

A COMPARATIVE STUDY OF SUPERMARKETS AND SMALL RETAIL STORES IN THOOTHUKUDI

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Abstract: The study titled “A Comparative Study of Supermarkets and Small Retail Stores in Thoothukudi” focuses on understanding customer perception and preference regarding both shopping formats. Data collected from 120 respondents reveals that customers highly appreciate the friendly and personalised service offered by small shops, while supermarkets are preferred for their wide product variety, branded items, discounts, bulk buying and convenience. The ANOVA results show no significant difference between male and female respondents in their view that small shops provide friendly service ($F = 0.016$, $\text{Sig.} = 0.901$). Overall, the study highlights that customers value personal interaction in small shops and choose supermarkets for convenience and offers, helping retailers understand key factors that influence consumer choices in Thoothukudi.

Keywords: Supermarkets, Small Retail Stores, Service Quality, Personalised Service.

1. INTRODUCTION

Perception is defined as “the process by which the individual selects, organises and interprets stimuli into a meaningful and coherent picture of the world”. As individuals, we come across numerous products and services every day. Thus, different people hold different opinions about the same things and events. This is because each person has a specific way of looking at things, influenced by their personal experiences, cultural background, and individual values. Every individual thus has a 'perception' of the world around him or her. Mathew Joseph stated that unorganised retailers in the vicinity of organised retailers experienced a decline in their volume of business and profit in the initial years after the entry of large organised retailers. Underhill (1999) revealed that shopping is very distinctive in nature; it's more than just purchasing what one wants, but it also includes the customer's acceptance of the product, brand or stores as well, using multiple senses like seeing, smelling, tasting, hearing and even touching.

2. OBJECTIVES OF THE STUDY

1. To analyse customer perception towards supermarkets and small retail stores in Thoothukudi.
2. To study customer preference between supermarkets and small retail stores in Thoothukudi

3. HYPOTHESES OF THE STUDY

Hypothesis for Age and Customer Perception

(H₀) There is no significant difference between gender and the opinion that small shops give friendly service.



4. STATEMENT OF THE PROBLEM

In Thoothukudi, customers use both supermarkets and small retail shops for their daily needs, but their preferences differ due to factors like service quality, pricing, product availability and convenience. Supermarkets attract consumers with variety, branded products, discounts and modern facilities, while small shops are valued for their friendly and personalised service. However, limited studies are available to compare these two retail formats in the local context. Hence, this study aims to analyse customer perception and preference towards supermarkets and small retail stores in Thoothukudi and to understand whether demographic factors influence their shopping opinions.

5. REVIEW OF LITERATURE

1. N.S. Terblanche (2004) in this article entitled **The In-Store Shopping Experience: A comparative study of supermarket and clothing store customers**. Retailing consists of varied and diverse activities, and retail shopping is also varied in terms of the types of products bought. The retail environment is further complicated by the diversity of retail formats such as catalogue retailing and, more recently, electronic retailing. In a retail environment where a mix of goods and services is offered (as is the case in a supermarket and a clothing store), the approach to managing such a store should preferably be all-inclusive (as opposed to focusing on a single dimension such as service) and focus on the management of all the controllable dimensions of the in-store shopping experience. We thus recommend that any measure of customer satisfaction at the store level in a retail environment needs to include all five dimensions of the ISE to ensure that the uniqueness of any retail situation can be adequately captured.

2. S. KARTHEESAN (2012) in this article entitled **An Empirical Study of Retail Business in Tuticorin District**. Today retailers must differentiate themselves by meeting the needs of their customers better than the competitors do. Retailers should prepare marketing plans that include decisions on target market, product assortment and procurement, services and stores' atmosphere, price promotion and proper placement of products inside the retail shops. There is a general agreement that a basic retailing strategy for creating competitive advantage is the delivery of high service quality. Therefore, by giving better service and products, the retailers can definitely taste success.

3. Er.R.Shenbagasuriyan & Dr.G.Balachandar (2016) in this article entitled, **A Comparative Study on Consumer Perception towards Organized Retail Sector with Unorganized Retail sectors**. The people didn't have awareness about the retail sector till the last decade. With the support of technology and globalisation, there may be a number of organised retail sectors available in the Virudhunagar district. Even though retailers offer a variety of products, customers finish their shopping in the nearby home shop only. Hence, there is a lack of companies to sustain themselves in the market. This study has a focus on comparative analysis of organised and unorganised retail sectors. Also, this study aimed to analyse the awareness of the retail sectors in the Virudhunagar district. From this research it was suggested that promotion of retail sectors was compulsory in this area. State government must have control over these retailers and closely monitor the functioning of individual retailers. Through that customers have the mindset to trust retailers.

