CHAPTER I

1.1 INTRODUCTION:

India’s consumerism is the emergence of the rural market for several basic consumer goods. Three-fourths of India’s population live in rural areas, and contribute one-third of the national income. India is a lucrative market even though the per capita income in India is low and it remains a huge market, even for costly products. The Indian consumers are noted for the high degree of value orientation. Such orientation to value has labeled Indians as one of the most discerning consumers in the world. Even, luxury brands have to design a unique pricing strategy in order to get a foothold in the Indian market. Indian consumers have a high degree of family orientation. There is now an exponential growth of western trend reaching the Indian consumer by way of the media and Indians working abroad. The consumers try to purchase a product which gives ample of possibilities to their satisfaction and develops a patronage. It is possible in big store shops, departmental store and shopping malls. Thus with the emergence of different store shops, Indian consumer has enormous avenues in choosing a particular shop for shopping.

1.2 NEED FOR THE STUDY:

Consumers are the major beneficiaries of the retail boom. The Indian consumer is changing rapidly with a phase of changing retailing formats. A shopping situation is a particular act of buying behavior occurring at a specific point in space and time. The consumers have a wide choice, range of products, quality and prices. Shopping today is much more than just buying—it is an experience itself. Consumers now value convenience and choice on par with getting value for their hard-earned money. Consumers are now showing preferences for store shops, departmental stores, shopping malls, which enable them to shop a variety of products under one roof and offer shopping experience in terms of ambience and entertainment. However, in the Indian context there is a less research which has been carried out to investigate various motivations that people go shopping in store shops, departmental stores, shopping malls. Therefore, there is a clear need for research on this issue in India.
1.3 STATEMENT OF THE PROBLEM

Over the last few years, retail has become one of the fastest growing sectors in the Indian economy. However, over the last half decade, the Indian consumer market has seen a significant growth of various retail formats such as store shops, department stores, shopping malls, etc. One of the crucial questions that shopping involves is that why do people shop. One way to give an answer to these questions is to examine consumers’ shopping motives. Motivation refers to the drive, urge, wish, or desire that leads to a goal-oriented behavior. When someone feels the need to acquire a product, he/she goes for shopping. But shopping does not occur only to acquire a product. There are many reasons or needs why an individual decide to leave his home for shopping and go to a shopping location. These reasons or needs are called shopping motivations. Consumers do not buy products or services, but they buy benefits, some are tangible and some intangible. Some people may be satisfied only if they purchase what they had planned; however, others enjoy emotions such as fun and excitement as well as the actual purchase. Hence the researcher has framed the following questions to probe solutions:

1. Does the demographic factors affect the shopping motivations of the consumers to shop in shopping malls?

1.4 OBJECTIVES OF THE STUDY

- To study the importance of Retailing in India.
- To analyze the store shop behavior of consumers with response to store choice characteristics.
- To analyze the store shopper’s characteristics positively associated with the store patronage intention.
- To analyze the various reason, motivation of consumers in purchasing products of a particular store shops, departmental stores and shopping malls.
- To offer suggestions for the store shops, departmental stores and shopping malls for increasing sales.
1.5 METHODOLOGY

The validity of any research depends on the systematic method of collecting the data and analyzing the same in a sequential order. Methodology presents the Sampling design, Data sources, Tools for data collection, Construction of questionnaire, Pilot study and the Frame work of analysis.

Sampling Design

The primary data was collected through the field survey in the study area. First-hand information’s pertaining to consumer’s buying behaviors were collected from 500 respondents to identify their attitude, perception towards the purchase from Coimbatore city, Tamilnadu, India.

Sampling Design:

The present study proposes to cover the consumer perception of store shop, departmental stores and shopping malls in Coimbatore City. As census method is not feasible, the researcher has proposed to follow sampling. The researcher has adopted structured convenient stratified sampling technique to collect the required data. For the purpose, the Coimbatore zone wise area list was collected and it is presented below in a table format.

