PROBLEMS OF RETAILERS AND CUSTOMERS IN THANJAVUR TOWN

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Abstract

The retail scenario is one of the fastest growing industries in India over the last couple of years. Indian retail sector comprise of organized and unorganized retail sector. Traditionally the retail market in India was largely unorganized; however with changing consumer preferences, organized retail is gradually becoming popular. Unorganized retailing consists of small and medium grocery store, medicine stores, mandi, etc. More than 90 per cent of retailing in India fall into the unorganized sector. The organized sector is largely concentrated in big cities. Organized retail in India is expected to grow 25-30 per cent yearly. The present study deals with food and grocery retail segment. The primary data were collected from 50 retailers and 50 customers in Thajavur Town.

Key words: Retailing, organized retailing, unorganised retailing, Indian retail industry, etc.

1. Introduction

Retailing is the activity of selling goods and services to a final consumer. Retailing is all about distributions of goods and services. Retailers form the link between the manufacturers, wholesalers, agents and the customers. They are the persons who keep in touch with the customers and get an opportunity to understand their needs and preferences. The retails sector in India is with nesting unparalleled growth, unmatched demographics, raising income levels, shifting life styles and changing as potations of the burgeoning middleclass has unleashed a retail revolution in the country. Fresh retail geographic is emerging innovation formats are tapping new customer segments with products offerings.

2. Review of literature

Sunitha Sikri and Dipti Wadhwa (2012) stated that retailing is one of the pillars of the India economy. Over the past five years, the retail sale in India is covering around 33-35 per cent of GDP compared to 20 per cent in the US. The main objectives of the study are: to study the popular retail formats; and to study the growth events of Indian retail sector. The authors have pointed out that domestic players are selectively growing in India.

Bhaskar and Harshitha (2013) made an attempt to study the various strategies, trends and opportunities in retailing; and to study the recent trends in Indian retailing industry and its challenges and opportunities. The study concluded that the retail sector has played a phenomenal role through the world in increasing productivity of consumer goods and services.

Anuratha (2014) stated that consumer taste and preference are changing leading to radical alteration in life styles and spending patterns which in turn is giving rise to new business opportunities. The main objectives of the study are: to study the retail formats; to study the challenges impacting the retail sector; and to study the opportunities available and future of the retail sector. The author pointed out that the sales tax rates vary from state to state, while organised players have to face a multiple point control and system there is considerable sales tax evasion small stores.

3. Statement of the problem

In this competitive world, we can see many problems in marketing of any product or service. Some problems can be solved, but so many problems may not be solved. India is a developing country and retail marketing is an important one to develop a country's economy. Retailers, who are connecting link between the producer and consumer, face many problems to market their products from various dimensions. At present the customers have certain exceptions from the items they purchases such as its quality, price, goods and services, etc. Hence, there is a need for a research work in the field of problems if retail marketing in the point of view of retailers and customers as well.

4. Objectives of the study

1. To ascertain the problems of retailers in Thanjavur town.

2. To analysis the problems in retail business in Thanjavur town.

3. To assess the level of satisfaction of customers towards retailing services in Thanjavur town.

5. Methodology

The study is an empirical research based on survey method. The study is confined to Thanjavur town and a sample of 50 retailers and 50 customers. Convenience sampling method is employed for data collection from both retailers and customers. The schedule method was used to collect primary data relating. The secondary data have been collected from various new books, magazines, journals, newspapers and websites. The collected data have been analysed with the help of simple percentage analysis.

6. Analysis and interpretations

TABLE 1

Overall Satisfaction Level of Customers towards Retailing Service

Satisfaction Level	No. of Respondents	Percentage
High	20	40
Moderate	18	36
Low	12	24
Total	50	100

It is found that 40 per cent of the respondents highly satisfied, 36% of the respondents moderately satisfied and 24 per cent of the respondents are less satisfied with regard to services offered by the retailers.

