

A Study of Influence of Demographic Factors on Consumers While Selecting the Mode of Shopping in the District of Kolhapur

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Abstract

The preferences of consumer are rapidly changing and are becoming more diversified. Such changes are not restricted only to shopping of products and services but is also applicable to the mode of shopping. With more and more options of shopping available to the consumer, it becomes important to analyze the consumer behavior as regard to shopping of different products, services, mode of shopping, etc. along with the factors that influence their behavior, This research paper attempts to examine one of the significant factor viz. the demographic characteristics which play important role in the consumer decision making process of selecting the mode of shopping.

Index Terms –demographic factors, mode of shopping, Kolhapur district, consumer behaviour

INTRODUCTION

There has been a shift in the way things are being done today due to internet revolution with the activity of Shopping being no exception. Internet has practically brought the marketplace to ones' living room and has also dramatically changed the way consumers seek and use information. The retailers as well as consumers' can do their business from the comforts of their office and houses, as a result of which this new mode of shopping viz. Virtual Shopping is posing a serious threat to the present Conventional mode of Shopping. The Internet, which was earlier conceptualized as a tool for enquiring information, has become an important place of business these days.

In the district of Kolhapur there has been an increase in penetration of Internet and many villages and towns of the district are today able to access the Internet facility. Further, the decline in the tariff of Internet has become one of prime reason for inducing more people to start using Internet for one reason or another including virtual or online shopping. As a result, like metro cities and major towns in India, the trend of people adopting this new mode of shopping viz. virtual shopping is on rise in Kolhapur District. At the same time, in the last couple of years this district has also witnessed the entry of big and branded retailers in the form of Malls, Company Showrooms, Franchise units, Chain Stores, etc. which has widened the arena of conventional shopping for the consumers in this region. These Stores have also made their presence felt with eye catching Store Décor, Serene Ambience, Attractive Store Layout, Well trained and dressed Staff with pleasing personality, etc.

Therefore, today the consumers in Kolhapur District are witnessing severe competition between conventional shopping and virtual shopping. Hence, it will be interesting to understand, how consumers decide about which mode of shopping to select for various products. Although it is implied that consumer acceptance of conventional or virtual mode of shopping is also affected by different factors of consumer behavior and perception. In view of the same, study of demographic factors is considered for examining its influence on consumers while selecting the mode of shopping. This study focuses on examining whether there is any influence of six important demographic factors in the decision making process of selecting mode of Shopping.

HYPOTHESIS:

Hypothesis A: Gender of consumer significantly influences the selection process with regard to mode of shopping.

Hypothesis B: Age of the consumer significantly influences the selection process with regard to mode of shopping.

Hypothesis C: Education of the consumer significantly influences the selection process with regard to mode of shopping.

Hypothesis D: Income of the consumer significantly influences the selection process with regard to mode of shopping.

Hypothesis E: Occupation of the consumer significantly influences the selection process with regard to mode of shopping.

Hypothesis F: Marital Status of the consumer significantly influences the selection process with regard to mode of shopping.

RESEARCH METHODOLOGY

Primary data collection was made using stratified sampling method. A structured closed ended questionnaire for collection of primary data was framed and primary data was collected from 483 respondents across the district of Kolhapur.

The Statistical measures used for this study includes chi-square and t-test. Statistical test indicates support for significant and influence of demographic factor while selecting the mode of shopping.

ANALYSIS AND INTERPRETATION OF DATA**Hypothesis A :**

H₀: Gender of consumer has no significant influence on the selection process with regard to mode of shopping.

H₁: Gender of consumer has significant influence on the selection process with regard to mode of shopping.

Table 1 - Cross Tabulation

Gender	Type of Shopping			Total
	Virtual	Conventional	Both	
Male	239	111	7	357
Female	85	40	1	126
Total	324	151	8	483

Table 2 - Chi square test

	Value	Df	p value
Pearson Chi-Square	0.782	2	0.676
Likelihood Ratio	0.907	2	0.635
Fisher's Exact Test	0.524		0.844
Linear-by-Linear Association	0.101	1	0.750
N of Valid Cases	483		

Source: Survey data, not significant at 5% level

From the above table, it is observed that the p value of chi square test of association and Fisher's exact test are more than 5% level of significance. **Hence, there is no evidence to reject H₀ and Researcher concluded that Gender of consumer has no significant influence on the selection process with regard to mode of shopping.**

Hypothesis B :

H₀: Age of consumer has no significant influence on the selection process with regard to mode of shopping.

H₁: Age of consumer has significant influence on the selection process with regard to mode of shopping.

Table 3 - Cross Tabulation

Age Group	Type of Shopping			Total
	Virtual	Conventional	Both	
18-25	202	59	3	264
25-35	92	54	5	151
35-45	17	27	0	44
45-55	11	5	0	16
55-65	1	4	0	5
Above 65	1	2	0	3
Total	324	151	8	483

Table 4 - Chi square test

	Value	Df	p value
Pearson Chi-Square	41.326	10	< 0.001
Likelihood Ratio	39.958	10	< 0.001
Fisher's Exact Test	40.312		< 0.001
Linear-by-Linear Association	21.256	1	< 0.001

N of Valid Cases	483
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Source: Survey data, Significant at 1% level

From the above table, it is observed that the p value of chi square test of association and Fisher's exact test are far less than 1% level of significance. **Hence, there is no evidence to accept H_0 and Researcher concluded that Age of consumer has significant influence on the selection process with regard to mode of shopping.**

Hypothesis C :

H_0 : Education of consumer has no significant influence on the selection process with regard to mode of shopping.

