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**RESEARCH ARTICLE**

**DETERMINANTS OF CONSUMER BUYING BEHAVIOUR OF  
SUPERMARKET IN TENKASI TALUK**

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**ABSTRACT**

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India has witnessed a fast pace of retail development over the last few year. Customer taste and preferences are changing leading to radical transformation in lifestyles and spending patterns which in turn is giving rise to new business opportunities. There is a change being observed in the shopping pattern of customers, which has resulted in the emergence of big retail chains in most Metros, Mini metros and towns. A supermarket is a self-service store offering a wide variety of food and household merchandise, organised into departments. It is large in size and has a wider selection than a traditional grocery store, also selling items typically found in a convenient store, but smaller and more limited in the range of merchandise than a hypermarket. Mostly supermarkets occupy a large amount of floor space, usually on a single level. It is usually situated near a residential area in order to be convenient to customers. Its basic appeal is the availability of a broad selection of goods under a single roof, at relatively low prices. Other advantages include ease of parking and frequently the convenience of shopping hours that extend far into the evening or even 24 hours a day. This research study aims to analyses the consumer buying behaviour of supermarket. The primary data was collected using structured questionnaires and the opinions were recorded using likerts five point scale and the result was validated using Factor analysis. The sampling method used to identify the representative sample was "Judgment Sampling". The result found that KMO measure of sampling adequacy is .557, Bartlett's test of Sphericity with approximate Chi-square value 427.084 are statistically significant at 5 % level. This shows that the sample size is adequate for 16 variables to identify the predominant factors.



### **Introduction**

The word “retail” is derived from the French term “retailer meaning” to cut a piece of or to break bulk. Retailing forms an integral part of the marketing mix. Retail stores serve as a communication hub for customers. Retailing is one of the largest industries in India and one of the biggest source of employment in the country. Retail sales in India amount to us \$18 billion and account for 10-11 per cent of gross domestic product. The retail sector in India is witnessing a urge revamping exercise as the traditional retailer are making way for new formats. The modern retail formats provide a wide variety of products and services to customers and offer an ideal shopping experience.

The modern Indian consumer is seeking more value in the forms of consistent availability, improved quality, pleasant shopping environment, financing options, trial rooms for clothing products, return and exchange policies and competitive pricing. This has created a rapid growing opportunity for organised, modern retail formats to emerge in recent years and grow at a fast pace.

### **REVIEW OF LITERATURE**

**Balagomathi.,(2016)** in her study entitled “A study on consumers buyer behaviour in supermarket in tirunelveli district” found that supermarkets are usually located in or near primary or secondary shopping areas but always in a place where parking facilities are available. They operate largely on a self service basis with a minimum number of customer services. Supermarkets came into existence during the depression period in the U.S.A. At that time they sold only food products and their principal attraction was the low price of their merchandise. As supermarkets increased in number of day by day, they also expanded into other limes of merchandise. **Mohamed dawoodshamout., (2016)** in his study entitled “The Impact of Promotional tools on Consumer Buying Behaviour in Retail Market”, found that consumers’ behaviour can be positively induced by using various promotion tools such as; price discount, samples and buy one get one free, on the other hand, it revealed that promotion tools such as coupon have no influence on consumer buying behaviours. **Francis and Kangaruajonh.,(2015)** in

their article entitled “Factors Affecting Customer Loyalty of Supermarkets” This study will develop loyalty as the customers will like to be associated with a retail store that puts in mind their need and preferences and aims to satisfy them that they fight to develop a market share of the supermarket shoppers in Nyeri town; therefore there is need for supermarkets to develop a competitive edge against it competitors by demonstrating that continuous commitment. According to this research finding, continuous commitment is a primary antecedent for maintaining customer loyalty in the case of low relationship frequency, whereas affective commitment is dominant in the case of high relationship age and frequency (Kotler, 2001). Supermarkets can identify the status of each relationship by age and frequency and then make different strategy for it to increase customer loyalty and the possibility of continuing relationships. This will eventually lead to the supermarket benefiting from an effective customer loyalty to its retail store. **Yi Zhang.,(2015)** in his study write on “The impact of brand image on consumer behaviour” found that the “brand image” has drawn significant attention from academics and practitioners since it was put forward, because it played an important role in marketing activities. Although brand image was recognised as the driving force of brand asset and brand performance, few studies have elaborated on the relationship between brand image and brand equity. Based on the brand image theories, this study reviewed extant studies about the impact of brand image on consumer from perspective of customer equity. It also presented the shortcomings of current research and pointed out the trends for future study. **Brij Sharma and NavalGrag.,(2015)** in their article entitled “Impact of Store atmosphere on Customers’ Buying Behaviour in Super Market Environment” found that the cleanliness, lightening, music, displaying of items and dealing attributes of the employees of the store has a positive relationship with the buying behaviour of the respondents. All these factors can be clubbed under store atmospherics. Similarly, outlook, entrance, services and the overall attire of the store personnel also has positive relationship with customers buying behaviour. All these factors can be clubbed under visual merchandising. **Sohel Rana et al.,(2015)** in their research work “Factors Affecting Purchase



Intention of Customers to Shop at Hypermarkets”, revealed that brand image had the highest impact on purchase intention of customers followed by the quality of products sold at the stores and social influence. In spite of having some value of this research, there are some limitations of his study like data were collected from only two states of Malaysia and a small sample of 150 respondents participated in the survey that ultimately affects the representativeness of data. However, the findings have some practical implications for people involved in superstores or hypermarket business also for them who want to enter in this market. It can also provide some directions for future researches. The review lighted the present study into a meaningful, thought provoking and a brighter one. Further the review of earlier studies has helped this research to have a good shape in analytical terms.

