AN INVESTIGATION OF MODERATING ROLE OF ATTITUDE ON CUSTOMER'S PERCEPTION: A CASE OF PAKISTANI RETAIL INDUSTRY

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ABSTRACT

In the modern era, the organized retailers are growing and replacing unorganized retailers due to the competitive business environment around the globe. Although, the unorganized retailers have more market share than organized retailers regarding the 70% world population geographically residing. The literature lacks empirical evidence on customers' perception of retailers in the context of Pakistani retail industry. Hence, objective of this study is to understand the customers' perception of unorganized retailers for local and international organizations. This research work is an effort to investigate the moderating role of attitude on customers' perception regarding Pakistan's unorganized retailers. Based on the five-Likert scale, the sample-set has been collected through a survey from the customers by convenience sampling techniques. Structure equation modelling (SEM) model is performed in SMART PLS 3.3 for data analysis. The estimated result reveals that services, promotion advertising, positive attitude, and brand have a strong and significant relation with customers' perception, it can modify customer's perception. According to the results, it's a serious issue to divert the customer's attention towards Pakistan's

unorganized retailers. It also infers that attitude can divert the customer's perception as a moderator role.

1. INTRODUCTION

Retail is derived from the French word retailer, the retailer is medium which is used to break the bulk into pieces means that selling the goods to the consumer for consumption, Retailing is the buying and selling of goods and services, and retailers are the last link to end-users (Kusuma, & Prasad, 2013). Retailing is meant to selling products, goods, and services to the customers for personal or household use based on their needs and wants (Chattopadhyay, 2019). Contemporary retailing has advanced from being a purchasing custom in the trade cycle to conveying a blissful shopping experience (Sternquist, Byun & Jin 2004). Retailing consists of all activities concerned with merchandising and services for customers' personal, family, or unit use. It covers sales products from automobiles to attire and food products, and services are starting from hair-cutting to air substantially. Retailing is a medium which is used for selling the products and services to the end-users or more comfortable and straightforward meanings of retailing is that buying products in huge quantity from the producer or by wholesalers and after that sells that products to end-user in small portion for the sake of earning (Manimegalai et al., 2017). End-user is somebody who is involved in the process of utilization of products and services and applied to purchase combined products or household products for his utilization and as well as for the utilization of their family according to their needs and wants (Zhao et al., 2020). Consumers are the end-users and their minds to select the retail store by retailers (Srivastava, 2008).

Retail stores are divided into two categories like, organized and unorganized retailing. According to place, operations, functions, the scale of activities, and charisma (Raghuram & Ravilochanan, 2014). Both organized and unorganized retailers have a significant role in selling green products. We have concluded the green product purchase behaviour research from both organized retailers and unorganized retailers. In this study we focused on unorganized retailing. Traditional or unorganized retailers mean that small retail outlets are mostly located in a small street, small markets, *Karyana* and general stores, small investment stores, and corner stores, primarily operated and managed by a single owner (Raghuram & Ravilochanan, 2014). The retailer isn't a member of any chain or the enormous retail associations. A large portion of the unorganized retailers falls under this class. For instance, general stores, grocery shops, street or

corner shops may have at least one source run by the self-ruling or independent retailer. Unorganized retailers are those who have economical and low budget retailing (Das, 2016). Characteristics of unorganized retailers are small in size like single or double unit shop size, it is operated by the owner itself (Srichookiat & Jindabot, 2018). On the other hand, the unorganized stores are like small "*karyana*" (local small shop in Pakistan) stores and general stores in the streets, small markets that are usually owned by a single man (Agarwal, 2017). Unorganized retailing typically related to traditional retailing, solitary owned and mostly operated by owners, low cost, small cigarette shops, general stores, Kirana stores, mom-pops mini-stores, convenience retail outlets, streets shops, etc. (Choudhary & Singh, 2017).Retailers' point of view, both sectors like organized and unorganized retailers have threats from each other (Dash & Chandy, 2013).

However, the researcher found that both have the same opportunities and challenges in the market. The retail sector is developed due to middle-class consumers' growth, change in income level, rising countryside market, the impact of technology, media explosion, and consumerism (Thangadurai, 2019). According to previous research, 70% of the world's population lives geographically, where unorganized retailers have more market share than organized retailers (Saini & Sahay, 2014). Organized retailing is continuously increasing its market share according to previous research. Unorganized retailers probably exist in Pakistan in the future, but their development will be in the worst condition due to their format. According to estimation, unorganized retailers have 95% market penetration in Pakistan. The lack of functional skills and expertise, limited-scale operations, and lack of financial resources negatively impact unorganized retailers. Unorganized retailers must adopt some basic strategies which are used by organized retailers. In the coming few years, retailing standards and format will be like a global standard and format in Pakistan. In the future, the competition will be stronger between local and international organized retail chains. According to the entrance of international chains in Pakistan, the retail sector's growth rate is much faster due to pakistaneconomist.com. Consumers' preference for grocery shopping has changed. Customers mostly planned to visit organized retailers compared to unorganized, and this scenario is altered due to the growth of the income level in Pakistan, according to euromonitor.com. The retail war between organized retailers and unorganized retailers is a severe problem for retail organizations.

In recent decades, organized retailers have influenced the market due to their infrastructure, advancement, services, and product availability (Vijay, 2016).

Our objective is to understand the customers' perception of unorganized retailers, and we selected that aim due to the fast growth or organized retailer. It will help them know, in detail, essential viewpoints of customers previously, during and in the wake of settling on choices for store decision in this manner concocting techniques as needs be to cater them to their best. Customers are increasing day by day towards organized retailers, so it's necessary to understand the customers' perception towards unorganized retailers to make some specific strategies to encounter the customers towards unorganized retailers because as per the above discussion unorganized retailers have more market share, more market penetration, and as well as more share in the GDP of Pakistan. Unorganized retailers have more shares in Pakistan's economy and have more market penetration, but due to the growth of organized retailers, there is tough competition between organized and unorganized retailers of Pakistan. Due to the speedy growth of organized retailers may be organized retailers have a monopoly in the market in the coming years. So there is a need to understand the customer perceptions towards unorganized retailers of Pakistan to make some strategies to boost or well compete to the organized retailers. This study helps to identify the reasons and also identify some competitive advantages to boost the unorganized retailers' sale.

