



A Study of Consumer Shopping Behaviour in Organized Retail at Ranchi

KEYWORDS

availability ,consumer ,demography ,retail ,shopping

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ABSTRACT *The retail sector has witnessed a paradigm shift in Ranchi with the presence of retail stores like Reliance mart, big bazaar, Vishal mega mart, Pantaloons et.al. Organized retailing is changing the entire perception of shopping in terms of buying behavior. Increased household incomes, education, convenience of getting all useful items under one roof and payment through card are some of the factors responsible for inclination of consumer's towards organized retail. The objective of this study is to analyze consumer shopping behavior in retail stores at Ranchi city. The data for this study was collected through self administered questionnaire and face to face intercepts of shoppers at reliance mart and big bazaar. The objective of this study is to analyze the consumer shopping behavior dimensions and to measure the significance of demographic variables on shopping behavior.*

INTRODUCTION

Consumer behavior refers to the mental and emotional process and the observable behavior of consumers during searching, purchasing and post consumption of a product or service. Consumer behavior involves study of how people buy, what they buy, when they buy and why they buy. It blends the elements from psychology, sociology, socio psychology, anthropology and economics. Consumer behavior has two facets, first one being the concluding purchase activity perceptible to any viewer and the comprehensive or short decision process that may engage the interaction of a number of complex variables not discernible to anybody. On the socio-cultural side, the growing number of nuclear families, general improvement in education levels has led to an increase in number of customers buying through modern retail stores, where most of the shopping for daily necessities can be done under one roof. Retailing is the combination of activities involved in selling or renting consumer goods and services directly to ultimate consumers for their personal or household use. In retail, marketers are keen to know the consumers shopping behavior, which involves an understanding of decision variables like when, where, and what to shop. These decisions variables are the factors to be considered by the retailer.

It is important to know what and from where the shoppers shop and the reasons that prompt their shopping behavior. Increase in income levels and occupation have resulted in a change in the consumer's buying behavior. The spotlight has shifted to convenience and comfort. The dimension and composition of the shopping has changed over time. Retailers are required to have better understanding of consumer benefits their perceptions and attitudes and how they influence the development of successful retail marketing strategies. Retailers must understand their consumers better so that they can both respond to and anticipate their needs proactively.

LITERATURE REVIEW

Despite the fact that many studies have been undertaken to analyze the consumer behavior, only a few studies were conducted to understand consumer buying behavior in organized retail. In India, some empirical studies provide important information about consumer behavior and its responses to the development of organized retail. Consumers have become more realistic, educated and demanding, learning how to manage money and time

more efficiently. Sen (2000) confirms this in the study undertaken in Indian context. He substantiate that in the case of hypermarkets, the main motives for preferences, in decreasing order, are low prices, the possibility of buying everything in the same place and the general appearance of the store. Several studies accentuate the probable coexistence of different store formats (Chandrasekhar, 2001) and others point out the relationship between the type of store and the type of products. These studies show that, while specialized and traditional stores are preferred for fresh products, hypermarkets are preferred for shopping in general, and also for frozen food, groceries and beverages. Moneesha (2001), tries to build up a structure for studying consumer behavior by considering the progress of the field of consumer research and the diverse paradigms of thought that have influenced the discipline. Rajendra(2003), point to the fact that the structure of a country's retail sector has an enormous influence on marketing strategy and marketing activities of firms. The theoretical assumption behind Sproles and Kendall's (1986) ideas about CDM styles is that consumers have eight different decision-making dimensions that determine the shopping decisions they make.

OBJECTIVES OF THE STUDY

1. To study the consumer shopping behavior dimensions.
2. To determine the significance of demographic variables on shopping behavior dimensions.

Demographic factors are unique to a person. It involves identification of who is responsible for the decision making or buying and who is the ultimate consumer. All stores have focused themselves on respective segments based on factors such as age, income family size, gender, occupation, etc. To achieve the objectives answer to the question do demographic variables and consumer shopping behavior dimensions differ significantly was sought.

RESEARCH METHODOLOGY

present study is focused on the shopping behavior dimensions of consumers who visit organized retail. A convenience sampling method was used to obtain the data from reliance mart and big bazaar at Ranchi over a period in April-May 2013. The total sample size was 120. While conducting the survey respondents from different demographic profile was collected. i.e., gender, age group, education, occupation, income level, etc. (Table 1).

