© July 2024| IJIRT | Volume 11 Issue 2 | ISSN: 2349-6002

Consumer Shopping Behavior Towards Organized Retail Outlets

Dr. A. Amruth Prasad Reddy[1], Srikanth Reddy.N[2]

[1]*Research Supervisor& Associate Professor, Department of Business Administration, Yogi Vemana University, Kadapa, Andhra Pradesh, India*

[2]*Research Scholar, Department of Business Administration, Rayalaseema University, Kurnool-518007 (A.P)*

Abstract-The new expansions of retail formats are adaptations of Western formats fetching moderate to lukewarm success. The challenge lies in the retailer's understanding of customers' needs and motivations, and most importantly, such parameters and perceptible dimensions of the shopping experience which are considered more important by consumers in evaluating a store. It is found considerable research has been directed towards store attributes and store loyalty in Western countries. However, limited attention has been paid to this issue in developing countries. The major objective is to know consumer shopping behaviour towards organized retail outlets. The study was carried out in Hyderabad metropolitan city in Telangana state, India. The target population of this study included organized retail outlets in Hyderabad City. The sample subjects for the present research are selected consumers of organized retail outlets. The Sample size for the present study is 1000. The sampling technique used in this research study is the non-probability sampling technique of quota sampling and convenience sampling. Data for this study were both primary and secondary data. As far as the annual income category is concerned most of the respondents' annual income is between Rs 3-5 Lakhs, spent on shopping less than Rs 1000. Usually, they go shopping once a week in a given month, preferring/supermarkets, followed by discount stores for purchasing goods. Organized retailers should give more customized shopping experiences to the customers and benefit from the cost advantage and variety to be offered to the customers.

Keywords: Retailing, consumer behaviour, socio-demographic factors, retail outlets.

1. INTRODUCTION

Retailing in India is at a crossroads. The Indian retail scenario is presently facing a similar situation as the 'mom and pop' stores in the developing nations faced at the emergence of big box retailers. The new expansions of retail formats are adaptations of Western formats fetching moderate to lukewarm success. The challenge lies in the retailer's understanding of customers' needs and motivations, and most importantly, such parameters and perceptible dimensions of the shopping experience which are considered more important by consumers in evaluating a store.

It is found considerable research has been directed towards store attributes and store loyalty in Western countries. However, limited attention has been paid to this issue in developing countries. There is no study in the Indian context that is comprehensive in this approach by studying consumer perception and attitude towards retail across different retail formats. There are no studies in Hyderabad Metropolitan City specifically, on the influence of store attributes on consumer attitude, Consumer buying Behaviour, and influence on store loyalty and identifying the perceptions of customers of different retail outlets within the selected area of study (within Hyderabad Metropolitan City, Telangana) and identifying the gap between their perceptions. The present study finds relevance given such a gap. An effort is being made to bridge the gap between the service perceptions of customers by giving suggestions to the management of retail outlets to improve their performance in light of emergent competition and changing customer preferences.

2. OBJECTIVE OF THE STUDY

The major objective is to know consumer shopping behaviour towards organized retail outlets.

3. RESEARCH METHODOLOGY & DESIGN

The following methodology was adopted for the present study.

3.1 Geographical Area of the Study: The study was carried out in Hyderabad metropolitan city in Telangana state, India.

3.2 Target Population: The target population of this study included organized retail outlets in Hyderabad City.

3.3 Sampling Frame: The sampling unit would consist of an individual who is eighteen years above and who becomes a respondent from these selected organized retail outlets in Hyderabad. The respondents with a mixture of educational backgrounds (school education, graduate, postgraduate and professional) were allowed to participate in the research study.

3.4 Sampling Unit: The sample subjects for the present research are selected consumers of organized retail outlets.

3.5 Sample Size and Sampling Procedure: The sample size is a subset of the target population and it is used to represent the population under the study (Kothari, C. R., 2004). The Sample size for the present study is 1000.

3.6 Sampling Technique: The sampling technique used in this research study is the nonprobability sampling technique of quota sampling and convenience sampling.

3.7 Source and Data Collection Methods: Data for this study were both primary and secondary data. These data constituted; facts and other relevant materials of the past and present time which served as the basis for the study and analysis from which this report is resultant.

3.8 Primary Data: Primary data is those data collected afresh and specifically to provide information on the decision under question (Easwaran, S., Singh, S. J, 2009). The present study uses the mall intercept method of data collection from the customers with the help of a questionnaire.

3.9 Secondary data: In this study, the secondary data was collected from reviewed and existing annual marketing reports, journals, textbooks, etc.

3.10 Tools of Analysis: Data analysis is defined as a critical examination of the assembled and grouped data for studying the characteristics of the object under study and for determining patterns and relationships among the variables relating to the study topic. In this study, both descriptive and inferential statistics were used for the present study.

