FACTORS INFLUENCING THE CUSTOMERS CHOICE OF ORGANIZED RETAIL STORE IN CHENNAI

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Abstract
This study is aimed to analyse the factors influencing the customers choice of organized retail store in Chennai. Here, organsied retail store atmospherics factors such as music, lighting, scent smell, in-store signage, store decoration, merchandise visibility, colour graphics, store layout, air-conditioning, promotional display and cleanliness factors considered for this study. A sample of 580 customers is taken for the study based on the convenience sampling technique. Further, Friedman test is applied. It is found that store atmospherics factors are played the vital role among the customers to select the store. Merchandise visibility and in-store signage are the Store atmospherics, factors highly contributing the customers store choice. However, air conditioning and music are found to be the least level of importance, factors among the customers to select the store.

Key Words: Store Atmospherics Factors, Purchase Intention, Organized Retail Store, Customers.

Introduction
Customer shopping behaviours are changing globally. The traditional buying behaviour of customers are now being supplemented with large retail outlets, because which are offering wider selection and better prices. Today, customers are looking forward to have an integrated shopping experience across all channels and the failure of delivering such experiences puts retailers at risk of becoming irrelevant. Also, retailers are facing the challenge of engaging customers on more than just price. Customers are looking for a more stimulating and satisfying experience than just a lowest price for a particular product (Deloitte Touche, 2013).

The contracting global economy, advances in technology, a proliferation in the number of shopping channels and an increasingly well-informed and mobile consumer base are altering the means, modes and manner in which consumers shop. Gone are the days in which retailers by and large controlled the communication channel with consumers. The advent of online and related technologies have democratized the flow of information, shifting power outward from producers and retailers into the hands of everyday consumers. These changes are forcing greater openness in the way products are created, brands are marketed and buying attitudes are shaped (KPMG LLP, 2009).

As shopping changes, the shopper's experience becomes more complex and harder for retailers and brand owners to manage. From the customers' perspective, they expect access to the whole catalog, not just the range of goods in a particular location and they also expect the retailer to keep track of their personal shopping history with that retailer, regardless of location or platform. In other words, the customers want the retailer to manage their profile, personal history and preferences and let them have access to it whenever and wherever they want it. From the retailers perspective, they are in a world where there are far more intermediaries than there were before, making it much harder to communicate directly with the shopper. Shopping decisions are now framed and managed by aggregators, deal sites, social media and social recommendations (The Futures Company/Kantar Retail, 2013).

The retail response to these changes in consumer behaviour has made retail sector one of the most dynamic in modern economies. Innovations in format development and operating practices have enabled retailers to compete or even survive in a changing retail environment (Fernie, John, et.al, 2003).

Review of Literature
Amir Foroughi, et.al, (2012) analyzed the impact of situational variables on consumer impulsive buying behaviour among different ethnics in Malaysia. The results of the research revealed that situational variables like availability of time and money resulted in a positive mood among customers which stimulated impulsive buying while no significant differences were identified in relation to impulse buying among different ethnics. The study suggested retailers to put in efforts to improve store atmospherics like displays, aromas, lighting, etc. to encourage customer impulsive buying.

Anuradha, and Hansa, (2011) conducted a study to examine if modern retail atmospherics influence the shopping behaviour of migrants from rural to urban area and at the same time to identify the key drivers for the same. The study identified a

significant change in the shopping behaviour of migrants, The research revealed that the migrated consumers shop consciously, enjoy urban shopping environment, price and quality conscious and compare different stores when buying. The study concluded that the migrated consumers hate poor shopping environments and look forward to buy from stores that are recreational, price worthy, perfect and buyer oriented.

Amisha Gupta (2010) conducted a study to analyze the strategic issues concerning the influence of foreign direct investment in the Indian retail industry. The article discussed the reasons for global retailers to eye India as a prospective investment destination and the strategies they are applying to enter India and the subsequent consequences. The study expressed that Indian retail sector is still not able to enjoy the fruits of liberalization and globalization owing to the absence of FDI encouraging policy in the sector. The article emphasized on the need for permitting FDI in retail as it would result in employment generation, income generation.

Need for the Study
Globalization and liberalization have immensely influenced the Indian economy and have gone a long way in making it a lucrative consumer market. Today, a range of modern retailers are attempting to serve the needs of the Indian consumer. As organized retail is growing, the market is turning more competitive providing more choices to consumers. As a result large numbers of retailers are experiencing a drop in footfalls. Retailers have been expending a lot of their efforts towards generating footfalls and improved store patronage. Although they have spent time and energy creating an overall shopping experience for their consumer, there exists a mismatch between expectancy and delivery. This also adversely impacts the time taken to break-even for new stores. Hence, consumer retention and an understanding of the Indian consumer are the key challenges facing Indian retail. In today's world of internet technology and globalization where every customer is connected and well informed, retailers have to ensure that they continuously understand the pulse of their customers and design their offerings accordingly. This requires not only in-depth understanding of customer requirements, but also thinking laterally to come up with innovative solutions which would make the retailers stand out of the crowd.

