

A STUDY ON EFFECTIVENESS OF BUSINESS PRACTICES BY ORGANIZED RETAIL IN VIZAG CITY

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ABSTRACT

The purpose of this study is to analyze the present policies and practices in retail malls. The methodology used to study the above problems is collection of primary data and secondary data. Primary data was collected with the help of a questionnaire. The methods used to study this are identifying the leading store brands/ organized retail malls like Spencer's, Big Bazaar, Reliance, More and others and collecting information from customers of these stores. Information from employees of these stores was collected to understand their perception on various policies of these stores.

Keywords: *Organized Retail, Business Practices, Business Policies, Employee Satisfaction.*

Introduction

Indian retail industry has emerged as perhaps the most remarkable and quick industry in light of the section of a couple of new players. It addresses over 10% of the country's Gross domestic product (GDP) and around eight% of the business. India is the world's fifth-greatest overall goal in the retail space. India situated 73 in the Bound together Nations Social occasion on Trade and Improvement's Business-to-Buyer (B2C) Online business Record 2019. India is the world's fifth-greatest overall goal in the retail space and situated 63 in World Bank's Continuing with Work 2020. India is the world's fifth-greatest overall target in the retail space. In FDI Conviction Record, India situated 16 (later US, Canada, Germany, Joined Domain, China, Japan, France, Australia, Switzerland, and Italy).

Market Size

As indicated by Kearney Investigation, India's retail industry is projected to create at a more slow speed of 9% north of 2019-2030, from US\$ 779 billion of each 2019 to US\$ 1,407 billion by 2026 and a bigger number of than US\$ 1.8 trillion by 2030. Pay of India's disengaged retailers, in any case called squares and cement (B&M) retailers, is depended upon to augment by Rs. 10,000-12,000 crore (US\$ 1.39-2.77 billion) in FY20. India's quick selling industry would be regarded at US\$ 2.14 billion preceding the completion of 2021.

As demonstrated by the Retailers Relationship of India (RAI), the retail business achieved 93% of pre-Covid bargains in February 2021; purchaser durables and fast assistance bistros (QSR) extended by 15% and 18% exclusively. Later an extraordinary lessening of 19% in the January-Walk 2020 quarter, the FMCG business showed signs of recovery in the July-September 2020 quarter with a y-o-y improvement of 1.6%. The advancement found in the speedy client items (FMCG) region was in like manner an impression of motivation recorded in the as a rule macroeconomic circumstance amidst opening of the economy and working with of lockdown limits.

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E-Retail has been an assistance during the pandemic and as shown by a report by Bain and Companions in relationship with Flipkart 'How India Shops Online 2021' the e-retail market is depended upon to create to US\$ 120-140 billion by FY26, growing at around 25-30% p.a. throughout the accompanying 5 years. India has the third-biggest number of e-retail clients (simply behind China, the US). The popular coordination players are depended upon to pass on 2.5 billion Direct-to-Customer shipments by 2030. Online used car trade entrance is depended upon to create by 9x in the accompanying 10 years. During the festival time period in 2020, Amazon, Flipkart and distinctive vertical players sold product worth US\$ 9 billion disregarding the pandemic attack.

Objectives of the Study

- To know the effective business practices adopted by organized retail
- To Understand the trends in Business Practices, result in employee satisfaction.

Hypothesis

Ho₁: Business Practices of organized retail are effective.

Ho₂: Changing trends in Business Practices result in employee satisfaction

Ho_{2A}: Employee's satisfaction is dependent on the business of organized retail.

Future of the Study

Online business is filling reliably in the country. Customers have the continually extending choice of things at the most diminished rates. Online business is apparently making the best disturbance in retail industry, and this example is likely going to continue in the years to come. Retailers should utilize progressed retail channels (Online business), which would engage them to spend less money ashore while associating with more customers in level II and level III metropolitan networks.

Online retail market in India is projected to show up at US\$ 350 billion by 2030 from a normal US\$ 55 billion out of 2021, as a result of rising web-based clients in the country. In 2020, the most notable portion procedures online were progressed wallets (40%), followed by Visas (15%) and actually look at cards (15%). Online penetration of retail is depended upon to reach 10.7% by 2024 versus 4.7% in 2019.

Regardless, long stretch outlook for the business looks positive, maintained by rising compensation, great economics, segment of new players, and growing urbanization.

