

Consumer Shopping Attitude and Perception towards Organized Retail Formats

A. Amruth Prasad Reddy^a, N. Srikanth Reddy^b, K. Sankar Reddy^c

^a Research Supervisor & Associate Professor, Dept. of Business Administration, Y.V. University, Kadapa

^b Research Scholar, Department of Business Administration, Rayalaseema University, Kurnool -518007 (A.P)

^c Lecturer in Commerce, Dr. YSR Govt. Degree College, Vedurukuppam, Andhra Pradesh

Abstract

The business always moving around the consumer. Consumer Behaviour means why, when, how, and where consumers do or do not buy a product. There are many factors which influence consumer behavior. There may be categories under the heading of marketing motivation and other incentives comprising Economic, Psychological, Socio-Cultural, Technological, and Political. Marketers are doing a lot of research to understand the relationship between marketing incentives and consumer response. Further, there is a need to understand the buying behavior of the customers in retail stores it is very important to analyze customer psychology, the factors that influence a customer for buying certain products/services from the stores. The paper aims to study the customers' attitudes and perceptions towards organized retail formats. The study was carried out in Hyderabad metropolitan city in Telangana state, India. The target population of this study included organized retail outlets in Hyderabad City. The sampling unit would consist of an individual who is eighteen years above and who becomes a respondent from these selected organized retail outlets in Hyderabad. The Sample size for the present study is 1000. The sampling technique used in this research study is the nonprobability sampling technique of quota sampling and convenience sampling. Data for this study were both primary and secondary data. In this study, both descriptive and inferential statistics were used for the present study.

Keywords: Consumer, Perception, Attitude, Retail outlets.

1. Introduction:

Consumer Behaviour means why, when, how and where consumers do or do not buy a product. The study and understanding of consumer behavior become necessary. To operate alive this concept, management attempts to solve some consumption problems of consumers. However, no organization can help consumers solve their consumption problems unless it understands them and makes an attempt to comprehend the buying process and the factors influencing it.

There are many factors which influence consumer behavior. There may be categories under the heading of marketing motivation and other incentives comprising Economic, Psychological, Socio-Cultural, Technological and Political. Marketers are

doing a lot of research to understand the relationship between marketing incentives and consumer response. Further, there is a need to understand the buying behaviour of the customers in retail stores it is very important to analyze customer psychology, the factors which influence a customer to buy certain products/services from the stores.

2. **Objective of the Study:** The paper aims to study the customers' attitudes and perceptions towards organized retail formats
3. **Research Methodology & Design:** The following methodology was adopted for the present study.
 - 3.1 **Geographical Area of the Study:** The study was carried out in Hyderabad metropolitan city in Telangana state, India.
 - 3.2 **Target Population:** The target population of this study included organized retail outlets in Hyderabad City.
 - 3.3 **Sampling Frame:** The sampling unit would consist of an individual who is eighteen years above and who becomes a respondent from these selected organized retail outlets in Hyderabad. The respondents with a mixture of educational backgrounds (school education, graduate, postgraduate, and professional) were allowed to participate in the research study.
 - 3.4 **Sampling Unit:** The sample subjects for the present research are selected consumers of organized retail outlets.
 - 3.5 **Sample Size and Sampling Procedure:** The sample size is a subset of the target population and it is used to represent the population under the study (Kothari, C. R., 2004). The Sample size for the present study is 1000.
 - 3.6 **Sampling Technique:** The sampling technique used in this research study is the non-probability sampling technique of quota sampling and convenience sampling.
 - 3.7 **Source and Data Collection Methods:** Data for this study were both primary and secondary data. These data constituted; facts and other relevant materials of the past and present time which served as the basis for the study and analysis from which this report is resultant.
 - 3.8 **Primary Data:** Primary data is those data collected afresh and specifically to provide information on the decision under question (Easwaran, S., Singh, S. J, 2009). The present study uses the mall intercept method of data collection from the customers with the help of a questionnaire.
 - 3.9 **Secondary data:** In this study, the secondary data was collected from reviewed and existing annual marketing reports, journals, textbooks, etc.

3.10 Tools of Analysis: Data analysis is defined as a critical examination of the assembled and grouped data for studying the characteristics of the object under study and for determining patterns and relationships among the variables relating to the study topic. In this study, both descriptive and inferential statistics were used for the present study.

