Emerging Challenges in Unorganized Retailing with Special Reference to Retail Pharmacy of Delhi NCR

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ABSTRACT

Today around 1 million unorganized retail pharmacy presence at every corner of India is contributing big in Indian economy. unorganized retail pharmacy business practice now a days seem to be not as easy as it was few years back .people of this sector are not has started protest against the challenges. Within a very short period of time All India chemist and druggist association (AICOD) a union body of Unorganized pharmacy were on all India strike on 14th Oct, 23rd Nov in 2016 and again on 27th may 2017 due to emerging challenges. Condition of unorganized retail pharmacy business practice in Delhi and NCR may not be different from rest of India so the Purpose of this study is to identify emerging challenge of unorganized retail pharmacy in Delhi and NCR.

Keywords: Unorganized retail pharmacy ,Organized retail pharmacy.

INTRODUCTION:

Unorganized pharmacy is leader of Indian pharmacy industry and account for 86% of total domestic sale in term of amount it is 94368.7cr. Which is 36 % of total Indian pharmaceutical industry business Unorganized retail pharmacy after growing by 11 % in last few decades now growing slow at 9% .organized retail sales is 4% and institutional sales is 10% of total domestic sales. National capital Delhi has is center of around 12 thousand unorganized retail Pharmacy. Total Pharmacy retail including organized pharmacy, unorganized pharmacy and online pharmacy is estimated to be a $7-billion marke. Online deliveries currently account for a $10 million in size which is in very initial stage .

LITERATURE REVIEW:

Sujo Thomas, Pervin Gandhi, Suggala Susmita, (2016), Researcher discusses a case study related to standing alone medical store namely Karnavati chemist that provide loyal services to their customers. Researcher highlights the factors needed for sustainable growth in organised retail store.

Rosalind Miller Catherine Goodman,(2016) finds health care system of low and middle income of Asia reflects pharmacies are first contact place for the patients and preferred channel for purchasing medicines. The researcher observed in these countries pharmacy is characterized by a deficiency of knowledge and improper treatment. The researcher reviews the performance of all types of pharmacies and drug stores across Asia's LMIC and the determinants of poor practice.

Alamelu R., Amudha R., L. Cresenta S. M. and Nalini R. (2016) discuss the role, responsibilities, and liabilities of e-commerce marketplace and the product sellers. All India Chemists and Druggists Association, States Chemists and Druggists Associations, Indian Medical Association a nodal agency has been appointed by the DCGI for consolidating the guidelines and was to get views from industry bodies.

Raghavendra R.H(2015),finds role of unorganised retail pharmacy store in India. Research tells about the reasons why unorganised retail sector are popular in India, comparison between the importance, opportunities and challenges organised verses unorganised sector and buying attitude of India customer towards the organised

retail pharmacy. Researcher finds insights into the importance of unorganised sector. The researcher develops strategies to face the opportunities and challenges in this unorganised sector.

Anil Kumar .S. Hagargi, Dr. Rajnalkar Laxman, (2014) discusses retail industry growth in India. It examines the customer's awareness and consciousness about the brand that reflects significant growth and need further reforms. Researcher deals untouched organised retail industry, which attracts international players to establish organised retail stores in second largest market of the world. Researcher discusses strategies, opportunities, strength and format of retail in India. Researcher finds huge capital investment are needed to enter organised retailing in India.

Neeta Bhatla, KrishanKantPandey, (2014),deals importance of human resource in the retail sector. It is necessary to train, retain and develop the human resource to emerging demand. Researcher deals belongings of organisational culture, workforce and competency profiles to the retail sector. Researcher focuses on the human resource's current practice in organised retail sector. Researcher develops strategies to adopt for wellness of the human resource in present environment. Researcher deals human resource as an asset of the organisation. An organisation needs the right person for the right position at the right time.

Hamil. A& S. Sam Santosh (2014) discuss about significant difference between more experienced retail medical stores and lesser experienced medical stores and between the various problems. The study observe and give views on the presence of problems that reveals similarity between them. Researcher takes weighted average mean scores and F-test results into consideration and it can be concluded doctors, customers and competitors are considered as the major problems and infrastructure facilities related issues are not at all considered as a problem.