3.11 Scope and Limitations of the Study:

The scope of this research is restricted to the organized retail sector in Hyderabad City. The study is based on consumer's perceptions, attitudes and behavior which are subject to change from time to time. Organized retail has a wide scope, but researchers have limited studies only on store retailing. Non-store retail and e-tailing are not part of this research work.

4. DISCUSSION AND RESULTS

The following section describes the data analysis and presents the results of the study. This chapter presented the results of both descriptive and inferential statistical analyses performed on the data obtained through field surveys. The frequency tables are presented for socio-demographic details of consumers in retail outlets.

Table ***Error! No text of specified style in document.****.1: Gender of the respondents*

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	561	56.1	56.1	56.1
	Female	439	43.9	43.9	100.0
	Total	1000	100.0	100.0	

Source: Primary data

Table no 4.1 shows the gender of the respondents. From, the table it is observed that out of total 1000 sample respondents, 56.1 percent (561) of respondents are male and the rest of 43.9 percent (439) are female.

*Table **Error! No text of specified style in document.**.1: Marital status of the respondents*

Marital status					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	610	61.0	61.0	61.0
	Unmarried	390	39.0	39.0	100.0
	Total	1000	100.0	100.0	

Source: Primary data

The sample of respondents was the majority of them are married 61 percent (N=610) and the 39 percent (N=390) was unmarried.

*Table **Error! No text of specified style in document.**.3: Age of the respondents*

Age group					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-30 Years	378	37.8	37.8	37.8
	31-40	353	35.3	35.3	73.1
	41-50	219	21.9	21.9	95.0
	Above 50 Years	50	5.0	5.0	100.0
	Total	1000	100.0	100.0	

Source: Primary data

Results (table no 4.3) show that out of a total of 1000 respondents, 37.8 percent (378) of respondents are in the age category of 20-30 years of age, 35.3 (353) of respondents are in the age 31-40 years, 21.9 percent (219) of respondents are in the age category of 41-50 years and remaining 5 percent (50) are in the age category of above 50 years.

Table 4.2: Education of the respondents

Education					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	illiterate	15	1.5	1.5	1.5
	Below Matriculation	63	6.3	6.3	7.8
	Intermediate	77	7.7	7.7	15.5
	Graduation	453	45.3	45.3	60.8
	Post-Graduation	392	39.2	39.2	100.0
	Total	1000	100.0	100.0	

Source: Primary data

Out of the total sample respondents from the study, 45.3 percent (453) respondents are graduates, 39.2 percent (392) respondents are having post-graduation, 7.7 percent (77) respondents are having intermediate education, 6.3 percent (63) are below Matriculation and rest of 1.5 percent (15) are illiterate.

*Table **Error! No text of specified style in document.**.5: Occupation of the respondents*

Occupation					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Government Employment	141	14.1	14.1	14.1
	Private Employment	421	42.1	42.1	56.2
	Business	259	25.9	25.9	82.1
	Student	111	11.1	11.1	93.2
	Home-Maker	68	6.8	6.8	100.0
	Total	1000	100.0	100.0	

Source: Primary data

It is revealed from results (table no 4..5) that the majority 42.1 percent (421) of respondents who participated in the survey are in Private Employment, 42.1 percent (141) are in business Profession, 14.1 percent (141) are in Government Employment, 11.1 percent (111) are student and remaining 6.8 percent (68) are Home-maker.

*Table **Error! No text of specified style in document.**.6: Nature of Family*

Nature of family					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Nuclear	564	56.4	56.4	56.4
	Joint Family	412	41.2	41.2	97.6
	Alone	24	2.4	2.4	100.0
	Total	1000	100.0	100.0	

Source: Primary data

Results show that the majority of respondents i.e.56.4 percent (564) are in a nuclear family, followed by 41.2 percent (412) respondents who are in a joint family. 2.4 percent (24) of respondents are alone.

*Table **Error! No text of specified style in document.**.7:Residential status*

Resident of:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Urban	487	48.7	48.7	48.7
	Suburban	243	24.3	24.3	73.0
	Rural	270	27.0	27.0	100.0
	Total	1000	100.0	100.0	

Source: Primary data

Results depict that 48.7 (487) percent of respondents are urban dwellers, 24.3 (243) percent are living in a suburban area and the rest of 27 (270) belong to rural areas of residence.

