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Research paper

A Descriptive Study of Customer's Opinions on Factors Influencing Purchasing Decisions in Corporate Retail Stores in a City of Vijayawada.

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Abstract

Corporate retail stores are today the focal points for purchasing decisions of middle and high-income groups in urban India. However, each corporate retail store has its own model of retailing. Storing different varieties of products at same locality, location advantage, self-servicing outlets, window shopping, large scale discount, specialty stores are some of the models retailing stores adopted, but all these retail models are not being popular among the consumers. Consumer's preferences and choices are varying across different retail models. In this context the present study wants to explore significant difference among corporate retail stores in Vijayawada in consumer preference and choices.

Keywords: *Retail Shopping, Shopping Behavior, Convenience store, Discount store, Specialty Store, Corporate Retail Stores*.

1. Introduction

Consumer decision making has long been of interest to researchers. Companies in retail industry are interested in the study of consumer behavior as it makes them familiar with the emerging needs and desires of their current and prospective buyers [1] - [6]. To find out what satisfies customers, marketers must examine the main influences on what, where, when and how customers buy goods and services [7]-[10]. By understanding these factors marketers are better able to predict how consumers will respond to marketing strategies. Ultimately, this information helps modern retail malls as well as conventional retail stores to compete more effectively in the marketplace and leads to more satisfied customers [11] - [12]. This study aims to analyze the shopping behavior of retail corporate shoppers in Vijayawada City, Andhra Pradesh, India. Now a day's customers are focusing on quality, quantity, and cost of the products. In this article consumer's shopping behavior in respect of retail shopping was studied to analyze the factors influencing it. The data was collected through questionnaire. The results of study reveal that retail shopping in India is significantly affected by various demographic factors like age, gender, education and income. Further the outcomes of the study suggest that assessment of consumer's shopping behavior can contribute to a better understanding of consumer shopping behavior in respect of retail shopping. The study adopted survey research method using simple random sampling and descriptive data analysis

2. Objectives of the Study

1. Analyzing Consumer Behavior in Retail Corporate Stores in Vijayawada.
2. To understand the significant differences in customers habits and choices in their purchase decisions at corporate retail stores in terms of convenience, location advantages, offering discounts and specialty products.
3. To suggest certain interventions to the retailer that could enhance their services quality to the consumer.

3. Research Methodology

To analyze the consumer behavior in the selected corporate stores in Vijayawada a convenient sample of 149 respondents were taken, and a structured questionnaire was designed to gather information on six important variables related to consumer behavior. The questionnaire was tested for reliability and validity through a pilot study. Information was gathered personally from the consumers when actually they are making purchases. The data gathered was processed and analyzed with descriptive statistics like tables, percentages and bar charts.

4. Data Analysis & Results

The variables of the study are all categorical, therefore we analyzed them using frequency tables and pie/bar charts which are displayed below.

5. Demographic Variables

The information relating to gender of the respondents is shown in table 1.and in figure 1, It is observed that there are 54.36% male and 45.64% females.

Table 1: Gender

value	*N*	*raw %*	*valid %*	*cumulative %*
Female	68	45.64	45.64	45.64
Male	81	54.36	54.36	100
missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=1.54 · σ=0.50				

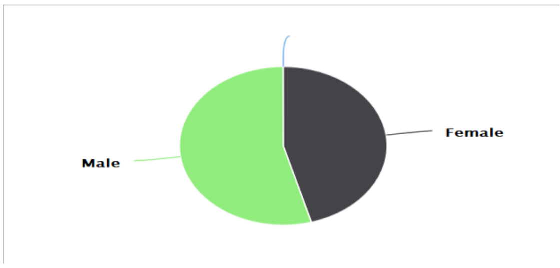

Figure 1: Gender

Table 2: Age

Value	*N*	*raw %*	*valid %*	*cumulative %*
Age 25 and below Yrs	34	22.82	22.82	22.82
Age above 45 Yrs	25	16.78	16.78	39.6
AgeBetween 26-35 Yrs	42	28.19	28.19	67.79
AgeBetween 36-45 Yrs	48	32.21	32.21	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.70 · σ=1.15				

