



A COMPARATIVE STUDY OF CONSUMER PREFERENCES TOWARDS RETAIL AND WHOLESALE MEGA STORES

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Abstract

The retail and wholesale sectors are undergoing significant transformation due to changing consumer lifestyles, increasing purchasing power, digitalisation, organised retailing and the expansion of mega stores. Consumers today have access to multiple formats, ranging from retail mega stores that cater primarily to household and individual requirements to wholesale mega stores that offer products in larger quantities, often at competitive prices. This study makes a comparative assessment of consumer preferences towards retail and wholesale mega stores, with particular emphasis on price, product variety, quality, convenience, store location, promotional offers, bulk purchase benefits, customer service and shopping experience. The study adopts a descriptive research design and uses primary data collected through a structured questionnaire from 150 respondents. The illustrative analysis indicates that retail mega stores are preferred for convenience, smaller quantities and frequent household purchases, whereas wholesale mega stores are preferred for bulk buying, price advantages and business-related purchases. The findings suggest that both formats have distinct competitive strengths and that consumer preference depends largely on the purpose, quantity and frequency of purchase. The study provides useful implications for retailers and wholesalers seeking to improve customer satisfaction and strengthen their market position.

Keywords

Consumer Preference; Retail Mega Stores; Wholesale Mega Stores; Organised Retail; Bulk Purchasing; Price; Product Variety; Shopping Behaviour.

1. Introduction

The retail sector plays an important role in connecting producers and consumers and contributes substantially to employment, consumption and economic activity. The emergence of organised retail and large-format stores has changed traditional shopping behaviour by providing consumers with a wide assortment of products under one roof. Retail mega stores generally focus on household consumers and provide convenient access to groceries, apparel, personal care products, home products and other consumer goods.

Wholesale mega stores, in contrast, are designed to serve retailers, institutions, small businesses and consumers who purchase products in relatively large quantities. Their competitive proposition is generally based on bulk purchasing, economies of scale, competitive prices and a broad product assortment. The distinction between retail and wholesale formats is becoming less rigid as modern consumers increasingly compare prices and benefits across different channels.

Consumer preference is influenced by both functional and experiential factors. Price remains important, but convenience, quality, availability, location, store atmosphere, payment facilities, promotions and service also influence purchase decisions. Understanding these preferences is essential for mega-store operators because customer expectations differ according to income, occupation, family size, purchase purpose and shopping frequency.

2. Statement of the Problem

The rapid growth of organised retail has provided consumers with a wide range of shopping alternatives. Although retail and wholesale mega stores offer similar product categories, their value propositions differ in terms of quantity, price, convenience and target customers. Consumers may prefer retail mega stores for routine household shopping while choosing wholesale mega stores for bulk purchases. However, there is a need to systematically compare the factors that influence consumer choice between the two formats. This study therefore examines the preferences of consumers towards retail and wholesale mega stores and identifies the major factors determining their choice.

3. Objectives of the Study

To examine consumer preferences towards retail and wholesale mega stores.

To compare the major factors influencing consumer choice between retail and wholesale mega stores.

To analyse consumer perceptions regarding price, quality, variety, convenience and promotional offers.

To identify the reasons for preferring retail mega stores and wholesale mega stores.

To provide suggestions for improving customer satisfaction and competitiveness in mega-store formats.

4. Research Hypotheses

H0: There is no significant difference between consumer preferences towards retail and wholesale mega stores.

H1: There is a significant difference between consumer preferences towards retail and wholesale mega stores.

5. Scope of the Study

The study focuses on consumers who purchase products from organised retail and wholesale mega stores. It covers perceptions relating to price, product variety, quality, convenience, location, promotions, bulk purchase benefits, customer service and overall shopping experience. The study is designed as an illustrative academic research study and may be extended to specific cities, districts or store chains with field-level data.

6. Research Methodology

Research Design: The study follows a descriptive and comparative research design.

Sources of Data: Primary data are assumed to be collected through a structured questionnaire. Secondary information may be obtained from books, journals, reports, newspapers and relevant retail-industry literature.

Sample Size: 150 respondents.

Sampling Method: Convenience sampling is used for the illustrative analysis.

Study Area: Bengaluru, Karnataka.

Tools for Analysis: Percentage analysis, weighted preference analysis and comparative interpretation are used. The numerical results below are illustrative and should be replaced with actual survey results when field data are available.

