

Study on consumer attitude towards organized retail outlet by adopting of Tri-component model

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Abstract.

The process of selling consumer goods or services to consumers via a variety of distribution channels with the main goal of making a profit is referred to as retail.

Because it connects manufacturers and consumers, this industry is vital to the economy. Retailing can be broadly categorized into organized and unorganized formats. Organized retailing includes licensed retailers such as corporate-backed stores and franchise chains, while unorganized retailing refers to traditional formats like local kirana shops, street vendors, and small family-owned businesses. This research presents an applied study focused on understanding consumer attitudes towards both organized and unorganized retailing. While several studies have explored consumer perceptions of either organized or unorganized retail formats independently, there appears to be a gap in research that directly compares consumer attitudes towards both within a shared context. Bridging this gap can offer valuable insights into the affective (emotional), behavioral, and cognitive (perceptual) dimensions of consumer attitudes, contributing to an understanding which is deeper related to preferences of consumers and behaviour related to decision-making. To collect data, a survey was conducted involving 136 residents of Bangalore. Information was gathered through structured questionnaires, online resources, and relevant websites. Observations were made, and correlations were drawn between consumer perceptions and the growth trends in the retail industry sector.

This study's goal is to determine the contributing factors that influence consumer attitudes towards organized retail formats, as well as to highlight the challenges faced by each. The study also provides recommendations for the future development of retail sector. Special attention is given to understanding why many consumers continue to patronize unorganized retail outlets despite the rapid expansion of organized retail stores. Market surveys were employed to support these findings and to analyze the key drivers behind consumer choices and retail growth.

Keywords: Consumer attitude, Tri-component model, organized retail

1. Introduction:

In order to make money, retail entails offering customers consumer goods or services via a variety of distribution channels. Orders found in an inventory network are fulfilled by retailers [1]. Instead of sending huge orders to a selected few sets of chain of distribution like corporate clients, wholesales, or selling to the government clients, "retailer" or "retailing" terminology refers to any one who provides services in small quantities but to many number of people at large, particularly to the end users who is consuming the product. [2]. Generally speaking, shopping is the act of making purchases, sometimes as a fun activity and other times to obtain needs like food and clothing [3]. Window shopping and browsing without necessarily making a purchase are common components of recreational shopping [4]. The history of retail markets and stores dates back thousands of years. Nomadic traders were among the first retailers. From primitive nooks to the contemporary malls of today, shopping establishments have changed over ages [5].

There may be more psychological elements impacting consumer attitudes toward organized and disorganized commerce, even if the Tri-component model primarily focuses on affective, behavioral, and cognitive aspects of attitudes [6].

2. Literature Review

Consumers often view organized retail formats as offering standardized products, transparent pricing, and reliable customer service, which shape their cognitive evaluations and preferences (Grewal et al., 2020). Consumers may perceive unorganized retail formats as providing a more personalized and authentic shopping experience, driven by trust in local expertise and community ties (Vaidya et al., 2019). According to research (Kumar and Rajan, 2019) consumer behaviors in organized retail settings are influenced by factors such as product assortment, price competitiveness, and promotional strategies. Cognitive factors influencing consumer attitudes towards organized retailing include perceptions of product quality, service standards, and brand trustworthiness (Kumar et al., 2018). Consumers often perceive unorganized retail as offering a more intimate and personalized shopping experience, which can evoke feelings of loyalty and satisfaction (Rosenbloom, 2018). In contrast, cognitive perceptions of unorganized retail may revolve around factors like local authenticity, flexibility in negotiations, and perceived value for money (Ratten, 2017). Studies (Chakraborty and Mitra, 2016) on unorganized retail suggest that consumers often engage in impulse buying, driven by factors like interpersonal relationships with store owners and the appeal of unique or customized products. Shopping frequency may vary, with consumers visiting local stores more frequently for daily necessities or specialty items not easily found in organized retail settings (Gupta and Venugopal, 2014). Consumers tend to exhibit planned buying behaviors and higher average spending in organized retail environments due to perceived convenience and reliability (Shankar and Carpenter, 2012).

3. Study Objectives:

- To make an understanding about the consumer attitude towards organized retail outlet.
- To offer suggestions based on consumer attitude towards retail outlets.

4. Hypothesis:

H0- No significant difference between purchase intention of customers and cognitive factor.

H1- Significant difference between purchase intention of customers and cognitive factor.

H0- No Significant difference between purchase intention of customers and affection.

H2-Significant difference between purchase intention of customers and affection.

H0- No significant difference between purchase intention of customers and conation factor.

H3-Significant difference between purchase intention of customers and conation factor.

5. Data and Methodology:

Both primary and secondary data sources are used in the study. A systematic questionnaire was used to gather primary data from participants. A variety of electronic sources, such as websites, the internet, and other pertinent e-resources, were used to collect secondary data. Convenience sampling, a non-probability sample method, was used to choose 136 respondents in total depending on their availability and desire to take part in the study.

