

SUBSTANTIAL ROLE OF SALESPERSON IN UNORGANISED RETAIL STORES

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Abstract

Over the years, unorganized retail shoppers' orientation towards this routine activity has been changing with the inception of organized retail and online businesses. The innovations brought by retailers and marketers in the practice of retailing have been providing new paradigms for shopping. This has also led to a body of knowledge that aims to understand orientation of unorganized retail shoppers towards shopping. The purpose of the study is to address the gap in understanding how the sales person influences the customers. This paper contributes to sales by further exploring the relationship between the sales person and the customers. This study is based on primary data with the sample of 250 retailers.

Key words: *Salesperson, Unorganized Retail Stores, Retailing, Retention.*

Introduction

Retailing refers to all the transactions which involve sale of goods or services to the ultimate consumers. A retailer is a middleman who procures goods from the wholesalers and sells it to the final consumers. They form a vital link in the channel of distribution and make it possible for consumers to buy goods of their choice in shops located in close proximity. Retailers have a much stronger personal relationship with the consumers and deal directly with the people of varied taste and temperament. They form the last link in the chain of distribution and give the final selling price to the product. The retailers provide important services and solve the problems of the manufacturers and wholesalers on one hand and the consumers on the other hand.

Statement of the problem

Retailers occupy a predominant role in the development of the country. The Indian retail sector is highly fragmented and unorganized. The growth potential in the sector is immense with too many obstacles. Large scale retailers appear to be successful in implementation of appropriate marketing strategies and policies, whereas small scale textile retailers are facing problems at every stage of their operation, such as buying of materials,

marketing of goods, raising of finance, managing sales person etc. sales person helps the small scale retailers in every stage of their business right from the inception of the business. The important feature of small scale retailing is such that it adopts flexible way of distributing the products to the final consumers. Hence the researcher finds it necessary to study the substantial role of salesperson in unorganized retail stores under changing conditions of the market.

Objectives of the study

To main objective of the study is to find out the methods followed in obtaining sales persons for the retail shop.

Methodology of the study

The study involves both primary data through structured questionnaire and secondary data through websites, journals and books. The data have been collected from 250 respondents who are small scale retailers. For the purpose of the study, 250 respondents were selected using convenience sampling method. Data has been confined to Coimbatore city only.

Operational Definition

Small Scale retailer

A small scale retailer refers to a retailer who owns only one shop and the ownership may be either sole trading or partnership with fewer than 15 employees.

Tools for analysis

- Percentage Analysis
- Analysis of Variance
- Correlation Analysis
- Multiple Regression Analysis

Literature Review

Yue Teng Wong et al (2014) in their paper "A typology of personal factor attributes among shoppers" derive a comprehensive model with integrated dimensions of trait constructs to understand the shoppers' dispositional traits in consumption. Rituparna Basu, et al (2014) in the paper "Do apparel store formats matter to Indian shoppers?" Explores the store choice behavior of Indian apparel shoppers and analyses the factors influencing their choice of retail formats from an emerging market perspective. Factor analysis revealed five

well defined stores attributes influencing the apparel shoppers' decision. Khare Arpita (2014) in their paper "Consumer-small retailer relationships in Indian retail", The purpose of the study was to understand influence of assortment, store facility, service and relationship on Indian. The Indian consumers' prefer small retailers due to assortment, service, store facility and relationship. Vedamani & Gibson (2013) in their study "Evolution of retailing in India: a study of Apparel Industry" aims to explore the patterns and trends of apparel retail evolution in India. An attempt is made to study in depth the factors influencing the evolution and growth of apparel retail firms in India. Sunil (2013) in his study "Bricks and clicks: consumer preference - A comparative analysis" an attempt has been made to assess the consumer's preferences while purchasing their products online and offline and to study the comparative advantage and disadvantage of traditional stores and web stores. Nithu Sexena, et al (2013) made a research on "A study on internal and external factors influencing consumer buying behavior with respect to retailing in India". The paper focuses on the Understanding the internal and external factors influencing the Consumer buying Behavior in India, which can help the marketer to address family sensibilities more rigorously to woo Indian customers. Rajeev K Shukla, et al (2013) attempts on "Buyers preferences for organized and unorganized apparel retail stores-a comparative study" The study intended to know the effect of attributes associated with different apparel retail formats and the buyers' preferences to visit the retail stores. Hormaz Dali Patel (2012) in his paper "A study on popular retail formats adopted by retailers in India" focused on popular retail formats adopted by various retailers and their current position. Thenmozhi & Dhanapal (2011) identified the Retail service quality factors and explores the impact of Retail Service Quality on Customer satisfaction and loyalty in unorganized retail outlets and sample of 463 customers at selected kirana stores (unorganized retail format) of Tamilnadu in India were selected for the study on the basis of non-probability convenience sampling. Cheema (2010) in his study "Modern retailing in India – opportunities and challenges" attempts to know why Indian retailing is undergoing a process of evolution and is poised to undergo rapid transformation.

