

A study of Customers perception in Retails sector of Saurashtra Region– A study of Kirana and Readymade Garment Retailers

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ABSTRACT

This is a precise analysis about the problems of Retail Traders in Saurashtra region of Gujarat state. The examination manages the issues of retailers and the difficulties that they confronted with regards to globalization. The most encouraging and blasting industry of future is retailing. Retailing involves a key position in the economies of all modern social orders. Any association pitching merchandise to conclusive purchasers takes part in retailing. Its products and ventures might be sold through a man, by post, by phone, candy machine or web. They are sold in a departmental store or on the asphalt of a street or in the shopper's home. This research covers the customers' perception and due to that the problems related to customers faced for financial crunch to Kirana and Readymade Garment Retailers in Saurashtra region.

1. Introduction

The development of Indian retail advertises is mostly because of the adjustment in the customers' conduct. This change has come in the shoppers because of different factors, for example, expanded pay, evolving ways of life, a substantial section of youthful populace, developing proficiency, a quickly expanding white collar class, developing urbanization and expanding media infiltration. In the meantime the retail segment is confronting parcel of difficulties, for example, absence of appropriate framework; exceptionally taught class doesn't consider retailing as a decision of calling, low ability level for retailing administration are the difficulties to Indian retail industry. Notwithstanding that characteristic complexity of retailing, for example, value varieties, consistent danger of item out of date quality and low edges make it a tireless industry which demonstrates unprecedented development yet less alluring for speculation.

Despite the fact that there is an extensive degree for advancement of retail division, it confronts parcel of difficulties which are considered as hindrance to the development of retail segment. An endeavor has been made in the exploration to think about the money related states of retail dealers, and the different monetary difficulties, showcasing issues, and administrative issues confronted by them in Saurashtra region of Gujarat state.

Retailing envelops the business exercises required in pitching products and enterprises to the purchaser for their own, family, or family unit needs which incorporates all scopes of buyer merchandise. Retailing is the last stage in the circulation procedure and influences each feature of life. "Retailing" has its starting points in the French verb retailer, which intends to cut up, and alludes to purchasing great? in bigger amounts and offering them in littler amounts. For instance, an accommodation store would purchase tins and beans in units of two-dozen boxes, yet offer in single-tin units.-

Retailing is the arrangement of business exercises that increases the value of the items and administrations sold to customers for their own or family utilize. Regularly, individuals consider retailing just as the offer of items in stores however it additionally includes the offer of administrations. There are numerous organizations that complete retailing actions that are

not themselves delegated retailers. For instance a processing plant may take part in retailing movement by offering "seconds" - quality merchandise in the shop connected to its assembling premises. Be that as it may, a retailer is not by any means the only sort of business element to 'break mass'. A distributor likewise purchases in bigger amounts and pitches them to their clients in littler amounts. It is the sort of client benefit as opposed to the action that recognizes a retailer from other distributive dealers. C. N. Sontaki in his course reading called attention to that "the retailer is one whose business is to pitch to customers a wide assortment of products which are amassed at his premises according to the necessities of last users". The expression "retail" infers deal for utilization as opposed to for resale or for additionally handling. A retailer is the last connection between the client and the entire merchant or producers, Go between encourage the dissemination procedure by giving products at showcasing indicates where merchandise are conveyed stock and are adjusted in their physical state accessible to clients in advantageous or practical areas. The vertical promoting framework conveniently portrays a more reasonable perspective of the retail business in created economies. *The past studies about retail sector are concluded as a part of literature study. The reviews can help the researcher to conclude analysis and study result.*

NabamitaDey, Dr. Devendra Kumar Pandey, Dr. Anil Vashisht (2016) proposed to quantify the customers' desire levels of administration quality in the retail area in contrast with their recognitions in the sorted out retail outlets in Gwalior district. It likewise means to discover the hole between the customers' desire to their impression of administration quality. The examination plan that was embraced for this specific paper was Descriptive Research to finish the investigation. Using a 'SERVQUAL' survey instrument this investigation was coordinated with purchasers from sorted out stores in Gwalior Region. With the assistance of a survey 120 respondents were requested to fill the inquiries using a straightforward arbitrary testing procedure in the sorted out retail locations areas. 'SERVQUAL' poll was essentially the exploration apparatus to gather the essential information. The Key finding of this examination expresses that the customers' desires are much more ahead than really what they got in the retail locations.

