INFLUENCE OF SHOPPING VARIABLES ON GROCERY SHOPPERS

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Abstract :

The Indian retail industry is growing in a quicker rate because of growth in the shifting demographics of Indian population and progress in the quality of life of urban people. Indian retail industry consists of both organised and unorganised sectors. Organized retail which now constitutes a small percentage of total retail sectors is growing at a higher rate. Growth opportunity in the retail sectors comes with several challenges. There are instances where retailers have failed to know the market and have to suffer losses and in some case had to shut down their business. Hence retailers need to be watchful and be equipped well for the challenges. Understanding the consumer psychology is important in order to frame better marketing strategies to retain customers and develop in the retail business. There is a need to know as to which shopping variables influence the consumers to visit a particular shop? What attracts customers to a specific store? This study focuses on the influence of shopping variable on the grocery shopper in Dakshina Kannada District, Karnataka, India.

IndexTerms – **Indian Retail, Grocery Shopping, Shopping Variables, Grocery Retailing, Organised Retail, Unorganised Retail**

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I. INTRODUCTION

The Indian retail industry is growing in a faster rate because of growth in the changing demographics of Indian population and an improvement in the quality of life of urban people. (Sunita Chopra, S K S Yadav, 2015). Indian retail industry is the 5th largest in the world and accounts for 14-15% of country's GDP. Retail industry in India is one of the fastest growing areas over the last few years. (M Ramachandra Gowda, 2014). The Indian retail industry is the largest among all the industries, accounting for over 10 percent of the country's GDP and around 8 percent of the employment (R Jayasathya R Gopi. 2015). Indian retail industry consists of both organised and unorganised sectors. Organized retail which now constitutes a small four percent of retail sector in 2006-7 is likely to grow at 45–50% per annum and increase its share of total retail trade to 16 percent by 2014–15 (Kumar Pardeep, 2015). India had only unorganized sector in the past, but with the changing economic scenario post 1991 we can see the growth of organised retailing. There are about eleven million small neighborhood shops called kirana shops or unorganised retail stores in India. (Sanjoy Roy Atul Kumar Anoop Pandey, 2013). Due to the huge potential in the Indian retail sector large businesses have entered this area in Organized Retail Sector and have announced very ambitious future expansion plans (Dr.Yogesh U, Dr.Nilesh, 2015). The opportunity in retail sector comes with challenges also. Among the challenges one is the challenge of understanding the retail shopping behaviour of consumers. In this paper the researcher has made an effort to know the retail shopping variables influencing the consumer choice of stores.

II. LITERATURE REVIEW

Specifically, store image has been identified as an important factor to influence consumer store preference (e.g. Clarkson et al., 1996; Clarke et al., 1997; Wakefield and Baker, 1998; Erdem et al., 1999; Hernandez and Bennison, 2000). Location was also found to be an important factor in choosing a store (Arnold et al. (1997) and Kim and Jin (2001)). Low prices and product assortment were found as important store choice criteria (Arnold et al. (1997) and Seiders and Tigert (2000)). Other studies have examined the role of store environment (Baker et al., 1994), store atmosphere (Donovan et al., 1994; Turley and Milliman, 2000), product assortment (Grewal et al., 1999), store price format (Bell and Lattin, 1998), customer service (Sparks, 1995) and store brands (Burt, 2000; Ailawadi, 2001). The impact of situational factors such as task definition, perceived risk, physical surroundings, social surroundings and temporal aspects on retail format choice decisions relating to kirana stores, convenience stores supermarkets and hypermarkets in the fast growing food and grocery retailing in India has been done (Cherukuri Jyashankar prasad, 2010). This study showed that shoppers indicated different store format choice behaviour when reacting to different shopping situations. Task definitions, perceived risk and social surroundings are proved to be significant for neighbourhood kirana and convenience store formats. Task definition (purchasing products in bulk and knowing ideas and new products in market), physical surroundings (ambience and store design), temporal aspects (time spent and convenient opening hours) and social experiences, and perceived risk factors (financial, psychological, and physical) are highly significant toward supermarket and hypermarket format choice decisions. (Cherukuri Jyashankarprasad, 2010).

III. METHODOLOGY

This exploratory study is based on both secondary and primary data. The secondary data related to grocery shop choice were collected from management journals. Articles related to grocery shopping behaviour were identified and reviewed. The primary data was collected by distributing the structured questionnaire to the respondents. Questionnaires were distributed to grocery shoppers of grocery store in Dakshina Kannada District, Karnataka, India.

3.1 RESPONDENTS PROFILE

Meaning of Respondents: In this paper the respondents means all those individuals who have been distributed the questionnaire and responded to the questions in it. As the research is done on grocery shop choice all the respondents are termed respondents or shoppers/ grocery shoppers throughout the paper.

Total of 250 questionnaires were distributed to respondents out of which 4 questionnaires were rejected as the responses were not clear. The sample was selected based on the convenience sampling method. Among the 246 respondents 135 were male respondents and 111 were female respondents. 49 respondents were between 20-25 years age group, 65 respondents were from 26 to 35 years of age group, 86 respondents were of 36 to 45 years of age group, 31 respondents were of 46 to 59 years of age group and 15 respondents were above 60 years of age. 96 respondents were Professionals, 54 of the, were doing their Own Business, 68 of the respondents were Home Makers, and 28 of the respondents were Students. 39 respondents had PUC as their highest qualification, 136 of them had Degree as their qualification, 65 of them were Post Graduates and 6 of them have done their PhDs.