ANALYSIS AND INTERPRETATION**Table 1: Percentage Analysis - Level of satisfaction towards sales persons**

Satisfaction level Different aspects	Very High Satisfaction	High Satisfaction	Moderate Satisfaction	Less Satisfaction	Very Less satisfaction	Total
General behavior	32 (12.8)	112(44.8)	95 (38)	11 (4.4)	-	250 (100)
Relationship with fellow employees	28(11.2)	81 (32.4)	80 (32)	57 (22.8)	4 (1.6)	250 (100)
Relationship with customers	32 (12.8)	67 (26.8)	101 (40.4)	38 (15.2)	12 (4.8)	250 (100)
Selling efficiency	36 (14.4)	42 (16.8)	111 (44.4)	49 (19.6)	12 (4.8)	250 (100)
Commitment to the job	28 (11.2)	48 (19.2)	102 (40.8)	52 (20.8)	20 (8)	250 (100)

Note: values given in brackets are in percentage.

It is observed from table the that 36 (14.4%) retailers have very high satisfaction towards selling efficiency of their sales team, 32 (12.8%) retailers have very high satisfaction towards sales persons general behavior and relationship with customers and 28 (11.2%) retailers have very high satisfaction towards sales persons relationship with fellow employees and commitment to the job.

It is concluded that most (14.4%) of the retailers are very highly satisfied towards the selling efficiency of their sales team.

ANALYSIS OF VARIANCE (ANOVA)

The table describes the result of ANOVA in terms of organizational factors, source of variation, sum of squares, degree of freedom, mean sum of squares, F values, p values, and their significance on level of satisfaction towards the various aspects of the sales persons.

Level of satisfaction towards the general behaviour of the sales persons

Hypothesis: There is no significant difference between the organizational classifications of the respondents and level of satisfaction towards the general behaviour of the sales persons.

Table 2: Results of ANOVA - Organizational classification and level of satisfaction towards the general behaviour of the sales persons

Organizational factors	Source of variation	Sum of squares	Degree of freedom	Mean sum of squares	F Values	p Values	Significant / Not Significant
Nature of business	Between groups	1.472	2	0.736	1.293	0.276	NS
	Within groups	140.628	247	0.569			
	Total	142.100	249				
Experience in business	Between groups	14.474	3	4.825	9.300	0.000	S
	Within groups	127.626	246	0.519			
	Total	142.100	249				
Initial capital	Between groups	4.993	2	2.497	4.498	0.012	S
	Within groups	137.107	247	0.555			
	Total	142.100	249				
Source of borrowing	Between groups	0.459	2	0.230	0.347	0.707	NS
	Within groups	91.370	138	0.662			
	Total	91.830	140				
Number of sales persons	Between groups	7.186	3	2.395	4.368	0.005	S
	Within groups	134.914	246	0.548			
	Total	142.100	249				
Working hours of the shop	Between groups	4.167	3	1.389	2.478	0.062	NS
	Within groups	137.933	246	0.561			
	Total	142.100	249				

Note: S - Significant @ 5% level ($p \text{ value} \leq 0.05$), NS - Not Significant @ 5% level ($p \text{ value} > 0.05$)

It is found from the table that the hypothesis is rejected (significant) in 3 cases and accepted (not significant) in 3 cases.

It is concluded that the experience in business, initial capital and number of sales persons of business have a significant difference on the level of satisfaction towards the general behaviour of the sales persons.

Level of satisfaction towards the relationship with fellow employees.

Hypothesis: There is no significant difference between the organizational classifications of the respondents and level of satisfaction towards the relationship with fellow employees.

Table 3 - Results of ANOVA - Organizational classification and level of satisfaction towards the relationship with fellow employees.

