

A STUDY ON THE EFFECT OF CONSUMERS' SHOPPING MOTIVES ON THEIR SHOPPING/ BUYING BEHAVIOUR WITH REFERENCE TO ORGANIZED RETAIL STORES

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Abstract

Urban Indian Shoppers today are witnessing a rapid change in the shopping options available to them. Today's consumers don't want to waste their time by buying fruits and vegetables in Raithu Bazaars, provisions in general/ kirana stores and household items in some other shops. Rather they want to reduce the risk and time by purchasing all items under a single roof. From "Serviced Retailing", where the customer approaches the retailer and asks for specific item which the retailer fetches from behind the counter, the urban Indian consumers are slowly switching to "Self Service" models of retailing. At the same time, the conventional/unorganized stores are also trying their best to retain their customers by offering them merchandise of good quality at discount rates. The present study was conducted in Guntur and Krishna districts of Andhra Pradesh. The present study aims at evaluating the impact of Purpose of Visiting Organised Retail Stores on the Time Spent by Customers in the Stores. The study also aims at studying the effect of Factors Motivating customers to shop in the Organised Retail Stores on the Frequency of Visit to stores and also studying the effect of Feeling of Shopping Pleasure & Socialisation and Frequently Purchased items on the Time Spent by customers in the Organised Retail Stores. A sample of 500 respondents was selected by using Stratified Random Sampling Method and the data was collected with the help of a structured questionnaire. The findings of the study reveal that there was no association between the amount of time the respondents spend in the stores and their motive of experiencing Shopping Pleasure & Socialisation in case of Organised Retail Stores. The amount of time customers spend in the organized retail stores and the Purpose of visiting them have association. The 'Factors Motivating respondents to prefer shopping in the Organised Retail Stores' was not a significantly influencing factor on their 'Frequency of Visit to Organised Retail Stores'. The study also reveals that there is no association between the factors 'Frequency of Visit' and the 'Factors Motivated Respondents to Prefer to Shop in Organised Retail Stores'. 'The amount of Time Spent' in the stores Shopping Behaviour was not significantly impacted by 'The Purpose of Visiting the stores' and the 'feeling of Shopping Pleasure & Social Interaction', where as the factor 'Frequently Purchased items' had significant impact.

Keywords: Consumer behaviour, Shopping Motives, Shopping behaviour, Organized Retail Stores & Frequency of visit.

Introduction

Consumer Behaviour is defined as the behaviour that consumers display in searching for, purchasing,

using, evaluating, and disposing of products and services that they expect will satisfy their needs. It focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items. Consumer Behaviour is the study of how individuals, groups, and organizations select, buy, use and dispose of goods, services, ideas, or experiences to satisfy their needs and wants. The present study on consumer behaviour was conducted with reference to organized and unorganized retailing in India.

Retailers need to know the various influences that lead up to a purchase, not just the store where the purchase was made. This includes looking at a host of external and internal influences. The process starts with:

- ✓ Understanding how the need for a product/ service was determined;
- ✓ Understanding how information was sought by the customer;
- ✓ The process of evaluation of various products and stores;
- ✓ The payment process; and
- ✓ The post purchase behaviour.

Important Shopping Motives and the Buying Behaviour are mentioned in the table given below.

Consumers' Shopping Motives and Shopping Behaviour

Shopping Motives	Shopping/ Buying Behaviour
<ul style="list-style-type: none"> ➤ Factors Motivated Respondents to prefer Organised Retail Stores for Shopping ➤ Frequently Purchased Items ➤ Purpose of visiting Organised Retail Stores ➤ Shopping Pleasure & Time for Social Interaction 	<ul style="list-style-type: none"> ➤ Frequency of Visit ➤ Time Spent in the Stores

Retail Industry in India

India is one of the most desirable retail destinations in the world. India has emerged as the 5th most favourable destination for international retailers, outpacing UAE, Russia, Indonesia and Saudi Arabia, according to AT Kearney's Global Retail Development Index (GRDI) 2012.

