



## Consumer Psychology towards Supermarkets

### KEYWORDS

Psychology, Super Market, Retailing

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**ABSTRACT** Consumer psychology is a specialty area that studies the thoughts, beliefs, feelings and perceptions influence how people buy and relate to goods and services. The Retail Sector is the largest sector in India after agriculture. India has the most unorganized retail market in the world. The Retail Industry in India is today amongst the fastest growing industries with several players entering the market. This sector was un-organized in the initial stage, now it is growing as supermarket and hypermarket. According to consumer, a supermarket is: put what into your trolley and go through the check – out. Behind the scenes though, psychology is used a lot to define what products and brands you buy in super markets. The paper will mention the impact of organized retailing on unorganized sector. The study will indicate about the consumer psychology towards super markets.

### INTRODUCTION

Consumer psychology, “the study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society”.

“Retail” originates from the French word retailer, which means to cut the piece off or to break bulk. Retailer is someone who cuts off or sheds a small piece from something.

Retailing is the set of activities that market the products or services to final consumers for their personal or household use.

Organized retailing in departmental store format has caught up with the Indian public in a significant manner. From the days of depending on traditional small retail stores, the buyers have moved to organized retail department store and undergo different experience. The continued patronage to this format of retail business has resulted in a number of corporate entering in to this segment of retail business

### OBJECTIVES OF THE STUDY

- To study the consumer psychology
- To study about the organised sector of retailing
- To study the consumer psychology towards supermarkets.

### CONSUMER PSYCHOLOGY

According to the Indian Council for Research in International Economic Relations (ICRIER), there would be no long term impact due to the entry of organized retail chains on the neighbourhood kirana shops in the country. In clear terms the impact of organized retailing on unorganized sector are as follows:

The adverse impact on sales and profit weakens overtime.

There is some decline in employment which however also weakens over time.

Consumer behavior in retailing is more unpredictable & volatile than ever before and retailers are striving to develop new effective strategies for satisfying needs and wants of consumers. Consumers are demanding a very large selection of producers with deep discounts. They are no longer as influenced by brand name but very cautious about quality & value.

### Formats in Indian Organized Retail Sector

1. Supermarkets: A supermarket, also called a grocery store

is a self- service store offering a wide variety of food and household merchandise, organized into departments. It is larger in size and has a wider selection than a traditional grocery store and it is smaller than a hypermarket or superstore.

2. Hypermarkets: A hypermarket is a superstore which combines a supermarket and a department store. The result is a very large retail facility which carries an enormous range of products under one roof, including full lines of groceries and general merchandise. In theory, hypermarkets allow customers to satisfy all their routine weekly shopping needs in one trip.
3. Department Stores: A department store is a retail establishment which specializes in satisfying a wide range of the consumer's personal and residential durable goods product needs; and at the same time offering the consumer a choice multiple merchandise lines, at variable price points, in all product categories. Department stores usually sell products including apparel, furniture, appliances, electronics, and additionally select other lines of products such as paint, hardware, toiletries, cosmetics, photographic equipment, jewelry, toys, and sporting goods. Certain department stores are further classified as discount department stores. Discount department stores commonly have central customer checkout areas, generally in the front area of the store. Department stores are usually part of a retail chain of many stores situated around a country or several countries.
4. Shopping malls: A shopping mall or shopping centre is a building or set of buildings which contain retail units, with interconnecting walkways enabling visitors to easily walk from unit to unit.
5. Specialty Chains: A Specialty Chains is numbers stores which are specialized in a specific range of merchandise and related items. Most stores have an extensive width and depth of stock in the item that they specify in and provide high levels of service and expertise. They differ from department stores and supermarkets which carry a wide range of merchandise.

### REVIEW OF LITERATURE

Consumer attitudes towards foreign retailers' products , Birchan Asuk

The aim of this research is generally to examine Turkish consumers' attitudes towards foreign retailers' products. In this respect, consumer ethnocentrism is explored among Turkish consumers. Besides, it is explored how this consumer ethnocentrism affect product judgement of foreign products and willingness to buy these products. The effect of age and edu-

cation on attitudes is also investigated. Data was collected through a questionnaire. And this questionnaire was applied to 50 people in October 2009

#### Consumer shopping behavior among modern retail formats

Hotniar Siringoringo, The given article shows that individual determinant such as shopping intension, attitude towards retail outlet, and shopping habit plays important role on consumer shopping decision. Attitude towards retail outlet and shopping habit influence shopping intension. This implies, retailers should concentrate on strategies in building consumers' positive attitude towards retail, so that consumers visit their retail in order to make purchases regularly. However it found that it is no different of this individual determinant among retail format. This imply, consumer visit all format in making convenience goods purchase.