Organizational factors	Source of variation	Sum of squares	Degree of freedom	Mean sum of squares	F Values	p Values	Significant / Not Significant
Nature of business	Between groups	3.611	2	1.806	1.846	0.160	NS
	Within groups	241.653	247	0.978			
	Total	245.264	249				
Experience in business	Between groups	9.999	3	3.333	3.485	0.016	S
	Within groups	235.265	246	0.956			
	Total	245.264	249				
Initial capital	Between groups	1.595	2	0.798	0.809	0.447	NS
	Within groups	243.669	247	0.987			
	Total	245.264	249				
Source of borrowing	Between groups	10.077	2	5.038	5.643	0.004	S
	Within groups	123.214	138	0.893			
	Total	133.291	140				
Number of sales persons	Between groups	35.189	3	11.730	13.736	0.000	S
	Within groups	210.075	246	0.854			
	Total	245.264	249				
Working hours of the shop	Between groups	5.236	3	1.745	1.789	0.150	NS
	Within groups	240.028	246	0.976			
	Total	245.264	249				

Note: S - Significant @ 5% level (p value \leq 0.05), NS - Not Significant @ 5% level (p value $>$ 0.05)

It is found from the table that the hypothesis is rejected (significant) in 3 cases and accepted (not significant) in 3 cases. It is concluded that there exist significant difference in the organizational classification of the respondents in respect of experience in business, source of borrowing and number of sales persons on the level of satisfaction towards the relationship with fellow employees.

Level of satisfaction towards the sales persons relationship with customers

Hypothesis: There is no significant difference between the organizational classifications of the respondents and level of satisfaction towards the sales persons relationship with customers.

Table 4 - Results of ANOVA - Organizational classification and level of satisfaction towards the sales persons relationship with customers

Organizational factors	Source of variation	Sum of squares	Degree of freedom	Mean sum of squares	F Values	p Values	Significant / Not Significant
Nature of business	Between groups	10.893	2	5.466	5.358	0.005	S
	Within groups	251.063	247	1.016			
	Total	261.956	249				
Experience in business	Between groups	2.302	3	0.767	0.727	0.537	NS
	Within groups	259.654	246	1.056			
	Total	261.956	249				
Initial capital	Between groups	9.956	2	4.978	4.879	0.008	S
	Within groups	252.000	247	1.020			
	Total	261.956	249				
Source of borrowing	Between groups	3.620	2	1.810	1.851	0.161	NS
	Within groups	134.947	138	0.978			
	Total	138.567	140				
Number of sales persons	Between groups	25.945	3	8.648	9.014	0.000	S
	Within groups	236.011	246	0.959			
	Total	261.956	249				
Working hours of the shop	Between groups	9.226	3	3.075	2.993	0.032	S
	Within groups	252.730	246	1.027			
	Total	261.956	249				

Note: S - Significant @ 5% level (p value \leq 0.05), NS - Not Significant @ 5% level (p value $>$ 0.05)

It is found from the table that the hypothesis is rejected (significant) in 4 cases and accepted (not significant) in 2 cases.

It is concluded that experience in business and source of borrowing have an insignificant difference on the level of satisfaction towards the sales persons relationship with the customers.

Level of satisfaction towards the selling efficiency of the sales persons

Hypothesis: There is no significant difference between the organizational classifications of the respondents and level of satisfaction towards the selling efficiency of the sales persons.

Table 5 - Results of ANOVA - Organizational classification and level of satisfaction towards the selling efficiency of the sales persons

Organizational factors	Source of variation	Sum of squares	Degree of freedom	Mean sum of squares	F Values	p Values	Significant / Not Significant
Nature of business	Between groups	5.856	2	2.928	2.674	0.071	NS
	Within groups	270.420	247	1.095			
	Total	276.276	249				
Experience in business	Between groups	3.023	3	1.008	0.907	0.438	NS
	Within groups	273.253	246	1.111			
	Total	276.276	249				
Initial capital	Between groups	6.966	2	3.483	3.195	0.043	S
	Within groups	269.310	247	1.090			
	Total	276.276	249				
Source of borrowing	Between groups	8.115	2	4.057	4.096	0.019	NS
	Within groups	136.708	138	0.991			
	Total	144.823	140				
Number of sales persons	Between groups	19.992	3	6.664	6.397	0.000	S
	Within groups	256.284	246	1.042			
	Total	276.276	249				
Working hours of the shop	Between groups	9.182	3	3.061	2.819	0.040	S
	Within groups	267.094	246	1.086			
	Total	276.276	249				

Note: S - Significant @ 5% level (p value \leq 0.05), NS - Not Significant @ 5% level (p value $>$ 0.05)

It is found from the table that the hypothesis is rejected (significant) in 3 cases and accepted (not significant) in 3 cases.