1.1. Research Questions

Q1:   Which prominent roles are affecting customers' perception towards unorganized retailers?

Q2:   How attitude is played the role on customers' perception towards unorganized retailers?

2. LITERATURE REVIEW

The customers' perceptions have been changed by organized retailers and pursued out the customers from unorganized retailers (Raghuram Naga Venkata & Ravilochanan, 2014). Organized retailers obtained a great attraction in the retail industry. Due to this heavy competition, unorganized retailers have severe problems, and it is very problematic for the local organizations to understand the customers. Due to the modern revolution of the retailers in different parts of the world like the USA, UK, etc., organized retailers also impact some other emerging economies like Asia, South America, Middle East, etc. Unorganized retailers are replaced by organized retailers very rapidly (Srichookiat & Jindabot, 2017). Wakefield & Baker (1998) pragmatic turn run provided by organized retailers is concentrated to make the shopping

experience more comfortable and enjoyable. Because of this massive competition, unorganized retailers are affected very severely in terms of their sale volume and noticed that traditional retailers convert themselves to new formats like organized retail. Unorganized retailers continuously struggle to improve their current retail practices, but they have some financial problems, so there are several kinds of interference needed for their betterment (Jindabot, 2017). Organized retailers harm unorganized retailers (Chovanová et al., 2015). Nair & Nair (2013) concluded that every customer has a different nature, and this nature of the customers influences customers' perception. Customers' perception remains constant and expected due to some other factors like personal interaction and physical aspects. Customer loyalty included an inspirational disposition toward the company's product or service, trailed by exemplary behaviour that prompts getting it and prescribing it to other people (Grønholdt et al., 2000).

Customers get more benefits and increased their spending due to organized retailers. Compared to organized retailers, unorganized retailers have the significant advantage of proximity and have some other main strength like Credit facility, home delivery, convenience for availability and timings, loose selling advantage, and bargaining edge. The majority of organized retailers want to compete and stay in the market. Arup Anand Dash (2019)revealed that retail organizations understand that organized retailers have a competitive impact on unorganized retailers. Retail organizations used their brand strength to increase their presence in organized and unorganized retailers (Joseph et al., 2008). The characteristics and qualities of organized retailers and recognize the more persuasive responses for customer relationship and investigate and understand the investment in a relationship, Excellency of relationship and customers' loyalty. It identified the excellence of relationships mediates the relation between relationship investment and customers' loyalty intentions. In this study, the researcher found different aspects like interpersonal communication, direct mail, merchandising, and personal dealing, which is involved in perceived investment in a relationship whereas one retail store's environment and atmosphere directly share perceived relationship quality. Also found the results that perceived relationship investment has a positive impact and influence on perceived relationship excellence, which also influences the behaviour and attitude of loyalty intentions of the customer. It is confirmed that the perceived relationship excellence has a mediating effect on perceived relationship investment (Wang & Ha, 2011).

The organized retailer impacts unorganized retailers and has an intense impact on other retail types like stationery products, household electronic appliances, clothing, furniture, etc. because organized retailers are mostly involved in all kinds of household products, not only in grocery products. The researcher also suggested that unorganized retailers must improve their favourable strength like service quality, complaint management, and healthy relationship with customers (Farhangmehr et al., 2000). Advertising easily persuades the attitudinal purchasing attention of customers. Advertising is a healthy way of communication to convey the message to the audience. Advertising should be summarized, to the point, and attractive for the customers (Kusuma et al., 2013). Theoretically analyzed, three aspects like emotional, behavioral, and cognitive, are physiologically more influenced by advertising. Advertising and promotions have a positive impact on consumers' perceptions (Jakštiene et al., 2008). Promotional activities significantly impact consumers' purchasing decisions because his data indicates that 84% of sales increased due to promotions (S. Gupta, 1988).

Information Technology has much impact on the retail industry of Pakistan. Due to Pakistan's IT retail industry improved its different dimensions like services, after-sale services, retail chain management, etc. It is also useful from the consumers' point of view (Rashid Ali & Masood Subzwari, 2016). The perception of product quality influenced the attitude of retails' customers and affected the retailer's sales volume (Putra et al., 2017). The researcher investigates those unorganized retailers not getting much effect from organized retailers (B. Kusuma &N.Durga Prasad, 2013). Customers' frequency decreased on unorganized retailers, but still, both retail formats are necessary for the customers. Organized retailers got the advantage of a good shopping experience for customers like shopping environment, cleanliness, excellent and helpful customer services, quality products and quality services, etc. Still, unorganized retailers only got the advantage of location. Enormously price-sensitive customers, continuously forcing the retailers to manage the products on the least margin (Goswami & Mishra, 2009). Customers' perceptions towards factory outlets and traditional departmental stores, and researchers found that in-store services, Stores' layout, brand image, price, promotion, and demographics impact store choice (Chen, 2008).

An individual could organize, select, and interpret the information to understand the environment through perception. Interpretation is a systematic process in which an individual expresses his experience, memory, and expectations to connect the connotation to a stimulus

(Morschett et al., 2007). The researcher also investigated that customers' attitude is always differing towards retailers according to their buying motives. Advertising influences the customers with the help of some severe or cognitive aspects like customers to get the information of advertising through his senses, attention, perception, memorize the information, reasoning, language, etc. (Jakštiene et al., 2008). Previous studies investigate that the product's price and quality is not the only main reason to have an impact on customers' buying decision (Lu & Seock, 2008). Promotional or advertising strategies are used to create product and service knowledge to divert customers' minds towards the product and services (B. Kusuma & N.Durga Prasad, 2013).

