but unorganized stores maintain strong customer loyalty through native comfort and cost advantage. The research indicates evolving retail practices where independent merchants adopt structured retail design elements for visual appeal and customer engagement to defend their market position. Political decision makers should promote an equilibrium between organized and unorganized retail stores by recognizing the need for small shopkeepers to sustain their income. The research delivers valuable understanding about retail customer behavior while revealing retail market trends affecting business operations.

Figure: 1



Background of the study

Singh Bajpai and Khandelwal (2024) evaluates how external environmental elements found in shopping environments combine with psychological attributes which affect spontaneous buying behavior. The study evaluates both emotional triggers and self-regulation abilities and buying incentives with social elements as research variables. Research shows that the combination of retail space elements such as lighting features and music produces significant emotional effects which drives customer spontaneous buying decisions. Discounted promotions act as stimulators which primarily influence people who struggle with weak self-regulation. Psychological factors like shopping satisfaction and novelty-seeking propensity act as modifiers to boost impulsive buying likelihood according to the authors.. Jain, Shivnani, and Babu (2024) evaluate customer perspectives regarding supermarkets and online stores to identify patterns and challenges alongside practical prospects. Current research literature provides integrated information to study factors influencing customer choices between diverse retail formats. This research demonstrates that three key elements influence supermarket purchases including hands-on interaction during shopping and quick product access and quality assurance perception. Supermarkets enjoy popularity because they offer broad ranges of products with special prices and they position themselves in easily accessible areas. Internet shopping has gained mainstream popularity through its online accessibility combined with operating speed and extensive purchasing options.

Online commerce gains higher appeal through its service features that offer direct delivery to homes as well as personalized support combined with affordable prices. Research demonstrates that customer choices depend heavily on demographic characteristics together with psychological aspects which include age and income levels and digital competencies. John (2023) examines customer perceptions between food stores with organised formats and traditional systems and looks at merchant positioning effectiveness. The research focuses on product quality and price together with convenience and promotional activities and shop ambiance and customer service as the main deciding factors. Data shows that customers increasingly choose structured food retail establishments because these stores offer modern infrastructure while providing big product ranges and dependable quality levels. Customers consider structured merchants good value because of promotional advantages which build their reputation as economical trustworthy venues. The way a store maintains both order and hygiene strongly affects how customers view the store positively. Organised food vendors experience obstacles when trying to reach a wide range of consumers who have various preferences and income levels according to the report. Numerous consumers choose unstructured vendors over other alternatives thanks to their competitive prices coupled with easy access and personalized contact. The thesis reveals an unmet need for inclusive positioning strategies since organized retailers use methods that differ from the expectations of lower-income customers. The suggested market improvement for organised food retailers is building market loyalty and affordability while delivering localized products which build customer trust. The thesis provides valuable frameworks for researchers alongside practical guidance and regulatory advice about growing organised food retailing in India's Visakhapatnam region.

Figure: 2



Literature review and research Agenda

Wright et al. (2025) retailers act as key agents to boost sustainability in their global supply networks while emphasizing the significance of both CSR principles and effective environmental management practices. Retailers stand in a unique position to affect sustainable behavior within supply chains because they act as connectors between producers and customers. Researchers analyze both qualitative data from international retail cases and quantitative supply chain data through evaluations and case studies to investigate supply chain sustainability program execution. The analysis focuses on five main sustainability factors which include resource efficiency together with waste reduction alongside ethical sourcing alongside carbon footprint reduction and consumer engagement with sustainability initiatives. Retailers who undertake proactive sustainability initiatives demonstrate substantial ability to transform the social and environmental results of their supply chain networks. Various practical sustainability strategies include encouraging environmentally friendly product sales as well as reducing plastic consumption and applying circular economy concepts and setting sustainability requirements for suppliers. Retailers achieve business gains from implementing openness and accountability which builds customer trust that leads to increased brand loyalty. Research presents challenges faced by retailers in balancing sustainability requirements with cost efficiency and managing complex global networks and accommodating various customer perspectives about sustainability practices. Successful resolution of these difficulties demands active engagement with stakeholders including suppliers together with governmental bodies and non-governmental organisations. Retailers can create systematic change through sustainability integration in their business models alongside their supply chain operations according to the authors. The authors call on policymakers to pass legislation together with incentives which encourage sustainable retail practices. This research explores how retailers harness their transformative potential to deal with worldwide environmental and social issues by offering concrete implementation strategies for businesses implementing sustainability throughout their supply chain systems. Sinha and Ali (2024) investigated how customers modify their mindsets and behaviors toward organized retail stores in Kolkata India. An investigation determines the variables which shape customer behavior toward organised retail while assessing its consequence on conventional retail stores. A descriptive and analytical investigation conducted surveys and focus group conversations with organized retail consumers in Kolkata. Product quality alongside price and customer service and convenience and shopping environment emerge as critical evaluation points. This investigation explores how variables such as age group demographic and household income level and educational attainment shape customer conduct. Customers view organized retail as their preferred option instead of the unstructured retail models because of its improved convenience and reliability. Consumer sentiment favors the range of products along with dependable quality and modern retail setups available in organised retail shopping environments. Customer choice decisions are fundamentally shaped by promotional deals together with discount pricing initiatives and loyalty-based benefits programs. The combination of demographic characteristics such as youthfulness and education levels makes these customers prefer organized