7. Demographic Profile of Respondents

Category	Group	No. of Respondents	Percentage
Age	18–25 years	38	25.3%
	26–35 years	47	31.3%
	36–45 years	39	26.0%
	Above 45 years	26	17.4%
Gender	Male	78	52.0%
	Female	72	48.0%
Monthly Income	Below ₹25,000	31	20.7%
	₹25,000–₹50,000	56	37.3%
	₹50,001–₹75,000	38	25.3%
	Above ₹75,000	25	16.7%

8. Consumer Preference Between Retail and Wholesale Mega Stores

Store Format	Respondents	Percentage
Retail Mega Stores	92	61.3%
Wholesale Mega Stores	58	38.7%
Total	150	100%

The illustrative results show that 61.3% of respondents prefer retail mega stores, while 38.7% prefer wholesale mega stores. Retail mega stores appear to have an advantage for routine household shopping and convenience, while wholesale mega stores attract consumers who value bulk purchasing and price benefits.

9. Factors Influencing Preference

Factor	Retail Mega Store – Preferred	Wholesale Mega Store – Preferred
Price	Moderate	High
Product Variety	High	High
Convenience	Very High	Moderate
Bulk Purchase Benefit	Moderate	Very High
Promotional Offers	High	High
Store Location	Very High	Moderate
Quality	High	High
Customer Service	High	Moderate
Shopping Experience	Very High	Moderate

10. Reasons for Preference

Reason	No. of Respondents	Percentage
Convenient location	29	19.3%
Competitive prices	27	18.0%
Product variety	25	16.7%
Promotional offers	20	13.3%
Quality and freshness	18	12.0%
Bulk purchase benefits	17	11.3%
Customer service	14	9.4%
Total	150	100%

11. Comparative Analysis

Retail mega stores are primarily attractive to consumers seeking convenience, accessibility and the ability to purchase products in smaller quantities. Consumers may also value the shopping environment, product presentation, customer service and promotional schemes offered by retail formats.

Wholesale mega stores are more attractive when consumers or business buyers need larger quantities and expect lower unit prices. Bulk discounts, packaging options and economies of scale are important advantages. Small retailers, restaurants, institutions and large households may find wholesale formats particularly useful.

The comparison indicates that neither format is universally superior. Consumer preference is situation-specific. The purpose of purchase, quantity required, price sensitivity and distance from the store can alter the consumer's choice.

12. Major Findings

A larger proportion of the illustrative respondents prefer retail mega stores for routine and convenience-oriented purchases.

Wholesale mega stores are preferred mainly for bulk purchases and competitive unit prices.

Convenient location is an important factor in retail mega-store preference.

Price and bulk purchase benefits are major strengths of wholesale mega stores.

Product variety and quality are important considerations for both store formats.

Promotional offers influence consumers in both retail and wholesale formats.

Consumer preference varies according to purchasing purpose, income, family requirements and shopping frequency.

13. Suggestions

Retail mega stores should strengthen convenience through better store locations, faster billing and efficient product availability.

Wholesale mega stores should offer transparent bulk-price slabs and flexible purchase quantities wherever commercially feasible.

Both formats should maintain consistent product quality and availability.

Digital payment, online ordering, loyalty programmes and personalised promotional offers can improve customer engagement.

Stores should reduce waiting time at billing counters and improve customer assistance.

Wholesale operators can develop dedicated services for small retailers and institutional buyers.

Retail stores can use customer data ethically to understand buying patterns and improve product assortment.

Both formats should provide clear price displays, attractive promotions and easy return or exchange policies.

14. Limitations of the Study

The study uses an illustrative sample of 150 respondents and therefore the findings cannot automatically be generalised to all consumers.

Convenience sampling may introduce respondent-selection bias.

Consumer preferences can change over time because of inflation, promotions, digital commerce and changes in income.

The analysis focuses on selected preference factors and does not cover every aspect of store performance.

15. Conclusion

The study concludes that retail and wholesale mega stores serve different but overlapping consumer needs. Retail mega stores have a stronger appeal among consumers who prioritise convenience, accessibility, shopping experience and regular household purchases. Wholesale mega stores are particularly attractive to consumers and business buyers who prioritise

bulk purchasing and price advantages. The competitive success of both formats depends on their ability to understand changing consumer expectations and provide value beyond price alone. Store operators should therefore adopt customer-oriented strategies, improve product availability, strengthen digital services and provide attractive value propositions suited to their target segments.

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