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A study on consumer expectation towards reliance supermarket in erode city

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ABSTRACT

The purpose of this paper is to find out consumer Buying behavior towards Reliance Supermarket in Erode city. A total of 250 consumers of Supermarket were personally surveyed with a structured questionnaire. These consumers are spread out through Erode city. Descriptive research design is used and convenient sampling method has been used for the study. Garrett's ranking technique is adopted to analyse the problems of the respondents. The study was restricted only to Erode city. So the results cannot be generalized. The results may help the management of supermarket to understand about the factors that influence the Buying behavior of consumers towards supermarket, so that they can implement the requirement of the consumers and be successful in the emerging retailing environment.

I.INTRODUCTION

According to AT Kearney's latest annual Global Retail Development Index (GRDI), the Indian retail market, the fifth largest retail destination globally, has been ranked as the most attractive emerging market for investment in the retail sector (AT Kearney, 2011). With rising consumer demand and greater disposable income, it is projected to grow to US\$ 700 billion by 2012 with an expected annual growth rate of 30 per cent. Further, the retail sector is expected to rise to US\$ 833 billion by 2013 and to US\$ 1.3 trillion by 2018, at a compound annual growth rate (CAGR) of 10 per cent (Shafi, S., 2012). India is one of

the fastest growing retail markets in the world, with 1.2 billion employees (Mazumder, S. 2011).

The Economist forecasts that Indian retail will nearly double in economic value, expanding by about \$400 billion by 2020 (The Economist, 2011). The projected increase alone is equivalent to the current retail market size of France. According to a report by Business Monitor International (BMI), the average annual GDP of India will grow by 7.6 per cent through 2015. As a result, more and more companies are willing to invest in India (BMI, 2011).

The apparel industry, the second largest retail industry in India (behind food & groceries), is estimated of around \$10 billion, growing at a CAGR of 12 per cent. With highly intensifying rate, the industry provides employment to over 4.5 million workers directly while to another 4 million, indirectly (Kapoor, P., 2012). The face of Indian apparel market is changing very fast. A new class of customers with more money to spend, and a growing passion for fashion, has been generated by swift development and rising urbanization. In India's high-growth, fast-changing retail clothing market, one can see significant new growth opportunities for foreign and domestic players. No matter what type of format a retailer is using, which type of retailer it is, big or small, foreign or national; it has to satisfy the needs of the customers.

No retailer can ever be successful until and unless it is able to understand the buying behaviour of the end users. Hence, it becomes equally essential to find out the perception of customers towards the super markets and their buying pattern. In the view of the above, an attempt was made not only to analyse the customers' perception towards super markets but also to find out the buying behaviour of customers with special reference to erode reliance super market.

II. REVIEW OF LITERATURE :

Bhattacharya and Sen (2003) stated that consumer behaviour referred to the mental and emotional process and the observable behaviour of consumers during searching, purchasing and post consumption of a product or service. Consumer behaviour involved study of how people buy, what they buy, when they buy and why they buy. It blended the elements from psychology, sociology, socio-psychology, anthropology and economics, to assess the influence on the consumer from groups such as family, friends, reference groups and society in general. According to 'Apparel Retail Industry Profile: India' (2010) published by Datamonitor, The Indian apparel industry is of great importance to the economy in terms of trade, employment, investment and revenue for the country. This particular industry has short product life cycles, vast product differentiation and is characterized by great pace of demand change coupled with rather long and inflexible supply processes.

Dineshkumar and Vikkraman (2012) noted that customer satisfaction was widely recognized as a key pressure in the formation of consumers' future purchase intentions. It aimed to investigate customer satisfaction in the organized retail outlets in Erode city of Tamil Nadu State in India. The objectives were to identify the determinants of customer satisfaction in the organized retail outlets in

Erode city, to identify the attitude and behavior of the customers those who were purchasing in organized retail outlets and to study about the future prospects of organized retail outlets in the city. Customer satisfaction was a significant subject for most marketers. Gomathi et al. (2013) studied the consumer attitude towards departmental stores of organized retail outlet in Erode city. The preferences of the consumers clearly indicate the importance of advertisement in influencing their purchase, the additional facilities expected, improvement expected in handling defective goods and many more. They analysed the attitude of the consumer towards departmental stores. The results may help the management of departmental stores to understand the factors that influence the attitude of consumers towards departmental stores, so that they can implement the requirement of the consumers and be successful in the emerging retailing environment.

Krishna C. V. in his study 'Determinants of Study of Private Label Brands in Apparel Retail' found that,

- Four factors namely brand image, sales promotion offers, design and store atmospheric were the primary factors affecting consumer preferences for private level brands.
- Demographic factors namely occupation of the consumer and social class of the consumer has no effect on the consumer behaviour in choosing private levels brands.

According to Dolekoglu et al. (2008), the main determining factors affecting consumer buying behavior are: quality, price, trust, availability of alternative packaging, frequent advertising, sales promotions, imitations, availability, brand image, prestige, freshness and habits.

