



# A Study On Retail Consumer Behaviour And Digitalization: Concept And Its Importance

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**Abstract:** In this research paper, we focused on retail buying behaviour in retail stores. Retail consumer buying behaviour includes the physiological factors that buyers go through in making buying decisions, findings ways to meet the needs of the consumer, by providing quality products, providing good promotional offers, and post-purchase services. The consumer often buys the products not just to satisfy their needs but rather because of the benefits that the product provides for them. Digitalization, which has had a significant and dramatic impact on society as a whole and the economic climate in recent years, has had an immediate impact on consumer behaviour. The primary reasons for these changes are technology and globalization which define several business processes and at the same time model the modern consumer reality. Digitalization has started to model every aspect of public life, especially consumer behaviour. The way that consumers consume various goods and services is evolving along with their own desires, objectives, values, and lifestyles. The article seeks to demonstrate how digitalization has affected consumer behaviour in retail. The most general framework for digitalization will be used, devoid of any unique kinds, and as a result, the general changes in consumer behaviour will be discussed, rather than any particular alterations. The emphasis on new technology, modifications in customer behaviour, and therefore on retail is part of the study technique. A market appears on the grounds that it satisfies the requirements of the buyer. Customer conduct is an intricate, dynamic, multidimensional interaction, and all promoting choices depend on buyer behaviour. Researchers observed that the customers prefer retail outlets because of price discount, followed by variety of products in the store and convenience to the customer. Researchers have also observed that departmental stores are most popular amongst consumers. Customers purchase behaviour varies with price and availability of products and customers spending pattern shrinks due to poor quality of products

**Index Terms - Consumer Behaviour, Marketing, Digitalisation, Retail.**

## I. INTRODUCTION

In the present market, consumers are the rulers. The Standard of conduct of the Indian purchaser has gone through a significant change in the coordinated Retail area. The customer scene is changing exceptionally quickly. Word-related changes and the Infiltration of media have caused a critical change in the manner in the customer spends their Cash. Customers today see a thrilling blast of decisions, new classifications and new shopping Alternatives and have expanding discretionary cash flow to satisfy their goals study on retail buying behaviour. All showcasing begins with the customer. So, the customer is important to an Advertiser. The customer chooses what to buy, for whom to buy, for what reason to Buy, from where to buy, and the amount to buy. To turn into a Fruitful advertiser, he should know the loving or hating of the customer. He should Additionally know the time and the amount of labour and products, a customer may Buy, so he might store the goods or offer the types of assistance as indicated by the likes of the customers. Presently the entirety Idea of customer's power wins. The producer produces and the Dealers sell whatever the shopper likes. In this sense, the consumer plays an important role in the market. Retail customer means the individually metered end-use customer who buys and ultimately consumes commodities. Consumer behaviour might be those things additionally the decision procedures of people while they buy items and services for individual use, retail buying behaviour is all the aspects that affect consumers' search, selection, and purchase of products. Retail Consumer behaviour marketing is so much more than making a catchy appearance which attracts people to purchase. Understanding customer behaviour is an aspect that is a crucial part of marketing strategy. Retail consumer behaviour is a study of how people make choices in what they buy, want, need, or as regards a product, service, or company. It is complicated to understand consumer behaviour to know just how customers will respond to an item that is new to the market. It helps organizations to determine opportunities that aren't currently met. Back in the century goods are exchanged through the barter system. In this system parties exchange goods. After the introduction of the currency, the barter system become neglected. Even after the market didn't change as much as seller plays a key role in deciding on a product. He decides which type of product should be there in the product, and he thinks about his profitability only. Late 19 century people started thinking about customer needs and behaviour toward the product. (Singh,2016)

