Exploration of Buying Behaviour based on Typologies of Shoppers: Empirical Evidence

1. **Dr. R. Anthony Sathish,**

Associate Professor in Commerce,

H.O.D – P.G. Dept. & Research Centre,

Government College of Arts, Science and Commerce,

Quepem - Goa.

2. **Dr. Rajendra Kumbharjuvenkar**

Associate Professor,

Narayan Zantye College of Commerce,

Bicholim Goa.

Abstract

The retail is one of the most vibrant sectors with respect to economies across the globe. India is not exception to this. In India too, the retail sector is experiencing a drastic change, because of changing way of life and the changing living style of buyers. The buying intensity of rural, just as urban customers, is expanding, consequently opening up colossal open doors for the retail division. In this specific circumstance, understanding the purchaser, their state of mind, their likings and inclinations is the fate of most retailers in order to pull in and hold customers. Goa is a profoundly evolved State. In any case, the retail sector in Goa is in the beginning stage. The current investigation along these lines endeavors to break down the purchasing conduct of shoppers in Goa. The discoveries of the examination will give a guide for the retailers to build up their showcasing procedures suitably.

The essential goal of the investigation is to order the purchasers into various gatherings dependent on the purchasing conduct and examine this conduct across various segment qualities. The study has proposed and approved a model arranging customers in Goa, into seven sections

viz. Active Buyers, Convenience Seekers, Family Shoppers, Price Sensitive Buyers, Planned Buyers, Impulsive Buyers and Variety Seekers. The investigation legitimizes that, the demographic qualities and the shopping inclinations, unequivocally sway the purchasing conduct and that, this conduct varies across demographic attributes.

Key Words: Buying Behaviour, Demographics, Consumers, and Shopping Preferences.

Introduction

The retail segment in India is experiencing a change, because of changing way of life and the changing living example of customers. There are a few components like, financial development, rising work, vital activities in buyer commitment are driving a retail change in India (Deepika, 2012). The enormous size retailers the nation over have begun the modernization procedure. This has constrained significantly littler autonomous stores to overhaul as far as combination, conveyance, and feeling (Sinha, Gokhale, & Thomas, 2012). The patterns of globalization combined with diminished exchange boundaries are initiating serious retailers to move concentrate away from the created markets to the rising underserved markets (Basu, 2013).

Goa is a profoundly evolved State. In any case, the retail sector in Goa is in the beginning stage. Goa has a populace of 14.59 lakhs individuals and there is a drifting populace of around 5-6 lakhs. The way of life of individuals is extremely high because of high income. It is in this context it is important to consider the behaviour of customers in Goa to give a guide for the retailers to build up their advertising techniques fittingly.

Literature Review on Retail Consumer Behaviour

The writing survey with respect to retail shoppers in India uncovers that, the buying intensity of the urban just as rustic buyers is expanding. The changing example of shopper taste and inclinations, has opened up, enormous open door for the sorted out retail in India (Jaykumar & Geetha, 2011). Shoppers today shop from different foundations and that there is no dedication towards any single retailer (Mishra, 2004). Metros are seeing a total change in the shopping propensities for the buyers because of the appearance of shopping centers. Shopping for food has changed into high enthusiasm shopping where inclusion of men has expanded in a hypermarket circumstance (Mullik, 2013). The changing way of life of shoppers because of expanded discretionary cashflow, urbanization and developing mindfulness among purchasers, has

changed the Indian retail division (tecnovaglobal.com, 2014). Because of this changing example of purchaser conduct, the shopper spending is required to increment by 2.5 occasions by 2025 (Hemali, 2014). The purchaser way of life is to a great extent affected by the geo-socioeconomics, socio-social elements, psychographics, inclinations, standards and conduct (Joseph & Singh, 2013). Ways of life attributes greatly affect the purchasing behaviour of the customers (Krishnan, 2011).

Identification of the Research Problem

The writing uncovers that, however the examinations are led on buyer conduct in India, there is restricted exploration did to order shoppers dependent on their standards of conduct. Further, there is no huge examination being completed to break down with respect to whether these social elements fluctuate across segment attributes. There is no such examination ever that appears to have been attempted to dissect the impact of segment attributes on the purchasing conduct of buyers in Goa. It is in this setting the current paper endeavors to fragment the buyers dependent on their purchasing conduct and break down the conduct across segment qualities.

Objectives of the study

the specific objective of the study is:

1. To analyse the Buying Behaviour based on Typologies of Shoppers across Demographics.

Research Methodology

In order to study the above research objectives the following research methodology is adopted.

Universe, Sample Size and Period of Study

The universe for the present study shall be the State of Goa. A sample of 250 respondents (130 Males and 120 Females) from across the State of Goa, were selected and studied using convenience sampling technique. The study was conducted over a period from October 2019 to January 2020 in the State of Goa.

Questionnaire Design

The study is descriptive in nature and has used a survey method for data collection. Further, the data is collected by using a structured questionnaire. The questionnaire had two constructs. The

first construct measured the demographic characteristics of the respondent. The second construct identified the buying behaviour of the respondents. It consisted of 36 statements pertaining to the activities, interests and opinions relating to the buying behaviour of the respondents. They were measured on a seven-point scale ranging from 1 strongly disagree to 7 strongly agree.

