



Research Paper

Factors influencing consumer buying behavior of Food and Grocery section of organized Retailing in Navsari City

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Abstract: The retail sector in India is emerging as one of the largest sectors in the economy. India is the fifth largest and preferred retail destination globally. Retail sector is one of the main contributors to the Gross Domestic Product (GDP) of different countries and also one of the biggest employers in India. At present India is witnessing new changes in evolving food shopping which is constructed by retailers to attract the consumers. In this regard, this paper intends to find the factors influencing consumer buying behaviour of food and grocery section of organized retailing in Navsari city. For the fulfilment of the study, 150 respondents were selected as sample size and data were collected through structured questionnaire from both primary and secondary sources. The major findings of the study were that consumers consider availability of products, good shopping experience and good quality of products and affordable price of products etc. as the preferable features of organized retail store. And the major parameters considered by consumers before purchasing food and groceries from organized retail store were reasonable product prices, quality of products, discounts and offers and

availability of local brands etc. Also the major constraints faced by consumers while purchasing food and grocery from organized retailers were less number of billing counters, slow billing process, less discounts and offers, poor availability of range and variety of products etc. So it could be concluded that the Indian retail sector is witnessing a tremendous growth but there is an urgent need to focus on the parameters considered by consumers which leads to consumer's satisfaction and organized retail prosperity.

Keywords: organized retail, food and grocery, buying behaviour, constraints

Abbreviation: Gross Domestic Product (GDP), food and grocery (F&G)

Introduction:

Retailing is a process of approaching the end customers through the medium of goods and services taking benefits of the various channel of distribution for the generation of profit and thus occupies a major place in the field of business. Retailing is the function that is to be performed by the individuals known as retailers. The process of retailing

makes the purchase of goods and services easy for the customer; therefore, it is very important on part of the retailers to be very vigilant in their trading activities (Kakkar and Mathur, 2020). In India unorganized retail has bigger market share as only 4 per cent of retail market in India is accounted for by modern retailing.

India is the fifth largest and preferred retail destination globally. The country is among the highest in the world in terms of per capita retail store availability. India's retail sector is experiencing exponential growth with retail development taking place not just in major cities and metros, but also in tier II and III cities. Healthy economic growth, changing demographic profile, increasing disposable income, urbanization, changing consumer tastes and preferences are some of the factors driving growth in the organized retail market in India.

India's food and grocery (F&G) retail market is considered the third largest in the world with over U.S. \$500 billion in sales, according to private estimates. The food and grocery retail sector is dominated by traditional store formats like neighbourhood shops or Kirana stores, which hold about 98percent of the total market share. The market share held by modern trade formats like supermarkets and hypermarkets is expected to increase as the organized retail stores are focussing on fulfilling the evolving needs of consumers.

Review of Literature

Jaswal and Gupta (2017) revealed the growth of organized retail formats due to increasing preferences, changing customer taste and emerging technology. However, ease to purchase and credit facilities make conventional kirana stores favourable in rural and semi-urban markets.

Verma and Sharma (2018) presented an investigation to find out different factors influencing store patronage for organised food and grocery retailing in India. Data

was collected through store intercept survey among 423 respondents and data analysis was done using factor analysis and correlation. As per their projections, the top 5 organised retail categories by 2015 would be food, grocery & general merchandise, apparel, durables, food service and home improvement etc.

Dash and Mohanty (2019) in their study investigated the motivation of purchase from organized retail is because of attractive promotional offers and availability of wide variety of products under a common roof.

Kakkar and Mathur (2020) studied organised retail in India and consumer buying behaviour: A review of literature. The study concluded that attributes like image, format and layout of the retail store, cleanliness, lighting, music, scent, information graphics in the retail store, facilities offered to consumers and after sale service of the retail store are the main factors leading to frame buying behaviour of consumers.

