

A STUDY ON CONSUMER SHOPPING PATTERNS IN CURRENT RETAIL SCENARIO ACROSS SELECTED RETAIL STORES IN ANDHRAPRADESH, INDIA

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Abstract: Purpose : The main goal of this paper was to identify and study the current changes in general retail shopping patterns of the consumers across the selected retail stores of metro, Tier -I, Tier -II cities in Andhrapradesh, India. **Design methodology / procedure:** The data required for conducting the study was gathered using structured open ended questionnaires from the sample of (n=385)consumers across various retail stores of metro, Tier -I, Tier -II cities of Andhrapradesh, India. **Findings:** The results of this study finds that more numbers of customers are shifting towards shopping in organized retail stores than that of unorganized retail stores. **Originality / value:** This study has been done by referring past studies on retail shopping patterns among customers across various retails stores in global scenario. This study plays an integral role in influencing growth of retail economy.

Key words : retailing organized retail outlets, consumer behavior, promotional tools, personal factors, sociocultural factors

OBJECTIVES OF THE PAPER

- 1) To determine the current shifts in consumer buying patterns in current retail scenario of Andhrapradesh, India.
- 2) To identify various factors responsible for purchasing the products by customers across the various supermarkets, shopping malls, hyper markets metro, Tier -I, Tier -II cities of Andhrapradesh, India.

INTRODUCTION

The new industrial policy introduced by the Indian government plays an important role in designing and emergence of more and more retail stores in our country. The lot of private investments has been emerged in the form of foreign direct investments

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due to some measures taken by Indian government in current fiscal year like allowing of FDI in retail sector upto 100%. According to Gershman (1998) mall are those retail outlets that facilitate attractive shopping and good entertainment places that makes the customers to avail the global brands at a single location having features of wide variety of quality goods and services available at convenient place with good, attractive facility.

The metro malls with lot of stores are trying to introduce their stores in Tier - I, Tier-II cities because of their cost adjustments and less organized retail stores (KPMG, 2009). The rapid slowdown in growth in Indian economy was characterized by slow down in prices of all infrastructural facilities this leads to shifts in Indian retailers to start of their retail business to Tier -I, Tier-II cities in our country (Dwivedi 2010). In the last two years malls has been increased to 85% from 55% in metropolitan cities later than that of small cities (simha 2010) The arrival of malls in smaller cities of India makes customer shopping patterns from only shopping to recreation with shopping (Robertson 1995). Shopping malls in today's generation plays an important role in influencing shopper behavior by promoting the peoples life style in consumer shopping phenomenon (Gottdiner 1995). In today's shopping trends lot of shopping malls has been raised which leads to improvement of infrastructure and technological development of our Indian economy in tier -I, tier -II cities of our country.

Definition of consumer buying behavior

Consumer behavior is the study of individuals, groups, or organizations and the processes that helps to identify, select, and satisfying their needs and wants through purchasing,selecting products and services.

Consumer decision making process

According to Engel, Blackwell and Kollat (1968) consumer behavior process include Problem/need recognition, information search, evaluation of alternatives to meet this need, purchase decision and post-purchase **behavior**.

The process are shown below

B.V. sanghvikar, Hemant. j. kotale (2012) done a research on consumer shopping patterns at organized retail outlets. They find out that customers are trying purchase at retail outlets which their shopping patterns are affected by discounts offered by retailers to products, variety of product assortments available at store, and convenience of shopping location.

Manish Jain (2011) done research on retail shopping behavior of customers and observed that variety product range available at store, retailers service,visual merchandise offered by retailer, quality of products, promotional tools offered to products and services will affect consumer shopping behavior.priyank a singh (2014)



Figure 1: Consumer decision making process Complied by AUTHORS.

investigated a study on consumer buying behavior at malls and find out that in-store influences, store services to customer, information availability about products, products reliability, grievance redressed counters available at shopping location or point will play a vital role in stimulating buying behavior of customers across the stores.

Etailing group(2012) conducted research on consumer shopping patterns among retailers in india. They find out that product quality, returning policy, easy check outs, less crowds at store shopping,availability of specialty range of products, lees transportation will play a critical role in stimulating consumer shopping patterns across the various retail outlets in India.

Mridanish jha (2013) done research on consumer buying behavior and detailed described that quality seeking behavior, brand loyalty,price sensitiveness, shopping entertain ment, referral groups behavior among customers will play a vital role i n stimulating buying patterns of customers.