It is concluded that initial capital, number of sales persons and working hours of the shop have a significant difference on the level of satisfaction towards the selling efficiency of the sales persons.

Level of satisfaction towards the commitment of the sales persons.

Hypothesis: There is no significant difference between the organizational classifications of the respondents and level of satisfaction towards the commitment of the sales persons.

Table 6 - Results of ANOVA - Organizational classification and level of satisfaction towards the commitment of the sales persons.

Organizational factors	Source of variation	Sum of squares	Degree of freedom	Mean sum of squares	F Values	p Values	Significant / Not Significant
Nature of business	Between groups	5.327	2	2.664	2.300	0.102	NS
	Within groups	286.097	247	1.158			
	Total	291.424	249				
Experience in business	Between groups	22.607	3	7.536	6.896	0.000	S
	Within groups	268.817	246	1.093			
	Total	291.424	249				
Initial capital	Between groups	17.929	2	8.964	8.096	0.000	S
	Within groups	273.495	247	1.107			
	Total	291.424	249				
Source of borrowing	Between groups	10.685	2	5.343	4.674	0.011	S
	Within groups	157.740	138	1.143			
	Total	168.426	140				
Number of sales persons	Between groups	58.989	3	19.663	20.811	0.000	S
	Within groups	232.435	246	0.945			
	Total	291.424	249				
Working hours of the shop	Between groups	16.703	3	5.568	4.986	0.002	S
	Within groups	274.721	246	1.117			
	Total	291.424	249				

Note: S - Significant @ 5% level (p value \leq 0.05), NS - Not Significant @ 5% level (p value $>$ 0.05)

It is found from the table that the hypothesis is rejected (significant) in 5 cases and accepted (not significant) in all the other cases.

It is concluded that except the nature of business all the other organizational have significant difference on the level of satisfaction towards the commitment of the sales persons.

Correlation analysis

Level of satisfaction on the various aspects of sales person

The various aspects of sales person are

- General behavior - A2
- Relationship with fellow employees - A7
- Relationship with customers - A8
- Selling efficiency - A9
- Commitment to the job - A11

Based on the consolidated opinion of the respondent on a five point scaling the interrelation between them is ascertained through Karl Pearson coefficient of correlation. Further the significant of correlation is also tested at 5% level of significance.

The Table 7 describes the result of correlation analysis in terms of the various aspects of sales persons; inter correlation coefficient between them and their significance in the form of correlation matrix.

Table 7 Correlation matrix - Satisfaction on the various aspects of sales person.

Variables	A2	A7	A8	A9	A11
A2	1	.431*	.405*	.423*	.283*
A7		1	.251*	.641*	.360*
A8			1	.403*	.660*
A9				1	.137*
A11					1

Note: * denotes significant @ 5% level

It is found from the table that there is significant relationship between all the factors on the various aspects of the sales person.

It is concluded that all the factors considered for the various aspects of the sales persons have interrelation between them.

Multiple Regression Analysis

Level of satisfaction on the various aspects of sales person

The table describes the result of multiple regression analysis in terms of independent variables, correlation coefficient (R), coefficient of determination (R^2) and incremental value in (R^2).

Table 8 - Multiple Regression Analysis - Level of satisfaction on the various aspects of sales person

Independent Variables	Correlation Coefficient (R)	Coefficient of determination (R^2)	Incremental value in R^2
Communication ability	0.937	0.879	0.51
Relationship with fellow employees	0.984	0.969	0.021
Relationship with customers	0.985	0.971	0.002
Selling efficiency	0.997	0.994	0.023
commitment to the job	1	1	0.004

It is found from the table that communication ability is majority at 51%, followed by relationship with customers on the variation of the dependent variables and so on.

It is concluded that among the various aspects considered the communication ability is at majority with 51% on the overall aspects of the sales person.

Recommendations

- Retention of customers is considered as one of the major tool for operating a business which is done with the help of sales person.
- Role of retailers association helps the retailers to revise themselves with what is happening around them.
- Retention of sales persons is important because they help in better coordination of work done.

Conclusion

In the era of information explosion consumers find it difficult to spend time on shopping. They prefer online shopping more. If they find leisure time they go for mall or some specialty stores where they have ample opportunities when compared to small stores. It must be remembered that India is one of the biggest markets for retail players in the world. The present study concludes that the retailers in textile products are moderate in maintaining sales person, implementation of marketing strategies and practices. Survival in retail depends on the ability to adapt to changes. The small retail organizations / retailers are put into the task of attracting new consumers and retaining the present customers which is done by providing better customer service and quality products.

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