Rani N. and Ramachandra K. (2019) in their study recommended the measures of customer loyalty in organized retail stores. Thus, skilled and trained manpower and better store management practices can enhance the customers' footfall in retail stores

Srivastva (2019) analysed consumer buying pattern of processed food products in national capital region of India. The study investigates the statistic and psychographic factors influencing purchaser purchasing of processed food products. The study revealed that the primary significant marketing implication is that the marketers should strongly focus on quality and customer service as unique selling proposition of processed food products and explore the

opportunities for development of new market segment.

Objectives of the Study

The main objective of this study is to study the factors influencing consumer buying behavior of food and grocery section of organized retailing in Navsari city. With this overall objective the sub objectives of the study are as follows.

1. To study the socio-economic profile of consumers.
2. To study the factors influencing the preference of organized retail store.
3. To analyze the factors influencing consumer buying behavior for purchase of food and groceries.
4. To find the constraints faced by consumers while buying food and groceries.

Results and Discussion:

The Table 1 shows that among the consumers buying food and grocery from organized retailers, majority of them were females i.e. 58 per cent and 42 percent were males. From the total sample of 150 consumers, 52.7 per cent were in age-group of 26-40 years followed by 38 per cent were in age-group 18-25 years. Regarding Consumers' Stage in Family Life cycle it was found that 47.3 per cent were married with dependent children; 32.7 percent were unmarried and 11 percent were married with independent children. Regarding the educational qualification of the consumers it was found that 38 per cent of the consumers were HSC, 32 percent were graduate followed by 18.7 percent who were SSC and

Research Methodology:

The nature of the present study was descriptive. The data were gathered from both the primary and secondary sources. The primary data were collected by conducting personal interview of consumers who purchase from organized retailers in the study area. The convenience sampling method was used for the selection of 150 respondents. The primary data were gathered by administering a structured questionnaire with 150 consumers of Navsari city. The secondary data were collected through various sources like magazines, internet source, journals and other sources. The quantitative approach was used for the data analysis. Simple Statistical tools and tabular analysis was done for the fulfilment of the objectives.

only 6 percent were post graduate. Among the consumers buying grocery from organized retailers, 31.3per cent were house wife; 22.7 percent were having business; and 18.7 percent were employee. Regarding the number of working members in the family it was found that 52 percent of the consumers had two working members followed by 32 percent consumers having one working member in the family. About the monthly household income of the consumers it was found that 47.3 percent had monthly family income between 20,000-30,000 Rs. Per month followed by 25.3 per cent consumers having monthly family income between 10,000- 20,000 Rs. per month.

Table 1: Socio-Economic profile of respondents (n=150)

Demographic Variables	Parameters	Frequency	Percentage
Gender	Male	63	42
	Female	87	58
Age	18-25	57	38
	26-40	79	52.7
	41-50	11	7.3
	>50	3	2
Consumers' Stage in Family Life cycle	Unmarried	49	32.7
	Newly married without children	13	8.7
	Married with Dependent Children	71	47.3
	Married with independent children	17	11.3
Education qualification of the consumers	HSC	57	38
	SSC	28	18.7
	Below SSC	6	4
	Graduate	48	32
	Post Graduate	9	6
	Illiterate	2	1.3
Occupation of the Consumers	Business	34	22.7
	Employee	28	18.7
	Professional	6	4
	Housewife	47	31.3
	Student	32	21.3
	Other	3	2
Working member in Family	1	47	32
	2	78	52
	3	17	11
	More than 3	8	5
Monthly Household Income of the consumers	<10,000 Rs. Per Month	0	0
	10,000-20,000 Rs. Per month	38	25.3
	20,000-30,000 Rs. Per month	71	47.3
	30,000-40,000 Rs. Per month	29	19.3
	>40,000 Rs. Per month	12	8

The table no. 2 depicts the consumers' time preference to visit organized retail

store and it was found that 35.3 percent consumers prefer to come anytime to

purchase the food and groceries from the store while 15.3 percent consumers come twice in a week followed by 14

percent which mostly prefer weekends for visiting organized retail store.

