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**A STUDY ON MARKET POTENTIAL FOR EXCLUSIVE STORE BASED  
PLASTIC HOUSEHOLD RETAIL UNITS IN ANDHRA PRADESH &  
TELANGANA**

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**ABSTRACT**

Retailing in India is an uncharted territory. Retailing in India is gaining attention like ever before. Organized retailing especially is creating euphoria amongst Indian consumers drawing them into malls and trade areas in huge numbers. Retailers are offering newer service dimensions to create unique shopping experience for customers. Shopping for food and grocery products has witnessed a revolution in Indian retail market with the conspicuous changes in the consumer buying behaviour driven by strong income growth, changing life styles and favorable demographic patterns. Most of the food and grocery products reach the consumers through Neighborhood Kirana stores which are unorganized. But the very fast changing trends in consumption patterns, food and eating habits of consumers have contributed immensely to the growth and development of 'Western' format typologies such as super markets, convenience stores, discount stores and hyper markets. This article aimed to explore and examine the predictability of major constructs (i.e. shopper attributes, store attributes, information sources and situational factors) on retail format choice behavior in food and grocery retailing from the proposed model based on the identification of research gaps. This article also intended to examine the patronage intentions with chosen store formats.

**Keywords:** Retailing, Organized stores, Kirana stores, Super Markets, Convenience Stores, Discount Stores, Hyper Markets.

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**INTRODUCTION**

Liberalized financial and political environment in India has prompted a wave of large number of entrants into the country's rapidly growing retail industry during the past few years; without The fundamental drivers of change are increasing per capita income, growing GDP, availability of consumer finance and therefore irreversible. Retailing adds value to the product and services sold to the consumers for their personal or family use.

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The shopping extravaganza of the Indian middle class especially the young population for clothing, eating outside and lust for modern living styles has unleashed new possibilities for retail growth even in the rural areas. Thus, 85% of the retail boom, which was focused only in the metros, has started to infiltrate towards smaller cities and towns. Tier-II cities are already receiving focused attention of retailers and the other smaller towns and even villages are likely to join in the coming years. This is a positive trend, and the contribution of these tier-II cities to total organized retailing sales is expected to grow to 20-25%.

Experts believe that retail expansion in the coming five to seven years is expected to be stronger than our Indian GDP growth, driven by changing lifestyles and by strong income growth, which in turn will be supported by favorable demographic patterns and the extent to which organized retailers succeed in reaching lower down the income scale to reach potential consumers towards the bottom of the consumer pyramid. Use of plastic money, easy availability of consumer credit will also assist in boosting consumer demand.

#### REVIEW OF LITERATURE

Piyush Kumar Sinha, Srikant Gokhale and Sujo Thomas (2012) focused on finding out the ways of developing a strategy to increase the retail sales. The respondents were involved in this research study were selected from the whole of India with the condition of having had experiences in retail sector. Convenient Sampling technique was used to identify people who have experienced retailing by purchase of various goods. It was found that the share of smaller stores would remain to be large, with no large retailer having a dominant market share. Large retailers must learn to co-exist and may have to help them to modernize. It is suggested that government must create policies that help smaller retailer improve their performance. Dr. Prafulla Sudame and Brijesh Sivathanu in their study on Challenges affecting the Organized Retail Sector studied the current status of the retail sector in India presented detailed information about the challenges faced by the retail sector in India. Along with challenges, opportunities for retail stores / retail format in India were studied. This paper surveyed the managers to understand the challenges impacting the retail sector. They concluded that the Indian retail industry has been thrown open to foreign majors and is packed with players who strive to offer great products and value-for-money to Indian consumers and holds a vast potential for retailers with its burgeoning spending power and a rising middle class. K. Santosh Kumar (2015) studied the retailing environment in India. He started with exploratory research in order to have a deeper insight of the changing retailing environment. He conducted descriptive research to describe the relationship between various dependent / Independent variables which were explored during exploratory study. Based on the survey it was found that most of the consumers have not stopped visiting Kirana stores. And so modern retailing is not threat to independent Mom and Pop stores. They strongly agreed that coexistence of both is requirement of the day. Author concluded that organized retailing is beneficial for India because it's not alarming to create conflict with unorganized stores but reshaping unorganized stores into budding/nascent organized stores. Mrs. Meenakshi Chowdhary (2013) in her study opined that India has emerged as the hottest retail destination. Most of the organized retailing in India has started recently and is concentrating mainly in metropolitan cities. The growth of Indian organized retail market is mainly due to the change in the consumer behavior. This change has come in the consumer due to the increased income, changing life styles and pattern of demography which are favorable. Now the consumer wants to shop at a place where he can get food, entertainment and shopping, all under one roof. This has given Indian organized retail market a major boost. Shopping malls are the hot shopping destinations in new life style. Due to rapid retail boom, variety of malls has emerged. With this big ticket mall culture hitting the great Indian middle class, the days of pure shopping delight seems to be diminishing. Deepika Jhamb and Ravi Kiran (2011) in their study depicted that infrastructure, economic growth and changing demographics of consumers are the major driver of organized retail in India. The location of the retail store, management style and adequate salaries to personnel enhance the effectiveness of retail business and