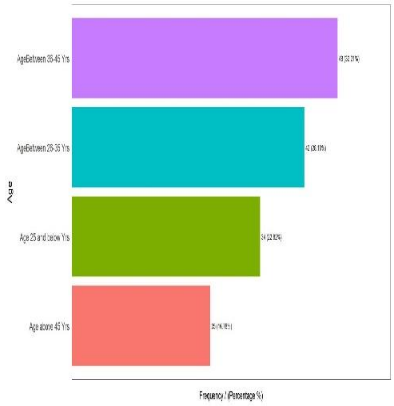

Figure 2: Age

The information relating to age of the respondents is shown in table:2. It is observed that the majority of the respondents are age group between 36-45 years (32.21%) followed by between 26-35years (28.19%). It is noticed that 22.82% of the respondents are below 25 years age group, and that was shown in the figure 2

Table 3: Marital Status

Value	*N*	*raw %*	*valid %*	*cumulative %*
Divorced	31	20.81	20.81	20.81
Married	45	30.2	30.2	51.01
Unmarried	56	37.58	37.58	88.59
Widowed	17	11.41	11.41	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.40 · σ=0.94				

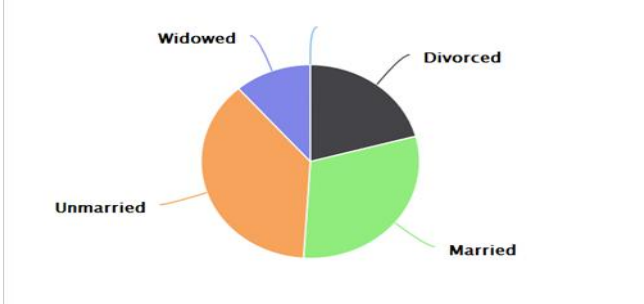

Figure 3: Marital Status

The information relating to Marital status of the respondents is furnished in table 3. It is observed that the majority of the respondents (37.58%) are single and followed by married (30.20%). (20.81%) of respondents are divorced and 11.41% are widowed and that was shown in the figure 3

Table 4: Educational Qualification

Value	*N*	*raw %*	*valid %*	*cumulative %*
Graduate	70	46.98	46.98	46.98
IIT/Diploma	29	19.46	19.46	66.44
Post Graduate	45	30.2	30.2	96.64
School Level	5	3.36	3.36	100
Missings	0	0		
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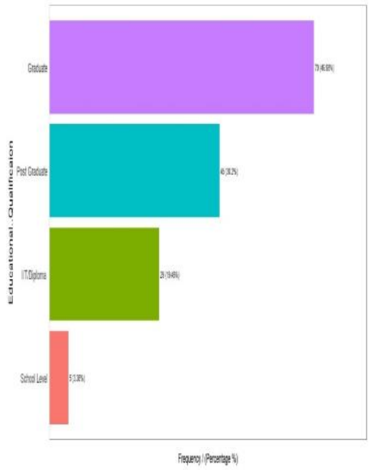

Figure 4: Educational Qualification

The information relating to Educational Qualification of the respondents is furnished in table 4. It is observed that the majority of the respondents are Graduates (46.98%) followed by Post graduates (30.20%) and diploma (19.46%) holders, shown in figure 4.

Table 5: Total members in the family

Value	*N*	*raw %*	*valid %*	*cumulative %*
Five and above	28	18.79	18.79	18.79
Four	35	23.49	23.49	42.28
One	22	14.77	14.77	57.05
Three	35	23.49	23.49	80.54
Two	29	19.46	19.46	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=3.01 · σ=1.42				

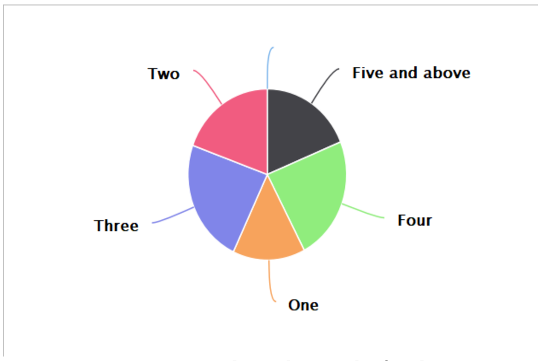

Figure 5: Total members in the family

The information relating to total members in the family of respondents is depicted in table: 1.6 It is clear that majority of respondents is depicted in table,5 and shown in figure 5 are have family members three and four persons (47%). Second majority of respondents (19.46%) are having two persons in family, and 18.79% are having five and above members in their family.