Packaging (Wells, Farley, Armstrong 2007), perceived risk (Batra & Sinha 2000; Bettman, 1973; Dunn et al., 1986; Richardson Jain, & Dick 1996; Shannon and Mandhachitra 2005), price consciousness, price-quality association (Batra and Sinha 2000), advertising-pricing (Karray and Martin-Herran 2008), price, quality, risk perception (Ashok Kumar and Gopal 2009), price and quality (Ailawadi, Pauwels and Steenkamp 2008) are some other important factors which play major role in deciding the consumer buying behavior.

➤ OBJECTIVE OF THE STUDY

To study the needs of the customers at the place of purchase.

➤ STATEMENT OF THE PROBLEM

The present study under the title, “A Study On Consumer Buying Behaviour Towards Reliance Supermarket In Erode City” is an attempt to understand the various factors influencing the satisfaction level of the customers with regard to the various dimensions of service quality such as tangibles, reliability, responsiveness, assurance and empathy. A perfect parity between the services offered by sellers and the services expected by the buyers is vital to make the transaction smooth and hassle-free. So the services offered become an integral part of the marketing strategy of the firm. In this context it is imperative to make a study on the quality of service offered by Super markers in Erode city and the present research work has tremendous relevance to the sellers in formulating their marketing strategies in this regard.

III. RESEARCH METHODOLOGY :

Sample Design

Convenient sampling method has been used for the study. The sample size has been 250 respondents which have been selected in Erode district and data is collected for solving particular problem through well structured questionnaire.

Sample Size

A Sample of 250 employees was chosen for this study.

Sampling Technique

In this study, simple random sampling method was adopted for selecting the respondents.

Statistical tools:

- Ranking Technique

Henry Garrett ranking technique :

Garrett’s ranking technique was adopted to analyze the problems of the respondents. The order of merit thus given by the respondents for each statement under each head was converted into ranks by using the following formula.

$$100 (R_{ij} - 0.50)$$

$$\text{Percent Position} = \frac{\text{-----}}{N_j}$$

Where,

R_{ij} = Rank given for the i th statement by j th respondent

N_j = Number of statements ranked by j th respondent

Needs of customers at the place of purchase

| S.NO | FACTORS | MEAN SCORE | TOTAL SCORE | RANK |
|------|---------------------|------------|-------------|------|
| 1 | Sales Promotion | 1319 | 11871 | 2 |
| 2 | Ambience | 1433 | 2866 | 9 |
| 3 | Product offer | 1338 | 9366 | 4 |
| 4 | Price | 1323 | 10584 | 3 |
| 5 | Shopping experience | 1433 | 4299 | 8 |
| 6 | Convenience | 1364 | 8184 | 5 |
| 7 | Staff service | 1317 | 13170 | 1 |
| 8 | Hospitality | 1379 | 5516 | 7 |
| 9 | Post service | 1374 | 6870 | 6 |
| 10 | Billing facility | 1453 | 1453 | 10 |

From the above table it is evident that “Staff service” is ranked as no.1 with the total score of 13170, “Sales promotion” is ranked as no.2 with the total score of 11871, “Price” is ranked as no.3 with the total score of 10583, “Product offer” is ranked as no.4 with the score of 9366, “Convenience” is ranked as no.5 with the score of 8184, “Post service” is ranked as no.6 with the total score of 6870, “Hospitality” is ranked as no.7 with a total score of 5516, “Shopping Experience” is ranked as no. 8 with a total score of 4299, “Ambience” is ranked as no.9 with a total score of 2866, “Billing facility” is ranked as no.10 with a total score of 1453.

IV.FINDINGS :

From the analysis it is evident that “Staff service” is ranked as no.1 with the total score of 13170, “Sales promotion” is ranked as no.2 with the total score of 11871, “Price” is ranked as no.3 with the total score of 10583, “Product offer” is ranked as no.4 with the score of 9366, “Convenience” is ranked as no.5 with the score of 8184, “Post service” is ranked as no.6 with the total score of 6870, “Hospitality” is ranked as no.7 with a total score of 5516, “Shopping Experience” is ranked as no. 8 with a total score of 4299, “Ambience” is ranked as no.9 with a total score of 2866, “Billing facility” is ranked as no.10 with a total score of 1453.

SUGGESTIONS :

1. As the majority of the respondents are aware of departmental stores not through advertisement, it is suggested that the store puts in more efforts in making the advertising media an effective source of information in reaching the customers at large.

2. It is recommended to the management to make the billing procedure more convenient.

3. Steps should be taken to improve the parking facility for the customers vehicle.

4. Steps should be formulated to make the customers aware of the door delivery system facility provided.

CONCLUSION :

The starting point in evolution of market driven strategies in getting know about what, where, when and how the customers are in need of their wants. The various marketing channels are used to provide consumers with a convenient means of obtaining the products and services they desire one. Such retail marketing channel is the Super markets. The features such as product choice, display of good and other services facility provided attract the customers at large.

The study reveals that the customers are satisfied with the contributors made by departmental stores and they are interested in recommending it to other prospective customers.

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