Liliane, B. and Xavier, M. (2014) objective of this study is to know customer purchase pattern of daily need from self-service counter by way of a result retail pharmacy can adjust pharmacy elements to increase the satisfaction level of their customer. Listening skills and medicine in stock are strongly contributed to customer satisfaction. Above all these elements is related to staff of the retail pharmacy. A relationship of confidence must, therefore, be established between customer and pharmacy and this relationship can be long lasting only if the customer is satisfied with service.

Ms. Shilpa Garg ,Ms. Rupal Arora(2014), deals and discuss importance and various aspects of retail sector in FDI. Researcher focuses on role, strength, threats and impact retail sector on Indian economy. Researcher discusses the need of opening up of FDI in single and multi-brand retail

Prof. Kalpana Singh (2014) finds FDI in pharmacy start with 51% stake of the foreign investor in multi-brand of retail. Academia, industry, research organisations are taken an interest. Researcher discusses the Retail sector's structure and it's the mainsectors in traditional and organized retail. Researcher finds relative share of sub-sector due to the changes in the structure. Researcher deals strategies of penetration strategies in organized retail sector. The Researcher analysis the emerging opportunities andchallenges of Indian retail sector. It deals change of Government current policy in India. Researcher study finds that the retail sector of Indian is develop rapidly.

Ms. Shilpa Garg (2014), discuss about Government strategy related to opening thestore of pharma with the suitable reform. Government of India makes own laws, regulation and policy for the development of the world class market India.

A Ahmad, I Patel, GP Mohanta, R Balkrishnan,(2014), observed that the percentage of patients who were seeking self-medication was approximately 50%. Most of the patients were seeking self-medication for headache and other pain 23.3%, fever 14.5%, urinary tract infections 9.7% and respiratory tract infections11.7%. The drugs most commonly purchased for practicing self-medication were non-steroidal anti-inflammatory drugs 25.3%, medications used for gastrointestinal problems 20.8% and antibiotics 16.7%. Researcher tells occurrence of self-medication was high primarily among illiterate males aged above 15 years with a low income.

Nikhilesh Dholakia, Ruby Roy Dholakia, Atish Chattopadhyay(2012)discusses retail sector of India is expected to be in transition stage for the better future because of the uniqueness of India in term of history, institutions, demographics, regulation, geography and many other theories available retail revolution that have a limited applicability in nation. To understand retail sector, researcher evaluate its literature, empirical studies and practical experiences in India. It also tells about the future of retail sector in India.

Dr. Pratapsinh L. Chauhan, Ajay D. Shah (2013) explore that there are seven strategies adopted by a retailer to attract the customers at the pharmacy shop. But few of them strongly attract the customers. The researcher also finds various factors that are accountable in a good performance of unorganised pharmacy store. The researcher uses factor analysis to identify the variables that cause a boost in investment towards the store of pharmacy.

Gulshan Akhtar (2013)has concluded that pharmaceutical companies contributes to the welfare of humanity and provides significant socio-economic benefits to the society through the creation of jobs, supply chains, and community development. The pharmaceutical companies also play an important role in technological

innovation to reduce costs of economic activity in the nation.

Shreedhar, R. (2013) finds out the strategies of a successful business of unorganized retail pharmacy because all retail businesses are not surety of success. The purpose of this learning is to explore growing competition in unorganized retail pharmacy. Online retail pharmacy and organized retail pharmacy business are facing growing competition.

Supriya Gupta (2013)finds India have a potential market for the pharmaceutical industry. But it faces various challenges related to its emergence. This industry is highly organised sector due to present of quality, technology, and capabilities of manufacture medicines in large variety..

R.K. Srivastava (2013),made exploratory study to compare the retail operation in South Africa and India market. Retail brand, consumer perception of private label, pricing policy, and security system and legislative systems are focus by researcher in retail stores. Researcher deals with store factor that indicates through store location, appearance and hygiene, service quality, the convenience of trading hours, and consistency.

Vandana Roy, Usha Gupta and Arun Kumar Agarwals (2012) analysis Medicines cost should be affordable by poor because 90% medicines procure by the poor people in Delhi. Researcher finds there is a substantial difference in the prescription of the rural and urban population. Medicines cost had substantial variations and poor of the Delhi had unable to afford.