Table 6: Occupation

Value	*N*	*raw %*	*valid %*	*cumulative %*
Agriculture/ Farming	12	8.05	8.05	8.05
Bussiness	37	24.83	24.83	32.89
House Wife	21	14.09	14.09	46.98
Professional	38	25.5	25.5	72.48
Student	23	15.44	15.44	87.92
Unemployed	18	12.08	12.08	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=3.52 · σ=1.51				

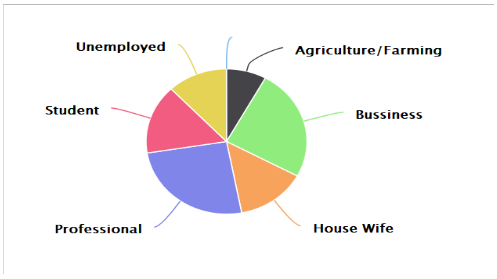

Figure 6: Occupation

The information relating to occupation structure of the respondents is reviled in table 6. It is clear that majority of respondents are business persons (28%). Followed by professionals (18%) and House wife's (17%) are the next major respondents shown in figure 6.

Table 7: Monthly Income

value(□)	*N*	*raw %*	*valid %*	*cumulative %*
Above 20,000	44	29.53	29.53	29.53
Below 5000	11	7.38	7.38	37.58
Between 10,001-15,000	34	22.82	22.82	60.4
Between 15,001 to 20,000	36	24.16	24.16	84.56
Between 5001-10,000	23	15.44	15.44	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=3.58 · σ=1.86				

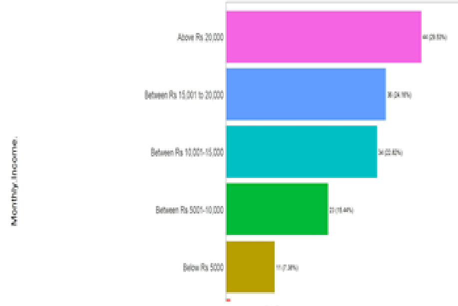

Figure 7: Monthly Income

The information relating to monthly income structure of the respondents is reviled in table 7.and shown in the figure 7 It is clear that majority of respondents income is Rs 20,000 (28%). Followed by professionals (18%) and House wife's (17%) are the next major respondents.

6. Description of the opinion of the respondents

The information relating to the preferences of retail formats for shopping is depicted in table:

Table 8: Q1The Preferences of retail shopping

Value	*N*	*raw %*	*valid %*	*cumulative %*
Convinience Stores	6	4.03	4.03	4.03
Department Stores	8	5.37	5.37	9.4
Discount Store	76	51.01	51.01	60.4
Hyper Markets/ Super Markets	24	16.11	16.11	76.51
Malls	14	9.4	9.4	85.91
Specialty Store	21	14.09	14.09	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=3.64 · σ=1.27				

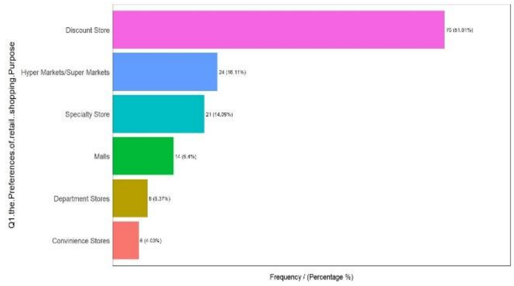

Figure8: Preferences of retail shopping

According to this majority respondents (51%) are given top priority to Discount stores followed by Hyper Markets/Super (16.11%). 14% of the respondents gave third priority to Specialty Store, and least priority is given for Department Stores. That is shown in table 8 and figure 8.

Table 9: Q2. How do you know about specific retail format

Value	*N*	*raw %*	*valid %*	*cumulative %*
Hoardings	24	16.11	16.11	16.11
Inflatable's	9	6.04	6.04	22.15
Leaflet's	19	12.75	12.75	34.9
TV	32	21.48	21.48	56.38
Word of Mouth Publicity	65	43.62	43.62	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=3.70 · σ=1.48				

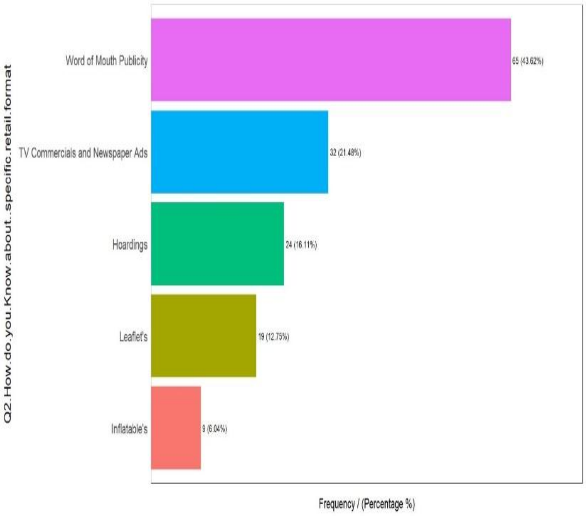

Figure 9: knowing about specific retail format.

