International Journal of Trend in Scientific Research and Development (IJTSRD)
International Open Access Journal
ISSN No: 2456 - 6470 | www.ijtsrd.com | Volume - 2 | Issue – 1

Study of Influencing Attributes in the Context of Purchasing Behaviour in the Retail Stores with Special Reference to Pune City

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ABSTRACT

A study was conducted to observe the impact of impulse purchase factor on shoppers' Purchase Volume in the Punecity Departmental stores. This study explored the situational impulse purchase factors namely, Store environment, Store distance, Store density and Store shopping duration. The model was tested with data collected from a consumer survey carried out in the Pune departmental stores. Further, it was studied using the statistical tool SPSS. The outcome of the study was that more the purchaser spent in the store (shopping duration) the more is the impulse purchase volume. This model may help the retail managers to understand better the situational factors of impulse purchasers and to increase sales volume.

Keyword: *Departmental store, Impulse purchase, shopping duration, store distance, store solidity.*

INTRODUCTION

The retailing sector in India has undergone a significant revolution during the last two decades. Today's retail 'store' is constructed around customers, not commodities. The true experience of consumption begins in the marketplace for most consumers, and today's consumers face a broad range of choices in that marketplace for how they use their resources, time, and the retail outlets available to them. Consumer purchasing decisions are frequently made at the point of purchase and may be heavily influenced by what takes place there. A great many factors contribute to purchase decision especially impulse purchase, including consumer characteristics, and situational factors. By identifying those factors, retailers may improve store layout and design, merchandising, atmosphere and staffing decisions ominously. Those issues are a critical basis for developing competitive advantage in today's dynamic and competitive grocery market.

Literature Review

Time and companionship were shown to be critical factors in purchasing behaviour of Hispanic customers in a US mall setting (Nicholls, Roslow and Dublish, 1997). The impact of situational factors on consumer purchasing behaviour has been studied in the past research widely. There are studies that explored the impact of particular types of situational influences, including store atmospherics, music, colours, scent, store crowding, and merchandising. Bolton et al (2016) investigated the importance of store location and suggests that Department stores (e.g., limited assortment stores) may also be located at more convenient locations or locations, which enable multi-purpose shopping.

Bell et al (2010) analysed the impact of retail price format on store choice, had identified three key metrics: (1) number of shoppers, (2) number of trips (Frequency of visits), and (3) average spending per trip (Purchase volume). Further insists that, pricing is central to retail decision-making: "Nothing is more important in business than getting the pricing strategy right". Baker et al (2010) on store massing suggests that massing can trigger both perception of physical density and a negative emotional reaction to physical density (which leads to consumer dissatisfaction. Perceived density is a

subjective estimate of the number of people in a space. It is an antecedent of perceived retail crowding and purchasing outcomes (Eroglu, Machleit and Barr, 2005). Crowding could restrict or interfere with individuals' goals and might influence a shopper not to visit the crowded aisle and not to go for impulse purchase.

H 1: Lower store mass is more likely to produce higher level of impulse purchase than higher masscircumstances.

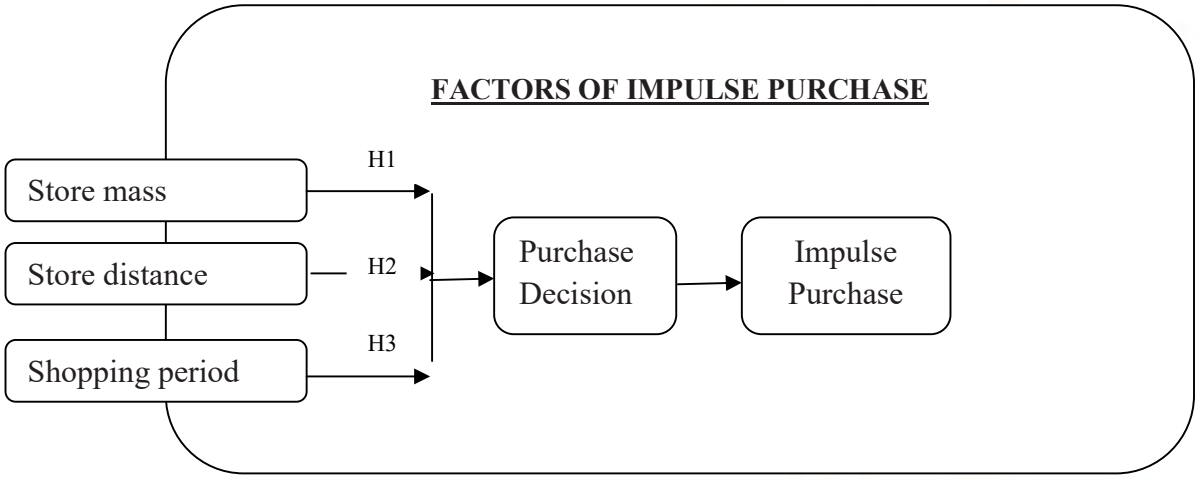
Time spent shopping is an important factor in determining how much the shopper will buy. The longer the shopper remains in a store, the more he or she will buy (Underhill, 1999). Nicholls, Roslow and Dublish(1997) found that slow shoppers (who spent more than an hour in the mall) purchased more items and spent more money than quick shoppers

H 2: Distant shoppers are more likely to spend more money and purchase more items than near shoppers.