4. X. Jude Christo Cedric (2020) in this article entitled, **A Study on Consumer Preference Regarding Online Shopping in Thoothukudi District of Tamilnadu State**. This study investigates the determinants that are responsible for choosing the online purchasing portals by the consumers whenever they decide on purchasing products. Furthermore, the study was taken ahead with the conclusions drawn from the empirical survey and developing innovations necessary for the online purchasing portals. This research shows that online shopping has a very bright future and perceptions towards online shopping are getting better in the Thoothukudi district. With the use of the internet, consumers can shop anywhere, anything and anytime with easy and safe payment options. Consumers can do comparison shopping between products, as well as online stores. This paper justifies the growth of online shopping in Thoothukudi district. The overall results prove that the respondents have positively perceived online shopping.

6. RESEARCH METHODOLOGY

6.1. Data collection

Primary data is used in the study. It is original data for the purpose of collection of primary data, questionnaire were filled by the respondents. The questionnaire comprises of close ended.

6.2. Research Design

Sample technique

A convenient sampling technique tool was adopted for data collection.

6.3. Sample size

Sample size taken in this is 120 customers.

6.4. Area of study

The area of the research will be confined to thoothukudi city.

6.5. Tools for analysis

The various tools use for the data analysis is

Percentage analysis

Descriptive Statistics.

ANOVA

7. LIMITATIONS OF THE STUDY

This study is limited to 120 respondents from Thoothukudi, so the findings may not represent all customers in the district. The results depend on the honesty and understanding of the respondents, and their opinions may change over time. The study covers only selected supermarkets and small retail shops, making the results less generalisable to other areas. It focuses mainly on perception and preference, while other factors like brand loyalty, cultural influences and seasonal changes are not included, which may restrict the depth of the analysis.

8. RESULTS & DISCUSSION:

Table – 8.1.Demographic Profile of Respondents

Demographic	Options	Respondance	percentage
AGE	15-25	22	18.3 %
	25-35	26	21.7 %
	35-45	47	39.2 %
	Above 45	25	20.8 %
	Total	120	100%
GENDER	Male	69	57.5 %
	Female	51	42.5 %
	Total	120	100%
EDUCATION	School	36	30.0 %
	UG	58	48.3 %
	PG	28	21.7 %
	Total	120	100%
OCCUPATION	Pvt employee	38	31.7 %
	Gvrt employee	32	26.7 %
	Others	50	41.7 %
	Total	120	100%
MONTHLY INCOME	Below ₹10,000	10	8.3%
	₹10,001–₹20,000	15	12.5%
	₹20,001–₹30,000	40	33.2%

	₹30,001–₹40,000	30	25%
	Above ₹40,000	25	21%
	Total	120	100%

Interpretation

The demographic profile of the 120 respondents shows that the largest group falls within the 35–45 years age category (39.2%), indicating that middle-aged individuals form the major share of shoppers in Thoothukudi. In terms of gender distribution, 57.5% are male and 42.5% are female, reflecting slightly higher male participation. With respect to educational qualification, 48.3% of the respondents are undergraduates, suggesting that most customers possess a moderate level of education and are familiar with different retail formats. The occupation details reveal that 41.7% belong to the ‘Others’ category, followed by private employees (31.7%) and government employees (26.7%), showing a diverse working background. Income-wise, the majority earn ₹20,001–₹30,000 (33.2%), with a significant portion also falling in the ₹30,001–₹40,000 range, indicating a strong middle-income presence. Overall, the demographic data presents a well-balanced representation of different age groups, genders, educational levels, occupations, and income segments, ensuring reliability in analysing customer perceptions and preferences towards supermarkets and small retail stores in Thoothukudi.

Table -8.2. Consumer Perception on Supermarkets and Small Shops

Statement	N	Mean	Std. Deviation	rank
Supermarkets give good quality	120	2.44	1.158	V
Supermarkets have a nice environment	120	2.09	.674	VII
Branded items are easy to get in supermarkets	120	2.63	1.210	IV
Small shops give friendly service	120	3.15	.958	I
Supermarkets have products always	120	2.23	1.051	VI
I am happy with supermarket service	120	2.85	1.326	II
I am happy with small shop service	120	2.68	1.513	III

Interpretation:

The analysis shows that respondents strongly feel that small shops give friendly service (mean = 3.15), which ranks first among all the factors. This is followed by satisfaction with supermarket service (mean = 2.85) and small shop service (mean = 2.68), indicating that customers are generally happy with both formats. Customers also agree that branded items are easily available in supermarkets (mean = 2.63), giving it the fourth rank. Factors such as the belief that supermarkets offer good quality (Mean = 2.44) and supermarkets have products always available (Mean = 2.23) rank fifth and sixth, showing moderate agreement. The lowest-rated factor is that supermarkets have a nice environment (mean = 2.09), suggesting that ambience is an area where supermarkets can improve. Overall, the results highlight that while supermarkets score well in service and product variety, small shops lead in offering friendly and personalised service.