There was a reasonable hole which was distinguished in buyers' desire and their apparent administrations. There was certain need of online supply was recognized in the middle of the clients which should be satisfied by the retail locations.

UpasnaGoyal, AnandBansal (2016) remarked that in the time of advancement, privatization and globalization no immature or creating economy can guarantee its development in seclusion from the world created economies. Each economy needs to open up the boundaries for the remote nations to guarantee their expedient development and improvement. India being a creating economy does not have adequate budgetary assets to put on huge scale in huge modern activities. In this manner, the Foreign Direct Investment (FDI) is looked to be the main option accessible to guarantee the way of development and advancement. India is permitting FDI from remote countries in different divisions of which retail would one say one is? Retailing is known to be one of the most grounded mainstays of any creating and created economy, as significant lump of populace as a rule include in this division.. The Foreign Direct Investment (FDI) in retail started after India turned into the individual from World Trade Organization (WTO) in 1995. The present paper is an endeavor to dissect the patterns of FDI inflow by various nations in India and to consider the division particular patterns i.e. of FDI inflow in retail area. Different auxiliary information sources have been utilized to accomplish the targets.

2. Methodology

This research is carried out for knowing the customer related problems faced by the retailers of Kirana and readymade garment business in Saurashtra region. The study is taken for selected eleven districts of Saurashtra region and

the responses of retailers towards their problems regarding customers have been inquired. Total 800 respondents were inquired among them responses of two are rejected by the reliability analysis. Thus, the presented study is carried out for total 798 respondents of Kirana and Readymade garment business. The customer related problems are defined with eight different heads and are concluded.

3. Data analysis and results

3.1 Customers Paying After The Credit Period

The retailers have been reviewed for their collection after the credit period. The percentages of customers paying after the credit period in each business are presented in table 1.1.

TABLE 1.1 PERCENTAGES OF CUSTOMERS PAYING AFTER THE CREDIT PERIOD ALLOWED

Paying after Credit Period	Kirana	Ready Made Garments	Total
Below 15%	255	227	482
15% to 30%	88	93	181
30% to 50%	54	79	133
Above 50%	2	0	2
Total	399	399	798

The customers responses towards payment after recovery period given by retailers are classify for – below 15%, 15% to 30%, 30% to 50% and above 50% classes. Table 1.1 clears that 482 (60%) of the customers paying after credit period are for the category of below 15%. Among them 255 (53%) customers are recorded for Kirana retailing and 227 (47%) are for readymade garments business.

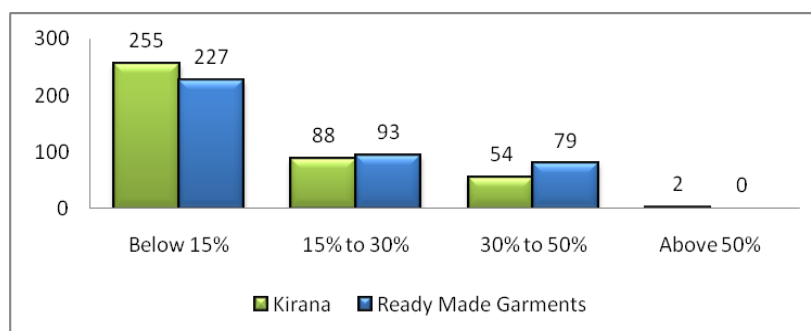


FIGURE 1.1 PERCENTAGES OF CUSTOMERS PAYING AFTER THE CREDIT PERIOD ALLOWED

Second category is defined for those customers who have paying after the credit period for 15% to 30%. It can be seen from the table that total 181 (23%) retailers are agreed with this category. Out of 181 retailers 88 (48.6%) are working in Kirana business and 93 (51.4%) are in readymade garment business. The third category is for 30% to 50% of customers paying after the credit period. The responses are 133 (16.67%) out of 798 total respondents. Total 54 (40.6%) respondents for Kirana retailing agreed out of 133 respondents. For readymade garments business 79 (59.4%) respondents out of 133 are agreed. The last category here two customers for Kirana business are paying after the credit period permitted but this are paying above 50%. The discussion shows that majority of customers are not repay the dues as per the span given to

them. This may cause the retailers to push them in financial crunch at long time.