From the 1950s, showcasing started to move its dependence away from financial aspects and towards different disciplines, remarkably the conduct sciences, including humanism, human sciences and clinical brain research. This brought about another accentuation on the client as a unit of investigation. Thus, new considerable information was added to the promoting discipline – including such thoughts as assessment administration, reference gatherings and brand faithfulness. Market division, particularly segment division dependent on financial status file and family life-cycle, additionally became popular. With the expansion of customer conduct, the advertising discipline showed expanding logical complexity concerning hypothesis improvement and testing procedures. In its initial years, buyer conduct was vigorously impacted by inspiration research, which had expanded the comprehension of clients, and had been utilized broadly by specialists in promoting business and inside the discipline of brain science during the 1920s, '30s and '40s. By the 1950s, advertising started to embrace strategies utilized by inspiration specialists including in-depth interviews, projective procedures, topical apperception tests and the scope of subjective and quantitative exploration methods. More of late, researchers have added another arrangement of devices including ethnography, photograph elicitation procedures and phenomenological interviewing. Today, customer conduct is viewed as a significant sub-discipline inside showcasing and is incorporated as a unit of study in practically all undergrad promoting programs. Thus, changes made a huge difference in marketing. This result showed retail business also. They started to sell customer needy products. And started to analyse the buying behaviour of the customer. Indian industry that is retail emerged as first among the many powerful and progressive industries as a result of the entry of several brand-new players. India is the world's 5th biggest international destination in the area that is retail (Krishnamurthy,2018)

Digital marketing provides greater delight to the consumer. clients, as they can provide comments and ask questions about any goods and services. The digital market is far more convenient than traditional marketing because communication primarily takes place through websites, chat, email, and other digital methods. As they employ digital tools that make marketing much easier, digital marketing is one of the quick ways to improve for any organization looking to expand and flourish globally. In a short amount of time, it reaches a significant number of customers from all over the world. It is fairly simple to assess a company's effectiveness using analytics. whereas in traditional marketing it is exceedingly challenging to gauge the effectiveness of a campaign. With the help of the internet, clients can access the provided information from any location at any time, making it very simple to make changes and update it frequently in the digital market according to their objectives and services. Today, online retailers like Myntra offer a wide range of brands and make it simple for customers to purchase whenever they want, wherever they are, by simply installing one app and connecting to the internet. They also offer a 30-day exchange or return policy, which raises customer satisfaction (Hadi,2020).

Nowadays, almost everyone shops online for all products, whether they are groceries or clothes. Everyone is familiar with how to visit a corporate website, look up a certain product, order that product, and provide feedback. Every consumer has the right to receive comprehensive information about every product; nothing should be kept a secret from them since they have the right to complain about any product if they feel deceived. Customers can compare prices and order other relevant products whenever it is convenient for them because digital marketing offers round-the-clock services, allowing them to shop whenever they have free time. In the highly competitive market of today, digitalization plays a significant part in the exploration of business models utilizing digital technologies that lower costs and increase global companies. Since there is no set location for the shop, there is no worry about wear and tear or product theft, which benefits both the customers and the company. Due to company openness and a fiercely competitive market where customers have the freedom to choose, it also ensures quality and lowers fraud (Tandon,2018).

### Need of study

An attempt has been made in the present study to unfold the need to study the impact of digitalisation on retail buying behaviour that has a significant bearing on marketing decisions. It Yields significant data and an understanding of consumers' opinions. With these experiences, Marketing firms might improve their specific advertising efforts to effectively associate with Consumers. The study will be conducted on retail buying behaviour will help the Bangalore region retailers, to study shopping parameters adopted by consumers for selecting retail outlets. and also, to study retail buying behaviour and satisfaction in the different retail stores.

### Scope of study

This study will be mainly focused on the Bangalore city region to understand the digitalisation and retail buying behaviour of customers in retail stores. This study will help to know different angles of the consumer buying decision. It will help Bangalore region retailers to advance their business and gain good sales.

### Objectives of study

- To study shopping parameters adopted by consumers for selecting retail outlets
- To study the demographic characteristics of the Consumers of retail stores.
- To understand the buying behaviour and satisfaction in different sector of retail

### Literature review

**Pallikara et al., (2021)** – "Buying behaviour at the retail check out: An investigate of select antecedents"-in his study opinion Impulse buying behaviour in Indian retail outlets is very poor compared to developed countries, Indian consumers are much more focused on price, value and healthy products and they do not much get attracted towards advertisement at the retail checkout. So, this study concluded, impulse buying behaviour in Indian retail outlets is limited but only in some situations and external factors bear to impulse buying behaviour.

**Dimova (2021)** -a study on the influence of digitalisation on consumer behaviour in retail. He found out that exceptionally lively in addition to changing retail, digital transformation has a big impact on customer behaviour. Another factor for better and sufficient sales and earnings is how quickly shops adapt to change. For both customers and businesses, the point where online and offline purchasing collide is particularly crucial. Retailers themselves must comprehend technological advancements and assess how they will affect their operations and clientele. Virtual stores unquestionably have the future, which means that retailers have the serious

duty of acting right away to make sure they will survive in a fiercely competitive climate with constantly evolving consumer behaviour.

