



DETERMINANTS OF RETAIL SUPER MARKET SHOPPING BEHAVIOR IN AN EMERGING TREND."

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Abstract

The objective of this research paper is to analyze the consumer behavior towards various physical, social, temporal and demographical factors can be considered while analyzing a consumer supermarket buying behavior in Guntur city. This paper examines the key determinants that influences consumer in making retail outlet choice. Supermarkets will be one of the major centers for shopping. The results show that while demographic factors and retail outlet choices were independent of each other, attributes related to product, price, promotion, process etc. Study finds out that, physical factor, social factors, temporal factors should be considered by the super marketers while designing marketing strategy.

Key Words: Retail Industry, Supermarket, Buying Behavior, Physical Factors, Social Factors.

Introduction

The India Retail Industry is the largest among all the industries, accounting for over 10 per cent of the country's GDP and around 8 per cent of the employment. The Retail Industry in India has come forth as one of the most dynamic and fast paced industries with several players entering the market. But all of them have not yet tasted success because of the heavy initial investments that are required to break even with other companies and compete with them. The India Retail Industry is gradually inching its way towards becoming the next boom industry. The total concept and idea of shopping has undergone an attention drawing change in terms of format and consumer buying behavior, ushering in a revolution in shopping in India. Modern retailing has entered into the Retail market in India as is observed in the form of bustling shopping centers, multi-storied malls and the huge complexes that offer shopping, entertainment and food all under one roof. A large young working population with median age of 24 years, nuclear families in urban areas, along with increasing workingwomen population and emerging opportunities in the services sector are going to be the key factors in the growth of the organized Retail sector in India.

The growth pattern in organized retailing and in the consumption made by the Indian population will follow a rising graph helping the newer businessmen to enter the India Retail Industry. In India the vast middle class and its almost untapped retail industry are the key attractive forces for global retail giants wanting to enter into newer markets, which in turn will help the India Retail Industry to grow faster. Indian retail is expected to grow 25 per cent annually. The Food Retail Industry in India dominates the shopping basket. The Mobile phone Retail Industry in India is already a US\$ 16.7 billion business, growing at over 20 per cent per year. The future of the India Retail Industry looks promising with the growing of the market, with the government policies becoming more favorable and the emerging technologies facilitating operations.

Organized retail sector is growing rapidly and consumers are shifting to shopping in organized retail stores. Thus, understanding of shoppers' behavior is the key to success for the retailers. Marketers will have to understand the consumers' shopping behavioral dimensions that will help them to tap the consumer in a better way. Consumer purchase behavior is an important factor that affects the strategies adopted by the retailers. Shopping habits of Indian customers are changing due to their growing disposable income, relative increase in the younger population, and the change in attitudes towards shopping.

Need of the study

Retail customers taste and preference is to change every time depends on various demographical, social factors and cultural factors etc. The study of consumer behavior helps firms and organizations improve their marketing strategies by understanding issues such as, psychology of how consumers think, feel, reason, and select between different alternatives (e.g., brands, products) etc.

Literature Review:

Kaur & Singh (2007) found out that the Indian youth primarily shop from a hedonic perspective. They importantly serve as new product information seekers, and the retailing firms can directly frame and communicate the requisite product information to them. They also view shopping as a means of diversion to alleviate depression or break the monotony of daily routine. In addition to this, they also go shopping to have fun or just browse through the outlets. This age group is particularly found to be considerably involved in the role of information seeker from the market and disseminator of the same to the peer group or to the family.



Martin and Turley (2004) studied the attitudes of the young segment (19-25 years old) towards malls, and factors motivating consumption. They found that they were more likely to be objectively rather than socially motivated to patronise. Ruiz et al. (2004) used the activities that shoppers perform in the mall as a basis of segmentation. They identified four segments, namely, recreational shoppers, full experience shoppers, traditional shoppers and mission shoppers.

A study by (Christensen 1999) shows that out shopping is inversely related to the size of the town of residence. Some researchers have viewed shopping as a leisure activity (e.g. Jackson 1991, Newby 1993). Other relevant studies address the interaction between the physical infrastructure and consumers' choice of retail outlets.

