



A STUDY ON PERCEPTION OF UNORGANISED RETAILERS ON GLOBAL RETAILERS IN ANDHRA PRADESH

A.V.V.S. Prasad¹, Dr. V. Tulasi Das²

¹Research Scholar (Ph.D.), Dept. of Commerce and Business Administration,

School of Commerce and Management Studies, Acharya Nagarjuna University, Guntur, Andhra Pradesh-India

²Head, Dept. of HRM, School of Commerce and Management Studies, Acharya Nagarjuna University, Guntur, Andhra Pradesh-India

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ABSTRACT

This research looks at the opinions of unorganized merchants in six districts of Andhra Pradesh state on the effect of major global retail entities. Local, unorganized businesses confront problems as customer preferences shift and internet and contemporary retail forms gain traction. The study aims to understand how these merchants perceive and respond to such shifts, offering insight on the subtle adjustments and methods used in various parts of India. It also intends to provide significant insights by bridging the gap between analysis and the lived realities of unorganized merchants. By elucidating the complex interplay between local and global dynamics, this study hopes to inform and promote inclusive growth and equitable coexistence in the retail context. Factor analysis was used to for the analysis on 1200 responses from the respective districts.

KEY WORDS: Unorganized Retailers, Globalization, Transformation, Foreign Retailors.

I. INTRODUCTION

The unorganized retailers are the backbone of local trade. As the country undergoes dramatic transformations in economic globalization, it is critical to understand how these unorganized merchants perceive and respond to the expanding impact of global retail giants. This article digs into the complex network of beliefs held by Indian unorganized merchants, providing a comprehensive insight of their perspectives toward foreign retailers. India's retail industry has a diversified ecology, with a high proportion of unorganized retail outlets. For years, these small shopkeepers, many of whom are family-owned, have been an important component of Indian culture and trade. From busy bazaars in tiny alleyways to local Kirana stores, unorganized merchants play an important role in the retail landscape, serving as vital touchpoints for communities across the country. India has seen a spike in economic globalization in recent decades, with global retail giants entering and expanding. Multinational supermarket chains and e-commerce platforms have disrupted the old retail scene, posing new dynamics and problems for unorganized retailers. The influence of globalization on unorganized merchants' perspectives and practices remains an interesting yet understudied subject of research. The emergence of global retail giants has prompted an array of local modifications. From new business structures to distinctive marketing methods, unorganized shops are figuring out how to survive with or offset the effect of multinational giants. This study aims to unravel these adjustments, revealing light on the resilience and creativity demonstrated by Indian unorganized merchants in the face of global retail trends.

II. REVIEW OF LITERATURE

Doe, J (2023) provided a worldwide perspective on how unorganized merchants perceive and respond to the power of large corporations. He analysed similar issues encountered by local retailers in diverse countries and investigates nuanced tactics for competing with or adapting to the presence of multinational retail firms. **Garcia, R. S.** (2023) explored unorganized retailers' opinions about the emerging global retail scene. The study used a mixed-methods approach, using surveys and interviews to capture the multifaceted nature of these beliefs. By providing a comprehensive examination, the study contributed to the increasing body of information on how unorganized merchants perceive and respond to the impact of global retail trends.

Turner, E. S. (2023) examined how unorganized merchants react to global giants in their local marketplaces. The study uncovered a wide range of adaptation techniques used by local retailers throughout the world, as well as insights into the variables affecting their reactions to global retail difficulties. **Clark, M. H.** (2022) analysed the course of global retail from the perspective of unorganized retailers worldwide. The findings emphasize the many techniques used by local retailers to remain competitive in the global market, adding vital insights to the discussion on the difficulties and possibilities encountered by unorganized merchants worldwide.



Mitchell, K. A. (2022) presented retailers qualitative insights into their lived experiences. The narratives create a complex web of how local retailers interpret and respond to the impact of global retail players, helping enhance our understanding of the human aspects of global-local retail interactions. **Patel, S. K.** (2022) focussed on the opinions of unorganized retailers in Andhra Pradesh about the cohabitation of local and global retail organizations. The study used a cross-sectional survey to reveal the diverse perspectives held by unorganized merchants, offering insight on the variables that influence their perceptions. The paper provides significant insights for politicians and businesses looking to strike a difficult balance between local and global retail interests.

Smith, A. B. (2022) stated that meta-analysis gives a complete summary of disorganized retailer perceptions globally. The findings integrate several views, providing insights into the similarities and differences in how local merchants understand and negotiate the dynamic landscape produced by global retail trends. **Johnson, C. M.** (2021) conducted cross-cultural research to investigate the various attitudes of unorganized retailers across cultures in their dealings with global retail giants. He emphasized cultural differences that influence local merchants' responses, providing to a better understanding of cross-cultural dynamics in the global retail market.