3.2 BAD DEBTS IN SALES

The retail business in study region is more competitive for both the segments. Due to the higher competition the retailers are forced to doing business on credit. The customers have been given time for credit and they also allowed for late payment. These situations almost affect the retailers business.

The retailers are also analyzed for bad debts in sales. They are asked about the bad debts by classifying four different categories i.e. below 3%, 3% to 10%, 10% to 15% and above 15% of debt. Table 1.2 shows the details for their response.

TABLE 1.2 PERCENTAGES OF BAD DEBTS IN SALES

Bad Debts in Sales	Kirana	Ready Made Garments	Total
Below 3%	224	236	460
3% to 10%	98	115	213
10% to 15%	69	43	112
Above 15%	8	5	13
Total	399	399	798

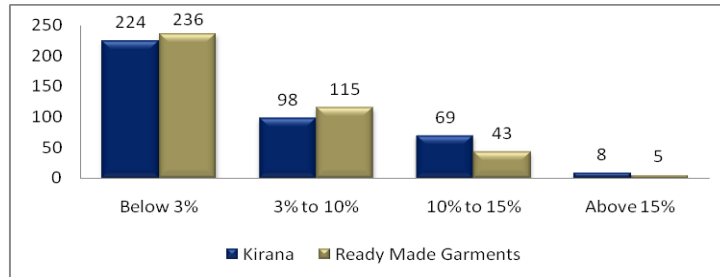


FIGURE 1.2 PERCENTAGES OF BAD DEBTS IN SALES

The retailers are computed for 3% and below. Both the retail sectors are computed with total 460 (57.6%) out of 798 respondents. The Kirana business is count with 224 (48.6%) of retailers who are facing problem with bad debt of 3% and lower. In case of readymade garment business 236 (51.7%) retailers suffered through the problem of bad debt of 3% and below. The second classification for bad debt considered for bad debt of 3% to 10%. For this category, 98 (46%) of respondents agreed of Kirana retailing out of 213 and 115 (54%) respondents of readymade garment business agreed that they are facing problem of bad debt between 3% to 10%. Total 213 (26.69%) respondents out of 798 respondents are responding for both the businesses for this category. Both the businesses are classified for bad debt of 10% to 15%. It is cleared from the table that 69 (61.6%) respondents of Kirana business face the problem of bad debt and 43 (38.4%) of readymade garments retailers are facing the problem of bad debt. The last category is defined for those customers who cause for the bad debt of more than 15% for both the

businesses. It is presented in table that total 13 (1.68%) respondents out of 798 are suffering through the bad debt more than 15% in retailing. Out of 13 respondents 8 (61.5%) are of Kirana business and 5 (38.5%) are associated with readymade garment business.

3.3 Cash Discount To Customer

The retail business is more sensitive in terms of cash transactions. In case of the higher discount offers to the customers they change their mindsets about purchase. Thus, the retailers have questioned about their discounting pattern under the heads of – below 3%, 3% to 5% and 5% to 15% of cash discount given to customers. The responses are recorded in table 1.3. The earning purpose is higher for the retailers in study region. It is shown in table 4.13 that 542 (67.92%) respondents out of 798 are offering discount below 3%. The Kirana retailer are 274 (50.5%) and 268 (49.5%) are of readymade garment business are computed under this head.

TABLE 1.3 PERCENTAGE OF CASH DISCOUNT TO CUSTOMER

Cash Discount to Customers	Kirana	Ready Made Garments	Total
Below 3%	274	268	542
3% to 5%	122	126	248
5% to 15%	3	5	8
Total	399	399	798