Data processing and Framework of analysis

The primary data is procured by using Structured Questionnaire with seven point scale and is processed by using Exploratory Factor Analysis (EFA), Binary Logistic Regression and Multinomial Logistic Regression.

The reliability of the data is tested by using Cronbach's Alpha. The 36 variables used in the study has a Cronbach's Alpha of 0.774, hence the data used for the study is reliable.

> H_0: *Buying behaviour of consumers does not differ across select demographic characteristics.*

Results and Discussions

For the purpose of analyzing the buying behaviour of consumers and for classifying the consumers accordingly, a 36 item scale is used. The agreement or disagreement of respondents was measured on a seven point scale.

The Exploratory Factor Analysis used for dimension reduction reveals that there are seven factors influencing the buyer behaviour which is used for classifying the buyers into nine segments namely, price sensitive shopper, planned shopper, novelty fad fashion conscious shopper, convenience seeking shopper, variety seeking shopper, brand conscious shopper, confused; support seeking shopper, perfectionist and family shopper. The factor loadings with respect to all the variables used in the analysis ranges from 0.586 to 0.848. As per the cumulative variance extracted, all the nine factors in the model explain 63.31 % of the variance. Further the Kaiser-Meyer-Olkin Measure of Sampling Adequacy is 0.558 with Chi – Square of 3491.551. The Degree of Freedom as per Bartlett's Test of Sphericity is 630 and the P Value is 0.000. All these validate the nine dimensions of Buying Behaviour derived through EFA.

Analysis of Buying Behaviour across Demographics

This classification of buyers according to their buying behaviour was further used to analyse, how this buying behaviour differs across demographic characteristics and the shopping pattern of consumers. This analysis is carried out by using, Binomial Logistic Regression in respect of age, marital status and district wise location of respondents. However in respect of other demographic characteristics since there are more than two groups, multinomial logistic regression is used for analysis. The demographic characteristics in the equation are used as dependent variables and the seven typologies of shoppers are used as Explanatory variables.

The following are the results:

Table No. 1 Analysis of Buying Behaviour Based on Typologies of Shoppers Across Demographics				
Variables in the Equation		**Consumer Typologies**	**Sig.**	**Exp(B)**
Gender	Female	Convenience Seeking Shopper	0.001	0.935
	Male	Family Shopper	0.002	1.102
Marital Status	Married	Novelty-Fad-Fashion Conscious Shopper	0.010	1.053
		Confused Support Seeking Decision Maker	0.003	1.072
	Unmarried	Planned Shopper	0.013	0.958
		Brand Conscious Shopper	0.003	0.928
Age Group	Less than 18 Years	Family Shopper	0.000	1.431
	18 to 30 Years	Novelty-Fad-Fashion Conscious Shopper	0.000	1.163
	31 to 45 Years	Planned Shopper	0.010	1.094
	46 Years and Above	Price Sensitive Shopper	0.012	0.926
Educational Qualification	Below SSC	Family Shopper	0.002	1.313
	SSC	Confused Support Seeking Decision Maker	0.048	1.124
	HSSC	Family Shopper	0.010	1.202
	Graduate	Brand Conscious Shopper	0.000	1.221
	Post Graduate	Perfectionist	0.003	1.154
	Professional	Price Sensitive Shopper	0.001	0.889

Occupation	Service	Brand Conscious Shopper	0.001	1.245
	Business	Planned Shopper	0.006	1.134
	Student	Novelty-Fad-Fashion Conscious Shopper	0.002	1.189
	Home Maker	Price Sensitive Shopper	0.013	1.145
	Other	Convenience Seeking Shopper	0.046	0.881

Table No. 1 Analysis of Buying Behaviour Based on Typologies of Shoppers Across Demographics Cont….				
Variables in the Equation		**Consumer Typologies**	**Sig.**	**Exp(B)**
Monthly Household Income	Less Than Rs. 10,000	Convenience Seeking Shopper	0.024	1.116
	Rs. 10,000 to Rs. 25,000	Brand Conscious Shopper	0.015	1.099
	Rs. 25,000 to Rs. 50,000	Family Shopper	0.046	1.066
	Rs. 50,000 to Rs. 75,000	Novelty-Fad-Fashion Conscious Shopper	0.016	1.108
	Rs. 75,000 to Rs. 1,00,000	Planned Shopper	0.001	1.18
	Above Rs. 1,00,000	Variety Seeking Shopper	0.006	0.823
Place of Domicile	City	Convenience Seeking Shopper	0.012	1.065
	Town	Planned Shopper	0.021	1.074
	Village.	Price Sensitive Shopper	0.02	0.947
District -wise Location of Respondents	South Goa	Price Sensitive Shopper	0.001	0.937
		Brand Conscious Shopper	0.005	0.93
	North Goa	Confused Support Seeking Decision Maker	0.021	1.055

MAJOR FINDINGS

Table No. 1 relates to results of analysis carried out by using logistic regression to analyse the buying behaviour based on typologies of shoppers across demographics. Exp (B) (Odds Ratio) in the equation is used to determine the group membership.