4. **Discussion and Results:** The following section describes the data analysis and presents the results of the study. This chapter presented the results of both descriptive and inferential statistical analyses performed on the data obtained through field surveys. The customers' attitudes and perceptions towards organized retail formats are presented below:

Table-4.1: Opinion on store interior

How would you characterize the store interior?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Unpleasant	65	6.5	6.5	6.5
	Unpleasant	91	9.1	9.1	15.6
	Neither Unpleasant/Pleasant	48	4.8	4.8	20.4
	Pleasant	107	10.7	10.7	31.1
	Very Pleasant	689	68.9	68.9	100.0
	Total	1000	100.0	100.0	

Source: Primary data

As Table 4.1 indicates 68.9 percent of this sample maintains a very positive impression of the store interior of the regular retail outlet that they shop in whereas 4.8 percent has a neutral impression (neither positive nor negative) of it. Only 6.5 percent (65 respondents) expressed a negative impression regarding the store interior of the regular retail outlet they use for their shopping

Table-4.2: Opinion on Easy to shop in store

Easy to shop in-store					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not Very Easy	58	5.8	5.8	5.8
	Not Easy	87	8.7	8.7	14.5
	Average	40	4.0	4.0	18.5
	Easy	97	9.7	9.7	28.2
	Very Easy	718	71.8	71.8	100.0
	Total	1000	100.0	100.0	

Source: Primary data

From table no 4.2 it is inferred that 71.8 (n=718) percent of this sample respondents opined it is very easy to shop in the retail outlet, and 4 (n=40) percent has a neutral impression (average) of it. Only 5.8 percent (58 respondents) expressed a negative impression regarding the not very easy the regular retail outlet they use for their shopping

Table-4.3: Opinion on Decor (colours & materials)

Decor (colours & materials)		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	68	6.8	6.8	6.8
	Poor	99	9.9	9.9	16.7
	Neither Poor/Good	67	6.7	6.7	23.4
	Good	109	10.9	10.9	34.3
	Very Good	657	65.7	65.7	100.0
	Total	1000	100.0	100.0	

Source: Primary data

From Table no 4.3 results of frequency analysis it is inferred that 65.7 (n=657) percent of this sample respondents opined Decor (colors & materials) is very good for shopping in the retail outlet, 6.7 (n=67) percent impression (neither positive nor negative) of it. Only 6.8 percent (68) respondents expressed a negative impression of Very Poor regarding the Decor (colours & materials) of the regular retail outlet they use for their shopping.

Table-4.4: Opinion on Store Layout

Store Layout		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	68	6.8	6.8	6.8
	Poor	102	10.2	10.2	17.0
	Neither Poor/Good	57	5.7	5.7	22.7
	Good	100	10.0	10.0	32.7
	Very Good	673	67.3	67.3	100.0
	Total	1000	100.0	100.0	

Source: Primary data

From table 4.4 result of frequency analysis it is inferred that 67.3(n=653) percent of this sample respondents opined Store Layout is very Good for shopping in the retail outlet, and 5.7 (n=57) percent impression is (neither positive nor negative) of it. Only 6.8 percent (68) respondents expressed a negative impression of Very Poor regarding the Store Layout the regular retail outlet they use for their shopping.

Table-4.5: Opinion on Merchandise Quality

Merchandise quality		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Low	84	8.4	8.4	8.4
	Low	124	12.4	12.4	20.8
	Neither	27	2.7	2.7	23.5

	Low/High				
	High	55	5.5	5.5	29.0
	Very High	710	71.0	71.0	100.0
	Total	1000	100.0	100.0	

Source: Primary data

From table no 4.5 results of frequency analysis it is inferred that 71 (n=710) percent of this sample respondents opined there is a very high Merchandise quality in retail outlets, 2.7 (n=57) percent impression is neither positive nor negative for merchandise quality. Only 8.4 percent (84) of respondents expressed a negative impression of the Very low mechanized quality in the Store they use for their shopping.

Table-4.6: Opinion on Variety of merchandise

Variety of merchandise					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Narrow	77	7.7	7.7	7.7
	Narrow	125	12.5	12.5	20.2
	Neither Narrow/Wide	55	5.5	5.5	25.7
	Wide	123	12.3	12.3	38.0
	Very Wide	620	62.0	62.0	100.0
	Total	1000	100.0	100.0	

Source: Primary data

From table no 4.6 result of frequency analysis it is inferred that 62 (n=620) percent of this sample respondents opined there is a Very Wide Variety of merchandise available in retail outlets, 5.5 (n=55) percent impression is Neither Narrow/Wide Variety of merchandise. Only 7.7 percent (77) of respondents expressed a negative impression that in the store there is a Very Narrow Variety of merchandise available in retail outlets.