The information relating to the how respondents known about the shop is depicted in table 9 and in figure 9. From that table it is evident that word to mouth (43.62%) is the main source of knowing about the store followed by TV ads and print media (21.48%).

Table 10: Q3. Features which influence your preference to shop from specific retail format.

Value	*N*	*raw %*	*valid %*	*cumulative %*
Economy	46	30.87	30.87	30.87
Family/ Friends	18	23.49	23.49	54.36
Life Style	23	15.44	15.44	69,80
Location	27	18.12	18.12	87.92
Status Related Satisfaction	35	12.08	12.08	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.91 · σ=1.58				

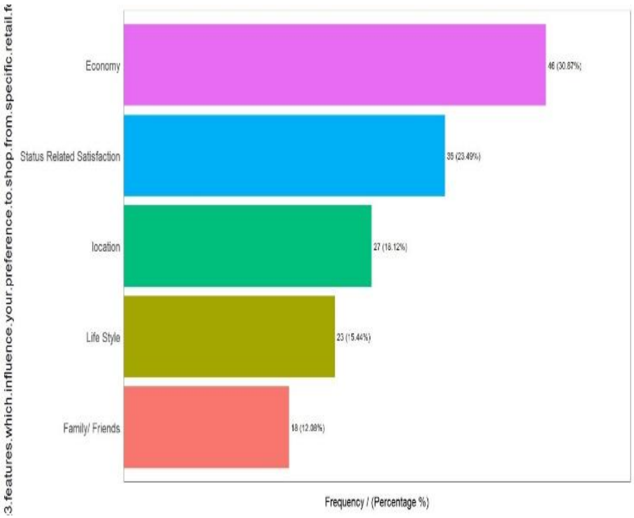

Figure 10: Preference to shop from specific retail format

The information relating to the features which influences the preferences is furnished in table 10. And in figure 10. It reveals that economy is the most impotent factor (30.87%) followed by family/ friends (23.49%), and store location (18.12%).

Table 11: Q4. Main Purpose for visiting retail format.

Value	*N*	*raw %*	*valid %*	*cumulative %*
Enjoying Food Courts	17	11.41	11.41	12.08
Entertainment Only	18	12.08	12.08	24.16
Shoping and Entertainment	33	22.15	22.15	46.31
Shoping Only	48	32.21	32.21	78.52
window shoping	32	21.48	21.48	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=4.38 · σ=1.30				

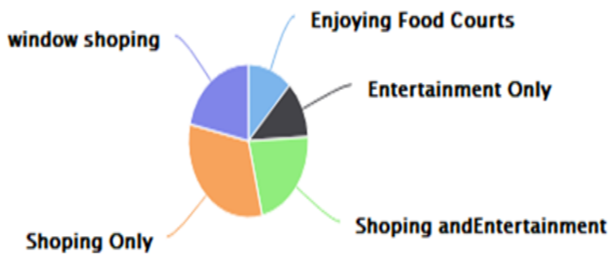

Figure 11: Purpose for visiting retail format

The information relating to the m ain purpose for visiting is furnished in table 11. we understand that the purpose of visiting the retail store at mainly shopping 32.21%. Entertainment (22.15%) is the second priority. Followed by 21.48% are given next priority to Window Shopping as shown in figure 11.

Table 12: Q5 How Frequently do you shop from retail format?

Value	*N*	*raw %*	*valid %*	*cumulative %*
Daily	8	5.37	5.37	5.37
Fortnightly	44	29.53	29.53	34.9
Monthly	50	33.56	33.56	68.46
Once in Six Months	1	0.67	0.67	69.13
Weekly	46	30.87	30.87	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=3.22 · σ=1.31				

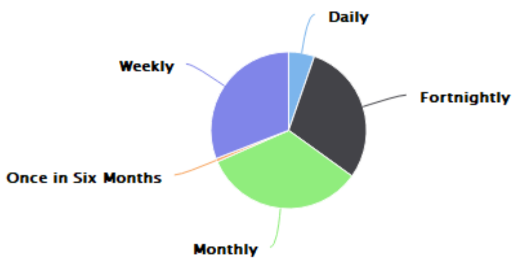

Figure 12: Frequently shop from retail stores

From the above table it is evident that most people (33.5%) visit on monthly basis and weakly (30.87%) followed by fortnightly that was shown in above table 11 and figure 11.