are important factors for retailers' success. The study further reveals that younger generation, emerging retail formats, increasing awareness and innovation in new products are the strengths and opportunities of organized retail in India.

### OBJECTIVES

Retailers are the last and vital members in the channel of distribution. The retailer serves the manufacturer by providing his goods and services to the consumers and creates a channel of information where customers' feedback, their expectations and points of dissatisfaction (if any) are shared with the manufacturer. From customer's point of view, the retailer's main function is to provide merchandise in the right quality, quantity, price, time, and at the right place. The following are the objectives -

1. To know the utility of plastics in the House-Hold Sector.
2. To know the perception of the consumer towards these stores.
3. To study the pricing strategies of household plastics products.
4. To identify the appropriate location for the exclusive household plastic retail store.
5. To know the viable changes for exclusive household plastic retail store.
6. To know the viable strategies for the exclusive store.

### RESEARCH METHODOLOGY

Research methodology is a way to, solve the research problem. Systematically it may be under stood as a science of studying how research is done scientifically. In this, we study the various steps that are generally adopted by a researcher in studying his research problem along with logical behind them. The research methodology is concerned to a research problem or study. Both qualitative and quantitative research is used and primary data is collected through questionnaire and secondary data through books, journals, articles, web etc. Survey method is used and the data is gathered with the help of structured questionnaire. Both open ended and closed ended questions are used. Sample plan to know the customer satisfaction index of after sales service in this project is through personal interview. Talking into account the nature and the extent of study along with the constraint of time, a sample size of 505 respondents were taken.

### PRE-TESTING OF QUESTIONNAIRE:

The questionnaire was pre-tested to ensure to that all the questions were well understood. In the initial phase survey was conducted on a group of 100. They were asked various questions and the answer was recorded. These were used to frame the questionnaire, which was used in research.

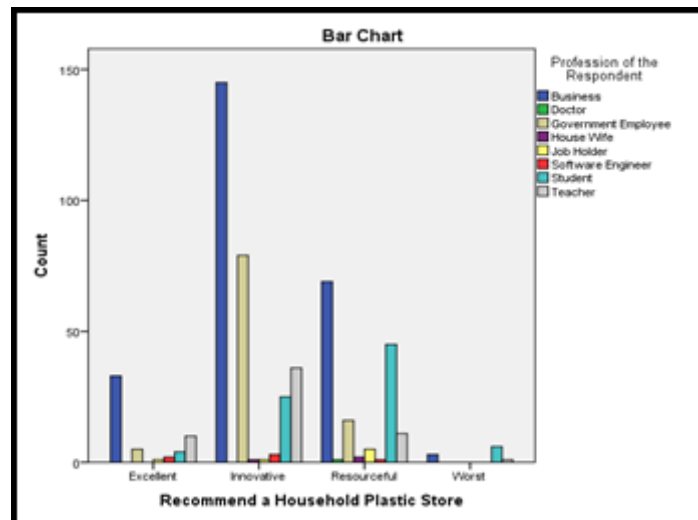
### DATA ANALYSIS

**Table 1: Chi Square Test - 1**

(Recommend a Household Plastic Store \* Profession of the Respondent)

#### Cross Tabs

		Profession of the Respondent							Total	
		Business	Doctor	Government Employee	House Wife	Job Holder	Software Engineer	Student		Teacher
Recommend a Household Plastic Store	Excellent	33	0	5	0	1	2	4	10	55
	Innovative	145	0	79	1	1	3	25	36	290
	Resourceful	69	1	16	2	5	1	45	11	150
	Worst	3	0	0	0	0	0	6	1	10
Total		250	1	100	3	7	6	80	58	505



Chi Square Table

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	84.308 <sup>a</sup>	21	.000
Likelihood Ratio	80.284	21	.000
N of Valid Cases	505		

a. 20 cells (62.5%) have expected count less than 5. The minimum expected count is .02.

