

Factors Influencing the Buying Behavior of Supermarket Consumers as Against the Online Consumers in Kanchipuram District

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Abstract: Retail marketing is a strategy handled by the salesperson for selling goods and services directly to consumers. Retail marketing is the process by which retailer promotes the product to the customers. They use different approaches to market their goods and services. The Indian Retailing is the fifth largest retailing market in the world. The study stresses the knowledge on these factors is vary respect to retailers and the strategies to plan the policy and formulating strategies accordingly for consumer retention and improving loyalty towards their store. The objective of the study is to identify factors influencing customer shopping behavior and to examine the effect of demographic variable on shopping behavior. Her some data analysis and interpretation is used for the better understanding of retailing among the consumer through different age group people. The goal of retail marketing is creating and developing product and services that satisfies the consumer need and preference. The advantage of retail marketing is to increase the people's standard of living.

Keywords: Retail Marketing, Buyer Behaviour, Hypermarkets, Super market.

INDIAN RETAIL SECTOR

Retailing is the largest private sector industry in the world economy with the global industry size exceeding \$6.6 trillion and a latest survey has projected India as the top destination for retail investors. India is currently the twelfth largest consumer market in the world. A McKinsey report, "The rise of Indian Consumer Market", estimates that the Indian consumer market is likely to grow four times by 2025. A good talent pool, unlimited opportunities, huge markets and availability of quality raw materials at cheaper costs is expected to make India overtake the world's best retail economies by 2042, according to industry players.

There are exciting times for Indian Retail. Markets in Asian giants like China are getting saturated, the AT Kearney's 2007 Global Retail Development Index (GRDI), for the third consecutive year placed India the top retail investment destination among the 30 emerging markets across the world. Commercial real estate services company, CB Richard Ellis' findings state that India's retail market has moved up to the 39th most preferred retail destination in the world in 2009, up from 44 last year. The recent growth spurt was achieved primarily through a surge in productivity and is sustainable. Similarly, the study undertaken by the ICRIER estimates that the total retail business in India will grow at 13 per cent annually from US\$ 322 billion in 2006-07 to US\$ 590 billion in 2011-12.

The Indian retail industry is the fifth largest in the world. With continued economic expansion and retail growth, India is set to become a US\$ 450 billion retail market by 2015, comparable in size to Italy (US\$ 462 billion) and much larger than Brazil (US\$ 258 billion) today. The present value of the Indian retail market is estimated by the Indian Retail Report to be around Rs. 12, 00,000 crores (\$270 billion) and the annual growth rate is 5.7 percent. Furthermore around 15 million retail outlets help India win the crown of having the highest retail outlet density in the world.

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The retail sector is the largest source of employment after agriculture, and has deep penetration into rural India. It is also believed that 21 million people are employed in the retail sector, which is seven per cent of the total national workforce, whereas the global average is around 10-12 per cent. It is estimated that an additional eight million jobs will be generated through direct and indirect employment related to the retail sector.

The retail sector is a sunrise industry in India and the prospect for growth is simply huge. The Indian Retail Industry is gradually inching its way towards becoming the next boom industry. India has the highest number of retail outlets in the world at over 15 million retail outlets, and the average size of one store is 50-100 square feet. It also has the highest number of outlets (11,903) per million inhabitants. The per capita retail space in India is among the lowest in the world, though the per capita retail store is the highest. Majority of these stores are located in rural areas. The BMI India Retail Report for the third-quarter of 2010, forecasts that the total retail sales will grow to US\$ 543.2 billion in 2014 from US\$ 353 billion in 2010. Mass grocery retail (MGR) sales in India are forecast to undergo enormous growth over the forecast period. The BMI further predicts that sales through MGR outlets will increase by 154 per cent to reach US\$ 15.29 billion by 2014. This is a consequence of India's dramatic, rapid shift from small independent retailers to large, modern outlets.

THE GROWTH OF ORGANISED RETAIL WILL HAVE MANY BENEFITS FOR INDIA

This retail revolution could do wonders for the Indian economy: creating over 1.6 million much needed new jobs in the next five years, raising overall economic productivity and perhaps most importantly, lowering prices for shoppers.

Higher Sector Productivity

- Would raise sector productivity and growth by 30-40 per cent.
- Would add US\$ 3-5 billion in GDP growth over five years.

Lower prices for Consumers

- Could lower consumer prices by 3-5 per cent.
- Could absorb 0.3- 0.5 per cent of total inflation.