**Ahmad and Hadi (2020)** - did a study on "Impact of digitalization on consumer buying behaviour concerning consumer demographic factors". The objectives of the research were to know the effect of digitalization on consumer buying age, gender, qualification and income. They used a quantitative research approach for methodology. Concerning the demographics examined in this study, the current study has given rise to a deeper knowledge of the effects of digitalization on consumer purchasing behaviour. The demographics of gender and age affected consumer purchasing decisions about digitalization. The research's findings provide significant theories regarding how digitization and consumer buying behaviour relate to one another. Tandon (2018)- a study on the impact of the digital market on consumer buying behaviour. In this study, he found that understanding consumer psychology is crucial. To ensure the sustainability of the business, it is important to correctly comprehend the constantly evolving purchasing patterns of consumers in the digital age. Today's marketers must deal with many risks and obstacles brought forth by the revolutionized economy. The advantages of digital marketing must be made more widely known. To enhance the size of the market, more efforts should be made to make digital marketing safe. Consumer behaviour has changed for the better as a result of digitization. Due to their busy schedules, working couples in large cities are experiencing the greatest change, as it is convenient for them to make purchases and payments whenever they have time.

**Krishnamurthy (2018)** - "Consumer Behaviour towards Marketing Mix in Organized Retail: A Study regarding Super markets in Mangalore" – In his study, his opinion is that with the entry of modern organized retailers the focus has been shifted from traditional retailers to modern organized retailers. Since there is a large variety of retail formats and many marketing mix Strategies, it is difficult to choose which best marketing mix Strategies that influence consumer demand. Also, his study reveals that price, advertisement, physical evidence, and discounts will significantly impact retail buying behaviour.

**Grewal & Levy (2017)** - "Retailing research: Past, Present, and Future"- In this study, they say that Retailers should adopt modern technologies. And retailers should go through digital payment facilities, which help the modern customer and will attract modern customers for their easy payment. And he said that retailers should know about tech learning, and in future, it will help.

**Varma and Srikrishna (2016)** - "Study on consumer buying behaviour towards organized retail outlets in Warangal"- In their study, they convey that middle-income and upper-income customer prefers organized retail shops to purchase. Since they provide much quality of products and post-purchase service at a reasonable price. Lower-income consumer prefers unorganized retail shops. This study also reveals that customers prefer organized retailing over Unorganized retailing, due to which organized Retailing become a threat to unorganized outlets.

**Kumar (2015)** - "A study on consumer buying behaviour towards organized retail stores in erode district, Tamilnadu, India"- The findings of his study convey an understanding of factors that are important in managing consumer satisfaction. The consumer doesn't Satisfy only with physical appearance, offers and personal interaction and also with after-sales services, security and entertainment. Organized retailer outlets must provide good product quality and store convenience and after-sale service and availability of the new product with attractive promotional offers that enhances customer satisfaction.

**Menaka and Chandramana (2014)** - "A study on consumer buying behaviour in retail outlets"-In her study, she says that today consumers want a better shopping experience, recreation, friendly interactions and a wide choice of products and services. The retailer that satisfies customer needs must have a thorough understanding of how customers make buying decisions. Customer behaviour provides some valuable information for retail management decision-making.

**Choudhary et al., (2014)** - "A Study on Customer Purchase Behavior Pattern in Retail Market Place"- In his findings, he conveys that consumers are rational in the retail market and it is hard to find their behaviour patterns. And it is difficult to analyze consumers' emotional, mental and behavioural responses.

### Data Analysis

Table 3.1: Showing results Demographic variables

Variables	Category	Frequency	Percentage(%)
Gender	Female	30	48.4%
	Male	32	51.6%
	Other	-	-
	<b>Total</b>	<b>62</b>	<b>100</b>
Age	Below 18	-	-
	18-25	59	95.2%
	26-40	3	4.8%
	41 above	-	-
	<b>Total</b>	<b>62</b>	<b>100</b>
Demographic	Urban	50	80.6%
	Rural	12	19.4%
	<b>Total</b>	<b>62</b>	<b>100</b>