Even though Fernie (1997) does not treat consumer preferences as a separate issue, his work seems likely to provide inspiration for the present study. Fernie looked at the retail changes in the United Kingdom and included a consideration of the logistical consequences of the developments there.

Carrie Heilman (2002) has examined the impact of in-store free samples on short- and long-term purchasing behavior. They suggest that the population of in-store samplers can be divided into three segments based on their motives for sampling: "Information Seekers", "Party Goers," and "Opportunists," and propose that short- and long-term shopping behavior differs across these three segments post-sample. They had conduct an in-store experiment and find support for their theory and hypotheses.

Douglas D. Davis and Edward L. Millner (2004) studies have concluded that series of purchase decisions for chocolate bars given (a) "rebates" from the listed price, (b) "matching" quantities of chocolates for each bar purchased, and (c) simple price reductions, participants purchase significantly more chocolate bars under a "matching" sales format than under a comparable "rebate" format. In attention to the net consequences of decisions, as well as some "rebate aversion", explain the preference for matching discounts.

Objectives of the Study

This paper is related to the study of consumer behavior towards organized retail. The objectives set for the study are as follow.

1. To study the influence of demographics factors (Education, Age, Income, Gender etc) on the consumers preference towards selection of retail outlets.
2. To study consumer purchase behavior and satisfaction in different store formats.
3. To study the various factors affecting the consumer shopping experience in supermarkets.

Research Methodology

The present study is an empirical study basically based on the primary data but secondary data have also been collected from various sources (published and unpublished) including websites. The population of the study comprised of the retail shoppers. A convenient sampling has been applied to collect the data. Enough care has been taken to make the sample representative to the population. Researcher used questionnaire and personal interview method for collecting data. The questions were framed keeping in mind the objectives of research. The questionnaire was given to the customers and the data was collected by personal interview in the form of written responses of the questionnaire. The sample was selected from the Guntur city. Based on the results of the pilot study the final questionnaire was administered to 150 respondents. In the questionnaire respondents were also asked to provide their demographic characteristics such as age, gender, marital status, ethnic group, educational experience, organizational level and job tenure.

The other questions that followed asked them about the no. of trips they made to the supermarket every month, the amount spent etc. Finally the last part of the questionnaire was designed in such a way so as to elicit the various responses of consumers on various factors (demographical, social, temporal, physical etc) wherein they were supposed to give their ratings (1 to 5) on each question.

Data Analysis and Discussion

After the completion of the survey, a thorough check of the data has been made. The collected data has been analyzed with the help of SPSS (Statistical Package for Social Sciences).

Demographics Characteristics Respondents

Demographics and economic characteristics is a combined total measure of an individual's or family's economic and social position based on education, income, and occupation. Consumer's age, gender, education attainment level, income,



profession, household size, marital status, was found to have statistically significant effect on consumer belief to purchase from different retail format The detail of the demographic profile of the Guntur respondents are discussed below, table (1)

Table 1: Details of Demographic profile of Guntur Respondents

Variable	Attribute	No. of Respondents	% of Respondents Frequency
Age	Below 20	12	8
	20-29	52	34.66
	30-39	23	15.33
	40-49	26	17.33
	50-59	21	14
	Over 60	16	10.66
Gender	Male	68	45.33
	Female	82	54.66
Marital Status	Married	98	65.33
	Unmarried	52	34.66
Education	Below SSC	5	3.33
	SSC/Diploma	18	12
	Graduate	42	28
	PG and above	85	56.66
Profession	Housewife	32	21.33
	Salaried	58	38.66
	Business	38	25.33
	Others	22	14.66
MHI	Up to 10,000	39	26
	10,000-30,000	68	45.33
	30,000-50,000	18	12
	50,000-1,00,000	14	9.33
	Above 1,00,000	11	7.33

(Source primary data)

For the purpose of analyzing the impact of demographic factors on retail outlet choice attributes such as age, gender, marital status, education, profession, Monthly household income and family structure were considered. It was found that the dominating age group of respondent was 20-29, that contributes 34.66 percent of the Guntur city sampled population, followed by 30-39 age (15.33 percent). The study showed that the 65.33 percent of the respondent were married. Another interesting aspect was that approximately one third population was holding the post graduate or above degree. As stated in the objectives above, to examine whether these demographic factors influences the consumers choice of retail outlet format following tests were conducted and analyzed.

