



**CUSTOMER BUYING BEHAVIOUR IN CORPORATE RETAIL OUTLETS WITH
SPECIAL REFERENCE TO COIMBATORE CITY**

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ABSTRACT

The Indian retail industry is presently posed as one of the most frequently developing and fast paced industry, as several corporate players have started to enter the market. The main objective of the study is to identify the factors influencing the customer's buying behaviour at corporate retail outlet. In the section analysis includes the socio-economic profile of the respondents, factors influencing the customer's buying behaviour in corporate retail outlets in Coimbatore City. Researcher observed that there is a significant relationship between personal factors and overall opinion regarding customers buying behaviour factors like product price, Discount Scheme, Price Less than MRP, Attractive service offers, Convenient Parking, Childcare Facilities.

Key Words: Customers, Byuing Behaviour, Corporate Retail Outlets.

INTRODUCTION

The Indian retail industry is presently posed as one of the most frequently developing and fast paced industry, as several corporate players have started to enter the market. They provide over 14 per cent to 15 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment in India. Of the total Indian retail markets, 8 per cent is made up by the organized retail segment and majority of the labourers are involved in retail trading activity—with organized large departmental stores like, Wal-Mart, Tesco, Metro, Kasino, Big Bazar, Pyramid, Pantloon, and Westside.

Now-a-days, with the changing demographics across the world, the organized retailing is taking shape and people buy their daily and monthly purchases in large corporate

retail outlets rather than the petty shops. Organized retailers actually work as a retail outlet catering to varied needs of the customers. The entire purchasing pattern of the customer has changed in recent days and this is influenced by social factors, such as the group to which the customer belongs and social status.

OBJECTIVES OF THE STUDY

1. To identify the factors influencing the customer's buying behaviour at corporate retail outlet.
2. To study the influence of demographic, social and cultural factors on corporate retail buying behaviour of customers.

LITERATURE REVIEW

Sangvikar and Hemant Katole (2012) published a research paper "A study of Consumer Purchase Behavior in Organized Retail Outlets". In this research paper the researchers basically focused on the behaviour of consumers mainly, on purchasing pattern in various stores formats and store preference, on the basis of product availability, spending pattern, consumers preferred store, sales man services, and store layout. Researchers observed that the customers prefer retail outlets because of price discount, followed by variety of products in the store and convenience to the customer. Researchers have also observed that departmental stores are most popular amongst consumers. Customers purchase behavior varies with price and availability of products and customers spending pattern shrinks due to poor quality of products.

Rajasekar (2013) made a study on "Consumer Preference Towards Organized Retailing Purchase" at Big Bazaar, Vadapalani – An Analysis". The main objective of the study is to analyze the consumer's preference to organized retail shops for their purchase instead of an un-organized retail shops and also to know their level of satisfaction. The result of the study reveals the brand preference of Big Bazaar. The consumers have good opinion on the factors such as price, supply, quality and brand image. However, the consumers feel that the quality has to be improved and price has to be cut down.

Kumberudu Burlakanti and Romala Vijaya (2013), in their article, "The Most Influential Factors of Consumers' Buying Pattern at Organized and Unorganized Retail Stores with Special Reference to Kakinada city, Andhra Pradesh", focused on the emerging organized retailing and its huge customer attraction and retention marketing strategies. The finding of the study was that, the consumer buying pattern was favourable in case of convenience whilst they shopped at various organized retail stores. It is concluded that, majority of the consumers preferred in-store and out-of-store services from organized retailer.

Pooja Sehgal Tabeck (2014) studied “Study on Factors Influencing Purchase Behaviour at Big Bazaar”. The purpose of this study is to find out the important factors that influences purchase behaviour at Big Bazaar. The important factors influencing the purchase from Big Bazaar are High quality products, Information Privacy, Trustworthy staff and Easiness on finding the products. Since Big Bazaar is a leader in providing the wide range of quality products and maintains many product lines, the layout of store is designed in such a way that customers feel ease in finding the required products. Respondents also believe that Staff and security information are important factors.

RESEARCH METHODOLOGY

The study area is limited to Coimbatore city. The study has used both primary data and secondary data. Interview schedules were used as a major tool to collect first hand information from the sample respondents. Among the various corporate outlets, the top five corporate retail outlets were selected for the study. From each branch thirty questionnaires were collected. 150 respondents were taken for the study, by adopting systematic random sampling method. The respondents who arrived at the queue for billing were selected randomly for the study. Statistical tools like Simple Percentage Analysis, Reliability Analysis, Chi-Square Test and Garrett Ranking Technique were used to analyze the collected data.