Table -4.7: Opinion on Prices relative to other stores

Prices relative to other stores					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Unfair	86	8.6	8.6	8.6
	Low	123	12.3	12.3	20.9
	Neither Unfair/Fair	57	5.7	5.7	26.6
	High	67	6.7	6.7	33.3
	Very Fair	667	66.7	66.7	100.0
	Total	1000	100.0	100.0	

Source: Primary data

As Table 4.7 indicates 66.7 percent of the sample respondents opined that 66.7 percent (n=667) perceived that prices relative to other stores are very fair in the retail outlet where they shop whereas 5.7 percent (n=57) have a neutral impression Neither

Unfair/Fair of it. Only 8.6 percent (n=86) of respondents are perceived that prices very unfair relative to other stores.

Table-4.8:Opinion on Sales Personnel Behaviour

Sales Personnel Behaviour (Conduct)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Unfriendly	91	9.1	9.1	9.1
	Unfriendly	138	13.8	13.8	22.9
	Neither Unfriendly/Friendly	39	3.9	3.9	26.8
	Friendly	60	6.0	6.0	32.8
	Very Friendly	672	67.2	67.2	100.0
	Total	1000	100.0	100.0	

Source: Primary data

It is evident from table no 4.8 that out of 1000 respondents, 67.2 respondents (67.2%) opinioned that sales personnel are friendly and helpful for shopping in retail outlets, 60 respondents (6%) opinioned that sales personnel are friendly, 39 respondents (4.3.7%) are Neither Unfriendly/Friendly, 91 respondents (9.1%) are opinion that sales personnel are very unfriendly and rest of 138 respondents (13.8%) are unfriendly.

Table - 4.9: Opinion on the Helpfulness of Sales Persons

Helpfulness of SalesPersons					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Unhelpful	88	8.8	8.8	8.8
	Unhelpful	139	13.9	13.9	22.7
	Neither Unhelpful /Helpful	49	4.9	4.9	27.6
	Helpful	73	7.3	7.3	34.9
	Very Helpful	651	65.1	65.1	100.0
	Total	1000	100.0	100.0	

Source: Primary data

From the above Table 4.9 it is inferred that out of 1000 respondents, 651 respondents (65.13%) agree that sales personnel are very helpful in retail outlets, 73 respondents (7.3%) agree that sales personnel are helpful, 49 respondents (4.9%) are Neither Unhelpful /Helpful, 88 respondents (8.8%) strongly disagree that sales personnel are very unhelpful and rest of 139 respondents (13.9%) are opinion that sales personnel are unhelpful.

Table-4.10: Opinion on the Appearance of Staff

Appearance of Staff					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	49	4.9	4.9	4.9

	Poor	70	7.0	7.0	11.9
	Neither Poor/Good	40	4.0	4.0	15.9
	Good	48	4.8	4.8	20.7
	Very Good	793	79.3	79.3	100.0
	Total	1000	100.0	100.0	

Source: Primary data

It is evident from table no 4.10 that out of 1000 respondents, 793 respondents (79.32%) opined that the Appearance of Staff is friendly are Very Good in retail outlets, 48 respondents (4%) opined that Appearance of Staff is Good, 40 respondents (4%) are opinion that Appearance of Staff is neither Poor/Good, 49 respondents (4.9%) are opinion that Appearance of Staff is very poor and rest of 70 respondents (7%) are opinion that Appearance of Staff is poor.

Table-4.11: Opinion on Convenience of Location

Convenience of location		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very inconvenience	58	5.8	5.8	5.8
	inconvenience	102	10.2	10.2	16.0
	Neutral	68	6.8	6.8	22.8
	Convenience	54	5.4	5.4	28.2
	Very Convenience	718	71.8	71.8	100.0
	Total	1000	100.0	100.0	

Source: Primary data

It is evident from Table no 4.11 that out of 1000 respondents, 718 respondents (71.82%) believed the location of a retail store is Very convenient, and 58 respondents (5.8%) believed that the location of a retail store is very in-convenience.

Table-4.12: Opinion on Presentation of information

Presentation of information (e.g. prices etc):		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	57	5.7	5.7	5.7
	Poor	89	8.9	8.9	14.6
	Neither Poor/Good	56	5.6	5.6	20.2
	Good	60	6.0	6.0	26.2
	Very Good	738	73.8	73.8	100.0
	Total	1000	100.0	100.0	

Source: Primary data

The participants were asked to indicate their opinion about on Presentation of information (e.g. prices etc) 73 percent (738) of respondents opinion that the presentation of information is very good in retail outlets and very little 5.7 percent of respondents opinion that presentation of information is very poor.

