

A STUDY ON CONSUMER BEHAVIOR TOWARDS SHOPPING EXPERIENCE AT HYPERMARKET IN CHENNAI

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ABSTRACT

This paper is suggesting that innovation should be implemented in the Chennai hypermarket by adopting consumer behavior and shopping experience at the hypermarket in Chennai. The findings from the general literature reviews are also gathered to strengthen the existing idea. Objective of the study is to study the opinion and behavior of the consumers to hypermarkets and to indentify the shopping experience pattern of the consumer. The researcher has adopted, a convent sampling technique to collect the required data. The survey was conducted in Chennai. The study is based on the primary data that have been collected from consumer of the hypermarket in Chennai with the help of interview schedule. Reliability analysis is used in the study.

KEYWORDS: Retail Service; Hypermarket; Consumer Opinion; Shopping Experience

INTRODUCTION

Hypermarket retail business is the fastest growing sector in the Indian economy. Hypermarket retailing is in a rapid state of change due to speedy technological developments, changing competitive positions, varying consumer behavior as well as their expectation and liberalized regulatory environment. Hypermarket retailing in India is receiving global recognition and attention, and this emerging market is witnessing a significant change in its growth and investment pattern. This gradual change in the hypermarket retailing scenario is noticeable with prospects and challenges to the new entrants as well as the existing players. On the one side, the changing lifestyle of the consumer forced the retailer to provide consumer perception and satisfaction. There are some opportunities for growth and expansion and sometimes there are challenges also in the form of derailing the age-old practice of retailing.

Modernization of the Indian retail sector will also be reflected in a rapid growth in shopping malls, supermarket, departmental stores and the biggest of the entire Hypermarket. The organized retails are therefore trying innovative models and formats to entice the consumers. This is also because consumers are seeking variety, convenience and quality while shopping, be it for grocery, clothes, food, music or even books. Organized retailing, which emerged as a part of the post liberalization has made a great impact on the minds of the consumers. To match the consumer needs and demands, the retailers have to come out with various store or retail outlet formats such as convenience stores, chain stores, franchise, departmental stores, specialty stores, supermarkets, shopping centers, discount stores, factory outlets, kiosks and Hypermarket.

Operational Definition of Hypermarket

Hypermarket is an extremely large self-service retail outlet. It is very large; carry grocery, hardware, appliance and other general merchandise, with self-service facilities, usually located in warehouse type structures, with large parking facilities.

Statement of the Problem

With the launch of plethora of retail formats from different corporate houses, there is intense competition among retailers. Hypermarket, which sells all products under one roof, is competing with all kinds of retailers from pushcart vendors to specialty electronic and furniture stores. All the retailers are attracting customers through the price route, so the USP of value format like hypermarkets is diminishing. Hypermarkets have to adopt a different strategy to attract the customers keeping its core USP of discount prices intact. In this context, a study of customer experience at hypermarket would be relevant in throwing light upon various dimensions of customer expectations. In order to attract customers, many marketing innovations and developments have been implemented by the store managers. Customer retention, creating favorable image and promoting impulsive buying are the three planks of marketing activities, which were initially undertaken as basic business practices by the Hypermarket. The present study tries to assess the effect of various business practices adopted by Hypermarket to retain and attract customers from different segments.

OBJECTIVE OF THE STUDY

- To study the opinion and behavior of the consumers with regard to hypermarkets in Chennai.
- To identify the shopping experience pattern of the consumer in Chennai.

RESEARCH METHODOLOGY

Area of the Study

Chennai city has been selected as the area of study owing to the main reason that Chennai is the capital of Tamil Nadu, the highest urbanized sector in Tamil Nadu. The other reason behind the high growth of population in this city is due to the large level of infrastructural facilities, especially in health, education and other linked activities. Trade and commerce are the important economic activities in Chennai city.