Objectives of the Study
- To study the factors that affects the customers choice of a retail store.

Hypothesis of the study
Ho: Customers opinion towards store atmospheric factors is not varied among themselves.

Methodology
For the purpose of the study, three retail outlets were selected in Chennai city. Nilgiris, More and Reliance fresh retail stores are considered for this study. Store atmospheric factors such as music, lighting, scent, in-store signage, merchandise visibility, color graphics, store layout, air conditioning, promotional displays and cleanliness are considered as the study variables for this study. These study variables are taken from the past studies. The research questionnaire is developed by the researcher based on the literature review. All the statements are measured in the likert five point scale, where 5 stands for strongly agree and one stands for strongly disagree. The sample respondents for this study are the customers, who are all coming to shopping in these organized retail stores. The sample respondents are selected based on the purposive sampling techniques. A sample of 580 respondents was taken for this study. Further, Friedman multiple comparison test is applied to answer the research hypothesis.

Table 1. Customers opinion towards store atmospheric factors

S.No	Store Atmospherics Factors	Mean	Std. Deviation	Mean Rank	Chi Square Value	P - Value	Multiple Comparison Test
1.	Music	3.42	0.90	3.75			
2.	Lighting	3.41	1.06	4.46			6
3.	Scent smell	3.60	1.17	6.03	1219.015	0.001*	4,10 8,7,5,11,3
4.	In Store Signage	4.01	0.86	7.23			2
5.	Store Decoration	4.04	0.68	6.54			1,9

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6.	Merchandise Visibility	4.19	0.48	7.64			
7.	Color Graphics	4.10	0.52	6.60			
8.	Store layout	4.11	0.47	6.75			
9.	Air Conditioning	3.37	0.79	3.37			
10.	Promotional Displays	4.04	0.70	7.18			
11.	Cleanliness	3.98	0.65	6.45			

Source: primary Data Computed significant at one present level

Table explains the customer's opinion towards store atmospherics in the store. Store atmospherics analysed with 11 factors in the 5 point scale. Customers are asked to rate their opinion towards the store atmospherics factors in the store. Mean and standard deviation values are calculated for each statement. The calculated mean values are ranged from 3.37 to 4.19. From the mean values, it is noted that the customers are highly rated merchandise visibility (4.19), followed by store layout (4.11), color graphics (4.10), promotional display (4.05), store decoration (4.04), in-store signage (4.01), cleanliness (3.98), scent smell (3.60), music (3.42), lighting (3.41) and air-conditioning (3.37). Further, the calculated standard deviation values lie between 0.47 and 1.17. From the standard deviation values, it is observed that the customer's opinion is found to be similar towards the Store atmospherics atmospheric factors. Hence, it is hypothesized as follows,

H0: Customers opinion towards store atmospherics factors in the store is found to be similar.
In order to test the above stated hypothesis, Friedman test is applied. The Friedman mean rank is lies between 3.37 and 7.64 and chi square value is 1219.015, which is significant at one percent level. Hence, the hypothesis is rejected.

It shows that the customers opinion is varied towards the Store atmospherics factors. Further, Friedman multiple comparison test is applied to identify, which are all the store atmospherics factors dominating the customers. After applying the test, 11 factors are grouped into 5 categories. Merchandise visibility placed as first rank. In-store signage and promotional display are in the second place. store layout, color graphics, store decoration, cleanliness and scent smell are placed in the third rank. Lighting is placed in the fourth rank. Music and air conditioning placed at fifth rank. It is found that store atmospherics is played the vital role among the customers to select the store. Merchandise visibility and in-store signage are the most favourite store atmospherics, among the customers to select the organized retail store. However, air conditioning and music are found to be the least level of factors for the customers to choose the organized retail store.

Conclusion
This study aims to analyzing factors influencing the customers choice of organized retail store in chennai. 11 store atmospherics factors are taken for the analysis. It is found that the 11 store atmospherics factors are influenced the customers to select their store. However, merchandise visibility and in-store signage are highly influenced the customers store atmospherics. Hence, the organized retail store marketers try to have more concentration about these store atmospherics factors particularly the retail outlet owners should give more weightage on merchandise visibility, store layout and color graphics factors. Because, these atmospherics factors highly contributing the purchase intention on the customers organized retailing stores.

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