

Impact of Corporate Retailing on Consumers of Small Cities & Towns : A Study in Economic Sociology (with special reference to Chhatarpur District)

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Abstract - The present study explores the changing consumption patterns, economic behaviors, and social preferences of consumers in response to the growth of corporate retail and online marketplaces in small cities of India. Grounded in the theoretical framework of economic sociology, this research investigates how socio-economic variables such as income, education, age, and access to digital infrastructure influence consumer choices in the context of traditional versus modern retail formats.

Using both quantitative and qualitative methods, the study draws data from 300 randomly selected consumers in Chhatarpur District, Madhya Pradesh. The research reveals that while corporate retail and e-commerce offer consumers convenience, competitive pricing, and product variety, they also pose challenges to traditional retail relationships and community-based consumption ethics. Findings indicate a gradual but significant shift in consumer trust and behavior, especially among the younger and more digitally literate population, with growing preference for digital transactions and branded products.

The study concludes that the rise of organized retail and digital commerce is not merely an economic transformation but a sociological phenomenon reshaping the consumer landscape of India's small cities. It recommends policy interventions aimed at balancing modernization with the protection of traditional retail systems and suggests further research on long-term socio-economic impacts of retail corporatization in context to small cities and towns.

Keyword: Economic Sociology, Consumer Behaviour, Corporate Retail, Consumption Patterns, Digital Economy, Retail Transformation.

Corporate Retailing: Corporate retailing refers to the operations of large retail chains that are typically owned and managed by corporations. These businesses often have multiple outlets or stores, and they operate under a centralized management structure. Corporate retailing contrasts with smaller, independently-owned retail businesses. Some key features of corporate retailing are Centralized Management, Economies of Scale, Brand Consistency, Extensive Reach, Advanced Technology and Data Analytics, Marketing Power, Product Diversity, and Supply Chain Management. Examples of corporate retailers include Flipkart Wholesale (earlier known as Best Price), Reliance Smart Point, Big Bazar, V-Mart, Vishal Mega Mart etc. These companies have established themselves as major players in the retail industry through their scale, efficiency, and ability to meet diverse consumer demands.

Corporate retailers in India have started focusing on small cities and towns for several reasons like market saturation in metros, rising disposable income in smaller cities, less competition in smaller markets, improved

internet penetration and digital infrastructure. These factors collectively make small cities and towns in India attractive destinations for corporate retailers looking to expand their footprint and tap into new customer bases.

Objective of the Study: To know about all socio-economic impacts of corporate retailing on the consumers of small cities & towns.

Hypotheses of the Study: Based on aforementioned objective following null hypotheses are framed.

1. There is no significant association in the satisfaction level of consumers belonging to different socio-economic profiles towards working of corporate retail outlets in small cities and towns.
2. There is no significant difference between the average amount spent per purchase by consumers at unorganised retail outlets and corporate retail outlets in small cities and towns.
3. There is no significant difference among the acceptance level of consumers belonging to different demographic profiles towards the corporate retail

outlets in small cities and towns.

All hypotheses will be tested at a minimum of the .05 level of significance.

Integrative Theoretical Framework: To synthesize, we conceptualize a theoretical framework linking these elements. Digital transformation and platform economy theories posit that smartphone and internet adoption (bolstered by government and private initiatives) are pushing consumer behavior toward convenience, variety and speed.

Weberian rationalization manifests as organized retail and online platforms offering calculable efficiency. **Polanyian market society theory** suggests that as markets penetrate small-town life, they reorder social institutions (e.g. commerce replacing local patronage). **Durkheimian solidarity theory** highlights the changing basis of social cohesion: new divisions of labor and impersonal contracts replace some traditional relations. **Bourdieu's habitus concept** reminds us that people's class-based dispositions and capitals mediate how they engage with these changes. These theoretical strands intersect around three themes:

1. Consumer behavior change: driven by digital media, reflecting new tastes and rational choices;
2. Impact on informal retail: where corporate e-commerce challenges traditional vendors but also creates new niches; and
3. Urbanization effects: where small towns as social spaces evolve under these market pressures.