STATEMENT OF THE PROBLEM:

From the review of the existing literature pertaining to unorganized retail pharmacy it is revealed that the various researches have been conducted on the retail pharmacy. But most of them are based on the general analysis of the retail pharmacy in terms of their sales volume, growth across different segment of retail pharmacy. India being the second most populated after china will require high number of retail pharmacy in india as well as in NCR .Purpose of this to find out challenges of unorganized pharmacy in NCR

OBJECTIVES OF THE STUDY:

a) The objectives of the present study are as follows.
 1. To study the emerging challenges in unorganized retail pharmacy in Delhi NCR
 2. To study organized pharmacy is an emerging as a challenges in Delhi NCR
 3. To study online pharmacy is an emerging as a challenges in Delhi NCR

HYPOTHESES OF THE STUDY:

The present study seeks to test the following hypotheses:
 1. H0: Organized retail pharmacy is not a big challenge for unorganized retail pharmacy in Delhi NCR.
 2. H0: Online pharmacy not have an adverse effect on the business of unorganized pharmacy in Delhi NCR

NEED AND SCOPE OF THE STUDY:

Most of the study have been done so far based on retail pharmacy to find out challenges in unorganized at india level and they have concluded that online and organised pharmacy is only challenges for unorganized retail pharmacy and purpose of this study to find challenges for unorganized retail emerging in Delhi NCR ..

RESEARCH METHODOLOGY:

The present study comprises descriptive cum analytical approach, therefore in order to analyse challenges and opportunities in unorganized retail pharmacy, the study contain sample respondents of unorganized retail pharmacy in the region of Delhi and NCR

Primary Data - As the study follows descriptive cum analytical approach, the study will take the help of convenient random sampling method for collecting the primary data from different sample respondent comprises unorganized retail pharmacist and customers through a well designed questionnaire.

ANALYSIS OF DATA:

Study is related to retailer's respondents having their own retail pharmacy establishments in the various locations of Delhi and NCR. Respondents were chosen through simple random sampling method . after retrieval of the questionnaire from the sample respondents, it is found that 500 questionnaires were complete in all respect and taken into consideration for further analysis.

Challenges Related to Online Retail Pharmacy in Delhi NCR:
The advent of online pharmacy continues to present challenges to the unorganized retail pharmacy.

Table 1: Emerging Challenges from Online Retail Pharmacy in Delhi NCR

S No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	65	13	13
2	Disagree	85	17	30
3	Neutral	80	16	46
4	Agree	70	14	60
5	Strongly Agree	200	40	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

As far as the challenges from online retail pharmacy is concerned, it is observed from the above Table-1 that 40 percent sample retailer's respondents strongly agreed that online retail pharmacy is an emerging challenge to unorganized retail pharmacy,

Customer's Shift towards Online Retail Pharmacy in Delhi NCR:
Unorganized retail pharmacies are lagging because online pharmacy has playing a major role in healthcare services accessible to all with varied choices and affordable rates.

Table 2: Customer's Shift towards Online Retail Pharmacy in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	55	11	11
2	Disagree	90	18	29
3	Neutral	45	9	38
4	Agree	95	19	57
5	Strongly Agree	215	43	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

The Table 2 shows the customer's shift from unorganized retail pharmacy to online retail pharmacy.

Online Pharmacies Limits the Growth of Unorganized Pharmacy in Delhi NCR:
It is generally believed that the advent of online retail pharmacy limits the growth of unorganized retail pharmacy as online retail pharmacy is easy, convenient and provides the drug at discounted

Table 3: Online Pharmacy Limited the Growth of Unorganized Pharmacy in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	60	12	12
2	Disagree	95	19	31
3	Neutral	55	11	42
4	Agree	180	36	78
5	Strongly Agree	110	22	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

The Table -3 represents the respondents' views regarding the impact of online retail pharmacy on the growth of unorganized pharmacy.

Challenges Related to Organized Retail Pharmacy in Delhi NCR:
Unorganized retail pharmacy stores have cut throat competition with organized retail pharmacy stores. Most of the unorganized retail pharmacy stores which fall in the nearby areas are negatively affected than the unorganized pharmacy stores of far by area.

