A Comparative Study of Factors Influencing Purchasing Decisions at D-Mart and Metro in Vijayawada City.

D. Satish Kumar1, P. Bindu2, D.S. Rao3, S. Anusha1, J. Srinivas5

1,2, 4Department of Mathematics, Koneru Lakshmaiah Education Foundation, Vaddeswaram- 522502, India
3 Business School, Koneru Lakshmaiah Education Foundation, Vaddeswaram- 522502, India
5 Department of Mathematics, NIT Meghalaya, Shillong-793003, India
*Corresponding author E-mail: satish9441321888@gmail.com

Abstract

Corporate retail stores are today the focal points for purchasing decisions of middle and high-income groups in urban India. However, each corporate retail store has its own model of retailing. Storing different varieties of products at same locality, location advantage, self-servicing outlets, window shopping, large scale discount, specialty stores are some of the models retailing stores have adopted. But all these retail models are not being popular among the consumers. Consumer’s preferences and choices are varying across different retail models. In this context the present study wants to explore significant difference among corporate retail stores in Vijayawada in consumer preference and choices.

Keywords: Retail Shopping, Shopping Behavior, Convenience store, Discount store, Specialty Store, Corporate Retail Stores.

1. Introduction

Consumer decision making has long been of interest to researchers. Companies in retail industry are interested in the study of consumer behavior as it makes them familiar with the emerging needs and desires of their current and prospective buyers. To find out what satisfies customers, marketers must examine the main influences on what, where, when and how customers buy goods and services [1]- [6]. By understanding these factors marketers are better able to predict how consumers will respond to marketing strategies. Ultimately, this information helps modern retail malls as well as conventional retail stores to compete more effectively in the marketplace and leading to more satisfied customers [7]- [12]. The present study aims to analyses the differences in shopping behaviors of customers in two leading corporate retail stores in Vijayawada city namely Metro and D-Mart, Andhra Pradesh, India. Of late customers are focusing mainly on quality, quantity, and cost of the products. In this context consumer shopping behavior in respect of retail shopping was analyzed to identify the various factors influencing it. The results of the study reveal that except for average monthly purchasing expenditure, there is no significant differences between Metro and D-Mart in respect of factors that influence purchasing decision.

2. Objectives of the Study

The major objectives of the present study are
1. To study the differences in consumer purchasing behavior towards the two corporate retail stores namely D-Mart and Metro in the city of Vijayawada
2. To understand the significant differences in customers habits and choices in their purchase decisions at corporate retail stores in terms of convenience, location advantages, offering discounts and specialty products.
3. To suggest certain interventions to the retailer that could enhance their service quality.

3. Hypothesis for Study

H0 = There is no significance difference between D-Mart and Metro with regard features influencing purchasing from a specific retail shop.
H1 = There is a significance difference between D-Mart and Metro with regard in the location of the store.
H2 = There is a significance difference between D-Mart and Metro with regard on the duration of time spent on the item.
H3 = There is a significance difference between D-Mart and Metro with regard in spend the amount to purchase the items in these retail stores.
H4 = There is a significance difference between D-Mart and Metro with regard features influencing purchasing on constantly visibility of newly launched product.

4. Research Methodology

To analyses the consumer behavior in the selected corporate retail stores in Vijayawada two convenient sample of 70 respondents...
from Metro, and 79 respondents from D-Mart were taken respondents were taken, and a structured questionnaire was designed to gather information on six important variables related to consumer behavior from the respondents. The questionnaire was tested for reliability and validity through a pilot study. Information was gathered personally from the consumers when actually they are making purchases. The data gathered was processed and analyzed with descriptive statistics like tables, percentages and bar charts. To test the significance difference between two retail stores in terms of factors influencing their purchasing decision at Independent Samples Mann-Whitney U test was used as the samples were not normally distributed.

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5. Testing of Hypothesis

5.1. Hypothesis – I

H₀: There is no significant difference between D-Mart and Metro with regard to features influencing to shop.

The results of the parametric t-test and non-parametric Mann-Whitney U test (Table:3) show that the p-value is greater than 0.05. Thus we may accept the null hypothesis that D-Mart and Metro are similar in features that influence shopping at 5% level of significance.