Research Design: This study adopts an Explanatory Concurrent Embedded Mixed Methods Design.

Universe and of the Study: Consumers residing in Chhatarpur City (Territorial Limits of Chhatarpur Nagar Palika Parishad) of Chhatarpur District, Madhya Pradesh, who have access to both traditional and modern retail formats.

Sampling and Data Collection: A total of 300 individuals from 40 wards of Chhatarpur Municipal Council were randomly selected from 40 wards of Chhatarpur. Data was collected using a questionnaire.

Results of Hypothesis Testing:

Hypothesis 1: There is no significant association in the satisfaction level of consumers belonging to different socio-economic profiles towards working of corporate retail outlets in small cities and towns.

1. Statistical Hypothesis 1:

H₀: Gender and Level of Satisfaction towards working of corporate retail outlets in small cities and towns are independent in the population.

H₁: Gender and Level of Satisfaction towards working of corporate retail outlets in small cities and towns are dependent (or associated) in the population.

Result: A chi square test of independence was conducted to examine whether there exists a statistically significant association between gender of respondents and level of satisfaction towards corporate retail outlets.

The p-value obtained is more than 0.05, we accept the null hypothesis at 5 percent level of significance. It means that there is no significant association among the satisfaction levels of the respondents belonging to different genders towards working of corporate retail outlets in Chhatarpur district.

The average satisfaction score reveals that the male respondents have higher satisfaction (2.98) than the female respondents (2.83). Therefore, the male respondents are highly satisfied with the working of corporate retail outlets in Chhatarpur district.

2. Statistical Hypothesis 2:

H₀: Age and Level of Satisfaction towards Corporate Retail Outlets in small cities and towns are independent in the population.

H₁: Age and Level of Satisfaction towards Corporate Retail Outlets in small cities and towns are dependent (or associated) in the population.

Result: A chi square test of independence was conducted to examine whether there exists a statistically significant association between age of respondents and level of satisfaction towards corporate retail outlets.

The p-value obtained is more than 0.05, we accept the null hypothesis at 5 percent level of significance. Therefore, no significant association is found in the satisfaction levels of the respondents belonging to different age groups towards working of corporate retail outlets. The average satisfaction score reveals that the respondents in the age groups 26-35 years have the highest satisfaction (3.23), followed by the respondents in the age group up to 25 years (3.12). Therefore, respondents in the age up to 35 years are highly satisfied with the working of corporate retail outlets in Chhatarpur district.

3. Statistical Hypothesis 3:

H₀: Education and Level of Satisfaction towards working of corporate retail outlets in small cities and towns are independent in the population

H₁: Education and Level of Satisfaction towards working of corporate retail outlets in small cities and towns are dependent (or associated) in the population.

Result: A chi square test of independence was conducted to examine whether there exists a statistically significant association between educational level of respondents and level of satisfaction towards corporate retail outlets.

The p-value obtained is more than 0.05, we accept the null hypothesis at 5 percent level of significance. Therefore, there is no significant association between the satisfaction levels of the respondents having different educational qualifications towards working of corporate retail outlets in Chhatarpur district. The average satisfaction score of the Primary Educated respondents is (3.30) high, followed by the respondents having 12th pass (3.20), and it is low among the respondents having post graduation and above qualifications (2.92).

4. Statistical Hypothesis 4:

H_0 : Occupation and Level of Satisfaction towards working of corporate retail outlets in small cities and towns are independent in the population

H_1 : Occupation and Level of Satisfaction towards working of corporate retail outlets in small cities and towns are dependent (or associated) in the population.

Result: A chi square test of independence was conducted to examine whether there exists a statistically significant association between occupation of respondents and level of satisfaction towards corporate retail outlets.

The p-value obtained is less than 0.05, we reject the null hypothesis at 5 percent level of significance. Therefore, significant association is found among the satisfaction levels of the respondents belonging to different occupations towards working of corporate retail outlets in Chhatarpur district. The average satisfaction score of the businessmen and professionals, and others (students and housewives) is the highest (3.12) among various occupation groups, followed by the employees (2.94), and it is lowest among the agriculturists.