Organized Pharmacy Emerged as Challenges to Unorganized Pharmacy in Delhi NCR:
With increasing consciousness and disposable income, the organized pharmacy business is expected to experience plenty of opportunities for growth but at the same time it pose various challenges to fragmented unorganized retail pharmacy

Table 4: Organized Pharmacies as Challenges to Unorganized Pharmacy in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	205	41	41
2	Disagree	95	19	60
3	Neutral	60	12	72
4	Agree	55	11	83
5	Strongly Agree	85	17	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

The aforesaid Table-4 discerns that majority of respondents i.e. 41 per cent have been strongly disagree with the statement that organized retail pharmacy is emerged as a challenge to the business of unorganized pharmacy,

Shifting of Potential Customers towards Organized Pharmacy in Delhi NCR:
It is widely believed that potential customers are now shifting from unorganized to organized retail pharmacy.

Table 5: Organized Pharmacies as Challenges to Unorganized Pharmacy in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	195	39	39
2	Disagree	110	22	61
3	Neutral	55	11	72
4	Agree	65	13	85
5	Strongly Agree	75	15	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

Organized Pharmacies Limits the Growth of Unorganized Pharmacy Business in Delhi NCR:
It is generally believed that the advent of organized retail pharmacy limits the growth of unorganized retail pharmacy. It has been checked by the empirical data obtained

Table 6: Organized Pharmacies Limits the Growth of Unorganized Pharmacy Business

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	75	15	15
2	Disagree	225	45	60
3	Neutral	30	6	66
4	Agree	55	11	77
5	Strongly Agree	115	23	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

The aforesaid Table-6 reveals that a major portion of sample respondents i.e. 45 per cent disagreed with the statement that organized retail pharmacy limits the growth of unorganized retail pharmacy,

Challenges created by Stockist in Delhi NCR:
Challenges related to pharmacy basically deals with reduction in credit limit, reduction in payment due period, decrease in discount to unorganized retail pharmacy and appointing organized retailers as medium between unorganized retailers and pharmaceutical companies.

Reduction in Credit Limit in Delhi NCR:
The reduction in credit limit by the pharmacy stockist is regarded as a challenge especially for the business of marginal unorganized retail pharmacy.

Table 7: Reductions in Credit Limit to Unorganized Pharmacy in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	145	29	29
2	Disagree	205	41	70
3	Neutral	45	9	79
4	Agree	50	10	89
5	Strongly Agree	55	11	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

It is observed from the Table-7 that 29 percent respondents are strongly disagreed and opined that reduction in credit limit is not a challenge for unorganized retail pharmacy;

Reduction in Payment Due Period in Delhi NCR:
Pharmacy stockist reduces the payment due period for recovery of due amount from the unorganized retail pharmacies. For some pharmacies it is a challenge for their business whereas others are not thinking so.

Table 8: Reductions in Payment Due Period

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	170	34	34
2	Disagree	115	23	57
3	Neutral	90	18	75
4	Agree	60	12	87
5	Strongly Agree	65	13	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

The Table-8 shows the challenges related to reduction in payment due period in retail pharmacy sector.,

Decrease in Discount to Unorganized Retailers in Delhi NCR:
Decrease in discount is seen as another challenge for small unorganized retail pharmacies in the area of Delhi and NCR..

Table 9: Challenge Related to Decrease in Discount

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	90	18	18
2	Disagree	200	40	58
3	Neutral	55	11	69
4	Agree	95	19	88
5	Strongly Agree	60	12	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

Table-9 reveals the respondents opinion regarding the decrease in discount to unorganized retail pharmacy.

Challenges Related to Appointing Organized Pharmacy as a Stockist in Delhi NCR:
The unorganized retailers are of the opinion that appointing organized retailers as pharmacy stockist is an emerging challenge for their business.

Table 10: Challenge Related to Organized Pharmacy as a Stockist

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	50	10	10
2	Disagree	95	19	29
3	Neutral	105	21	50
4	Agree	205	41	91
5	Strongly Agree	45	9	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

The aforesaid Table-10 reveals the challenges relate to appointment of organized pharmacy as a stockist.