**SCOPE OF THE STUDY**

This study is done to review the concept of buyer behaviour needs and wants in relation with the supermarket. The study is limited to Tenkasi area covering a sample size of 180 respondents from various groups. The supermarkets such as Hajji Jalal, Well kamraj, Chennai super market, Allamin supermarket are taken for the study.

**METHODOLOGY**

The present study is descriptive and analytical in nature. The data is classified into primary data and secondary data.

**PRIMARY DATA :** Primary data are those which are collected a fresh and for the first time and thus happen to be original in character. Primary data is collected through interview schedule from customers in the study.

**SECONDARY DATA:** Secondary data on the other hand are those already been collected by someone else and which have already been passed through statistical process. Secondary data are compiled from magazine, journals, newspapers, website and books.

**SAMPLE DESIGN**

The preference of all people in Tenkasi area cannot be arrest by an exhaustive study within the available time and cost. A sample size of 180 is selected for the study.

**SAMPLING TECHNIQUE**

Judgment sampling method is adopted. Under this method the sample are selected according to the judgment of the researchers.

**FACTOR ANALYSIS**

Factor analysis method has been employed to identify the dimension importance underlying dimensions of job satisfaction of banking sector employees.

**a) KMO and Bartlett’s test**

Kasier – Meyer – Olkin (KMO) test assist to measure sample adequacy. The KMO statistic varies between 0 and 1. A value close to 1 indicates that patterns of correlation are relatively compact and so factor analysis should yield distinct and reliable factors. Kaiser (1974) recommends the accepting values of greater than 0.5. Furthermore, values between 0.5 and 0.7 are mediocre, value between 0.7 and 0.8 are good, values between 0.8 and 0.9 are great and values above 0.9 are superb.

**Table 1.1**

<b>KMO and Bartlett's Test</b>		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.557
Bartlett's Test of Sphericity	Approx. Chi-Square	426.08
	df	4
	Sig.	120
		.000

Table No 1.1 indicates that the KMO is 0.557, which falls into the range of being mediocre; factor analysis is appropriate for these data. Bartlett’s test of sphericity (Barlett, 1950) is the third statistical test applied in the study for verifying its appropriateness. This test should be significant i.e., having a significance value less than 0.5. According to Table No 1.1, test value of Chi – Square 426.084 is significant. After examining the reliability and validity of the scale and testing appropriateness of data as above, Suitability of variables next is identified using a concept called “communality”.

Communalities indicate the amount of variance in each variable that is accounted for Table No – 1.2 shows that initial communalities and extraction communalities. Initial communalities are estimates of the variance in each variable accounted for by all components or factors. Initial communalities are set as 1.0 for all variables in Principal Component Method of



Extraction of Factors. Extraction communalities are estimates of variance in each variable accounted for by the factors in the solution. Accordingly, all items are fit to the factor solution. Because, extraction value is more than 0.3 for each items.