5. Statistical Hypothesis 5:

H_0 : Monthly Household Income and Level of Satisfaction towards working of corporate retail outlets in small cities and towns are independent in the population

H_1 : Monthly Household Income and Level of Satisfaction towards working of corporate retail outlets in small cities and towns are dependent (or associated) in the population.

Result: A chi square test of independence was conducted to examine whether there exists a statistically significant association between monthly household income of respondents and level of satisfaction towards corporate retail outlets.

The p-value obtained is more than 0.05, we accept the null hypothesis at 5 percent level of significance. Therefore, no significant association is found among the satisfaction levels of the respondents belonging to diverse income groups towards working of corporate retail outlets in Chhatarpur district. The average satisfaction score of the respondents who have monthly household income up to ₹ 35001-₹ 45000 is (3.22) highest among various groups, followed by the respondents who have monthly household income up to ₹ 15000 (3.12).

Hypothesis 2: There is no significant difference between the average amount spent per purchase by consumers at unorganised retail outlets and corporate retail outlets in small cities and towns.

1. Statistical Hypothesis 6:

H_0 : The average amount spent for food articles in a Corporate Retail Outlet is equal to the average amount spent in a Unorganised Retail Outlet.

H_1 : The average amount spent for food articles in a Corporate Retail Outlet is not equal to the average amount spent in a Unorganised Retail Outlet.

Result: A paired t-test was conducted to examine whether there exists a statistically significant difference between average amount spent for food articles by respondents at unorganised retail outlets and corporate retail outlets in small cities and towns.

The p-value obtained is less than 0.05, we reject the null hypothesis at 5 percent level of significance. This leads to the acceptance of the alternative hypothesis (H_1). There is a significant difference in the average amount spent by consumers for food articles at unorganised and corporate retail outlets. Food Articles show the highest difference in essential spending, with respondents spending 533.49 more, on average, at corporate outlets—likely due to bulk buying, packaging, and branding.

2. Statistical Hypothesis 7:

H_0 : The average amount spent for personal care products in a Corporate Retail Outlet is equal to the average amount spent in a Unorganised Retail Outlet.

H_1 : The average amount spent for personal care products in a Corporate Retail Outlet is not equal to the average amount spent in a Unorganised Retail Outlet.

Result: A paired t-test was conducted to examine whether there exists a statistically significant difference between average amount spent for personal care products by respondents at unorganised retail outlets and corporate retail outlets in small cities and towns.

The p-value obtained is less than 0.05, we reject the null hypothesis at 5 percent level of significance. This leads to the acceptance of the alternative hypothesis (H_1). There is a significant difference in the average amount spent by consumers for personal care products at unorganised and corporate retail outlets.

Personal Care shows moderate differences of about 61 more at corporate retail outlets, possibly due to quality assurance and brand loyalty.

3. Statistical Hypothesis 8:

H_0 : The average amount spent for household cleaning products in a Corporate Retail Outlet is equal to the average amount spent in a Unorganised Retail Outlet.

H_1 : The average amount spent for household cleaning products in a Corporate Retail Outlet is not equal to the average amount spent in a Unorganised Retail Outlet.

Result: A paired t-test was conducted to examine whether there exists a statistically significant difference between average amount spent for household cleaning products by respondents at unorganised retail outlets and corporate retail outlets in small cities and towns.

The p-value obtained is less than 0.05, we reject the null hypothesis at 5 percent level of significance. This leads to the acceptance of the alternative hypothesis (H_1). There is a significant difference in the average amount spent by consumers for household cleaning products at unorganised and corporate retail outlets.

Cleaning Products also shows moderate differences of about 166 more at corporate retail outlets, possibly due to quality assurance and brand loyalty.

4. Statistical Hypothesis 9:

H_0 : The average amount spent for clothing and apparels in a Corporate Retail Outlet is equal to the average amount spent in a Unorganised Retail Outlet.

H_1 : The average amount spent for clothing and apparels in a Corporate Retail Outlet is not equal to the average amount spent in a Unorganised Retail Outlet.