Challenges Related to Pharmacy Store Attributes in Delhi NCR:
Pharmacy Store image and location is a critical component in choice and pharmacy store loyalty.

Large Number of Pharmacy in the Same Location in Delhi NCR:
For some unorganized pharmacy retailers, large number of pharmacy location within the small territory is an emerging challenge.

Table 11: Challenges Related to Large Number of Pharmacy in the Same Location in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	125	25	25
2	Disagree	75	15	40
3	Neutral	45	9	49
4	Agree	105	21	70
5	Strongly Agree	150	30	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

From the aforesaid Table 5.31 it is revealed that, majority of the respondents i.e. 30 per cent are of the opinion that large number of pharmacy store in the same location is an emerging challenge for comparatively marginalized pharmacies.

Challenges Related to High Real Estate Cost/Rent in Delhi NCR:
For the small unorganized retail pharmacy high real estate cost/rent is an emerging challenge.

Table 12: Challenges Related to High Real Estate Cost/Rent in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	75	15	15
2	Disagree	25	5	20
3	Neutral	100	20	40
4	Agree	195	39	79
5	Strongly Agree	105	21	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

Table-12 reveals the respondents opinion regarding the high real estate cost as a challenge to unorganized retail pharmacy.

Challenges Related to Muhalla Clinic and Government Hospital in Delhi NCR:
The recent emergence of Muhalla Clinic as well as already existed government hospital ensures the various medical facilities to the people of Delhi and NCR.

Table 13: Challenges Related to Muhalla Clinic and Government Hospital in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	60	12	12
2	Disagree	85	17	29
3	Neutral	95	19	48
4	Agree	115	23	71
5	Strongly Agree	145	29	100
	Total	500	100	

Source: Compiled from primary data

The aforesaid Table-13 reveals the various other challenges faced by the pharma industry.

Challenges Related to National List of Essential Medicines (NLEM) in Delhi NCR:
The government of India under the NLEM Scheme list out certain essential medicines whose price should not be hike above certain limit fixed by the government.

Table 14: Challenges Related to National List of Essential Medicines in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	75	15	15
2	Disagree	235	47	62
3	Neutral	40	8	70
4	Agree	125	25	95
5	Strongly Agree	25	5	100
	Total	500	100	-

Source: Compiled from primary data

It is observed from the above Table- 13 that 47 per cent respondents disagreed and are of the opinion that NLEM is not a challenge for their business,

Challenges Related to High Expiry of Medicines in Delhi NCR:
The expiry of drugs/medicines within a short span of time is another major challenge for the small unorganized retail pharmacy.

Table 15: Challenges Related to Expiry of Medicines in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	50	10	10
2	Disagree	50	10	20
3	Neutral	75	15	35
4	Agree	70	14	49
5	Strongly Agree	255	51	100
	Total	500	100	

Source: Compiled from primary data

The aforesaid Table-14 shows the opinion of pharmacy retailers regarding the expiry of medicines as challenge.

Challenges Related to High Maintenance Cost of Pharmacy Store in Delhi NCR:
High maintenance cost of pharmacy stores is seen as a challenge by the small unorganized retail pharmacy. This has been examined by the empirical data obtained from the sample respondents.

Table 16: Challenges Related to High Maintenance Cost of Pharmacy Store in Delhi NCR

S. No.	Respondents Opinion	No. of Respondents	Percentage	Cumulative Percentage
1	Strongly Disagree	65	13	13
2	Disagree	85	17	30
3	Neutral	105	21	51
4	Agree	145	29	80
5	Strongly Agree	100	20	100
	Total	**500**	**100**	**-**

Source: Compiled from primary data

Table-15 depicts the drug retail regarding the high maintenance cost of pharmacy stores. A significant portion of the total respondents i.e. 29 per cent are agree that high maintenance cost of pharmacy stores is a challenge for small pharmacy stores, followed by 20 per cent respondents having the similar impression.

TESTING OF HYPOTHESES:

The hypotheses of the present study were tested by analyzing the collected data through different statistical measures, keeping in mind the descriptive and analytical nature of the study. These mainly include Reliability Analysis (Cronbach Alpha), Factor analysis (degree of common Variance & Bartlett's Test) and Chi-Square Analysis has also been used to test the hypotheses of the present study.

