CUSTOMER LOYALTY TOWARDS KIRANAS IN COMPETITIVE ENVIRONMENT; A CASE STUDY

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Abstract

Retailing in India is emerging as a one of the largest industries estimated to account for more than 10 per cent of the country's GDP and around 8 per cent of the employment thereby having the distinction of being the country's largest source of employment after agriculture. Estimates of retail volume in India; both for organized and unorganized sectors have been assessed by different authorities. India's overall retail sector is expected to rise to US$ 833 billion by 2013 and to US$ 1.3 trillion by 2018, at a compound annual growth rate (CAGR) of 10% Despite the emergence of domestic organized retail activity Kirana shops at street corners still account for more than 90 percent of $590 billion retail trade in the country with distinct least possibility of any significant replacement. Due to intensive competition there is a focus on retaining customers as well as finding new customers. Designing strategies in this direction require a deep understanding of various product and store attributes which direct customer satisfaction followed by revisit of customers for repurchase leading to customer loyalty.

An attempt has been made in this paper to study various attributes of product and retail store that lead to customer loyalty. The primary data was collected through a well structured questionnaire. The questionnaire covered the questions regarding demographic factors of the consumers, product attributes and retail store attributes leading to customer satisfaction. A simple random sampling method was used to elicit the necessary information from customers

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visiting store outlets. In this study, customer loyalty is considered as repeated purchasing behavior of consumer towards a store. The results suggest that except product price, other store attributes and product attributes have positive effects on customer loyalty.

Keywords: *Store Attributes, product attributes, organized retailing*

Retailing in India is emerging as a one of the largest industries estimated to account for more than 10 per cent of the country's GDP and around 8 per cent of the employment thereby having the distinction of being the country's largest source of employment after agriculture. Being a fast growing industry: it is knocking at the industries' door steps as a dynamic boom. As a 'Vibrant Economy', India topped A T Kearney's list of emerging markets for retail investments for three consecutive years and stood 2nd fastest growing economy in the world, the 3rd largest economy in terms of GDP in the next 5 years and the 4th largest economy in PPP terms. After USA, China & Japan India is rated among the top 10 FDI destinations. Currently, as a fastest growing economy, by 2030, India may become one of the Top 5 economies in terms of GDP.

Presently, the Indian retail industry is in a highly unorganized state. The organized retailing share in the total retail volume has been below double digits in India as compared to 20% in China, 25% in Indonesia, 35% in Philippines, 40% in Thailand and 50% in Malaysia, around 80% in US and 70 % in Europe while as in Asia on the whole it comes to around 20%.

Estimates of retail volume in India; both for organized and unorganized sectors have been assessed by different authorities. India's overall retail sector is expected to rise to US$ 833 billion by 2013 and to US$ 1.3 trillion by 2018, at a compound annual growth rate (CAGR) of 10%. As a democratic country with high growth rates, consumer spending has risen sharply as the youth population (more than 33% of the country is below the age of 15) has seen a significant increase in its disposable income. Consumer spending rose an impressive 75% in the past four years alone. Also, modern retail, which accounts for almost 5% of the market, is expected to grow at a CAGR of 40% from US$ 20 billion in 2007 to US$ 107 billion by 2013.

The **BMI India Retail Report** for the first quarter of 2011 forecasts that the total retail sales will grow from US$ 392.63 billion in 2011 to US$ 674.37 billion by 2014 whereas its report for the first quarter of 2012 estimate that the total retail sales will grow from US$ 422.09 billion in 2011 to US$ 825.46 billion by 2015.

The Technopak Advisors have also estimated that the country's retail market accounted for US$ 310 Bn in 2006 , estimated to touch US$ 420 Bn in 2011 and may reach the levels of US$ 675 Bn in 2016 at CAGR of 7.5 % and 620 billion Euros (around Rs 37 lakh crore) by 2020. The organized retail market which was estimated at US$ 10 Bn during 2006 and US$ 26 Bn for 2011 may grow to US$ 84 Bn by 2016, at CAGR of 26%.