<table>
<thead>
<tr>
<th>S.NO</th>
<th>ZONE</th>
<th>AREAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>North</td>
<td>Thudiyalur, Vellakan, Chinnavedampatti, Saravanampatti, Peelamedu, Ganapathy, Avarampalyam, Urumandampalayam, Sakthy Nagar, R.S.Puram.</td>
</tr>
<tr>
<td>II</td>
<td>East</td>
<td>Vilankuruchi, Kalapati, Civil Aerodrome, Peelamedu, Uppilipalayam (Po), Singanallur, Neelikonampalayam, Sowripalayam, Ondipudur, Ramanathapuram, Kuniyamuthur.</td>
</tr>
<tr>
<td>III</td>
<td>South</td>
<td>ThelunguPalayam, Selvapuram, Pothanur, Sundakkamuthur Road, Ukkadam, Kovaipudhur, Kuniyamuthur, Ramachettipalayam, Idayarpalayam, Kulathuppalayam, Sundarapuram.</td>
</tr>
<tr>
<td>IV</td>
<td>West</td>
<td>Koundampalayam, Avisashi Lingam (Po), K.K.Pudhur, Velandipalayam, P.N.Pudhur, Vadavalli, R.S.PuramSundapalayam, Linganur, Seeranayakkanpalayam, Gandhipuram,</td>
</tr>
<tr>
<td>V</td>
<td>Central</td>
<td>Town Hall, Rathnapuri (PO), Sivanantha Colony, Ram Nagar, EB Colony, New Sidhapudhur, Veerakeralam, Puliakulam, Ramanathapuram, Varadharajapuram, Kattoor, R.S. Puram, Karumbukadai, Kottai, Kempatti Colony.</td>
</tr>
</tbody>
</table>
After the zone wise area collection, it was further classified into major pin code place in order to have specific classification and has been presented in the table format below.

### Table 1.2
**Sampling Area Based on Systematic Sampling**

<table>
<thead>
<tr>
<th>S.NO</th>
<th>ZONE</th>
<th>AREAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>North</td>
<td>Manis Nagar, Railway Station Road, GN Mills (Post), West Thottam, AmmasaiKoundar Street, Athithiravidar Street, Perumalkovil Street, Vinayakarkovil Street, Thiruvalluvar Street, VKVKumaragurunagar, Raju Naidu Layout, Kallimedu Street, Mariyammamkovil Street, Cheran Street, Ettiri Street, Jeeva Street, Nalllampalayam, Raja street, Raju Naidu 1st Street, LIC Colony Cowyl brown Road.</td>
</tr>
<tr>
<td>II</td>
<td>East</td>
<td>ThiruV.K. street, Bharathi Street, Nehru Street, Avinashi Road, Nehru Nagar (W), Nehru Street, Gandhimanagar, Lakshmipuram, Anna Nagar, Palaniyappa lay out, Amman Kovil Street, West Singanallur, Nehru Park Street, Boyar Street, Ranganathapuram Street, Car Street1, KaruvalurMariyammanKovil Street, Subramaniyarkovil Street, Thiruvalluvarnagar, Sugunapuram East.</td>
</tr>
<tr>
<td>III</td>
<td>South</td>
<td>Neduncheliyan Street, Shanmugarajapuram, IUDO Colony, Salivan Street, Thiru Nagar 3rd Street, Al Amin Colony, Maniyakara Street, Crosst Line Street, ChinnasamyPandaramStreet, Faruk Nagar, Oorkounder Street, Lakshmi Nagar, Cherch Street, Machampalayam, KuruchiPirivu, Muruga Nagar, Saratha Mill Road, Muthaliyar Street, Mettur.</td>
</tr>
<tr>
<td>IV</td>
<td>West</td>
<td>GN Mill post, New scheme Colony, Thadagam road, Annai Indira Nagar, Senthil Nagar, K.Kpudhur. ManiyamVellapar Street, Amman Kovil Street, Thadagam Road, Bharathiyyar Street, V.N.R. Nagar, NavavurPrivu, Anna Nagar, Nethaji Street, AyyavuPannadi Street, 6th Street, LIC Colony, LingappaChetti Lane2.</td>
</tr>
<tr>
<td>V</td>
<td>Central</td>
<td>Rangagounder Street, Kannappa Nagar, Sanganoor Main Road, Pongiyammal Street, Sivananth Colony, Somambika layout, Lenin Nagar, Naranasamy Street, Thondamuthur Road, Nachianganan Street, Ammankulam, Indira Nagar, L.I.C. Colony, ArunachalaThevar Colony, Saramedu, Perumalkovil Street, Ponnurangan road (west), Kempatti colony 3rd street.</td>
</tr>
</tbody>
</table>