All the previous studies reveal competition between local retailers and international retailers, organized retailers and unorganized retailers. There are some practices and activities did by organized and big chains but not in unorganized retailers. There are brand extensions programs by FMCG organizations in which they prefer organized retailers, and they ignored unorganized retailers. There are technological improvements in the retail sector and IT sector, which help all kind of retailers. Companies worked on the information system, also worked on customer's behaviour. Organized retailers improved their services and shopping environment but no more strong studies available on unorganized retailers.

2.1.Theoretical Framework and Hypothesis Development

2.1.1. Model Development

Our conceptual model (see Figure 1) is self-constructed, and it is based on *Gibson's theory of bottom-up direct perception*, he believed that a human perceives things by his experiences, our perception is a consequence of our vigorous approach, and we can catch the surrounding information or be aware of the information present in our environment (Démuth, 2013).
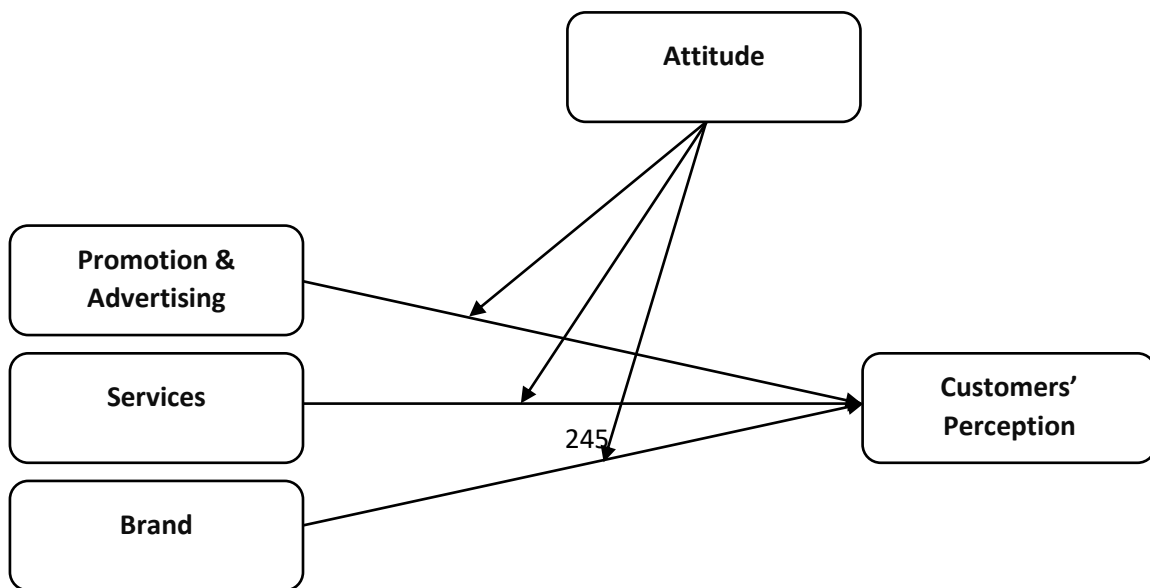
Figure 1: Research Framework

According to the theory, in this paper tried to analyze the perception of customers through the information they get from different variables. When we go to a retailer for some shopping, we must have to get some information through our sensors like services offered by retailers, some promotional materials and branded products. According to previous studies, researchers reveals that attitude, promotion and advertising, services, and brand can affect the customer's behaviour and purchase intention (Mirabi et al., 2015), so in this paper tried to make a model check the joint impact of these variables on customer's perception towards unorganized retailers.

2.1.2. Hypotheses Development

2.1.2.1.Promotions and advertising (PA)

Attitude varies within the area to which they are sturdy and have a very beneficial impact. While satisfying the customer through the communication process to buy a product and service is called advertising. Nowadays, everyone is grabbed by mass media like TV, movies, advertising, outdoor advertising, magazines, music, radio, internet and mobile. All these marketing instruments are well known, and influence customers' brains and their impact is much more significant. Marketing mix has four Ps like, Product, Price, Place, Promotion and advertising is a part of the promotion to providing knowledge and creating an understanding of manufactured goods and products in the mind of regular customers to get the benefit for ultimate buying decision advertising to have much concern and impact on consumers' mind. It is used as a promotional strategy (Kusuma & Prasad, 2013). Customers get a positive message through advertising and promotional activities, and that message has an impact on the perception of a customer about the significance of these activities. Customers' perception of the promotional and advertising activities is optimistic, honest, and believable according to these activities' reliability. It is constant that prior studies about customers' attitude to advertising like customers always give high rank for their perceptions of the importance of advertising or promotional activities have much positive attitude in the direction of these activities (Liu et al., 2012). Advertising is

playing a vital role in changing customers' attitude and behaviour towards the products and services. Consumer attitude and behaviour are influenced by advertisements enormously, the main aim of advertising is to make it more influential and positively meet the customer's perception level (Rai, 2013).

After discussing the above section, a significant positive relationship exists between promotions and customers' perception and attitude. The following hypothesis generated: sturdy attitudes are very long-lasting and have a beneficial impact, weak attitudes are less long-lasting and have less impact on particular concern in the current perspective, and healthy attitudes are probable to predict future behaviour than weak attitudes higher. The right attitude is highly competent to influence the attitude entity's perceptions and the background in which the behaviour is executed (Arslan et al., 2010). The objective of advertising is to utilize a variety of strategies in order to convince potential customers to purchase a specific item or service. Psychology, which is the study of human behavior, feelings, and the elements that urge individuals to act, has a significant impact on the area of advertising, which is the study of how people are motivated to take action (Hudák et al., 2017). After the discussion mentioned below hypothesis is constructed.

H1. Promotion advertising has a significant impact on customers' perception towards unorganized retailers.