retail because it delivers both better shopping experiences combined with enhanced efficiency. Organic retailers in Kolkata face enduring challenges as price-sensitive customers choose unorganized outlets because of lower costs and the opportunity to bargain prices according to the study. The increasing amount of organized retail has not diminished unorganized store popularity because these shops continue to offer tailored services and residential area proximity which holds customer loyalty strong. The authors suggest quiet merchants boost their business strength through specialized approaches which incorporate localized adjustments of products along cultural lines with affordable pricing options. Research findings about consumer behavior in Kolkata's retail marketplace serve both retail businesses and regulatory officials by delivering functional recommendations to foster healthy market conditions.

Research Gap

The existing research dedicated to customer perception focuses on standard retail formats or particular factors which affect perception. The organized retail framework lacks complete research about how individual components interact together. Inadequate attention remains focused on older customers and spatial elaboration alongside demographic indicators. The research fills these knowledge gaps through extensive customer attitude analyses across different categories and areas. Felix and Nalini (2024) study customer purchases in structured retail outlets to identify which factors influence decision-making during buying. An evaluation process through surveys examines how customers choose between organized retail and traditional retail structures. This research focuses on analyzing the fundamental aspects of product diversity and quality alongside price strategies and promotional activities and shopping experience. A rising number of customers chooses organised retail because of its modern facilities alongside broad product availability and discount along with loyalty program approaches. The study demonstrated that outstanding consumer service along with straightforward shopping experiences play a critical role in customer happiness while driving them to return. Access alongside cost remain obstacles that restrict some customer's especially low-income individuals. Organized merchants should focus on lowering costs and implementing local marketing strategies to attract new clients according to the researchers. Research delivers crucial knowledge on transforming retail markets alongside consumer expectations which yields practical solutions for retail managers and political stakeholders.

Importance of the Research

For structured merchants who aim at maintaining competitive advantage understanding customer perceptions stands as an essential component. Consumer preferences remain dynamic because they shift because of social economic changes technology advances and cultural developments. The research unveils consumer preferences and awaited behaviors which merchants can use to create retention programs and lasting relationships. Through a complete examination of customer satisfaction drivers this research brings enhanced performance to the retail industry. Talreja and Jain (2013) investigate the outcomes of organized retail growth on traditional unorganized retail spaces by evaluating consumer needs and feelings about shopping. The assessment method studies

fundamental factors like pricing with product quality and shopping convenience alongside service quality and shopping experience quality. Research findings reveal substantial changes in customer shopping patterns showing a rising preference for structured retail destinations. Clients view structured merchants favorably based on their improved product quality combined with extensive selection and modern facilities and user-friendly shopping. Customers highlight three key aspects of their satisfaction with structured retail stores as the affordability of promotional deals and loyalty programs together with maintained high sanitary standards. Professionalism and dependability are experienced through these traits which help structured retail forms earn customer trust. In contrast unorganized retail formats maintain their position but face greater competition from better organised retail formats. Shoppers associate haphazardly arranged stores with inconsistent quality benefits together with unclean conditions and scarce merchandise options. The valuable characteristics of unorganized shops involving low prices along with personalized attention and proximity to neighborhoods preserve their market position especially in rural and semi-urban retail sectors. Records show organised retailing gains recognition in the market but unorganized retailing maintains significant market value because it remains integrated within the local culture while being cost effective. Unorganized merchants can continue facing increasing competition by optimizing their product displays while improving customer support and setting competitive prices. Research in this report demonstrates the essential requirement for cooperative initiatives between organised and unorganized sectors through strategic methods to sustain growth within India's retail sector.