Time dimension is important in sales situations and might alter shopping behaviour. Shortage of time may reduce both planned and unplanned purchases (Senthilnathan, 2014). Travel time may influence purchasing. Past research suggests that there is a positive association between travel time to store and purchasing outcome, in such a way that distant shoppers (who travelled for half an hour or more to mall) are more likely to purchase and spend more money than near shoppers who travelled for less than half an hour to store

H 3: Slow shoppers are more likely to spend more money and purchase more items than quick shoppers.

Model of the Situation Factors



Methodology

Data for this study was obtained from the consumer survey. The survey was carried out in the department stores in Pune city. After the respondents had been done with shopping, they were asked to fill-in the questionnaire. A sample of 621 shoppers was finally obtained. Summary statistics on consumer sample is presented in table 1.

Table 1 - Summary Statistics on Sampled Respondents, N = 621

STATISTICAL SUMMARY	Value
Female	53.3
Average age of the respondent (years)	21 to 30
Average Annual family Income (in lakhs, in Rs)	3 to 6
Average Expenditures for major shopping trips	751 - 1500
Average total time spent inside the store	30 to 45
Average distance of the store (in KM)	1 to 2

Source: Primary Data

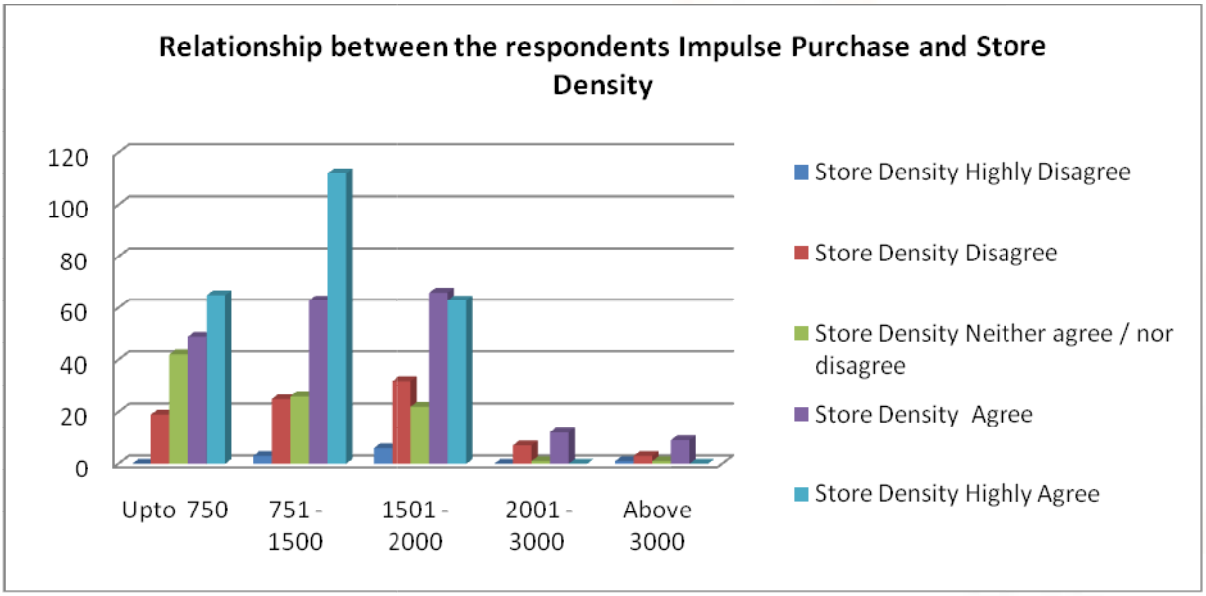
It is observed that 53.3% were female respondents and 46.7% were male respondents were considered for the study. It shows that female respondents were predominant. Most of the respondents (74.6%) were in the age groups 21 to 30 and 31 to 40.

Out of 621 respondents 57 % of the respondents' shopping time spent in each of the shopping trip is on an average 30 to 45 minutes. 274 respondents (44%) are travelling on an average 1 to 2 Km to purchase store items.

