Chapter 5: Discussion and Implications

5.1 Introduction to the Chapter

Present chapter synthesizes the findings obtained from data analysis chapter. First section of the chapter explains about exploratory study done for shopping area attribute and psychographics of the samples. Second section deals with linking of demographics, psychographics, need for uniqueness, shopping area attribute to outshopping behaviour. Further part is about separate model for rural and urban outshopping. Later aspect of this chapter is about finding the differences among rural and urban consumers across various product categories. Lastly chapter ends with concluding notes with implication and limitations of the present study.

5.2 Findings of the study

- Exploratory factor analysis on shopping area attributes revealed the extraction of five factors (viz. Fashion & Entertainment Component, Product Assortment, Fine Dine Facility, Spacious Location, Store Attractiveness)
- Exploratory factor analysis on psychographics resulted in extraction of three factors (viz. Time & Food Consciousness, Innovative & Fun Seeker, and Self-Confident & Fashion Conscious)
- In overall samples, need for uniqueness is positively related to outshopping. Need for uniqueness is positively associated with outshopping among rural consumers. Same relationship is found between need for uniqueness and outshopping among urban consumers. Support for this relationship is available in literature (Marjanen, 2000; Lumpkin and Hawes, 1986).
- With total sample, fashion and entertainment component is positively related to outshopping and also same is the case with rural consumers. Whereas, no relationship was found among fashion and entertainment component and outshopping among urban consumers. Support for importance of fashion and
entertainment component in predicting consumer outshopping activity can be found in the studies of La Forge et al. (1984) and in Vrshney and Goyal (2006).

- Keeping product assortment into consideration, the relationship with product assortment and outshopping can’t be seen from the results among rural, urban and also in overall sample. Support for same analysis is available in literature (Lillis and Hawkins, 1974; Hawes and Lumpkin, 1984; Varshney and Goyal, 2006).

- It can be observed positive relationship between fine dine facility and outshopping among total sample. For rural consumers, same relationship has been observed. But for urban consumers, no relationship found between fine dine facility and outshopping. There is no direct reference is available in the literature for explaining such relationship.

- There isn’t any relationship found between spacious locations and outshopping with total sample, for rural consumers and also with urban consumers. This relationship has been established separately by Broadbridge and Calderwood (2002).

- Store attractiveness seems to be attractive reason for total samples to go for outshopping and also for rural consumers. No relationship has been found between outshopping and store attractiveness among urban consumers. Marjanen (1993) and McCarthy (1980) also found over all positive image perception with regard to store attractiveness as important factor in influencing the outshopping behaviour.

- Time and food consciousness kind of psychographics is positively associated with outshopping among total sample. With rural consumers, again positive relationship has been observed with Time and food consciousness kind of psychographics and outshopping. Time and food consciousness is not positively related to outshopping among urban consumers. In the same line, Reynolds and Darden (1972) concluded that time consciousness is negatively associated with outshopping.

- With total sample, innovative and fun seeker kind of psychographics is positively associated with outshopping for rural and urban consumers both. In the study of
Jarratt (2000), she tried to conclude that fun seeking kind of behaviour is positively associated with outshopping.

- For total sample, self-confident and fashion consciousness is positively related to outshopping but no relationship was found among rural and urban consumers separately. The support for such relationship is available in literature in the study of Lumpkin and Hawes (1986).

- In gender, there is positive relationship found with outshopping among total sample and especially with females. In literature it has been accepted in the research of Jarratt (2000). No relationship found gender with outshopping among rural and urban consumers separately. Likewise results are available in the research of Hooper and Budden (1989).

- With respect to age (26 to 35 years), the positive relationship can be observed with outshopping for total as well as rural sample. No relationship can be seen between outshopping and age among urban consumers. Literature provides strong support for the relationship between age (26-35) and outshopping. Younger people tend to outshop more often (Sullivan and Savitt 1997; Broadbridge and Calderwood 2002).

- Outshopping is positively related to occupation among total sample whereas no relationship seen between outshopping and occupation among rural and urban consumers separately. In literature there isn’t any direct relationship has been established between outshopping and one’s occupation.