Statement of the Problem

Though organised commerce continues to grow across industries merchants struggle to meet changing customer wants. A lack of understanding about what customers want creates customer dissatisfaction which reduces long-term loyalty. A research study investigates how the needs of retail customers differ from what organised merchants provide to consumers. The research investigates the key elements affecting how customers perceive organized retail outlets. Retail managers face competition from online sellers who also must protect client retention alongside maintaining trust in their products and improving delivery efficiency. The authors state that supermarkets together with online platforms should collaborate to develop approaches that merge each platform's unique capabilities to serve customers with diverse needs. This investigation reveals key elements of customer market response which helps organizations together with academic researchers to understand how digital shops combine with physical retail platforms. Jain, Shivnani, and Babu (2024). Ramanathan and Hari (2011) looks at how organized retail development in India creates problems for traditional unorganized merchants while evaluating customer needs and satisfaction expectations. The evaluation included assessments of product quality together with price and customer service and shopping convenience and store ambiance. The research data demonstrates substantial variations between customer perceptions of both formats. Customers choose organized retailers because they provide modern facilities and improved products and split-friendly shopping alongside broad inventory and better service quality. Many

customers value well-located shopping centers as well as the special offers and customer reward systems which organized retailers provide. Consumers find fault with the inflated prices charged by organised commercial ventures beyond what unorganized retailers offer. The strengths of unorganised businesses include personalized service interactions together with price negotiation capabilities and their presence in local residential areas. The research shows unorganized retail participants implement key elements of organized retail such as upgrading store visual appeal and improving customer treatment whenever they want to stay competitive. Government officials need to create an equilibrium between organized and unorganized retail operations while considering small storekeepers' essential role in Indian households. This body of research improves retail domain customer behavior understanding by examining evolving preferences as they impact retail operations in semi-urban market areas.

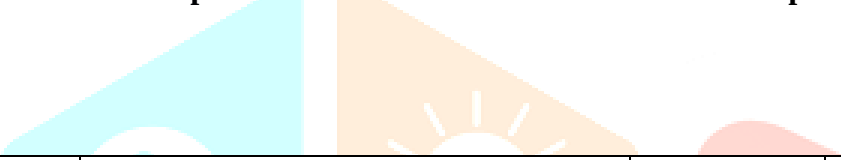
Methodology of Research

The researchers collected data from diverse demographic and geographical customer groups through quantitative methodology using convenience sampling. A standardized instrument gathered information from customers regarding their perspectives and anticipated experiences while measuring their satisfaction with products bought from organised retailers. Statistical instruments analyzed the collected data to reveal connections between different variables. As a practical decision the researchers chose convenience sampling due to its ability to obtain diverse feedback within minimal time. Part (2022) of this research explores how different retail branding elements shape customer behavior within India's emerging grocery markets where organized along with unorganized retail systems operate. A study of store image comprehends evaluation of store layout together with product quality and pricing and convenience and staff interactions and promotional approaches. Repeat purchasing and positive word-of-mouth recommendation together with customer loyalty served as the behavioral measures in this investigation. The research demonstrates that strong positive store images cause enhanced customer satisfaction and enable satisfaction to function as a mediator between store image and behavioral intentions. Customers view carefully arranged aisles combined with extensive product options and reasonable prices together with top-notch service to create superior satisfaction. The research demonstrates why these business elements play a crucial role in driving repeat traffic and word-of-mouth endorsements. Despite their preference towards professional management and promotional benefits in ordered grocery stores customers prioritize accessibility and connected personal service offered by unorganized stores. Satisfaction functions as a central factor which affects customer loyalty within both retail sectors. The study finds that retailers must dedicate resources to developing superior shop perceptions because this directly affects customer satisfaction levels that lead to desirable customer behavior patterns. Unorganized retailers have the opportunity to preserve their market position by implementing tactics which enhance customer journeys including optimized business processes and customized assistance. This study deepens knowledge about consumer shopping behaviors in the Indian grocery industry while offering practical retail strategy guidance for market optimization in a competitive and varied setting.