Table 13:Q6. What is your Preferred day of Visiting?

Value	*N*	*raw %*	*valid %*	*cumulative %*
Any Week Day	19	12.75	12.75	12.75
On Any Day	19	12.75	12.75	25.5
Special Occation	58	38.93	38.93	64.43
Weekends	53	35.57	35.57	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.97 σ=1.00				

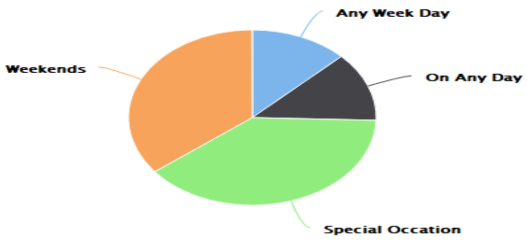

Figure 13: Preferred day of Visiting

From the above table 13 we infer that the preferred day for visiting the store is special occasion (38.93 %) followed by weekends (35.57%) and is shown in figure 14.

Table 14: Q7. How frequently do you shop?

value	*N*	*raw %*	*valid %*	*cumulative %*
After Noon	35	23.49	23.49	23.49
Any Time	9	6.04	6.04	29.53
Evening	55	36.91	36.91	66.44
Morning	50	33.56	33.56	100
missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.81 · σ=1.14				

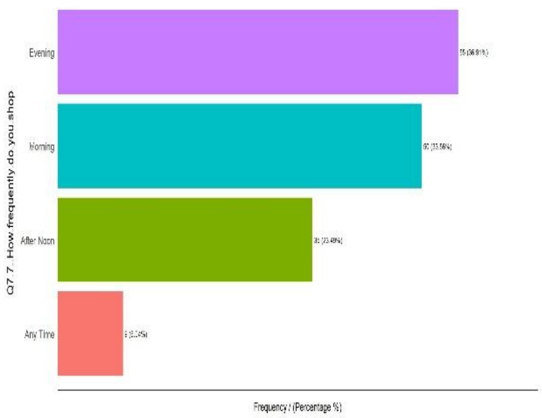

Figure 14: frequently shopping

From the table 14 we can understand that 37% of the respondents visit the store in the evening and one third of them visit in the morning.

Table 15: Q8. How much time do you spent for shopping.

value	*N*	*raw %*	*valid %*	*cumulative %*
Between 1 to 2 Hours	58	38.93	38.93	38.93
Between 2 to 3 Hours	7	4.7	4.7	43.62
Less than 1 Hour	82	55.03	55.03	98.66
More than 3 Hours	2	1.34	1.34	100
missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.19 · σ=0.98				

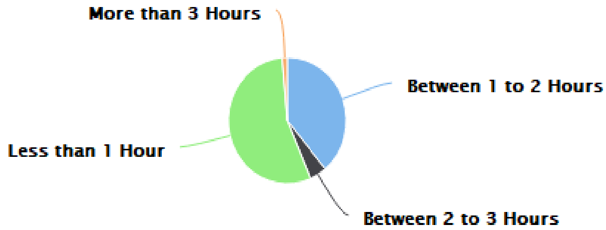

Figure 15: Time spent for shopping

The information relating to spending time of respondents for shopping is shown in table 15. It is clearly observed that most of the respondents (55%) spending about one hour and 39% are spending one to two hours.

Table16: Q9. What is the average Monthly Purchase at retail format.

Value (□)	*N*	*raw %*	*valid %*	*cumulative %*
Above 4000	59	39.6	39.6	39.6
Below 1000	3	2.01	2.01	41.61
Between 2000 to 3000	73	48.99	48.99	90.6
Between 3000 to 4000	14	9.4	9.4	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.28 · σ=1.09				

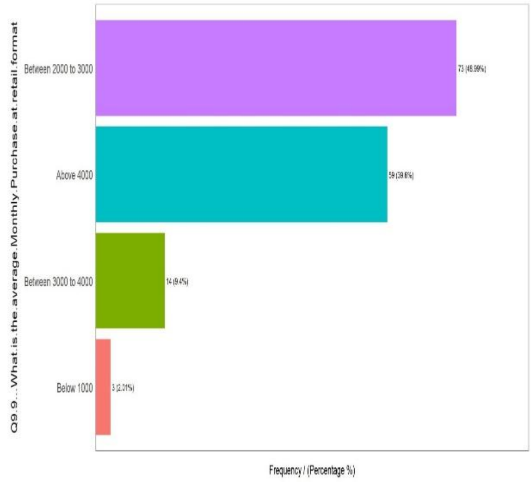

Figure 16: The average Monthly Purchase

The information regarding purchase value at the store revels that average spending average amount between Rs.2000-3000/-are

(48.49%) and above Rs.4000/- are (39.6%) was shown in table 16 and figure 16.