Table No. 2 Consumers' Time Preference to visit Organized Retail Store

Time Preference of Consumers	No. of Consumers	Percentage of the consumers (%)
First time	14	9.3
Once in a week	16	10.7
Twice in a week	23	15.3
Weekends	21	14
Once a month	15	10
Anytime	53	35.3
During special offers	8	5.3
Total	150	100

The table no. 3 depicts the amount of money spent in a visit to organized retail store and it could be concluded that 36 percent consumers who spend less than 500 rupees in a visit while 27.3 percent consumers spend in between 500-1000 rupees, 17.3 percent consumers spend in

between 1000-1500 rupees, 11.3 percent consumers spend in between 1500-2000 rupees and 8 percent consumers spend more than 2000 rupees in a visit. So, it could be concluded that maximum consumers spends 500 rupees in a single visit when visit store in study area.

Table No. 3 Amount of Money Spent in a Visit to Organized Retail Store

Amount of Money (In Rupees)	No. of Consumers	Percentage of the consumers (%)
<500	54	36
500-1000	41	27.3
1000-1500	26	17.3
1500-2000	17	11.3
>2000	12	8
Total	150	100

According to the table no. 4 there were 45.3 percent consumers who got information about organized retail store from friends and relatives and 26 percent consumers got information through leaflets and pamphlets. 18 percent consumers got information about organized retail store

through newspaper and for 10.67 percent consumers' internet was the source of information. So it could be concluded that most of the consumers got information about organized retail store from their friends and relatives.

Table No. 4 Source of Information to consumers

Sources of Information	No. of Consumers	Percentage of Consumers (%)
Newspaper	27	18
Leaflets & Pamphlets	39	26
Internet	16	10.7
Friends & Relative	68	45.3
Total	150	100

From table no. 5 it could be concluded that most of the consumers had given preference for availability of all products at one place and after that preferable feature was good shopping experience followed by good product quality, affordable prices, discounts and offers,

constant availability of range and variety of products, new product availability. The features like courteous and friendly employee, service/ complaint handling, and free home delivery were the least considered parameters by the consumers.

Table No. 5 Preferable Features of Organized Retail Store (CS, Average Rating, Rank)

Features of the Stores	Always	Mostly	Often	Rarely	Never	CS	Mean	Rank
Constant availability of range and variety of products	31(155)	42(168)	38(114)	27(54)	12(12)	503	3.4	5
Good product quality	34(170)	46(184)	47(141)	17(34)	6(6)	535	3.6	3
New product availability	7(35)	38(152)	52(156)	39(78)	14(14)	435	2.9	7
Affordable prices	30(150)	45(180)	50(150)	16(32)	9(9)	521	3.5	4
Discount schemes/offers	15(75)	52(208)	49(147)	23(46)	11(11)	487	3.2	6
Availability of all products at one place	41(205)	48(192)	37(111)	18(36)	6(6)	550	3.7	1
Good shopping experience	47(235)	36(144)	39(117)	20(40)	8(8)	544	3.6	2
Service/Complaint handling	12(60)	24(96)	34(112)	41(82)	39(39)	389	2.6	9
Courteous and friendly employee	15(75)	26(104)	41(123)	35(70)	33(33)	405	2.7	8
Free home delivery	6(30)	31(124)	37(111)	52(104)	24(24)	363	2.4	10

Mean = Cumulative Score (CS)/Total no. of Respondent. Maximum Score = Maximum Scale (5) X Number of Respondents (150) = 750 (Always: 5, Mostly: 4, Often: 3, Rarely: 2, Never: 1)

The table no. 6 throw light on the parameters considered by consumers before purchasing food and grocery from organized retail store and it was found that reasonable price of products was the most important factor for consumers before purchasing food and groceries from organized retail store. Quality of the products available was the second factor

and discounts and offers was third factor. And the other parameters considered by consumers were availability of local brands, availability of product range, availability of loose product range, choice of brands, usable duration of products (Expiry Date), and packaging of products before purchasing food and grocery.