"India remains a high potential market with accelerated retail growth of 15- 20 percent expected over the next 5 years", highlighted the report.

India has one of the largest numbers of outlets in the world. Of the 12 million retail outlets present in the country, nearly 5 million sell food and related products. Though the market has been dominated by unorganized players, the entry of domestic and international organized players is set to change the scenario. Around 7 percent of the population in India is engaged in retailing. In India the retail sector is divided into two broad sectors, unorganized retailing and organised retailing.

Unorganized Retailing in India

It refers to the traditional formats of low- cost retailing, for example the local kirana shops, owner manned general stores, pan/ beedi shops, convenient stores, etc. Indian retail is dominated by a large number of small retailers consisting of the local kirana shops, footwear shops, apparel shops, paan beedi shops, and hand- cart hawkers etc. which together make up the so-called "unorganized retail" or

traditional retail.

Most Indian shopping takes place in open markets or millions of small, independent grocery and retail shops. Shoppers typically stand outside the retail shop, ask for what they want, and cannot pick or examine a product from the shelf. Access to the shelf or product storage is limited. Once the shopper requests the food staple, or household product they are looking for, the shop keeper goes to the container or shelf or to the back of the store, brings it out and offers it for sale to the shopper. Often the shopkeeper may substitute the product, claiming that it is similar or equivalent to the product the consumer is asking for. The product typically has no price label in these small retail shops; although some products do have a manufactured suggested Retail Price (MSRP) pre- printed on the packaging. The shopkeeper prices the food staple and household products arbitrarily, and two consumers may pay different prices for same product on the same day. Price is sometimes negotiated between the shopper and shopkeeper. The shoppers do not have time to examine the product label, and do not have a choice to make an informed decision between competitive products.

Organized Retailing in India

Organised retailing, in India, refers to trading activities undertaken by licensed retailers, that is, those who are recognized for sales tax, income tax, etc. These include the publicly traded supermarkets, corporate- backed hypermarkets and retail chains, an also the privately owned large retail business. The food and grocery, clothing, consumer durables and books and music sectors are the major retail sectors. However unorganized small outlets largely control the sector. Hence there is tremendous potential for the organised sector in various formats, such as hypermarkets, supermarkets, specialty stores, category killers and discount chains.

The lifestyle and profile of the Indian consumer is going through rapid transformation. The population of India is young, energetic and full of enthusiasm. 50 percent of the Indian population is under the age of 25. There has been a transition from price consideration to quality and design, as the focus of the customer has changed, the upper and middle-class population of today needs a feel good experience even if they have to spend a little more for that. People are moving towards luxury and want to experiment with fashion and technology. Hence the demand for organised retail stores is increasing day by day.

Review of Literature

Ghosh and Tripathi (2010) ^[2], in their study on “A study of organized retail outlets in India”, attempted to analyze purchase pattern of customers towards organized retail outlets in terms of merchandise categories purchased, time spent within the store, number of merchandise purchased on each visit, stores switching behaviour and store attribute. The results of the study depict that the younger generation has greater tendency to visit organized retail outlets. The shoppers which remained within a store for at least two hours considered shopping to be a stress releaser and fun activity. The commonly purchased items from a retail outlet are garments followed by groceries, lifestyle products and household appliances. The study further reveals that customers in tier 2 and tier 3 cities evaluate a store on convenience and merchandise mix, store atmospheric and services.

Chattopadhyay (2013) ^[3], in their study conducted on “Consumer shopping behaviour in the new era of retailing: An empirical study on food and grocery and apparel purchase in East India.”, concluded that for food and grocery purchase, location (nearness to home) was the prime consideration for the respondents of Kolkata and Bhubaneswr, while it was range for both – respondents from Patna and

Ranchi. Ambience was the least important parameter for the respondent populations from the four state capitals (Kolkata, Bhubaneswar, Patna, and Ranchi). For apparel purchase, range or assortment was the most important parameter for the respondent populations from the four state capitals. The behavioural pattern of the respondents with respect to frequency of visit, preferred group size during shopping, and decision maker in choosing a shopping destination revealed a fairly uniform pattern across the state capital locations.