Table 17: Q10. Who is your shopping companion?

Value	*N*	*raw %*	*valid %*	*cumulative %*
Alone	28	18.79	18.79	18.79
Colleagues	31	20.81	20.81	39.6
Family Members	31	20.81	20.81	60.4
Friends	30	20.13	20.13	80.54
Relatives	29	19.46	19.46	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=3.01 · σ=1.40				

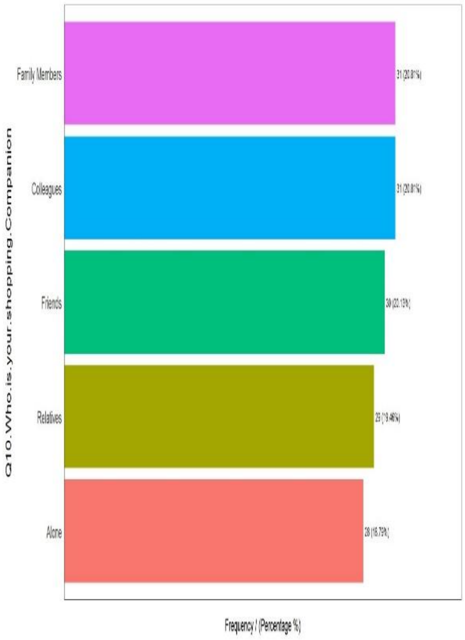

Figure 17: Shopping companion

From the above table 17 and figure 17, the main companions for the respondents in shopping are colleagues (21%) family members (21%) and friends (20%).

Table 18: Q11 Why do you prefer to shop with others?

Value	*N*	*raw %*	*valid %*	*cumulative %*
Company	49	32.89	32.89	32.89
Gives a Second Opinion	27	18.12	18.12	51.01
information And Reviews	24	16.11	16.11	67.11
Provide Financial Support	14	9.4	9.4	76.51
Their Choice Would Best Suit Me	35	23.49	23.49	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.72 · σ=1.57				

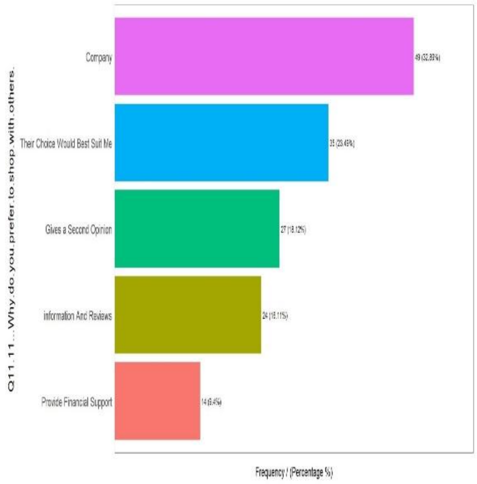

Figure 18: Prefer to shop with others

From this figure and table 18 and table 18, we infer that the reason for companion ship in shopping is company (33%) choosing a best product (24%) and having second opinion

Table 19: Q12.Which of the following will influence you most while making a purchase decision?

Value	*N*	*raw %*	*valid %*	*cumulative %*
Advertaisement and Offers	61	40.94	40.94	40.94
Family Members	38	25.5	25.5	66.44
Friends	22	14.77	14.77	81.21
Relatives	8	5.37	5.37	86.58
Self	20	13.42	13.42	100
Missings	0	0		
total N=149 · valid N=149 · $\bar{x}$=2.25 · σ=1.39				

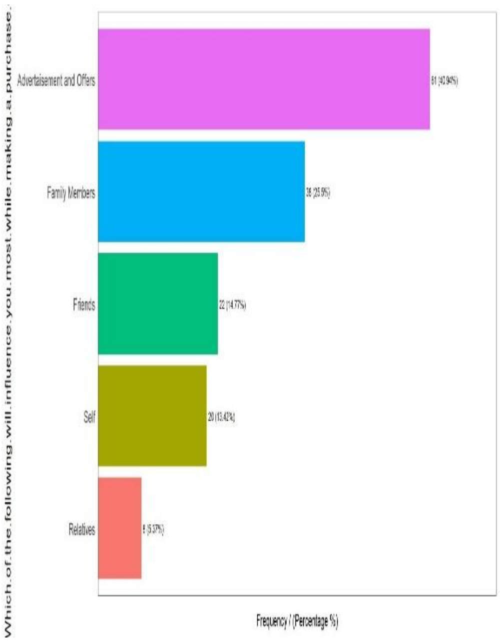

Figure 19: Iinfluencing factor to making a purchase decision

Data in the above table 19 reveals that (41%) respondents are influenced by advertisements and offers in making purchase issue followed by companion of family members and friends (40%) and is shown in figure 19.