With respect to gender it is seen that male respondents are more likely to be family conscious shoppers while female respondents show inclination towards convenience seeking behaviour.

With respect to marital status, married are more likely to be novelty fad fashion conscious shoppers and confused support seeking decision makers while, unmarried respondents are more likely to be planned and brand conscious shoppers.

Analysis across age groups revealed that, respondents Less than 18 Years are more likely to be Family Shopper, respondents in the age group 18 to 30 Years are more likely to be Novelty-Fad-Fashion Conscious Shopper, respondents in the age group 31 to 45 Years are Price Sensitive Shopper while, respondents 46 Years and Above are more likely to be Planned Shopper.

Analysis across educational qualifications of the respondents revealed that, respondents Below SSC are more likely to be Family Shopper, respondents with SSC are Price Sensitive Shoppers, respondents with HSSC are Family Shoppers, Graduates are Brand Conscious Shoppers, Post Graduates are Perfectionists and Professionals are Confused Support Seeking Decision Makers.

Analysis across occupation of the respondents revealed that, respondents engaged in Service are Brand Conscious Shoppers, those engaged in Business are Planned Shoppers, Students are Novelty-Fad-Fashion Conscious Shoppers, Home Makers are Price Sensitive Shoppers, and others are Convenience Seeking Shoppers.

With respect to analysis across monthly household income of the respondents it is revealed that, the respondents in the income group Less Than Rs. 10,000 are Convenience Seeking Shoppers, respondents in the income group Rs. 10,000 to Rs. 25,000 are Brand Conscious Shoppers, respondents in the income group Rs. 25,000 to Rs. 50,000 are Family Shoppers, respondents in the income group Rs. 50,000 to Rs. 75,000 are Novelty-Fad-Fashion Conscious Shoppers, respondents in the income group Rs. 75,000 to Rs. 1,00,000 are Planned Shoppers and respondents in the income group Above Rs. 1,00,000 are Variety Seeking Shoppers

Analysis across place of domicile of the respondents revealed that, respondents residing in City are Convenience Seeking Shoppers, respondents residing in Town are Planned Shoppers and respondents residing in Villages are Price Sensitive Shoppers.

Analysis across District-wise location of the respondents revealed that, respondents residing in South Goa reveal a mixed behaviour of Price Sensitivity and Brand Consciousness while respondents residing in North Goa display Confused Support Seeking Decision Making behaviour.

INFERENCE

All the above analysis of buying behaviour across demographic characteristics justifies that the demographic characteristics have a strong influence on buying behaviour of consumers. The P Value < 0.05 in most of the above cases justifies that there is a significant relationship between buying behaviour and demographic characteristics. Therefore, the *H0: Buying behaviour of consumers does not differ across select demographic characteristics* is rejected**.**

CONCLUSIONS

The present study validates that, People differ in their buying behaviour and this behaviour varies across the demographic characteristics. The study has proposed and validated the model classifying consumers in Goa, into nine segments namely, price sensitive shopper, planned shopper, novelty fad fashion conscious shopper, convenience seeking shopper, variety seeking shopper, brand conscious shopper, confused; support seeking shopper, perfectionist and family shopper. The study legitimizes that the segment qualities and the shopping inclinations, unequivocally sway the purchasing behaviour.

The study further affirms that, male respondents are more likely to be family conscious shoppers while female respondents show inclination towards convenience seeking behaviour. Married are novelty fad fashion conscious shoppers and confused support seeking decision makers while, unmarried respondents are more likely to be planned and brand conscious shoppers. Respondents with qualification of HSSC and below are family shoppers, confused support seeking decision makers and family shoppers while respondents with qualification of graduation and above are brand conscious, perfectionist and price sensitive shoppers.

Respondents engaged in service are Brand Conscious Shoppers, those engaged in Business are Planned Shoppers, Students are Novelty-Fad-Fashion Conscious Shoppers, Home Makers are Price Sensitive Shoppers, and others are Convenience Seeking Shoppers. The respondents in lower income group are convenience seekers, family shoppers and brand conscious while respondents in higher income group are more planned, and variety seekers. Respondents residing in City are Convenience Seeking Shoppers, respondents residing in Town are Planned Shoppers while, respondents residing in Villages are Price Sensitive Shoppers. Respondents residing in South Goa reveal a mixed behaviour of Price Sensitivity and Brand Consciousness while respondents residing in North Goa display Confused Support Seeking Decision Making behaviour. Subsequently, it very well may be seen that demographic characteristics of the respondents largely impact the purchasing behaviour of the respondents.

A savvy marketer hence ought to comprehend the state of mind of customers to work well for them. The purchasing behaviour is profoundly unique idea. With the consistently expanding buying power, customers are currently become more comfort cognizant and status cognizant. They are requesting higher services and incentives for their money. Thus intensive information on the purchasing behaviour showed by the buyer classes, will turn into an open door for the marketers to adjust their market contributions and accomplish significant level of shopper commitment, customer acknowledgment and purchaser fulfillment.

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