



Big Bazaar: A Study of Consumer Behavior towards Organized Retail

KEYWORDS

Consumer Behaviour, Malls, Retail.

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ABSTRACT *Purpose: The shopping habits and purchase patterns of the Indian consumer have seen a drastic change in the past decade. This paper aims at identifying the profile of this new Indian consumer, how they purchase, what are the factors that influence their consumer behaviour towards shopping malls and how do they choose their shopping destination.*
Methodology: We have taken responses from 405 respondents through a questionnaire. The samples were chosen on the basis of their availability at our convenience.
Research Limitations: The major limitation of this research is that it was undertaken in the geographic boundary of the city of Ahmedabad, Gujarat.
Practical Implications: This study will reveal the purchase pattern of the consumers of Big Bazaar. Thereby recommending how can Big Bazaar position itself better in the minds of its consumers and paving a way for further research.
Findings: Our findings were that Big Bazaar's biggest client base is youngsters, who visit Big Bazaar mainly to shop Cloths and Food Items, and prefer Big Bazaar because of its Low-Price Pricing Strategy.

Introduction

The purchase patterns of consumers related to food items has seen a major shift in developing economies like India. This can be specifically attributed to the increase in disposable incomes, access to global information, urbanization, education and health awareness. (Rao, 2000; Shetty, 2002; Deshingkar et al., 2003; Vepa, 2004; KPMG, 2005; Kaushik, 2005; Kaur and Singh, 2007; Pingali, 2007). Further the development of households towards higher income groups, changes in life-style and family structures are having similar fall-outs on the other shopping needs too. Discussing in the same league, Dodge and Summer (1969) suggest that store choice also depends on socio-economic background of the consumer.

In order to verify the above propositions in the case of Big Bazaar in Ahmedabad, we have undertaken this project to chalk-out the profile of consumers who visit Big Bazaar, their purchase patterns and the standing of Big Bazaar as against its competitors.

Research Objectives

Based on the above discussion, we can put forth the following objectives for this study:

1. To generate a profile of the consumers visiting Big Bazaar
2. To detail the purchase pattern of consumers based on:
 - a. Outlet Location
 - b. Frequency of visits
 - c. Day of the week
 - d. Time of the day
 - e. Time spent during each visit
 - f. Amount of money spent during each visit
 - g. Types of products purchased
 - h. Mode of payment
3. To measure Big Bazaars standing against its competitors, based on the attractive features of Big Bazaar and who do the consumers prefer amongst the available options in organized retail market.

Research Questions

1. What is the profile of the consumers visiting Big Bazaar based on their gender, profession and income?
2. Which Big Bazaar outlet do the consumers prefer to visit?
3. How frequently do consumers visit Big Bazaar?
4. Which are the most preferred day of the week and time of the day that consumers choose to visit Big Bazaar?

5. What is the amount of Time and Money spent on one visit at Big Bazaar?
6. What are the kinds of products that consumers prefer to purchase from Big Bazaar?
7. What is the most preferred mode of payment used by consumers of Big Bazaar?
8. What factors that impact the preference for Big Bazaar amongst its consumers?
9. Who are the major competitors of Big Bazaar? Why?

Empirical Study

Sample: We have questioned 405 respondents for our study. The samples were chosen through convenient sampling.

Data Collection: Data was collected through the administration of a questionnaire. Data collection was done outside the three Big Bazaar outlets in Ahmedabad, namely: SG Highway, 10 Acres Mall and Himalaya Mall.

Findings

1. Gender of respondents visiting Big Bazaar

| Gender | Total | Percentage |
|--------|-------|------------|
| Male | 192 | 47.41 |
| Female | 213 | 52.59 |
| Total | 405 | 100 |

Table: 1

As seen in Table: 1, the proportion of gender visiting Big Bazaar is balanced and the population is divided equally, where the proportion of women visiting Big Bazaar is slightly more than the men.

2. Profession of respondents visiting Big Bazaar

| Profession | No of respondents |
|------------|-------------------|
| Business | 63 |
| Service | 96 |
| Home-Maker | 80 |
| Student | 166 |
| Total | 405 |

Table: 2

Table: 2 denotes the profession of respondents visiting Big Bazaar. Students make the largest part of the population visiting Big Bazaar, followed by working professionals and Home-makers. The reason why home-makers are not at the 1st rank is probably because they tend to make most of their purchases from vendors near their residence.