**Table 1.2  
Principal Component Analysis Communalities**

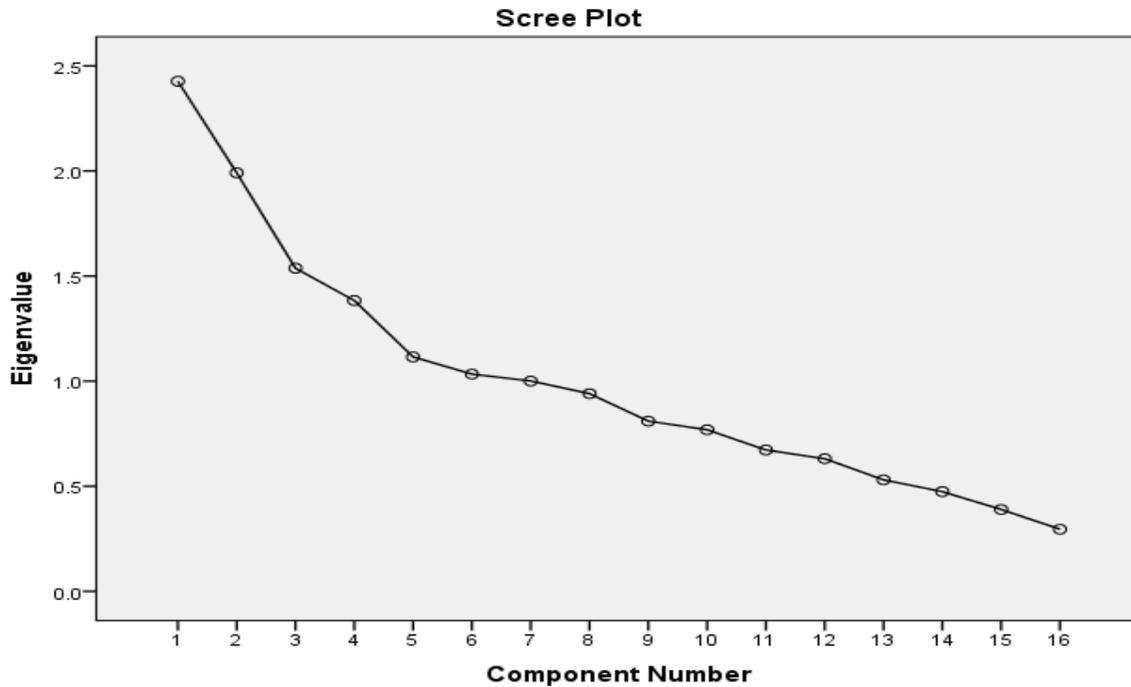
Communalities		
	Initial	Extraction
Variety	1.000	.643
Discount	1.000	.715
Quality	1.000	.578
Local brands	1.000	.600
Facility	1.000	.620
Credit/ debit card facility	1.000	.705
Display	1.000	.491
Visual appeal	1.000	.665

Ambience	1.000	.733
Employee Benefit	1.000	.653
Choice of Children	1.000	.740
Parking facility	1.000	.660
Open space	1.000	.501
Proximity	1.000	.769
Timings	1.000	.703
Spending time	1.000	.724
Extraction Method: Principal Component Analysis.		

In this study, Principal Component analysis (PCA) was employed by the Varimax rotation, (generally, researchers' recommend as varimax) When the original ten variables were analyzed by the PCA. Four variables extracted from the analysis with an Eigen value of greater than 1, which explained 65.623 percent of the total variance.

**Table 1.3**

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1.	2.428	15.178	15.178	2.428	15.178	15.178
2.	1.995	12.466	27.644	1.995	12.466	27.644
3.	1.541	9.630	37.273	1.541	9.630	37.273
4.	1.382	8.640	45.914	1.382	8.640	45.914
5.	1.118	6.987	52.901	1.118	6.987	52.901
6.	1.034	6.461	59.363	1.034	6.461	59.363
7.	1.002	6.260	65.623	1.002	6.260	65.623
8.	.941	5.882	71.505			
9.	.812	5.076	76.581			
10.	.769	4.805	81.387			
11.	.673	4.203	85.590			
12.	.632	3.950	89.540			
13.	.517	3.230	92.771			
14.	.471	2.942	95.712			
15.	.390	2.440	98.153			
16.	.296	1.847	100.000			
Extraction Method: Principal Component Analysis.						



**Table 1.4**

<b>Component Matrix<sup>a</sup></b>			
	Component		
	1	2	3
Variety of products	.092		
Quality	.554		
Facilities	.336		
Ambience	.639		
Employee Benefit	.734		
Choice of Children	.225		
Parking facility	.644		
Open space	.103		
Proximity	.430		
Discount		.119	
Local brands		.365	
Credit/ debit card facility		.051	
Display		.404	
Visual appeal		.160	
Spending time			.444
Timings			.141
Extraction Method: Principal Component Analysis.			
a. 3 components extracted.			

**Group –I** Physical factors include the nine factors such

as variety of products, quality, facilities, ambience, employee benefit, choice of children, parking facility, open space and proximity with loading ranging from 0.734 to 0.92.



**Group- II** Social factors consists of five factors such as discount, local brands, credit/debit card facility, display and visual appeal with loadings ranging from 0.404 to 0.51.

**Group- III** Temporal factors includes two factors such as spending time and timings with loading ranging from 0.444 to 0.141.

Following table clearly exposed the determinants factors and these groups

**Table 1.5  
Total Variance Explained**

Concept	Variables (Groups)	Factors
Buying Behaviour of supermarket	Physical Factors	Variety of products
		Quality
		Facilities
		Ambience
		Employee Benefit
		Choice of Children
		Parking facility
		Open space
		Proximity
	Social Factors	Discount
		Local brands
		Credit/ debit card facility
		Display
		Visual appeal
	Temporal factors	Spending time
		Timings

**Conclusion**

Results of the study confirmed that buying behaviour can be determined by sixteen variable such as variety of products, quality, facilities, ambience, employee benefit, choice of children, parking facility, open space, proximity, discount, local brands, credit/debit card facility, display visual appeal, spending time and timings. According to exploratory factor analysis, these factors were divided into three groups. Groups -1

consist of nine factors. This group is called as Payment group. Group – II consists of five factors. This group is named as Achievement. Final group consists of two factors.

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