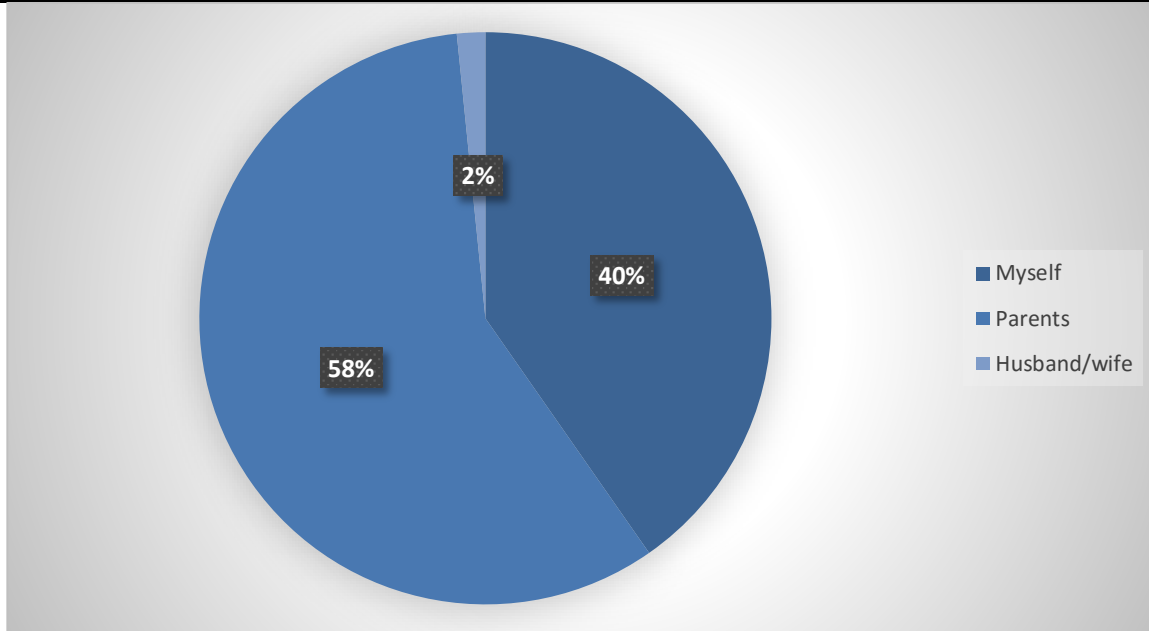
<b>Educational qualification</b>	Below SSLC	-	-
	SSLC	-	-
	PUC	4	6.5%
	Undergraduate	35	56.5%
	Postgraduate	23	37.1%
	<b>Total</b>	<b>62</b>	<b>100</b>
<b>Employment status</b>	Student	50	80.6%
	Professional	9	14.5%
	Businessman	-	-
	Daily wage worker	-	-
	Unemployed	3	4.8%
	<b>Total</b>	<b>62</b>	<b>100</b>
<b>Monthly income</b>	Below 20000	13	21%
	20000-40000	16	25.8%
	40000-60000	14	22.6%
	60000 and above	19	30.6%
	<b>Total</b>	<b>62</b>	<b>100</b>

**Interpretation:**

- Gender: majority of responded are Male consist of 48.4% and rest of 51.6% are female.
- Age: The sample consists of 95.2% of the responded belongs to the age group of 18-25years and 26- 40 age group are 4.8% respectively.
- Area: In this survey we got 19.4% of responses are from rural area and 80.6% are from urban area.
- Educational qualification: In our survey majority of responded are qualified undergraduate which consists 56.5%,6.5% are from PUC,37.1% are from post graduate.
- Employment status: In this survey We found that minority of our responded are students which has 80.6%,14.5% are professionals and 4.8% unemployed.
- Monthly income: About 21% of responded are falls under below 20000 monthly income group,25.8% of responded are belongs to 20000-40000 income group,22.6% of responded are 40000-60000 income group and 30.6% of responded are have 60000 and above monthly income.

Table 3.2: showing results of purchase decision making at household

<b>Variable</b>	<b>No of responses</b>	<b>Percentage</b>
Myself	25	40.3
Parents	36	58.1
Husband/wife	1	1.6
<b>Total</b>	<b>62</b>	<b>100</b>



**Interpretation:** Above table 3.2 shows parents plays key role in purchase decision making at household. Around 58.1% of houses, parents decision plays major impact on decision making while purchasing a product. And 40.3% of people take decision by themselves for their purchasing a product.