A report by **Boston Consulting Group** (BCG) has revealed that the country's organized retail is estimated at US$ 28 Bn with around *7 per cent* penetration. It is projected to become a US$ 260 billion business over the next decade with around 21 per cent penetration. Organized retailing in small-town in India is already growing at over 50-60 per cent a year, compared to 35-40 per cent growth in the large cities. While modern retail represents 5 per cent of India's retail sales, Indian shoppers are expected to increase spending on fast moving consumer goods (FMCG) at modern retail stores from $1.8 billion (at present) to $5 billion by 2015," a study by the **Nielsen Company** said.

About 200 tier-III cities with population of less than 2 million and another 500 rural towns have the potential to be the hub for retail markets.

The retail industry in India is divided into two sectors- organized and unorganized. While *organized retail* sector refers to corporate retail formats of the exclusive brand outlets, hypermarkets, supermarkets, departmental stores and shopping malls registered for sales tax, income tax, etc. The *Unorganized retailing*, on the other hand, refers to the traditional formats of low-cost retailing, the local *Kirana* shops, owner manned general stores, *paan/beedi shops*, convenience stores, hardware shop ,medical store ,small retail businesses in apparel, electronics, food etc., besides hand cart , pavement vendors and mobile vendors which as per to Poston, (2004) account for about 95% of small, uncomputerised family-run stores.

Despite the emergence of domestic organized retail activity *Kirana* shops at street corners still account for more than 90 percent of $590 billion retail trade in the country with distinct least possibility of any significant replacement. Around 14 million of different shapes and sizes of

*Kirana*s have not gone out of market; instead, these have turned smarter and better. "Despite the rise of the modern trade in the country, the traditional 'Kirana' stores continue to be strong and competitive on the driving strength of convenience of access, availability of home delivery, and trusted relationships between the shopper and local grocer," says the latest **Nielsen Shopper Trend India Report**.

A steady customer base is a pre- requisite for a business venture to be successful, as nearly 80 percent of their business comes from 20 percent of their loyal customers. Too many businesses neglect this loyal customer base in pursuit of new customers which proves counter productive for sustained business and profitable returns. Gaining customer loyalty and developing a retention strategy are critical parameters to an organization's success. The organization that recognizes and manages customer loyalty always stands on a firm base against its competition.

Customer loyalty is a function of services offering a quality product at competitive prices with a firm guarantee. Customer loyalty is also strengthened through free offers, coupons, low interest rates on financing, high value trade-ins, extended warranties, rebates, and other rewards and incentive programs. *The ultimate goal of customer loyalty incentives is happy and satisfied customers who will return to purchase again and persuade others to use that outlet, company's products or services. This converges to profitability, as well as happy stakeholders.*

Some leading corporate houses have started customer loyalty scheme which is essentially "a mechanism for identifying and rewarding loyal customers" . Then customers collect points according to the scale of purchases and can earn a future discount exchanging these points in their next visit. The main objective of a loyalty program is to retain regular customers, to increase commitment from occasional customers and to acquire new ones.

However, while the Indian shopper continues to embrace the Modern Trade Format, the rate of adoption has slowed in 2008 compared to 2007. Traditional grocery stores continue to dominate the Indian retail scene and are frequented more often by Indian shoppers. While 39 percent of grocery buyers visited a Supermarket/Hypermarket at least once in four weeks, 97 percent of them visited a Traditional store over the same period. "The exponential growth in the Modern Trade Format's customer base that we have observed in recent years now appears to be stabilizing. Given this scenario, awareness and presence will continue to drive the equity a retail

banner enjoys in shoppers' minds," said **Asitava Sen, Director, Retail Consulting, the Nielsen Company, India.**

Customer loyalty warrants study of the type of customers visiting the retail formats which are classified as under:-

Type of customers

Loyal Customers: They represent no more than 20 percent of our customer base, but make up more than 50 percent of our sales. These customers need to be communicated as they influence our buying and merchandising decisions. Many times, the more you do for them, the more they will recommend you to others.

Discount Customers: They shop our stores frequently, but make their decisions based on the size of our markdowns and are the key contributor to cash flow.