Data was analysed using different statistical techniques, including descriptive statistics, cross tabulation analysis and Chi-Square analysis. Multivariate Regression analysis was conducted to understand better the contribution of the situational factors towards the Purchase Volume of the respondents.

Table 2 – Relationship between the respondents' Impulse Purchase and Store Density

Impulse Purchase Volume (in INR)		Upto 750	751 - 1500	1501 - 2000	2001 - 3000	Above 3000	Chi-Square (df)	P Value
Store Density	Highly Disagree	0	3	6	0	1	88.41	.000*
	Disagree	19	25	32	7	3	(12)	
	Neither agree / nor disagree	42	26	22	1	1		
	Agree	49	63	66	12	9		
	Highly Agree	65	112	63	0	0		

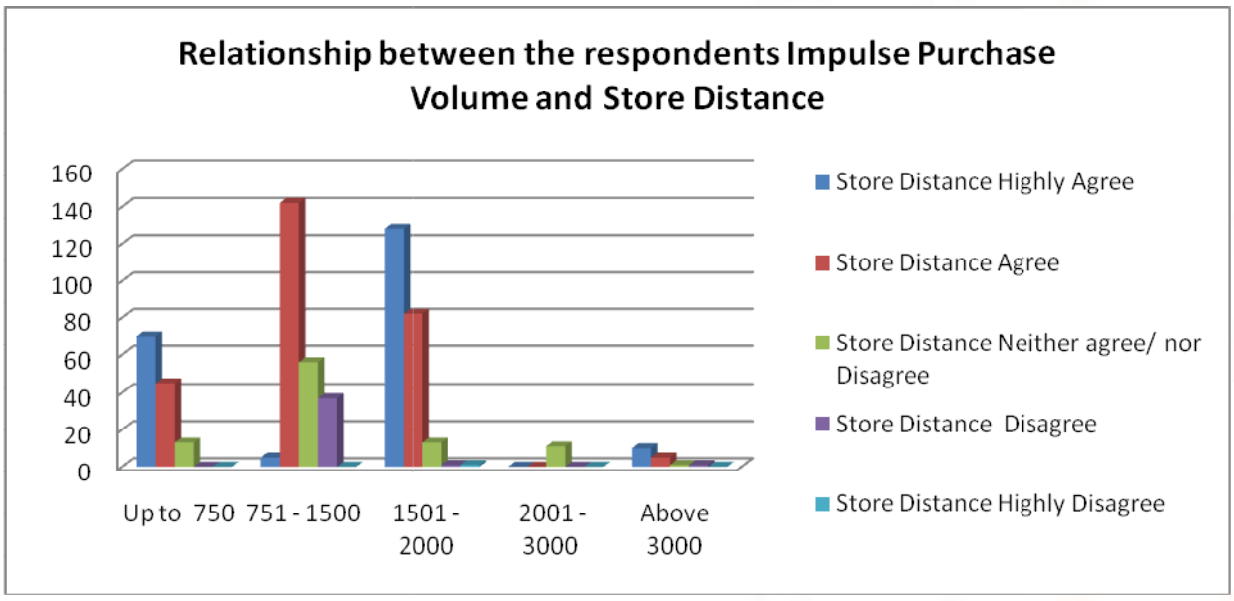


Note: * denotes significance at 1% level
Source: Primary Data

It is observed from the table 2 that with $\chi 2$ (12, N = 621) = 88.41, p <0.01, there is a significant relationship between respondents' Impulse Purchase Volume and Store density among Pune city. The Chi-square value of 88.41 shows that the null hypothesis (H0) is rejected at 1% level of significance. Respondents feel that store density has an adverse effect on impulse purchase.

Table 3 – Relationship between the respondents' Impulse Purchase Volume and Store Distance

Impulse Purchase Volume (in INR)		Up to 750	751 - 1500	1501 - 2000	2001 - 3000	Above 3000	Chi-Square (df)	P Value
Store Distance	Highly Agree	70	5	128	0	10	2.85 (16)	.000*
	Agree	45	142	82	0	5		
	Neither agree/ nor Disagree	13	56	13	11	1		
	Disagree	0	37	1	0	1		
	Highly Disagree	0	0	1	0	0		