TABLE 2

Respondents' Problems relating to Employees

S.No.	Reasons	No. of Respondents	Percentage
1	Untrained employees	12	24
2	Laziness of the employees	06	12
3	Lack of reliability	13	26
4	Irresponsible approach with customers	12	24
5	Poor co-operation with co-workers	07	14
Total		50	100

Source: Primary Data

Out of 50 respondents, 26 per cent of the respondents have lack of reliability with the employees. 24 per cent of the respondents' opinion is that the employees are untrained. Irresponsible approach, poor co-operation with co-worker and laziness are the problems of the respondents with the employees at 24%, 14% and 12% respectively.

TABLE 3

Respondents' Problems relating to Customers

S.No.	Problems	No. of Respondents	Percentage
1	Over bargaining	06	12
2	Expecting discount and offers	10	20
3	Seeking credit facility	05	10
4	Bad debts	24	48
5	Hard in approach	2	4
6	Misbehaviour	3	6
	Total	50	100

Source: Primary Data

The above table reveals that over bargaining, expecting discount and offers, seeking credit facility, bad debts, hard in approach and misbehaviour are the problems of consumers at 12%, 20%, 10%, 48%, 4% and 6% respectively.

TABLE 4

Respondents' Problems relating to Dealers

S.No.	Reasons	No. of Respondents	Percentage
1	Price variation	11	22
2	Delay in delivery	4	8
3	Poor market information	3	6
4	Irregular motivation in terms of award and gift	4	8
5	Poor credit facility	9	18
6	Low profit margin	10	20
7	Supply of out dated products	7	14
8	Poor delivery	2	4
	Total	50	100

Source: Primary Data

Price variation, delay in delivery, poor market information, irregular motivation in terms of award and gift, poor credit facility, low profit margin and supply of outdated products are the problems relating to dealers at 22%, 8%, 6%, 8%, 18%, 20%, 14% and 4% respectively.

TABLE 5
Problems in Terms of Finance

S.No.	Reasons	No. of Respondents	Percentage
1	Unavailability of loan	4	8
2	Requirement of more working capital	11	22
3	Limited credit period form dealers	7	14
4	Limited financial resources	20	40
5	Poor recovery of accounts receivable	8	16
Total		50	100

Source: Primary Data

Out of 50 respondents, 40 per cent of them are having limited financial resources, 22 per cent of them required more working capital, 16 per cent of them are having poor recovery of accounts receivable, 14 per cent of the respondents belong to limited credit period from dealers to 8 per cent of the respondents are unable to avail loan.

TABLE 6

Age and Satisfaction towards Retailing Service

Age	Level of Satisfaction						Total	Percentage
	Low	Percentage	Moderate	Percentage	High	Percentage		
Below 30	5	18.5	9	33.33	13	48.14	27	100
31 to 40	4	22.22	9	50	5	27.78	18	100
Above 40	1	20	3	42	1	38	5	100
Total	10	20	21	42	19	38	50	100

Source: Primary Data

From the above table is found that 48.14 per cent of the respondents belonging to the age group below 30 years are highly satisfied. 22.22 per cent of the respondents of age group between 30 to 40 years are less satisfied. 42 per cent of the respondents are belonging to age group above 40 years are moderate satisfied.

TABLE 7

Gender and Satisfaction towards Retailing Service

Gender	Level of Satisfaction						Total	Percentage
	Low	Percentage	Moderate	Percentage	High	Percentage		
Male	5	25	8	40	7	35	30	100
Female	5	16,67	13	43.33	12	40	30	100
Total	10	20	21	42	19	38	50	100

Source: Primary Data

About 40 per cent of the female respondents are highly satisfied. It is also found that 25 per cent of the male respondents are less satisfied.

TABLE 8

Education and Satisfaction towards Retailing Service

Education	Level of Satisfaction						Total	Percentage
	Low	Percentage	Moderate	Percentage	High	Percentage		
School level	2	28.6	3	42.9	2	28.6	7	100
College level	7	20.58	11	32.35	16	47.05	34	100
Professional	1	12.5	6	75	1	12.5	8	100
Illiterate	0	0	1	100	0	o	1	100
Total	10	20	21	42	19	38	50	100

Source: Primary Data

About 47.05 per cent of the respondents who have college level education are highly satisfied. 75 per cent of the respondents having professional qualification are moderately satisfied. About 28.6 per cent of the respondents who have school education are less satisfied.