- In case of relationship with income and outshopping, the positive relationship has been found among total sample and urban consumers. On the other side, no relationship was seen between income and outshopping among rural consumers.

- Income has been proved as a significant variable, explaining outshopping behaviour in past also (Hopper and Budden, 1989; Lumpkin and Hawes, 1986; Jarratt, 2000).

- Tenure of residing at present place is positively related to outshopping among urban consumers whereas there isn’t any relationship can be seen with tenure and outshopping among total sample and rural consumers. For tenure in community
Hopper and Budden (1989) found that outshopping is negatively associated with tenure in the community.

- The positive relationship can be seen between outshopping and vehicle ownership (four wheels) among total sample, rural sample and urban sample.

- Broadbridge and Calderwood (2002) found that people with less access to a car, shop locally. Similarly, Marjanen (1993) found that people with their own car shop outside more than others.

- Outshopping is positively related to information source among total sample and also with urban consumers. No relationship can be seen between outshopping and source of information among rural consumers.

- Outshopping activity differs significantly among rural and urban consumers for the products like groceries, furniture, sporting goods, men’s clothes, jewelry and women’s fancy dress.

- No difference found for outshopping among rural and urban consumers for the product categories like automobile, photo equipment, children’s clothing, agro input, medical facility, financial services, bakery products and electronic items.

The overall summary of the study is presented in the table 5.1.
## Table 5.1: Summary of the study

<table>
<thead>
<tr>
<th>Variables</th>
<th>Overall Sig.</th>
<th>Rural Sig.</th>
<th>Urban Sig.</th>
<th>Products</th>
<th>Sig.</th>
<th>Rural Mean</th>
<th>Urban Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need For Uniqueness ($H_1$)</td>
<td>0.000**</td>
<td>0.011*</td>
<td>0.004**</td>
<td>Groceries ($H_{17}$)</td>
<td>0.000*</td>
<td>1.54</td>
<td>2.05</td>
</tr>
<tr>
<td>Fashion &amp; entertainment component ($H_2$)</td>
<td>0.000**</td>
<td>0.012*</td>
<td>0.069</td>
<td>Furniture ($H_{18}$)</td>
<td>0.000*</td>
<td>1.98</td>
<td>2.32</td>
</tr>
<tr>
<td>Product assortment ($H_3$)</td>
<td>0.472</td>
<td>0.897</td>
<td>0.554</td>
<td>Flooring related items ($H_{19}$)</td>
<td>0.295</td>
<td>2.33</td>
<td>2.25</td>
</tr>
<tr>
<td>Fine dine facility ($H_4$)</td>
<td>0.000**</td>
<td>0.001**</td>
<td>0.922</td>
<td>Sporting goods ($H_{20}$)</td>
<td>0.000*</td>
<td>2.53</td>
<td>2.13</td>
</tr>
<tr>
<td>Spacious location ($H_5$)</td>
<td>0.066</td>
<td>0.331</td>
<td>0.080</td>
<td>Men’s clothes ($H_{21}$)</td>
<td>0.000*</td>
<td>2.67</td>
<td>1.84</td>
</tr>
<tr>
<td>Store attractiveness ($H_6$)</td>
<td>0.002**</td>
<td>0.018</td>
<td>0.318</td>
<td>Jewelry ($H_{22}$)</td>
<td>0.000*</td>
<td>2.70</td>
<td>1.90</td>
</tr>
<tr>
<td>Time &amp; food consciousness ($H_7$)</td>
<td>0.000**</td>
<td>0.000**</td>
<td>0.078</td>
<td>Women’s fancy dress ($H_{23}$)</td>
<td>0.000*</td>
<td>2.79</td>
<td>1.76</td>
</tr>
<tr>
<td>Innovative &amp; fun seeker ($H_8$)</td>
<td>0.000**</td>
<td>0.000**</td>
<td>0.038*</td>
<td>Automobiles ($H_{24}$)</td>
<td>0.640</td>
<td>2.42</td>
<td>2.30</td>
</tr>
<tr>
<td>Self-Confident &amp; Fashion Conscious ($H_9$)</td>
<td>0.008**</td>
<td>0.160</td>
<td>0.405</td>
<td>Photo Equipment ($H_{25}$)</td>
<td>0.667</td>
<td>2.49</td>
<td>2.44</td>
</tr>
<tr>
<td>Gender (Female) ($H_{10}$)</td>
<td>0.007**</td>
<td>0.007**</td>
<td>0.007**</td>
<td>Children’s clothing ($H_{26}$)</td>
<td>0.060</td>
<td>2.44</td>
<td>2.82</td>
</tr>
<tr>
<td>Age (26 to 35) ($H_{11}$)</td>
<td>0.000**</td>
<td>0.025*</td>
<td>0.025*</td>
<td>Agro inputs/ Gardening items ($H_{27}$)</td>
<td>0.411</td>
<td>2.20</td>
<td>2.45</td>
</tr>
<tr>
<td>Occupation (House wife) ($H_{12}$)</td>
<td>0.002**</td>
<td>0.002**</td>
<td>0.059</td>
<td>Medical Facility ($H_{28}$)</td>
<td>0.564</td>
<td>2.35</td>
<td>2.23</td>
</tr>
<tr>
<td>Occupation (Business)</td>
<td>0.020*</td>
<td>0.020*</td>
<td>0.031*</td>
<td>Financial Services ($H_{29}$)</td>
<td>0.404</td>
<td>2.46</td>
<td>2.27</td>
</tr>
<tr>
<td>Income (10000 to 30000) ($H_{13}$)</td>
<td>0.031*</td>
<td>0.031*</td>
<td>0.013*</td>
<td>Bakery Products ($H_{30}$)</td>
<td>0.859</td>
<td>2.95</td>
<td>2.89</td>
</tr>
<tr>
<td>Vehicle Ownership (four wheel) ($H_{14}$)</td>
<td>0.000**</td>
<td>0.001**</td>
<td>0.035*</td>
<td>Electronic Items (Laptop/LED/Mobile/Any other gadgets) ($H_{31}$)</td>
<td>0.156</td>
<td>2.44</td>
<td>2.28</td>
</tr>
<tr>
<td>Tenure of residence (5 years or less) ($H_{15}$)</td>
<td>0.051*</td>
<td>0.051*</td>
<td>0.001*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information Source 1 ($H_{16}$)</td>
<td>0.000**</td>
<td>0.000**</td>
<td>0.054*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.3 Discussion of the study