#### Study of rural consumer behavior towards rural retail stores ,Krishan Kumar

In India for a long time a large chunk of retail outlets were grocery shop. This pattern had been changing in recent years, in urban and rural markets. Of late, India's largely rural population has also caught the eye of retailers looking for new areas of growth. A slew of supermarket chains, including those of the Tata and ITC, are set to storm the rural areas of the country as corporate realize the huge potential of the untapped market ITC launched the country's first rural mall 'Chaupal Sagar', offering a diverse product range from FMCG to electronic appliances to automobiles, attempting to provide farmers a one-stop destination for all of their needs. Companies such as Godrej and DCM Shriram Consolidated are launching 'one-stop shops' for farmers and their communities. Godrej Agrovet, for instance, is planning to set up 1,000 Aadhar stores across rural India by 2010. DCM Shriram plans to set up 35 rural/semi-urban utility marts over 2006-07. Positioned as a one-stop shop, the Hariyali Kisaan Bazaar Chain will cater to a variety of farmers' needs by providing access to retail banking, LPG outlets and even a motorcycle showroom.

The present study seeks to provide this support by investigating the effects of the entertainment centers on the shopping behavior of consumers. In particular, the characteristics and shopping behavior of consumers who visit the entertainment centers is investigated and compared to the characteristics and shopping behavior of consumers who do not. Factors investigated include the distance traveled to reach the mall, demographic characteristics and group composition, the amount of time and money spent at the mall stores, the department stores, and the food court.

#### FACTORS AFFECTING CONSUMER BUYING BEHAVIOR:

Consumer buying behavior is influenced by the major three factors:

- Social Factors
  - Psychological Factors
  - Personal Factors.
- A. Social Factors : Social factors refer to forces that other people exert and which affect consumers' purchase behavior. These social factors can include culture and subculture, roles and family, social class and reference groups.
  - B. Psychological Factors : These are internal to an individual and generate forces within that influence her/his purchase behavior. The major forces include motives, perception, learning, attitude and personality.
  - C. Personal Factors : These include those aspects that are unique to a person and influence purchase behavior. These factors include demographic factors, lifestyle, and situational factors.

#### Consumer Psychological factors

Psychological factors include:

- Motives--

A motive is an internal energizing force toward satisfying a need or achieving a goal. Actions are effected by a set of motives, not just one.

- Perception--

Perception is the process of selecting, organizing and interpreting information inputs to produce meaning. Information inputs are the sensations received through sight, taste, hearing, smell and touch.

- Ability and Knowledge--

Need to understand individuals capacity to learn. Learning, changes in a person's behavior caused by information and experience. Therefore to change consumers' behavior about your product, need to give them new information

- Attitudes--

Knowledge and positive and negative feelings about an object or activity-maybe tangible or intangible, living or non- living.....Drive perceptions. Individual learns attitudes through experience and interaction with other people. Consumer attitudes toward a firm and its products greatly influence the success or failure of the firm's marketing strategy.

- Personality--

All the internal traits and behaviors that make a person unique, uniqueness arrives from a person's heredity and personal experience. Traits affect the way people behave. Marketers try to match the store image to the perceived image of their customers.

- Lifestyles--

Lifestyles are the consistent patterns people follow in their lives.

#### CONSUMER PSYCHOLOGY TOWARDS SUPER MARKETS

The changes in the consumer behavior, is bringing about change in retail industry, as India migrates from the unorganized to organized retail. The overall picture that emerges from large manufacturers is largely positive regarding the likely impact of organized retail in India. Manufacturers believe that organized retail would benefit society at large, more so the end consumers -- in terms of better product choices and price -- and farmers because of higher and more stable price realization for their produce. More employment opportunities will be generated.

The supermarket is bigger than the corner shop and is better equipped. More people goes to these kind of shop. Everybody is anonymous for shop assistant. Price of a lot of products is very low. The competition of supermarkets is very good for customer. The shop assistant often writes a new date and the product is "fresh" again... Most consumers will not be restricted to purchasing one product from a supermarket. The one-stop shop makes it appealing to purchase their trolley of goods from the one outlet, especially for time-poor consumers. So while the "draw-in" products may appear cheaper, price premiums are often imposed on other essential items in a shopping trolley (such as fresh produce) to offset those low prices that had initially drawn the consumers in.

#### CONCLUSION:

The retailing business is globally experiencing huge trends due to the ever-changing nature of consumer tastes, consumption patterns and buying behaviors. Each retailer's ability to sustainably sell its merchandise, therefore, largely depends on the strategic strength of understanding the buyer behavior and cordially designs the marketing mix activities. Given the power of understanding the buyer behaviour the retail stores would be pushing revenue and profits up and also marketers would be able to influence the in-store decisions of their potential consumers through creating enjoyable, attractive and modern state-of-the-art environments. Hence it could be concluded that marketers should understand not only the buying patterns of customers but also should design strategies to understand the factors influencing the buy behaviour in the respective industries to enjoy more profits and also to establish the organization for a long run.

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