Table-8.3.ANOVA Results for Difference in Mean Scores between Groups

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.014	1	.014	.016	.901
Within Groups	109.286	118	.926		
Total	109.300	119			

Interpretation

The ANOVA result shows that the calculated F-value is 0.016, with a significance value (**Sig.**) of **0.901**. Since the significance value is greater than 0.05, the result is not statistically significant. This means there is no significant difference between the groups being compared (for example, gender) in their opinion that small shops give friendly service. In other words, both groups share the same view, and demographic differences such as gender do not influence how respondents rate the friendliness of small shops.

Table- 8.4.Descriptive Statistics of Respondents’ Shopping Preferences

Statement	Mean	Std. Deviation
	Statistic	Statistic
1. I prefer supermarkets for variety	2.29	1.118
2. Supermarket prices are better	2.08	.712
3. Small shops are easy for daily use	2.65	1.268
4. Supermarkets give discounts	3.26	.893
5. Offers influence me to shop in supermarkets	2.40	1.111
6. I like small shops for personal touch	2.77	1.436
7. I go to supermarkets for bulk buying	2.38	1.462
8. Supermarkets save time	3.26	.893
9. Small shops need to improve to compete	2.40	1.111

Interpretation:

The mean score analysis shows that respondents strongly agree that supermarkets give discounts and save time (Mean = 3.26), indicating that offers and convenience are major reasons for choosing supermarkets. Customers also feel that small shops are easy for daily use (Mean = 2.65) and appreciate the personal touch they receive in small shops (Mean = 2.77), highlighting their continued relevance for regular and personalised shopping needs. Factors such as preference for supermarkets due to variety (Mean = 2.29), better prices (Mean = 2.08), and bulk buying (Mean = 2.38) show moderate agreement, suggesting that supermarkets are preferred mainly for specific advantages like variety and quantity purchases. The statements that offers influence supermarket shopping (Mean = 2.40) and small shops need to improve to compete (Mean = 2.40) also received moderate scores, indicating that customers recognise the role of promotions as well as the need for small shops to upgrade. Overall, the results reflect a balanced view where supermarkets are favoured for discounts, speed and convenience, while small shops remain important for daily needs and personalised service.

9. FINDINGS

1. Majority (39.2%) of respondents belong to the 35–45 age group, showing strong participation from middle-aged individuals.
2. Male respondents (57.5%) are higher than female respondents, indicating a male-dominant sample.
3. Most respondents are UG graduates (48.3%), reflecting a moderately educated population.
4. Occupation-wise, “Others” category is the largest (41.7%), showing diverse work backgrounds such as self-employed, homemakers, etc.
5. Most respondents fall in the ₹20,001–₹30,000 income range (33.2%), indicating a predominance of middle-income households.
6. Customers feel small shops give the most friendly service, as it ranks No. 1 with the highest mean score.
7. The ANOVA result shows no significant difference between the groups because the p-value (Sig.) = 0.901, which is greater than 0.05.

8. Respondents strongly feel that supermarkets save time and give discounts (Mean = 3.26 each), indicating these are the most influential factors that attract customers to supermarkets.

10. SUGGESTIONS

1. Include more young respondents (15–25 age group) in future surveys to make age distribution more balanced.
2. Increase female participation to achieve equal gender representation.
3. Collect more responses from PG-qualified individuals, which can improve educational diversity in the sample.
4. Break down the “Others” occupation category into specific groups (self-employed, homemaker, student) for clearer analysis.
5. Target lower and higher income groups in future studies to understand spending patterns across all economic levels.
6. Supermarkets should improve customer friendliness and personal service to match the satisfaction level offered by small shops.
7. Since there is no significant difference between groups, the study can treat both groups similarly and focus on common factors that influence their opinions rather than group-based differences.
8. Small shops should introduce attractive offers/discounts and improve service speed to compete effectively with supermarkets and retain customers.

11. CONCLUSION

The study concludes that both supermarkets and small retail shops play an important role in meeting the shopping needs of consumers in Thoothukudi. The analysis shows that customers highly appreciate the friendly service and personal care offered by small shops, which makes them emotionally connected to local retailers. At the same time, supermarkets are preferred for their wide variety of products, branded items, discounts, time-saving experience, and bulk purchase options. The ANOVA results confirm that gender does not influence the perception of friendly service in small shops, proving that this positive view is consistent across all customer groups.

Overall, consumers prefer supermarkets for convenience and value-based shopping, while small shops remain strong due to trust and personal interaction. For better competitiveness, both formats must build on their strengths supermarkets should improve personalised service, and small shops should focus on price, availability, and modern facilities. The study provides meaningful insights that can help retailers enhance customer satisfaction and attract a larger customer base in Thoothukudi.

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