Reliability Analysis:

Reliability is an assessment of the degree of internal consistency between multiple measurements of a variable. Reliability indicates the consistency of the research findings. Survey instrument can be considered reliable if repeatedly applying the instrument results in consistent scores. If the responses do not vary significantly across the different time periods, then the measurement can be considered reliable. The second and most widely used measure of reliability is internal consistency of the entire scale, which is obtained by calculating the coefficient alpha, also known as Cronbach's alpha. The lowest acceptable limit for Cronbach's alpha is 0.70, but in some cases, 0.60 may also be acceptable. Cronbach's alpha also has a theoretical relation with factor analysis.

Table 17: for Reliability Analysis of retailer response

Factor No.	Statement	Name of Sub-Factor	Loading Cronbach's Alpha Value
1.	Factors influencing customer preference/selection of a retail pharmacy	Product Range	0.836
		Discount	0.912
		Reputation of Pharmacy	0.675
		All Days Open	0.603
		Distance Proximity (Location)	0.981
		Free Home Delivery	0.632
		Personalized services	0.663
		Return of unused medicines	0.632
		Customer Relationship Management	0.641
2.	Factors of marketing strategy to counter online pharmacy	Product quality	0.632
		Price (Discount)	0.961
		Reputation of Pharmacy	0.675
		All Days Open	0.603
		Distance Proximity (Location)	0.704
		Free Home Delivery	0.912
		Personalized Service	0.641
		Return of Unused Medicines	0.741
		Customer Relationship Management	0.704
3.	Factors of marketing strategy to	Product Quality and Range	0.896

Factor No.	Statement	Name of Sub-Factor	Loading Cronbach's Alpha Value
	counter organized pharmacy	Price (Discount)	0.802
		Reputation of Pharmacy	0.675
		All Days Open	0.603
		Distance Proximity (Location)	0.971
		Free Home Delivery	0.632
		Personalized Service	0.663
		Return of Unused Medicines	0.632
		Customer Relationship Management	0.641
		Availability of Medicines & Other FMCGs	0.721

The cronbach's Alpha (α) values of factors of marketing strategy to counter online pharmacy are given above

Factor Analysis:
Factor analysis is one of the widely used multivariate techniques, specially pertaining to the social and behavioural science. Its primary purpose is to reduce a large number of variables into fewer numbers of factors and summarization.

KMO Value	Degree of Common Variance
0.90 to 1.00	Marvelous
0.80 to 0.89	Meritorious
0.70 to 0.79	Middling
0.60 to 0.69	Mediocre
0. 50 to o.59	Miserable
0.00 to 0.49	Don't Factor

KMO and Bartlett's Test:
KMO test is for sampling adequacy and Bartlett's Test was conducted to find out the relevance of independent variables. Table- 5.46 shows the KMO statistics value for sampling adequacy and the significant value of Bartlett's Test of Sphericity

Table 18: KMO and Bartlett's Test for Organized Retail Pharmacy

Factor No.	Statement (Factor)	Name of Sub-Factor	Loading KMO Value	Loading Bartletts's Test Value
1.	Motivation to Purchase medicines from Organized Pharmacy	Product Range	0.749	0.31
		Discount	0.871	0.44
		Reputation of Pharmacy	0.634	0.26
		All days open	0.765	0.34
		Computerized Billing	0.619	0.24
		Distance proximity (Location)	0.892	0.48
		Free Home Delivery	0.766	0.38
		Personalized Service	0.632	0.28
		Return of Unused Medicines	0.703	0.28
		Customer Relationship Management	0.732	0.32

KMO statistics value varies between 0 to 1. A value of 0 (Zero) indicates that sum of partial relations is large relative to the sum of correlations (hence factor analysis is likely to be inappropriate).

Analysis: Hypothesis 1:
Organized retail pharmacy is a big challenge for unorganized retail pharmacy in Delhi and NCR.

Table 19: Analysis of organized Pharmacy as a Challenge for Unorganized Pharmacy

Hypothesis (H_0) 1: Organized retail pharmacy is a big challenge for unorganized retail pharmacy in Delhi and NCR.