Table No 3.3: Showing results of customer shopping preference

Type of shops	No. Of responses	Percentage (%)
Organized retail shops	38	61.3%
Unorganized retail shops	25	40.3%
Online	27	43.5%
Total	62	100%

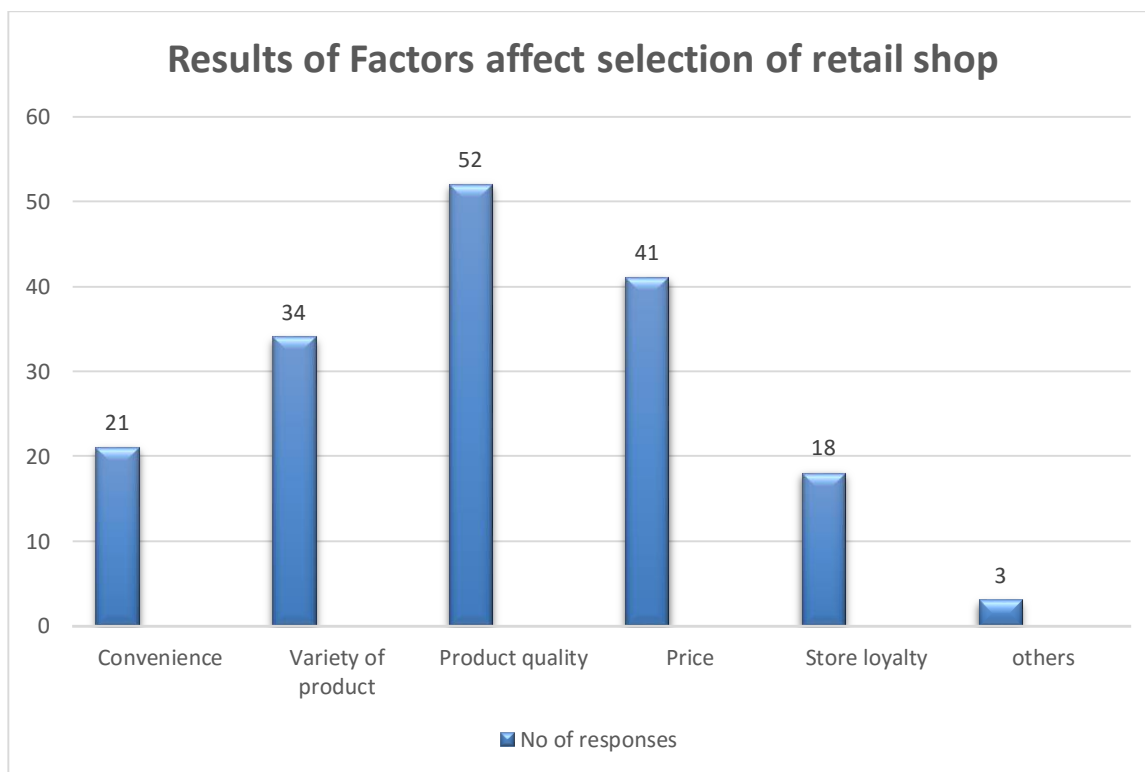


**Interpretation:** As per above table 3.3, 61.3% of people prefer organized retail shops for buying retail products, 43.5% prefers online mode of shopping and 40.3% of people prefers Unorganized retail shop. Consumer things that shopping mall is very convenient for buying a product. And some of consumer nowadays prefers online mode.



Table No 3.4: showing results of Factors that affect the selection of retail shop

Factors	Number of responses	Percentage%
Convenience	21	33.9%
Variety of product	34	54.8%
Product Quality	52	83.9%
Price	41	66.1%
Store loyalty	18	29%
Other	3	4.8%
Total	169	100%

