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An analysis of consumer purchasing behaviour among organised retail customers in few select cities of Uttar Pradesh

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Abstract

Due to the growth of a more organised retail sector, Indian consumers' shopping habits have altered. Shopping nowadays is a pleasure in and of itself rather than merely a means to a goal. Shopping in the mall is now done for several reasons. Shopping in a mall is one of the most common recreational activities nowadays. Small stores are being replaced by shopping complexes all throughout India. The shopping behaviours of organised retail consumers in the Indian state of Uttar Pradesh are investigated in this research. Zones 1, 2, 3, and 4 made up the four divisions of the study area. Residents who visited the designated organised retail outlet in the two cities with the greatest population density in their respective zones were given the chance to complete the survey. 360 legitimate responses were received in total, and these were examined. To help accomplish the research's objective, nine hypotheses were created and tested using IBM SPSS. It was shown that each of the analysed factors had a substantial impact on consumer behaviour in Uttar Pradesh.

Keywords: Shopping centre, consumer, behaviour, development, industry of retail, organised retail clients

Introduction

The practise of retail has a long history and is ingrained throughout society. Because we spend around 30% of our income on goods and services from merchants, the retail industry is also a significant social institution. The definition of retailing makes apparent its contribution to our society as well as how we research it to make it more effective and lucrative. The contemporary equivalent of the old marketplace is a retail centre, mall, or plaza. The growth of organised retail is a significant factor in India's present economic situation. The organised retailing industry has seen significant expansion recently, and future growth is expected to be considerably quicker^[1].

India's organised retail market

Despite the fact that the majority of the Indian retail industry has traditionally been conducted in an unorganised manner, Invest India, a government-backed body that facilitates investment, predicts that the organised retail sector in India will grow by a factor of 50% between the years 2012 and 2020. It is anticipated that by the year 2020, the organised retail sector in India would account for 12 percent of the total industry. As a result, traditional retailers certainly have a lot of room for growth in terms of prospective expansion. According to the findings of a survey published by Invest India, the most popular retail categories in India are apparel and consumer electronics (6%), accessories (18%), and home and lifestyle (6%). It is projected that these industries would be the driving force behind greater formalisation in the years to come^[2].

The growth of the Indian retail industry may be attributed, in part, to the expansion of the internet customer base. According to Invest India's projections, by the year 2030 the internet retail business in India would have a gross merchandise value of "US\$350 billion," making it the third largest industry of its kind in the whole globe. The expansion of online business throughout the country has been quite steady, but it had a significant uptick in the first half of 2021, which may have been attributable to the extraordinary circumstances that were brought on by Covid-19. During a period of six months, almost one fifth of all clothing was purchased online, which accounted for nearly one sixth of all sales in some categories of

technology, including nearly half of all cell phones, and nearly a third of all sales in certain other categories.

"Organised retailers will focus on footprint expansion across all media, physical and online, to fuel future growth" for the next ten years. Singhi, B.C.G.'s Managing Director^[3].

E-commerce is expected to continue growing in India as a result of the increasing number of individuals who have access to the internet and TVs. Even though around one-fourth of Indian homes do not have a television connection at the present time, there is plenty of room for growth given that over eighty percent of Indian households are anticipated to have internet connectivity by the year 2026.

The organised retail market in Uttar Pradesh

It is no surprise that the capital of Uttar Pradesh, Lucknow, is a city rich in history and culture. Several of the city's monuments, like the Bara Imambara, have garnered acclaim for their exquisite design.

Contemporary Lucknow is becoming a centre for cutting-edge real estate building because to these and other characteristics. The city is seeing a rise in its business sector. Therefore, changes in population and real estate growth forecasts are to be expected^[5].

While Lucknow's suburbs like Gomti Nagar, Janakipuram, Mahanagar, and Indiranagar have developed in recent decades, Aminabad and Chowk have seen a drop in population and prosperity. These new commercial centres have fostered growth into the city's peripheral neighbourhoods, even while Hazaratganj continues to function as the principal high street market. Not only is Lucknow and its suburbs undergoing development, but so are the highways that connect it to other cities. Roads in Sitapur, Kanpur, Sultanpur, Faizabad, Raebareilly, and Hardoi are some examples. Some of the main developers planning township projects along these roads include Sahara, Ansal, and Omaze^[6].

Bold steps have been taken by the "Lucknow Development Authority" (LDA) to better the city in every aspect. Auctions of land banks are being held in several parts of the city to make room for the expected growth of the metropolis. Future growth and development of the city need careful planning of the city's infrastructure, as well as its services and utilities^[7].

The purchasing patterns of consumers

The sorts of products that a consumer need will impact whether or not they make a purchase from a business. When customers are in the market for a vehicle, they behave quite differently than when they are in the market for a cup of coffee.