Table 20: Q13. Does the constantly visibility of a newly launched product induce you to try it once?

Value	*N*	*raw %*	*valid %*	*cumulative %*
Always	37	24.83	24.83	24.83
Never	14	9.4	9.4	34.23
Occasionally	35	23.49	23.49	57.72
Often	31	20.81	20.81	78.52
Rarely	32	21.48	21.48	100
Missings	0	0		
total N=149 · valid N=149 · x̄=3.05 · σ=1.47				

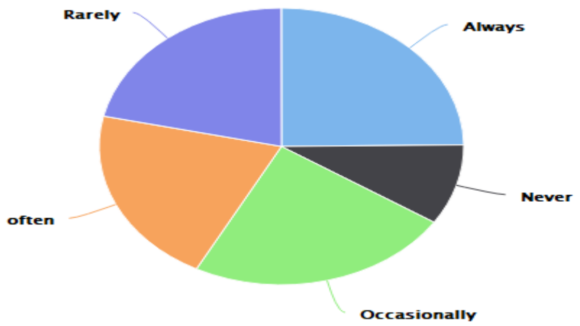

Figure 20: Cconstantly visibility of a newly launched product induce you to try it once.

From the above table 20 opinions are divided equally regard the impact of newly launched product on the purchase decision of the respondents and is shown in figure 20.

Table 21: Q14.Most of the time is it the product or the offer that makes you to purchase the product?

value	*N*	*raw %*	*valid %*	*cumulative %*
Both	81	54.36	54.36	54.36
Offer Associated with Product	38	25.5	25.5	79.87
Product Alone	30	20.13	20.13	100
missings	0	0		
total N=149 · valid N=149 · x̄=1.66 · σ=0.80				

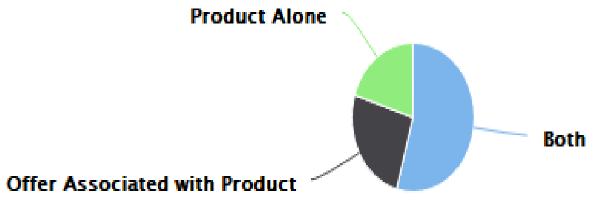

Figure 21: The product or the offer that makes you to purchase the product.

From the above table 21 we infer that need and advertisement is the driving force for the majority of the respondents (54%) to purchase a product.

Table 22: Q15.Spending on organized retailing has been

Value	*N*	*raw %*	*valid %*	*cumulative %*
Decreased	37	24.83	24.83	24.83
Increased	82	55.03	55.03	79.87
No Change	30	20.13	20.13	100
Missings	0	0		
total N=149 · valid N=149 · x̄=1.95 · σ=0.67				

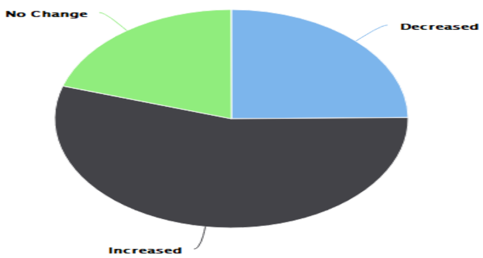

Figure 22: Spending on organized retailing.

From above table 22 and figure 22 we see a clear increasing trend towards spending in organized retail stores as the 55% of the respondents opined.