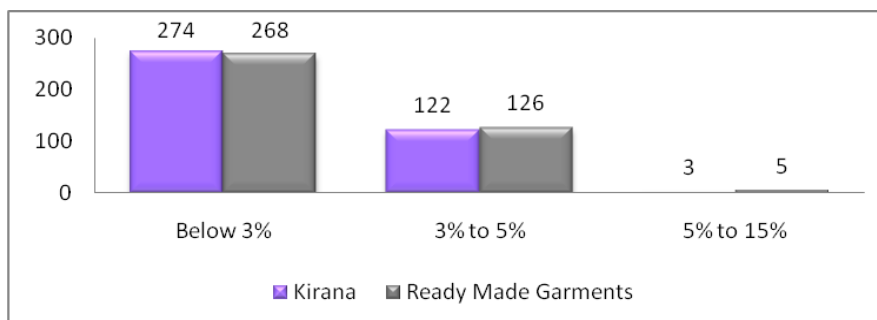


FIGURE 1.3 PERCENTAGES OF CASH DISCOUNT TO CUSTOMER

Those customers having offered discount of 3% to 5% are 248 (31.08%) of total respondents. The retailers of Kirana among them are 122 (49.19%) and 126 (50.81%) are of readymade garments retailing. The last head is considered for customers who have been offered discount of 5% to 15%. Total 8 (1%) of total retailers are counted under this head. Out of them 3 (37.5%) are agreed for Kirana and 5 (62.5%) are of readymade garments retailing.

3.4 SALES RETURN

The proportion of total sales return in annual sales affects the retail business. It causes the uncertainty in financial transactions. The retailers purchase from wholesalers and are doing their business. Once the sales returns from customer, may not accepted by wholesalers. This condition disturbs financial dealings and trade policies. The retailers of study region have been analyzed for sales return in annual sales and are presented in table 1.4

TABLE 1.4 PERCENTAGE OF SALES RETURN IN ANNUAL SALES

Sales Return in Annual Sales	Kirana	Ready Made Garments	Total
Below 5%	125	124	249
5% to 10%	193	199	392
10% to 15%	80	76	156
Above 15%	1	0	1
Total	399	399	798

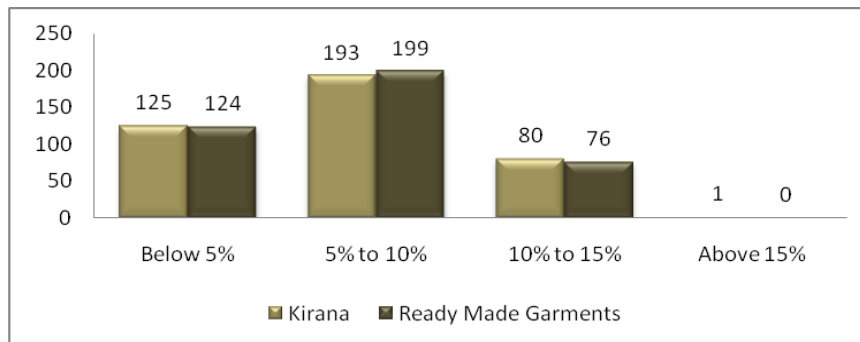


FIGURE 1.4 PERCENTAGE OF SALES RETURN IN ANNUAL SALES

The proportion of return sales during a year is defined under four heads – i.e. below 5%, 5% to 10%, 10% to 15% and above 15% of total sales. Table 1.4 presents particulars that major mass of customers return annual sales 5% to 10% of annual sales. Those who have return sales below 5% are 31.2% of total respondents. Among them 125 (50.2%) of respondents are dealing in Kirana business and 124 (49.8%) are connected with readymade garment business. Those who have return sales for 5% to 10% are 392 (49.12%) of total respondents. The Kirana retailers are computed 193 (49.2%) out of 392 respondents and 199 (50.8%) are of readymade garments retailers. The sales returned of 10% to 15% by customers are computed as 156 (19.55%) out of 798 retailers.

Among them 80 (51.28%) working for Kirana business and 76 (48.72%) are of readymade garment business. Those who have returned sales during year above 15% are count for Kirana business. One respondent agreed for the statement.

3.5 BEHAVIOR OF CUSTOMER IN RELATION TO PRICE OF THE PRODUCT

In general, customers have special attraction towards the price of the product. It is necessary to study the behavior of customer in relation to price of the product. The retailers of both types of businesses have been asked about the behavior of the customers. Table 1.5 presents the details for the same.

TABLE 1.5 BEHAVIOR OF CUSTOMER IN RELATION TO PRICE OF THE PRODUCT

Behavior of Customer	Kirana	Ready Made Garments	Total
Bargaining	102	108	210
Not Bargaining	218	218	436
Other	79	73	152
Total	399	399	798