Amit Saha done research on a study on impact of online retail on retail business and discloses that *discounts offered by retailer, availability of product range, promotional tools, self services of customers, product assortments available at retail store stimulates the consumer buying behavior across the retail stores.*

Azilul hussain (2013) investigated on CRM practices across the TESCO stores and determined that good customer relationship management will influence the retailers profit and shoppers loyalty that directly motivates the consumers buying patterns in retail stores.

József Lehota, Ágnes Horváth, Balázs Gyenge,(2013) done a research on study titled "An empirical research of the factors determining customer behavior in food retail stores". They find out that family influences, time available, discounts offered by retailers,daily deals availability of top branded items, shopping crowds are the motivating factors that stimulate the consumer buying behavior among retail stores across the world.

Anialis panda v conducted study on a case study titled "consumer patronage on retail ". They states that the factors that easy shopping, less travel time, easy returns policy and exchange will stimulate buying patterns among customers across the various retail stores.

R. sunil atlakur (2014)conducted study on consumer retail preferences review to find out consumers preferences towards the products. They find that product attributes,customer decision making, shopping enjoyment, customer demographic characteristics will play an important role in shopping behavior of consumers.

Azaz mohamad (2015) investigated study titled " consumer shopping behavior across shopping malls " and finds that range of brands available at store, news products availability, sales promotional strategies offered by retailers, penetration pricing will play an important role in consumer buying behavior.

Edward. j. fox(2001) done research on consumer buying behavior across shopping formats and determines that *mass merchandise, marketing variables, spacious retail formats, retail ambience will play a critical role in impulse buying behavior of customers across the stores.*

k.venugopal rao (2009) done research on consumer buying behavior and finds that social factors like prestige,type of social class, presence of peers and family members customers life style, taste and preferences, age, influences of shopping employees, beliefs and type of personality will play an important role in consumer buying behavior across the stores.

Iswar kumar (2010) done research on consumer shopping patterns in emerging retail markets and suggests that store arrangement, store atmosphere, cost effective measures like low pricing, trail rooms sales promotional offers will play avital role in consumer shopping patterns.

Student 4 (2011) of pondicherry university conducted research on consumer buying behavior and finds that peoples culture, shopping environment, social and personal factors will play vital role in shopping behavior of customers.

Sailendra gajendran (2007) done a research on consumer buying behavior and determines that convinience, varieties of brands, production information availability, economic and financial related factors will broadly stimulates the impulse buying behavior of customers across the sores.

Nielson(2015) conducted research on future of grocery and suggests that customers seek quality product with affordable price with more discount,upgraded technology

innovations will play vital role in impulse buying behavior of customers across retail stores.

Aditya. p.tripati conducted research on buying behavior of customers and finds that demonstrations, traditional shopping, price related purchases, branding will play dominant role in consumer buying behavior across the retail stores.

RESEARCH METHODOLOGY

4.1. Sampling Design and Procedures

The self defined questionnaire was dispersed to customers using simple random sampling i.e first cum first served to gather the data from the sample population (n= 385) using 5 point likert scale ranging from strongly agree, strongly disagree, disagree, agree, Neither agree nor disagree. The sample population for study comprises of customers who live or work within the metro, Tier -I, Tier -II cities of Andhrapradesh, India.. A total of 385 responses were gathered. After data examination, the clear information for selected factors has been scrutinized is 340 questionnaires which are the only sample considered for data analysis, showing a response rate of 89 percent. The target audience consists male population of (55.22%) and female population of (45.78%) with age of 20 years (90) 20-30 years (230), 30-40 years (80), 40-50 years (10) as specified with details below.

Table 1
Demographic profile of respondents

<i>Demographic Characteristics</i>		<i>Number</i>	<i>Percentage</i>
SEX	MALE	90	26.47
	FEMALES	250	73.52
AGE	Less than 20 years	80	23.52
	20-30	190	55.88
	30-40	60	17.64
	40-50 years	10	2.94
INCOME	Below Rs 10000	90	26.47
	Rs 10000-20000	150	23.52
	Rs 20000-30000	80	4.41
	Rs 30000-40000	15	1.47
	Rs 40000 & Above	5	
EDUCATION	SSC	40	11.76
	INTERMEDIATE	110	32.35
	UG	140	41.17
	PG	32	9.41
OCCUPATION	Above PG	18	5.29
	STUDENTS	180	52.94
	SKILLED LABOUR	50	14.70
	SKILLED EMPLOYEE	78	22.64
	OTHERS	32	9.41