2.1.2.2.Services (SR)

Nowadays' marketing is not only about customer satisfaction, providing knowledge and selling. It is also a process to maintain long-lasting relations with customers through good quality services. Customers' perception is about an organization is excellent through good quality services. According to old research, perceptions of service quality and customer satisfaction are directly related to each other (Ramamoorthy et al., 2018). More customers will be attracted when service quality is goods, and then more profit will be generated. Quality services create more valued perception and retail shop preference in customers (Deb & Lomo-David, 2014). For the sake of client retention, we discovered that organized retailers place a high value on service quality and the potential to draw in new consumers, as well as a strong link between service quality and customer's perception (Zhao et al., 2020).

H2. Services have a significant impact on customers' perception towards unorganized retailers.

2.1.2.3.Brand (BR)

Any company's brand name is used as a symbol to discriminate its product and services from any other company. A brand could have several alternative meanings looking at the role it plays, its worth, and a lot of significantly, to whom it has connected. A brand may have produced a very touchy relationship with its users to become the brand name as an emblem. In the most developed part, brands signify not solely the goods or services an organization provides however it represents the firm itself, and the brand is that the organization and makes the principles of an organization (Aluri & Palakurthi, 2011). The circumstance of the market is continuously changing. For this holistic market role of brand management is significant. Companies must have to fulfill the customer's requirements through their brands according to the current market position (Chovanová et al., 2015).

Companies are providing expressive rewards by presenting their brands with the help of a pleasant atmosphere and attractive store design (Lunardo & Mouangue, 2019). Attitude and buying preference of consumer is affected by brand (Chovanová et al., 2015). Regarding the above discussion and previous studies, researchers want to investigate the impact of brand on attitude and perception towards unorganized retailers. customer perceptions, moods, feelings and emotions regarding the brand are likely to improve. It would seem that a number of scholars are in agreement with the definition of brand image, which reflects the perceptions that customers associate (also known as customer associations) with a specific brand (Iglesias et al., 2019).

H3. The brand has a significant impact on customers' perception towards unorganized retailers.

2.1.2.4.Attitude as a Moderator

Attitude varies within the area to which they are sturdy and have a very beneficial impact. While sturdy attitudes are very long-lasting and have a beneficial impact, weak attitudes are less long-lasting and have less impact of particular concern in the current perspective, healthy attitudes are probable to forecast future behaviour than weak attitudes higher. The right attitude is highly competent to influence the attitude entity's perceptions and the background in which the behaviour is executed (Arslan et al., 2010) after the discussion mentioned below hypothesis is constructed. It is possible to provide a consumer with an engaging brand experience by allowing for a seamless interaction between the consumer and the brand, by involving the consumer with the brand at the consumer's own will, and by ensuring that all communication efforts and the content of each of the brand's touch points are consistent with one another. By giving consumers

such brand experiences, it is possible to develop positive attitudes and images of the brand, in addition to brand affect, which may have an effect on the customer's loyalty to the brand. According to the expectation-value model of attitude, the way a person perceives something (like advertising, for example) is a completely subjective representation that links the thing in question to a perception (e.g. informative). Perception, as well as an evaluative component that is implicit in perception, both play a role in the formation of an attitude. As a result, it requires not only an overall evaluation of the object in question but also an analysis of each of its attributes (Falcão & Isaías, 2020).

H4. Attitude significantly affects the customers' perception towards unorganized retailers

In this research we also used attitude as a moderator between different variables and mentioned below hypotheses were generated:

H5a.   Attitude significantly moderate between promotion advertising and customers' perception towards unorganized retailers.

H5b.   Attitude significantly moderate between services and customers' perception towards unorganized retailers.

H5c.   Attitude significantly moderate between a brand and customers' perception towards unorganized retailers.

3. RESEARCH METHODOLOGY

3.1. Data collection

Various unorganized retail outlets were selected from Pakistan's major cities for the collection of data and 891forms filled by the customers during the shopping from unorganized retailers. According to macropakistani.com there are around 2 million retailers in Pakistan, 0.8 million of which are involved in the fast-moving consumer goods contemporary commerce and general trade channels. So it is not possible to collect data from every retailer. So, we selected the main cities and used convenience sampling to collect the data. We selected those customers who are doing the shopping for more accurate answers because customers' involvement is high and experiencing the shopping environment, so it is easy to recall all elements regarding our research questions. According to Gibson's bottom-up theory of perception (1966), customers can get new information through their sensors and make a perception towards their experience. We use significant cities of Pakistan like Islamabad, Lahore, Karachi, Peshawar, Multan, and Rawalpindi due to more population and easy access. We hired some professional and trained

surveyors for data collection, and they also gave some gifts to attract the customer for an easy and useful response. A total of 35 questions were used to ask in survey forms: five explanatory variables like customers' perception, attitude, promotional advertising, services and brand. Each dependent is dependent on a different number of questions. The study scope is confined to the customers' level to test the conceptual models, a survey tool and dimension scales were intended. To check the content validity, a pretest was performed to improve scale with academics and industrial experts' help. Afterwards, A revised version of questionnaire has been distributed to collect sample and test the proposed hypotheses, respectively.

3.2.Measurement development

Table 1Demographics of Respondent (N = 891)

Products	Freq	%	Products	Freq	%
Gender			*Income*		
Female	161	18.1	less than 10000	127	14.3
Male	730	81.9	10001-20000	54	6.1
Age (yrs)			20001-30000	103	11.6
18-25	165	18.5	30001-40000	120	13.5
26-30	294	33	40001-50000	122	13.7
31-35	219	24.6	50001-70000	93	10.4
36-40	119	13.4	70001-90000	102	11.4
41-50	67	7.5	90001-120000	70	7.9
51-60	22	2.5	120001-150000	39	4.4
61 and above	5	0.6	150001 and Above	61	6.8
Education			*Grocery Spending*		
Under Metric	10	1.1	less than 5000	171	19.2
Metric	17	1.9	5001-10000	242	27.2
Intermediate	53	5.9	10001-15000	183	20.5
Graduate	330	37	15001-20000	131	14.7
Master and above	481	54	20001-25000	60	6.7
Occupation			25001-30000	33	3.7
Jobless	57	6.4	30001-40000	27	3
Student	62	7	40001-50000	24	2.7
House Wife	15	1.7	50001and above	20	2.2
Govt. Job	39	4.4	*Shopping Frequency*		
Private	643	72.2	Weekly	265	29.7
Business	75	8.4	Fortnight basis	113	12.7
Retired	0	0	Monthly	444	49.8
			Quarterly	69	7.7

There are numerous factors influencing perception, in our research customers' perception measured using a 35-products scale prepared by academic and organizational experts and then proved with different tests like factor analysis, data reliability, CR, and AVE (Madichie, 2012).

