A STUDY OF THE CHANGING CONSUMER BUYING BEHAVIOUR IN ORGANISED RETAILING IN LUCKNOW CITY

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Abstract:
The major factor of consumer behaviour in organised retailing is the changing buying behaviour. Various management thinkers have conducted several studies to understand the relationship of buying behaviour and organised retailing. Consumer behaviour is defined as the behaviour that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. (L.G. Schiffman, L.L. Kanuk, 2005).

Consumer buying behaviour is changes due to organised retailing sector which introduce in India in 2000 year. Slowly organised retail flourish in India year after year and till 2008 many malls and other hypermarkets open in many cities of India. In this sector some Indian players took the initiative and open their retail chains. For example Future Group opened Big Bazaar, RPG Group opened Spencer Store, Ruia Group opened Shoppers Stop in many cities. Now-a-days employees have been hired, trained and remunerated in organised sector. In this respect the malls and hypermarkets provide job opportunities to many people in the country. The organised retailing changes a lot the “consumer buying behaviour” in the country. Under one roof the whole items related to each category available to the consumers in the shops. Times have changed people want a good shopping experience and this experience they feel in purchasing the products from malls, hypermarkets etc.

The purpose of this study was to identify through hypothesis testing how consumer buying behaviour changes in organised retailing. The study was conducted using structured questionnaire on private and public sector employees. Chi- Square technique was applied and chi value was computed to test the formulated hypothesis in order to find relevance of consumer buying behaviour in organised retailing.

Keywords: Consumer Behavior; Buying Behaviour; Organised Retailing; Unorganised Retailing.

Cite This Article: Dr Zubair Ahmad. (2018). “A STUDY OF THE CHANGING CONSUMER BUYING BEHAVIOUR IN ORGANISED RETAILING IN LUCKNOW CITY.” International Journal of Engineering Technologies and Management Research, 5(2), 92-99. DOI: 10.5281/zenodo.1185022.
1. Introduction

To successfully market to different market segments and for a successful marketing campaign management the marketing manager needs appropriate marketing strategies which he can design only when he understand the factors which account for those differences in consumer behaviours and tastes.

In today's world of rapidly changing technology, consumer tastes are also characterized by fast changes. To survive in the market, a firm has to be constantly innovating and understand the latest consumer trends and tastes. Consumer behaviour provides invaluable clues and guidelines to marketers on new technological frontiers which they should explore. For example, Mobile Phones, Lap Tops, LCD Monitors, etc.

Consumer behaviour is a process, and purchase forms one part of this process. There are various endogenous psychological and exogenous environmental factors which influence this process. All these factors and the type of influence which they exert on an individual's consumption behaviour can be understood and analysed.

2. Objectives

The following are the main objectives of the study:

1) To assess consumer buying behaviour in organised retailing in Lucknow city.
2) To find out the variables on which consumer behaviour depends and examine benefits of shopping in organised retailing.
3) To recommend the ways through which the benefits of organised retailing will be enhanced.

3. Research Methodology

There has been a lot of study in the area of consumer buying behaviour and organised retailing which still remains unexplored to some extent and yet a general understanding that has not been developed when it comes to studies conducted at different times and in different business environment. One of the greatest challenges that traders face today is how to manage the competition caused by organise retail sector. Therefore, it has become an important area of research that how to reduce competition and improve our services of trading organisations. Moreover it has been observed many times traders who satisfied with their services are still not good performers. This may be because of lack of some amenities which are not be there in the traditional market. The purpose of this present study is to re-test changing consumer buying behaviour in organised retailing using a questionnaire in lucknow city.

As the research is descriptive in nature the study relies on primary data collected from respondents of lucknow. Survey was conducted at Saharaganj, Fun-mal I, Wave mall (East End mall), Phoenix mall walk- in and we also checked the footfalls of the customers in the stores personally. About 50% are the male respondents and 50% are the female respondents. Primary data has been collected by the researcher through standard structured questionnaire consists of --- questions. Sample size of 300 is taken and simple random sampling is adopted.
4. Tool Used: Chi-Square Test

Chi-Square test is applied to test the goodness of fit to verify distribution of observed data with assumed theoretical distribution. Therefore it is a measure to study the divergence of actual and expected frequencies; Karl Pearson’s has developed this method to test the difference between the theoretical (hypothesis) and the observed value.