Critical Factors Determining Buying Behavior

One way Anova was used to determine and to distinguish the factors which are critically affect the number of trips per month and amount spent per trip, measures of consumer buying behavior.

Physical Factors

Table 2: Physical Factors

Sr. No.	Factors	Mean	No. of Trips per Month (Sig. values of F)*	Amount Spent per Trip (Sig. values of F)*
1	Variety	2.57	0.826	0.075
2	Discounts/offers	4.11	0.002	0.06
3	Quality	4.15	0.02	0.237
4	Local Brands	3.88	0.015	0.003
5	Credit/debit card facility	3.88	0.734	0.041
6	Display	4.12	0.005	0.608
7	Visual Appeal	3.80	0.841	0.046

*Significance at 5% level (source primary data)



The factors highlighted, having value less than 0.05 shows a significant relationship with the two measure of consumer buying behaviour. Thus out of the physical factors, the critical one's affecting the buying behaviour are availability of local brands, and to some extent discounts,, quality display and visual appeal.

Social Factors

Table 3: Social Factors

Sr. No.	Factor	Mean	No. of Trips per Month (Sig. values of F)*	Amount Spent per Trip (Sig. values of F)*
1	Ambience	4.4	0.271	0.34
2	Salesman Behaviour	4.12	0.009	0.42
3	Choice of Children	4.40	0.329	0.005

*Significance at 5% level (source primary data)

The factors highlighted, having value less than 0.05 shows a significant relationship with the two measure of consumer buying behavior. Thus out of the social factors, the critical one's affecting the buying behavior are ambience, salesman behavior and influence of children.

Temporal Factors

Table 4: Temporal Factors

Sr. No.	Factors	Mean	No. of Trips per Month (Sig. values of F)*	Amount Spent per Trip (Sig. values of F)*
1	Parking Facility	2.80	0.802	0.481
2	Open Space	4.11	0.023	0.43
3	Proximity	3.81	0.602	0.114
4	Timings	4.06	0.267	0.212
5	Spending Time	4.22	0.11	0.071

*Significance at 5% level (source primary data)

The factors highlighted, having less than 0.05 shows a significant relationship with the two measure of consumer buying behavior. Thus out of the only temporal factors, the critical one's affecting the buying behaviour is open space, timings, spending time and up to some extent proximity.

Findings of the Study

This study concentrates only on Guntur city retail stores and considered demographical factors, physical, social and temporal factors of retail customers. Research findings are:

1. Mostly visited retail customers are young generation and married couple.
2. Physical factors create great impact to attract the customers.
3. Retail offers and discounts is helpful to improve the sales and increase visiting the customers.
4. Variety of stock, parking facility, display and sales men behavior is directly effect on customer satisfaction.
5. Temporal factors like parking facility, open space i.e. influence the buying behavior of retail consumers.

Suggestions of the Study

1. Retail super markets need to increase parking faculties and open space for customers.
2. It is required to increase the training for sales men to interact the customers.
3. Retail strategy design and framework is to update every time because of retail competition and changing of consumer preference.
4. Mostly Guntur city has great rapid change because of becoming as an Amaravathi, capital of Andhra Pradesh, so need to adopt global technology and facilities.

Conclusion

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. Indian Retail Industry has immense potential as India has the second largest population with affluent middle class, rapid urbanization and solid growth of



internet. India has replaced China as the most promising markets for retail expansion, supported by expanding economy, coupled with booming consumption rates, urbanizing population and growing middle class.

Scope for Further Research

In this paper researcher considered only demographical factors, physical factors, social factors and temporal factors. Research scope is also limited only Guntur city super markets. Further research researcher can select to compare urban and rural customer's behavior. Even to select another area customers because customer behavior and taste is differ from one place to another and it influence by different factors like culture, education, and customer preference etc.

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