Regression Analysis on Total Effectiveness of Business Practices

Here in this study, the independent factors (08) of effective practices have been included as :

- Store ambience
- Reliability
- Value for Money
- Awareness of Advisement impact
- Sales promotion
- Services offered
- CRM adoption
- Pricing *Options*

The dependent factor has been taken as: Satisfaction on effective business practices of organized retail

Ho₁: Business Practices of organized retail are effective.

Table 1.1: Model Summary on Perception of Customers on Business Practices

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.855 ^a	0.731	0.727	0.781	0.731	195.871	8	577	0.000

a. Predictors: (Constant), F,E,G,A,C,H,B,C

Sources: Compiled Data

Table-1.1 depicted the results of regression coefficient (R) between independent variables (8) and satisfaction on organized retail which shows 0.855, and indicates strongly positive and significant relationship. Further, the coefficient of determination in this case shows about 95 percent. This model explains the different levels of satisfaction depending upon the variations in factors. As a further measurement of strength of the model the standard error of the estimate is compared with the standard deviation of independent factors reported in the output table 1.2. The total satisfaction revealed in shape of adjusted R square is 0.731 with a standard error of 0.781 which is much higher with the change in factors of efficiency.

Table 1.2: ANOVA on Perception of Customers

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	951.57	8	119.477	195.871	0.000 ^a
	Residual	351.957	577	0.61		
	Total	1307.78	585			
a. Predictors: (Constant), A,C,D,B,H,F,E,G,						
b. Dependent Variable: Total satisfaction on effective business practices						

Sources: compiled data

The Anova output table- 1.2 reported a significant F statistic of 195.871, indicating the significance value to be zero. The significance result indicates absolutely no change on the present practices adopted by organized retail on "suitable and satisfied business practices". Further, more than 26 percent variation has been marked which can be explained by the change in factors in response to "total business practices of organized retail". It signifies that more variation could be marked due to the change in the methods of changing business practices as per the need of customers, which touch their expectation.

Table 1.3: Coefficients on Perception of Customers

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Error	Beta		
1	(Constant)	0.477	0.207		2.306	0.021
	A	0.789	0.023	0.812	33.695	0
	B	0.066	0.022	0.069	2.937	0.003
	C	-0.071	0.043	-0.036	-1.654	0.099
	D	0.029	0.021	0.03	1.387	0.166
	E	-0.032	0.032	-0.025	-0.99	0.323
	F	-0.019	0.039	-0.011	-0.478	0.633
	G	0.034	0.024	0.034	1.373	0.17
	H	-0.016	0.022	-0.016	-0.743	0.458
a. Dependent Variable: total satisfaction on effective management practices						

Sources: compiled data

The output table-1.3 shows that, determining the relative importance of the significant predictor i.e. factor of "total variables on changing business practices of retail organized retail" as per the expectation of customers, is having a high standardized positive coefficient Beta value. Further, the standard error reveals very low and significant values, which can be taken as positive practices which create satisfaction. But among all these factors, A, i.e., "Store Ambience" revealed high remarkable B-values, i.e. 0.789 and positive on other independent factors as i.e. Reliability, D delivery mechanism and G factor. Further t-value supports this. So four variables are more elastic in nature and Beta (unstandardised) values indicate a high significant positive value with the change of satisfaction on business practices of organized retail.

Testing of Hypothesis

Total business practice of organized retail is significantly effective and the hypothesis is accepted as indicated on table-1.3.

Ho₂: Changing trends in Business Practices result in employee satisfaction.

Factors considered here are:

- In time intimation on changes on products availability
- Accuracy & transparency in charging price
- Well advanced technology & in time intimation on changes on products pricing

- Good layout & store ambiances maintained
- Better pricing schemes in product purchase & special offers
- Value for money is mostly applied
- Trainings to enhance the quality of employee politeness and attitude
- Provision for home delivery and wide product ranges maintained
- Speedy Grievance Mechanism
- Provide *better Services at Service centers on post purchase*

Analysis & Interpretation of Results

Changing Trends of Consumer behavior and Business Practices

Here the descriptive Table-1.4 indicates the results of satisfaction on shopping at organized retail in response of the employees. Five statements on this measurement level has been taken as i.e. highly satisfied, satisfied, neither dissatisfied nor strongly dissatisfied in five point Likert scale. All the 10 factors have been considered here in total to get a response from customers at the time of purchasing from organized retail of different stores. The Lower Mean Score indicate a better and positive perception on the effective results on business practices maintained by retail organized retail. So, it is concluded that, organized retail maintains high and positive responses from the employees on all the factors irrespective of their change in gender.