Impulse Customers: They do not have buying a particular item at the top of their "To Do" list, but come into the store on a whim. They will purchase what seems good at the time. Always efforts are made to having them respond favorably to our recommendations. Besides the group provide us with a significant amount of customer insight and knowledge.

Need-Based Customers: They have a specific intention to buy a particular type of item. . They buy for a variety of reasons such as a specific occasion, a specific need, or an absolute price point. If satisfied, and well taken care of they can also become Loyal Customers.

Wandering Customers: They have no specific need or desire in mind when they visit the store. For many stores, this is the largest segment in terms of traffic, while, at the same time, they make up the smallest percentage of sales. They are driven more by a store location than anything else.

Need of the Study:

With the increasing penetration of organized retail in metros and cities down below the customer base of both the organized and unorganized retail (Kiranas) outlets is likely to swing and it is imperative to study, analyze and provide vital inputs to the retailers in India in order to understand the factors which have an impact on the customers to form positive attitude towards

shopping behavior in the present dynamic oscillating retail *scenario* with due consideration of the present life style of consumers.

Literature Review:

Review of literature has been classified to fall under the following three headings:

a/   *General Behavior of the Consumers***:**

Customer loyalty is customer's intention to purchase a specific product or services repeatedly. Customer loyalty is an interaction between customers' relative attitude and their repeated purchase behavior towards a brand or store. According to **Rhee and Bell (2002)**, customer loyalty is an important indicator of store health. Customers' loyalty may be a long-term or short-term attribute (**Chang and Tu, 2005**). Long-term loyal customers not easily change their store and product choice. In contrast, short-term loyal customers switch when they find a better alternative.

Korgaonkar et al.,(1985) have pointed out that a consumer could display patronage behavior and yet not be loyal. This 'spurious' loyalty is indistinguishable from intended loyalty in the short term and occurs due to price offers and heavy promotions. Deal prone consumers would shift to a store that offers the best price/discounts though over a short period of time they may have the same shopping patterns as loyal customers. Loyalty (henceforth used to mean intended loyalty) is the prime attitudinal objective that every marketer/retailer aims for with his marketing/retail mix elements

Ashokan & Hariharan (2008) in their study **"Profile and perception of retail consumers"** analyzed the consumers' perception towards retail in Palakkad, Kerala. sVisiting retail outlets has become a group activity. Most of the shoppers are influenced by as well as accompanied by colleagues, friend and relatives. Majority of the people who visit do not shop at all. The hang around meet friends, do window – shopping and spend time leisurely.

Khare, A. and Mayo, M.C.(2010) while studying the changes in retail *formats in India's small towns observed that* in India, the consumer, for years, has depended upon nearby, small shops and stores for the fulfillment of their needs. This was observed to be in line with the customer behavior in the countries like Russia, Brazil and China. The rising income levels of

consumers is driving the retail growth in Class B cities and smaller towns and the Indian consumer is driving the retail growth in Class B cities and smaller towns terming these as min-metros.

Joseph Mathew *et al.* (2008) in their ICRIER Retail Report 'Impact of organized retailing on the unorganized sector' found that; ·unorganized retailers have significant competitive strengths that includes proximity, consumer goodwill, credit sales, amenability to bargaining, ability to sell loose items, convenient timings, and home delivery in bargain for consumer loyalty. Similar observations have also been made by **Goswami & Mishra(2009)**

b/ *Store Attributes*

Martineau(1958) categorized store attributes into two categories:- Functional and Psychological. The functional category includes attributes such as location, assortment of products and store layout. The psychological category represents the feelings generated by the functional elements of store.

Several studies have revealed that store choice behavior is deeply related with store attributes and intrinsic loyalty breeds stickiness towards the same retail outlet. If the shoppers have been patronizing a store for a long period of time, they do not mind buying from the same outlet even if it is located at some distance (*Sinha and Banerjee, 2004).*

(Gilbert, 2006) has rightly concluded that Store loyalty exists when consumers habitually visit the same store because they are satisfied with the shopping experience and products on offer. Store loyalty may be enhanced by selecting the right location, offering breadth and depth of merchandise selection, creating the right sales ambience or atmosphere, displaying and promoting goods intelligently, providing optimum service standards and rewarding frequent customers through loyalty schemes."