3. Income of respondents visiting Big Bazaar

| Monthly Income | No. of respondents |
|------------------------|--------------------|
| Below Rs.10000 | 96 |
| Rs.10,000 to Rs.20,000 | 58 |
| Rs.20,000 to Rs.40,000 | 59 |
| More than Rs.40,000 | 42 |
| Dependent | 150 |
| Total | 405 |

Table: 3

Table: 3 describes the break-up of the sample population based on their monthly incomes. It was found that the highest number of respondents were dependents. And the least are the respondents who were the highest in income in our parameters. This shows that the positioning of Big Bazaar as 'Sabse Sasta, Sabse Achcha' has impressed its target audience.

4. Preference of Big Bazaar outlet for shopping needs

| Most visited outlet | Total | Percentage |
|-------------------------|-------|------------|
| 10 Acre Mall, Raipur | 106 | 26.173 |
| Himalaya Mall, Drive-in | 143 | 35.309 |
| S.G. Highway | 106 | 26.173 |
| Any outlet randomly | 50 | 12.000 |
| | 405 | 100 |

Table: 4

We also asked respondents to specify which Big Bazaar outlet they prefer in Ahmedabad. Table: 4 shows that the most preferred outlet in Ahmedabad is Himalaya Mall outlet near Drive-in Cinema.

5. Frequency of visit to Big Bazaar

| Frequently visit | Total | percentage |
|--------------------|-------|------------|
| Weekly | 48 | 11.85 |
| Monthly | 126 | 31.11 |
| Quarterly | 44 | 10.86 |
| On unplanned Basis | 187 | 46.17 |
| Total | 405 | 100 |

Table: 5

Table: 5 describes the frequency of visits by the respondents to Big Bazaar. 187 out of 405, the highest number of respondents said, their visits were unplanned, as against that weekly and quarterly visitors were the least at 48 and 44 respectively.

6. Preferred Day of the Week to visit Big Bazaar

| Preferred days | Total | Percentage |
|------------------------|-------|------------|
| Weekdays | 83 | 20.49 |
| Weekends | 244 | 60.25 |
| Particularly Wednesday | 78 | 19.26 |
| Total | 405 | 100 |

Table: 6

Another component of the purchase pattern was the day of the week that the respondents preferred to visit Big Bazaar. Table: 6 shows that weekends were the most preferred days of the week by most of the respondents.

7. Preferred Time of the Day to visit Big Bazaar

| Mostly preferred Time | Total |
|-----------------------|-------|
| 10 am to 1 pm | 11 |
| 1 pm to 3 pm | 63 |
| 3 pm to 6 pm | 115 |
| 6 pm to 10 pm | 216 |
| Total | 405 |

Table: 7

Continuing in the same line we asked respondents what was their preferred time of the day to visit Big Bazaar. Table: 7 shows that the after work hours in the evening, between 6 pm and 10 pm was the most preferred time slot for the respondents to visit Big Bazaar.

8. Time spent per visit

| Time spend | Total | Percentage |
|----------------------|-------|------------|
| Less than 30 minutes | 24 | 5.93 |
| 30 minutes to 1 hour | 129 | 31.85 |
| 1 hour to 2 hour | 182 | 44.94 |
| More than 2 hour | 70 | 17.28 |
| | 405 | 100 |

Table: 8

Table: 8 shows that 1-2 hours was spent by the highest number of respondents at Big Bazaar in a visit. Less than 6% respondents said they spent less than 30 minutes at Big Bazaar. This is a motivating revelation from the respondents.

9. Money spent per visit

| Money Spend | Total | Percentage |
|----------------------|-------|------------|
| Below Rs.500 | 40 | 9.88 |
| Rs.500 to Rs.1000 | 138 | 34.07 |
| RS. 1000 to Rs. 2000 | 154 | 38.02 |
| More than Rs. 2000 | 73 | 18.02 |
| | 405 | 100 |

Table: 9

38% of respondents revealed that they spent between 1000 and 2000 rupees per visit at Big Bazaar and another 18% said they spent more than 2000 rupees per visit (Table: 9). This means that more than 50% of Big Bazaar customers pay a bill of more than 1000 rupees per visit. This is another motivating point for us to make note of.