All the constructs are engaged with multiple items to increase reliability. The author developed six items to understand customers' perception of unorganized retailers and then developed ten items to understand the uses of services and their impact on customers' perception. Six items were used to measure customers' attitude, and eight items were developed and used for measuring the promotion and advertising. In this paper we used a 5-point Likert-type scale ranging from 1(strongly agree) to 5 (strongly disagree) to answer each product. The study of (Lu & Seock, 2008)recommended a 5-point Likert-scale to improve accuracy.

4. DATA ANALYSIS

Smart-PLS 3.3 software is used to compute SEM-PLS through PLS-algorithms bootstrapping (Wong, 2013). 5000 sub-samples are chosen for bootstrapping to tackle the model complexity (Hair et al., 2016). PLS is the most preferred way of testing the dimensions' measurement and structural model. Table 1 shows the summarized results of the demographic profiles of respondents. It is consistent with previous studies in the context of retailing, unorganized retailing and customers' perception (Sarwar et al., 2014; Manimegalai et al., 2017; Marimon et al., 2019)

Table 2 shows the products and constructs with the results of the factor loading, rho_A, Cronbachs' alpha (CA) (Cronbach, 1951; Zhao et al., 2021), composite reliability (CR) (Fornell & Larcker, 1981), and average variance extracted (AVE).

Table 2Products measurement properties

Products	FL	rho_A	CA	CR	AVE
Customers' Perception		0.959	0.950	0.961	0.803
CP1	0.969				
CP2	0.883				
CP3	0.921				
CP4	0.907				
CP5	0.794				
CP6	0.893				
Attitude		0.941	0.937	0.950	0.762
A1	0.918				
A2	0.892				
A3	0.832				
A4	0.885				
A5	0.843				
A6	0.863				
Promotion and Advertising		0.965	0.961	0.967	0.787
PA1	0.977				

PA2	0.930				
PA3	0.890				
PA4	0.812				
PA5	0.814				
PA6	0.839				
PA7	0.965				
PA8	0.854				
Services		0.975	0.962	0.963	0.723
S1	0.874				
S2	0.899				
S3	0.906				
S4	0.825				
S5	0.739				
S6	0.925				
S7	0.869				
S8	0.799				
S9	0.882				
S10	0.763				
Brand		0.945	0.966	0.973	0.877
B1	0.965				
B2	0.957				
B3	0.949				
B4	0.920				
B5	0.889				

Table 3 Discriminant Validity

Products	CP	AT	PA	SR	BR
CP	**0.873**				
AT	-0.037	**0.936**			
PA	0.560	0.129	**0.896**		
SR	0.590	0.047	0.635	**0.887**	
BR	-0.049	0.042	0.211	-0.014	**0.850**

Results show the all the values of CA and CR are higher than 0.9 (Ziegler & Schlett, 2016), (Yong et al., 2020) and the convergent validity was confirmed if the average variance extracted (AVE) of each construct crossed the cut-off value of 0.5 (Saini & Sahay, 2014), (Ziegler & Schlett, 2016), so the valuation supported convergent validity because all the constructs' AVEs ranged between 0.723 and 0.803. Table 5.3 shows the discriminant validity of constructs. The value 0.936, which is emphasized for AT in the table, represents the square root of AVE. This value is higher than the correlation coefficients that are found in the AT column (0.129, 0.047, and 0.042), and it is also higher than the ones that are found in the AT row (-0.037). The same kind of observation made for the latent variables CP, PA, SR, and BR as well. The outcome of this test suggests that discriminant validity has been adequately shown.

4.1. Structural Model

As per results the main fit indices are Chi-square =15517.200, SRMR = 0.089, NFI = 0.683 and RMS theta = 0.200.The constructs and the particular paths report a significant section of the variance in the endogenous constructs posited. R square is 0.522, it means that overall model is 52% explained.

Table 4 Direct impact on customers' perception

	Paths	Path Coefficient (β)	T-Statistics	P Values	Decision
H1	Promotion & Advertising -> Customer Perception	0.448	13.459	0.000	Positively Supported
H2	Services -> Customer Perception	0.232	6.191	0.000	Positively Supported
H3	Brand -> Customer Perception	0.110	4.441	0.000	Positively Supported
H4	Attitude -> Customer Perception	0.310	11.593	0.000	Positively Supported

Table 4 shows the direct impact of independent variables on customers' perception, results indicate that promotion and advertising (PA) has a positive impact on customers' perception (CP) (β =.448, p<0.001) where β is regression coefficient and p is significant level. Services(S) has a positive impact on CP with (β =.232, p<0.001), Brand(B) have a positive impact on (CP) with (β =.110, p<0.001), and attitude (A) is also positively related with CP with (β =.310, p<0.001). Table 5.5 revealed the results that, the interaction between promotion advertising (PA) and attitude is positively related to customers' perception (CP) (β =.077,

p<0.001, H5a). The interaction between Services (S) and attitude (AT) on customers' perception (CP) is negatively significant (β = -.136, p<0.001, H5b). The interaction between brand (B) and attitude (AT) is no impact on customers' perception (CP) (β =-.015, p>0.05, H5c). Figure 2 and 3 shows the coefficient values with effect. Figures 5.4 and 5.5 showed the plots for these interactions. Figure 4 showed that promotion advertising is more positively related to customers' perception when the attitude is high, and Figure 5 showed that services are more negatively related to customers' perception when the attitude was high rather than low. Whereas attitudes were the insignificant moderating effect on the positive association between brand and customers' perception.

