



An Investigation of Antecedents to the Buying Behavior Outcomes at Organised Retail Shops in Solapur City

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ABSTRACT

India's retail sector is on its way of modernisation. Increasing young working population, hefty pay packets, nuclear families in urban areas, along with increasing working-women population & emerging opportunities in the services sector factor are in the prospects of the retail sector in India is. The retail sector has witnessed a paradigm shift in Solapur with the presence of retail stores like D-mart, Big Bazaar, McD, and Oasis Mall etc. Organized retailing is changing the entire perception of shopping in terms of buying behavior. Increased household incomes, education, convenience of getting all useful items under one roof and payment through card are some of the factors responsible for inclination of consumer's towards organized retail. The objective of this study is to identify attributes of an organized retail shop which influence buying behavior outcomes.

KEYWORDS : Retail, Organized Retail, Buying Behavior

Introduction:

The retail industry in India is highly fragmented and unorganised. Peeping in history, one can find, Barter is considered to be the oldest form of retail trade. *Haats, Mandis, Melas* have always been a part of Indian traditional market. They still present in most parts of India and form an essential part of life and trade in various areas. Earlier on retailing in India was mostly done through family-owned small stores with limited merchandise, popularly known as kirana or mom-and-pop stores.

During the last few years, the Indian retail market has seen considerable growth in the organised segment. Major domestic players have entered the retail arena and have ambitious plans to expand in the future years across verticals, formats, and cities. For example, companies like Reliance, Tata, Bharti, Adani Enterprise, have been investing considerably in the booming Indian retail sector. Besides, a number of transnational corporations have also set up retail chains in collaboration with big Indian companies.

The Indian retail sector is highly fragmented and the unorganised sector has around 13 million retail outlets that account for around 95-96% of the total Indian retail industry. However, going forward, the organised sector's growth potential will increase due to globalisation, high economic growth, and changing lifestyle. Even small towns and cities are witnessing a major shift in consumer lifestyle and preferences, and have thus emerged as attractive markets for retailers to expand their presence.

Review of Literature:

Urvashi Gupta In her paper titled "Changing Consumer Preferences from Unorganized Retailing towards Organized Retailing: A Study in Jammu" - This study was conducted for the purpose of understanding the changes taking place in the minds of consumers towards modern retail formats and traditional retailers. It was observed that due to the changing demographics, urbanization, and awareness due to electronic media especially internet the customers have multiple options to choose from modern retail outlets to neighbourhood shops.

Mathew Joseph: Unorganized retailers in the vicinity of organized retailers experienced a decline in their volume of business and profit in the initial years after the entry of large organized retailers. The adverse impact on sales and profit weakens over time. There was no evidence of a decline in overall employment in the unorganized sector as a result of the entry of organized retailers. There is some decline in employment in the North and West regions which, however, also weakens over time. The rate of closure of unorganized retail shops in gross terms is found to be 4.2% per annum which is much lower than the international rate of closure of small businesses.

Purohit and Kavita according to their studies that the traditional retailers are not very much clear about the consequences of the modern retailing the traditional retailers are neutral or undecided, modern retailing will cut the profit margin of the traditional retailers; the modern retailing will lead healthy competition in the market, modern retailing will reduce the sales volume of the traditional retailers and traditional retailers should improve customer care services in the era of modern retailing.

Shaoni Shabnam It is important to highlight that in organized retail, the status of employment is much better than that in unorganized retail. Hence it is definitely desirable that more and more labor gets absorbed in this sector of retail. The status of employment is much better than that in unorganized retail. Hence it is definitely desirable that more and more labor gets absorbed in this sector of retail. In the current context, the labor employed in unorganized retail stands unfit for finding employment in organized retail. If appropriate training and skills could be imparted to them, it is possibly feasible to offer better forms of employment.

Meeta Punjabi According to their study they suggest that the development efforts in this area are based on three grounds: First, farmers associated with the modern value chains earn higher returns than selling to the traditional markets. Second, the modern supply chains have specific quality requirements which are easier to meet by the large and medium farmers and the small farmers tend to get left out of these markets. Third, there are several successful examples of linking small farmers to these modern value chains with effort from government agencies, NGOs and development agencies. This knowledge presents strong grounds for a closer look at the emerging sector in India.

Ernst & Young's report- 'The New Market Shehers: Tapping Potential beyond the Metros' (2010) - throws light on the growing clout of the key urban towns in India. The key findings of the report indicate retail presence in the Key Urban Towns (KUTs) and the Rest Of Urban India (ROUI) through organized retail chains and malls has increased considerably over a two-year period; the percentage growth in the number of malls in the KUT (55%) was more than twice that of the metros (24%) .

