

Consumer Buying Behaviour towards Organized Retail Stores in Tiruchirappalli - A study

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ABSTRACT

Marketing starts with the needs of the customer and ends with his satisfaction. When everything revolves round the customer, then the study of consumer behaviour becomes a necessity. It starts with the buying of goods. Goods can be bought individually, or in groups. Goods can be bought under stress, for comfort and luxury in small quantities or in bulk. For all this, exchange is required. This exchange is usually between the seller and the buyer. It can also be between consumers. The preferences of the consumers clearly indicate their importance of consumer buying behaviour in influencing their purchase, the additional facilities expected, improvement expected in handling defective goods and many. This study results cannot be generalized. Some of the consumers are not serious in their responses to the survey and as a result there are some difficulties in reaching to the right conclusion. It helps the management of Retail stores to understand about the factors that influence the attitude, consumer satisfaction and consumer perception towards organized retail stores.

Keywords: *Consumer Behaviour, Retail Stores and Consumer Satisfaction*

Introduction

The Indian retail sector is still predominantly unorganized. However, organized retail units are fast emerging and becoming the preferred choice of consumers, especially in urban areas. This development is attributed to a number of factors. Firstly, economic

liberalization has facilitated the entry of multinationals into the cash-and-carry business and single brand retailing. Multinational companies are also taking advantage of India's low cost labor and raw materials to make India a sourcing hub, as well as a market for their products. Secondly, increasing income levels and a growing sense of brand consciousness among India's middle and higher income groups have led to increased popularity of organized retail units. The changing consumer behavior is increasingly shaping organized retailing and is, in turn, evolving with new found options and opportunities. On the socio-cultural side, the growing number of nuclear families, general improvement in education levels and, most importantly, continuous rise in women's economic independence through jobs, as well as entrepreneurship, has made women play a more proactive role in shopping for the family. This has led to an increasing number of customers availing of convenience options such as super markets, where most of the shopping for daily necessities can be done under one roof.

Changing income levels and occupation have resulted in a change in the consumer's buying behavior. More urban women are seeking employment resulting in dual income families. This results in more disposable income that in turn spawns consumerism. Moreover, in households with working women there is greater work pressure and increased commuting time resulting in adjustments being made to the food habits as well as clothing. The focus shifts to convenience and comfort. The size and composition of the shopping basket has changed over time. Today's consumers are looking for shopping convenience and want to have all their requirements under one roof, coupled with speed in the retail store operations. Due to time constraints, families are now looking for shoppertainment combining shopping with entertainment. This is one of the causes of increased footfalls at malls with multiplexes. As India moves into modern retailing with several changes with regard to its markets, brands and consumers there are unique challenges that a multinational company entering India has to cope up with, whether it is a Fast Moving Consumer Goods (FMCG) company or a multinational retail chain like Tesco or Wal-Mart. There are unique retailing aspects that need to be studied in detail by these companies. While the world over the retail density is on the decline, the retail density in India is on the increase. "Buying behaviour is Purchase decision making pattern that is a complex amalgam of needs and desires, and is influenced by factors such

as the consumer's (1) societal role (parent, spouse, worker, etc.), (2) social and cultural environment and norms, and (3) aspirations and inhibitions". "Retailing is the functions and activities involved in the selling of commodities directly to consumers".

Review of literature

Khare, A. (2010), suggested that in developing countries, consumers are becoming conscious of fashion brands. He was directed towards understanding the determinants of fashion clothing involvement of Indian youth. He researched on Youths of Indian colleges to understand the importance of fashion apparels in their lives.. The results show that Indian youth is involved with branded fashion wear. There was not much significant difference in the involvement of females and males towards fashion clothing. Verma, A.P. and Tiwari, K(2011) covered the medium to high potential consumers that international and national brands can target in the Indian context. This study measures the segment values of some brands those have achieve success in the Indian market. Study shows that people are becoming mere brand conscious with the increase in income level. Brands and individuals would do well to understand the finer aspects of the scenario, and venture out to capitalize on the opportunities. Mridanish Jha (2013) The study on the customer's perception on the factors influencing Consumer behavior explores the demographic factors affecting consumer behavior in retail in Ranchi city. The study concludes that these factors have their influence on customers buying patterns. Hence it could be concluded that marketers should understand not only the buying patterns of customers but also should design strategies to understand the factors influencing the buy behavior in the respective industries to enjoy more profits and also to establish the organization for a long run. The main conclusion is that empirical research does support the existence of CDM (Consumer Decision Making) styles among retail shoppers. The influence of CDM styles on shopping behavior is visible.