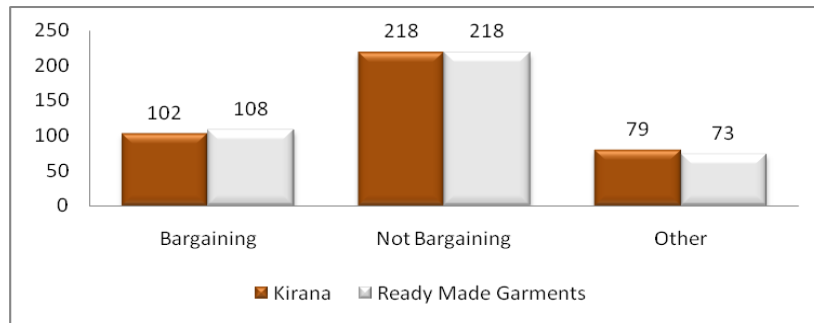


FIGURE 1.5 BEHAVIOR OF CUSTOMER IN RELATION TO PRICE OF THE PRODUCT

Total 210 retailers are agreed that the customers are bargaining while purchase. Among them 102 (48.5%) are of Kirana retailers and 108 (51.5%) are of readymade garments business retailer responds. On other hand most of the retailers are agreed that customers are not doing bargaining while purchase. They are 436 (54.6%) of total respondents. The proportion of respondents for both type of respondents are 218 (50%). Those customers who have satisfied with discount attraction and are doing transaction in other ways are 152 (19.08%) of total respondents. Among them 79 (51.9%) and 73

(48.1%) are count for Kirana and readymade garments businesses respectively.

3.6 INCOME LEVELS OF CUSTOMER

The retailers have been asked about the customers' income level, mostly who have visited their business. The responses are recorded in table 1.6. The particulars for income level are defined as – low income level, medium income level, high income level and all of the above.

TABLE 1.6 INCOMELEVELS OF CUSTOMER

Income Level	Kirana	Readymade Garments	Total
Low Income Level	48	42	90
Medium Income Level	143	135	278
High Income Level	0	2	2
All of the Above	208	220	428
Total	399	399	798

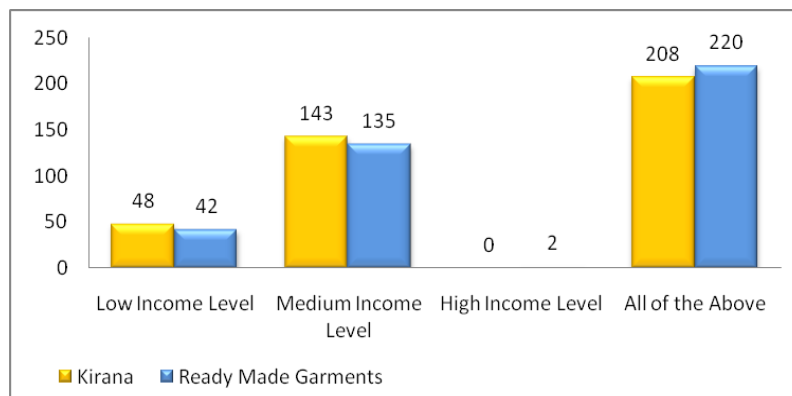


FIGURE 1.6 INCOME LEVELS OF CUSTOMER

Table 1.6 shows particulars about the income levels of customers. The lower level customers who have visited retails shows are count 90 (11.28%) out of 798 total respondents. The Kirana retailers are 48 (53.3%) and readymade garments are 42 (46.67%) of total respondents agreed for first category. The medium income level customers visits are computed 278 (34.84%) of total respondents. The Kirana retailers are 143 (51.44%) and readymade garments retailers are 135 (48.56%) are have the same opinion for middle income level customers. The third criterion is about the higher level customers. The retailers are inquired about them. There is no response for this category is given by Kirana retailers. The readymade garments

retailers agreed for two customers for higher income level. The mix response is given for all the categories by the retailers are covers in the last category. Total 428 (53.63%) of total respondents agreed that all income category level customers have visited their business. Out of total respondents 208 (48.59%) respondents of Kirana business and 220 (51.41%) respondents of readymade garments are agreed with this category.

3.7 NATURE OF TASTE AND FASHIONS OF CUSTOMER

The nature of taste and fashions of customers have been studied to assess the competition level of the retailers. The

main objective for this inquiry is to know about the awareness of the retailers towards the customers' perception for purchase.

