

**DETERMINANTS OF SELECTION OF ORGANIZED
RETAIL STORES AMONG CONSUMERS IN
RAMANATHAPURAM DISTRICT**

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ABSTRACT

The organized retailing stores are getting attention of large amount consumers in recent times and they are attracting various segments of consumers because of different features. The findings elucidate that attractiveness, convenience, promotion and assistance are determinants of selection of organized retail stores among consumers. Significant difference exists amid determinants of selection of organized retail stores among consumers and their demographic features. Convenience, attractiveness, promotion and assistance are positively and significantly influencing purchasing behaviour of consumers in organized retail stores. Therefore, organized retail stores should provide variety of products with different brands and they must offer good quality of product in reasonable price ranges. Organized retail stores must give offers, discounts and gifts frequently and they should provide basic facilities to their consumers.

Key Words: Consumers, Determinants, Organized Retail Stores

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1. INTRODUCTION

Organized retailing is the method of trading products in a single room in a specific locations and it has different formats (Goswami and Mishra, 2008). Organized retailing is having around 10 per cent of market share in retailing sector in India with turn over of 70 billion US dollars. The Indian organized retail marketing is growing at the rate of 24.28 per cent annually in revenue generation and it is anticipated to grow in the rate of 13 per cent annually in the next five years and it creates ways for innovative retail practices and foreign direct investments (Nair and Nair, 2018). Growth of economy, dynamics in demographics, technological advancements and access and life styles induce consumers to change their purchasing behaviour towards organized retailing (Vemanna and Rao, 2015).

The organized retailing stores are getting attention of large amount consumers in recent times and they are attracting various segments of consumers because of different features (Manish and Sima, 2012). Purchasing experience in organized retail stores is completely different from traditional retail stores and engagement of consumers is much intensive in organized retail stores (Jhamb and Kiran, 2011). The physical atmosphere and specific features generate unique representation of organized retail stores and they attract consumers considerably for them (Kumar and Gopinath, 2012). Hence, it is necessary to study determinants of selection of organized retail stores among consumers in Ramanathapuram district.

2. REVIEW OF LITERATURE

Dalwadi et al (2010) found that interior design, lighting, services, products and ambience were determining selection of retail stores by consumers. Singh and Agarwal (2011) concluded that brands, products, ambience, attraction and services were affecting selection of organized retail stores among consumers.

Ravilochanan and Devi (2012) revealed that ambience, price, quality and variety of products were deciding choice of organized retail stores among

consumers. Eroglu (2013) indicated that quality, price, location, product variety, image, ambience and services were affecting choice of retail stores by consumers.

Kumar (2014) showed that products, brands, convenience, ambience, promotion and layout were attracting consumers for organized retail stores. Ramadevi (2015) found that location, variety of product, brand availability, promotion and ambience were influencing selection of malls by consumers.

Kumar et al (2016) revealed that convenience, promotion, atmosphere, products and brands were significantly influencing choice of organized retail stores among consumers. Dubey and Sinha (2017) concluded that price, quality, products, promotion, service and atmosphere were determining purchasing behaviour of consumers in Big Bazaar.

Syed et al (2018) showed that convenience, ambience, product variety and mode of payment were attracting consumers for organize retail stores. Alhazmi (2019) indicated that product variety, price, brand, ambience, promotions and behaviour of employees of organized retail stores were affecting purchasing behaviour of consumers.

3. OBJECTIVES OF THE STUDY

- i) To discover determinants of selection of organized retail stores among consumers.
- ii) To find difference amid determinants of selection of organized retail stores among consumers and their demographic features.
- iii) To study influence of determinants of selection of organized retail stores on purchasing behaviour of consumers.

4. METHODOLOGY

Ramanathapuram district is selected for the present study. Convenience sampling method is applied for choosing consumers and data are gathered from 300 consumers. Percentage analysis is used examine demographic features and an exploratory factor analysis is employed to discover determinants of selection of organized retail stores among consumers. ANOVA and t-tests are applied to find difference amid determinants of selection of organized retail stores among consumers and their demographic features. Regression analysis is used to study influence of determinants of selection of organized retail stores on purchasing behaviour of consumers.

5. RESULTS

5.1. DEMOGRAPHIC FEATURES OF CONSUMERS

The demographic features are given in Table-1. Majority of them (55.33 per cent) is female and larger portion of them (30.33 per cent) is in age of 26 – 35 years. Higher percentage of them (31.00 per cent) is having under graduation and most of them (30.00 per cent) get income of Rs.35,001 – Rs.45,000 per month and higher proportion of them (82.33 per cent) has married status.