*Table **Error! No text of specified style in document.**.8: Size of the family*

Size of the family					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3 Members	456	45.6	45.6	45.6
	3-6 Members	463	46.3	46.3	91.9
	Above 6 Members	81	8.1	8.1	100.0
	Total	1000	100.0	100.0	

Source: Primary data

The majority of the sample, 463 respondents (46.3%) have a 3-6-member in the family, and 81 respondents (8.1%) have having 3-6-member in the family. Last, only 456 respondents (45.6%) represent having 3 members in the family.

*Table **Error! No text of specified style in document.**.9: Annual Income Category*

Annual Income Category of the respondent					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less Than Rs 2 Lakhs	60	6.0	6.0	6.0
	Rs 2-3 Lakhs	187	18.7	18.7	24.7
	Rs 3-5 Lakhs	593	59.3	59.3	84.0
	Rs 5-10 Lakhs	160	16.0	16.0	100.0
	Total	1000	100.0	100.0	

Source: Primary data

As far as the annual income category is concerned 16 percent (n=160) of respondents' annual income is less than Rs 2 Lakhs, 18.7 percent (n=187) of respondents annual income are between Rs 2-3 Lakhs, 59.3 percent (n=593) of respondents annual income are between Rs 3-5 Lakhs and the remaining 16 percent (n=160) of respondents annual income is between Rs 5-10 Lakhs.

*Table **Error! No text of specified style in document.**.10: Amount spend on shopping*

Amount spend on shopping					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than Rs 1000	353	35.3	35.3	35.3

	Between Rs1000-2000	393	39.3	39.3	74.6
	Above Rs 3000	254	25.4	25.4	100.0
	Total	1000	100.0	100.0	

Source: Primary data

25.4 percent of the respondents spend Above Rs 3000 on shopping, 39.3 percent spend Between Rs1000-2000 and lastly, 35.3 percent spend on shopping less than Rs 1000.

*Table **Error! No text of specified style in document.**.11: Frequency of visit to retail outlet*

Frequency of visit to retail outlet					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	once in a weak in a given month	529	52.9	52.9	52.9
	more than two times in a given month	228	22.8	22.8	75.7
	at least once in a given month	243	24.3	24.3	100.0
	Total	1000	100.0	100.0	

Source: Primary data

When asked about the frequency of shopping, the findings showed (table no 4.11) that the majority of the respondents' 52.9 percent (529) go out shopping once a week in a given month, 22.8 percent (228) of respondents opinion that they go for shopping more than two times in a month, whereas 22.8 percent (228) of respondents go for shopping at least for once in a given month.

*Table **Error! No text of specified style in document.**.12: Time spent in a retail outlet*

On average, how much time do you spend in a retail outlet					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than a one-hour	251	25.1	25.1	25.1
	one hour	381	38.1	38.1	63.2
	1-2 hours	222	22.2	22.2	85.4
	More Than 3 hours	146	14.6	14.6	100.0
	Total	1000	100.0	100.0	

Source: Primary data

When asked about the time spent in retail outlets for shopping, the findings showed (table no 4.12) that the majority of the respondents 38.1percent (381) spend one hour in retail, 25.1 percent (251) of respondents opinion that they spend less than a one hour followed by 22.2 percent (222) spend between 1-2 hours go for shopping and whereas 14.6 percent (146) of respondents opinion that they spend more than 3 hours in retail outlet for shopping.

*Table **Error! No text of specified style in document.**.13: Preference of retail outlet for purchase of goods*

From which type of retail format do you purchase goods					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malls	87	8.7	8.7	8.7
	Departmental Stores	129	12.9	12.9	21.6
	Discount Stores	167	16.7	16.7	38.3
	Convenience Stores	129	12.9	12.9	51.2
	Hyper Markets/Super Markets	365	36.5	36.5	87.7
	Speciality Stores	123	12.3	12.3	100.0
	Total	1000	100.0	100.0	

Source: Primary data

The above table 4.13 shows the choice of retail outlet for purchasing goods. From the table, it is observed that out of a total of 1000 respondents, 36.5 percent (365) of respondents preferred Hyper/Super Markets for purchasing of goods, 16.7 percent (167) of respondents preferred Discount Stores, 12.9 percent (129) of respondents preferred Convenience Stores, 12.3 percent (123) of respondents choose Speciality Stores for purchasing of goods, 12.9 percent (129) of respondents favoured Departmental Stores for shopping and remaining 8.7 percent (87) of respondents preferred Malls for purchasing of goods.