Suman Yadav Sadaf Siraj (2014) ^[4], on “Mall Patronage Behaviour”: Understanding Motives, Shopper Demographics, and Shopping Behaviour”. The study attempted to examine the impact of shopping motives and demographic profile (age and gender) of shoppers on shopping behaviour (frequency of visit & time spent at the shopping mall). The study revealed that the time spent by customers in the organized retail stores had a positive relationship with their shopping motives, i.e., the purpose of visiting the organized retail stores. The study results showed that shopping motives and shopping behaviour of shoppers differed by gender and generation (age group). The results also revealed that shopping behaviour (frequency of visits and time spent at the shopping mall) had a positive relationship with patronage behaviour.

Shalini Jha and Bharati Singh (2014) ^[5], in their study on “Consumer Behaviour and Moderating effect of frequency of visit in relation to Atmospheric Cues: An experimental study” concluded that frequency of visit does have a moderating effect on the perception of affability of the sales person, but it failed to have any moderating effect on the perception of background music. No moderating effect of frequency was found in the perception of merchandise quality and the overall environment during the experimental conditions. Some amount of moderating effect was found on the emotion and behaviour of the shoppers. Though the store atmospheric, music, and salesperson have a positive impact on consumer buying behaviour, customers expect novelty from the store. A novel atmosphere excited them, and they feel happy while shopping. In a pleasant emotional state, they tend to explore more and the possibility of purchasing is also more.

Syed Md. Faisal Ali Khan and Dr. Chanchal Chawla (2015) ^[6], in their study on “Impact of Education & Income on Impulsive Buying from Organized & Unorganized Retail Stores”, revealed that price is an important determinant of the buying behavior of the consumer. Other factors which relate to impulsive buying are socio cultural factors associated with him. Emotional and cognitive reactions are other factors which have a significant influence on the impulsive buying decision of the consumer. It has also been accounted that impulsive buying increases slightly from the age between 18 to 39, and declined thereafter. Education is also a powerful motivating factor making consumers in taking impulsive buying

decisions. Education reduces dissonance and develops cognitive learning process, which further leads to purchases.

Research Objectives

The present study was undertaken with the following objectives.

1. To evaluate the impact of Purpose of Visiting Organised Retail Stores on the Time Spent by Customers in the Stores.
2. To study the effect of Factors Motivating customers to shop in the Organised Retail Stores on the Frequency of Visit to stores.
3. To study the effect of Feeling of Shopping Pleasure & Socialisation and Frequently Purchased items on the Time Spent by customers in the Organised Retail Stores

Hypothesis of the Study

1. **H₀:** There is no significant effect of the customers' 'Purpose of Visiting' on the 'amount of time they spend' in Organized Retail Stores.
H_a: There is a significant effect of the customers' 'Purpose of Visiting' on the 'amount of time they spend' in Organized Retail Stores.
2. **H₀:** There is no significant effect of factors motivating customers to shop in Organized Retail Stores on their frequency of visit to the stores.
H_a: There is a significant effect of factors motivating customers to shop in Organized Retail Stores on their frequency of visit to the stores.
3. **H₀:** There is no significant effect of Feeling of Shopping Pleasure & Socialisation and Frequently Purchased items by customers on the amount of time they spend in Organised Retail Stores
H_a: There is a significant effect of Feeling of Shopping Pleasure & Socialisation and Frequently Purchased items by customers on the amount of time they spend in Organised Retail Stores

Methodology of the Study

The following methodology was adopted for carrying out the research study.

- **Time Frame of the Study:** The data was collected in the urban areas of Guntur and Krishna districts

during the time period from February 2014- February 2015.

- **Sample Size & Sampling Method:** A sample size of 500 respondents were selected by following Stratified Random Sampling Method in Guntur and Krishna districts of Andhra Pradesh State. The population was stratified on the basis of geographical areas. The total sample distribution is mentioned in the table given below.
- **Sample Description:** The selected sample respondents are the urban consumers shopping at different retail stores. The individuals and families regularly visiting the organized retail stores and unorganized retail stores for purchase were considered as a sampling unit.

