



Shodhpith

International Multidisciplinary Research Journal

(International Open Access, Peer-reviewed & Refereed Journal)
(Multidisciplinary, Bimonthly, Multilanguage)

Volume: 1

Issue: 4

July-August 2025

A Study on Retail Services Quality in Organized and Unorganized Retail Stores with Reference to Delhi & NCR

Hakikat Ali

Research Scholar, Department of Management, Shri Venkateshwara University, Gajroula, Amroha, U.P.

Dr. Swati Agarwal

Professor, Department of Management, Shri Venkateshwara University, Gajroula Amroha U.P.

Abstract

The major aspect of the study is to find out the consumer behavior towards organized & unorganized retail sector. The tool used to collect the data from respondents is questionnaire method. The study shows the weak factor for organized are the fast service, home delivery, location and relationship factors also meat quality is not good as per the respondents. These factors are to be taken care of for the growth in business. The strong factors for organized sector are discounted price, offers, variety, one stop solution, service, ambience and parking. These factors are attracting the customers also making huge preference and the store cleanliness is very good, very good regular prices, quality of product, bakery products, milk products are also of very good quality.

Keywords: consumer behavior, organized & unorganized retail sector, questionnaire.

1. Introduction

Retail markets and shops have a very ancient history, dating back to antiquity. Retailing involves the process of selling consumer goods or services to customers through multiple channels of distribution to earn a profit. Retailers satisfy demand is identified through a supply chain. Any organization selling to final consumers whether it is a manufacturer, wholesaler or retailer-is doing retailing. It does not matter how the goods or services are sold (by person, mail, telephone, vending machine, or internet or where they are sold-in a store, on the street, or in the consumer's home). A Retailer thus, provides value creating functions like assortment of products and services to the consumers, breaking bulk, holding inventory and provides services to consumers, manufacturers and wholesalers. Retailing broadly involves: a) Understanding the consumers needs b) Developing good merchandise assortment and c) Display the merchandise in an effective manner so that shoppers find it easy and attractive to buy. Retailing thus, may be understood as the final step in the distribution of merchandise, for consumption by the end consumers. Put simply, any firm that sells products to the final consumer is performing the function of retailing. It thus consists of all activities involved in the marketing of goods and services directly to the consumers, for their personal, family or household use.

2. Characteristics of Retailing

Retailing can be distinguished in various ways from other business activities. It has following characteristics: There is a direct end-user interaction in retailing. It is the only point in the value chain to provide platform for promotions. Sales at the retail level are generally in small unit sizes. Location is a critical factor in retail business. In most retail business, services are as important as core products. There are a larger number of retail units compared to other members of the value chain. This occurs primarily to meet the requirements of geographical coverage and population density.

3. Retailing in India

The concept of retail as entertainment came to India with the advent of Shopping malls. Shopping malls emerged in the urban areas giving a world-class experience to the customers. Eventually hypermarkets and supermarkets emerged. The evolution of the sector includes the continuous improvement in the supply chain management, distribution channels, technology, back-end operations, etc. This would finally lead to more of consolidation, mergers and acquisitions and huge investments.

4. Unorganized retailing/traditional retailing

According to the National Accounts statistics of India „the unorganized sector includes units whose activity is not regulated by any statute or legal provision, and/or those, which do not maintain regular accounts. In the context of retail sector, it could therefore be said to cover those forms of trade which sell an assortment of products and services ranging from fruits and vegetables to shoe repair. These products or services may be sold or offered out of a fixed or mobile location and the number of people employed could range between 10-20 people. Thus, the traditional formats of low-cost retailing, for example, the neighborhood baniya, the local kirana shop, owner manned general stores, provision stores, flea (Thadi) markets, hand cart and pavement vendors, the vegetable, fruit vendor, Mom and Pop Stores, local sabjimandi, weekly haats, general readymade garment shop or a footwear shop, general electronic shop etc. the, the paanwala, the cobbler, etc. would be termed as the unorganized sector.

5. Organized or modern retailing

Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. Organised retailing was absent in most rural and small towns of India in 2010. Supermarkets and similar organised retail accounted for just 4% of the market. Most Indian shopping happens in open markets or numerous small grocery and retail shops. These include the corporatebacked hypermarkets and retail chains, departmental store, discount stores, drug stores, factory outlets, and also the privately owned large retail businesses.

LITERATURE REVIEW

According to Ms. R. Lavanya and Nadar Saraswathi, as per the paper The growth in the Indian organized retail sector is mainly because of change in the consumer's behavior. consumer prefer the place where he can get food, entertainment and shopping all less than one roof. Majority of the consumers are visiting organized formats for variety, easy availability, cleanliness with additional facility of entertainment for children and convenient parking facility and restaurant etc. Both organized as well as unorganized retailers need to add value added services to make the shopping experience more comfortable and value oriented.