Decision Statement	Name of sub-factors	Label	Statement	Loading Factor Analysis Value
Organized Retail Pharmacy as a Challenge to Unorganized Retail Pharmacy	Discount/offers	CS1	To what extent discount/offer is only an important reason to purchase from organized pharmacy?	0.718
	Location	CS2	To what extent location of pharmacy is an important reason to purchase from organized pharmacy?	0.703
	Store Attributes	CS3	To what extent buying behaviour is influenced by the organized pharmacy store attributes?	0.685
	Recommendation	CS4	To what extent does a recommendation play an important role to buy from organized pharmacy?	0.611
	Personalized Service	RS4	To what extent does the personalized service of organized retail pharmacy is a challenge?	0.572
	Free Home Delivery	RS5	Do you think potential customers are moving towards organized retail pharmacy because of its free home delivery?	0.563
	Customer Relationship Management	RS6	To what extent CRM strategy of organized retail pharmacy limits the growth of unorganized pharmacy?	0.565

Factor analysis of organized pharmacy shown in the Table -18 makes the construct of different sub-factors in order of their importance to examine the challenge posed by the organized pharmacy to unorganized pharmacy.

Table 20: KMO and Bartlett's Test for Online Pharmacy

Factor No.	Statement (Factor)	Name of Sub-Factors	Loading KMO Value	Loading Bartletts's Test Value
2.	Factors to Purchase Medicines from Online Pharmacy	Offers & Discount	0.883	0.41
			0.773	0.44
		Convenience	0.719	0.46
		Easy Exchange & Return	0.799	0.39
		Safety & Privacy	0.743	0.38
		Free Home Delivery	0.672	0.34
		On time Delivery	0.683	0.39
		Online Payment Gateway	0.712	0.38
		Customer Grievances Redressal Mechanism	0.718	0.37

KMO statistics value varies between 0 to 1. A value of 0 (Zero) indicates that sum of partial relations is large relative to the sum of correlations (hence factor analysis is likely to be inappropriate).

Analysis: Hypothesis 2:
Online purchasing not has an adverse effect on the business of unorganized retail pharmacy in Delhi and NCR.

Table 21: Effect of online Pharmacy on the business of unorganized retail pharmacy in Delhi and NCR.

Decision Statement	Name of sub-factors	Label	Statement	Loading Factor Analysis Value
Hypothesis (H$_0$) 2: Online purchasing not has an adverse effect on the business of unorganized retail pharmacy in Delhi and NCR.				
Effect of Online Pharmacy on the Business of Unorganized Retail Pharmacy	Discount/offers	CS8	To what extent discount & offers given by the online pharmacy is a challenge to Unorganized Retail Pharmacy?	0.818
	Safety and Privacy	CS9	To what extent does online pharmacy ensure safety & privacy to their customers?	0.703
	Convenience	CS10	To what extent convenience is a major reason to buy from online pharmacy?	0.685
	Easy Exchange & Return	RS1	To what extent easy return and exchange of medicines is a major reason to buy from online pharmacy?	0.711
	Free Home Delivery	RS2	To what extent does free home delivery is a major cause of moving customers from unorganized to online pharmacy?	0.572
	Limits Business Growth	RS3	Do you think online pharmacy limits growth of unorganized pharmacy?	0.523

Chi-Square Analysis: Chi Square Goodness of Fit Test:

The Chi-square test is an important non-parametric test. Chi-square symbolically written as χ^2 is a measured used in the context of sampling analysis for comparing a variance to a theoretical variance..
This test is very widely used to test the stated hypothesis.

Hypothesis (H$_0$):
Organized retail pharmacy is a big challenge for unorganized retail pharmacy in Delhi and NCR.[2]Hypothesis (Ha): Organized retail pharmacy is not a big challenge for unorganized retail pharmacy in Delhi and NCR.

Table 22: Chi-square χ^2 Analyses for Organized Retail Pharmacy as a Challenge to Unorganized Retail Pharmacy

Decision Statement	Label	Name of Sub-Factor	Loading Chi-square (χ^2)Value	Loading Table Value of Chi-square (χ^2)
Organized Retail Pharmacy as a Challenge to Unorganized Retail Pharmacy	CS1	Discount/offer	22.95	13.277
	CS2	Location	29.95	13.277
	CS3	Store Attributes	24.40	13.277
	CS4	Recommendations	23.50	13.277
	RS4	Personalized Service	30.05	13.277
	RS5	Free Home Delivery	27.00	13.277
	RS6	Customer Relationship Management	49.05	13.277

*Significant at 1% confidence level
* The degree of freedom is 4.In the Table -21 the degree of freedom is (n-1) = (5-1) = 4 and the level of significance is 1 per cent.