Table 5 Moderators Impact

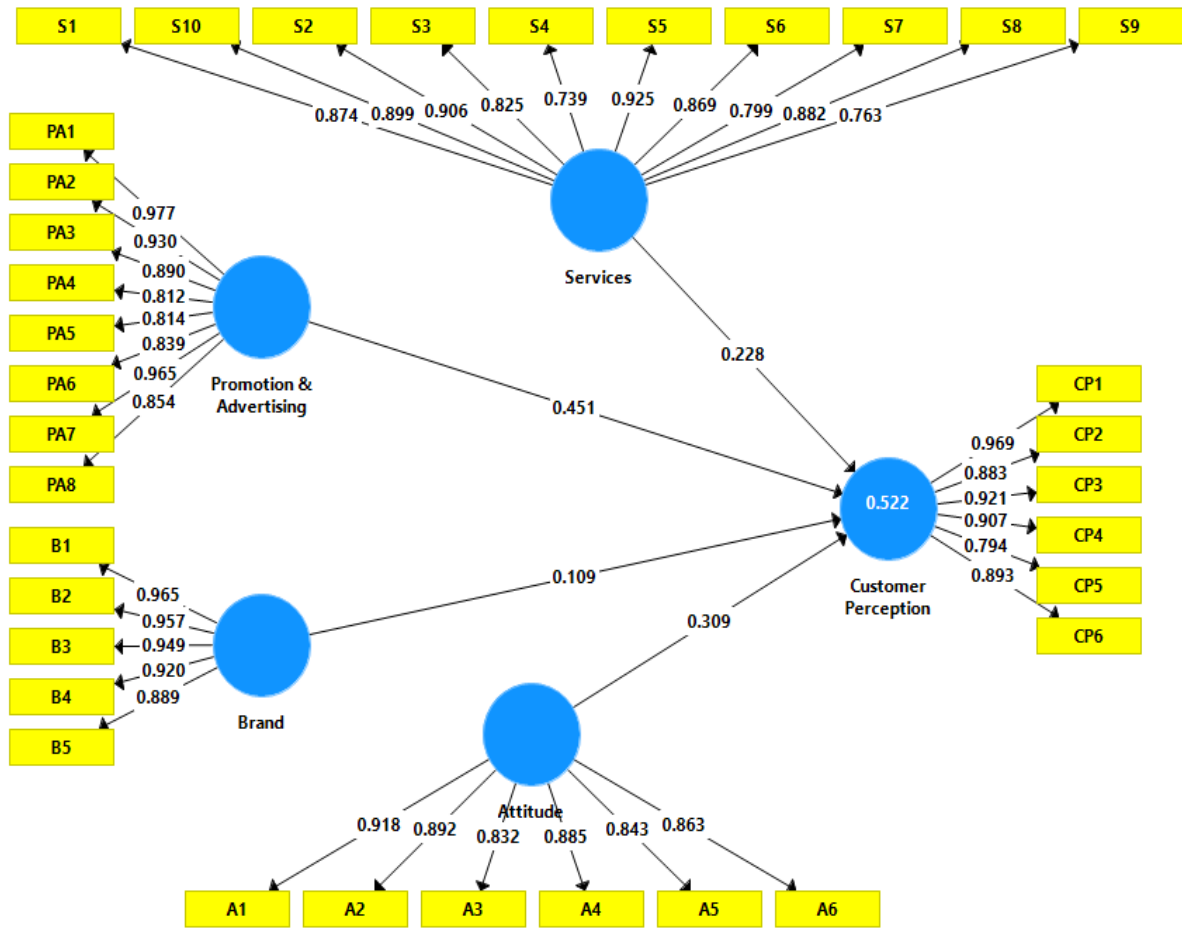|	Paths	Path Coefficient (β)	T-Statistics	P Values	Decision
H5a	Promotion & Advertising x Attitude -> Customer Perception	0.077	7.276	0.000	Positively Supported
H5b	Services x Attitude -> Customer Perception	-0.136	3.589	0.000	Negatively Supported
H5c	Brand x Attitude -> Customer Perception	-0.014	0.678	0.498	Not Supported