According to *Rhee and Bell (2002)*, customer loyalty is an important indicator of store health. Customers can have long-term or short-term loyalty (Chang and Tu, 2005). Long-term loyal customers not easily change their store and product choice. In contrast, short-term loyal customers switch when they find a better alternative. In this study, store loyalty is measured

using parameters such as consumers' willingness and intention to purchase in future and, their choice behavior.

While credible findings have been reported on store attributes and customer loyalty in western countries (***Carpenter and Moore, 2006***) the similar extensive detailed findings are still not reported in developing countries Consumers' perception of store attributes influenced by retail formats, type of products, cultural value, shopping intention and customer base (***Paulins and Geistfeld, 2003***). ***Bearden (1977)*** states that store atmosphere, location, parking facilities, and friendliness of store people are the salient factors that influence consumer store patronage. As a result store attributes such as service offering, activities, facilities and convenience have major influence on customer satisfaction and loyalty (***Chang and Tu, 2005. Goswami and Mishra ,2009***) . **Chopra, K.** (2011), while studying the future of Wal Mart in India has pointed out that consumers in India patronize a store for shopping based on traveling time, range of products offered, services offered and their socio-economic background.

c/   *Product Attributes*

As per ***Gwin and Gwin (2003)*** consumer preferences are mainly based on maximizing utility from basic product attributes of price, variety, assortment and value of the products subject to budget constraints. ***Uusitalo, (2001)*** has in his study added another dimension of product nature and socioeconomic nature of consumer.

Sinha and Banerjee's (2004) study in their study have concluded that store convenience and customer services positively influence consumers store choices, Indian consumers were also found to be price sensitive and quality conscious (***Tuli and Mookerjee, 2004). Choo, Jung and Pysarchik (2004)*** have also observed that Indian consumers' attitude towards new products is undergoing a significant change resulting in increasing their intention to shop in new retail formats such as supermarkets. Thus, product attributes such as quality, price, and availability of new products are important parameters within the Indian context.

Objectives of the Study:

The study was undertaken with the following objectives:-

- To analyze the demographic profile of customers and their association with retail outlets which make them loyal customers.

- To identify the retail store attributes leading to customer loyalty.

- To know the relationship in between service quality & revisit of customers for repeat purchase in unorganized retail outlets leading to customer loyalty.

- To know various product attributes which lead to customer loyalty.

Research Methodology:

The research design adopted for this study is Descriptive Research. Descriptive method was adopted because it deals with description of the state of affairs as it exist at present

Sampling Technique

A Simple random sampling method was used to elicit the necessary information from the consumers of retail stores. It is the simplest type of sampling, in which we draw a sample of size (n) in such a way that each of the 'N' members of the population has the same chance of being included in the sample. A sample selected in this way is called a simple random sample.

Sample Size =150

Tools for Data Collection:

The primary data was collected through a well structured questionnaire comprising bi-polar, optional type, and Likert's 5 point scale type questions

The responses were gathered, coded, tabulated and analyzed. To measure the intensity of parameters open ended and close ended questionnaire was used. Certain attributes were measured on five point likert scale and final score has been calculated by using weighted ranking method.

Limitations of the study

The present study is a study of sample. The present study is based on the primary data collected from respondents assuming that they have given their genuine preferences without hiding anything

- Due to time constraints sample size was restricted to 150 which was less when compared to entire population..

- Few respondents were unable or unwilling to give a complete and accurate response to certain questions.