The systematic sampling was adopted in order to identify the major retailing shops which are available in the Coimbatore city where the consumers shop with value proposition and greater patronage and has been listed down in the table.
Table 1.3
CONSOLIDATED SAMPLING AREA BASED ON SYSTEMATIC
SAMPLING

<table>
<thead>
<tr>
<th>S.NO</th>
<th>ZONE</th>
<th>AREAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>North &amp; East</td>
<td>Manis Nagar, Railway Station Road, GN Mills (Post), West Thottam, AmmasaiKoundar Street, Athithiravidar Street, Perumalkovil Street, Vinayakarkovil Street, Thiruvalluvur Street, VKVKumaragurunagar, Raju Naidu Layout, Kallimedu Street, Mariyamman Kovil Street, Cheran Street, Etrri Street, Jeeva Street, Nallampalayam, Raja street, Raju Naidu 1st Street, LIC Colony Cowil brown Road, ThiruV.K. street, Bharathi Street, Nehru Street, Avinashi Road, Nehru Street, Gandhimanagar, Lakshmipuram, Anna Nagar, Palaniyappa lay out, Amman Kovil Street, West Singanallur, Nehru Park Street, Boyar Street, Ranganathapuram Street, Car Street1, KaruvalurMariyammanKovil Street, Subramaniyarkovil Street, Thiruvalluvarnagar, Sugunapuram East.</td>
</tr>
<tr>
<td>II</td>
<td>South &amp; West</td>
<td>Neduncheliyan Street, Shanmugarajapuram, IUDO Colony, Salivan Street, Thiru Nagar 3rd Street, Al Amin Colony, Maniyakara Street, Crosst Line Street, ChinnasamyPandaram Street, Faruk Nagar, Oorkounder Street, Lakshmi Nagar, Cherch Street, Machampalayam, KuruchiPirivu, Muruga Nagar, Saratha Mill Road, Muthaliyar Street, Mettur. GN Mill post, New scheme Colony, Thadagam road, Annai Indira Nagar, Senthil Nagar, K.Kpudhur. ManiyamVellapar Street, Amman Kovil Street, Thadagam Road, Bharathiyar Street, V.N.R. Nagar, NavavurPrivu, Anna Nagar, Nethaji Street, AyyavuPannadi Street, 6th Street, LIC Colony, LingappaChetti Lane2.</td>
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<tr>
<td>III</td>
<td>Central</td>
<td>Rangagounder Street, Kannappa Nagar, Sangkanoor Main Road, Pongiyamal Street, Sivanantha Colony, Sornambika layout, Lenin Nagar, Naranasamy Street, Thondamuthur Road, Nachianganan Street, Ammankulam, Indira Nagar, L.I.C. Colony, ArunachalaThevar Colony, Saramedu, Perumalkovil Street, Ponnurangan road (west), Kempatti colony 3rd street.</td>
</tr>
</tbody>
</table>

The specific sampling area has been further clubbed on the basis of zone and distributed in the following table.
Table 1.4
DISCRIMINENT ZONE WISE DIVISION OF COIMBATORE CITY

<table>
<thead>
<tr>
<th>S.NO</th>
<th>ZONE</th>
<th>AREAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>North East</td>
<td>Peelamedu, R.S.Puram, Singanallur, Ondipudur, Ramanathapuram.</td>
</tr>
<tr>
<td>II</td>
<td>South West</td>
<td>Sundarapuram.</td>
</tr>
<tr>
<td>III</td>
<td>Central</td>
<td>Town Hall, Rathnapuri (PO), Sivanantha Colony, Ram Nagar, Kattoor.</td>
</tr>
</tbody>
</table>

Area of the study
The survey was conducted in Coimbatore City.