3.2 OBJECTIVES OF THE RESEARCH

Following Objectives were set for the study
1) To identify the shopping Variables those influence the grocery shoppers
2) To identify extent of influence of shopping variables

IV. RESULTS AND DISCUSSION

In order to analyse the various factors influencing the store choice, various shopping variables were identified on the basis of literature review and listed in the questionnaire. Respondents were asked to select the reasons for which they shop from a particular store. They were allowed to select more than one option.

Table.No.1.1: Frequency of Factors Influencing Store Choice

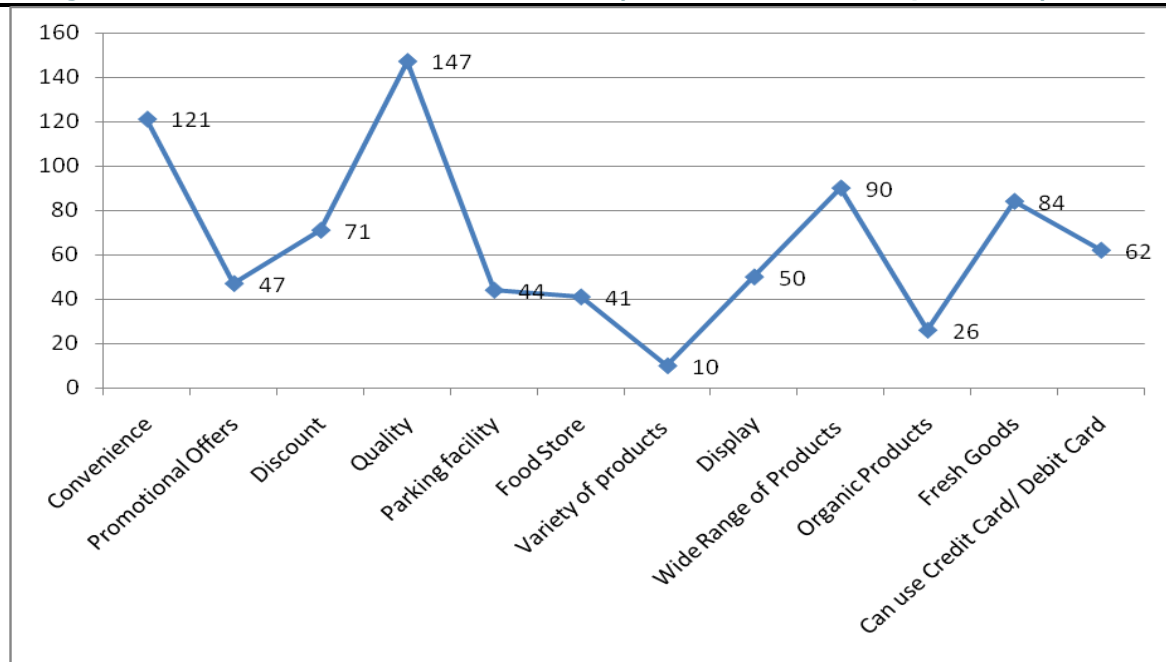| Store Variable	Frequency	Percentage
Convenience	121	49
Promotional Offers	47	19
Discount	71	29
Quality	147	60
Parking facility	44	18
Food Store	41	17
Variety of products	10	4
Display	50	20
Wide Range of Products	90	37
Organic Products	26	11
Fresh Goods	84	34
Can use Credit Card/ Debit Card	62	25

Figure No.1.1: Frequency of Factors Influencing Store Choice

Based on the data collected and analysed, all the shopping variables under the study are categorised into three categories i.e. "Most Important Factors Influencing the Store Choice", "Important Factors" in influencing the store choice" and "Not So Important Factor". It was observed from the survey that Quality, Convenience, Wide Range of Products, and Availability of Fresh Products were categorised as "Important Factors" in influencing the shopping choice of a shopper having frequency from, 147 to 80. The next shopping variables like Discount, Use of Credit/ Debit Card, Display of Products, Promotional Offers and Parking Facility were categorised as "Important Factors" in influencing the shopper's choice of a particular store. These variables had a frequency range between 70 to 45. Remaining store variables like, Food Store inside the store, Variety of Products availability, Availability of Organic Products, Use of Credit/ Debit Cards were not so important factor influencing the store choice of a shopper.

CONCLUSION

It is evident from this study that the shoppers give more importance to the Quality of the Product a shopper sells, Convenience of the store, Range of Products availability and availability of fresh products are the most important factors that the shoppers consider while shopping from a retail store, hence the retailers have to give top most importance to these factors while designing a retail stores. Importance has also to be given to the important factors influencing the store choice like promotional offers, Credit/ Debit card usage facilities, and parking facilities. As the retail market is facing severe competition the retailers need to consider the shoppers preferences in order to survive. If these factors are neglected or over looked upon the retailer may lose the business to the competitors. Hence it is advised to the grocery retailers to consider the shoppers needs and then react accordingly.

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