ANALYSIS PART OF THE STUDY

TABLE - 1

SOCIO-ECONOMIC PROFILE OF THE RESPONDENTS

S.No.	Socio Economic Factors	Category	Frequency	Percentage
1.	Gender	Male	405	54
		Female	345	46
		Total	750	100
2.	Age	18 - 25	195	26
		26 – 35	225	30
		36 - 45	105	14
		46 - 55	105	14
		Above 55	120	16
		Total	750	100
3.	Educational Qualification	Illiterate	44	6
		Upto HSC	59	8
		Degree / Post graduate	206	27
		Profession	269	36
		Others	172	23
		Total	750	100
4.	Occupation	Business	54	7
		Employed	213	28
		Professional	260	35
		Agriculturist	51	7
		Others	172	23
		Total	750	100
5.	Monthly Income in (Rs.)	Upto 15000	194	26
		15001 – 25000	158	21
		25001 – 35000	187	25
		35001 – 45000	104	14
		Above 45000	107	14
		Total	750	100
6.	Family Size (No. of members)	Up to 2	240	32
		3 – 4	315	42
		5 – 6	120	16
		7 and above	75	10
		Total	750	100
7.	Family Structure	Nuclear	525	70
		Joint	225	30
		Total	750	100
8.	Marital Status	Married	480	64
		Single	270	36
		Total	750	100

Source: Primary data

TABLE - 2
PERIOD OF PURCHASE

Period	Frequency	Percentage
Less than 1 year	380	51
1 – 2 years	314	42
More than 2 years	56	7
Total	750	100

Source: Primary data

TABLE - 3
FREQUENCY OF PURCHASE

Span of Time	Frequency	Percentage
Weekly	198	26
Fortnightly	41	6
Monthly	368	49
At special occasion	143	19
Total	750	100

Source: Primary data

TABLE – 4
MODE OF PAYMENT

Payment Mode	Frequency	Percentage
Cash	166	22
Credit cards	436	58
Debit cards	148	20
Total	750	100

Source: Primary data

TABLE -5

**RELIABILITY OF SCALES AND ITEM – CONSTRUCT LOADINGS - FACTORS
RELATED TO CUSTOMERS BUYING BEHAVIOUR AT CORPORATE RETAIL
OUTLETS**

S.No.	Items	Scale Mean if Item Deleted	Cronbach's Alpha if Item Deleted
1	Product price is reasonable	28.84	0.721
2	Product quality is good	28.86	0.709
3	Discounts/schemes available on variety products	28.92	0.717
4	Products are sold in MRP / Less than MRP	29.10	0.737
5	Attractive, prompt and personalized service offers	29.04	0.701
6	Well organized and convenient parking	28.96	0.703
7	Childcare facilities are inherently available	29.08	0.722
Mean			33.80
Variance			5.167
Standard Deviation			2.273
Cronbach's Alpha			0.740
No. of items			7

Source: Primary data

TABLE - 6

**ASSOCIATION BETWEEN PERSONAL FACTORS AND OVERALL OPINION ON
FACTORS INFLUENCING THE CUSTOMER'S BUYING BEHAVIOUR IN
CORPORATE RETAIL OUTLETS - CHI-SQUARE TEST**

Factors	Calculated Value	df	P-Value	S/NS	Remarks
Gender	48.360	7	.000**	S	Rejected
Age	222.080	28	.000**	S	Rejected
Educational Qualification	158.455	28	.000**	S	Rejected
Occupation	209.514	28	.000**	S	Rejected
Monthly Income	152.239	28	.000**	S	Rejected
Family Size	165.314	21	.000**	S	Rejected
Family Structure	108.332	7	.000**	S	Rejected
Marital Status	49.065	7	.000**	S	Rejected
Period of Purchase	142.616	14	.000**	S	Rejected

Source: Primary data **P<0.01 S-Significant

TABLE - 7

ASSOCIATION BETWEEN PERSONAL FACTORS AND OVERALL OPINION OF CUSTOMER'S IN RELATION TO THE BUYING BEHAVIOUR FACTORS

Factors	Product Price			Product Quality			Discount Scheme			Price Less than MRP		
	Calculated Value	P-Value	S/NS	Calculated Value	P-Value	S/NS	Calculated Value	P-Value	S/NS	Calculated Value	P-Value	S/NS
Gender	17.968	.000**	S	8.231	.004**	S	56.198	.000**	S	79.207	.000**	S
Age	35.714	.000**	S	56.294	.000**	S	123.486	.000**	S	181.794	.000**	S
Educational Qualification	23.028	.000**	S	5.460	.243	NS	98.231	.000**	S	105.948	.000**	S
Occupation	38.589	.000**	S	45.142	.000**	S	120.692	.000**	S	113.477	.000**	S
Monthly Income	43.867	.000**	S	67.237	.000**	S	105.010	.000**	S	123.156	.000**	S
Family Size	80.357	.000**	S	198.138	.000**	S	132.219	.000**	S	174.275	.000**	S
Family Structure	35.714	.000**	S	111.702	.000**	S	47.872	.000**	S	75.595	.000**	S
Marital Status	8.610	.003**	S	26.928	.000**	S	62.943	.000**	S	91.905	.000**	S
Period of Purchase	21.253	.000**	S	74.186	.000**	S	57.068	.000**	S	32.648	.000**	S