Table 1.4: Descriptive analysis of retail policy & management

		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean	
						Lower Bound	Upper Bound
A	Non-executives	67	1.194	0.398	0.049	1.097	1.291
	Executives	32	1.313	0.471	0.083	1.143	1.482
	Total	99	1.232	0.424	0.043	1.148	1.317
B	Non-executives	67	1.328	0.473	0.058	1.213	1.444
	Executives	32	1.375	0.492	0.087	1.198	1.552
	Total	99	1.343	0.477	0.048	1.248	1.439
C	Non-executives	67	1.313	0.467	0.057	1.199	1.427
	Executives	32	1.406	0.499	0.088	1.226	1.586
	Total	99	1.343	0.477	0.048	1.248	1.439
D	Non-executives	67	1.313	0.467	0.057	1.199	1.427
	Executives	32	1.406	0.499	0.088	1.226	1.586
	Total	99	1.343	0.477	0.048	1.248	1.439
E	Executives	67	1.343	0.478	0.058	1.227	1.46
	Non-executives	32	1.313	0.471	0.083	1.143	1.482
	Total	99	1.333	0.474	0.048	1.239	1.428
F	Non-executives	67	1.373	0.487	0.06	1.254	1.492
	Executives	32	1.219	0.42	0.074	1.067	1.37
	Total	99	1.323	0.47	0.047	1.23	1.417
G	Non-executives	67	1.239	0.43	0.052	1.134	1.344
	Executives	32	1.25	0.44	0.078	1.091	1.409
	Total	99	1.242	0.431	0.043	1.157	1.328
H	Non-executives	67	1.373	0.487	0.06	1.254	1.492
	Executives	32	1.219	0.42	0.074	1.067	1.37
	Total	99	1.323	0.47	0.047	1.23	1.417
I	Non-executives	67	1.284	0.454	0.055	1.173	1.394
	Executives	32	1.375	0.492	0.087	1.198	1.552
	Total	99	1.313	0.466	0.047	1.22	1.406
J	Non-executives	67	1.343	0.687	0.084	1.176	1.511
	Executives	32	1.25	0.44	0.078	1.091	1.409
	Total	99	1.313	0.617	0.062	1.19	1.436

Sources: Compiled data

The Anova output table-1.5 reported a significant F statistic value of 3.141, with the significance value, i.e., 0.019 on factor A. i.e., in time intimation on changes on products availability. So, no perception change is marked across job level type. All the factors revealed below 0.05 significance level and there is no significant variation is marked except F, i.e., Value for money is mostly applied, H, i.e., Provision for home delivery and wide product ranges, and J, i.e., Services at Service centres on post purchase as the significance value indicated more. So, in these three factors the perception level changes were marked significantly.

Table 1.5: Test of ANOVA for Retail Policy & Management

		Sum of Squares	df	Mean Square	F	Sig.
A	Between Groups	0.304	1	0.304	1.699	0.019
	Within Groups	17.353	97	0.179		
	Total	17.657	98			
B	Between Groups	0.047	1	0.047	0.205	0.020
	Within Groups	22.276	97	0.230		
	Total	22.323	98			
C	Between Groups	0.187	1	0.187	0.818	0.003
	Within Groups	22.137	97	0.228		
	Total	22.323	98			
D	Between Groups	0.187	1	0.187	0.818	0.003
	Within Groups	22.137	97	0.228		
	Total	22.323	98			
E	Between Groups	0.021	1	0.021	0.091	0.004
	Within Groups	21.979	97	0.227		
	Total	22.000	98			
F	Between Groups	0.516	1	0.516	2.368	0.227
	Within Groups	21.140	97	0.218		
	Total	21.657	98			
G	Between Groups	0.003	1	0.003	0.014	0.004
	Within Groups	18.179	97	0.187		
	Total	18.182	98			
H	Between Groups	0.516	1	0.516	2.368	0.127
	Within Groups	21.140	97	0.218		
	Total	21.657	98			
I	Between Groups	0.181	1	0.181	0.832	0.016
	Within Groups	21.112	97	0.218		
	Total	21.293	98			
J	Between Groups	0.188	1	0.188	0.493	0.484
	Within Groups	37.104	97	0.383		
	Total	37.293	98			

Sources: Compiled data

The value has a lower impact on change of satisfaction on purchase from organized retail among the different Gender groups of customers. So, absolutely no change in the perception level among the Gender groups of customers on present modes and practices adopted by organized retail. It signifies that a less variation could be marked due to the change in their business in respective practices maintained.