Outshopping is a very prominent activity in rural as well as urban area of Gujarat. As rural part of Gujarat is well connected with road and other infrastructural facilities, outshopping has become more attractive option to satisfy various types of needs and wants. For urban consumers, outshopping even to other city or area provides sense of innovative feeling and hence motivate to shop other than local place.

Study revealed the factors such as demographics, psychographics, shopping area attributes, need for uniqueness and source of information were important determinants of outshopping behaviour in Gujarat. Exploratory factor analysis on shopping area attributes revealed the extraction of five factors (viz. Fashion & Entertainment Component, Product Assortment, Fine Dine Facility, Spacious Location, Store Attractiveness) and on psychographics resulted into extraction of three factors (viz. Time & Food Consciousness, Innovative & Fun Seeker, Self-Confident & Fashion Conscious). Multiple regression analysis on a sample of 515 respondents demonstrated that model containing of twenty three variable out of which fifteen dimensions were found to be significant namely Fashion & Entertainment Component, Fine Dine Facility, Spacious Location, Spacious Location, Store Attractiveness, Time & Food Consciousness, Innovative & Fun Seeker, Self-Confident & Fashion Conscious, Need for uniqueness, Information Source 1, age, gender, marital status, weekend shopping, occupation and vehicle ownership in relationship with outshopping. Whereas for rural customers important factors were fashion & entertainment component, Fine dine facility, Store attractiveness, Time & food consciousness, Innovative & fun seeker, Need For Uniqueness, Vehicle Ownership (four wheel) in terms of outshopping. In same line for urban consumers essential factors were Fashion & entertainment component, Spacious location, Time & food consciousness, Innovative & fun seeker, Need For Uniqueness, Information Source 1, Occupation (Student), Tenure of present residence (5 years or less), Vehicle Ownership (four wheel) in terms of outshopping.
The study contribute to the body of literature in Indian context by analyzing the simultaneous connection with psychographics, shopping area attribute and more specifically need for uniqueness for outshopping with respect to urban consumers and to rural consumers. The studies also contribute in understanding product specific outshopping in urban versus rural consumers and provide inputs to retailer for designing their strategies.