Hypothesis (H$_0$): Online pharmacy not has an adverse effect on the business of unorganized retail pharmacy in Delhi and NCR.

Hypothesis (Ha): Online pharmacy has an adverse effect on the business of unorganized retail pharmacy in Delhi and NCR.

Table 23: Chi-square χ^2 Analyses for Online Retail Pharmacy as a Challenge to Unorganized Pharmacy

Decision Statement	Label	Name of Sub-Factor	Loading Chi-square (χ^2)Value	Loading Table Value of Chi-square (χ^2)
Online Pharmacy as a Challenge to Unorganized Pharmacy	CS8	Discount & Offer	65.70	13.277
	CS9	Safety & Privacy	40.95	13.277
	CS10	Convenience	31.35	13.277
	RS1	Easy Exchange & Return	29.85	13.277
	RS2	Free Home Delivery	37.05	13.277
	RS3	Limits Business Growth	20.55	13.277

*Significant at 1% confidence level
* The degree of freedom is 4

In the Table -22 the degree of freedom is (n-1) = (5-1) = 4 and the level of significance is 1 per cent.

Hypothesis (H_0): Customer not prefers to purchase from unorganized retail pharmacy as compared to organized retail pharmacy in Delhi NCR.

Hypothesis (Ha): Customer prefers to purchase from unorganized retail pharmacy as compared to organized retail pharmacy in Delhi NCR.

Table 24: Chi-square χ^2 Analyses of Customer Preference to Purchase from Unorganized Retail Pharmacy as Compared to Organized Retail Pharmacy.

Decision Statement	Label	Name of Sub-Factor	Loading Chi-square (χ^2)Value	Loading Table Value of Chi-square (χ^2)
Customer Preference to Purchase from Unorganized Retail Pharmacy as Compared to Organized Retail Pharmacy	CS1	Discount/Offer	22.95	13.277
	CS2	Location & Layout	29.95	13.277
	CS3	Store Attributes	24.40	13.277
	CS5	Customer Relationship Management	13.55	13.277

*Significant at 1% confidence level
* The degree of freedom is 4

In the Table -24 the degree of freedom is (n-1) = (5-1) = 4 and the level of significance is 1 per cent.

FINDINGS:

- Almost 40 percent sample retailer's respondents strongly agreed that online retail pharmacy is an emerging challenge to unorganized retail pharmacy.
- Majority of the respondents i.e. 39 have been strongly disagreed that organized pharmacy is a challenge to the business of unorganized retail pharmacy.
- The majority of the respondents i.e. 30 per cent are of the opinion that large number of pharmacy store in the same location is an emerging challenge for comparatively marginalized pharmacies.
- Majority of the respondents i.e. 39 per cent have been agreed that high real estate cost is a challenge for unorganized retail pharmacy.
- The majority of respondents i.e. 51 per cent are strongly agree and opined that expiry of medicines within a short span of time is an emerging challenge for pharmacy business.

LIMITATIONS OF THE STUDY:

Since the present study is confined to the limits of Delhi and NCR The response from some pharmacy retailers could not be collected as owner these pharmacies cited confidentiality reasons and company policy of not revealing such confidential information.

FUTURE EXTENSION OF THE STUDY:

Admittedly, all research work, by nature, carry possibilities of further extension and expansion. As such, the study encompasses the challenges and opportunities to unorganized retail pharmacy and factors motivating the buying behaviour of the sample respondents.

CONCLUSION AND RECOMMENDATIONS:

In present competitive business environment unorganized retail pharmacy need to transform for providing customize services for customer retention. Unorganized retail pharmacies have to use every business strategy which helps in meeting competition from the organized and online retail pharmacy chains. They also need to study the customers' expectations on a continuous basis so that new innovations can be incorporated and implemented Moreover.

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