### Hypothesis:

**H<sub>0</sub>:** There is no significant relationship between the Recommend a Household Plastic Store with the Profession of the Respondent.

**H<sub>1</sub>:** There is a significant relationship between the Recommend a Household Plastic Store with the Profession of the Respondent.

**Analysis:** From the above table, we can see that the Pearson Chi - Square Value is 0.000 which is less than 0.050. Therefore, we reject null hypothesis (H<sub>0</sub>) and accept alternative hypothesis (H<sub>1</sub>).

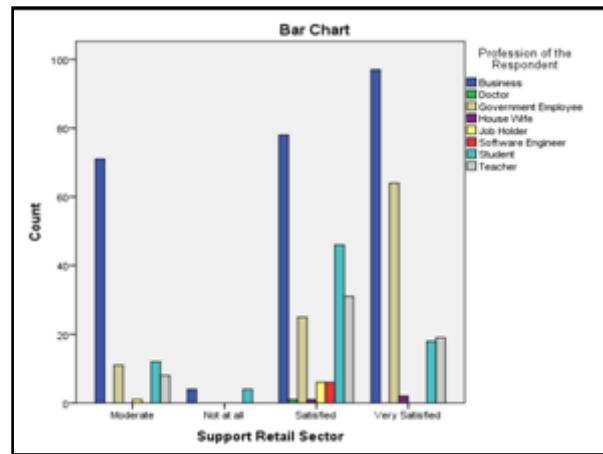
**Conclusion:** We can see that there is a significant relationship between the Recommend a Household Plastic Store with the Profession of the Respondent. We can also see that there is a market potential for these type of exclusive household plastic retail stores.

### Table 2: Chi Square Test - 2

(Support Retail Sector \* Profession of the Respondent)

#### Cross Tab

		Profession of the Respondent								Total
		Business	Doctor	Government Employee	House Wife	Job Holder	Software Engineer	Student	Teacher	
Support Retail Sector	Moderate	71	0	11	0	1	0	12	8	103
	Not at all	4	0	0	0	0	0	4	0	8
	Satisfied	78	1	25	1	6	6	46	31	194
	Very Satisfied	97	0	64	2	0	0	18	19	200
Total		250	1	100	3	7	6	80	58	505



Chi Square Table

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	83.237 <sup>a</sup>	21	.000
Likelihood Ratio	86.711	21	.000
N of Valid Cases	505		

a. 20 cells (62.5%) have expected count less than 5.  
The minimum expected count is .02.

**Hypothesis:**

**H<sub>0</sub>:** There is no significant relationship between the Respondents perception to support retail sector with Profession of the Respondent.

**H<sub>1</sub>:** There is a significant relationship between the Respondents perception to support retail sector with Profession of the Respondent.

**Analysis:** From the above table, we can see that the Pearson Chi - Square Value is 0.0 which is less than 0.000. Therefore, we reject null hypothesis (H<sub>0</sub>) and accept alternative hypothesis (H<sub>1</sub>).

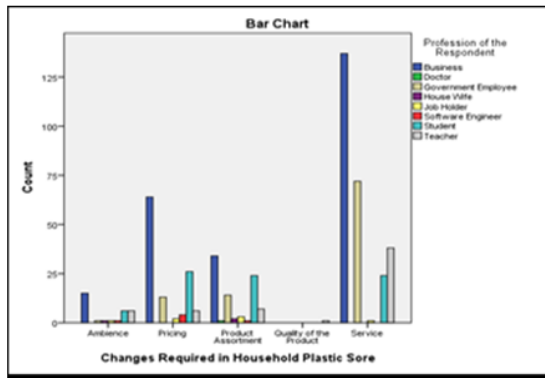
**Conclusion:** There is a significant relationship between the Respondents perception to support retail sector with Profession of the Respondent. So there is strong perception of the respondents towards their support to retail sector.