Demographic Characteristics of the Sample Respondents (N= 500)

Characteristics	Sub categories	Number	Percentage
Age	Below 20 years	28	5.6
	20- 30 years	214	42.8
	30- 40 years	145	29.0
	40- 50 years	93	18.6
	50 years and above	20	4.0
	Total		500
Gender	Male	314	62.8
	Female	186	37.2
	Total	500	100
Marital Status	Married	347	69.4
	Unmarried	153	30.6
	Total	500	100
Occupation	Government Employee	68	13.6
	Employee in private organisation	205	41.0
	Business/ trade	148	29.6
	Other occupation	79	15.8
	Total	500	100
Monthly Household Income	Below Rs. 40,000	324	64.8
	Rs. 40,000- Rs. 50,000	66	13.2
	Rs. 50,000- Rs. 60,0000	41	8.2
	Rs. 60,000- Rs. 70,000	24	4.8
	Rs. 70,000 and above	45	9.0
	Total	500	100

Tools of Data Collection

The study was predominantly based on the primary data. In addition to that secondary data were also collected from different data sources.

Primary Data

Primary data was collected from consumers who were shopping at organized and conventional stores with the help of a well-structured questionnaire. The questionnaire has totally 4 sections. The

questionnaire mostly consisted of closed ended questions. The responses were recorded and measured by using Likert Scale.

The needed data was also collected through personal interviews, interactions and observation method. Majority of the respondents were approached personally and the questionnaire was administered to them. Contacts of friends, relatives and colleagues were also used to administer the instrument.

Secondary Data

In addition to the primary data the required secondary data was collected from various secondary sources like books, journals, magazines, internet, etc.

Data Analysis

The following statistical tools were employed to analyse the collected data.

- Chi- Square test was conducted in order to find out whether there was any significant association between Time Spent by Customers in the Stores and their Purpose of Visiting Organised Retail Stores.
- Regression Analysis was done in order to find out whether there was any significant association between Frequency of Visit to stores by Customers and Factors Motivating them to shop in Organised Retail Stores.

Data Analysis & Interpretation

Analysis of data was done on the basis of objectives mentioned in the study.

1. Objective1: To evaluate the impact of Purpose of Visiting Organised Retail Stores on the Time Spent by Customers in the Stores.

Chi- Square test was conducted in order to find out whether there was any significant association between Time Spent by Customers in the Stores and their Purpose of Visiting Organised Retail Stores.

Table 1.1 Relationship between Time Spent and Purpose of Visiting Organised Retail Stores

Time Spent	Purpose of visiting Organised Retail Stores					Chi- Square Tests		
	Shopping	Window Shopping/hangout	Both	Others	Grand Total	Pearson Chi-Square	df	Assymp. Sig. (2 sided)
< 1hr	121	8	42	1	172	39.892	9	0.00
1-2 hrs	173	4	98	–	275			
2-4 hrs	29	–	16	2	47			
> 4 hrs	4	–	1	1	6			
Grand	327	12	157	4	500			

Total								
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Interpretation

From the results of the above table, it was found that the amount of time customers spent in the organised retail stores and the Purpose of visiting them had significant association as the χ^2_{cal} value 39.892, with 9 degrees of freedom was greater than the χ^2_{cri} value i.e. 9.488. Hence there was enough evidence to reject null hypothesis. This indicates that the amount of time customers spend in the Organised Retail Stores depends on their purpose of visiting them.

2. Objective2: To study the effect of Factors Motivating customers to shop in Organised Retail Stores on the Frequency of Visit to stores.

Regression Analysis was done in order to find out whether there was any significant association between Frequency of Visit to stores by Customers and Factors Motivating them to shop in Organised Retail Stores.