*Table **Error! No text of specified style in document.**.14: Purpose of visiting a retail outlet*

Purpose of visiting a retail outlet				
	Frequency	Percent	Valid Percent	Cumulative

					Percent
Valid	Shopping only	265	26.5	26.5	26.5
	entertainment only	224	22.4	22.4	48.9
	shopping and entertainment	250	25.0	25.0	73.9
	window shopping	134	13.4	13.4	87.3
	enjoying food courts	127	12.7	12.7	100.0
	Total	1000	100.0	100.0	

Source: Primary data

The result relating to the purpose of visiting a retail outlet is presented in Table 4.14. The table depicted that out of total 1000 sample respondents surveyed, 26.5 percent (265) of respondents opinion that they visit retail outlet only for shopping, 22.4 percent (224) of respondents opinion that visit for entertainment only, 25 percent (2503) of respondents opined that they visit store for shopping as well as for entertainment, 13.4 percent (127) of respondents opinion that they visit for window shopping and remaining 12.7 (127) of respondents opinion that they visit for enjoying food court at store.

Table ***Error! No text of specified style in document.****.15: Medium of Transportation for Shopping*

Medium of Transportation for Shopping					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Foot	16	1.6	1.6	1.6
	Car	349	34.9	34.9	36.5
	Bus	215	21.5	21.5	58.0
	Other	420	42.0	42.0	100.0
	Total	1000	100.0	100.0	

Source: Primary data

Table 4.15 describes the transportation modes used by the respondents for their shopping needs. The majority, 420 respondents, (42%) go shopping by using other modes of transportation, 34.9 (n=349) percent use a car, only 1.6 percent (n=16) go shopping on foot and lastly, 215 respondents, (21.5%) go shopping using other public transportation (bus).

Table ***Error! No text of specified style in document.****.16: Shopping list*

Shopping list					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	528	52.8	52.8	52.8
	No	407	40.7	40.7	93.5
	Sometimes	65	6.5	6.5	100.0
	Total	1000	100.0	100.0	

Source: Primary data

As Table 4.16 indicates 528 respondents (52.8%) from those who shop with a shopping list followed their shopping list, 407 respondents (40.7%) did not follow their shopping lists, while only 65 respondents (6.5%) sometimes followed their shopping lists.

CONCLUSION

The Indian retail scenario is presently facing a similar situation as the 'mom and pop' stores in the developing nations faced at the emergence of big box retailers. The new expansions of retail formats are adaptations of Western formats fetching moderate to lukewarm success. However, limited attention has been paid to this issue in developing countries. The majority of respondents are male, married, graduates, nuclear families, urban dwellers, and are in the age category of 20-30 years. As far as the annual income category is concerned most of the respondent's annual incomes are between Rs 3-5 Lakhs, spends on shopping less than Rs 1000. Usually, they go shopping once a week in a given month, preferring/supermarkets, followed by discount stores for purchasing goods. Organized retailers should give more customized shopping experiences to the customers and benefit from the cost advantage and variety to be offered to the customers. The findings of the research suggest that retailers should understand the basic behavior of the shopper and should give due importance to customer service, and convenience aspects of the retailing environment.

REFERENCE

[1] Ariyanayagam, S., & Ragel, V. (2014). Leisure Shopping in the Supermarket Setup: A Behavioral Study. *IUP Journal of Marketing Management, 13*(4), 38.

[2] Azam, A. (2013). Unorganized Retail Shopping Experience in India: An Empirical Investigation. *Pacific Business Review International*, *5*(7), 7-15.

[3] Bhardwaj, S., Sharma, R., & Agarwal, J. (2011). Perception of Consumers towards Shopping Mall- A case study with reference to Aligarh and Mathura City. *VSRD-IJBMR, 1*(5), 321-334.

[4] Carpenter, J., & Moore, M. (2006). Consumer demographics, store attributes, and retail format choice in the US grocery market. *International Journal of Retail & Distribution Management, 34*(6), 434-452.

[5] Carpenter, J., & Moore, M. (2008). Demographics and patronage motives of supercentre shoppers in the United States. *International Journal of Retail & Distribution Management, 36*(1), 5-16.

[6] Devgan, D., & Kaur, M. (2010). Shopping Malls in India: Factors Affecting Indian Customers' Perceptions. *South Asian Journal of Management*, *17*(2), 29-46.

[7] Devi, P., & Sellappan, R. (2009). Service Quality at Retail Stores-Customers’ Perception. *JK Journal of Management & Technology, 1*(1), 41-52.

[8] Goswami, P., & Mishra, M. (2009). Would Indian consumers move from Kirana stores to organized retailers when shopping for groceries? *Asia Pacific Journal of Marketing and Logistics, 21*(1), 127-143.

[9] Kothari, C. (2004). *Research Methodology, Methods and Techniques (2nd ed.).* New Delhi: i: New Age International Publisher Wishwa Prakashan: New AgeInternational (P) Limited Publishers.

[10] Mathur, M., & Goswami, S. (2014). Store Atmospheric Factors Driving Customer Purchase Intention Exploratory Study. *BVIMSR’s Journal of Management Research*, *6*(2), 111-117.