According to the findings, a larger number of individuals are participating in the decision-making process and spending a greater amount of time debating about expensive, high-ticket items.

The extent to which a customer is involved in making a purchase is one of the most important factors that helps to shape their buying habits. Another important consideration is the level of risk that is connected to the transaction. When making purchases of this kind, further thinking and deliberation are required since there is a greater likelihood of suffering a loss in conjunction with a higher price tag.

Below, we'll go through the specifics of what influences consumers' purchasing decisions:

Personal or psychological considerations

Internal or psychological elements are those that take place inside the consumer's own head. An individual's final choice to buy anything is heavily influenced by this factor. The consumer's motivation, perception, learning, beliefs, and attitude all play significant roles in shaping their overall psychological state.

Influences from society

That man is a sociable animal stems from his preference for group living. The individuals with whom one comes into touch have a significant impact on one's outlook, perspective, preferences, likes, dislikes, purchasing, and non-purchasing choices, etc. A person would often seek social approval before making any major life choices or doing any drastic activities that could be deemed socially unacceptable.

Distinguishing cultural features

Human behaviour, as described by Philip Kotler, evolves throughout the course of education. As a result of his interactions with others, a person develops an own set of standards for appropriate behaviour, including values, preferences, and worldview. A person's family and other significant institutions might have a role in his or her socialisation. An individual's behaviour is moulded by the influences of their family and other significant institutions. These moral principles are always in play, influencing the person's actions^[2]. Culture is an element of society and an influence on individual desires and actions. What people desire and how they behave may be influenced by culture in a variety of ways, and these influences vary greatly between nations, communities, and demographics. Marketers must recognise the cultural diversity present in various market niches. One's upbringing influences their beliefs, preferences, and habits.

Economic considerations

Purchasing any form of products or services necessitates the use of money. Economic issues must not be overlooked since they influence the ultimate purchase of products or services advertised by the vendor. The following are some of the elements influencing customer behaviour:

- a. Individual Income
- b. Expected Income
- c. Family Income
- d. Liquid Assets
- e. Savings
- f. Retail credit
- g. Additional economic aspects

Considerations of a Personal Nature

It includes a person's age, employment, income, and lifestyle, all of which have an influence on the individual's purchasing behaviour and are included in the model. When it comes to making a buying choice and acting in a certain manner, an individual's particular qualities have a significant and important impact.

This section delves into the many aspects of one's identity

- a. Age
- b. Profession

- c. Income
- d. d Way of Life

Objective of the study

The purpose of the research was to get a better understanding of the purchasing patterns of consumers patronising organised commerce. It has been designed to accomplish the following goals:

1. To conduct research on the elements that influence the purchasing behaviour of customers in organised retailing.
2. To investigate the effect that demographic characteristics have on the shopping habits of customers in organised retail establishments.

Literature Review

1. A structural model was developed for the purposes of statistical analysis in order to study the relationship that the variables of the research had with one another. The findings indicate that as a consequence of improvements in retail service quality and in service quality, customers are experiencing greater levels of happiness. According to the findings, the level of customer satisfaction, the quality of retail services, and the general quality of a store all play a significant part in determining whether or not a consumer would return or suggest the business. There are a number of issues that need to be resolved in retail establishments. As a consequence of this, if they want to maintain their faithful clients, they need to solve the problem as soon as possible. There is not a strong correlation between the number of customers and the level of complexity of an issue. Retail managers are responsible for cultivating long-term relationships with customers by making customers feel comfortable in the establishment and highlighting its best features. This research may be instructive for retail firm owners in the making as well as managers of establishments that are already in operation. (Venkateswaran & Sundram, 2021)^[8].
2. It might be argued that retailing's prominence in the business world is due to the fact that it represents a novel approach to distributing to ultimate customers the whole breadth of items and services available through the different channels of supply in order to generate income. The retail sectors of countries with high levels of financial and social development and high levels of consumption per capita tend to be the safest. Vendors have achieved success in areas such as consumer demand prediction, product portfolio development, resource acquisition, and capital formation. The government has authorised sellers who are members of an organised selling organisation to engage in trade and collect taxes from them. The study's goal is to uncover consumers' preferences and opinions on well-organized Thoothukudi stores. (Rajan & Granapu, 2021)^[9].
3. This article summarises the results of a survey of NCR, India, consumers who purchased high-end luxury and attractive apparel to see how likely they were to return it for an exchange or money back. One hundred and seventy individuals were asked 17 questions in order to get a good representation of the many reasons consumers provide for deciding against making a purchase. Researchers were able to design a scale that reflects the four factors known to substantially effect

product returns as a result of this. (Kuldeep Kumar & Tiwari, 2021)^[10].

