A Comparison of Consumer Preferences among Organised, Unorganised and E-commerce Modes.

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1. Traditional Unorganised Retailing

In the past, when transport facilities were meagre, people used to buy from shops on highways and roadsides, and in crowded village centres.

Although this sometimes posed difficulties for consumers, the unorganised sector could provide employment to various individuals and shopkeepers.

Further, essential products had to be purchased from different shops, such as provision shops, clothing shops, utensil shops, household item shops, and accessory shops, with each shop catering to consumer needs for particular products.

This led consumers to plan to purchase on different days and at different times, as these shops were scattered across different towns and centres.

With less sophisticated road infrastructure in rural India and low income from agriculture and other activities, shopping apparently creates difficulties.

One study reports that the unorganised retailers also maintain good rapport with consumers and offer personalised services (Agarwal & Singh, n.d.) .

2. Organised Retailing and Consumer Convenience

In contrast, the supermarkets, department stores, hypermarkets and retail chain stores belonging to the organised retail sector have been in vogue for the past three decades.

The availability of a wide variety of products in one location has attracted consumers who prefer to purchase essential items conveniently at organised retail shops such as department stores. provision stores, and supermarkets, etc. Organised retailing offers product variety and convenience, which influence consumer preferences (Kiran & Jhamb, 2011)

Further, the other advantages of organised retailing include the following:-

(i) Systematic Product arrangement: Products arranged in a classified manner in the racks and shelves make consumers concentrate on their preferred products to be purchased.

(ii) Such availability in one place:-

a) Reduces the time
b) Travel expenditure
c) Logistics

d) Display of a wider choice of the same product sold by different companies with different brands allows choosing the best one based on past experience; hearsay (word of mouth) spreads the company name and the ingredients incorporated, displayed in the stickers pasted on the products, whether ISO certified or not.

(iii) Product varieties and wide range of products

(iv) Discounts, Offers, free gifts and Coupons to regular customers

The shopping experience in organised retailing is determined by the following factors: store attributes, product availability, and shopping convenience (Kiran & Jhamb, 2011)

3. E-commerce and Online Shopping

The internet revolution and digital access have introduced new opportunities for selling and buying through e-commerce. Amazon, which has pioneered online shopping, along with Alibaba, Flipkart and other companies through e-commerce facilities, has changed the paradigm of consumer behaviour. Consumers can get the products they need, based on their choices and requirements, at their doorstep through e-commerce and online shopping. It offers access to a wide range of products that may not be readily available in local shops or supermarkets and can be easily located. E-commerce also provides opportunities for businesses to reach customers across geographical boundaries and explore wider markets (Directorate General of Foreign Trade, https://www.dgft.gov.in/CP/ - Accessed on 25.10.2026).

Many products that are otherwise unavailable in supermarkets or difficult to find in malls and supermarkets can be easily found in apps from online shopping portals such as Amazon and Flipkart. Online shopping does not involve any establishment expenses common to supermalls, such as rentals, current bills, water charges, and the need to employ a large number of personnel for sales and other work. Online companies sell products at comparatively lower prices, with the only expenses being delivery transport charges and the salaries of the delivery boys.

However, the products purchased and supplied may often be of poor quality. Although suppliers offer the option to take back, exchange, or return damaged products, this creates unnecessary delays in getting the right product. Further, once purchased, it would be difficult to co-ordinate repairs with service centres for products bought online. Other advantages of online shopping are the convenience of home delivery, product comparisons and access to customer reviews. However, consumers often have concerns about product quality, variances between displayed and delivered products, delivery delays, and difficulties obtaining repairs or after-sales services. Online shopping may additionally expose consumers to risks such as fraudulent websites, impersonation and cybercrime. Consumers should therefore verify website addresses, use secure payment methods and exercise caution when sharing personal and financial information. Although return, replacement, and refund mechanisms are available, the redressal of complaints often requires additional time and effort. For redressal, the Government of India has framed the Consumer Protection (E-Commerce) Rules, 2020, to establish a regulatory mechanism for e-commerce entities and consumer protection. Government of India, Ministry of Consumer Affairs, Food & Public Distribution. (2020). *Consumer Protection (E-Commerce) Rules, 2020*. (Accessed on 25.10.2026).

In contrast to E-commerce, supermalls have room to develop rapport with customers and arrange for faults to be rectified through the service centres. The other aspect, in some quarters, is that impersonators can disguise themselves as delivery boys; hence, precautions are warranted. E-commerce also poses the risk of cybercrime if the correct website is not properly addressed and the details entered there are exposed; cybercriminals can then carry out the transaction and siphon off the funds. Further, physical retailers in organised retailing may provide direct interaction with sales personnel and opportunities to inspect products before purchase. Some retailers help customers with after-sales service and repairs.

In spite of several advantages and disadvantages, the physical and digital retail channels need not operate exclusively in competition with one another. Recent research on Indian retailing reports that physical retail and e-commerce can complement each other, with consumers choosing between them based on their shopping needs and preferences (ASSESSING THE COMPLEMENTARITY OF PHYSICAL AND DIGITAL RETAIL, 2026a)

4. Comparative Position of Organised, Unorganised and E-commerce Retailing

The three modes of retailing—unorganised retailing, organised retailing, and e-commerce—offer different benefits and limitations for consumers. Of the three modes of purchase mentioned above, traditional marketing involves individual shopkeepers, street vendors, petty shops, and kirana shops. Small shops have become casualties as more and more people are resorting to either organised retailing or e-commerce.

Organised retailing offers consumers a wide choice of products, systematic displays, promotional offers, and the convenience of choosing several categories of goods in one place. These factors can determine consumer preferences for supermarkets, hypermarkets and other modern retail markets (Kiran & Jhamb, 2011)

E-commerce offers additional convenience in online product searches, digital payments, home delivery and access to products from different locations. However, consumers should be watchful about delivery time, product authenticity, quality assurance, return policies, and after-sales support when choosing this mode.

The expansion of organised retailing and e-commerce has created competitive pressure for traditional small retailers. The coexistence of physical and digital channels suggests that retail formats may serve different consumer requirements and are not mutually exclusive to one another (ASSESSING THE COMPLEMENTARITY OF PHYSICAL AND DIGITAL RETAIL, 2026b)

5. Conclusion

The advantages of the unorganised sector or retailing are that they bring products that are fresh from the agricultural lands, which are devoid of any preservatives and also available at lower prices.

But still, people prefer the other two modes of purchase due to a lack of time and expectations of a wider choice of products and brands.
Many in the unorganised sector are shifting to other jobs due to the low income generated by this form of unorganised retailing.

A comparative account of different retail modes is provided on the preceding pages, and future studies should focus on how consumer behaviour evolves in relation to traditional retail, organised retail, and online shopping in India.

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