

# **CHANGING CONSUMER PREFERENCES TOWARDS ORGANIZED RETAILING**

**BY**

**FATIMA TAHIR**

**19488**

A thesis presented to the Department of Management Sciences, Bahria University Karachi Campus, in partial fulfillment of the requirements of the MBA degree



**Fall, 2014**

Bahria University Karachi Campus

**MBA Thesis**  
**2<sup>nd</sup> Half-semester Progress Report & Thesis Approval**

**Supervisor-Student Meeting Record**

No.	Date	Place of Meeting	Topic Discussed	Signature of Student
5	17-9-2014	Cubical	Literature review Chapter # 2	Fatima
6	20-10-14	Cubical	Chapter # 3 Chapter # 4	Fatima
7	20-11-14	Cubical	Chapter # 5 Chapter # 6 Chapter # 1	Fatima

**APPROVAL FOR EXAMINATION**

Candidate's Name: FATIMA TAHIR Registration No. 1948  
 Thesis Title: changing consumer Preference towards organized retailing

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at 18.7% that is within the permissible limit set by the HEC for the MBA thesis. I have also found the thesis in a format recognized by the Department of Management Sciences.

Supervisor's Signature: \_\_\_\_\_ Date: 17-03-2015

Name: SIR BASEER DURRANI

Head Of Department Singnature Date:

## **ACKNOWLEDGMENT**

By the Grace of Almighty Allah, the most Merciful, the most Beneficial, I'm today submitting my Thesis report; I have the pearls of my eyes to admire the blessings of the compassionate, omnipotent, the Merciful and the beneficent Allah who is the entire source of knowledge and wisdom.

Due to His bounteous blessings, I become able to contribute this comprehensive assignment toward the deep ocean of knowledge already exists. Heart is warm with love and thoughts have turned to the city of knowledge. The Holy Profit (P.B.U.H) His saying "Learn from Cradle to Grave" inspired the strong desire in me to undertake this course of valuable studies.

It would obviously be injustice not to mention the name of the people involved to make this Thesis possible and helped their utmost to make me understand **the changing consumer preferences towards organized retailing** as of their best knowledge.

Despite of the most hectic schedule, **Sir Baseer Durrani and Sir. Uzair** of Bahria University helped me so much. I'm really grateful to them for clarifying my concepts and making me learn from their experience. Whatever I learnt from you will definitely help me in my upcoming study and the professional life ahead. Thank you so much for being so co-operative and so helpful every time. I hope Sir Baseer Durrani of Bahria University; I have been up to your expectations.

## **ABSTRACT**

The objective of this study is to explore the relationship between Customer's decision of conventional Kiryana shops versus modern organized retailer in mall and super store environment. The goal of this study is to separate buyer shopping conduct in diverse retail design. Customer shopping behavior includes mentality towards advanced retail locations and conventional stores, plan and shopping inclinations. Information was gathered by going to diverse retail configurations like hyper markets, discount stores, retail chains and little Kiryana stores.

The researchers were planned to know the belief of customers in the wake of opening of cutting edge retail in their neighborhood. Along these lines it had been utilized Structured Questionnaire by utilizing Likert Test scale and Convenient inspecting routines were utilized for 400 specimen size . The reason for this study is to recognize the authoritative components that influence customer backing behavior of urban clients towards current and conventional sustenance and markets in the connection of the Pakistan. Also, the study centers to discover which components lead to the decision of which particular kind of retail formations in food and important buying.

Based on literature review a conceptual model is proposed and a hypothesis was developed. The model investigates the effect of several independent variables on store format choice: product variety, courtesy of staff, reasonable price, store atmosphere, location convenience and household income. Fried man test used on this research and result show that location, income, store atmosphere and price plays important role and are most important. While courtesy of staff comes on second number and least important according to this research is product variety.

The main limitation of this study is that it is only based on Karachi which is not covering all areas of Karachi. Research covers few main areas of Karachi city. Beside this some people were biased and some were not ready to give answers. This research is only based on six variables which include location, store atmosphere, price, Income, courtesy of staff and product variety. Based, on these six variables conclusion is made.

**Key words:** Consumer behavior, Retailing, Traditional store, Modern store, Product variety, Price, location, Store atmosphere, Income

## Contents

CHAPTER 1.....	3
INTRODUCTION.....	3
1.1 PROBLEM STATEMENT:.....	3
1.2 AIM OF RESEARCH:.....	3
1.4 GLOBAL OVERVIEW:.....	5
1.5 PAKISTANI RETAIL SCENARIO:.....	5
1.6 HISTORY:.....	5
1.7 SCOPE OF THE RESEARCH:.....	6
1.8 OBJECTIVE OF THE STUDY:.....	7
CHAPTER 2.....	8
LITERATURE REVIEW .....	8
2.1 INTRODUCTION: .....	8
2.2 RETAILING:.....	8
2.2.1 GENERAL STORE: .....	11
2.2.2 HYPERMARKETS:.....	12
2.2.3 DEPARTMENTAL STORES: .....	12
2.2.4 WARE HOUSE STORES: .....	13
2.2.5 CONVENIENCE STORES:.....	14
2.2.6 DISCOUNT STORES:.....	14
2.2.7 SPECIALTY STORE:.....	15
2.2.8 VARIETY STORES: .....	16
2.2.9 ELECTRONIC STORES: .....	16
2.3 RETAILING IN PAKISTAN:.....	16
2.4 CONSUMER BEHAVIOR AND RETAILING DECISION:.....	19
2.5 SELECTION OF DEPENDENT AND INDEPENDENT VARIABLES:.....	22
2.5.3 PRODUCT VARIETY:.....	24
2.5.5 STORE CONVENIENCE: .....	25
2.5.6 INCOME: .....	26
CHAPTER 3.....	27
RESEARCH METHODOLOGY .....	27
3.1 SAMPLE DESIGN: .....	27

3.2 DATA COLLECTION:	28
3.3 SAMPLING:	28
3.4 TIME PERIOD OF STUDY:	29
3.5 STATICALLY TOOL APPLIED:	29
3.6 KINDS OF DATA COLLECTED:	29
3.6.1 PRIMARY DATA:	29
3.6.2 SECONDARY DATA:	29
CHAPTER 4.....	30
DATA INTEGRATION AND ANALYSIS .....	30
4.1 DATA INTEGRATION AND METHODOLOGY:	30
4.2 MEASUREMENT OF INDEPENDENT VARIABLES:	30
4.2.1 COURTESY OF STAFF:	30
4.2.2 PRICE:	31
4.2.3 PRODUCT VARIETY:	31
4.2.4 STORE ATMOSPHERE:	31
4.2.5 LOCATION:	32
4.2.6 INCOME:	32
4.3.1 FRIEDMAN TEST:	33
FRIEDMAN TEST .....	33
4.3.3 RELIABILITY OF DATA:	34
4.4 CONCEPTUAL FRAMEWORK:	35
CHAPTER 5.....	37
CRITICAL DEBATE .....	37
5.1 DISCUSSION:	37
CHAPTER 6.....	42
CONCLUSION AND RECOMMENDATION .....	42
6.1 CONCLUSION:	42
6.4 LIMITATION OF THE STUDY:	44
REFERENCES/BIBLIOGRAPHY .....	46
APPENDICES.....	48