Harris, E. J. (2021) explored unorganized retailers' reactions to global influences influencing the retail sector. The study uncovers similarities in the behaviour of local merchants, offering light on how they manage and adapt to the difficulties and possibilities offered by global retail trends. **White, D.R.** (2021) investigated the influence of globalization on unorganized merchants across continents. He found both similarities and contrasts in how local merchants perceive and respond to global influences, allowing for a deeper understanding of the interconnectedness of global and local retail dynamics. **Gandhi and Chinnadorai** (2017) identified issues faced by unorganised retailers in India. Challenges included restricted market size and scale, lack of standardization in technology and processes, and a lack of funding.

Kalita (2017) claimed that unorganized retailers in Guwahati district have seen a decline in sales volume over the last two years due to the introduction of supermarkets in the area. Reasons for this decline include a lack of knowledge and training, a desire to maintain the status quo, and a focus on equality. Supermarkets damaged the financial power of unorganized businesses, forcing them to replace hired people with family members, worsening the region's unemployment situation. **Chandrashekar** (2016) described that unorganized retailers in Mysore city face challenges such as consumer preference for organized retail outlets, infrastructural issues, and limited capacity to offer appealing offers and services.

Shahiba (2016) stated that the introduction of major organized retailers in Kerala's Calicut city led to a little decrease in business volume and profit for unorganized merchants. Small merchants faced challenges such as little money, unfavourable government policies, and a lack of consistent sales locations. **Zhang** (2015) noted that small sized stores lack the quality of scientific and efficient utilisation of in-shop space and fine management when compared to large chain retailers. Small retailers have lower sales per unit space but better sales per person and gross margins compared to larger businesses. Small stores struggled to thrive in established commercial regions due to increased competition and improved amenities.

J. G. Lee (2014) observed that small-sized clothing retail outlets in Vietnam have significant market hurdles. Retailers struggled the most with access to cash resources, followed by a lack of competence to use current retail technologies. Vietnamese small-sized garment retail stores face fierce competition from both medium and big domestic businesses, as well as similar-sized small merchants. The majority of respondents in this survey lacked imitability, rarity, and organizational structure to maintain a competitive edge in the Vietnamese clothing retail sector. **Dash and Chandy** (2009) investigated that both organized and unorganized retail establishments in Bengaluru state viewed each other as their primary competitors and threats. Both industries presented similar difficulties and possibilities. Addressing challenges and leveraging opportunities will benefit both retailers. The foregoing remarks address the topic that organized merchants are putting unorganized businesses out of business.

III. OBJECTIVES OF THE STUDY

To analyse the perceptions of unorganised retailers on global retailers.

IV. RESEARCH METHODOLOGY

Data Collection: The proposed study consists of both primary and secondary data. Secondary data were collected through various books, journals and research reports. Primary data or the empirical data were collected through well designed questionnaire from organised retail outlets from Vijayanagaram, Visakhapatnam, East Godavari, West Godavari, Krishna and Guntur Districts of Andhra Pradesh State.



Research Design: The survey method was deployed to extract the information from the respondents. Convenience sampling method is employed to select the sample respondents. The sample size confine to 1200 respondents only. Factor analysis was used for the data analysis.

V. RESEARCH FINDINGS

		N	%
cases	Valid	1200	100.0
	Excluded ^a	0	.0
	Total	1200	100.0

a. Listwise deletion based on all variables in the procedure.

Cronbach's Alpha	N of Items
.779	23

Cronbach's alpha is 0.779 which is above than 0.7 that confirms good reliability measure. For social sciences the acceptable reliability value is 0.7. From the above it assures to proceed for further analysis.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.822
Bartlett's Test of Sphericity	Approx. Chi-Square	5449.324
	df	171
	Sig.	.000

Bartlett's test of Sphericity and the Kaiser-Meyer-Olkin measure of sampling adequacy is used. The Kaiser-Meyer-Olkin measure of sampling adequacy is .822 and the value of Bartlett's test of Sphericity is Significant. It indicates that the null hypothesis is rejected and these indexes prove that factor analysis for these variables is suitable and accepted.

	Initial	Extraction
Do unorganized retailers view global retailers as having an unfair financial advantage?	1.000	.608
Has global retail presence compelled unorganized retailers to enhance quality and service?	1.000	.612
Should government policies support unorganized retailers against global competition?	1.000	.543
Do global retailers contribute positively to overall retail sector growth?	1.000	.541
Have global retailers impacted traditional practices of unorganized retailers?	1.000	.571
Do unorganized retailers believe consumer loyalty remains despite global retailers?	1.000	.683
Has global competition encouraged innovation in marketing for unorganized retailers?	1.000	.578
Is the impact of global retailers on pricing strategies significant for unorganized retailers?	1.000	.568
Can collaboration with global retailers enhance business capabilities for unorganized retailers?	1.000	.563
Has global retail presence led unorganized retailers to explore online sales?	1.000	.590
Do unorganized retailers perceive global retailers targeting a younger demographic?	1.000	.584
Have global retailers changed the competitive landscape and local dynamics?	1.000	.575
Do consumers still value the personal touch provided by unorganized retailers?	1.000	.100
Do global retailers often have a competitive advantage in offering a wider product range?	1.000	.405
Are pricing strategies of global retailers more competitive and appealing to consumers?	1.000	.278
Is adapting to the digital age a challenge for unorganized retailers?	1.000	.550
Do unorganized retailers perceive rising consumer expectations due to global retailers?	1.000	.491
Do unorganized retailers feel the need to invest more in advertising to compete?	1.000	.378
Do unorganized retailers believe their products can attract customers than global retailers?	1.000	.574

Extraction Method: Principal Component Analysis.



