

A Study on Factor Influencing Customer Choice of Store Selection and Behaviour in Organized Retail Outlets in Madurai

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Abstract

Retailing is a major business in India, organized retailers are entering in to Indian markets to reach mass sales and maximize profit , in this stage retailers should aware of the factor that influencing customer choice of store and customer behaviour, loyalty of the customer is a tool to reach profitability and with hold in market, and objective of this study is to know the factor which influences customer choice of store selection and their behaviour in organized retail out lets in Madurai, 175 samples were selected using simple random sampling method, data collected with the structured interview schedule, SPSS package has been used for statistical analysis.

Keywords: Retailing, Factor influencing, Customer, Behaviour, Organized retailers

Introduction

Retailing has become such a characteristic piece of our regular day to day existences that it is frequently underestimated. The countries that have accomplished the best financial and social advancement have been those with a solid retail area. Which business thinks about each person as a client? Which business represents under 10% of the overall workforce is as yet the single biggest industry in many countries? What is regular between Walmart, Amazon and the little Kirana stores that spot your area? The appropriate response is retailing, the last connection in the chain of creation, which starts at the extractive stages, travels through assembling and each in the conveyance of labour and products to the end clients. The world over retail business is overwhelmed by little family run corporate retailers and locally designated stores, however steadily an ever increasing number of business sectors in the western world are being taken over by global combinations. Staple is the biggest retail area worldwide and the biggest worldwide retailers, There are six key worldwide arrangements: grocery stores, hypermarkets/ super focuses, product house, discounters, corner shops and mother and pops. These configurations are obviously recognized by buyer shopping events and value focuses, and achievement relies upon the capacity to join low value alternatives with areas, range and the time comfort. Area assumes a significant part in choosing the organization of supermarkets. Closeness to purchasers' homes is anything but a vital factor on account of bigger configurations like the hyper market. Huge markdown designs are the greatest victors in staple which is a value touchy area.

Statement of the Problem

Store decision and support have been generally concentrated across the world, yet in India there is as yet immense degree for additional examination as the retailing climate has been evolving quickly, prompting steadily changing customer assumptions and realignment of the decision set of stores. This wonder acquires significance in the Indian setting with the presentation of bigger and different retail arranges by coordinated players. These configurations give new encounters and shopping alternatives to the client. A few arrangements have been attempted with blended achievement, and one can be certain that some more models are on the way. The two retailers and customers are as of now in the assessment stage with no unmistakable decision concerning what may drive the selection of stores to shop in, one outcome of this experimentation is that it has prompted exceptionally high footfalls in stores yet low changes as far as genuine buy, bringing about significant expense of administration and henceforth lower benefit for retailers. Given this unique retailing situation, it some of the time appears as though present-day retailing is driven more by rapture than authenticity. ‘The majority of the new developments are variations of western organizations, getting moderate to tepid achievement. Against this background, there is a developing need to assess the genuine drivers of shopping conduct in the Indian setting’. Determinants affecting store decision may develop throughout some stretch of time dependent on experience and development.

Objective of the Study

- To identify the factor that influencing customer choice of store selection.
- To know the customer buying behaviour towards organized retail stores in Madurai .

Research Methodology

The validity of a research depends on systematic method of collecting the data and analysing the same in a sequential order. Methodology presents Sampling design, Data sources, Tools for data collection, Construction of questionnaire, Pilot study and the Frame work of analysis.

Sample Size: 175 respondents.

Data Collection

The basic contact method used for data collection is self-administered questionnaire survey, whereby respondents would be issued with instrument, (a structured questionnaire) and after completing, they are asked to return them to the researcher.

Primary Data

The primary data were collected from the shoppers who visited the retail stores for their grocery buy. It is quite a surprise that all the 175 respondents completed the questionnaire with much interest.

Secondary Data

Secondary data were collected from the existing marketing literature to learn the research done in the general area in which the specific problem falls.

Hypothesis

- There is no mean difference between factors that influencing customer choice of store selection
- There is no significant association between demographic detail of the respondents and the factors that influencing customer choice of store selection

Table 1: Demographic detail of the Respondents

Particulars	Frequency	Percentage
Gender		
Female	132	75
Male	43	25
Total	175	100
Age		
Below 25	75	42.9
26-35	12	6.9
36-45	50	28.6
Above 46	38	21.7
Total	175	100
Educational Qualification		
School Level	19	10.9
Graduate Level	111	63.4
Post-Graduation Level	12	6.9
Others	33	18.9
Total	175	100
Income		
Below 30,000	138	78.9

30,001-40,000	6	3.4
40,001-50,000	18	10.3
Above 50,000	13	7.4
Total	175	100

Source: Primary Data

From table 1 it is inferred that majority (75%) of the sample respondents are female, majority (42.9%) of the sample respondents belong to the age group of below 25, majority (63.4%) of the sample respondents are graduates, majority (78.9%) of the sample respondents' income below 30,000.