Table 23: Q16. Shopping Goods

Value	*N*	*raw %*	*valid %*	*cumulative %*
Bag and Baggage's	9	6.04	6.04	6.04
Clothing	37	24.83	24.83	30.87
Elctronics	14	9.4	9.4	40.27
Foot Wear	31	20.81	20.81	61.07
Furniture	15	10.07	10.07	71.14
Home Appliances	19	12.75	12.75	83.89
Home Furnishing	18	12.08	12.08	95.97
Jewellery	6	4.03	4.03	100
Missings	0	0		
total N=149 · valid N=149 · x̄=4.11 · σ=2.00				

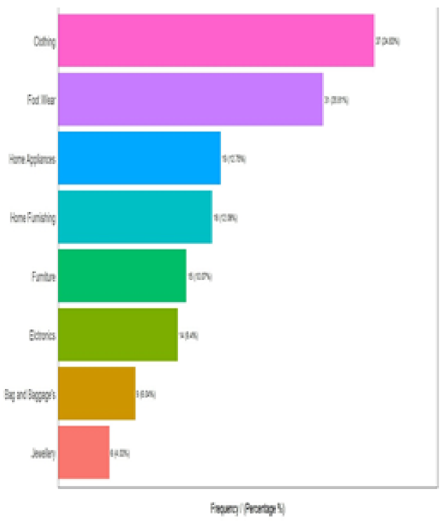

Figure 23: Shopping Goods

From the above table 23 we find that respondents visit shopping stores mainly for purchasing cloths 25% footwear 21% home appliances 13% home furnishing 12% that was shown in figure 23.

Table 24: Q17**.** Shopping Goods

value	*N*	*raw %*	*valid %*	*cumulative %*
Beverages	30	20.13	20.13	20.13
Books and Magazines	16	10.74	10.74	30.87
Confectionaries	17	11.41	11.41	42.28
Food And Grocery	25	16.78	16.78	59.06
Gift Items	12	8.05	8.05	67.11
Personal Care Products	19	12.75	12.75	79.87
Stationary	17	11.41	11.41	91.28
Toys	13	8.72	8.72	100
missings	0	0		
total N=149 · valid N=149 · $\bar{x}$*=4.09 ·* σ*=2.32*				

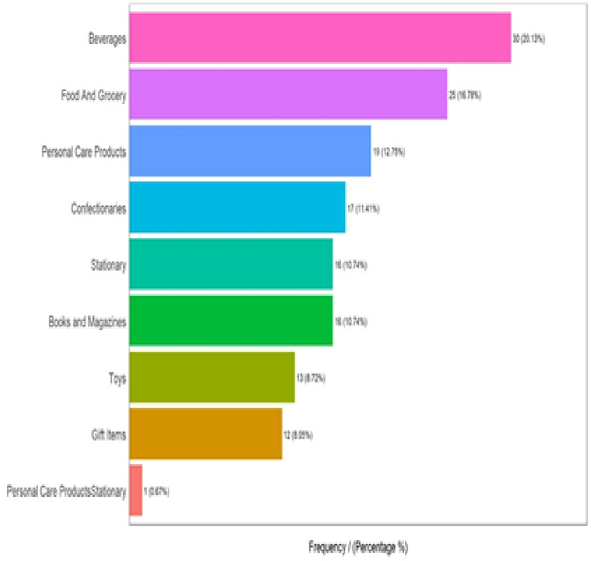

Figure 24: Shopping Goods

With reference to the type of goods purchased at retail stores table 2.17 revels that beverages 20% topped the list followed by food and grocery 17%, personal care products 13% and confectionary 11%. This is observed from table 24 and figure 24.

7. Summery and Conclusions

Based on the analysis of the information in the tables and charts given above the following conclusions can be drawn.

Discount offers at retail stores is the major driver for making purchases in corporate retail stores.

Word of mouth is the best source for knowing about the retail store. Electronic media and print media are also playing significant role in this contest.

Customers of retail stores are mainly influenced by the economy they offer and opinions of their families and friends.

The purpose of visiting retail store is not only for shopping but also for entertainment and impulsive buying.

There is equal distribution of frequency of visits of the consumers, to the retail store across month, fortnight and week.

Customers prefer visiting the stores on weekends and on special occasions like festivals birth days, marriage days, etc,.

The preferred type of visiting retail store is either in the morning or evening.

Customers who are visiting retail store spend on average 1 to 2 hours in the store.

The average monthly purchases of customers in retail store is between Rs 2000-Rs.3000.

Customers in retail shop are accompanied by family members, collogues and friends.

Customers prefer companion of others while shopping because of their counsel in better choice.

The purchasing decision of the customers in retail store is influenced by advertisement, offers and companion of family members and friends.

There is no clear evidence regarding the influence of new product launches on customer purchase decision.

Offers in combination with need for the product drive the customer to purchase the product.

There is a clear increasing trend in customers purchases in organized retail stores.

In organized retail stores customers mainly purchase Clothing, Footwear, Home appliances and Home furnishing

In respect of essential commodities purchased customers in retail store Beverages top the list followed by Food and Groceries, Confectioneries and Personal care products.

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