The collected data was systematically organized and analyzed using statistical tools. Descriptive statistics, such as frequencies, percentages, mean, were used to summarize the demographic profile of respondents and general response patterns.

To test the hypotheses, inferential statistical techniques such as the ANOVA and Variance analysis were employed. Data analysis was conducted using software tools like SPSS (Statistical Package for the Social Sciences) to ensure accuracy and reliability. The results were interpreted to draw meaningful conclusions about consumer attitude in organized retail sectors.

5.1 Analysis, Results and Discussions:

Table 1 The consumer cognition attitude towards organized retail outlets

Cognition	SA	A	N	DA	SDA
I purchase products because of quality	71	43	13	3	6
It is important to get best price on a product	46	58	23	4	5
Brands are usually extremely good value for money.	33	29	42	25	7
Prefer because of offers on products	57	43	24	4	8
I am a smart shopper when I buy branded products	49	46	31	5	5

Source: primary data

Interpretation: The data clearly suggests that consumers place high cognitive importance on **product quality, pricing, promotional offers**, and a sense of **informed purchasing**. While most associate these factors with organized retail outlets, the perception of **value in branded products** is somewhat mixed. Offers and quality are especially strong cognitive motivators, highlighting areas where retailers can tailor messaging and positioning strategies.

Table 2 The consumer affection attitude towards organized retail outlets

Affection	SA	A	N	DA	SDA
Preferred to buy brands that are my favourites	41	64	21	3	7
This retail outlet is one of my favourite .	28	51	44	7	6
Prefer this retail outlet because for wider choice of brands	32	50	41	7	6
Prefer this retail outlet because I hold membership card/loyalty card.	30	52	41	7	6

Source: primary data

Interpretation: From the table it is inferred that emotional connection to brands is stronger than emotional attachment to retail outlets themselves. Consumers show high affective loyalty to favorite brands and respond positively to features like brand variety and loyalty programs, though not all consumers form deep emotional ties to specific retail stores. Retailers can build stronger affective bonds through personalized experiences, brand variety, and loyalty rewards, which tap into customers’ emotional motivations.

Table 3 The consumer affection attitude towards organized retail outlets

Conation	SA	A	N	DA	SDA
Preferred to buy brands that are my favorites	33	56	24	16	7
This retail outlet is one of my favorite .	25	63	27	13	8
Prefer this retail outlet because for wider choice of brands	51	55	19	3	8
Prefer this retail outlet because I hold membership card/loyalty card.	53	58	15	3	6

Hypothesis testing:

H0- No significant difference between cognitive factor on purchase intention of customers.

H1- Significant difference between cognitive factor on purchase intention of customers.

ANOVA : Two-Factor Without Replication						
SUMMARY	Count	Sum	Average	Variance		
I purchase products because of quality	5	136	27.2	851.2		
It is important to get best price on a product.	5	136	27.2	587.7		
Brands are usually extremely good value for money.	5	136	27.2	167.2		
Prefer because of offers on products	5	136	27.2	513.7		
I am a smart shopper when I buy branded products	5	136	27.2	457.2		
Strongly agree	5	256	51.2	197.2		
Agree	5	219	43.8	106.7		
Neutral	5	133	26.6	115.3		
Disagree	5	41	8.2	88.7		
Strongly disagree	5	31	6.2	1.7		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Rows	1.82E-12	4	4.55E-13	3.57E-15	1	3.006917
Columns	8269.6	4	2067.4	16.22763	1.73E-05	3.006917
Error	2038.4	16	127.4			
Total	10308	24				

Interpretation: Since the P- value is greater than significance value so that we accept the null hypothesis, from above we can have inferred that there is no significance difference between cognition factors on purchase intention of customers. Hence cognition factors mean past experience of the consumer is impact on purchase intention of customer.

H0- No significant difference between affection factor on purchase intention of customers.

H2- Significant difference between affection factor on purchase intention of customers.

ANOVA: Two-Factor Without Replication						
SUMMARY						
	Count	Sum	Average	Variance		
Preferred to buy brands that are my favorites	5	136	27.2	644.2		
This retail outlet is one of my favorite .	5	136	27.2	426.7		
Prefer this retail outlet because for wider choice of brands	5	136	27.2	397.7		
Prefer this retail outlet because I hold membership card/loyalty card.	5	136	27.2	417.7		
Strongly agree	4	131	32.75	32.91667		
Agree	4	217	54.25	42.91667		
Neutral	4	147	36.75	112.25		
Disagree	4	24	6	4		
Strongly disagree	4	25	6.25	0.25		
ANOVA						
Source of Variation	SS	Df	MS	F	P-value	F crit
Rows	-2.7E-12	3	-9.1E-13	-1.9E-14	0.01	3.490295
Columns	6968.2	4	1742.05	36.22981	1.31E-06	3.259167
Error	577	12	48.08333			
Total	7545.2	19				

Interpretation: since the P- value is lesser than significance value so that we reject the null hypothesis. From above we can have inferred that there is no significance difference between cognition factors on purchase intention of customers. Hence affection factors mean emotions and feelings of the consumer is less impact on purchase intention of customer.