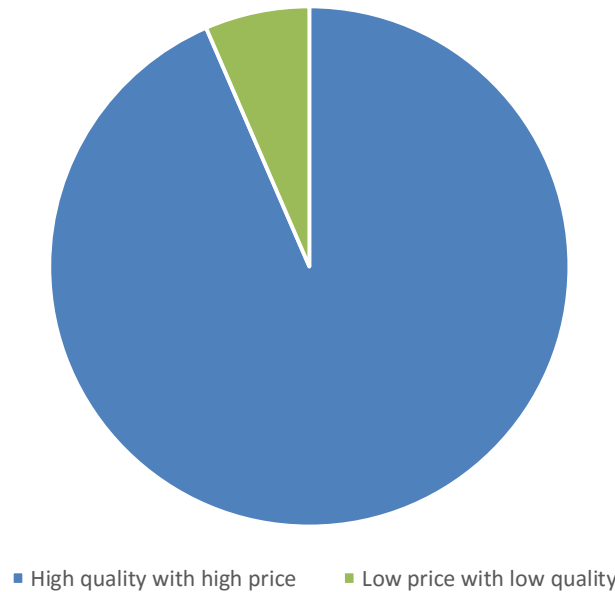


**Interpretation:** Among these factors which influences the consumer to buy products, the quality of the product what they offer in the store has influenced major consumers about 83.9% 52 consumers out of 62. Then the prices of the products in the store attract the (66.1%) 41 consumers out of 62. And also variables such as variety of products, conveniences, stores loyalty towards customers and other factors found has a good influence on consumers.

Table 3.5: showing results of Consumer Preference toward electric and related items

Quality and price	No of responses	Percentage
High quality with high price	58	93.5%
Product with low price with low quality	4	6.5%
Total	62	100%

showing the result of Consumer Preference toward electric and related items



Interpretation: Above table 3.5 depicts consumer prefers over high quality with high price product when buying a electric and related items. As per our data around 93.5% of people prefer high quality with high price product and 6.5% of people prefer product with low quality with low price.

Table 3.6: showing results of Consumer preference toward food items

Quality and price	No of responses	Percentage
High quality with high price	59	95.2%
Product with low price with low quality	3	4.8%
Total	62	100

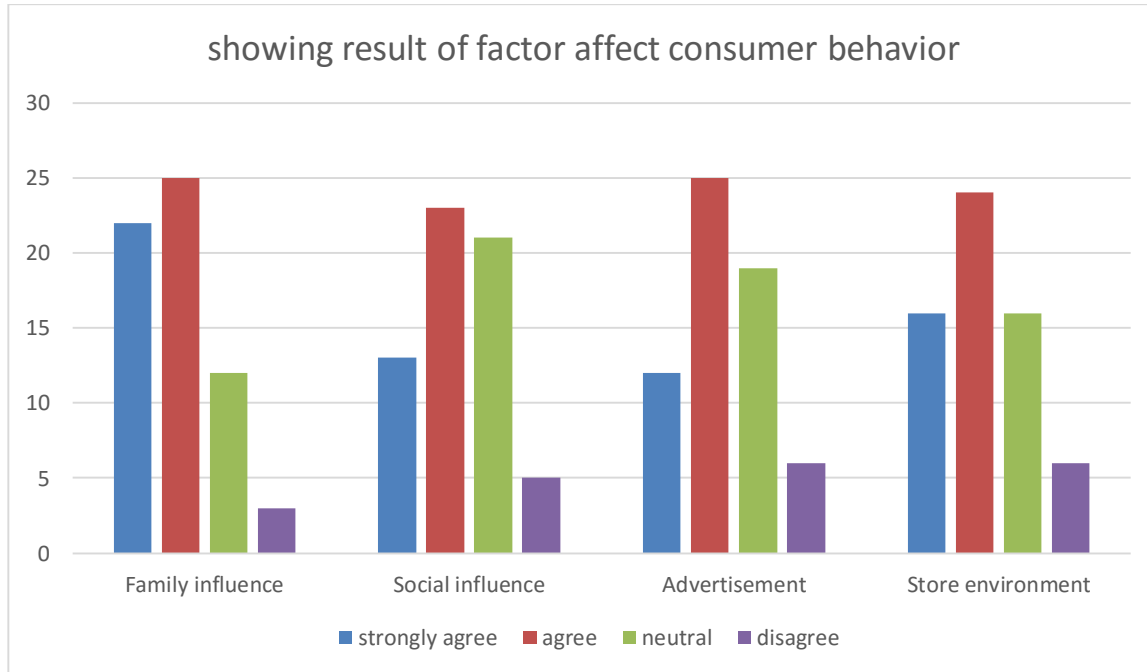
Showing results of consumer preference towards food items



Interpretation: Above table 3.6 conveys consumer prefers over high quality with high price product when buying a food and related items. As per our data around 95.2% of people prefer high quality with high price product and 4.8% of people prefer product with low quality with low price. In that we can assume that people will buy quality product when if it food item. Consumer prefers high quality products even though if price is high