TABLE 1.7 NATURE OF TASTE AND FASHIONS OF CUSTOMER

Nature of Taste and Fashions	Kirana	Ready Made Garments	Total
Constant	67	56	123
Highly Flexible	118	130	248
Moderate	214	213	427
Total	399	399	798

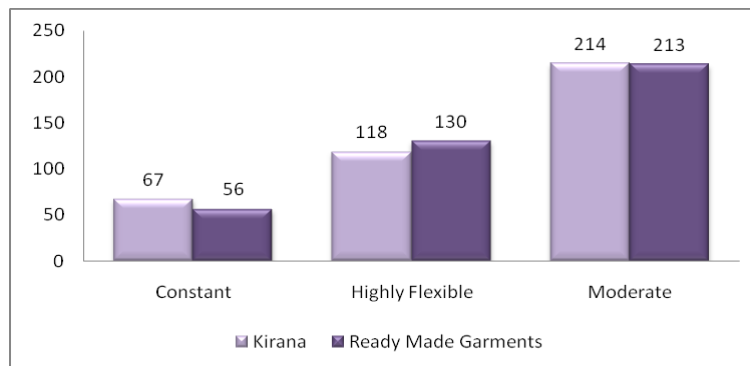


FIGURE 1.7 NATURE OF TASTE AND FASHIONS OF CUSTOMER

The nature of taste and fashions of customers is classified in three categories i.e. Constant, Highly Flexible and Moderate. In response of first category total 123 (15.41%) retailers are agreed. 67 (54.47%) of respondents of Kirana business are agreed for first category, while 56 (45.53%) of readymade garment retailers are agree giving their consent. Those customers who are highly flexible in nature of taste and fashions are rated by retailers – total 248 (31.08%) of total respondents. Among them 118 (47.58%) of Kirana retailing business persons and 130 (52.42%) of readymade garment merchants are agreed with the statement. Tradition and cultured nature of Saurashtra region covered in third category. The retailers have been asked about the moderate level of nature of taste and fashions of the customers. The responses

of retailer are getting highest for this category. Out of 798 total respondents 427 (53.91%) are agreed for this category. The responses of both type of retailers is similar for this category. Out of 427 respondents 214 (50.11%) and 213 (49.89%) respondents of Kirana and readymade garment retailers agreed respectively.

1.8 LEVEL OF TECHNICAL AWARENESS OF CUSTOMER

In view of technical awareness of customers, three categories are defined and questioned to the retailers about their level of technical awareness. What level of customers in terms of technical knowledge and used by the customer is reviewed.

TABLE 1.8 LEVEL OF TECHNICAL AWARENESS OF CUSTOMER ABOUT PRODUCT

Technical Awareness	Kirana	Ready Made Garments	Total
Fully Aware of	165	171	336
Not Aware of	103	103	206
Moderate Knowledge	131	125	256
Total	399	399	798

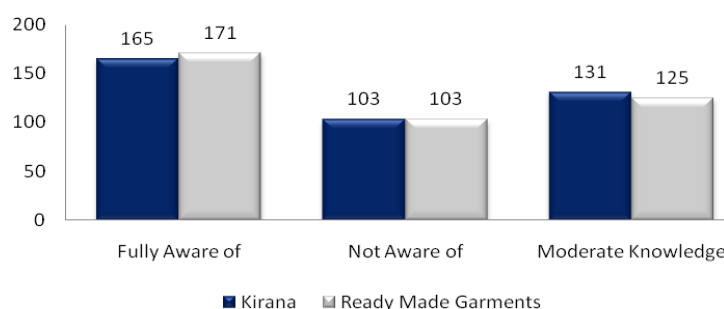


FIGURE 1.8 LEVEL OF TECHNICAL AWARENESS OF CUSTOMER ABOUT PRODUCT

The retailers have responded about the level of technical knowledge of the customers. The details for the same are presented in table 1.8 The first category gives details about the technical knowledge of customer those who are fully aware are 336 (42.11%) of the total respondents. Out of them 165 (49.1%) are associated with Kirana business and 171 (50.9%) are with readymade garment business. Those respondents who responded that customers are not aware about the technical updates are computed 206 (25.81%) out of 798 respondents. Among them the ratio is computed 50% for each of the business. The retailers are asked about the last category of the moderate level of customers about the technical awareness are 256 (32.08%) of total respondents. The Kirana retailers are 131 (57.17%) and readymade garments are 125 (48.83%) of total respondents having moderate knowledge according to the retailers point of view.