10.Types of products purchased from Big Bazaar

| Product Purchased | Total |
|-------------------|-------|
| Cloths | 215 |
| Accessories | 107 |
| Grocery | 133 |
| Food items | 208 |
| Electronic items | 50 |
| Other | 21 |
| | 734 |

Table: 10

To understand what kind of products are the respondents buying from Big Bazaar, we can look at Table: 10, which

shows that Cloths, closely followed by Food items are the most purchased products from Big Bazaar.

11. Preferred mode of payment

| Mode of payment | Total | Percentage |
|-----------------|-------|------------|
| Cash | 316 | 78.02 |
| Credit Card | 72 | 17.78 |
| Debit Card | 17 | 4.20 |
| Total | 405 | 100 |

Table: 11

Nearly 80% of the consumers of Big Bazaar preferred to pay their bills through cash (Table: 11). Only a little more than 20% paid through credit or debit cards.

12. Factors that impact preference for Big Bazaar for shopping needs

| Attribute | Excellent | Good | Average | Bad | Very Bad | TOTAL |
|-----------|-----------|------|---------|-----|----------|-------|
| Price | 86 | 184 | 131 | 4 | 0 | 405 |
| Service | 42 | 213 | 140 | 10 | 0 | 405 |
| Quality | 67 | 196 | 138 | 4 | 0 | 405 |
| Variety | 74 | 210 | 111 | 10 | 0 | 405 |
| Ambience | 33 | 197 | 148 | 19 | 8 | 405 |

Table: 12

Respondents were supposed to rate various features of Big Bazaar from 'Excellent' to 'Very Bad', so that we could ascertain, what is it about Big Bazaar that attracts its patrons. Table: 12 shows the outcome, which has been further analyzed in Table: 13 to derive interpretations.

| Attribute | Excellent (5 points) | Good (4 points) | Average (3 points) | Bad (2 points) | Very Bad (1 point) | TOTAL |
|-----------|----------------------|-----------------|--------------------|----------------|--------------------|-------|
| Price | 430 | 736 | 393 | 8 | 0 | 1567 |
| Service | 210 | 852 | 420 | 20 | 0 | 1502 |
| Quality | 335 | 784 | 414 | 8 | 0 | 1541 |
| Variety | 370 | 840 | 333 | 20 | 0 | 1563 |
| Ambience | 165 | 788 | 444 | 38 | 8 | 1443 |

Table: 13

Here (Table: 13) we have multiplied the weights of the scale to the values that we have collected through the questionnaire. '5' for 'Excellent' and reducing to '1' for 'Very Bad'.

| Attribute | RANK |
|-----------|------|
| Price | 1st |
| Variety | 2nd |
| Quality | 3rd |
| Service | 4th |
| Ambience | 5th |

Table: 14

Based on the weights multiplication, we have been able to rank the factors impacting preference of Big Bazaar over its competitors. Table: 14 shows that Price was the number 1 criteria based on which respondents visited Big Bazaar. And Ambience was the last thing they were looking at when they visited Big Bazaar.

13. Major Competitors of Big Bazaar

| Hyper market | Total |
|-------------------|-------|
| D-mart | 107 |
| National Handloom | 192 |
| Star Bazaar | 88 |
| Reliance Mart | 82 |
| | 469 |

Table: 15

| Hyper market | Rank |
|-------------------|------|
| National Handloom | 1st |
| D-mart | 2nd |
| Star Bazaar | 3rd |
| Reliance Mart | 4th |

Table: 16

Table: 15 and 16 show that National handloom has been chosen as the number 1 competitor of Big Bazaar by the respondents and Reliance Mart the last at 4th place. The respondents could choose more than one option, therefore the tally of total responses is more than 405.

Conclusion

Through our research we conclude that Big Bazaar is preferred by its patrons for its pricing strategies followed by variety. One of the major reasons for this is the high proportion of students and youngsters who are dependent on their parents for their incomes.

Recommendations

Our recommendation to Big Bazaar and their close competitors would be maintain status quo on pricing and increase variety of products, especially in the clothing and food & grocery department, because that is where the highest amount of sales are happening.

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