Figure 2 : Coefficient Value with Significance for Customers' Perception
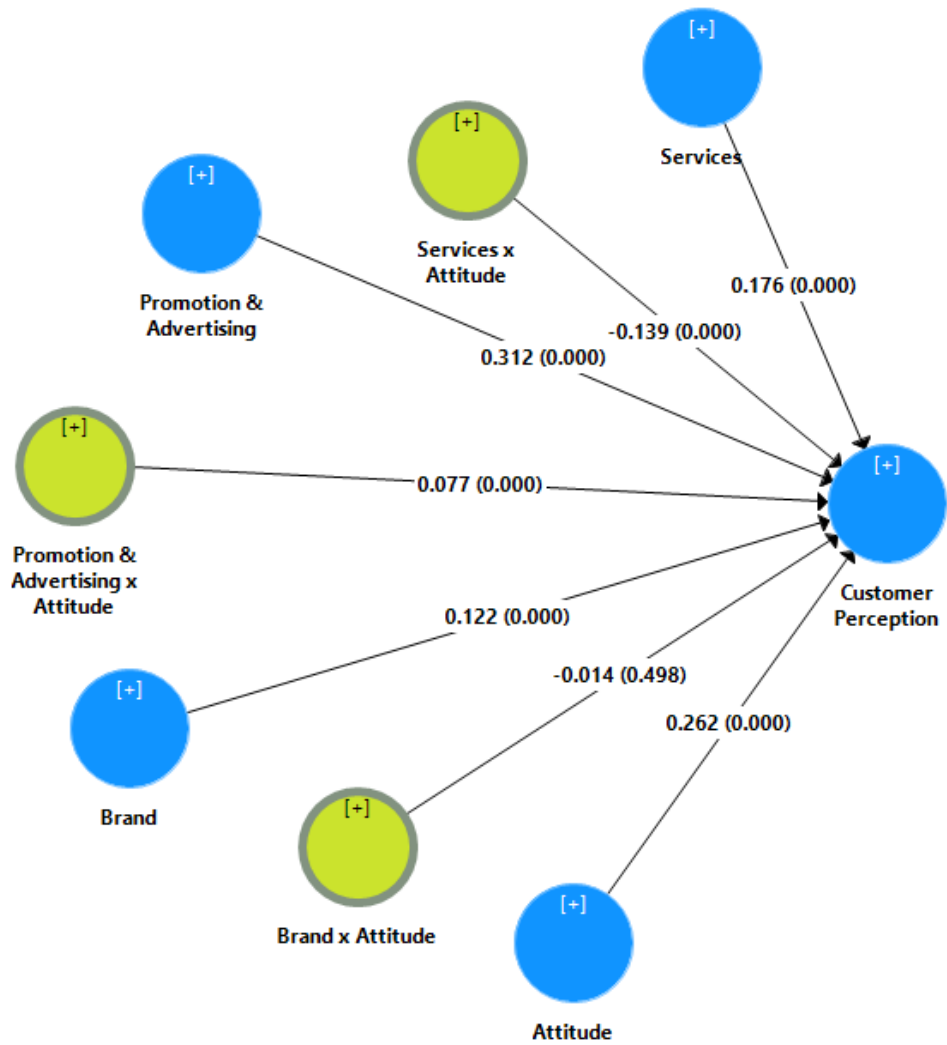
Figure 3 : Coefficient Value with Significant for Attitude as a Moderator
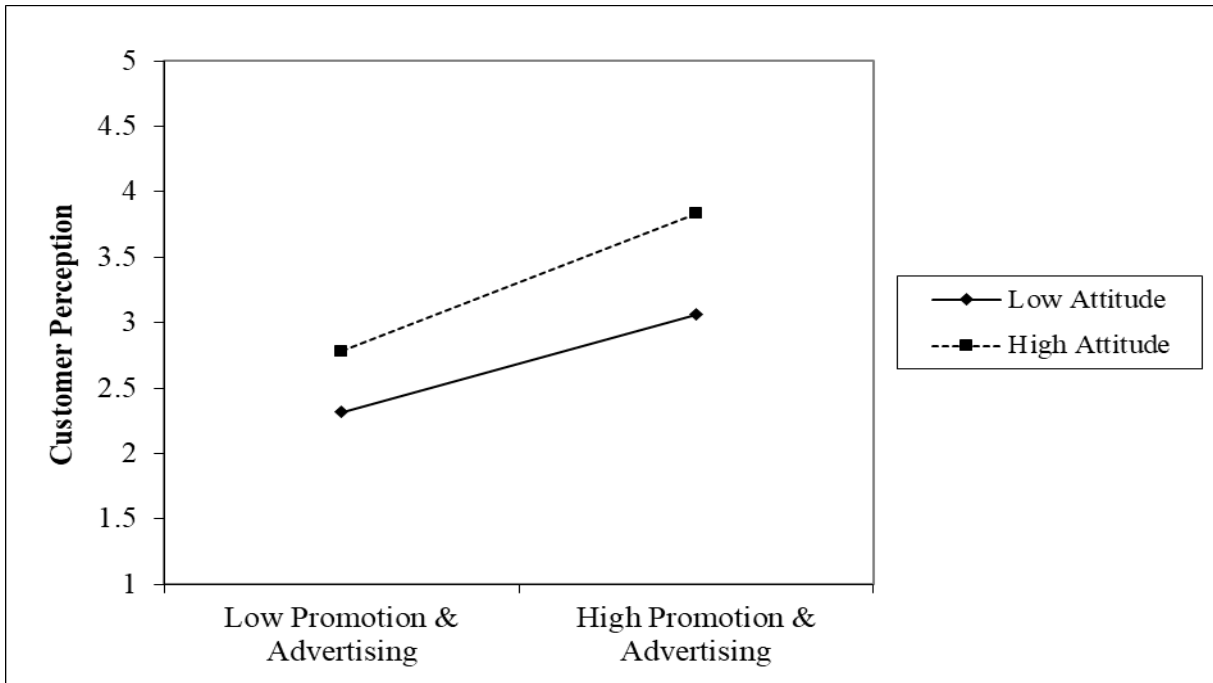
Figure 1 The Plot of Interaction between Promotion Advertising and Attitude on Customers' Perception
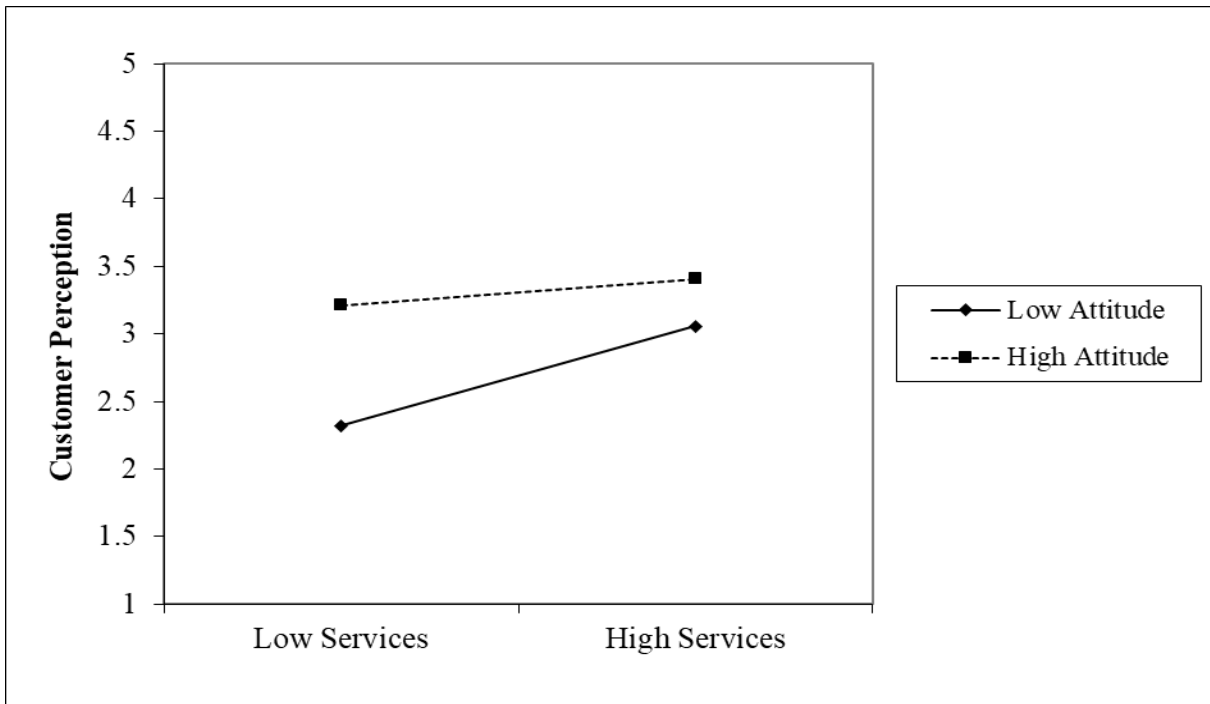
Figure 2 The Plot of Interaction between Services and Attitude on Customers' Perception