Data Sources
The study used both primary data and secondary data. The focus of the study is to analyze the consumer’s behavior on purchase of products in Shopping Malls/Departmental Stores/Store Shops in Coimbatore.

a) Primary data
The major source of the data used to carry out the analysis is primary data. Field survey method was employed to collect the primary data from 50 men and 50 women consumers through a well-framed questionnaire. The respondents with varying background in Coimbatore district based on their demographic aspects like age, educational qualification, occupational status, family size and family monthly income were selected for the study.

b) Secondary Data
The Secondary data namely literature relating to the study was gathered from the national and international journals, newspapers, magazines, articles and various other records. The latest information was gathered from well-equipped libraries in Bangalore, Chennai, and Coimbatore and also from web sources on the internet. A number of standard text books were studied in the domain of consumer behavior for the purpose of this research.

Discussion and Informal Interviews
In order to identify the insight perception of consumer’s on purchase of products from the stores, several rounds of discussions were held with knowledgeable persons in the field of marketing and also with the Research Supervisor.
TOOLS FOR DATA COLLECTION

Construction of a questionnaire

Questionnaire was the main tool which was used to collect the pertinent data from the selected 500 respondents. The research problem and questionnaire were framed accordingly with the help of the Research Supervisor’s comments and Research Experts. The questionnaire includes the information regarding the demographic profile of the respondents, respondent’s opinion on the awareness, influence of advertisement, level of satisfaction towards price, quality, durability and brand image were included in the questionnaire. The drafted questionnaire was circulated among various research experts for a critical view with regard to its content, format and the sequence. The questionnaire was redrafted in the light of their comments.

Pilot Study

The questionnaire was pre-tested with a few samples among the selected sample consumers in the study area. Taking into consideration the suggestions of the selected sample consumers, necessary modifications and changes were incorporated in the questionnaire after the pilot study.

Framework of analysis

The following tools of analysis were used in the study. The Statistical Package for Social Sciences (SPSS) was used to analyze the data and draw the inference.

- Percentage Analysis

The frequency distribution (Descriptive/percentage analysis) of the variables were calculated with help of simple percentage, by writing the formula $f_d = \frac{f}{n} \times 100$. Where $f$ denotes the number of respondents, and $n$ denotes the total number of sample population.

- Chi-square Test

The degree of influence of the following independent variables pertaining to the consumers’ opinion on the attitude, perception and awareness of the purchasing products in Shopping Malls/Departmental Stores/Discount Stores of the consumers are tested through Age, Educational Qualification, Occupational Status, Family Size.

The Chi-square test is an important test amongst the several tests of significance developed by statisticians. Chi-square, symbolically written as $\chi^2$ (pronounced as ki-square), Chi-square as a test of independence enables a researcher
to explain whether or not two attributes are associated and the formula used is furnished below

\[ \chi^2 = \sum \frac{(O - E)^2}{E} \]

with Degree of Freedom (D.F) = (c-1) (r-1)

Where,
- \( O \) = Observed frequency
- \( E \) = Expected frequency
- \( C \) = Number of columns
- \( R \) = Number of rows

The value obtained as such should be compared with relevant table value and the inference can be drawn. If the calculated value is greater than the table value the hypothesis framed will be rejected, otherwise accepted.

The entire hypothesis test in this study was carried out at 5 percent level of significance. The researcher quite often face measurement problem (since there is a want of valid measurement but may not obtain it), especially when the concepts to be measured are complex and abstract and there is no need to possess the standardized measurement tools.

- **Factor Analysis**
  
  To examine the various attributes of purchase of products through Shopping Malls/Departmental Stores/Discount Stores influencing the respondents was employed through factor analysis. The principal component analysis of Factor analysis has been ascertained through VARIMAX rotation in order to identify the influencing factors.