Table No 3.7: showing results of Factor affect consumer behaviour

Attributes	Strongly Agree	Agree	Neutral	Disagree	Total	Percentage
Family Influence	22	25	12	3	62	100
Social Influence	13	23	21	5	62	100
Advertisement	12	25	19	6	62	100
Store Environment	16	24	16	6	62	100

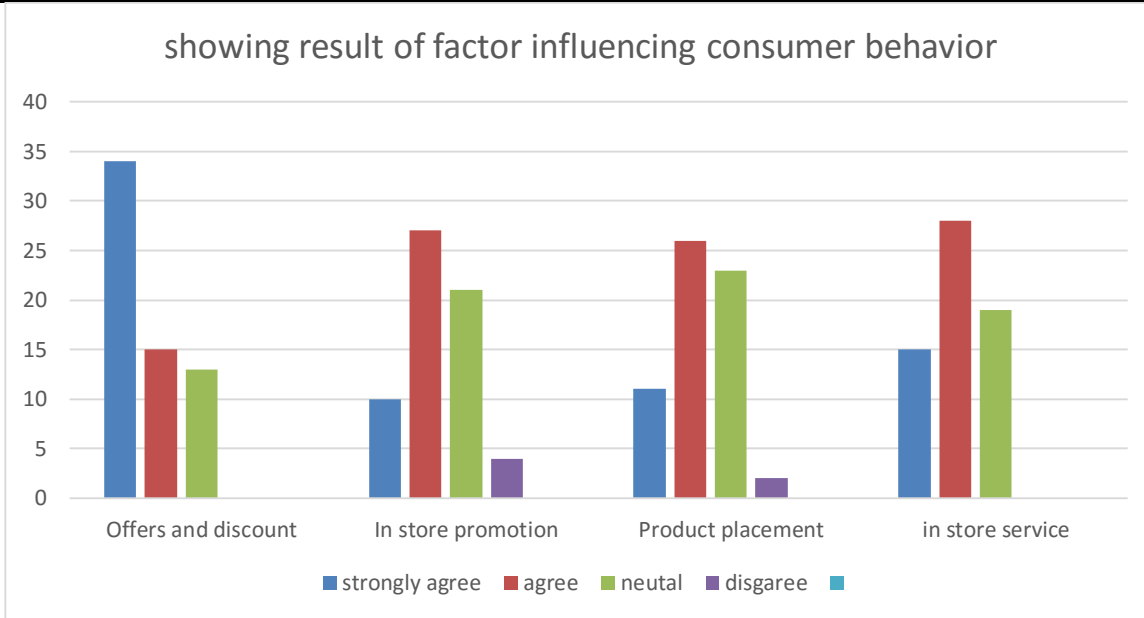


Interpretation: per above shown table 3.7, in consumer point of view family influence plays Major role in buying a product, 75.8% people agree with that, and only 24.2% consumer stay with neutral and disagree with point. The social influence on consumer buying behavior will be around 58.1% and only 41.9% of people disagree with social influence.59.7% of consumer days that advertisement plays main role in buying a product,30.6% of people doesn't have any opinion on that and only 9.7% of consumer doesn't feel that advertisement will not influence buying habits of a consumer.64.5% of responded agree with store environment will affect their buying decision and selection of retail store only 35.5% of respondents says that store environment will not affect on selection of retail shop and their buying behaviour.

Table No 3.8: showing results of factor influencing consumer behaviour

Attributes	Strongly Agree	Agree	Neutral	Disagree	Total	Percentage
Offers and discounts	34	15	13	-	62	100
In store promotions	10	27	21	4	62	100
Product placement	11	26	23	2	62	100
In store services	15	28	19	-	62	100





**Interpretation:**

On above shown table 3.8, based on our survey 79% of responded says that offers and discounts will affect consumer behavior and only 21% of responded disagree with that.16.1% of consumers says that in store promotion strongly effect consumer buying decision and 43.5% of consumer agree with in store promotion will effect buying decision,33.9% of consumer will be or won't effect consumer behavior and 6.5% of consumer disagree with in store promotion won't effect consumer purchasing decisions.59.7% of consumer says that product placement will be major role in retail buying decision and 40.3% of consumer says product placement may be or may not effect consumer buying behavior.69.4% of buyers responded that in store service will effect buyer decision making and 30.6% of consumer thinks that totally disagree with in Store services will affect consumer behavior.