Table 5.2 Regression Analysis of Frequency of Visit and Factors Motivating Customers to Shop in Organised Retail Stores

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Observations
1	0.062689	0.00393	0.00193	1.155438	500

ANOVA					
Model	Df	Sum of Squares	Mean Square	F	Sig.
Regression	1	2.623126	2.623126	1.964833	0.161620334
Residual	498	664.8489	1.335038		
Total	499	667.472			

Variable	Coefficients	Standard Error	t Stat	P-value	Significance
Intercept	3.228634	0.143308	22.52928	5.13E-78	
Motivating Factors to prefer Organised Retail Stores	0.074946	0.053467	1.401725	0.16162	No

Interpretation:

From the results of the above table, it was found that there was no significant impact of factors that motivated customers to shop in organised retail stores on the frequency of visit due to the poor R- Value (R=6.2%), i.e., only 6.2% of the impact was explained by the dependent variable in terms of independent variable. Hence the null hypothesis was accepted as there was enough evidence to prove it.

3. Objective3: To study the effect of Feeling of Shopping Pleasure & Socialisation and Frequently Purchased items on the Time Spent by customers in the Organised Retail Stores

Regression Analysis was done in order to find out whether there was any significant association between 'Time Spent in the stores by Customers' (Shopping Behaviour) and 'Feeling of Shopping Pleasure & Socialisation and Frequently Purchased items' (Shopping Motives) in Organised Retail Stores.

Table 1.3 Regression Analysis of Time Spent and Feeling of Shopping Pleasure & Socialisation and Frequently Purchased items in Organised Retail Stores

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Observations
1	0.140126	0.019635	0.013706	0.655609	500

ANOVA					
Model	df	SS	Mean Square	F	Significance F
Regression	3	4.269936	1.423312	3.311393	0.019922552
Residual	496	213.1921	0.429823		
Total	499	217.462			

Variable	Coefficients	Standard Error	t Stat	P-value	Sig
Intercept	1.455195	0.152598	9.536136	6.65E-20	
Frequently Purchased Items	0.054378	0.024577	2.212548	0.027384	Yes
Shopping Pleasure & Social Interaction (Organised Retail Stores)	0.022754	0.033218	0.684996	0.493667	No

Interpretation:

From the results of the above table, it was found that there was no significant impact of the 'Feeling of Shopping Pleasure & Social Interaction' (Shopping Motives) on 'The Amount of Time Spent' in the stores (Shopping Behaviour) due to the poor R- Value (R=14%), i.e., only 14% of the impact was

explained by the dependent variable in terms of independent variable, even though the factor 'frequently purchased items' had significant impact. Hence the null hypothesis was accepted as there was enough evidence to prove it.

Conclusion

It can be concluded from the study that there was no association between the amount of time the respondents spend in the stores and their motive of experiencing Shopping Pleasure & Socialisation in case of Organised Retail Stores. The amount of time customers spend in the organized retail stores and the Purpose of visiting them have association. The 'Factors Motivating respondents to prefer shopping in the Organised Retail Stores' was not a significantly influencing factor on their 'Frequency of Visit to Organised Retail Stores. It can also be concluded from the study that there is no association between the factors 'Frequency of Visit' and the 'Factors Motivated Respondents to Prefer to Shop in Organised Retail Stores. 'The amount of Time Spent' in the stores Shopping Behaviour was not significantly impacted by 'The Purpose of Visiting the stores' and the 'feeling of Shopping Pleasure & Social Interaction', where as the factor 'Frequently Purchased items' had significant impact.

Limitations of the Study and Scope for Further Research

The scope of the study is limited to the respondents of Guntur and Krishna districts only. As the research was restricted to Guntur and Krishna districts, similar research studies can be carried out in other districts or states of India to understand the consumer behaviour in organized and conventional retail stores. Studies can also focus on specific product categories such as apparels, cosmetics, and gadgets. Online purchase behaviour of customers can be another interesting area of study. Services retail is another major area in which there is a lot of scope for further study. This paper deals with consumer behaviour in organized and conventional retail stores in general.

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