Data analysis

This research has its main emphasis on determining the various factors that motivates the consumers buying patterns across the various retail stores of the Metro, Tier -I, Tier -II cities in Andhrapradesh, India. This research also mainly focuses on determining current shopping patterns of customers across the various product varieties which can be detail ed explained as follows

A) motivating factor behind shopping at various retail stores : Concerned with this factor investigator asked question by considering certain factors like sales promotional schemes, special prices offered at the stores, personal, socio cultural factors, personal factors, in store atmosphere, visual merchandise by retailer, shopping situational factors. It has been identified that researcher find that the promotional schemes offered by retailer (282)with compared low prices (40) have more significant impact than that of personal and other situational factors (18).

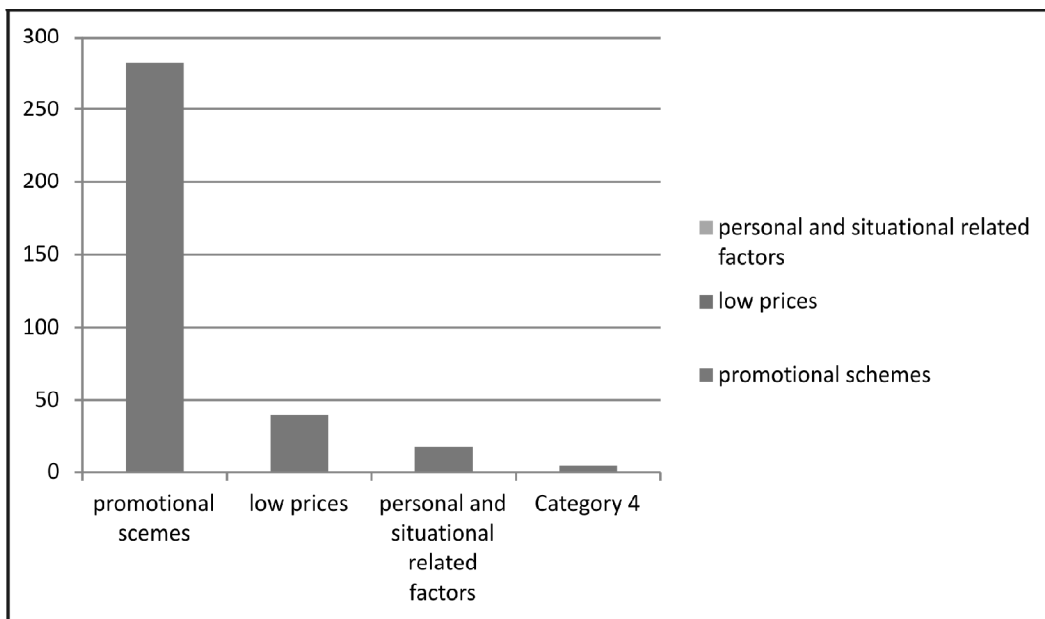


Figure 2: Factors that affect shopping patterns of customers across the stores

B) Type of retail shopping stores visit : Customers has given choice to select the choice among the four alternative outlets i,e shopping malls, supermarkets, departmental stores, hypermarkets. The customer has given their responses stating that most of the customers has preferred to shop at shopping malls (186), some of the customers prefer to shop at supermarkets (90), and some of the customers prefer to shop at departmental store (64).