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5.2. Hypothesis – II

H₀: There is no significance difference between D-Mart and Metro with regard in consumer intention of visiting the retail store.

The results of the parametric t-test and non-parametric Mann-Whitney U test (Table:4) show that the p-value is greater than 0.05. Thus we may accept the null hypothesis that D-Mart and Metro are similar in features that consumer intention of visiting the retail store at 5% level of significance.

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<td>Mann-Whitney U</td>
<td>2.632</td>
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Fig 1: Pattern of Responses for Metro

Fig 2: Pattern of Responses for D-Mart

Fig 3: Features influencing to shop

Fig 4: Consumer intention of visiting the retail store
5.3. Hypothesis - III

H0: There is no significance difference between D-Mart and Metro with regard on the duration of time spent on time.
The results of the parametric t-test and non-parametric Mann-Whitney U test (Table:5) show that the p -value is greater than 0.05. Thus, we may accept the null hypothesis that D-Mart and Metro are similar in features on the duration of time spent on time at 5% level of significance.

Table 5: Independent Samples T-Test

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Fig 5: Duration of time spent on time

5.4. Hypothesis-IV

H0: There is no significance difference between D-Mart and Metro with regard in spending the amount to purchase the items in these retail stores.
The results of the parametric t-test and non-parametric Mann-Whitney U test (Table:6) show that the p -value is less than 0.05. Thus, we may reject the null hypothesis that D-Mart and Metro are similar in features on spending the amount to purchase the items at 5% level of significance.

Table 6: Independent Samples T-Test

<table>
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<td>Mann-Whitney U</td>
<td>2164</td>
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Fig 6: spending the amount to purchase the items

Mean Spending( Out of 5 Categories)

D-Mart 3.506329
Metro 3.957143

Median Spending( Out of 5 Categories)

D-Mart 3 4
Metro

5.5. Hypothesis-V

H0: There is no significance difference between D-Mart and Metro with regard features influencing purchasing on constantly visibility of newly launched product.
The results of the parametric t-test and non-parametric Mann-Whitney U test (Table:7) show that the p -value is greater than 0.05. Thus we may accept the null hypothesis that D-Mart and Metro are similar in features influencing purchasing on constantly visibility of newly launched product at 5% level of significance.

Table 7: Independent Samples T-Test

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Fig 7: Purchasing on constantly visibility of newly launched product.

5.6. Hypothesis-VI

H0: There is no significance difference between D-Mart and Metro with regard features influencing on most of the times the product or offer makes you to purchase the product.
The results of the parametric t-test and non-parametric Mann-Whitney U test (Table:8) show that the p -value is greater than 0.05. Thus we may accept the null hypothesis that D-Mart and Metro are similar in features in flouncing on most of the times the product or offer makes you to purchase the product at 5% level of significance.

Table 8: Independent Samples T-Test

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Fig 8: product or offer makes you to purchase the product.

5.7. Hypothesis – VII

H0: There is no significance difference between D-Mart and Metro on shopping is raising or decreasing on retail shop.
The results of the parametric t-test and non-parametric Mann-Whitney U test (Table:8) show that the p -value is greater than 0.05. Thus we may accept the null hypothesis that D-Mart and Metro are similar in features of shopping is raising or decreasing on retail shop at 5% level of significance.

Table 9: Independent Samples T-Test

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5. Conclusions of the Study

Form the testing hypothesis done above the following broad conclusions can be drawn

1. Both D-Mart and Metro attract consumers constantly by enabling visibility of newly launched products.
2. Both D-Mart and Metro attract customers by offering discounts on purchases.
3. Intentions of the consumer visiting D-Mart and metro are almost similar.
4. Metro and D-Mart are similar in features that influence shopping at these stores.
5. The average time spent by a consumer in both D-Mart and Metro is about one and half hrs.
6. There is a significant difference between D-Mart and metro in average spending expenditure by a consumer.
7. Both D-Mart and Metro are witnessing raising trend in Customer spending at their stores.

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