Objectives of the study

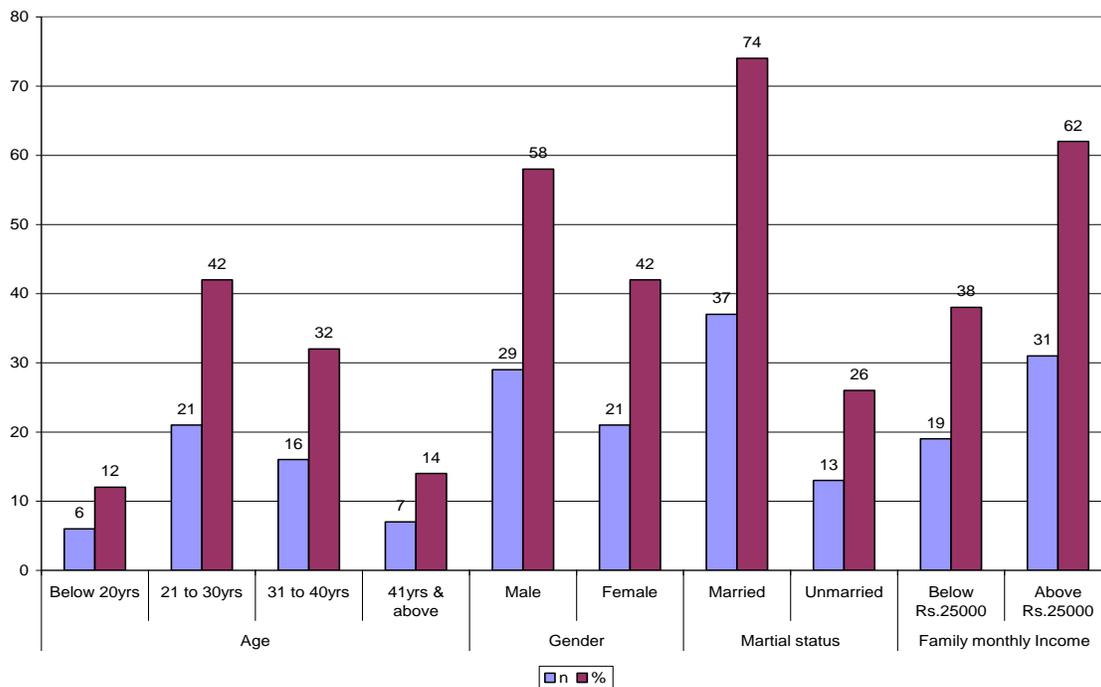
- To study the socio-economic profile of consumer who prefer to make their purchases from organized retail stores in Tiruchirappalli.
- To analyse the consumer satisfaction towards offered services from the organized retail stores.

Methods and Materials

For the present study, the universe comprised of the consumer, who made their purchases in organized retail stores of Tiruchirappalli. The size of sample was 50 respondents. These samples were carefully selected by the researcher from those who made their purchases from organized retail stores in the study area. Both primary and secondary data were used in the study for the purpose of analysis. For collecting primary data, field survey technique was employed in Tiruchirappalli. A well framed questionnaire was used to collect the primary data. This study follows simple random sampling technique for collecting the data.

Data analysis and interpretation

Figure-1: Indicates Socio-economic profile



From the bar chart indicates that more than one third (42 per cent) of customers age group between 21 to 30yrs, 32 per cent were 31 to 40yrs, 14 per cent were 41yrs & above and remaining 12 per cent were below 20yrs. More than half (58 per cent) of the respondents were male and remaining 42 per cent were female. Majority (74 per cent) of the respondents were married and remaining 26 per cent were unmarried. Majority (62 per cent) of customers family monthly income above Rs.25000 and remaining 38 per cent were below Rs.25000.

Table – 1: Distribution of the respondents and their overall customer satisfaction

Overall consumer satisfaction	No.of respondents (n=50)	Percentage (100%)
Low	11	22
High	39	78

Source: Primary data

Majority (78 per cent) of customers were satisfied high level and remaining 22 per cent were low level.

Table – 2: Karl Pearson Coefficient correlation relationship between consumer buying behaviour and their level of satisfaction

Consumer buying behaviour	Correlation value	Statistical inference
Overall consumer satisfaction	.182	0.002**

***p<0.01 Significant level*

Karl Pearson Coefficient correlation test inferred that there is significant relationship between relationship between consumer buying behaviour and their level of satisfaction. The calculated value is greater than table value (***p<0.01*). The research hypothesis is accepted.

Conclusion

The growth in the Indian organized retail market is mainly due to the change in the consumer behavior. Organized sector in retailing has to go a long way to understand the customer requirements. Organized retail sector is growing rapidly and consumers are shifting to shopping in organized retail stores. One of the organized retail marketing channel is the departmental stores. Consumer buying behavior is gate way of success in market. Consumer behavior is an important factor that will help them to tap the consumer in a better way. Consumers always look for the benefits of shopping in an organized retail store in the terms of self, selection, etc. Variety and also seek value for the money they pay and purchasing the convenience goods. The retailers should help customers to explore the store. For shopping should be more adventurous by continuously upgrading the product portfolio, by changing the layout and by providing the touch and feel experience. Consumers always looks the benefits of shopping in an organized retail store over the traditional retail outlets in terms of self selection, variety, and also seek value for

the money they pay. The organized sector in retailing has to go a long way to understand the customer requirements.

Suggestions

- It is suggested to the management to appoint more number of skilled sales persons in order to attract customers.
- The store has put in more efforts in making the advertisement media an effective source of information in reaching the customers at large.
- Efforts should be made to reduce the price of certain products like fancy items, children's toys etc., to attract the customers.
- Steps to be taken to provide better facilities to customers like parking area, children play area, etc.
- It is recommended to the management to make the billing procedure more convenient for customers.
- The retailers have to provide fruits and vegetables in fresh condition as expected by the consumers.

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