Analysis, findings and Results

Consumers perceive organized retailers as convenient shopping destinations that offer a wide variety of products under one roof. The clean and well-maintained store ambiance, along with a structured layout, enhances their shopping experience. Many shoppers trust organized retailers for better product quality and reliability compared to unorganized retail formats. Additionally, attractive discounts, promotions, and loyalty programs make these stores appealing to price-conscious consumers. Customers also expect superior service, with well-trained staff providing assistance when needed. The accessibility and strategic location of organized retail outlets further contribute to their popularity. However, some consumers feel that prices in organized retail stores are relatively higher than those in local shops. Despite this, the assurance of authenticity, return policies, and a pleasant shopping environment make organized retailers a preferred choice for many urban consumers.

Table 1: Descriptive Statistics factors that Consumer Perception about the Organised Retail



Sl. No.	Factors	No. of Respondents	Mean	Std. Deviation	Mean Rank
1.	Environment makes me buy more.	200	2.33	0.786	4.16
2.	Good Ambience	200	2.21	0.654	3.90
3.	Lot of Choices	200	3.10	0.987	3.17
4.	Place is Entertaining	200	3.14	1.132	4.58
5.	Quality of Products	200	2.15	0.561	3.65
6.	Reliability	200	2.03	0.456	3.42
7.	Durable products	200	2.19	0.765	4.76
8.	Convenient for Purchase	200	2.67	0.618	4.89
9.	Insufficient place	200	2.04	0.435	4.93
10.	Time Consuming	200	2.90	0.754	4.40

The table presents an analysis of factors influencing consumer purchase behavior, evaluated by 200 respondents based on mean scores, standard deviation, and mean rank. Below is the overall interpretation:

1. Key Influencing Factors: The highest mean score is for "Place is Entertaining" (3.14) and "Lot of Choices" (3.10), indicating that entertainment value and variety play a significant role in consumer decisions. The lowest

mean score is for "Reliability" (2.03) and "Insufficient Place" (2.04), suggesting that these aspects are less influential.

2. Importance Based on Mean Rank: The highest mean rank (i.e., most influential) is "Insufficient Place" (4.93) and "Convenient for Purchase" (4.89), meaning consumers highly value ease of shopping and spaciousness. The lowest mean rank is "Lot of Choices" (3.17) and "Quality of Products" (3.65), indicating they are less critical in comparison.

3. Variability in Responses: The highest standard deviation is seen in "Place is Entertaining" (1.132), indicating varying opinions among respondents about its influence.

The lowest standard deviation is for "Reliability" (0.456), suggesting a consensus that reliability plays a stable role in consumer decisions.