Methodology

The study was conducted in Solapur city, Maharashtra State. Solapur was purposively chosen for the study because it is surrounded by many organized retail outlets. The present study identified different attributes that could possibly affect buyer behavior outcome. A multiple cross sectional descriptive type of research was designed for

the study. Convenient sampling was used as the sampling technique and a total of 500 responses were collected. Primary data was used in the study, and a survey method of data collection technique was undertaken. The period of study was during July-Aug. 2016. A structured pre-tested questionnaire was used as the data collection instrument. Various dimensions were determined by presenting before the respondents. The respondents are requested to give the response according to their preferences which motivate them towards organized retail. The antecedents to the buying behavior outcomes at organized shops were verified by a multiple regression analysis. It is hypothesized in this study that ambience, discounts/offers, social status, attractive display, Lifestyle, and variety of brands attributes of an organized retail shop influence buying behavior outcomes. The data for this study was collected through self administered questionnaire and face to face intercepts of shoppers of above stores in city. Obtained data were analyzed using SPSS (20) software package in 95% confidence interval.

Analysis and Discussion:

Ho: Buying behavior outcomes are not dependent upon ambience, discounts/offers, social status, attractive display, Lifestyle, and variety of brands attributes of an organized retail shop.

Ha1: Buying behavior outcomes are dependent upon ambience, discounts/offers, social status, attractive display, Lifestyle, and variety of brands attributes of an organized retail shop.

Table 109: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.131 ^a	.017	.005	1.237

a. Predictors: (Constant), ambience, discounts/offers, social status, attractive display, Lifestyle, and variety of brands.

b. Dependent Variable: Buying behavior outcomes

Table 109.1: Regression Output

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	13.149	6	2.191	1.432	.000
Residual	754.249	493	1.530		
Total	767.398	499			

Since p value is less than 0.05 reject null hypotheses and accept alternative hypothesis. This indicates that Buying behavior outcomes are dependent upon ambience, discounts/offers, social status, attractive display, Lifestyle, and variety of brands attributes of an organized retail shop

Table 109.2: Residuals Statisticsa

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.86	2.98	2.80	.162	500
Residual	-1.976	2.272	.000	1.229	500
Std. Predicted Value	-5.798	1.069	.000	1.000	500
Std. Residual	-1.597	1.837	.000	.994	500

a. Dependent Variable: Buying behavior outcomes

Table 109.3: Coefficientsab

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	3.823	.579		6.602	.000	2.685	4.961
Ambience	-.146	.112	-.058	-1.295	.041	-.367	.075
Discounts/Offers	.022	.074	.016	.296	.050	-.123	.167
Social Status	-.105	.178	-.031	-.590	.555	-.455	.245
Attractive Display	-.736	.319	-.105	-2.308	.021	-1.363	-.109
Lifestyle	-.023	.115	-.009	-.196	.045	-.248	.203
Variety of Brands	.018	.063	.013	.281	.779	-.106	.141

The multiple regression analysis indicates that the p values for each of the independent variables like social status and variety of brands are greater than 0.05 means buying behavior outcomes are not dependent on these variables. Whereas buying behavior outcomes are dependent on ambience, discount/offers, attractive display and lifestyle.

Ho2: Buying behavior is not dependent upon ambience.

Ha2: Buying behavior is dependent upon ambience.

Inference: Significance value 0.041 indicates that buying behavior is dependent upon ambience

Ho3: Buying behavior is not dependent upon Discounts/Offers

Ha3: Buying behavior is dependent upon Discounts/Offers

Inference: Significance value 0.050 indicates that buying behavior is dependent upon Discounts/Offers

Ho4: Buying behavior is not dependent upon Social Status

Ha4: Buying behavior is dependent upon Social Status

Inference: Significance value 0.555 indicates that buying behavior is not dependent upon Social Status

Ho5: Buying behavior is not dependent upon Attractive Display

Ha5: Buying behavior is dependent upon Attractive Display

Inference: Significance value 0.021 indicates that buying behavior is dependent upon Attractive Display

Ho6: Buying behavior is not dependent upon Lifestyle

Ha6: Buying behavior is dependent upon Lifestyle

Inference: Significance value 0.045 indicates that buying behavior is dependent upon Lifestyle

Ho7: Buying behavior is not dependent upon Variety of Brands

Ha7: Buying behavior is dependent upon Variety of Brands

Inference: Significance value 0.079 indicates that buying behavior is not dependent upon Variety of Brands

Conclusion after Regression Analysis:

Dependent Variable	Predictors	Significance Value	Remarks
Buying behavior Outcomes	Ambience	0.041	Reject
	Discounts/Offers	0.050	Reject
	Social Status	0.555	Accept
	Attractive Display	0.021	Reject
	Lifestyle	0.045	Reject
	Variety of Brands	0.079	Accept

Hence it can be concluded that, buyer behavior is dependent on Ambience at retail store, Discounts/Offer, Attractive display of products at stores and lifestyle of buyers.

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