Efficiency

- Should reduce waste through supply chain pipes.
- Could increase farmer income by 20-30 per cent.

Increased tax Contribution of Retail

- Could improve tax contribution by up to 1 per cent of retail sales or Rs. 3,000 crores.

More formal Employment

- Would create 1.6 million formal jobs in retailing alone. Would add 2-3 times as many new jobs in supporting systems.

REVIEW OF LITERATURE

Tripathi and Sinha (2008) in Indian context, argued for incorporating both the shopper attributes and the store formats in store choice. They found that shopper attributes can be captured through the demographic variables, as they can be objectively measured, and they also captured a considerable amount of attitudinal and behavioural variables. The study attempted to link store choice, format choice and consumer demographic variables, through a hierarchical logistic choice model in which the consumers first choose a store format and then a particular store within that format. They developed a nested logit model and the variables predicting the choice probabilities were identified.

Gopal Das and Rohit Vishal Kumar (2009) measured the impact of store amenities on buyers' behaviour and convenience goods buyer in organized retail sector in India. The paper elaborates that in the global context of open market economies of today, the consumer has become the king. He operates through his autonomous power and enjoys a lot of freedom in his purchase decision. A consumer is in a position to influence the marketer regarding size, quality and contents of the product, price, and post sale service, among other things. As a result the markets have no longer remained "seller markets"; it obviously turned into "buyers markets". In Indian retail market, there are so many players entering and the growth rate is increasing. As more and more number of national and international players is entering, the competition is becoming very tough. The result shows that the customer is attracted by store amenities.

Narayana Reddy (2009) shows that the current economic scenario in India is paving way for the emergence of organized retailing. Due to positive liberal environment, significant numbers of Indian

business houses as well as multinational corporations are entering into the retail sector in an organized form. The sudden spurt in organized retail leads to a lot of controversy in terms of its impact on the existing traditional retailers. This paper analyzes the impact of organized retail on traditional retailers on a pilot basis initially.

According to report on 'Grocery Retailing in Asia Pacific' by KPMG (2009), the outlook of retail industry in Asia had never been more promising. According to this report world's largest retailers are jostling not only to gain but to preserve market share in the competitive landscape. This is especially true in the grocery sector, where maintaining differentiation is a constant challenge. The report found that there are significant opportunities for the retailers, and whether this growth is achieved organically, or by acquisition, joint venture or strategic alliance, thorough commercial and market analysis will be critical to help ensure that the strategy fits the business objectives and customer needs.

Madhurima Deb and Gautam Sinha (2009) have developed a model of service quality and demonstrated its relevance to customer commitment, a promise to retain the relationship with the marketer. Correlation analysis is employed to show the relationship between the different variables. Confirmatory factor analysis is used to examine the factor structure, and provide evidence of dimensionality, scale reliability and validity. A model is developed to measure service quality which shows the relationship between service quality and customers' commitment to retain relationship. The model shows the outcome of all these activities in the form of customers' trust, satisfaction and commitment. The model finds its relevance to the marketers as a tool to measure their performance.

Mittal, Mahesh Arora and Anupama Prashar (2010) studied the factors affecting shopping preferences of consumers at organized retail stores in Punjab. The data were collected from five urban cities of Punjab i.e. Amritsar, Patiala, Mohali, Jalandhar and Ludhiana. The methodology adopted was a structured questionnaire and the analysis was done using "principal component method". The results of the study showed that there are six major factors that consumers prefer as far as the retail stores are concerned. These factors include availability and variety, service, ambience, discounts and price, quality of products, and promotion. The study stresses that the knowledge on these factors is very useful to retailers and the strategists to plan the policy and formulate strategies accordingly for customer retention and improving loyalty towards their store.

Piyali Ghosh, Vibhuti Tripathi and Anil Kumar (2010) made an attempt to address issues related to store attributes and their relevance in the store selection process. They have identified eleven variables based on theory and judgment. A store intercept survey was conducted to obtain responses of shoppers with the help of structured questionnaire. The factor analysis has yielded three factors namely, convenience and merchandise mix, store atmospherics and services. The study suggests that retailers may adopt cross merchandising by offering complementary goods and services to encourage shoppers to buy more. They should aim at infusing newer product lines frequently to improve the turnover of the outlet by targeting the impulsive buying behaviour of customers. Retailers may adopt different technologies to manage faster billing and they should work on having multiple payment options like cash, credit cards, debit cards, and so on to facilitate customers.