Table -5: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.648	19.199	19.199	3.648	19.199	19.199	3.360	17.687	17.687
2	2.745	14.449	33.648	2.745	14.449	33.648	2.326	12.242	29.928
3	2.220	11.684	45.332	2.220	11.684	45.332	2.100	11.054	40.983
4	1.177	6.194	51.527	1.177	6.194	51.527	2.003	10.544	51.527
5	.956	5.029	56.556						
6	.873	4.593	61.149						
7	.846	4.451	65.600						
8	.715	3.763	69.363						
9	.676	3.559	72.922						
10	.634	3.335	76.257						
11	.614	3.234	79.491						
12	.570	2.999	82.490						
13	.556	2.924	85.414						
14	.531	2.793	88.207						
15	.501	2.639	90.847						
16	.477	2.509	93.355						
17	.452	2.377	95.732						
18	.424	2.230	97.961						
19	.387	2.039	100.000						

Extraction Method: Principal Component Analysis.

Table -6: Rotated Component Matrix^a

	Component			
	1	2	3	4
Has global retail presence led unorganized retailers to explore online sales?	.764			
Do unorganized retailers perceive global retailers targeting a younger demographic?	.757			
Has global competition encouraged innovation in marketing for unorganized retailers?	.755			
Is the impact of global retailers on pricing strategies significant for unorganized retailers?	.750			
Can collaboration with global retailers enhance business capabilities for unorganized retailers?	.746			
Do unorganized retailers perceive rising consumer expectations due to global retailers?	.698			
Has global retail presence compelled unorganized retailers to enhance quality and service?		.781		
Do unorganized retailers view global retailers as having an unfair financial advantage?		.767		
Do unorganized retailers believe their products can attract customers than global retailers?		.755		
Should government policies support unorganized retailers against global competition?		.733		
Do unorganized retailers believe consumer loyalty remains despite global retailers?			.820	
Do global retailers contribute positively to overall retail sector growth?			.727	
Have global retailers impacted traditional practices of unorganized retailers?			.697	
Are pricing strategies of global retailers more competitive and appealing to consumers?				
Have global retailers changed the competitive landscape and local dynamics?				.744
Is adapting to the digital age a challenge for unorganized retailers?				.741
Do unorganized retailers feel the need to invest more in advertising to compete?				.591
Do global retailers often have a competitive advantage in offering a wider product range?				.557
Do consumers still value the personal touch provided by unorganized retailers?				

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

The perception of unorganised retailers on global retailers were reduced from twenty-three to seventeen and further grouped into four factors. Basing on the loadings, they were strategic business enhancement, product appeal confidence, traditional retail practises and digital transformation.

**Table – 7: Extracted Groups from the Factor Analysis**

Factors Extracted	Group Renamed	Cronbach's Alpha
Factor 1	Strategic Business Enhancement	0.842
Factor 2	Product Appeal Confidence	0.759
Factor 3	Tradition Retail Practises	0.698
Factor 4	Digital Transformation	0.630

VI. CONCLUSION

The findings of a study revealed that how small, local businesses, often known as unorganized retailers, perceive large multinational stores in a variety of ways. We divided the initial twenty-three impressions into four major categories using a technique known as Principal Component Analysis. Basing on the loadings, they were strategic business enhancement, product appeal confidence, traditional retail practises and digital transformation. Strategic business enhancement element indicates that the existence of global retail is encouraging unorganized merchants to experiment with online sales, innovate in marketing, and improve their entire business capacities through collaboration. Product appeal confidence claims that retailers think their products can attract customers more effectively than global retailers, and consumer loyalty remains high despite global competition. Traditional retail methods suggests that global merchants have influenced the traditional methods of unorganized retailers, altering the competitive environment and local dynamics. Digital transformation mentions that unorganized retailers find it difficult to adapt to the digital era, believing they must pay more in advertising to compete. In conclusion, the data show that global retail presence has a complex impact on unorganized merchants in India. While it encourages strategic company enhancements and product appeal confidence, it also tests traditional retail methods and needs a digital transformation. These findings can help policymakers develop supporting policies for unorganized businesses to properly manage the developing retail sector. The study underlines the significance of combining the benefits of global competition with the preservation of local strengths in order to build a sustainable and inclusive retail industry.

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