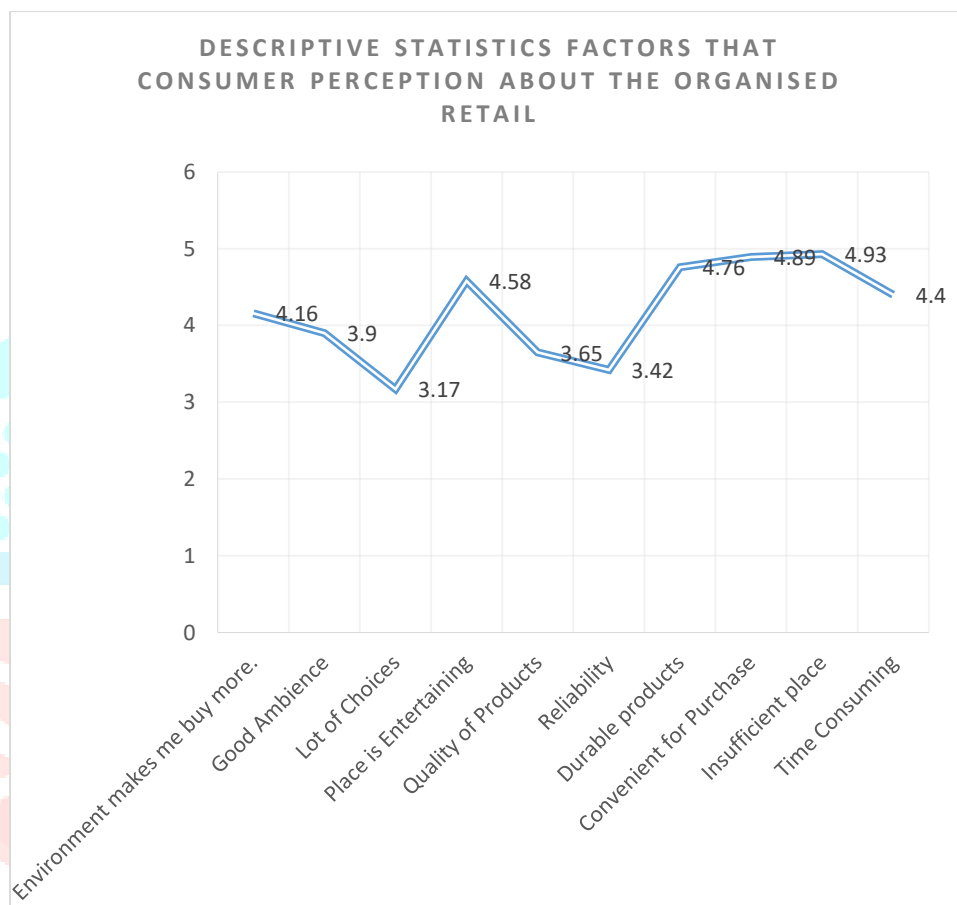
Table 2: Friedman Test

No. of. Respondents	200
Chi-Square	169.1247
df	11
Asymp. Sig.	0.000

The Friedman test is a non-parametric test used to compare multiple related samples to determine if there are significant differences between them. Test Statistics: Chi-Square (χ^2) Value: 169.1247, Degrees of Freedom (df): 11, Asymptotic Significance (p-value): 0.000. The p-value (0.000) is less than the common significance level (0.05), meaning there is a statistically significant difference among the factors influencing consumer purchase behavior. This implies that consumers do not perceive all factors equally—some factors significantly influence their purchase decisions more than others. Narang and Tiwari (2024) analyze how contemporary technology revolutionizes unregulated retail through operational enhancements and marketplace competitiveness and better customer satisfaction. Angad and Simarjeet identify how digital technology tools aid unstructured merchants by providing point-of-sale systems as well as mobile payment solutions and inventory management software tools for modern operational adjustments. Several unorganised retail businesses underwent case study analysis as part of an examination into technological trends in their regions. Mobile payments together with digital wallet technology are amassing traction within small shop stores because these solutions help businesses both reduce transaction times and reach new clients. Platform tools that manage inventory alongside customer engagement tools boost business effectiveness and produce satisfied customers. The study preserves its positive focus on technology but stresses how limited digital literacy and funding and resistance to change stand in the way of extensive technological adoption. The authors advocate

for specialized training initiatives and affordable technological installations together with supportive governmental policies to support digital reforms in unorganized retail. The study demonstrates how technology acts as a fundamental growth catalyst and sustainability enhancer with practical recommendations aimed at retail digital divide elimination for stakeholders.

Chart: 1



Recommendations and Proposals

Organised retailers need to follow a strategy focused on their customers through personalized services combined with enhanced technological capabilities and better shopping environments according to the report. Managing employees necessitates training investments while improving assortments and developing loyalty programs. Throughout their buying journey modern consumers could be influenced by companies which showcase sustainability and ethical values. Organisations need to develop recurring feedback procedures which enable rapid adjustments to evolving customer desires.

Managerial Implications

Since the factors have varying levels of influence, businesses should prioritize the most impactful elements:

1. Convenience for Purchase and Store Space Availability ranked the highest, so retailers should optimize store layouts and accessibility.
2. Entertainment Value and Variety of Choices were also important, indicating that engaging shopping environments and diverse product offerings can enhance sales.
3. Reliability and Product Quality ranked lower, suggesting that while important, they may not be primary motivators for purchase decisions.

Conclusion

Customers' perception significantly influences the market success of organised retailers. When strategy matches customer expectations merchants can build a successful competitive position. The Friedman test confirms that different factors impact consumer purchasing behavior to varying degrees. Businesses should focus on **convenience, shopping environment, and entertainment value** to enhance customer experience and drive sales. Research demonstrates the necessity of comprehending customer perception influencers through providing retailers a framework to handle market challenges while identifying opportunities. Further research should explore how technological and cultural factors affect retail industry consumer conduct. The research outcomes deliver important insights that benefit the academic community together with practical industry applications. The research expands current knowledge in retail customer behaviors and management practices. This study delivers practical business recommendations that help structured merchants develop more effective strategies. Consumer perception insights will help merchants build better marketing as well as operational and customer service plans. Improved customer satisfaction together with increased client loyalty and financial results appear as potential by-products.

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