Sample Size

To prepare this list of hypermarket in the Chennai city, the researcher obtained the adequate and required information from the Internet, and for this study, the researcher surveyed for two months from May and June 2018. Among the different hypermarkets, the top three hypermarkets were selected. Thus, the study had three hypermarkets, namely, Reliance Fresh, Spencer's Daily and the Big Bazaar. By adopting census method, all the three hypermarkets have been taken in to account as sample for data collection. Sample respondents consisted of 25 respondents from each hypermarket, who have been identified by using convenience sampling method. Therefore, the total sample respondents are 75 (3 × 25).

DATA COLLECTIONS

The primary data has been collected from the sample respondents with the help of interview schedule. The secondary data has been gathered from articles, magazines, newspapers, books and websites.

TOOLS FOR ANALYSIS

Statistical tools have been used to analyze the primary data. They are weighted average score and Rank Correlation.

SCOPE OF THE STUDY

Traditional markets are making way for new formats such as Supermarket, Hypermarket and specialty stores. With sample choice of stores available today, shoppers have become more selective and therefore, the catch lies in getting a professionally designed retail outlet. Hypermarket wants to create less distracting environment for consumers, so that they enjoy spending time shopping and buying what they want. Generally, a retail outlet takes, as its essence, the brand names, and thus brings out the exclusivity and uniqueness for all the consumers. So, the challenges of the Hypermarkets are to establish a 'label' or 'mark' to which a consumer relates and defines his attitude and preferences. As such, the Indian consumers are ready for a newer and more discerning shopping experience. Inconsistency in shopping behavior can be explained by a concept called 'component lifestyles'. Consumer needs brands for a less cost and with a decent shopping experience. The Hypermarkets want consumers to learn about the product, attributes, potential consumer benefits, how to use or maintain the products and the new ways of behaving that will satisfy not only the consumers needs by the marketer's objectives. Hence, the purpose of this study is to analyze the consumer behavioral patterns, which include a thorough analysis of shopping intention, shopping habits and shopping attitude of consumers in retail formats like Hypermarket. The scope of Hypermarket and the retail outlets is very wide and therefore innovation in retail is occurring more rapidly now than Ever. I- Highly important I-Important

- INUI-Important Nor UN Important
- UN-Un Important
- HUI-Highly Un Important

The levels of customer opinion have been ranked and analyzed in table 1 by assigned weighted average score 5, 4, 3, 2 and 1. The customers' opinion in switching intention in hypermarket have been ascertained so that they have more weight average, 345, and ranked as one. Followed by entertainment has been ranked as two with weighted average score of 343. The consumers have given the weight score 341 and ranked as three to excellent customer service. Availability of brands and quality products and symbol has been ranked as four and five with weighted average score 340 and 336. Followed by trust of the store has been ranked as six with weighted average score of 333. The consumers have given the weighted average 332 and ranked as seven to high public image. The consumer's opinion of exchange offers in hypermarket have been ascertained, so that they have given weighted average 331 and ranked as on eight. The factors - attractive discount, special offers and security monitoring device have been ranked as nine and ten with weighted average score 330 and 329, whereas the factors - friendly staff members to help and customer feedbacks featured as last in the consumers' opinion; therefore, these factors have been ranked as 24 and 25 with weighted average score 302 and 299, respectively.

Table1: Consumer Opinion and Behavior Towards Hypermarket in Chennai

Factors	HI	I	INUI	UI	HUI	Total	Rank
Availability of brands	50	20		5		340	4
Availability of more pack size	30	32	7	7		305	23
Quality products and symbol	50	15	6	4		336	5
Parking facility	37	30	5	3		326	13
Wide range of products	42	23	8		2	328	11
Attractive discount and special offers	45	20	5	5		330	9
Availability of new products	35	27	10	3		319	17
Entertainment	53	16	4	2		345	1
Store maintenance and service	40	20	6	6	3	313	20
Cleanliness of the place	50	20	3	2		343	2
Trust of the store	45	23	2	5		333	6
Flexible timing in the store	43	19	6	5		321	16
Food courts	33	31	4	4		312	21
Various modes of payment	40	25	5	3	2	323	14
Price reduction	42	25	3	3	2	327	12
Exchanging offers	47	15	10	3		331	8
Good Ambience	35	25	10	5		315	18
High public image	50	15	4	4	2	332	7
Providing value to the Customer	40	25	4	4	2	322	15
Security monitoring device	52	14	2	4		329	10
Excellent customer service	46	25	3	1	1	341	3
User trendily websites	35	20	15	5		310	22
Prompt door delivery	33	25	15	2		314	19
Customer feedbacks	20	40	10	4		299	25
Friendly staff members to help	30	21	20	4		302	24