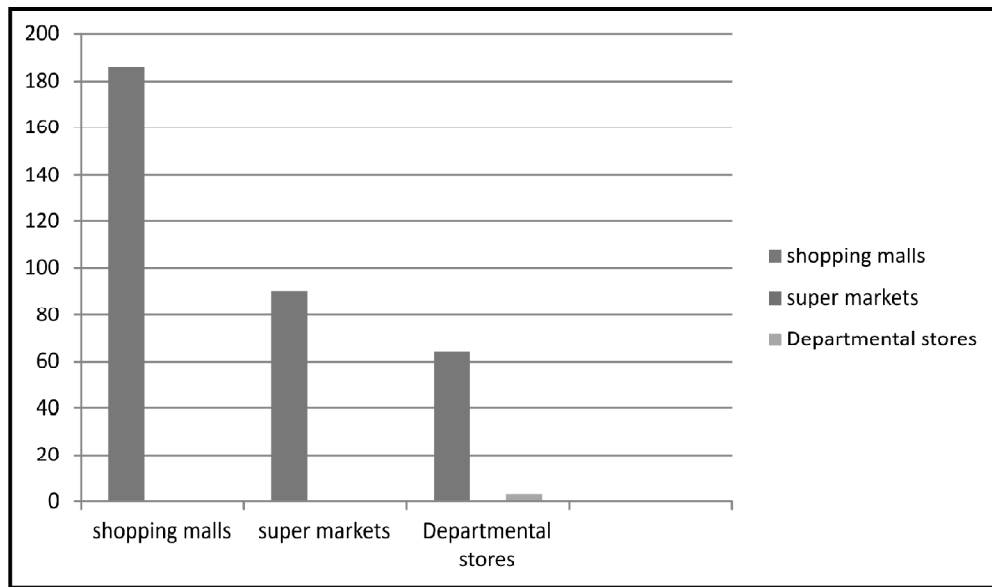


Figure 3: Trends in shopping patterns among customers across various retail formats

C) spending patterns of consumers : This parameter has been identified by asking questions related to various shopping of various range of products across the stores. The customers has given a responses that they mostly shop to purchase grocery and fashions(216), partly for food and snacks related items (68), and rarely on electronic items (56).

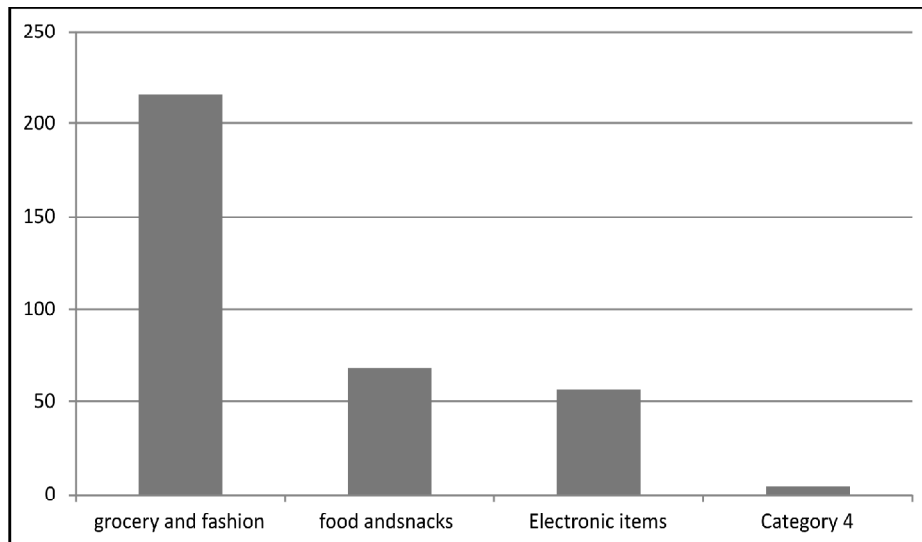


Figure 4: Spending patterns of the customers across various products across the retail stores

Hypothesis Testing

Hypothesis 1: Consumer shopping patterns is influenced by promotional schemes offered by retailers.

H0: Consumer shopping patterns is positively influenced by promotional schemes offered by retailers..

H1: Consumer shopping patterns is negatively influenced by promotional schemes offered by retailers.

Table 1
Statistical table showing relationship between consumer shopping pattern and promotional schemes

<i>Statistical tools</i>	<i>Discounts</i>	<i>Offers</i>	<i>Free samples</i>	<i>Sales contests and rebates</i>
Chi-square	201.08	51.948	58.888	11.11
Df	3	2	3	2
Asymmetric relationship	.096	.021	.062	.0001

- a) 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency between the variables is 48.8.
- b) 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 55.0.

From the above analysis using Chi square test, it was observed that the significance level of discount, offers, free samples, sales contests lie within 5%.

Thus we accept H0 for discount, offers, free samples, sales contests. That is consumer shopping patterns differs with promotional schemes offered by retailers which include free samples, sales contests. whereas significance level of discount, offers reaches more than that of 5% level, which indicates that customers shopping patterns has been is not influenced by free samples, sales contests offered by the retailer across the various retail stores.

Promotional schemes parameters

Table 2
Table showing effect of promotional schemes on consumer shopping patterns by using mean, standard deviation and variance

<i>Statistical tools</i>	<i>Discounts</i>	<i>Offers</i>	<i>Free samples</i>	<i>Sales contests and rebates</i>
N	282	282	282	Not valid
Mean	4.60	4.15	3.23	2.14
Missing	0	0	0	0
Standard deviation	.812	.762	.615	.126
Variance	.392	.316	.221	.126
Rank	1	2	3	4

It has been identified that the discounts, offers was the major factors among the promotional tools that stimulate consumer shopping patterns Hence retailer should try to concentrate on introducing more and more discounts as well as offers to stimulate purchases rather than that of free samples and sales contests and rebates. Hence we accept null hypothesis(Ho) and reject alternative hypothesis (H1).