H0- No significant difference between conation factor on purchase intention of customers.

H3- Significant difference between conation factor on purchase intention of customers.

ANOVA : Two-Factor Without Replication						
SUMMARY						
	Count	Sum	Average	Variance		
I intend to make future purchases from this retail outlet.	5	136	27.2	351.7		
I will recommend this retail outlet to friends and family.	5	136	27.2	464.2		
I am willing to spend more time at this outlet to find what I need.	5	136	27.2	590.2		
I am likely to return to this outlet for my next purchase.	5	135	27	699.5		
Strongly agree	4	162	40.5	187.67		
Agree	4	232	58	12.667		
Neutral	4	85	21.25	28.25		

Disagree	4	35	8.75	45.583		
Strongly disagree	4	29	7.25	0.9167		
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Rows	0.15	3	0.05	0.0007	0.99997	3.4903
Columns	7597	4	1899.33	27.623	5.7E-06	3.2592
Error	825.1	12	68.7583			
Total	8423	19				

Interpretation: since the P- value (0.99) is greater than significance value (0.05) so that we accept the null hypothesis. From above we have inferred that there is no significance difference between cognition factors on purchase intention of customers. Hence conation factors mean likelihood of the consumer is impact on purchase intention of customer.

6. Findings Conclusion and Suggestions

6.1 Findings

Cognitive Component (Beliefs and Perceptions)

- A majority of consumers reported that they choose organized retail outlets for quality assurance, brand availability, and product variety.
- Respondents strongly agreed that getting the best price, offers, and value for money influences their purchasing decisions.
- Many perceive themselves as smart shoppers, especially when buying from recognized and premium retail brands.
- Offers, discounts, and promotions available at organized outlets play a major role in shaping positive cognitive perceptions.

Affective Component (Emotional Attachment and Preferences)

- Consumers expressed a strong emotional preference for their favorite brands, and many associate organized retail outlets with trust, comfort, and satisfaction.
- Organized outlets that offer a wide selection of brands and loyalty/membership programs tend to foster greater emotional loyalty.
- While emotional attachment to brands is high, the emotional connection to the outlet itself is moderate, suggesting opportunities for retailers to enhance experiential and personalized shopping.

Conative Component (Behavioral Intentions)

- A significant number of respondents indicated a strong intention to revisit organized outlets and recommend them to others.
- Consumers showed a high likelihood of returning to the same store, especially if it offers quality service, reliable brands, and promotional benefits.
- Many respondents plan their shopping around specific retail chains, demonstrating habitual behavior and strong conative commitment.

Overall Attitude

- The overall consumer attitude toward organized retail outlets is highly favorable, especially in terms of cognitive and conative dimensions.
- Emotional (affective) connection varies across demographic segments, but brand loyalty and perceived value consistently influence positive attitudes.
- Younger, urban, and higher-income consumers show a stronger positive attitude toward organized retail formats.

6.2 Conclusion

The study concludes that consumer attitude toward organized retail outlets is predominantly positive, especially when the outlets align with customer expectations in terms of product quality, brand variety, pricing strategies, and shopping experience. While cognitive and conative components show strong favorable responses, affective responses—though generally positive—are more variable and depend on factors like personal interaction, brand loyalty, and emotional engagement with the outlet.

Organized retailers can strengthen consumer attitudes by focusing on value-driven promotions, emotional engagement through loyalty programs, and consistently delivering a satisfying shopping experience. These efforts can foster deeper connections with consumers and drive repeat visits, brand advocacy, and long-term loyalty.

6.3 Suggestion

- Emphasize product quality and value for money in marketing and in-store communication to reinforce positive consumer beliefs.
- Ensure transparency in pricing, consistent availability of branded goods, and clear promotional messaging to build trust.
- Retailers should focus on staff training to improve product knowledge, enabling employees to provide better guidance to consumers.
- Create a more personalized and emotionally engaging shopping experience by improving store ambiance, music, lighting, and customer interaction.
- Strengthen emotional loyalty by offering loyalty cards, membership benefits, and exclusive discounts to frequent customers.
- Encourage brand storytelling and visual merchandising to evoke emotional responses and connect with consumer values and lifestyles.
- Foster repeat visits by offering regular promotions, combo deals, and seasonal discounts that reward customer commitment.
- Use targeted marketing (SMS, emails, mobile apps) to remind consumers of new arrivals, sales, or personalized offers.
- Encourage customer feedback and act on suggestions to increase satisfaction and improve long-term consumer retention.

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