Source: Primary data

FINDINGS

- As per availability of brands followed in the hypermarket out of the 75 respondents, 50 respondents have opined highly important, 20 respondents have opined important and 5 respondents have opined unimportant.
- Quality products and symbol to the consumer concerned: 50 respondents have opined highly important, 15 respondents have opined important, 6 respondents opined neither important nor unimportant and 4 respondents have opined unimportant.
- Attractive discount and special offer to the consumer concerned: 45 respondents have opined highly important, 20 respondents have opined important, 5 respondents have opined neither important nor unimportant and 5 respondents have opined unimportant.
- With regard to entertainment, out of total 75 respondents, 53 have opined highly important, 16 respondents have opined important, 4 respondents have opined neither important nor unimportant and 2 respondents have opined unimportant.
- Cleanliness of place concerned: 50 respondents have opined highly important, 20 respondents have opined important, 3 respondents have opined neither important nor unimportant and 2 respondents have opined unimportant.

- Opinion of the respondents about trust of the store concerned: majority of the respondents, 45, have opined highly important, 23 respondents have opined important, 2 respondents have opined neither important nor unimportant and 5 respondents have opined unimportant.
- Out of total respondents, 46 respondents have opined highly important, 25 respondents have opined important, 3 respondents have opined neither important nor unimportant, 1 respondent has opined unimportant and 1 respondent highly unimportant about excellent customer service in the hypermarket.
- High public image by the hypermarket concerned: out of 75 respondents, 50 respondents have opined highly important, 15 respondents have opined important and 4 respondents have opined neither important nor unimportant, 4 respondents have opined unimportant and 2 respondents have opined highly unimportant with reference to the high public image of the hypermarket.
- With reference to security monitoring device, 52 respondents have opined highly important, 14 respondents have opined important, 2 respondents have opined neither important nor unimportant and respondents have opined unimportant.
- Out of total respondents - 75, 47 respondents have opined highly important, 15 respondents have opined important, 10 respondents have opined neither important nor unimportant with regard to exchanging offer and 3 respondents have opined unimportant.

SUGGESTIONS

- Respondents were found to consider price discounts as an important promotional tool in the hypermarkets. So, the retailers and the managers of the hypermarkets should ensure that they offer good deals, bargains and schemes for all categories and classes of customers as frequently as possible. On the other hand, free gifts and services can be a good way of conveying value to consumers when discounts tend to undermine the perception of quality.
- Hypermarkets are suggested to come up with their own labels and brands, and their own manufacturing setups, to cushion their businesses and maximize the logistical chain efficiencies. Having this sort of backward integration would result in consequently increasing their profits also in the long run.
- Consumers seek to reduce the risk of their purchase. Hypermarkets need to provide information, guarantees and after sales services to reduce the perception of risk. Consumers shop for variety of reasons. The complexity of the shopping trip per se should be cleared by the staff.
- Due to maintenance of good quality of their goods, the consumers are attracted by Hypermarkets. Hypermarkets can increase the number of branches to meet the consumer needs. At present, the hypermarkets are working only in district headquarters. They should open at talk headquarters with a population of more than 20,000.

CONCLUSIONS

Hypermarkets similar to malls are raising the hopes of consumers for better shopping experience. The place for children to play and elders to relax should be provided. Entertainment facilities like theaters, amusement parks, drive-ins, etc., should be installed at Reliance Fresh since many other hypermarkets have these facilities, which are preferred by consumer. The

influence of friends and family was noteworthy in buying decisions. People who visit the hypermarket are benefitted with the “all under one roof” concept rather than enjoying the pleasure to shop. There has been a phenomenal growth in retail sector in India besides changing consumerism. Hypermarkets have begun to play a prominent role and are redefining lifestyle needs and aspirations.

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