Regression Analysis on Corporate Management Policy

Ho_{2A}: Employee's satisfaction is dependent on the business of organized retail.

For measuring the satisfaction level of all customers, dependent factor is taken as 'satisfaction' where as all 10 factors taken as independent ten factors for measurement. So factor wise responsibility has been drawn in relation to their perception of the customers.

Table 1.6: Model Summary on Corporate Management Policy

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.812	0.659	1.028	0.398

a. Predictors: (Constant), J, F, B, D, H, I, G, C, A, E

Sources: Compiled data

In the process of inserting the variables (10) in the regression analysis on the perception of employees of the organized retail and their rate of policy effectiveness has been measured by consolidating all the ten independent variables of efficiency in management system, which has been depicted in the table and the regression coefficient (R) between independent variables (10) shows 0.812, which indicates strongly positive and significant relationship. Further, the coefficient of determination in this case shows about 95 percent. This model explains the different levels of effectiveness depending upon the variations in factors. As a further measurement of strength of the model the standard error of the estimate is compared with the standard deviation of independent factors reported in the output table – II. The total satisfaction revealed in shape of adjusted R square is 0.659 with a standard error of 0.398 which is much marked as the change in factors of efficiency.

Table 1.7: ANOVA on Corporate Management Policy

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.321	10	1.432	0.732	0.003 ^a
	Residual	172.225	88	1.957		
	Total	186.545	98			

a. Predictors: (Constant), J, F, B, D, H, I, G, C, A, E
b. Dependent Variable: Satisfaction on corporate management policy

Sources: Compiled data

The Anova output table-1.7 reported a significant F statistic of 0.732, indicating the significance value to be 0.003. Anova result has a no change on the present practices adopted by different organized retail on the factors on "business practices". Further, more than 92 percent variation has been marked which can be explained by the change in factors in response to "total business practices of retail organized retail". It signifies that more variation could be marked due to the change in the methods of changing business practices as it increases their business in respective management.

Table 1.8: Coefficients on Corporate Management Policy

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.687	1.042	0.000	2.578	0.012
	A	1.095	0.615	0.337	1.780	0.078
	B	0.733	0.405	0.254	1.812	0.073
	C	0.272	0.450	0.094	0.606	0.546
	D	0.179	0.330	0.062	0.544	0.588
	E	0.659	0.556	0.226	1.185	0.239
	F	-0.447	0.597	-0.152	-0.749	0.456
	G	0.218	0.378	0.068	0.577	0.565
	H	-0.131	0.316	-0.045	0.414	0.680
	I	0.501	0.335	0.169	1.496	0.138
	J	-0.131	0.239	-0.059	-0.549	0.584

a. Dependent Variable: Satisfaction on corporate management policy

Sources: Compiled data

The output table- 1.8 revealed that, determining the relative importance of the significant predictor i.e. factor of "total variables on changing business practices of retail organized retail" is having a high standardized positive coefficient Beta value (output table). Further, the Beta values revealed low and insignificant values, which can be taken as a insignificant factor of effectiveness is based on applicability of business management practices in Retail organized retail. But among all these factors, A, i.e. "In time intimation on changes on products availability" revealed high positive values. Further the B-value reported negative on F, i.e. Value for money is mostly applied, J, i.e. Provide better Services at Service centers on post purchase and H, i.e. Provision for home delivery and wide product ranges maintained factors on which employees are not satisfied to support it, So these seven variables are more positively elastic in nature and Beta (unstandardised) values indicate a change of satisfaction on corporate policy & management of organized retail