**Table 3:Chi Square Test - 3**

(Changes to be made in the Exclusive Store \* Profession of the Respondent)

**Cross Tabs**

		Profession of the Respondent								Total
		Business	Doctor	Government Employee	House Wife	Job Holder	Software Engineer	Student	Teacher	
Changes Required in Household Plastic Sore	Ambience	15	0	1	1	1	1	6	6	31
	Pricing	64	0	13	0	2	4	26	6	115
	Product Assortment	34	1	14	2	3	1	24	7	86
	Quality of the Product	0	0	0	0	0	0	0	1	1
	Service	137	0	72	0	1	0	24	38	272
Total		250	1	100	3	7	6	80	58	505



Chi Square Table

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	83.488 <sup>a</sup>	28	.000
Likelihood Ratio	81.435	28	.000
N of Valid Cases	505		

a. 26 cells (65.0%) have expected count less than 5. The minimum expected count is .00.

**Hypothesis:**

**H<sub>0</sub>:** There is no significant relationship between the Changes to be made in the Exclusive House-Hold Plastic Retail Store with Profession of the Respondent.

**H<sub>1</sub>:** There is a significant relationship between the Changes to be made in the Exclusive House-Hold Plastic Retail Store with Profession of the Respondent.

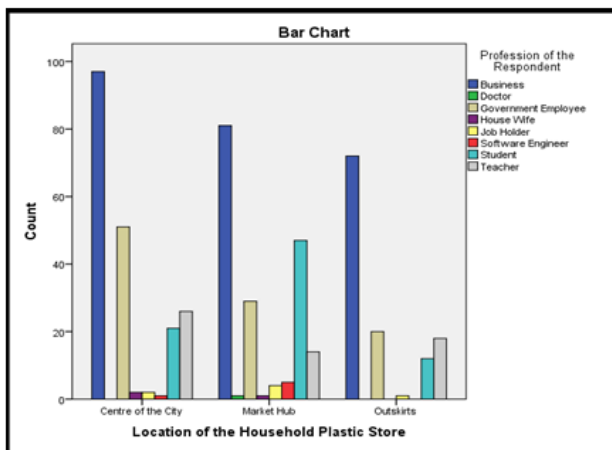
**Analysis:** From the above table, we can see that the Pearson Chi - Square Value is 0.038 which is less than 0.000. Therefore, we reject null hypothesis (H<sub>0</sub>) and accept alternative hypothesis (H<sub>1</sub>).

**Conclusion:** We can see that there is a significant relationship between the Changes to be made in the Exclusive House-Hold Plastic Retail Store with Profession of the Respondent. We can see that the respondents are wishing to have some changes that are to made in this exclusive retail household plastic store.

**Table 4 Chi Square Test - 4**  
(Location of the Exclusive Store \* Profession)

**Cross Tabs**

		Profession of the Respondent								Total
		Business	Doctor	Government Employee	House Wife	Job Holder	Software Engineer	Student	Teacher	
Location of the Household Plastic Store	Centre of the City	97	0	51	2	2	1	21	26	200
	Market Hub	81	1	29	1	4	5	47	14	182
	Outskirts	72	0	20	0	1	0	12	18	123
Total		250	1	100	3	7	6	80	58	505



Chi Square Table

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	40.508 <sup>a</sup>	14	.000
Likelihood Ratio	41.118	14	.000
N of Valid Cases	505		

a. 12 cells (50.0%) have expected count less than 5. The minimum expected count is .24.

**Hypothesis:**

**H<sub>0</sub>:** There is no significant relationship between the Locations of the Exclusive House-Hold Plastic Retail Store with Profession of the Respondent.

**H<sub>1</sub>:** There is a significant relationship between the Locations of the Exclusive House-Hold Plastic Retail Store with Profession of the Respondent.

**Analysis:** Pearson Chi - Square Value is 0.015 which is less than 0.000. Therefore, null hypothesis (H<sub>0</sub>) is rejected and alternative hypothesis (H<sub>1</sub>) is accepted.

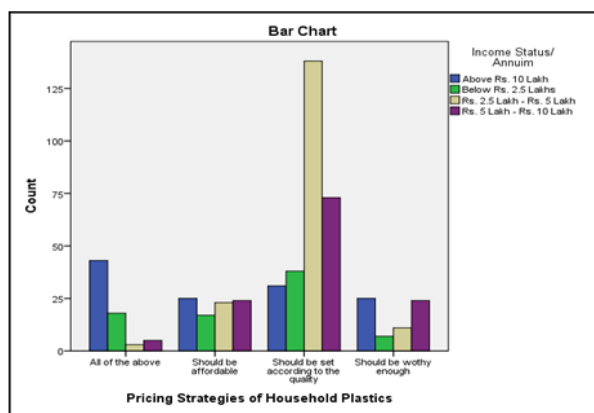
**Conclusion:** It can be observed that there is a significant relationship between the Locations of the Exclusive House-Hold Plastic Retail Store with Profession of the Respondent. All the respondents are very much concerned over the location of this exclusive plastic household retail store.