4. The retail sector in India is seeing significant growth at the moment. The organised retail business in India has had a significant influence on the consumer market in that country. Retailers are always growing their product and service offerings in order to differentiate themselves from the competition and stand out from the crowd. The issue of whether or not consumers are able to appropriately assess unique parts of services is still one that has not been resolved. Both the public's image of a retail business and the actions of customers are directly influenced by the store design, both of which play an important part in the whole store experience. The layout of the business has a significant impact on the manner in which clients traverse the establishment, the items that they buy, and the degree to which it functions effectively. (Jadeja & Joshi, 2021)^[11].
5. The rapidly growing number of supermarkets, department stores, and hypermarkets in India is a direct reflection of the exponential growth of India's retail business. The present state of the economy puts a shadow over this astounding development record, creating legitimate fear that consumers' shopping habits may become more conservative and that growth for India's organised stores may come to a standstill. The shops who are able to retain loyal clients by adapting to the shifting requirements of their clientele will come out on top despite the fact that consumers are cutting down on their spending. The purpose of this study is to shed light on the significance of store elements in relation to the decision-making process of shoppers. (Joshi, 2021)^[12].
6. The purpose of this research is to determine whether or not there is a connection between the characteristics of a company's image and the manner in which prospective consumers behave when they are shopping there. In order to construct such a model, a comprehensive review of the relevant literature is carried out. The model has been validated via the use of empirical data. It has been shown via the use of "confirmatory factor analysis" (CFA) and the route analysis that the shop characteristics dimension has an effect on the attitudes of customers, which in turn impact the perceived value of the product or service. In addition to this, it demonstrates that customers' estimations of value are the primary factor at determining whether or not they make a purchase in the supermarket. (Balaji & Maheswari, 2021)^[13].
7. According to the findings, the proportion of total retail purchases that are made over the Internet by clients located in the United States is increasing at a rapid rate. For the purpose of this research, we conducted interviews with 300 people living in the city of Vadodara. The purpose of this study is to find answers to questions such as which age group is the most likely to shop online, how much money is spent on online shopping, how much time is spent on social media platforms in order to make a purchase, how much of an impact societal and cultural norms have on consumer decisions, and whether or not shoppers take their financial situation into consideration when making purchases. The purpose of this study is to discover the features of the online retail industry in Vadodara,

Gujarat, India, that impact client purchase behaviour. The foundation of this research is made up of the primary data that was gathered from the people who live in Vadodara city. The study provides customers' overall opinions of the internet retail business as well as the frequency and frequency with which they use the industry. (Tamboli & Shukla, 2022) [14].

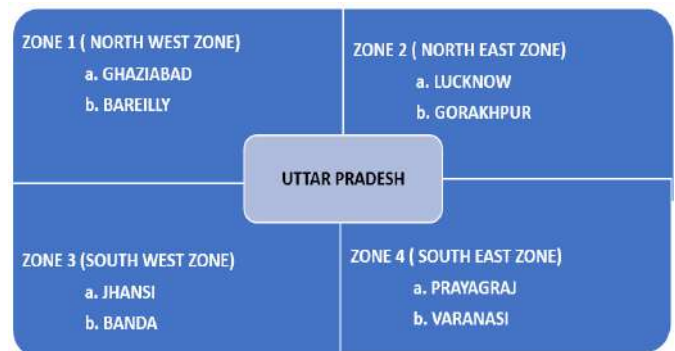
Research Methodology

The procedures that are used in the process of information collection and analysis are referred to as research methods. Developing a plan for actually carrying out the research is an integral part of the process of developing an investigation. The study area was divided into four distinct regions, which were labelled Zone 1, Zone 2, Zone 3, and Zone 4. The citizens of the two cities that were chosen because they had the largest population density in their respective zones were given the option to fill out the survey whenever they went shopping at the organised retail store that had been chosen. The total number of legitimate responses that were received was 360, and these responses were analysed. In order to aid in the accomplishment of the purpose of the study, nine hypotheses were established, and One-way ANOVA was used to test them using IBM SPSS. The one-way ANOVA examines the means of the groups we are concerned in and assesses if any of those means differ from one another statistically substantially. It was shown that the consumer behaviour in Uttar Pradesh was considerably affected by all of the parameters that were evaluated.

However, the relationship between consumer purchasing behaviour and organised retail is a vast topic to examine, and this necessity calls for research that may get customers' perspectives on organised retailing.

On the basis of where they are located geographically, the

state of Uttar Pradesh has been subdivided into four zones for the sake of making the study more manageable. Two districts were chosen to represent each zone based on which one had the largest population density in comparison to the other zones. The information is shown in the following chart.