Table-4.13: Opinion on Service offered

Service offered					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	69	6.9	6.9	6.9
	Poor	110	11.0	11.0	17.9
	Neither Poor/Good	69	6.9	6.9	24.8
	Good	103	10.3	10.3	35.1
	Very Good	649	64.9	64.9	100.0
	Total	1000	100.0	100.0	

Source: Primary data

The participants were asked to indicate their agreement regarding to Services offered in retail outlets. The results indicated that 64.94% (6497) of the respondents opinion that the service offered is very good, 103 respondents (10.3%) believed that Service offered in retail outlet is Good, 69 respondents (6.9%) are opinion that Service offered in retail outlet is neither Poor/Good, 69 respondents (6.9%) are opinion that Service offered is very poor and rest of 110 respondents (11%) are opinion that Service offered is poor.

Table-4..14: Opinion on Speed of service at checkout

Speed of service at checkout					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	36	3.6	3.6	3.6
	Poor	105	10.5	10.5	14.1
	Neither Poor/Good	42	4.2	4.2	18.3
	Good	87	8.7	8.7	27.0
	Very Good	730	73.0	73.0	100.0
	Total	1000	100.0	100.0	

Source: Primary data

The participants were asked to indicate their agreement regarding on Speed of service at checkout in retail outlets. The results indicated that 73.4% (730) of the respondents opinion that the Speed of service at checkout is very good, 87 respondents (8.7%) believed that the Speed of service at checkout in retail outlets is Good, 42 respondents (4.2%) are opinion that Speed of service at checkout in retail outlet is neither Poor/Good, 36 respondents (3.6%) are opinion that Speed of service at checkout

is very poor and rest of 105 respondents (10.5%) are opinion that Speed of service at checkout is poor.

5. Conclusion: There is a need to understand the buying behaviour of the customers in retail stores it is very important to analyze customer psychology, the factors which influence a customer to buy certain products/services from the stores. The findings of the research suggest that the customer always looks for convenience. He wants comfort and ease at shopping places, things and places that are inconvenient to him are generally avoided by him. Thus, it is suggested that retailers should take due care of customer convenience at their premises there should be spacious walkways, aisles, shelving, parking facilities and an adequate number of POS terminals to avoid or reduce waiting time in queues. From the findings of the study, it is observed that visual aspects of the store will positively influence purchase intention and consumer attitude. Hence it is recommended that the retailer should take care of the overall visual appeal of the retail outlet which includes attractive window displays, proper visibility of the products on the shelves, good ambience, excellent interiors inviting exteriors, etc.

6.References:

- 1] Zameer, A., & Mukherjee, D. (2011). Food and Grocery Retail: Patronage Behaviour of Indian Urban Consumers. *South Asian Journal of Management*, 18(1), 119.
- 2] Thang, D., & Tan, B. (2002). Linking consumer perception to the preference of retail stores: an empirical assessment of the multi-attributes of store image. *Journal of Retailing and Consumer Services*, 9(2), 95-107.
- 3] Swapna Pradhan. (2007). *Tata Retail Management - Text & Cases* (2 ed.). New Delhi: Tata McGraw Hill.
- 4] Sharma, A., & Stafford, T. (2000). Journal of Business Research. *The Effect of Retail Atmospherics on Customers' Perceptions of Salespeople and Customer Persuasion: An Empirical Investigation*, 49, 183-191.
- 5] Ramanathan, V., & Hari, K. (2011, December). A study on consumer perception about Organized vs. unorganized Retailers at Kanchipuram, Tamil Nadu. *Indian Journal of Marketing*, 11-23.
- 6] Porter, M. (1998). *Competitive advantage: creating and sustaining superior performance*. New York: The Free Press.
- 7] Pandey, M., & Verma, R. (2015). Factors Influencing the Buying Behavior of Consumers towards Organized Retail Stores in Jalandhar, Punjab. *IUP Journal of Marketing Management*, 14(1), 51.
- 8] Narayan, G., & Chandra, R. (2015). Factors Affecting the Purchase of Food and Grocery Products from Modern Retail Stores: An Empirical Study. *IUP Journal of Management Research*, 14(2), 7.

9] Nair, G., & Nair, H. (2013). An Analysis of Customer Perception towards Service Quality Variables in Selected Organized Retail Outlets. *International Journal of Management and Social Sciences Research*.

10] Mishra, K., Sinha, P., & Koul, S. (2017). . (2017). Customer dependence and customer loyalty in traditional and modern format stores. *Journal of Indian Business Research*, 9(1).