The survey was conducted in specific areas of Jammu region of J& K State. Other regions of the state like Srinagar and Ladakh were not included in the survey so the opinions of the respondents

Results and discussion:-

Table -1: *DEMOGRAPHIC CHARACTERS OF RESPONDANTS*

	Total Number of Respondents=150		
	Characteristics	**Number of Respondents**	**Percentage**
Age	Below 20 years	12	08.00%
	21-35 Years	69	46.00%
	36-50 Years	44	29.34%
	51 Years and above	25	16.66%
Gender	Male	56	37.33%
	Female	94	62.66%
Marital Status	Married	97	64.66%
	Unmarried	53	35.33%
Qualifications	Matric and Below	13	08.66%
	Under Graduate	35	23.33%
	Graduate	50	33.33%

	Post Graduate	41	27.33%
	Professionals and others	11	07.33%
Family Size	Below 4 Members	43	28.66%
	4-6 Members	77	51.33%
	More than 6 members	30	02.00%
Occupation	Student	12	08.00%
	Housewife	69	46.00%
	Business	20	13.33%
	Service	35	23.33%
	Professional	04	02.66%
	Others	10	06.66%
Number of working member	Only 1	56	37.33%
	2-3	79	52.66%
	Above 3	15	01.00%
Annual income	Up to Rs 5000/- PM	12	08.00%
	Rs 5001-Rs 10000 PM	33	22.00%
	Rs 10001-Rs 25000 PM	53	35.33%
	Rs 25001-Rs 50000PM	37	24.66%
	Above Rs 50000 PM	15	01.00%

Demographic Profile of the Customers:

Demographic profiles of the consumers help in segmenting the market for research purposes. It describes the population on the basis of age, gender, income, occupation and many others. A brief description of demographic and economic aspects of the consumers is necessary to arrive at a decision of how the consumers behave in a particular situation. In this background, the present research concentrates on the demographic factors of retail consumers by treating these factors independent throughout this study.

The first characteristic "Age" plays a significant role to analyze a respondent's economic condition and his decision making power. From the above table we can infer that majority of the consumers (46%) were from the age group 21-35 followed by (29.33%) were from the age group 36- 50 years of age. So a proposition can be drawn as majority of the consumers were mature enough to make an intelligent decision with regards to purchase.

A study of gender of respondents helps up to analyze the consumer behavior of both groups. In this study an attempt has been made to analyze the consumer behavior of both types of respondents. From the above table we can predict that majority of respondents were females.

The purchase decision is also influenced by the qualifications of the respondents. From the above table that majority of the respondents were graduates and post graduates 33.33% and 27.4% respectively. Majority of respondents had family size of 4-6 members (51.33%) which shows most of the respondents were making frequent purchases about their households.

Occupation of the respondent also helps to arrive at a decision about their shopping behaviors and above table shows a major chunk of respondents comprised of housewives (46%) who are value oriented customers followed by service class (23.33%).

An attempt was made to segregate the preferences of shopping according to the income break-up of the households. It was inferred that low income group didn't show an passionate response toward shopping. Majority of the respondents belonged to middle income group category i.e., Rs 10000-Rs 25000 per month (35.33%) of the total respondents.

Table - 2: *NATURE OF PURCHASE FROM UNORGANISED RETAIL OUTLETS*

S.No	Description	No of Respondents	Percentage
1	Cash	79	52.67%

2	Credit	32	21.33%
3	Both	39	26.00%
4	Total	150	100.00%

The above table reveals that majority of the respondents i.e., 52.67% prefer to pay cash as a medium of purchase and only 21.33% of the respondent use credit. There is another category of respondents (26.00%) which are using both means i.e., cash as well as credit.

Table 3: *RETAIL STORE ATTRIBUTES LEADING TO CUSTOMER*

Retail Store Attributes	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree	Total
Location	45/30.00%	34/22.60%	21/14.00%	38/25.40%	12/8.00%	150
Not so crowded	14/9.30%	24/16.00%	34/22.60%	46/30.60%	32/21.33%	150
Good layout	34/22.60%	37/24.60%	25/16.67%	41/27.33%	13/8.67%	150
Good Shelf Displays	46/30.66%	53/35.33%	13/8.67%	20/13.33%	18/12.00%	150
Clean and free from clutters	55/36.67%	49/32.67%	23/15.33%	13/8.67%	10/6.67%	150
Store atmosphere and decoration	23/15.33%	21/14.00%	12/8.00%	44/29.33%	50/33.33%	150
Convenience and Accessibility of the store	67/44.67%	55/36.67%	08/5.33%	12/8.00%	8/5.33%	150
Convenient operating Hours	69/46.00%	57/38.00%	06/4.00%	8/5.33%	12/8.00%	150