On the basis of where they are located geographically, the state of Uttar Pradesh has been subdivided into four zones for the sake of making the study more manageable

Conclusions and Results

The data gathered from the respondents and the results of the research are analysed and interpreted in this part. Consumers' shopping habits at department stores and other well-established retailers were the focus of the survey. A survey was developed and sent out to the intended respondents to get this result. Findings were based on a total of 360 valid replies. Out of the 360 people who filled out the survey, 86 were students, 99 were company owners, 86 were working in either the public or private sector, and 89 were professionals.

Hypotheses

Hypotheses	Sig. Value	Result of the hypothesis testing
H ₀₁ : There is no discernible effect that demographic considerations have on the purchasing behaviour of consumers.	.608	Null hypothesis is accepted.
H ₀₂ : There is no discernible effect that physical characteristics have on the purchasing behaviour of consumers.	.033	Null hypothesis is rejected.
H ₀₃ : There is not a major influence that goods assortment has on the purchasing behaviour of consumers.	.001	Null hypothesis is rejected.
H ₀₄ : There is not a major influence that sales promotion components have on the purchasing behaviour of consumers.	.028	Null hypothesis is rejected.
H ₀₅ : There is not a major influence that pricing factors have on the purchasing behaviour of consumers.	.034	Null hypothesis is rejected.
H ₀₆ : There is not a major influence that ambiance factors have on the purchasing behaviour of customers.	.030	Null hypothesis is rejected.
H ₀₇ : There is not a major influence that human contact has on the purchasing behaviour of consumers.	.020	Null hypothesis is rejected.
H ₀₈ : There is not a major influence that ease for customers has on the purchasing behaviour of consumers.	.0230	Null hypothesis is rejected.
H ₀₉ : There is not a significant impact that happy customers have on the purchasing behaviour of consumers.	.010	Null hypothesis is rejected.

Additionally, the following conclusions were drawn

1. Physical characteristics have a substantial influence on customer purchasing decisions.
2. The item mix has a considerable influence on customer purchasing patterns.
3. Aspects of sales promotion have a substantial influence on customer purchasing decisions.
4. Price factors have a considerable influence on consumers' purchasing decisions.

5. Ambient factors have a considerable influence on consumers' purchasing decisions.
6. The influence of interpersonal communication on consumers' purchasing decisions is important.
7. Consumer purchasing behaviour is significantly impacted by customer convenience.
8. Customer satisfaction has a considerable effect on consumers' purchasing decisions.

Conclusion and Suggestions

According to research, there is a link between product curiosity and later purchases. Any company that wants to remain ahead of the competition must have products that people demand. In this investigation, we looked at the connections between brand loyalty, product quality, and presentation. Consumers' purchase choices are influenced by a variety of elements, including the product's perceived quality, reliability, and value as well as the kind of information offered on the package label and the brand name. According to the study's results, a salesperson's presentation, negotiating style, and confidence level all affect whether or not a customer decides to make a purchase. The salesperson's commitment to keeping the promise and their tolerance for the length of the customer care process have a significant impact on the consumer's decision to buy.

In order to better understand their most devoted customers and how they purchase, retailers must also do in-depth analysis of their customer databases. Findings show that way items are exhibited in a store has little impact on customers' choice to buy.

Consumer satisfaction with retail services is a crucial factor for marketers to comprehend when making future strategic decisions. This study also demonstrates that organised retail threatens unstructured retail since consumers choose the latter.

The research suggests using price penetration to entice consumers to try new goods. Consumers are more inclined to try new products when the price is reduced, and they are less likely to be put off by the fact that they are trying products from unknown brands. When selling their new items at very cheap rates, businesses should use care lest buyers assume the products are of inferior quality.

1. Customers, not store layouts, should be at the forefront of retailers' minds, since a grasp of the dynamics of customers is essential to the success of a retail firm. In order to satisfy the needs of such a large number of customers, retailers will need to develop innovative new delivery systems.
2. Store owners are required to have an understanding of the kind of value that shoppers are seeking for and how they can best provide that type of value to their customers. However, the majority of businesses focus on what they are selling and how customers might fit into the scheme of what is being offered by the merchant.
3. The practise of retailing in India is completely distinct from retailing in western nations or, for that matter, in other Asian countries. According to recent research, the expansion of upgraded unorganised businesses is occurring at the same pace as that of Big Market merchants.
4. It has also been noticed that, given the always shifting environment of retailing, having a grasp of the mentality of the client is essential to having success in the retail industry. The aggregate image of the level may be deceiving since it takes into account both the beats and the valleys. As a result, having a personal comprehension is desirable.

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