TABLE 9

Occupation and Satisfaction towards Retailing Service

Occupation	Level of Satisfaction							
	Low	Percentage	Moderate	Percentage	High	Percentage	Total	Percentage
Business people	2	16.67	3	25	7	58.33	12	100
Government Employees	2	33.33	1	16.67	3	50	6	100
Private employees	4	15.38	15	57.69	7	26.92	26	100
Professionals	2	33.33	2	33.33	2	33.33	6	100
Total	10	20	21	42	19	38	50	100

Source: Primary Data

From the table it can be seen the majority of 58.33 business people are highly satisfied. 57.69 per cent of the private employees are moderately satisfied. 33.33 of respondents of government employees and professionals are less satisfied.

TABLE 10

Income and Satisfaction towards Retailing Service

Annual Income (Rs.)	Level of Satisfaction							
	Low	Percentage	Moderate	Percentage	High	Percentage	Total	Percentage
Below 50000	6	23.08	7	26.92	13	50	26	100
50001-100000	3	23.08	7	25.84	3	23.08	13	100
Above 100000	1	9.09	7	63.63	3	27.28	11	100
Total	10	20	21	42	19	38	50	100

Source: Primary Data

From the above table it is found that out of 50 respondents, 50 per cent of the respondents having annual income of below Rs. 50000 are highly satisfied. 63.63 per cent of respondents having annual income above Rs.100000 are moderately satisfied and 23.08 per cent of the respondents having annual income Rs.50000 - 100000 are less satisfied.

7. Findings

1. 40 per cent of the respondents highly satisfied, 36% of the respondents moderately satisfied and 24 per cent of the respondents are less satisfied with regard to services offered by the retailers.

2. Out of 50 respondents, 26 per cent of the respondents have lack of reliability with the employees. 24 per cent of the respondents' opinion is that the employees are untrained. Irresponsible approach, poor co-operation with co-worker and laziness are the problems of the respondents with the employees at 24%, 14% and 12% respectively.

3. Over bargaining, expecting discount and offers, seeking credit facility, bad debts, hard in approach and misbehaviour are the problems of consumers at 12%, 20%, 10%, 48%, 4% and 6% respectively.

4. Price variation, delay in delivery, poor market information, irregular motivation in terms of award and gift, poor credit facility, low profit margin and supply of outdated products are the problems relating to dealers at 22%, 8%, 6%, 8%, 18%, 20%, 14% and 4% respectively.

5. Out of 50 respondents, 40 per cent of them are having limited financial resources, 22 per cent of them required more working capital, 16 per cent of them are having poor recovery of accounts receivable, 14 per cent of the respondents belong to limited credit period from dealers to 8 per cent of the respondents are unable to avail loan.

6. 48.14 per cent of the respondents belonging to the age group below 30 years are highly satisfied. 22.22 per cent of the respondents of age group between 30 to 40 years are less satisfied. 42 per cent of the respondents are belonging to age group above 40 years are moderate satisfied.

7. About 40 per cent of the female respondents are highly satisfied. It is also found that 25 per cent of the male respondents are less satisfied.

8. About 47.05 per cent of the respondents who have college level education are highly satisfied. 75 per cent of the respondents having professional qualification are moderately satisfied. About 28.6 per cent of the respondents who have school education are less satisfied.

8. Suggestions

1. Most of the retailers are suffering from the problem of bad debts. It is suggested that the retailers should maintain friendly relationship with their customers. The credit sales are to be allowed only to the regular customers.

2. The banks should provide financial facility to the retailers who are financially week.

3. The retailers and employees should try to follow ethics in price situation and avoid the variation in fixing price failure of which could dampen their business growth in a long run.

9. Conclusion

Retail is clearly the sector that is poised to show the highest growth in the next five years. The sector is set for a revaluation as both present players and new entrants are gearing up to explore the market. The central and state government need to engage activity with the sector and utilize it potential for over all economic development.

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