Chi-Square test  \( \chi^2 = \frac{(O-E)^2}{E} \)

Degrees of Freedom  \( V = (R-1)(C-1) \)

Where,
“O”= Observed frequency
“E”= Expected frequency
“R”= Number of rows
“C”= Number of Columns

5. Interpretations and Calculations

Hypothesis

H0: There exists no relationship between Connectedness and Consumer behaviour.
H1: There exists relationship between Connectedness and Consumer behaviour

Test of Hypothesis

| S.No | Factors          | Highly Affected | Somewhat Affected | Unaffected | Can’t Say | Total |
|------|------------------|-----------------|-------------------|------------|-----------|-------|
| 1    | Connectivity     | 211             | 56                | 30         | 03        | 300   |
| 2    | Parking Space    | 191             | 59                | 46         | 04        | 300   |
|      | Total            | 402             | 115               | 76         | 07        | 300   |

5.1. Test of Hypothesis

Hypothesis I

Null Hypothesis (H0): There exists no relationship between Connectedness and Consumer behaviour.

Alternate Hypothesis (H1): There exists relationship between Connectedness and Consumer behaviour.

Table for Chi Square test for Analysis 1

| O  | E  | (O—E)2 | (O—E)2/E  |
|----|----|---------|-----------|
| 211| 201| 100     | 0.498     |
| 56 | 575| 269361  | 468.454   |
| 30 | 38 | 64      | 1.684     |
| 3  | 35 | 1024    | 29.257    |
Conclusion:
At 5% level of significance and
\( V = (\text{No. Of row - 1}) \times (\text{No. Of column - 1}) \)
\((2 - 1) \times (4 - 1) = 1 \times 3 = 3 \) degree of freedom the tabulated value of \( \chi^2 \) is 7.81
Since \( \chi^2 \text{ cal} > \chi^2 \text{ tab} 
So Null hypothesis is rejected and alternative is accepted and we can conclude that there exist relationship between Connectedness and Consumer behaviour

**Analysis 2:** To find the relationship between the wide variety of products and consumer behaviour.

| S.No. | Factors     | Highly Affected | Somewhat Affected | Unaffected | Can’t Say | Total |
|-------|-------------|-----------------|-------------------|------------|-----------|-------|
| 1.    | Brands      | 138             | 67                | 76         | 19        | 300   |
| 2.    | Assortments | 115             | 93                | 90         | 02        | 300   |
| Total |             | 253             | 160               | 166        | 21        |       |

5.2. Hypothesis II

**Null Hypothesis (H0):** There exist no relationship between Wide variety of products and Consumer behaviour.

**Alternate Hypothesis (H1):** There exist relationship between Wide variety of products and Consumer behaviour.

**Table of Chi- Square test for Analysis II**

|   | O  | E  | (O–E)² | (O–E)²/E |
|---|----|----|---------|----------|
| 1 | 138| 126.5| 132.25 | 1.045    |
|   | 67 | 80  | 169     | 2.113    |
| 2 | 76 | 83  | 49      | 0.590    |
|   | 19 | 10.5| 72.25   | 6.881    |
|   | 115| 126.5| 132.25 | 1.045    |
|   | 93 | 80  | 169     | 2.113    |
|   | 90 | 83  | 49      | 0.590    |
|   | 02 | 10.5| 72.25   | 6.881    |

\[ \chi^2 = \sum \left[ \frac{(O_i - E_i)^2}{E_i} \right] = 21.258 \]
Conclusion:
At 5% level of significance and
\[ V = (\text{No. Of row} - 1) \times (\text{No. Of Column} - 1) \]
\[ (2-1) \times (4-1) = 3 \text{ degree of freedom the tabulated value of } \chi^2 \text{ is 7.81} \]
Since \( \chi^2 \text{ cal} > \chi^2 \text{ tab} \)
So Null Hypothesis is rejected and alternative is accepted and we can conclude that there exists relationship between Wide variety of products and Consumer behavior

Analysis 3: To find the relationship between the consumer behaviour and shopping ease

| S.No. | Factors                      | Highly Affected | Somewhat Affected | Unaffected | Can’t Say | Total |
|-------|------------------------------|-----------------|-------------------|------------|-----------|-------|
| 1     | Sales person                 | 131             | 105               | 63         | 01        | 300   |
| 2     | Product Display              | 188             | 107               | 05         | 00        | 300   |
| 3     | Offers & Discounts           | 226             | 19                | 55         | 00        | 300   |
| 4     | Trawley & Shopping Baskets   | 86              | 91                | 74         | 49        | 300   |
| 5     | Customer Support             | 132             | 73                | 54         | 41        | 300   |
| 6     | Billing Counter              | 138             | 93                | 54         | 15        | 300   |
| Total |                              | 901             | 488               | 305        | 106       |       |

5.3. Hypothesis III

Null Hypothesis (H0): There exist no relationship between Shopping ease and Consumer behaviour.