More obviously, rural consumers are going of out-of-town considering the fact that they do like to due to their attachment to entertainment component. As in rural area the means of entertainment are very limited so rural people often prefer to club shopping and other means of entertainment. In fact rural consumers prefers to go for outshopping for better dining option also. Specifically rural people have started to imitate urban by matching all the habits of urban including out dining and hence it can be one of the reason for outshopping for rural consumers. It seems that rural consumers are becoming more food conscious which leads them to search better option for food while going for outshopping. Taking about time consciousness and outshopping, Shopping from malls being an outlet is perceived to be less time consuming as rural consumers find all the product lines at one place. In fact, those rural consumers hopping locally will never go for outshopping due to product assortment reason. In rural consumers outshopping is becoming more attractive because of rural youngsters are interested in fun seeking by trying innovation and different items. Further it was observed that people looking for new and different kind of goods, people believing in acquiring not so common items and those rural who want to look alike innovation oriented tend to outshop more.

Rural area of Gujarat is no longer weaker and poor now a days so these customers would expect the unique element of product from other than local place of shopping because of their growing spending capacity. On contrary, local stores are preferred due to spacious location and availability of sufficient amount of needed products locally (Khare, 2013). In short local retailers and restaurant owners need to redesign the offering by keeping changing taste and preference of rural consumers by doing so rural consumers can be
kept restricted to local place with all available options. Thus outshopping in case of rural consumers is more due to “need for uniqueness” leading greater amount of outshopping.

In rural model of outshopping, it can be seen that people with age of 26 to 35 would like to go more for outshopping. This relationship is well established and accepted in literature (Hopper and Budden, 1989; Sullivan and Savitt, 1997; Varshney and Goyal, 2006; Khare, 2013). Significance of this relationship can be established by keeping in the fact that large number of out buyers are tend to be youngsters with age between 26 to 35 (Jarratt, 2000). The most obvious linkage between four wheel ownership and outshopping is again more studied aspect and seen similar kind of results in previous studies (Michael, 1999; Lumpkin and Hawes, 1986; Papadopoulos, 1980). From the overall model it can be observed that decision makers in family often tend to shop from out place, particularly in the case women as it can be seen positive relationship with outshopping.

Considering the propensity to outshop among urban consumers, model fit was significant. Shopping area attribute was found to be not significant in explaining propensity to outshop among urban consumers. Psychographics was found to be a significant predictor of propensity to outshop. As predicted, urban consumers liking fun activities usually undergo for outshopping as well as those who are with innovation seeking behaviour will try even other than place. Generally in urban area, there is no issue of variety of products so it can’t be main reason for outshopping. Even place with good dine facility and place with more entertainment option can’t lure urban customers as it has become very common for urban consumers to go and visit the malls. In such circumstance only “need for uniqueness” feeling motivate urban consumers to go for outshopping.

Further consumers with sense of unique interests have higher propensity to go for outshopping among urbanites. Consumers who are staying at same place for more than five years would also go for outshopping because of sake of change from local place. Among urbanites, propensity to outshop was explained most among consumers who like travelling oriented activities. Naturally, consumers who are ready to travel and like to
travel would never hesitate to go for outshopping, considering the outshopping preferences of urban.

Discussing about the product specific outshopping in rural and urban area, it seems greater difference for grocery products. Specially, grocery items are perceived to be cheaper in city area because of competition so rural consumer tend to buy grocery items always from the out place. From the study it can be observed significant difference in outshopping for product categories like furniture, sporting goods, men’s clothes, jewelry, and women’s fancy dresses. Out of which in urban area, jewelry, women’s fancy items, men’s cloth are such categories for which outshopping is preferred more. Lastly there is no significant difference found between rural and urban consumers for the products like automobiles, financial services, hospital services, bakery products and electronic items. The reason of it can be above mentioned product and service categories are part of one’s routine need for which both need to go for outshopping by one way or other way.