VARIABLE	CATEGORY	FRE-QUENCY	PERCENT-AGE
GENDER	MALE	60	50.0
	FEMALE	60	50.0
AGE [in years]	BELOW 25	16	13.3
	25-35	54	45.0
	35-45	23	19.1
	ABOVE 35	27	22.5
EDUCATION	UPTO 12 TH	10	8.3
	GRADUATION	65	54.1
	POST GRADUATE	45	37.5
OCCUPATION	BUSINESS	29	24.1
	SERVICE	47	39.1
	HOUSEWIFE	34	28.3
	STUDENT	10	8.3
MONTHLY HOUSEHOLD INCOME[in Rupees]	LESS THAN 15000	22	18.3
	15000-25000	34	28.3
	25000-35000	43	35.83
	MORE THAN 35000	21	17.5

Table 1: Demographic profile of respondents

RESULTS AND DISCUSSIONS

To investigate consumer shopping behavior dimensions eight consumer decision-making styles was adapted from Sproles and Kendall's (1986) consumer decision style. A consumer decision making style is defined as a mental orientation characterizing a consumer's approach to making choices. It has cognitive and affective characteristics (for example, quality

consciousness and fashion consciousness).The characteristics of the eight consumer decision style are as follows.

1. Quality conscious: decision style of consumers who systematically search for the quality products.
2. Brand loyal: decision style of consumers who shop at the same retail stores and tend to buy the same brands each time.
3. Novelty conscious: decision style of consumers who like new and innovative products and who gain excitement from seeking out new things.
4. Shopping for entertainment: decision style of consumers who take pleasure in shopping and who shop just for the fun of it.
5. Price conscious: decision style of consumers who are concerned for getting products at lower prices.
6. Value consciousness: They look for value for money and consider that the retail store brands are reasonably priced.
7. Confused/opinion seeker: decision style of consumers who feel they have too many brands to choose from and who seek information or approval from their friends, relatives, colleagues etc.
8. Impulsiveness: decision style of consumers who tend to buy spontaneously and who are unconcerned about how much money they spend.

One-way ANOVA indicate the significant difference between the consumers of different demographic profile and their shopping behavior dimensions (table 2).

FACTOR	GENDER		AGE		EDUCATION		OCCUPATION		MONTHLY HOUSEHOLD INCOME	
	F	Sign.	F	Sign	F	Sign.	F	Sign.	F	Sign.
Quality consciousness	2.73	.142	3.64	.046	1.975	.163	.667	.765	1.876	.154
Brand Loyal	.865	.503	.451	.961	4.321	.054	.598	.534	5.372	.006
Novelty consciousness	78.577	.000	3.096	.098	.216	.989	5.879	.003	.5354	.006
Shopping for entertainment	.167	.891	1.713	.176	1.821	.462	2.152	.432	5.076	.008
Price consciousness	52.456	.000	.672	.652	.786	.623	6.089	.003	.535	.871
Value Conscious	8.981	.004	1.707	.187	5.432	.023	3.452	.081	2.763	.196
Confused/opinion seeker	.072	.921	1.845	.134	.842	.508	3.421	.098	.321	.927
Impulsiveness	36.801	.007	.893	.554	.732	.615	6.759	.004	.561	.873

Table 2: One way ANOVA

1. Factor one behavioral dimension signifies the quality consciousness of the consumer for products as they consider that retail stores provide superior quality products and also compare the quality of the brands while purchasing (Table 2). Respondents belonging to different age groups differ significantly (p = 0.046) on quality consciousness dimension but p-values do not signify this phenomenon on any other demographics.
2. Factor two, brand loyalty behavioral dimension explains that customers are willing to visit their preferred store rather than nearby store, and buy items from such stores. They visit store for their preferred brands (table 2), Brand loyalty dimension varies significantly on education (p = 0.054) and income (p = 0.006) of the respondents but not on remaining demographic variables.
3. Factor three deals with the novelty consciousness of the customers (Table 2). Male and female respondents vary significantly (p = 0.000) for novelty conscious behavior but not on the basis of the other demographic variables.
4. Factor four Shopping for entertainment is the behavioral dimension of shoppers who look for entertainment and enjoyment while shopping with their friends or family (table 2). Income (p = 0.008) of respondents is the only demographic variable that has a significant association with this dimension.
5. Factor five deals with price consciousness behavioral dimension. They are influenced by the brands' prices and try them during discounts. Table 2 explains that price conscious behavior differs significantly across gender (p = 0.000), occupation (p = 0.003) of the respondents.
6. Factor six describes the value consciousness of the customers. They look for value for money. As per Table 2 gender (p = 0.004) and education level (p = 0.023) have influence on respondents in considering the value conscious behavioral dimension for shopping.
7. Factor seven opinion seeker dimension explains the behavior of respondents who look for the advice from friends and relatives for making brand selection (Table 2). One-way ANOVA indicates no significant difference among the customers of different demographic characteristics and opinion seeking behavior.
8. Factor eight deals with impulsiveness as the behavioral dimension where consumers tend to purchase impulsively as they do not plan in advance .This behavior differs significantly across gender (p = 0.007) and occupation (p = 0.004) of the respondents.

CONCLUSION

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 styles among retail shoppers. The influence of CDM styles on shopping behavior is visible.

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