H_1 : Education of consumer has significant influence on the selection process with regard to mode of shopping.

Table 5 - Cross Tabulation

Education	Type of Shopping			Total
	Virtual	Conventional	Both	
Up to SSC	1	3	0	4
SSC	0	14	1	15
HSC	7	36	0	43
Diploma	32	20	3	55
Graduate	221	67	2	290
Post Graduate	61	5	2	68
Other	2	6	0	8
Total	324	151	8	483

Table 6 - Chi square test

	Value	Df	p value
Pearson Chi-Square	132.2	12	< 0.001
Likelihood Ratio	134.054	12	< 0.001
Fisher's Exact Test	131.565		< 0.001
Linear-by-Linear Association	71.629	1	< 0.001
N of Valid Cases	483		

Source: Survey data, Significant at 1% level

From the above table, it is observed that the p value of chi square test of association and Fisher's exact test are far less than 1% level of significance. **Hence, there is no evidence to accept H_0 and Researcher concluded that Education of consumer has significant influence on the selection process with regard to mode of shopping.**

Hypothesis D :

H_0 : Income of consumer has no significant influence on the selection process with regard to mode of shopping.

H_1 : Income of consumer has significant influence on the selection process with regard to mode of shopping.

Table 7 - Cross Tabulation

Income	Type of Shopping			Total
	Virtual	Conventional	Both	
< 20000	144	55	3	202
20000 – 40000	129	59	5	193
40000 – 60000	34	26	0	60
60000 – 80000	8	6	0	14
80000 – 100000	3	2	0	5
100000 – 120000	6	2	0	8
120000 and above	0	1	0	1
Total	324	151	8	483

Table 8 - Chi square test

	Value	Df	p value
Pearson Chi-Square	11.218	12	0.510
Likelihood Ratio	12.369	12	0.416
Fisher's Exact Test	13.868		0.386
Linear-by-Linear Association	2.303	1	0.139
N of Valid Cases	483		

Source: Survey data, not significant at 5% level

From the above table, it is observed that the p value of chi square test of association and Fisher's exact test are more than 5% level of significance. **Hence, there is no evidence to reject H_0 and Researcher concluded that Income of consumer has no significant influence on the selection process with regard to mode of shopping.**

Hypothesis E :

H_0 : Occupation of consumer has no significant influence on the selection process with regard to mode of shopping.

H_1 : Occupation of consumer has significant influence on the selection process with regard to mode of shopping.

Table 9 - Cross Tabulation

Occupation	Type of Shopping			Total
	Virtual	Conventional	Both	
Student	92	16	3	111
Self Employed	22	18	1	41
Business	26	29	0	55
Housewife	21	14	0	35
Pvt. Co. Job	130	60	3	193
Govt. Job	19	7	1	27
Professionals	14	0	0	14
Retired	0	2	0	2
Farmer	0	4	0	4
Other	0	1	0	1
Total	324	151	8	483

Table 10 - Chi square test

	Value	Df	p value
Pearson Chi-Square	55.472	18	< 0.001
Likelihood Ratio	62.875	18	< 0.001
Fisher's Exact Test	60.177		< 0.001
Linear-by-Linear Association	2.490	1	0.115
N of Valid Cases	483		

Source: Survey data, Significant at 1% level

From the above table, it is observed that the p value of chi square test of association and Fisher's exact test are far less than 1% level of significance. **Hence, there is no evidence to accept H_0 and Researcher concluded that Occupation of consumer has significant influence on the selection process with regard to mode of shopping.**

Hypothesis F :

H_0 : Marital Status of consumer has no significant influence on the selection process with regard to mode of shopping.

H_1 : Marital Status of consumer has significant influence on the selection process with regard to mode of shopping.

Table 11 - Cross Tabulation

Marital Status	Type of Shopping			Total
	Virtual	Conventional	Both	
Unmarried	216	65	4	285
Married	106	84	4	194
Divorced/Widow	2	2	0	4
Total	324	151	8	483

Table 12 - Chi square test

	Value	Df	p value
Pearson Chi-Square	24.199	4	< 0.001
Likelihood Ratio	24.089	4	< 0.001
Fisher's Exact Test	25.312		< 0.001
Linear-by-Linear Association	20.976	1	< 0.001
N of Valid Cases	483		

Source: Survey data, Significant at 1% level

From the above table, it is observed that the p value of chi square test of association and Fisher's exact test are far less than 1% level of significance. **Hence, there is no evidence to accept H_0 and Researcher concluded that Marital Status of consumer has significant influence on the selection process with regard to mode of shopping.**

CONCLUSION

The above analysis done by way of hypothesis testing with regard to the influence of demographic factors on the selection process of shopping mode of the consumers, indicates that there is a co-relation between demographic factors such as Age, Education, Occupation and Marital Status and the selection process of shopping mode and therefore it can be said that the consumers' decision are influenced by these factors. Whereas, there was no co-relation observed between demographic factors such as Gender and Income, hence it can be said that in the process of selecting the shopping mode, the consumers' decision has no influence of these two factors.

The sample size considered for this study consists of only such consumers who indulged in both modes of shopping viz. conventional shopping and virtual shopping, hence it can be taken as an indicator of people's preferences in this area.