The summary of the discussion is as follow:

5.3.1 Shopping area and outshopping

For rural people important criteria for going to outshop is the area with Fine dine facility, Store attractiveness and finally fashion and entertainment component of shopping area which lead them to go for outshopping. Less important shopping area attributes for rural consumers are product assortment and spacious location which are comparatively have no relationship with outshopping. In case of urban consumers, important shopping area attributes are spacious location and entertainment element of shopping area motive people to go for outshopping but looking at overall relationship with urban consumers and shopping area attribute there is not stronger relationship exists.
5.3.2 Psychographics and outshopping

Outshopping is more likely occur among for rural consumers due to attachment with time aspects as well as food consciousness. Psychographics like innovation and fun seeking behaviour of rural consumers also motivate them to go for outshopping. Besides that, need for uniqueness is most important reason for rural consumer to prefer outshopping. Among urban consumers, again innovative and fun seeking behaviour is main reason of people to prefer outshopping as well need for uniqueness is other important reason for outshopping among urban consumers.

5.3.3 Demographics and outshopping

It can be seen that younger people outshop more, people having four wheel of their own outshop more. Similarly female prefers go more for outshopping comparing to male. Further it can be observed that tenure of residence is positively associated to outshopping in case of urban consumers

5.3.4 Product being outshopped

Rural consumers generally like to go for outshopping for grocery products, furniture items, agro products, medical services and electronic items. Urban consumers would like to go for outshopping for jewelry items, men’s clothes, women’s fancy items, financial services and electronic items.

5.4 Implications of the study

Understanding on outshopping in terms of its determinants can help practitioners particularly retailers and retail associations to design better strategies to attract or to retain more customers. For rural area, it can be observed that outshopping occurs due to innovation and fun seeking behaviour hence retailers need to focus more on
entertainment, fun and innovation side inequalities. Local retailers can work out in same line so that they can retain out shoppers for shopping.

In fact, retailers must interact with these consumers about their preferences and preferred products. To pull more attention from rural consumers, they can be offered special promotions in the form of discounts on specific day which must be communicated through local media for maximum communication impact. Considering time consciousness, it is understood in the light that rural consumers who are having time saving opinions planned their shopping tour in advance. Retailers must ensure that there is no unnecessary waiting at billing counters, layout is scientifically designed and merchandise is managed properly to have wide visibility. This, in fact, helps consumers to easy picking the products without wasting their times and handling their requests more efficiently.

Understanding provides a necessary input with regard to distribution and retailing along with strategies for information, product assortment and pricing decision. In such a competitive market, local retailers will have to offer the assortment in more advance manner; similarly out-of-town marketers will have to take care of these aspects to grow their market share. At same time if local retailers succeeds to convince customers about fashion component and quality aspects, they can retain customers.

5.4.1 Implications for urban marketer/retailers

Looking at significant relationship of need for uniqueness and outshopping, urban retailers can prepare for storing innovative products and new fashions at their door step. Apart from that mall players in urban area can concentrate more in terms of being different from others in terms of their offerings.

It seems that the urban consumers are no more interested in only fashion and entertainment while outshopping so urban retailers can work out to add more offerings into their basket along with fashion and entertainment. By doing so, urban retailers can attract the large mass having varied interests.
It is surprising but the result of the study indicate that urbanities do not consider the product assortment, fine dine facility, spacious location, store attractiveness, time & food consciousness, self-confident& fashion conscious as important determinants for outshopping so urban retailers need to re-design their offering as per the changing taste and preference of urban consumers.

Using information from the study, retailers from urban area can design strategies, preventing outflow of trade. Retailers from large towns can work towards strategies attracting more number of customers especially female with age between 15-35 and income of 10,000 to 30,000. In addition, keeping in mind the concept of additional utility, marketers and retailers can work towards providing such facilities in modern retail centers(shopping malls, departmental stores, etc.), which are capable of providing additional reason of travel to customers thereby increasing market catchment area (Varshney and Goyal, 2006).