Table No 3.9: showing results of satisfaction level of nearest retail shop

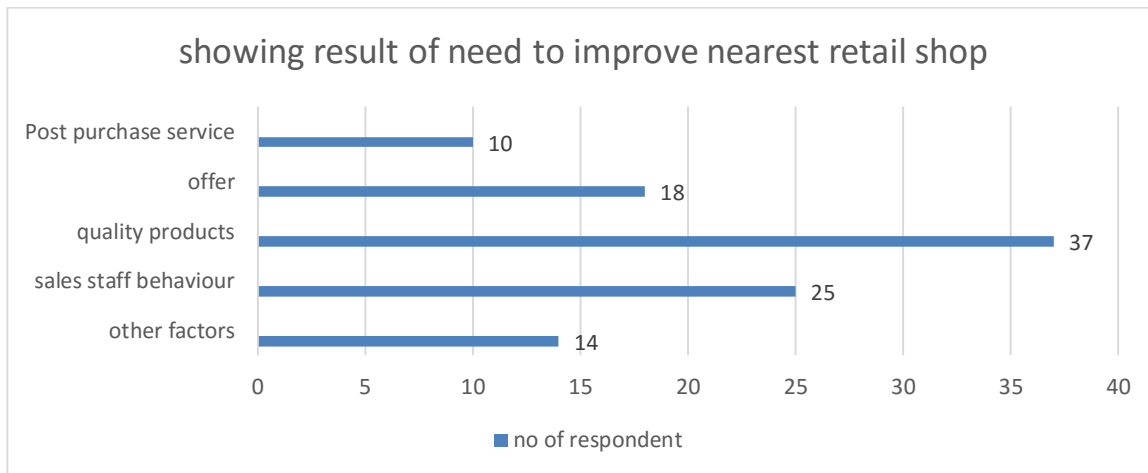
Yes/no	No of respondents	Percentage
Yes	58	93.5%
no	4	6.5%
Total	62	100



**Interpretation:** above table 3.9 , in order to analyze satisfaction level of nearest retail shop in that 93.5% of consumer are satisfied with nearest retail shop and only 6.3% of consumer doesn't satisfied with nearest retail shop. The reason for unsatisfactory is less variety of product, selling expired product, poor quality etc.

Table No 3.10: showing results of Need to improve nearest retail shop

Area	No of respondents	Percentage
Post Purchase services	14	22.6
Offers	25	40.3
Quality products	37	59.7
Sales staff Behaviour	18	29
Other Factors	10	16.1
Total	62	100



**Interpretation:** above table 3.10, shows that in which sector nearest retail shop should improve in that on responded view their nearest retail shop should improve in selling of Quality products which is majority which is 59.7%. 40.3% of consumer says that nearest retail should give offers and discounts for their customers. 29% of responded says that sales staff behavior should improve. And 22.6% of responded says that post purchase services should improve.

### Suggestion

1. Present and future generation prefers organized retail and online shopping mode, so unorganized retail sector need to improve up to organized retail standard or they should partnership with online retail sites to grow their business.
2. Small retail shop should adopt new technologies like digital payment, online selling etc.
3. Seller has to provide wide range of varieties of product which customer can easily purchase.
4. Retail shops have to improve store environment, proper product placement and staff behavior towards customer.
5. Since there is family influence plays major role in decision making so, retail has to target on family relations in their advertisement.
6. Retail shops has to improve in delivering quality products, offering post purchase services, sales staff behavior, and should provide attract discounts and offers that attracts consumers.
7. Every retailer has to collect feedback from the consumer, so they can provide according to their needs.

### Conclusion

In conclusion, the extremely dynamic digital transformation is not only transforming retail but also significantly influencing consumer behaviour. The speed with which retailers respond to change is also a criterion for more successful and adequate sales and profits. The intersection of online and offline shopping is especially important for both consumers and retailers. Retailers themselves need to understand technology trends and determine their impact on business and customers. The future undoubtedly belongs to virtual stores, which puts retailers in the serious task of acting today to ensure that they will survive in a fiercely competitive environment with ever-changing consumer behaviour. Digitalisation itself is to evolve and this is to affect consumer behaviour. Only the future will show how useful this relationship is for consumers, companies and society as a whole.