Result: A paired t-test was conducted to examine whether there exists a statistically significant difference between average amount spent for clothing and apparels by respondents at unorganised retail outlets and corporate retail outlets in small cities and towns.

The p-value obtained is less than 0.05, we reject the null hypothesis at 5 percent level of significance. This leads to the acceptance of the alternative hypothesis (H_1). There is a significant difference in the average amount spent by consumers for clothing and apparels at unorganised and corporate retail outlets.

Clothing & Apparels shows substantial gaps, indicating that consumers prefer corporate retail for aspirational, branded, or high-value goods.

5. Statistical Hypothesis 10:

H_0 : The average amount spent for medicines in a Corporate Retail Outlet is equal to the average amount spent in a Unorganised Retail Outlet.

H_1 : The average amount spent for medicines in a Corporate Retail Outlet is not equal to the average amount spent in a Unorganised Retail Outlet.

Result: A paired t-test was conducted to examine whether there exists a statistically significant difference between average amount spent for medicines by respondents at unorganised retail outlets and corporate retail outlets in small cities and towns.

The p-value obtained is less than 0.05, we reject the null hypothesis at 5 percent level of significance. This leads to the acceptance of the alternative hypothesis (H_1). There is a significant difference in the average amount spent by consumers for medicines at unorganised and corporate retail outlets.

6. Statistical Hypothesis 11:

H_0 : The average amount spent for electronics in a Corporate Retail Outlet is equal to the average amount spent in a Unorganised Retail Outlet.

H_1 : The average amount spent for electronics in a Corporate Retail Outlet is not equal to the average amount spent in a Unorganised Retail Outlet.

Result: A paired t-test was conducted to examine whether there exists a statistically significant difference between average amount spent for electronics by respondents at unorganised retail outlets and corporate retail outlets in small cities and towns.

The p-value obtained is less than 0.05, we reject the null hypothesis at 5 percent level of significance. This leads to the acceptance of the alternative hypothesis (H_1). There is a significant difference in the average amount spent by consumers for electronics at unorganised and corporate retail outlets.

Electronics also show substantial gaps, indicating that consumers prefer corporate retail for aspirational, branded, or high-value goods.

Hypothesis 3: There is no significant difference among the acceptance level of consumers belonging to different demographic profiles towards the corporate retail outlets in small cities and towns.

1. Statistical Hypothesis 12:

H_0 : There is no significant difference in the level of acceptance between male and female consumers towards working of corporate retail outlets in small cities and towns.

H_1 : There is a significant difference in the level of acceptance between male and female consumers towards working of corporate retail outlets in small cities and towns.

Result: An independent sample t-test was conducted to examine whether there exists a statistically significant difference between level of acceptance of male and female respondents towards corporate retail outlets.

The p-value obtained is more than 0.05, we accept the null hypothesis at 5 percent level of significance. It means that there is no significant difference in the level of acceptance between male and female consumers towards working at corporate retail outlets in small cities and towns.

2. Statistical Hypothesis 13:

H_0 : There is no significant difference in the level of acceptance between consumers of different age groups towards working of corporate retail outlets in small cities and towns.

H_1 : There is a significant difference in the level of acceptance between consumers of different age groups towards working of corporate retail outlets in small cities and towns.

Result: A one-way ANOVA test was conducted to examine whether there exists a statistically significant difference between respondents' level of acceptance belonging to different age groups towards corporate retail outlets.

The ANOVA result further confirmed this pattern, with an F-value of 0.116 and a significance level (p-value) of 0.977, which is well above the threshold of 0.05. This indicates that there is no statistically significant difference in the level of acceptance toward corporate retail outlets across the various age groups. In other words, we fail to reject the null hypothesis that assumes equal means.

3. Statistical Hypothesis 14:

H_0 : There is no significant difference in the level of acceptance between consumers of different educational level towards working of corporate retail outlets in small cities and towns.

H₁: There is a significant difference in the level of acceptance between consumers of different educational level towards working of corporate retail outlets in small cities and towns.