Urban retailers can focus on wide range of items in case of jewelry, women’s fancy dress and men’s clothes because for such products urban customers always prefer to go for outshopping. If latest fashion clubbed with attractive of offers on jewelry, women’s fancy dress and men’s clothes for urban consumers, there may not be any further reason for them to go outshopping. Apart from that urban consumers also prefer to go for outshopping for groceries, sporting goods, medical facility and electronic item so urban retailers must have focus each of the product/service sector to prevent the out shoppers from outshopping activity for such products.

5.4.2 Implications for rural marketer/retailers

It is interesting that rural customers are asking for uniqueness element in the products, so local retailers should have to change their mind as per the ever changing requirement of rural customers. Even rural retailers can offer the unique products and services at same time when such unique items are launched in urban areas. By doing so rural customers can be restricted to go for outshopping for such products/services which are already available
in local market. Though it is important know that rural customers look at fashion ad
entertainment component, it may be challenging for rural retailers to provide fashion and
entertainment at rural place. Rural retailers can divert the attention of customers from
entertainment by providing attractive offers so that such customers may think twice before
to buy from other than local place.

The study results are heartening for the rural retailers. High correlation can be found
between food consciousness, innovative nature, and fun seeking approach and
outshopping with for rural customers. This competitive advantage can be taken by rural
retailers. The malls, supermarkets and hypermarkets may be attractive in terms of variety
and entertainment but for convenience, rural retailer is still preferred by providing all
possible facility at rural place itself. The findings can be useful to retail practitioners and
companies for designing strategies for retaining consumers.

Rural retailers need to stock global brands so that they can attract the quality conscious
consumer also. Increasing the variety can help them to restrict outshopping behavior. In
case of rural customers, the study suggests that younger consumers prefer to out shop
because they travel more as compared to elder so that rural retailers should think on
offerings to attract youngsters. Earlier research has suggested that younger consumers are
more likely to shop outside their local retail area (Jarratt and Polonsky 1993); which is
true for India also. It is crucial need for rural retailers to be unique and different from
urban retailers, they can build partnerships with multinationals for joint marketing efforts.
This would help them in improving their distribution network in the interiors part of the
rural region.

Rural retailers should improve their assortment, service, and facilities by knowing the
fact that rural consumers always prefer to go for outshopping for furniture items, which is
important for rural retailers to prevent them in going for outshopping. Even this would
enable them to strengthen their position against urban retailers. To sum up, rural retailers
should also focus on all other product/service category so that it would result into overall
grater market share in total retail market.
5.4.3 Implications for policy makers

Implications from study can also be transferred towards urban planning at large keeping in mind the purchase preferences of customers from various locations. This will help urban planners and also rural planners to design better transport facilities, parking facilities along with city plans with regard to location of retail centers. Inputs will also have meaning for strategies with regard to revival of traditional retail center in India. The findings can be useful to foreign retailers planning to open stores in India.

5.5 Limitations and future Scope

Several limitations are affecting this study. First, sample selected is non-random and thus oversampling is the issue of concern. This will definitely affect the generalizability of findings. Second, study has considered propensity to outshop and ignore the actual outshopping frequency. Future research can explore this specific issue for better generalizable results. Third, study has utilized psychographic, demographic, shopping area related variables for understanding propensity to outshop. So, more relevant variables can be identified from previous studies in order to gain better understanding of behaviour in question.

It becomes the need of the hour since set of variables specific to Indian case were not available and mere extension of result from western literature would not have helped in giving satisfactory output keeping in cultural, social, economic differences.

Present study cover outshopping from one place to another but within country limit so international outshopping can be tested with set of variables. Even only two regional areas have been cover for this study (1) Rural and (2) Urban, semi urban area should be further included in such kind of studies.
5.6 Summary

Chapter discusses about the difference between rural and urban model of outshopping and further provides input for various retailers to prepare marketing strategies with regard to retailing especially to attract customers. Chapter proceeds with the implication for local retailers as well as out-of-town retailers. Lastly chapter discusses the limitation of the study and future scope of the study.
5.7 References