4.2. Discussion

This study summarized that all the variables like attitude, promotion advertising, services, and the brand positively related to customers' perception towards unorganized retailers. Understanding of customers' attitude valuable for more effecting advertising, in our research we analyzed that interaction between attitude and promotion advertising has a more positive effect on customers' perception towards unorganized retailers, so according to Pyun & James (2011) attitude as a moderator has a strong impact with advertising.

Brand perception has positively related to store image (Shakil Ahmed et al., 2018), and customers are more influenced by the retail store's image (M. Gupta & Mittal, 2012). According to our results, the brand is less critical than store image, and customers easily influenced through store image, which is why our results attitude eliminates the positive relationship between brand and customers' perception towards unorganized retailers. Services have positively associated with customer's perception; however, attitude constructs the negative relation among the services and customers' perception towards unorganized retailers. Our results scrutinized that attitude profoundly affects a customer's perception because attitude can change, convert, modify, and substantially impact customers' psyche. Attitude can divert intention, so the store selection process is much dependent on customers' attitude. Consumer differentiation can be linked to the consumer's attitudes (Aluri & Palakurthi, 2011). Attitude can divert the relationships, it can make the relationship weaker, healthier, and harmful or maybe change to no relation. Our results show that attitude is more important as a moderator, it can affect unorganized retailers' image.

5. CONCLUSION AND POLICY SUGGESTIONS

Customers' buying attitude is changed towards organized retailers due to good quality services (Jhamb & Kiran, 2012). Our study revealed that attitude could modify the customers' perception, it can affect the relationship of different variables like promotion advertising, services, and brand with customers' perception. According to our research, this paper needs to know about unorganized merchants' attitude. Retailers should design plans for unorganized retailers' growth, but they must first comprehend consumers' psyches. They should analyze clients' requirements, desires, behavior, and attitude. Retail and unorganized retailers have a strong business tie. So they hope to develop based on client mindset. Diversification in retail affects consumer perception and attitude. Rapid retail diversity has affected attitude attitudes. Our research helps unorganized retailers understand consumer perception. Retail businesses

should take considerable measures to change consumers' perceptions since their success depends on unorganized shops' growth. Organized retailers have a monopoly, which threatens unorganized retailers, the retail sector, and Pakistan's economy. Pakistan's service sector ranks third in GDP. So the government of Pakistan must take significant measures like taking all business taxes from organized retailers like income tax, sales tax, premises tax, etc., registering all retailers, offering some relief to unorganized retailers, and controlling pricing. This type of government assistance will stimulate unorganized retailers to gain confidence and prepare for promoting their company. Government and retail groups teach unorganized retailers to understand consumers' requirements and desires, behavior, attitude, etc.

The unorganized retailer takes part in improvements in services. They must have to focus on service quality. They can use different strategies like facilities of POS machine for credit and debit card. There is a list of services that can improve quickly, like home delivery service, computerized billing system, self-service system, security standards, etc. The study reveals that customers' services are improved due to technology advancement in Pakistan's retail sector, so all the bodies make the plan for the technology advancement in services (Ali et al., 2016). Retailers should use the systematic purchase system to record the sales and then use it for future concerns. If they can use these kinds of strategies then they attract more customers and then boost their sales because customers have an ongoing desire for the service (A. Wong & Sohal, 2006). Unorganized retailers' profit is badly affected, operational costs will be increased if they try to provide high-quality services to the customers so in this paper suggest that they can improve their services with the coordination of retail organizations (Yadav et al., 2016). Retail organizations can do some promotional activities to enhance their products with some creative services.

Unorganized retailers cannot give full-fledged services to customers like organized retailers, but they can improve as much as they can. Unorganized retailers perceived that organized retailers increased their promotional activities (Singh & Bansal, 2011). The unorganized retailer cannot make a budget plan for the advertising and promotional activities, so retail organizations make some strategies to joint plan for advertising and promotion on the premises of unorganized retailers. It will be helpful for unorganized retailers to grab more customers and also divert the customers' intention. Improvement areas for the retail industry and unorganized retailers are the improvements in services and promotion advertising with joint

planning for retaining unorganized retailers because customers' perception is influenced by a variety of promotion and advertising (Rai, 2013).

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