An attempt was undertaken to study various retail attributes which lead to customer loyalty. Table- 3 shows majority of the respondents favored convenient operating hours (46%) as the major factor leading to customer loyalty followed by convenience and accessibility of the store (44.4%). Other factors like Store decoration, Good Shelf displays were the least preferred factor for making a choice for purchase of day to day routine decisions. Attributes like Good Shelf Displays, Good Layout, clean and clutter free environment were also considered by a respectable number of respondents to make product choices.

Table 4: PRODUCT ATTRIBUTES LEADING TO CUSTOMER

Product Attributes	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree	Total
Originality of the product	74/49.30%	56/37.30%	6/4.00%	6/4.00%	8/5.33%	150
Emotional tie ups with shopkeeper	68/45.33%	62/41.33%	10/6.67%	6/4.00%	04/2.67%	150
Information about new product	45/30.00%	49/32.67%	14/9.33%	27/18.00%	15/10.00%	150
Availability of products range according to	79/52.67%	69/46.00%	02/1.33%	-	-	150

pocket						
Discount Offers on special occasions	72/48.00%	68/45.33%	05/3.33%	02/1.33%	03/2.00%	150
Availability of discounted products	67/44.67%	59/39.33%	08/5.33%	10/6.67%	06/4.00%	150
Packaging of product	23/15.33%	25/16.67%	10/6.67%	40/26.67%	52/34.67%	150
Competitive Pricing of the product	12/8.00%	13/8.67%	-	86/57.33%	49/32.67%	150
Freshness of the product	79/52.67%	69/46.00%	02/1.33%	-	-	150

A number of product attributes have a direct bearing on the consumer loyalty. These features create an inclination in the minds of the consumer towards purchase of the product. The above table-4 reveals factors like freshness of the product (52.67%) and availability of products range according to the pocket (52.67%) help to retain existing customers leading to customer loyalty. A considerable number of consumers (49.33%) favored originality of the product followed by emotional tie-ups with the shopkeepers which tends to create a positive attitude towards the store leading to repeat purchase of the products. Factors like Competitive Pricing of the Product (8.00%) and Packaging of the Product (15.3%) were least considered by the customers for repeat purchase of the product from the retailer.

Table 5: SERVICE ATTRIBUTES LEADING TO STORE LOYALTY

Service Related Attributes	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree	Total
Good Bargains	45/30.00%	49/32.67%	14/9.33%	27/18.00%	15/10.00%	150
Problem Solving attitude of Shopkeeper	74/49.33%	56/37.33%	6/4.00%	6/4.00%	8/5.33%	150
Home Delivery	67/44.67%	59/39.33%	8/5.33%	10/6.67%	6/4.00%	150
Quick Billing	46/30.67%	53/35.33%	13/8.67%	20/13.33%	18/12.00%	150
Payment in Installments	78/52.00%	55/36.67%	7/4.67%	6/4.00%	4/2.67%	150
Return on replacement	68/45.33%	62/32.67%	10/6.67%	6/4.00%	4/2.67%	150
Recommendations by shopkeepers	34/22.67%	37/24.67%	25/16.67%	41/27.33%	13/8.67%	150
Perception about savings	63/42.00%	62/41.33%	8/5.33%	11/7.33%	6/4.00%	150
Products on credit	74/49.33%	56/37.33%	6/40.00%	6/40.00%	8/5.33%	150
Individual Attention and Courteous Employees	45/30.00%	49/32.67%	14/9.33%	27/18.00%	15/10.00%	150
Safe and Error Free Transactions	69/46.00%	57/38.00%	06/4.00%	8/5.33%	10/6.67%	150

Table 5 shows various service related attributes leading to service quality. Majority of the respondents claimed payment in installments (52%), problem solving attitude of the shopkeeper (49.33%) and giving products on credit (49.33%) encourages them to make repeat purchases thus making consumers loyal. These factors are followed by safe and error free transactions (46%), return on replacement (45.33%), home delivery (44.67%), quick billing(30.67%) which help to generate customer loyalty.