1.9 INFERENCE STATISTICS OF PROBLEMS RELATED TO CUSTOMERS

Table 1.9 presents inferential analysis for customer related problems faced by retailers. All the eight responses are classified in form of hypothesis are tested for variability test at 5% level of significance. The derived hypotheses are as follows:

H₀₁: Majority of retailers are not allowed the customers for paying after credit period

H₀₂: The retailers are not facing problems due to bad debts in sales.

H₀₃: The customers have been not given cash discount by the retailers

H₀₄: The retailers are facing problems of sales return in annual sales.

H₀₅: the retailers are facing problems because of behavior of customers in relation to price of products.

H₀₆: The income level of customer does not affect retailers.

H₀₇: The nature of taste and fashions of the customer affects retail business in Saurashtra region.

H₀₈: The customers are not technically aware about the products.

Each hypothesis concluded with help of F-value and 5% significance level value. Higher value of F-test than significance value reject the null hypothesis and lower value of F-test than significance accept the hypothesis. Table 1.9 concludes the value for between the retailers group and the impact of results within the group of kirana and readymade garment retailers.

		SS	df	MSS	F	Sig.
Percentage of customers paying after the credit period allowed	Between Groups	0.061	1	0.061	0.093	0.76
	Within Groups	524.02	796	0.658		
	Total	524.08	797			
Percentage of Bad Debts in Sales	Between Groups	0.061	1	0.061	0.079	0.778
	Within Groups	615.19	796	0.773		
	Total	615.25	797			
Percentage of Cash Discount to Customer	Between Groups	0.08	1	0.08	0.331	0.565
	Within Groups	192.58	796	0.242		
	Total	192.66	797			
Percentage of Sales Return in Annual Sales	Between Groups	0.031	1	0.031	0.063	0.803
	Within Groups	398.59	796	0.501		
	Total	398.62	797			
What is the behavior of customer in relation to price of the product?	Between Groups	0.18	1	0.18	0.402	0.526
	Within Groups	357.60	796	0.449		
	Total	357.78	797			
What is the income level of Customer?	Between Groups	1.283	1	1.283	0.96	0.327
	Within Groups	1063.58	796	1.336		
	Total	1064.87	797			
Describe the nature of taste and fashions of the customer	Between Groups	0.125	1	0.125	0.23	0.632
	Within Groups	434.06	796	0.545		
	Total	434.19	797			
What is the level of technical awareness of customer about your product	Between Groups	0.18	1	0.18	0.246	0.62
	Within Groups	583.79	796	0.733		
	Total	583.98	797			

The first hypothesis resulted for acceptance as the computed F- value (0.093) is lower than the significance value (0.76). It can be said that majority of retailers are not allowed the customers for payment after given paying credit period.

Second hypothesis is derived for the bad debts and related problems due to bad debts. The result F – value (0.079) is computed lower than 5% significance value (0.778). It accepts the null hypothesis. Thus, it is concluded that the rattlers are not facing problems due to bad debts in annual sales. The results for the third hypothesis also computed in acceptance form. The F- value is calculated 0.331 and the 5% level significance value is computed as 0.565. Thus, the null hypothesis is accepted at 5% significance value 0.803. It shows that the customers have been not given cash discounts by the retailers.

Fourth hypothesis is laying down for testing the problems of sales return in annual sales. The result of F-value is calculated 0.063 against 5% significance value 0.803. It accepts the null hypothesis. So it is concluded that the retailers are facing problems of sales return in annual sales. The fifth statement of hypothesis is concluded in favor of acceptance the null hypothesis. The null hypothesis is derived for the

behavior of customer in relation to price of products. The computed F- value 0.402 is lower than the 5% level significant value 0.526. Thus, it can be said that the retailers are facing problems because of behavior of customers in relation to price of products. The sixth hypothesis is tested for knowing the income level of customers and its impact on retailers business. The F- value is computed 0.96 which is higher than the significant level value 0.327. Thus, the null hypothesis is rejected at 5% level of significance. It is concluded that the income level of customers affects the retailers business.

The next hypothesis is given an overview about the nature of taste and fashions of the customer and their effect on retail sector business in Saurashtra region. The hypothesis is accepted at 5% level of significance as the computed F- value (0.23) is lower than the significance value (0.632) in table 4.20. The last statement is derived to know about the technical awareness of customers for products. The null hypothesis is accepted at 5% significance level. Thus, it is concluded that the customers are not technically aware about the products.

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