Table No. 6 Parameters considered by Consumers before Purchasing Food and grocery from Organized Retail Store. (Cumulative Scores, Mean and Rank)

Factors	Always	Mostly	Often	Rarely	Never	CS	Mean	Rank
Availability of Product Range	15(75)	52(208)	41(123)	32(64)	10(10)	480	3.2	5
Packaging of Products	6(30)	11(44)	51(153)	71(142)	11(11)	391	2.6	9
Quality of the products available	11(55)	34(136)	70(210)	28(56)	7(7)	564	3.8	2
Choice of brands	20(100)	39(156)	38(114)	35(70)	18(18)	448	3.0	7
Usable duration of products(Expiry Date)	7(35)	19(76)	54(162)	64(128)	6(6)	407	2.7	8
Reasonable price of products	38(140)	64(256)	41(123)	5(10)	2(2)	581	3.9	1
Discounts and offers	18(90)	64(256)	42(126)	21(42)	5(5)	519	3.5	3
Availability of local brands	25(125)	42(168)	51(153)	23(46)	9(9)	500	3.3	4
Availability of loose product range	21(105)	29(116)	54(162)	34(68)	12(12)	463	3.1	6

Mean = Cumulative Score (CS)/Total no. of Respondent. Maximum Score = Maximum Scale (5) X Number of Respondents (150) = 750 (Always: 5, Mostly: 4, Often: 3, Rarely: 2, Never: 1)

According to the table no.7 there were 67.3 percent consumers who prepared advance list of food and grocery products depending on category and according to their need before coming to store for purchasing while 32.7 percent consumers

did not prepared any list before visiting organized retail store. So, it could be concluded that maximum consumers prepared brand list according to their need and product category.

Table No. 7 Whether consumers prepare advance list of food and grocery products before visiting organized retail store

Particular	No. of consumers	Percentage of consumers (%)
Yes	101	67.3
No	49	32.7
Total	150	100

According to the table no.8 it could be concluded that at organized retail store there were many services which effected the buying behavior of consumers but according to the average score (Mean) the most prominent factors which were effecting buying behavior of consumers were cleanliness, attractive layout and convenience of the store and after that the second most preferred factor was individual attention given to the customer

and third important factor was acceptance of credit cards and debit cards. Preference given to bulk purchase was ranked fourth and after that the other factors were employee handling customers' complaints, directly and immediately, getting suggestions from customers, free home delivery, adequate parking facility and fast billing.

Table No. 8 Effect of services of organized retail store on the buying behavior of consumers

Factors	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	CS	Mean	Rank
Clean, Attractive and Convenience	41(205)	55(220)	48(144)	6(12)	0(0)	577	3.8	1
Individual Attention given to the Customer	28(140)	59(236)	46(138)	9(18)	8(8)	540	3.6	2
Preferences given to Bulk purchase	14(70)	39(156)	54(162)	32(64)	11(11)	463	3.1	4
Employee handle customers complaints Directly and immediately	9(45)	33(132)	51(153)	42(84)	15(15)	429	2.9	5
Acceptance of Credit and Debit cards	26(130)	38(152)	62(186)	18(36)	6(6)	510	3.4	3
Getting Suggestions from Customers	12(60)	23(92)	49(147)	48(96)	18(18)	413	2.8	6
Free home delivery	5(25)	11(44)	51(153)	57(114)	26(26)	392	2.6	7
Adequate Parking facility	4(20)	8(32)	29(87)	67(134)	42(42)	362	2.4	8
Fast billing	0(0)	8(32)	26(78)	41(82)	75(75)	338	2.3	9

Mean = Cumulative Score (CS)/ Total no. of Respondent. Maximum Score = Maximum Scale (5) X Number of Respondents (150) = 750 (Always: 5, Mostly: 4, Often: 3, Rarely: 2, Never: 1)

According to the table no. 9 it could be concluded that 61.3 percent consumers were aware about the private label brand of organized retail store while 38.7 percent consumers were not aware about organized

retail store private label brand. So, it could be concluded that most of the consumers were aware about store private label brand in the study area.