Reasons for opting Kiranas against organized retail outlets	Average Score	Rank
Inconvenient location	73.45	I
Long queue for billing	56.98	V
Non cooperative attitude of sales personnel	49.78	IV
No Home delivery	65.46	II

Table-6 *REASONS FOR OPTING KIRANAS AGAINST ORGANIZED RETAIL OUTLETS*

Improper space management	45.64	VI
Poor after sales service	61.30	III
Selling of counterfeiter products	43.70	VII
Non payment in Installments	42.50	VIII
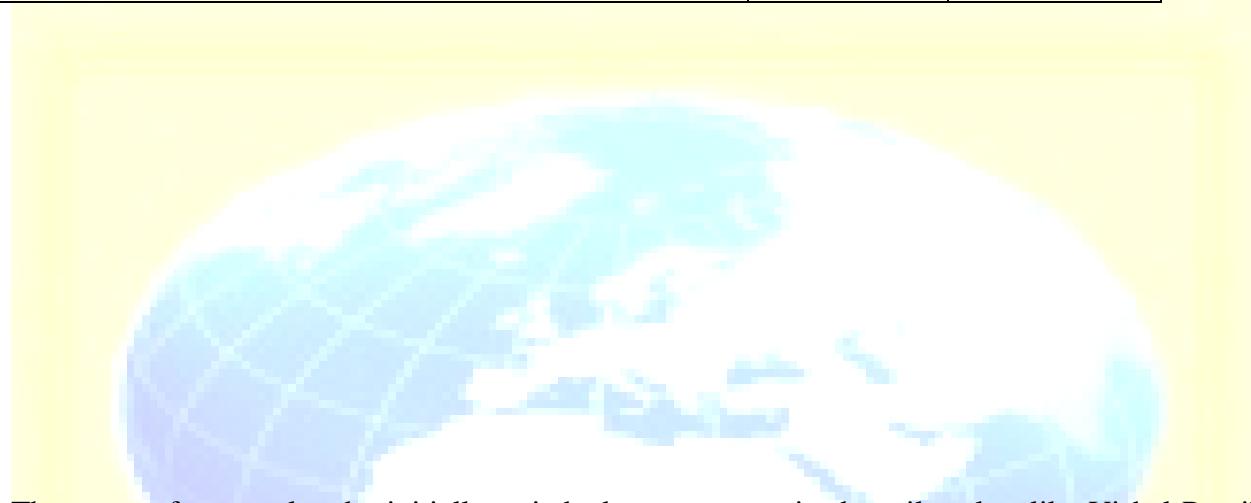
There were few people who initially switched over to organized retail outlets like Vishal Retail and other modern outlets but afterward returned back to neighborhood Kiranas with reasons of Inconvenient location, No Home delivery, Poor after sales service, Non cooperative attitude of sales personnel, Improper space management, Selling of counterfeiter products and Non payment in Installments in decreasing order of convenience.

ConclusionS:-

The present study is an attempt to understand the changing consumer behavior from shopping malls to traditional outlets. Various attributes were critically analyzed to study this shift in consumer behavior. It is concluded that store attributes like convenient operating hours and accessibility are the factors which lead to customer loyalty where as store appearance is not a critical determinant of customer loyalty. Similarly, product attributes like freshness of the product and availability of products range according to the pocket is a major determinant of loyalty. Various reasons for which Kiranas are still favored by customers include convenient location, home delivery, personal relations with shopkeeper, giving products on credit, payment

in installments as is evident from the above study. The knowledge of these factors in very important for the retailers as it helps them to plan strategies to retain loyal consumers and compete with modern retail chains. Traditional retailers should focus on quality and availability of wide assortment of products to enhance customer loyalty. They need to enhance their stocks and lay emphasis on modernization of their store which will facilitate them to understand and comprehend the shopping intention Sand attitude of the consumers thus leading to success in long run.

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