Figure 1.9: Efficiency of Management Policy and Implementation

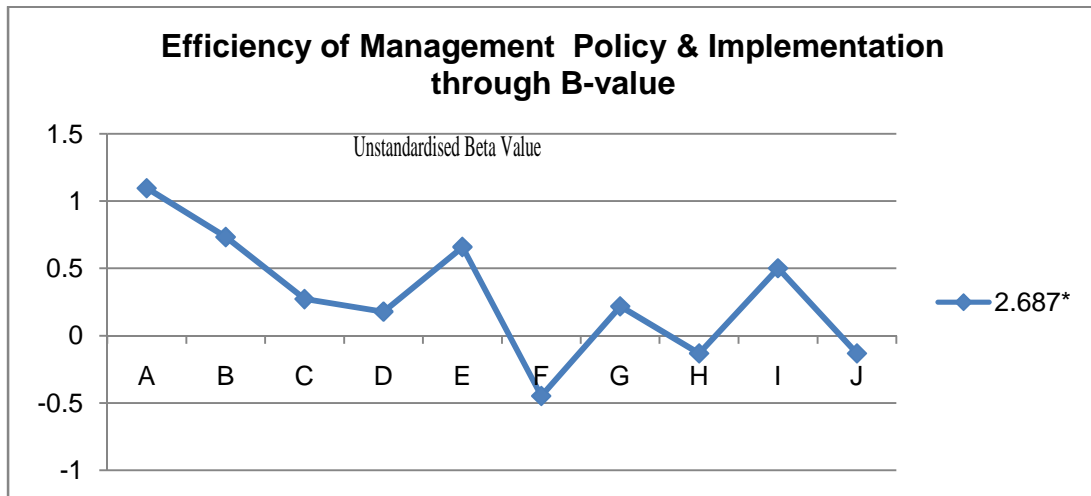


Figure 1.9 reported the results of the efficiency of management (Corporate) policy and implementation in different organized retail and super markets of Vizag city. Here only three factors i.e. F, H and I indicated negative to the total system, whereas other seven revealed more positive to the system. So any change can be possible with the change on other seven factors except the three variables on

- Value for money is mostly applied
- Provision for home delivery and wide product ranges maintained and
- Provide better Services at Service centers on post purchase

So company management may look to these factors more meticulously to enhance the management efficiency for better customer acquisition and retention

Testing of Hypothesis

Employees are more positive on most of the factors, maintained by the organized retail a. hence the hypothesis is accepted (referring to the table no-1.6).

Findings of Employee Perception

From the perception of **employees** on the following ten significant factors and the results were interpreted accordingly.

- In time intimation on changes on products availability
- Well accuracy & transparency in charging price
- Well advanced technology & In time intimation on changes on products pricing
- Good layout & store ambiances maintained
- Better pricing schemes in product purchase & special offers

- Value for money is mostly applied
- Trainings to enhance the quality of Employee politeness and attitude H. Provision for home delivery and wide product ranges maintained
- Speedy Grievance Mechanism
- Provide better Services at Service centers on post purchase

For this study a total of 99 employees were taken into consideration, where 67 employees are found to be non-executive whereas 32 employees are executive. Out of 52 outlets, 32 respondents from Reliance, 32 from More, 24 from Spencer, 8 from Big Bazaar and 3 respondents from any other store. Employees from 20 retail outlets of supermarket have been asked for responses covering from four Brands as Big bazaar, Reliance, More and Spencer and one from any other cadre i.e. Pantaloon and supermarkets

The findings of the study have been interpreted as:

- On study of **retail policy & management**, no perception level changes are marked across job type. and there is no significant variation is marked except "Value for money is mostly applied", "Provision for home delivery and wide product ranges", and "Services at Service centres on post purchase"
- On factor effectiveness, which is based on applicability of business management practices in Retail malls, out of the ten factors, regression coefficient value indicates 0.812, which indicates strongly positive and significant relationship. Out of the seven positive independent variables, only A, i.e. "In time intimation on changes on products availability" revealed high positive values. Further it reported negative on F, i.e., Value for money is mostly applied, J, i.e., Provide better Services at Service centers on post purchase and H, i.e., Provision for home delivery and wide product ranges-maintained factors on which employees are not satisfied to support the corporate policy & management of retail malls. The hypotheses were also accepted as most of the factors as these have a good positive beta value on the satisfaction on the present practices of the corporate management system and policy.

Suggestions and Implications

The presence of supporting staff may not always be considered desirable by all consumers. The young consumers have referred intrusive interference of sales staff as a factor that de-motivates them while shopping. The consumers stated that they need their own time to decide and the staff should interfere only when asked. The retail malls and super market are suggested to conduct proper training programs at regular intervals to train as well as update the staff members. It is necessary because the attending staff should be well aware of the products they are selling, as lack of knowledge may leave an unfavorable impression on the customers. The privacy of the customers is also desired to be maintained by the supporting staff. The shortage of trained staff has been felt by a large number of retail malls and super market. Therefore, the retail malls and super market must make efforts to organize effective short-term programs like personality development, personal grooming, etc. for the sales personnel. Good salaries and convenient timings can also work as motivators.

The long and slow checkout lines at cash counters discourage customers and thus result in a decline in sales and profits. A large number of respondents belonging to all age groups have mentioned that waiting in long queues at cash counters de-motivates them from visiting that store. Special attention needs to be given to resolve checkout problems by providing more checkout counters and also keep the existing counters in proper working conditions, especially on weekends when the customer footfall is far more than the week days.

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