2) Hypothesis 2: Consumer shopping patterns was influenced by personal, socio cultural and situational factors.

H0: Consumer shopping patterns was influenced by personal, socio cultural and situational factors.

H1: Consumer shopping patterns was not influenced by personal, socio cultural and situational factors.

Table 3
Coefficient analysis

Model	Un standardized coefficients		Standardized coefficients	t	Significance
	Beta	Std.error	Beta		
constant	-5.516	.705	—	-8.816	0.000
Time available	2.895	.386	.281	6.821	0.001
Money available	3.985	.421	.361	8.962	0.000
Personal factors	-0.213	.129	-0.168	-1.298	0.005

A. Consumer shopping patterns

Regression Equation

$$Y=2.895X1+3.985X2+-0.213X3-5.516$$

consumer shopping patterns differs changes due in the presence of situational factors like time available, money available, but not by the personal factors.

By using the regression analysis it was predicted that consumer shopping patterns was mainly influenced by time available (2.895), money available (3.985), but not by personal factors(-0.213).

Hence we conclude that customer shopping patterns was positively influenced by the presence of situational factors like time available, money available where as consumer shopping patterns was negatively influenced by personal factors like their perception and attitude.

Hypothesis 3: There is a strong correlation between consumer shopping patterns and visual merchandise of retailer.

H0: There is no strong correlation between consumer shopping patterns and visual merchandise of retailer.

H1: There is strong correlation between consumer shopping patterns and visual merchandise of retailer.

Table 4
Descriptive statistics

<i>Variable</i>	<i>Mean</i>	<i>Standard deviation</i>	<i>N</i>
Store merchandise	2.89	0.898	170
Frequency of visiting the store	4.86	0.786	170

Table 5
Correlation analysis

<i>variable</i>	<i>Correlation</i>	<i>Store merchandise</i>	<i>Frequency of visiting the store</i>
Store merchandise	Correlation sig (2 tailed) N	2.529	-.275 .016 170
Frequency of visiting the store	Sig (2 tailed) N	1	2.529 .016 170

*. Correlation is significant at the 0.05 level (2-tailed).

This table shows correlation coefficients, significance values, and frequency of visiting the store. The values of the correlation coefficient range from -1 to 1. The table of correlation analysis shows how strong the relationship between consumer shopping patterns and visual merchandise, frequency of shopping by customer. Pearson Correlation coefficient between consumer shopping patterns and visual merchandise is -0.275. The analysis of correlation coefficient shows that H1 is accepted and Ho is accepted. so there is a strong relationship between visual merchandise and consumer shopping patterns.

FINDINGS OF THE STUDY

Finally i conclude that organized retail stores in andhrapradesh are fastly increased than those of unorganized retail stores this is because of changes in earning, spending, consumption patterns of customers. The marketers prevailed in the current scenario was characterized by introduced new and modern marketing strategies which stimulate consumption patterns of consumers across the various retail stores in Tier -I, Tier -II, Metro cities of Andhra pradesh, India. The results from the correlation, regression analysis states that the consumption patterns of customers was influenced by promotional schemes like discounts, offers provided by retailers to promote the retail sales of company products and services. The results of this study also finds that consumers also shifting their purchase patterns towards shopping malls from traditional outlets to purchase mainly grocery and food items but rarely towards electronic items.

DISCUSSIONS AND CONCLUSION

This research mainly emphasis on determining the impact of certain factors like sales promotional schemes, special prices offered at the stores, personal, socio cultural

factors, personal factors, in store atmosphere, visual merchandise by retailer, shopping situational factors on consumer shopping patterns. Finally we conclude that consumers are shifting their shopping patterns from unorganized to organized retail stores in Andhra Pradesh. The shopping patterns of customers was mostly influenced by promotional schemes like discounts and offers offered by retailer.

Research implications and future study

This research was done by observing previous studies done by researchers where the studies were mostly done in foreign countries and North region of India. This research is a cumulative study of shopping patterns, shopping situation of the consumers across the state. So in future the researchers must try to identify the impact of individual variables on shopping behavior of customers and suggested to implement new techniques to improve sales rather than the traditional methods of sales promotion.

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