**Table 5: Chi Square Test - 5**

(Pricing Strategies of Household Plastics \* Income Status/ Annum)

**Cross Tabs**

		Income Status/ Annum				Total
		Above Rs. 10 Lakh	Below Rs. 2.5 Lakhs	Rs. 2.5 Lakh - Rs. 5 Lakh	Rs. 5 Lakh - Rs. 10 Lakh	
Pricing Strategies of Household Plastics	All of the above	43	18	3	5	69
	Should be affordable	25	17	23	24	89
	Should be set according to the quality	31	38	138	73	280
	Should be worthy enough	25	7	11	24	67
Total		124	80	175	126	505



**Chi Square Table**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	129.148 <sup>a</sup>	9	.000
Likelihood Ratio	135.072	9	.000
N of Valid Cases	505		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 10.61.

**Hypothesis:**

**H<sub>0</sub>:** There is no significant relationship between the Pricing Strategies of House Hold Plastic Retail Store with Income Status per Annum of the Respondent.

**H<sub>1</sub>:** There is a significant relationship between the Pricing Strategies of House Hold Plastic Retail Store with Income Status per Annum of the Respondent.

**Analysis:** From the above table, we can see that the Pearson Chi - Square Value is 0.003 which is less than 0.000. Therefore, we reject null hypothesis (H<sub>0</sub>) and accept alternative hypothesis (H<sub>1</sub>).

**Conclusion:** It can be observed that there is a significant relationship between the Pricing Strategies of House Hold Plastic Retail Store with Income Status per Annum of the Respondent. Respondents are very much concerned over the pricing strategies of the exclusive retail plastic household store as they should be affordable.

## RESULTS

1. The study focused more on building image of a new exclusive store on business people rather than concentrating on common public.
2. The retailers are given various opportunities to try different marketing strategies to create awareness about the brands in household plastics.
3. Tupperware, Milton, Cello were the most topped brands in terms of customer awareness towards brand knowledge in the field of house-hold plastics.
4. The respondents felt that the pricing strategy of the house-hold plastic products should be set according to quality or should be worthy enough and should be affordable to the consumers.
5. Half of the sample population expressed their positive opinion towards establishment of this exclusive retail house-hold plastic store to be located in market hub than city center and outskirts.
6. Majority of the population feel that the changes are to be made in the product is regarding with its price, its assortment and the service issues.
7. Majority respondents have responded positively for setting up of an exclusive retail store for house-hold plastics.
8. More than half of the population are of the opinion that the utility of house-hold plastics can be very useful, some treat it as substitute and reliable and the rest feel it as not useful.

## CONCLUSION

Retailing has a better future as people are more interested in retail outlets and stores for speedy delivery and faster accessibility of various goods. In olden days, people used to mind for the price and no the time and they used to purchase the goods from the wholesaler. As of now, people have started buying goods from as the retail outlets attract customers by giving various offers and discounts. People are busy these days and go to retail sector just to shop all the goods at a time like - One stop - One shop - One settlement. This policy retains the customer to go to retail outlets. The Indian retail industry has been thrown open to foreign majors and is packed with players who strive to offer great products and value-for-money to Indian consumers. The country holds a vast promise for retailers with its burgeoning spending power and a rising middle class. Retailing provides a crucial link between producers and consumers in modern market economy. Retail in India is most dynamic industry and represents a huge opportunity both for domestic and international retailers. Modern retailing is not threat to independent Mom and Pop stores as most of the consumers said that they never stopped visiting Kirana stores. They strongly agreed on coexistence of both is requirement of the day. Their frequency of going to Kirana stores is reduced but it's kind of opportunities for reorienting Mom and Pop stores for attracting more customers. So, organized retailing is beneficial for India because it's not alarming to create conflict with unorganized stores but reshaping unorganized stores into budding/nascent organized stores. Modern retailing has miles to go in India. The growth of modern formats has been much slower in India as compared to other countries and the development of this sector is restricted by the presence of regulatory and structural constraints. Having a thought to put up an exclusive retail unit is a kind of strategy of One Stop - One shop for household items only in plastics ranging from mugs to thermo ware items. So, there is a kind of possibility to put up a store in the near future.

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