Factors	Attractive service offers			Convenient Parking			Childcare Facilities		
	Calculated Value	P-Value	S/NS	Calculated Value	P-Value	S/NS	Calculated Value	P-Value	S/NS
Gender	14.723	.003**	S	45.949	.000**	S	25.982	.000**	S
Age	105.187	.000**	S	74.825	.000**	S	99.699	.000**	S
Educational Qualification	86.064	.000**	S	124.059	.000**	S	79.022	.000**	S
Occupation	215.199	.000**	S	189.288	.000**	S	61.456	.000**	S
Monthly Income	106.593	.000**	S	53.494	.000**	S	100.757	.000**	S
Family Size	241.660	.000**	S	82.873	.000**	S	140.761	.000**	S
Family Structure	120.068	.000**	S	73.052	.000**	S	35.897	.000**	S
Marital Status	39.125	.000**	S	22.017	.000**	S	12.320	.002**	S
Period of Purchase	240.252	.000**	S	94.842	.000**	S	204.296	.000**	S

TABLE - 8**RANKING OF THE MOST PREFERRED DIMENSIONS OF OUTLET LOCATION -
GARRETT RANKING TECHNIQUE**

S. No.	Dimensions of Store Location	Total Score	Mean Score	Rank
1.	Convenient location of the store	41250	55.00	V
2.	Ease in identifying the store	45840	61.12	I
3.	Ease to reach the store	45450	60.60	II
4.	Close to the shopping area	42720	56.96	IV
5.	Close to the work place	29115	38.82	XI
6.	Ease of traffic flow	32430	43.24	X
7.	Ease of commutation	33195	44.26	VIII
8.	Travelling time	35895	47.86	VII
9.	Ease in getting into the store	44520	59.36	III
10.	Ease in getting out of the store	32760	43.68	IX
11.	Convenient vehicle parking	41055	54.74	VI

Source: Primary Data

FINDINGS**SOCIO-ECONOMIC CHARACTERISTICS OF CORPORATE RETAIL OUTLET
CUSTOMERS - SIMPLE PERCENTAGE ANALYSIS**

- ✓ Majority of the respondents (54%) are male.
- ✓ Most of the respondents (30%) belong to the age group between 26-35.
- ✓ A maximum of (36%) the respondents are professional degree holders.
- ✓ Most of the respondents (35%) are professionals.
- ✓ Maximum of (25%) respondents earn an income of Rs.25001 – Rs.35000.
- ✓ Majority (42%) of the respondents live in a family with 3-4 members.
- ✓ Majority of the respondents (70%) live in a nuclear family.
- ✓ Majority (64%) of the respondents are married.
- ✓ Majority (51%) of the respondents have been purchasing at corporate retail outlets for a period of less than 1 year.
- ✓ Most of the respondents (49%) purchased monthly.
- ✓ Most of the respondents (58%) made Credit Card payments for their purchase.

FACTORS INFLUENCING THE CUSTOMER'S BUYING BEHAVIOUR AT CORPORATE RETAIL OUTLETS

RELIABILITY ANALYSIS

It is found that all the seven measurement scale items are reliable as the Cronbach alpha coefficient of 0.740. It is greater than the threshold level of 0.70. It has provided good estimates of internal consistency reliability and also coefficient alpha values ranged from 0.703 to 0.737 for all the constructs. It is specified that the scales used in this study are reliable measures for factors related to customer's buying behaviour at corporate retail outlets, so that it can be used for further study.

CHI-SQUARE TEST

- There is significant relationship between personal factors like age, gender, marital status, educational qualification, family structure, family size, occupation, monthly income and period of purchase towards the overall opinion regarding buying behaviour in corporate retail outlets.
- There is a significant relationship between personal factors and overall opinion regarding customers buying behaviour factors like product price, discount scheme, price less than MRP, attractive service offers, convenient parking and childcare facilities.
- There is a significant relationship between personal factors and overall opinion regarding customers buying behaviour factors like product quality except educational qualification.

MOST PREFERRED DIMENSIONS OF OUTLET LOCATION - GARRETT RANKING TECHNIQUE

- "Ease in identifying the store" was ranked first by the selected sample respondents with the total score of 45840 and mean score of 61.12.

CONCLUSION

Retailing is a sunrise industry and the ability to understand customer behaviour is the key factor for the retailer's success. The retailers framed a customer-friendly strategy that helped in building a long-lasting relationship. In recent trend customers have become more demanding, what satisfied their demands yesterday no longer satisfied them today. The needs and wants of customers are changing quite rapidly. Either they are something new or something with enhanced value in the products and services that they buy. Day today customers have more choices in terms of product, brands, variants, prices, etc. The customer's behaviour towards quality keeps changing as they see and gain new experience

from the service offered by corporate retail outlets. Corporate Retail Outlets have to benchmark their service frequently with the best.

Corporate Retail Outlets witnessed tremendous growth in the past and with innovative strategies, it is all set to flourish in the future. No doubt in the days to come, the right use of customer behaviour with the relevant strategies will help retailers to attain great heights.

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