Table 2: Customer Buying Behaviour

Particulars	Frequency	Percentage
Monthly Expenditure		
Up To 2500	89	50.9
2500-5000	66	37.7
Above 5000	20	11.4
Total	175	100
Family Type		
Nuclear	160	91.4
Join	15	8.6
Total	175	100
Grocery Shopping Preference		
Kirana Store	31	17.7
Branded Store	144	82.3
Total	175	100
Shopping Speed		
Leisurely	103	58.9
Fast	72	41.1
Total	175	100
Store Format preferred by the Respondents		
Margin Free Market	14	8
Discount Store	9	5.1
Departmental Store	26	14.9
Chain stores	14	8
Super market	84	48
Others	28	16
Total	175	100

Regularity Buying		
Regular	112	64
Irregular	52	29.7
No Response	11	6.3
Total	175	100
Frequency of visit to the store		
First Time	25	14.3
Twice a week	48	27.4
Once in a Week	2	1.1
Once in Fortnight	34	19.4
Once in a month	66	37.7
Total	175	100

Source: Primary data

From table 2, it is inferred that majority of the sample respondents spending 2,500 to 5,000 rupees per month for groceries. 58.9% of the respondents shops leisurely, majority of the sample respondents are 48% of them prefer to shop at super market, 64 % of them shops in organised retail stores regularly, 37.7% of them shops once in month.

Hypothesis: There is no mean difference between the factor's influencing choice of selecting store.

Table 3: Factor Influencing Choice of Selecting Store

Factors Influencing	Mean	Fried man Test
Closer Home	4.33	Chi square 69.968 Asymp. Sig 0.000
Lower Price	3.53	
Completely Satisfying Services	3.56	
Staff Courteous	3.75	
Offer More Merchandise	3.57	
Shopping Enjoyment	4.30	

Source: Primary data

Table 3 indicates that there is a significant mean difference between factor's influencing choice of selecting store, p value is less than 0.05 null hypothesis rejected, it is concluded that there is no significant mean difference between factor's influencing choice of selecting store.

Table 4: Socio Economic Profile and Factor's Influencing Choice of Selecting Store (Friedman Test)

	Gender			Age			Educational Qualification			Income		
	Value	.Sig	R	Value	.Sig	R	Value	.Sig	R	Value	.Sig	R
Closer Home	25.268	0.000	S	90.963	0.000	S	24.173	0.000	S	53.214	0.000	S
Lower Price	46.121	0.000	S	106.486	0.000	S	26.458	0.000	S	63.542	0.000	S
Completely Satisfying Services	21.170	0.000	S	136.458	0.000	S	23.890	0.000	S	92.772	0.000	S
Staff Courteous	69.411	0.000	S	71.256	0.000	S	35.417	0.000	S	116.605	0.000	S
Offer More Merchandise	43.829	0.000	S	94.657	0.000	S	41.519	0.000	S	79.961	0.000	S
Shopping Enjoyment	21.396	0.000	S	161.154	0.000	S	71.314	0.000	S	96.042	0.000	S

Source: Primary data

From table 4 indicates that there is a significant association between demographical detail of the sample respondents and factor's influencing choice of selecting store, p value is less than 0.05 null hypothesis rejected, it is concluded that there is significant association between demographical detail of the sample respondents and factor's influencing choice of selecting store.

Findings

- Majority (75%) of the sample respondents are female.
- Majority (42.9%) of the sample respondents belong to the age group of below 25.
- Majority (63.4%) of the sample respondents are graduates.
- Majority of the sample respondents spending 2,500 to 5,000 rupees per month for groceries. Majority 58.9% of the respondents shops leisurely,
- Majority of the sample respondents are 48% of them prefer to shop at super market,
- Majority of the sample respondents 64 % of them shops in organised retail stores regularly,
- Majority of the sample respondents 37.7% of them shops once in month.
- There is a significant mean difference between factor's influencing choice of selecting store, p value is less than 0.05 null hypothesis rejected, it is concluded that there is no significant mean difference between factor's influencing choice of selecting store.
- There is a significant association between demographical detail of the sample respondents

and factor's influencing choice of selecting store, p value is less than 0.05 null hypothesis rejected, it is concluded that there is significant association between demographical detail of the sample respondents and factor's influencing choice of selecting store.

Conclusion

In this examination the analyst has tended to the accompanying key destinations for store determination measures, store support, store collections and the overall shopping conduct, by gathering and breaking down information on coordinated supermarkets. This investigation uncovers that vicinity and store arrangements are the main measures for store determination. The store combination (broadness and profundity) specifically classification is huge for store determination. Pre buy correspondence additionally assumes an essential part especially when staple customers need things of their own image decision. Moreover, private name is discovered to be less critical for supermarket determination, since the store brand idea is immature. A large portion of the customers do their shopping quick and their motions show anxiety and they need to leave the store as ahead of schedule as conceivable. Stores which offer quick support by expanding charging counters would draw in such customers. Taking everything into account, practically in each of the three urban communities customers feel that costs are high. Organized retail stores focusing on factors that attracts customers, more over customers prefers super market for leisurely shopping experience and for entertainment.

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