Table No. 9 Consumers' Awareness towards organized retail stores private label brands of food and grocery

Awareness about private label brand of organized retail store	No. of Consumers	Percentage of Consumers (%)
Consumers aware	92	61.3
Consumers not aware	58	38.7
Total	150	100

According to the table no.10 it could be concluded that there were 46 percent consumers who were willing to visit organized retail store again while 30.7

percent consumers did not want to visit store again because of reasons like less discounts and offers, slow billing etc.

Table No. 10 Consumers' Willingness to Visit Organized Retail Store Again

Particular	No. of consumers	Percentage of consumers (%)
Definitely	69	46
Not sure	35	23.3
No	46	30.7
Total	150	100

The consumers confront several problems at outlet of organized retailers. According to the table no.11 the major problems faced by consumers were less number of billing counters, the second major problem was slow billing, the third problem was less discounts and offers and after that poor availability of range and variety of

products, inadequate parking, less brand choices, unavailability of local brands, availability of expired and damaged products, poor quality of loose food product range, poor complaint handling, poor visual merchandise, store distance, weighing inadequacy were the other factors.

Table No. 11 Constraints Faced by Consumers' while buying from organized retail store (Cumulative Scores, Mean and Rank)

Factors	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	CS	Mean	Rank
Inadequate Parking	11(55)	59(236)	39(117)	34(68)	7(7)	483	3.2	5
Poor availability of range and variety of products	24(120)	48(192)	55(165)	15(30)	8(8)	515	3.4	4
Less number of billing counters	47(235)	75(300)	20(60)	8(16)	0(0)	611	4.1	1
Slow Billing	38(190)	64(256)	41(123)	5(10)	2(2)	581	3.9	2
Poor Visual merchandise	6(30)	19(76)	47(141)	19(38)	59(59)	344	2.3	11
Availability of Expired and Damaged products	7(35)	19(76)	44(132)	68(136)	12(12)	391	2.6	8
Poor quality of loose food Product range	6(30)	11(44)	51(153)	71(142)	11(11)	380	2.5	9
Less discounts & offers	49(245)	44(176)	28(84)	25(50)	4(4)	559	3.7	3
Weighing inadequacy	0(0)	8(32)	56(168)	15(30)	71(71)	301	2.0	13
Unavailability of local brands	11(55)	28(112)	45(135)	51(102)	15(15)	419	2.8	7
Store Distance	8(40)	12(48)	40(120)	33(66)	57(57)	331	2.2	12
Poor complaint handling	3(15)	15(60)	54(162)	47(94)	31(31)	362	2.4	10
Less Brand Choices	14(70)	35(140)	68(184)	29(58)	4(4)	456	3.0	6

Mean = Cumulative Score (CS)/ Total no. of Respondent. Maximum Score = Maximum Scale (5) X Number of Respondents (150) = 750 (Always: 5, Mostly: 4, Often: 3, Rarely: 2, Never: 1)

Conclusion

Indian retail industry is one of the fastest growing in the world. At present India is witnessing new changes in evolving food shopping which is constructed by retailers to attract the consumers. This study was mainly focused on finding out the factors which influence the consumer buying behavior and the problems faced by consumers while purchasing food and

groceries from organized retail stores. From the study it was found that majority of consumers belong to middle class family and mostly housewife visit to purchase from organized retail store. Most of the consumers had given preference to availability of all products at one place. The factors like cleanliness, attractiveness and convenience of the store were considered by consumers before buying

from organized retailers. Also the major problem consumers were facing were like less no of billing counters, slow billing and less discounts and offers. So, in order to prosper the organised retail stores should overcome the challenges faced by consumers while purchasing food and grocery products and should focus on to meet consumers need and expectations on time.

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