Table-1. Demographic Features

Demographic Features	Number	Per Cent
Gender		
Male	134	44.67
Female	166	55.33
Age		
Below 25 Years	59	19.67
26 – 35 Years	91	30.33
36 – 45 Years	86	28.67
Above 45 Years	64	21.33
Education		
Higher Secondary	48	16.00
Diploma	77	25.67
Under Graduation	93	31.00
Post Graduation	82	27.33
Monthly Income		
Less than Rs.25,000	55	18.33
Rs.25,001 – Rs.35,000	87	29.00
Rs.35,001 – Rs.45,000	90	30.00
More than Rs.45,000	68	22.67
Marital Status		
Married	247	82.33
Unmarried	53	17.67

5.2. DETERMINANTS OF SELECTION OF ORGANIZED RETAIL STORES AMONG CONSUMERS

The exploratory factor analysis is applied to discover determinants of selection of organized retail stores among consumers and the result is given in Table-2. Principal Component Analysis is used along with varimax rotation and it is converged in 10th iterations. Value of KMO (Kaiser-Meyer-Olkin) test for measuring sampling adequacy is 0.812 and Chi-square statistic of Bartlett's test of Sphericity is 0.0047 that is significant in one per cent level and both values elucidate method is pertinent. Four determinants discovered are having 72.65 per cent of variations on variables included in the present study.

Table-2. Determinants of Selection of Organized Retail Stores among Consumers

Determinant	Variables	Rotated Factor Loadings	Eigen Value	Variation (%)	Determinant Name
I	Quality	0.67	3.64	24.62	Attractiveness
	Price	0.69			
	Variety	0.64			
	Brands	0.63			
	Image	0.66			
II	Location	0.65	2.03	19.85	Convenience
	Operating hours	0.61			
	Parking area	0.63			
	Ease of movement	0.64			
III	Discounts	0.68	1.29	15.70	Promotion
	Offers	0.62			
	Gift vouchers	0.63			
IV	Behaviour of sales personnel	0.64	1.03	12.48	Assistance
	Knowledge of sales personnel	0.60			
	Helping nature of sales personnel	0.63			
	Cumulative (%)	-	-	72.65	-
	Value of Cronbach's Alpha	-	-	-	0.87

Determinant - I consists of quality, price, variety, brands and image. This determinant is denoted as **Attractiveness** and it has 24.62 per cent variation.

Determinant - II includes location, operating hours, parking area and ease of movement. This determinant is described as **Convenience** and it has 19.85 per cent of variation.

Determinant - III comprises of discounts, offers and gift vouchers. This determinant is named as **Promotion** and it has 15.70 per cent of variation.

Determinant - IV contains behaviour of sales personnel, knowledge of sales personnel and helping nature of sales personnel. This determinant is labeled as **Assistance** and it has 12.48 per cent of variation.

Attractiveness, convenience, promotion and assistance are determinants of selection of organized retail stores among consumers.

5.3. DETERMINANTS OF SELECTION OF ORGANIZED RETAIL STORES AMONG CONSUMERS AND THEIR DEMOGRAPHIC FEATURES

The ANOVA and t-tests are employed to find difference amid determinants of selection of organized retail stores among consumers and their demographic features and results are given in Table-3.

Table-3. Difference amid Determinants of Selection of Organized Retail Stores among Consumers and their Demographic Features

Particulars	t-Value / F-Value	Significance
Gender and Determinants of Selection of Organized Retail Stores	4.564 ^{**} (t-value)	.000
Age and Determinants of Selection of Organized Retail Stores	6.012 ^{**} (F-Value)	.000
Education and Determinants of Selection of Organized Retail Stores	5.945 ^{**} (F-Value)	.000
Monthly Income and Determinants of Selection of Organized Retail Stores	5.736 ^{**} (F-Value)	.000
Marital Status and Determinants of Selection of Organized Retail Stores	4.420 ^{**} (t-value)	.000

^{**} Significant at 1 % level

The F-values and t-values are explicating significant difference exists amid determinants of selection of organized retail stores among consumers and their demographic features.

5.4. INFLUENCE OF DETERMINANTS OF SELECTION OF ORGANIZED RETAIL STORES ON PURCHASING BEHAVIOUR OF CONSUMERS

Regression analysis is used to study influence of determinants of selection of organized retail stores on purchasing behaviour of consumers and the result is given in Table-4. Adjusted R^2 is 0.58 and R^2 is 0.60 and these indicate regression model has good fit. F-value of 23.149 shows the model is significant.

Table-4. Influence of Determinants of Selection of Organized Retail Stores on Purchasing Behaviour of Consumers

Determinants of Selection of Organized Retail Stores	Co-efficients	t-Value	Significance
Intercept	1.102 ^{**}	10.826	.000
Attractiveness (X_1)	.320 ^{**}	6.918	.000
Convenience (X_2)	.354 ^{**}	7.642	.000
Promotion (X_3)	.295 ^{**}	6.530	.000
Assistance (X_4)	.267 ^{**}	6.154	.000
R^2	0.60	-	-
Adjusted R^2	0.58	-	-
F	23.149 ^{**}	-	.000

^{**} Significant at 1 % level

Convenience, attractiveness, promotion and assistance are positively and significantly influencing purchasing behaviour of consumers in organized retail stores.

6. CONCLUSION

The findings of this study show attractiveness, convenience, promotion and assistance are determinants of selection of organized retail stores among consumers. Significant difference exists amid determinants of selection of organized retail stores among consumers and their demographic features. Convenience, attractiveness, promotion and assistance are positively and significantly influencing purchasing

behaviour of consumers in organized retail stores. Therefore, organized retail stores should provide variety of products with different brands and they must offer good quality of product in reasonable price ranges. Organized retail stores must give offers, discounts and gifts frequently and they should provide basic facilities to their consumers. Further, sales personnel must help consumers for their effective purchasing.

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