Result: A one-way ANOVA test was conducted to examine whether there exists a statistically significant difference between respondents' level of acceptance belonging to different educational levels towards corporate retail outlets. The ANOVA results produced an F-value of 1.273 with a significance (p-value) of 0.276, which is well above the threshold of 0.05. This means the difference in acceptance levels among the different educational groups is not statistically significant, and thus, the null hypothesis is retained.

4. Statistical Hypothesis 15:

H₀: There is no significant difference in the level of acceptance between consumers of different occupation towards working of corporate retail outlets in small cities and towns.

H₁: There is a significant difference in the level of acceptance between consumers of different occupation towards working of corporate retail outlets in small cities and towns.

Result: A one-way ANOVA test was conducted to examine whether there exists a statistically significant difference between respondents' level of acceptance belonging to different occupations towards corporate retail outlets.

The ANOVA results produced an F-value of 0.823 with a significance (p-value) of 0.482, which is well above the threshold of 0.05. We can infer that the variation in acceptance across occupational groups is not likely to be statistically significant. Thus, we would fail to reject the null hypothesis (H₀), which states that there is no significant difference in the level of acceptance between consumers of different occupations.

5. Statistical Hypothesis 16:

H₀: There is no significant difference in the level of acceptance between consumers of different monthly household income towards working of corporate retail outlets in small cities and towns.

H₁: There is a significant difference in the level of acceptance between consumers of different monthly household income towards working of corporate retail outlets in small cities and towns.

Result: A one-way ANOVA test was conducted to examine whether there exists a statistically significant difference between respondents' level of acceptance belonging to different monthly household income towards corporate retail outlets.

The ANOVA results produced an F-value of 1.943 with a significance (p-value) of 0.103, which is well above the threshold of 0.05. We can infer that the variation in acceptance across Monthly Household Income groups is not likely to be statistically significant. Thus, we would fail to reject the null hypothesis (H₀), which states that there is

no significant difference in the level of acceptance between consumers of different Monthly Household Income.

Findings:

1. Consumer Satisfaction and Socio-Economic Variables:

i. There is no significant association between gender, age, education, and income levels of consumers and their satisfaction with corporate retail outlets. However, males and younger consumers (especially those aged 26–35) showed relatively higher satisfaction scores.

ii. Occupation was the only socio-economic factor that showed a significant association with satisfaction. Businessmen, professionals, students, and housewives were more satisfied compared to agriculturists.

2. Spending Behavior: Organised vs Unorganised

Retail: The study found a statistically significant difference in the amount spent per purchase across different categories of goods between unorganised and corporate retail outlets.

a. Food articles: Consumers spent significantly more (₹ 533.49 on average) in corporate outlets—likely due to bulk buying and branding.

b. Personal care products: 61 higher spending was recorded in corporate retail, indicating brand preference and perceived quality.

c. Household cleaning products: 66 more was spent in corporate stores.

d. Clothing & apparels: A substantial difference was observed, suggesting a preference for aspirational and branded products from organised outlets.

e. Medicines and electronics: Spending was significantly higher at corporate retail, showing trust in quality and authenticity of products.

These patterns reflect a shifting consumer preference toward branded and packaged goods, possibly due to perceived reliability, quality assurance, and promotional offers.

3. Acceptance Level of Corporate Retail:

i. No significant differences were found in the acceptance level of corporate retail outlets across gender, age groups, education levels, occupations, or income groups.

ii. This suggests a widespread acceptance of organised retail formats among all demographic segments of consumers in Chhatarpur, indicating the deepening influence of corporate retail across class and social lines.

4. Changing Consumer Behaviour:

i. The data indicates a gradual shift in consumer preferences from unorganised to organised retail formats.

ii. The young, digitally literate population especially shows a stronger inclination toward e-commerce and corporate retail chains, valuing product variety, convenience, digital payments, and standardised service.

5. Sociological Implications: The findings support the notion that the retail transformation is not merely an economic change but also a sociological transition. The

changing consumption patterns signify an evolving consumer identity, aspirations, and relationship with market structures.

6. Impacts on Traditional Retail: While consumers benefit from cost-efficiency and convenience, traditional retailers may face threats of revenue loss and displacement, especially in the absence of regulatory safeguards or integration into digital ecosystems.

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