1 “ According to Prof. Kalpan Singh, as per the paper The size of India's retail industry is expected to more than double to \$1.3 trillion by 2035. Further organized retails penetration in India's total retail is on increase. Recent policy changes and greater external liberalization of retail sector will bring many more foreign retailers to India. It is expected that FDI will accelerate the growth of organized



retail. India's huge population with large proportion of young, increasingly brand- and fashion-conscious population, high potential growth in consumer expenditure, growing middle class are some of the factors due to which the macro trends for the sector looks favorable. Among organized retail segments, Mass Grocery and Apparel are segments growing faster than other segments. In next few years, multi-brand organized retail is expected to expand in specialty stores such as Consumer Electronics, Footwear, Furniture and Furnishing etc

2 “According to Dr. Rajesh c. The paper focuses on retail service quality that contributes to customer satisfaction. Service quality has drawn attention of researcher in recent years. Service quality within the organized retailing is pivotal for satisfying customers. By satisfying customers with quality service, business firms are expanding their market shares. The objective of the study is to analyze the service quality of the organized retail store that contributes to the customer satisfaction in Delhi & NCR.

Objective

- To study the association between the organized and unorganized sector.
- To study of influence of organized and unorganized retail sector on consumer.
- To study the factors influencing the consumers to buy from organized retailers than from unorganized retailers
- To study the nature and trends in buying patterns of customers.
- To study the perception of customers towards organized and unorganized retailers.
- To understand the developments in this sector with reference to business point of view.

Scope

- The study will highlight the strength of both the retail sector.
- This project will be helpful to understand the perception of customers towards organized and unorganized retail sector.
- The retailers will get to know the pitfalls in their business.

HYPOTHESIS

Null Hypothesis: There is no significant difference in organized and unorganized retail sector.
Alternative Hypothesis: There is significant difference between organized and unorganized retail sector.

RESEARCH METHODOLOGY

Sampling. Sample space : Delhi & NCR
Sampling method: Convenience

Data Collection

Primary Data: Primary data has been collected through questionnaire by conducting interviews with the correspondents.

II. Secondary Data: Secondary data is collected was done with the help of Google Form from books and various websites on the internet.

Data Analysis

Ranks									
Companies	1	2	3	4	5	6	7	8	9
Big Bazar	25	7	10	4	1	0	1	1	1
reliance fresh	13	28	3	1	1	1	0	1	2
Apna Bazar	6	7	19	10	2	1	2	3	0
Star Bazar	3	3	12	14	10	6	0	1	1
Subhiksha	0	0	1	10	15	11	6	3	4
Shoprite	0	1	1	2	9	15	13	6	3
Lifestyle	1	2	1	4	6	8	18	8	4
pantaloons	2	1	3	3	3	4	9	20	5
Globus	0	1	0	2	3	4	1	9	30

Parameters	Excellent	Very good	Average	Fair	Poor
Discounted Price	16	25	8	1	0
Quality	16	30	3	1	0
Variety	26	20	2	1	1
Location	15	11	12	7	5
Service	16	21	8	5	0
One stop	24	20	4	2	0
Offers	11	24	8	5	2
Relationship	10	27	9	4	0
Ambience	20	21	5	4	0
Home Delivery	7	13	12	7	11
Faster	14	16	13	6	1
Parking	23	13	10	2	2

FINDINGS

A. Findings.

- The organized retail sector is growing and the consumers are more preferring this sector over the unorganized retail sector.
- Based on preference of one stop, cleanliness, discounted price, variety of product is very good in organized sector.
- The unorganized sector is strong but due to fast life there is a need to adapt some parameters of organized sector, which are providing over unorganized so that the consumer will not get attracted towards organized sector.
- There are certain factors like home delivery, fast service that is lacking in both the sectors so there is need give these services to customer for the growth.
- The unorganized sector is not that much impacted but in coming years might see the impact. Consumers are inclining towards the organized sector.

CONCLUSION

This study explores the various areas of organized retail sector where they have to focus in order to increase their market also the strong factors which are already adopted. The study shows the weak factor for organized are the fast service, home delivery, location and relationship factors also meat quality is not good as per the respondents. These factors are to be taken care of for the growth in business. The strong factors for organized sector are discounted price, offers, variety, one stop solution, service, ambience and parking. These factors are attracting the customers also making huge preference and the store cleanliness is very good, very good regular prices, quality of product, bakery products, milk products are also of very good quality.

Author's Declaration:

The views and contents expressed in this research article are solely those of the author(s). The publisher, editors, and reviewers shall not be held responsible for any errors, ethical misconduct, copyright infringement, defamation, or any legal consequences arising from the content. All legal and moral responsibilities lie solely with the author(s).



Reference

1. Ms.R.Lavanya,Jan-Feb 2016,A study on “consumer behaviour in organized and unorganized retail outlet” at theni district- a comparative analysis ,Journal of Commerce,Business and Management.
2. Prof. Kalpana Singh, April 2014, Retail Sector in India: Present Scenario, Emerging Opportunities and Challenges, IOSR Journal of Business and Management.
3. Meena Rajesh, Challenges and Opportunities Faced by Organized Retail Players in Nagpur City. Twelfth AIMS International Conference on Management .
4. Dr. Rajesh c. Jampala, Mr. M. Dhaduryanaik, July 2016, A study on retail service quality in organised retailing.

Cite this Article-

'डॉ० नवल किशोर बैठा,' 'महात्मा गाँधी राष्ट्रीय ग्रामीण रोजगार गारण्टी योजना की सार्थकता (बिहार के सन्दर्भ में)', Shodhpith International Multidisciplinary Research Journal, ISSN: 3049-3331 (Online), Volume:1, Issue:04, July-August 2025.

Journal URL- <https://www.shodhpith.com/index.html>

Published Date- 12 July 2025

DOI-10.64127/Shodhpith.2025