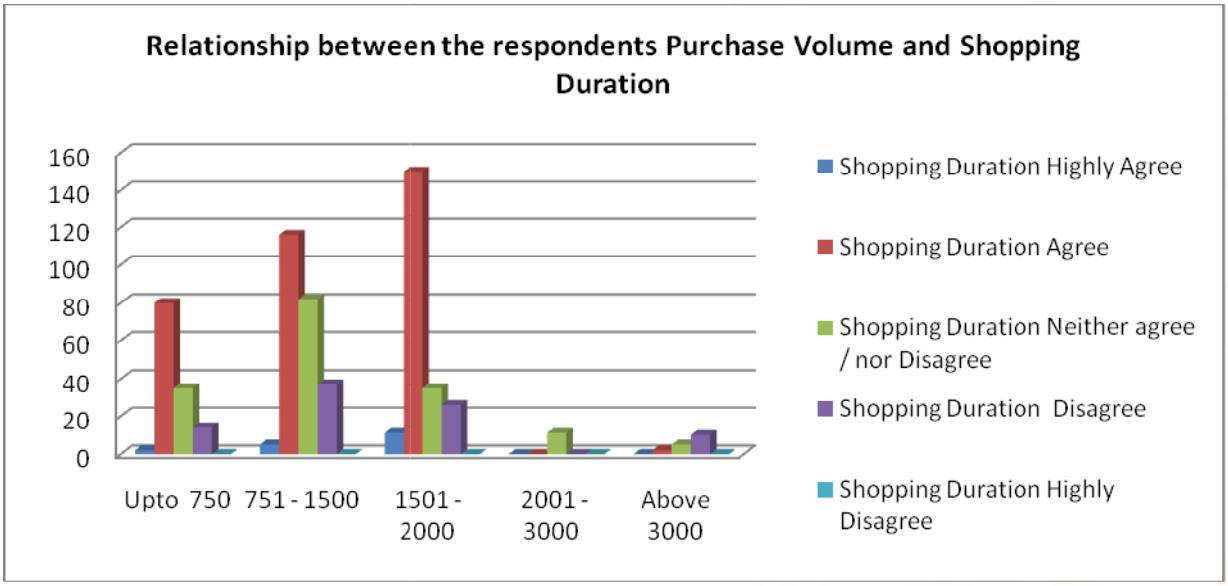


Note: * denotes significance at 1% level, ** denotes significance at 5% level
Source: Primary Data

It is observed from the table 3 that with $\chi^2(16, N = 621) = 2.85$, $p < 0.01$, there is a significant relationship between respondents' Impulse Purchase Volume and Store Distance in Pune city. The Chi-square value of 2.85 shows that the null hypothesis (H_0) is rejected at 1% level of significance. Store distance does not deter the respondents towards impulse purchase.

Table 4 – Relationship between the respondents' Purchase Volume and Shopping Duration

Impulse Purchase Volume (in INR)		Upto 750	751 - 1500	1501 - 2000	2001 - 3000	Above 3000	Chi-Square (df)	P Value
Shopping Duration	Highly Agree	2	5	11	0	0	15.44 (12)	.000
	Agree	80	116	150	0	2		
	Neither agree / nor Disagree	35	82	35	11	5		
	Disagree	14	37	26	0	10		
	Highly Disagree	0	0	0	0	0		



Note: * denotes significance at 1% level, ** denotes significance at 5% level
Source: Primary Data

It is observed from the table 4 that with $\chi^2(12, N = 621) = 15.44$, $p < 0.01$, there is a significant relationship between respondents' Impulse Purchase Volume and Shopping Duration among Pune city. The Chi-square value of 15.44 shows that the null hypothesis (H_0) is rejected at 1% level of significance. Result implies that the duration of shopping has a positive impact on impulse purchase.

Table 5 Regression Analysis for the model

Predictor variables with ImpulsePurchase volume as the DV	R^2	Standardized coefficient Beta	F - Value	t - value	Sig
Store distance	0.505	.104	25.134	-8.662	.000
Store density		-.105	p=0.000*	-2.999	.003
Shopping duration		.307		.194	.846

Note: * denotes significance at 1% level, ** denotes significance at 5% level

Source: Primary Data

To study the model, a regression analysis - enter method was used. The dependable variable is the Impulse Purchase Volume and the independent variables are Store distance, Store density and shopping duration. The regression model's ANOVA F value is 25.134 and it is significant at 1% level. The regression model's coefficient of determination (R^2) is .505, which is a moderate coefficient for the model.

IPV = .104 (Store distance) -.105 (Store density) + .307 (Shopping duration)

Conclusion

One of the main sources of income for the department store is the impulse purchase. To understand the factors which influence the impulse purchase in department stores was initiated. Data was analysed using descriptive statistics, including one-way analysis of variance. Research results indicate that high perceived density and large-scale shopping were factors that significantly contribute to higher level of impulse purchasing outcomes. Also, store distance is not a deterrent for the impulse purchase. By using this model, retailers may better predict the consumer response to impulse purchase factors, and thus can design a store strategy that will encourage particular pattern of shoppers' behaviour.

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