Rekha Saraswat (2011) analyzed the impulse buying behaviour of consumers in organized retailing environment especially in malls in Noida City. The result of the study proves that there is a pivotal relationship between college students' impulse buying behaviours and two types of visual merchandising practices namely, in-store form/mannequin display and promotional signage. This study suggests that these visual merchandising practices, serving as stimuli that provoke a desire that ultimately motivates a consumer to make an unplanned purchase decision upon entering the store, significantly influence consumers' impulse buying behaviours. This study shows value of visual merchandising in understanding impulse buying.

Jaskaran Singh Dhillon, Madhur Joshi and Ramita Verma (2012) studied finer strategic perspective for the retail sector in India. The main objectives of the research are to study the various strategies, trends and opportunities in retailing; to study the growth of retail sector in India; to study the major and emerging formats of retailing; to study the recent trends in Indian retail industry and its challenges and opportunities. The study is based on different literature and analysis of organized retail market. The study suggests that by following some of the strategies, it can rise tremendously and can reach every nook and corner. This study concludes with the likely impact of the entry of global players into the Indian retailing industry. The study highlights the challenges faced by the industry in near future.

Dipin Mathur, Apeksha Jain and Manoj Kumar Sharma (2013) The paper highlights the factors that influence consumer buying behaviour in modern retail mall and conventional store and researcher

made a comparative analysis of those variables between modern retail format and conventional retail store. The purpose of this research is specifically to analyse and make comparative study of consumer shopping behavior in different retail formats. Consumer shopping behavior presents using shopping intention, attitude towards modern retail outlet or conventional shopping stores and shopping habits.

Farida Khan and Shalini Sharma (2015) The objective of this research paper is to analyze the consumer behavior towards organized and unorganized retailing in Delhi region of NCR. The paper examines the key determinants that influences consumer in making retail outlet choice. The results show that while demographic factors and retail outlet choices were independent of each other, attributes related to product, price, promotion, process etc. do impact consumer decision in Delhi region.

J. Ramya (2015) The purpose of this paper is to explore the relationships between the various determinants and customer experience in the two types of retail formats widely seen in the Indian market place. In case of supermarket previous experience, atmosphere, price, social environment and alternate channel experience play a major role in creating a superior customer experience. In the case of hypermarket past experience, assortment, social environment and alternate channel experience play a major role in creating a superior customer experience. The results included in this research about the demographic variables and the determinants of customer experience are focused on super market and hypermarket respectively. It is suggested that the retailers take note of the significant predictors while developing retail format strategies. It also identifies the demographic characteristics of these customers. Understanding the customer and the key determinants of his experience are critical to the retailer in order to withstand the competition in the Indian market. This paper is original because only few studies of this nature have been attempted in Indian context. This descriptive study makes use of demographics and determinants which contribute to a superior customer experience for the two most popular retail store format namely supermarkets and hypermarkets. The theoretical/conceptual model has not been used for studying customer experience in the Indian context.

K. Balagomathi (2016) analyzed a study on consumers' buyer behaviour in supermarket in Tirunelveli District. The concept of supermarket can be explained as a large form of the traditional grocery store, is a self-service shop offering a wide variety of food and household products, organized into aisles. It is a larger and has a wider selection than a traditional grocery store, but is smaller and more limited in the range of merchandise than a hypermarket or big-box market.

The supermarkets in Tirunelveli should be design customer retention programmers' either by giving reward points or by making them as members of customer club etc. The management of supermarkets should advice about the free home delivery benefit extended to customer and increases their awareness levels.

Mansour Rasoly (2018) analyzed a study on consumer satisfaction of supermarket in Mysore City, Mysore. The primary data has been collected from 81 respondents that are from different countries and as well as from India.

The study concluded with the customers now prefer the organized retailers than unorganized retailers and it is because of products quality, products availability, international and recognized products, branded products and so on.

OBJECTIVES OF THE STUDY

- To identify the key factors influencing customer shopping behaviour.
- To examine the effect of demographic variables on shopping behaviour
- To analyse the challenges and problems of retail marketing
- To evaluate the strategies of retail marketing followed by the Super markets

RESEARCH METHODOLOGY

Descriptive study is used as a purpose of the study to obtain primary data and analyze the data. Purposive Sampling was used for the selection of respondents from super markets. The sample size of the research is 906 an exclusive survey of 906 consumers of supermarket in Kanchipuram district of Tamilnadu.

To obtain information, a structured questionnaire was formulated. A non-probability, convenience sampling technique was used to administer a consumer survey. The data from self-administered questionnaires was then captured, cleaned, coded and analyzed.

