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Analysis Of Factors Influencing Consumer Buying Behaviour In Modern As Well As Conventional Retail Stores

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Abstract:

Consumer decision making has long been of interest to researchers. Companies in retail are interested in the study of consumer behavior as it makes them familiar with the emerging needs and desires of their current and prospective buyers. To find out what satisfies customers, marketers must examine the main influences on what, where, when and how customers buy goods and services. By understanding these factors better, marketers are better able to predict how consumers will respond to marketing strategies. Ultimately, this information helps Modern retail malls as well as conventional retail stores to compete more effectively in the marketplace and leads to more satisfied customers.

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.

Keywords: analysis, attitude, consumer behavior, conventional, strategies.

1.Introduction

Before making a comparative analysis of consumer buying behaviour in modern retail mall and conventional stores let us go through a glimpse of retail industry. According to Philip Kotler (2003), "Retailing includes all the activities involved in selling goods or services to the final consumes, for personal, non-business use".

According to managementstudyguide.com, (2012) Retail involves the sale of goods from a single point (malls, markets, department stores etc) directly to the consumer in small quantities for his end use. In a layman's language, retailing is nothing but transaction of goods between the seller and the end user as a single unit (piece) or in small quantities to satisfy the needs of the individual and for his direct consumption. Consumers are viewed as rational decision makers who are only concerned with self interest. Where utility theory views the consumer as a 'rational economic man', contemporary research on Consumer Behaviour considers a wide range of factors influencing the consumer, and acknowledges a broad range of consumption activities beyond purchasing. These activities commonly include; need recognition, information search, evaluation of alternatives, the building of purchase intention, the act of purchasing, consumption and finally disposal. This more complete view of consumer behaviour has evolved through a number of discernable stages over the past century in light of new research methodologies and paradigmatic approaches being adopted. According to Kotler, Keller, Koshy and Jha (2012) "Customer Shopping Behaviour is the study of how individuals, groups and organizations select, buy, use and dispose of goods, service, idea, or experiences to satisfy their needs and wants". According to Rajasekar, Philominathan and Chinnathambi (2006), Research is a logical and systematic search for new and useful information on a particular topic.

2.Research Methodology

2.1.Objectives Of The Study

- The factors affecting the buying behavior of the customers while visiting big retail malls or conventional stores.

- The level of satisfaction of the customers with the offerings and attributes offered to them.
- The stimuli that attracts a prospective buyer towards a retail store or a super market.

Research design: In this research descriptive research design is used for

- Analyzing the research problem
- To specify the objective with sufficient precision to ensure that the data collection were relevant.

Sampling Procedure:The present study is confined to the effect of consumer buying behavior in selection of retail store format for shopping in Udaipur and Kota. The two cities have been selected as there is homogeneity in terms of the number of modern retail stores available there. The nature of research design is such that purposive sampling procedure is followed. The researcher has used a sample which yields favourable result of the research. The selection of the respondents was random in Udaipur city and Kota city where numbers of customers from Modern Retail Stores were 300 and numbers of customers from conventional shopping stores were 300. The major Modern Retail Stores in Udaipur are Celebration Mall, Reliance Mart and Fresh, Big Bazar and Vishal Mega Mart. The major Modern Retail Stores in Kota are City Mall, Reliance Fresh, Big Bazar, Spencers Retail and Vishal Mega Mart.

For data collection data source are -

- Primary data: This data is collected by the help of questionnaire.
- Secondary data: This data is collected by the help of internet, books, articles, & journals.

Research instrument: Annexure-This is used as one of the research instrument

3.Facts And Findings

3.1.Data Analysis

3.1.1.<u>Respondents Purchase Decision Is Mainly Influenced By</u>

Persons	Modern		Conventional	
	N	%	N	%
Your self	71	23.67	38	12.67
Spouse	38	12.67	23	7.67
Family	118	39.33	165	55.00
Friend	9	3.00	11	3.67
Children	20	6.67	15	5.00
Collectively	47	15.67	49	16.33

Table 1

3.2.Interpretation

In Modern, 39.33% are influenced by their family and 23.67% by themselves. This concludes that more than half of the respondents are either influence by their own perception or by their family.

While more than 50% respondents in Conventional are influenced by their families.

For analyzing the association between income of the respondent and their satisfaction level from their choice of retail store, he/she is using the following Null hypothesis as stated:

- $H_0 18$: There is no association between income of the respondent and their satisfaction level from their choice of retail store.

Income	N	Mean	SD	F	df	Result
Up to 20,000	62	3.79	1.24			
20,000 - 40,000	265	3.71	0.89			
40,000 - 60,000	181	3.87	0.88	0.674	5, 594	NS
60,000 - 80,000	35	3.71	0.75			
80,000 - 1,00,000	24	3.83	1.01			
Above 1,00,000	33	3.82	1.07			

Table 2

The hypothesis that there is an association between income of the respondent and their satisfaction level from their choice of retail store holds non-significant on the basis of the respondents of the sample. Thus null hypothesis is rejected. This interprets that there is an association between the two and the income of the consumers has an effect on the level of satisfaction a consumer derives from his choice of retail store.

4.Conclusion

Retail is currently the booming sector of the Indian economy. From the analysis and interpretation it can be concluded that it demographic factors like income, occupation etc. are major influencers and therefore impart a major effect on consumer buying behaviour whether the consumer does shopping from a modern retail format or buys goods from a conventional store. Researcher also comes to a conclusion that family is the main influencer in country like India where joint family system is an important societal feature.

5.Suggestions

Retailers still need to offer lucrative offers to attract the prospective buyers and retain the existing one. Since family is the main influencer retail companies should launch offers and schemes for family package. Retailers should regularly ask their customers for

feedback of their experience from the outlet and specially keep such products which satisfy middle income people as they are the main customer base. Retailers must apply prompt and professional problem-solving methods.

Retailer must focus its resources on observing and studying consumer buying motives and buying attitude.

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