Alternate Hypothesis (H1): There exists relationship between Shopping ease and Consumer behaviour

Table of Chi- Square test for Analysis III

| \(O\) | \(E\) | \((O-E)^2\) | \((O-E)^2/E\) |
|-------|-------|-------------|---------------|
| 131   | 150.167 | 367.373    | 2.446         |
| 105   | 81.333  | 560.126    | 6.886         |
| 63    | 50.833  | 148.035    | 2.912         |
| 01    | 17.667  | 277.788    | 15.723        |
| 188   | 150.167 | 37.833     | 0.251         |
| 107   | 81.333  | 658.794    | 8.099         |
| 05    | 50.833  | 2100.663   | 41.324        |
| 00    | 17.667  | 312.122    | 17.666        |
| 226   | 150.167 | 5750.643   | 38.294        |
| 19    | 81.333  | 3885.402   | 47.777        |
| 55    | 50.833  | 17.363     | 0.341         |
| 00    | 17.667  | 312.122    | 17.666        |
| 86    | 150.167 | 4117.403   | 27.418        |
| 91    | 81.333  | 93.508     | 1.149         |
| 74    | 50.833  | 536.709    | 10.558        |
| 49    | 17.667  | 981.756    | 55.570        |
Conclusion:
At 5% level of significance and
\[ V = (\text{No. of row } - 1) \times (\text{No. of Column } - 1) \]
\[ (6 - 1) \times (4 - 1) = 15 \text{ degree of freedom} \]
the tabulated value of \( \chi^2 \) is 25
Since \( \chi^2 \text{ cal} > \chi^2 \text{tab} \)
So Null Hypothesis is rejected and alternative is accepted and we can conclude that there exists relationship between Shopping ease and Consumer behaviour.

Analysis 4: To find the relationship between the consumer behaviour and mall ambience

| S.No. | Factors                        | Highly Affected | Somewhat Affected | Unaffected | Can’t Say | Total |
|------|--------------------------------|-----------------|-------------------|------------|-----------|-------|
| 1.   | Food Court & Multiplex         | 177             | 43                | 64         | 16        | 300   |
| 2.   | Hygiene & Sanitation           | 194             | 77                | 26         | 03        | 300   |
| 3.   | Lift Staircase Escalators      | 113             | 86                | 74         | 27        | 300   |
| **Total** |                             | **484**          | **206**           | **164**    | **46**    | **546** |

5.4. Hypothesis IV

Null Hypothesis (H0): There is no relationship between Mall ambience and Consumer behaviour.

Alternate Hypothesis (H1): There is relationship between Mall ambience and Consumer behaviour.

Table of Chi- Square test for Analysis IV

| O   | E   | (O—E)2 | (O—E)2/E |
|-----|-----|--------|----------|
| 177 | 161.333 | 1.123 | 0.007    |
| 43  | 68.667  | 658.795 | 9.594    |
| 64  | 54.667  | 87.105 | 1.593    |
| 16  | 15.333  | 0.445  | 0.029    |
\[
\chi^2 = \sum_{i=1}^{n} \left[ \frac{(O_i - E_i)^2}{E_i} \right] = 78.371
\]

Conclusion:
At 5% level of significance and
\( V = (\text{No. of row } - 1) \times (\text{No. of Column } - 1) \)
\((3-1) \times (4-1) = 6\) degree of freedom the tabulated value of \( \chi^2 \) is 12.6
Since \( \chi^2_{\text{cal}} > \chi^2_{\text{tab}} \)
So Null Hypothesis is rejected and alternative is accepted and we can conclude that there exists relationship between Mall ambience and Consumer behaviour.

6. Conclusions

Organised retailing in India provides employment to lakhs of people and thousands of manufacturers have been engaged in this industry for a long time. 50-100 malls have been opened in India till now with an investment of crores in this business. The organised retailing sector occupies an important place in the national economy of India. All types of retailers are found here. Both smaller and big retailers are chooses organised retailing as it helps in growth of their business. With the efforts of Future group, Raheja group, Landmark group, Reliance group, Tata group etc. organised retailing, underwent a radical change.

Indian consumerism, until the early 1990s remained a point of academic discussion due its immense potential. Similarly, access to cheaper credit and increased disposal incomes to enjoy their aspirations for private homes, cars, and a plethora of other consumer durables was a distant dream. This however, has changed dramatically over the past decade. The Indian economy has evidenced an unprecedented resurgence, with the GDP growth averaging close to 6% per annum placing India amongst the fastest growing economies in the world. This growth has meant an empowerment of the consumer.

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