DATA ANALYSIS AND INTERPRETATION

Sample Characteristics

Variable	Level	Supermarket	
		Frequency	Percentage
Gender	Male	412	45.5
	Female	494	54.5
Age	Less than 20 years	40	4.4
	Between 21-30 years	287	31.7
	Between 31-40 years	380	41.9
	Between 41-50 years	138	15.2
	More than 50 years	61	6.7
Marital Status	Married	671	74.1
	Unmarried	224	24.7
	Separated	3	.3
	Divorced	3	.3
	Widow	5	.6
Educational Qualifications	SSLC/HSC	152	16.8
	Undergraduate	373	41.2
	Postgraduate	314	34.7
	Diploma	61	6.7
	Others	6	.7
Occupation	Business	191	21.1
	Professionals	197	21.7
	Students	140	15.5
	Housewife	299	33.0
	Clerk	39	4.3
	Police/Army	19	2.1
	Retired	14	1.5
	Unemployed	7	.8
Family Income	Less than Rs.15000	92	10.2
	Between Rs.15001-Rs.30000	484	53.4
	Between Rs.30001-Rs.45000	176	19.4
	Between Rs.45001-Rs.60000	147	16.2
	Greater than Rs.60000	7	.8
Family Size	Less than 3 members	310	34.2
	Between 4-6 members	526	58.1
	Between 7-9 members	46	5.1
	Between 9-11 members	20	2.2
	More than 11 members	4	.4
Family Type	Nuclear Family	726	80.1
	Joint Family	101	11.1
	Single	79	8.7

Majority of the respondents forming 45.5 percent were men and the remaining 494 respondents forming 54.5 percent were women. It is clear that most of the respondents were women. Of the total 380 respondents forming 41.9 percent were between 31 – 40 year of age, 287 respondents forming 31.7 percent were between 21 - 30 years of age, 138 respondents forming 15.2 percent were between 41 – 50 years of age, 61 respondents forming 6.7 percent were above 50 years of age and the rest of the respondents forming 4.4 percent were below 20 years of age. It is clear that most of the respondents were between 31 – 40 years of age. Of the total 671 respondents forming 74.1 percent were married, 224 respondents forming 24.7 percent were unmarried, five respondents forming 00.6 percent were widow, three respondents forming 00.3 percent were divorced and three respondents forming 00.3 percent were separated. It is clear that most of the study respondents were married.

Of the total 373 respondents forming 41.2 percent were under graduates, 314 respondents forming 34.7 percent were post graduates, 152 respondents forming 16.8 percent were educated up to school level, 61 respondents forming 6.7 percent were diploma holders and six respondents forming 00.7 percent were with other qualifications. It is clear that most of the respondents were undergraduates

among the total.299 respondents forming 33.0 percent were housewives, 197 respondents forming 21.7 percent were professionals, 191 respondents forming 21.1 percent were in business, 140 respondents forming 15.5 percent were students, 39 respondents forming 4.3 percent were clerks, 19 respondents forming 2.1 percent were police/army men, 14 respondents forming 1.5 percent were retired and seven respondents were forming 0.8 percent were unemployed. It is clear that most of the study respondents were housewives. Of the total484 respondents forming 53.4 percent had their total family income between Rs. 15001-Rs. 30000, 176 respondents forming 19.4 percent had their total family income between Rs. 30001-Rs. 45000, 147 respondents forming 16.2 percent had their total family income was between Rs. 45001-Rs. 60000, 92 respondents forming 10.2 percent had their total family income less than Rs. 15000, and seven respondents forming 0.8 percent had their total family income greater than Rs.60000. It is clear that most of the respondents had their total family income between Rs. 15001- Rs. 30000.Of the total 526 respondents forming 58.1 percent had a family with 4-6 members, 310 respondents forming 34.2 percent had a family with less than 3 members, 46 respondents forming 5.1 percent had a family with7-9 members, 20 respondents forming 2.2 percent had a family with9-11 members, four respondents forming 0.4 percent had a family with more than 11 members. It is clear that most of the respondents had a family with 4-6 members.

Out of the total 726 respondents forming 80.1 percent were in nuclear type family, 101 respondents forming 11.1 percent were in joint type family, 79 respondents forming 8.7 percent were in single type family. It is clear that most of the study respondents were in nuclear type family.

Most of the respondents are undergraduates' housewives between 31-40 years of age having a family member of 4-6 in nuclear family type owing family income between Rs. 15001 to Rs. 30,000.

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