- **Cluster Analysis**
  
  A cluster analysis is a multivariate statistical technique, was groups/persons or objects or occasions into unknown number of groups such that the members of each group are having similar characteristics or attributes. Grouping is done on the basis of similarities existing among the objects or persons or occasion distances. Cluster analysis is typically applied to the data recorded on interval scale or continued scaled variables. The researcher has selected 500 consumers from Coimbatore city who have
purchased products from the Shopping Malls/Departmental Stores/Discount Stores. The process of cluster analysis starts with grouping of similarities among the cases or entities either through correlations or distance measures and other techniques. In this study, the researcher has used Squared Euclidean distance measure to compute the similarity between two cases. Clustering procedures can be hierarchical, non-hierarchical or even the application of both the methods in determining the formation of clusters. The researcher has adopted both the methods for deriving the results. In the first step of hierarchical clustering technique, agglomerative clustering with between groups average linking method has been used in this study. After selecting the number of clusters from the above method a non-hierarchical clustering technique, K-mean clustering method was applied. From the solution, the number of respondents in each cluster and the necessary factors were identified.

- **Henry Garrett’s Ranking Technique**

  Garrett’s ranking technique is used to identify the reason for choosing the particular type of product. Consumers were asked to rank according to the magnitude of the problems. The order of merit given by the respondents was converted into ranks by using the following formula.

  \[
  \text{Percentage position} = \frac{100 \left( R_{ij} - 0.5 \right)}{N_j}
  \]

  The percentage position of each rank thus obtained was converted into scores by referring to the table given by Henry Garrett. Then for each factor the scores of individual consumers were added together and were divided by the total number of consumers for whom the scores were added. These mean scores for all the factors were arranged in the order of ranks and consequently inferences were drawn on the basis of scores of these factors.

- **Multiple Regression Analysis**

  Regression is a statistical relationship between two or more variables. When there are two or more independent variables, the analysis that describes such relationship is the multiple regressions. The main objective of using this technique is to predict the variability of the dependent variable, based on its co-variance with all the independent variables. In this study the Multiple Regression analysis of perception on consumer is performed with the variables of personal factors has been made.
Period of the study

The study was confined to a period of three years. Reviewing the relevant literature and the conceptual framework took six months. Preparation of the questionnaire and conducting the pilot study consumed six months. The data collection from the primary sources consumed a period of eight months. Preparing the master table and data analysis took another six months period. The interpretation and the presentation of the data in the form of the report covered five months. The last five months were used for rough drafting and in making out the final form of the thesis.

Data Source

The study is based on the primary data. The required primary data was collected with the help of well structured Questionnaire after testing its reliability and validity measures.

1.6 HYPOTHESIS

- The Demographic information of consumers does not influence the consumers’ motivation.
- There is no significant relationship between the age group of the consumers and the factors influencing the image dimension of the Shopping Mall/Departmental stores/discount stores.
- There is no significant relationship between the educational level of the consumers and the factors influencing the image dimension of the Shopping Malls/Departmental Stores/Discount Stores.
- There is no significant relationship between occupational status of the consumers and the factors influencing the image dimension of the Shopping Malls/Departmental Stores/Discount Stores.
- There is no significant relationship between the family size of the consumers and the factors influencing the image dimension of the Shopping Malls/Departmental Stores/Discount Stores.
- There is no significant relationship between the family income of the consumers and the factors influencing the image dimension of the Shopping Mall/Departmental stores/discount stores.
• The age factor of the consumer is influenced by the patronage intentions adopted in the Shopping Malls/Departmental Stores/Discount Stores.

1.7 LIMITATIONS OF THE STUDY

• A study of a representative sample of general users can vary the findings of this study that are applicable to the general people. Only 500 consumers were taken as respondents for the study from Coimbatore City. The result arrived from the study may or may not be applicable to other cities. Further, the survey method which was adopted for collecting the data in this study and it has its own limitations. This is considered as the major limitation of the study.

• The researcher has tried to achieve hundred percent perfection while collecting data’s from the consumers which vary up to 5%.

• The consumers were reluctant in responding to the queries relating to image dimensions which may affect the findings to a certain extent.

1.8 ORGANISATION OF CHAPTERS

• The First chapter deals with a brief introduction to the subject with the design and execution of the study.
• The Second chapter focuses on the reviews of the relevant literature.
• The Third chapter presents the store shop behavior of consumers with response to store choice characteristics.
• The Fourth chapter deals is used to assess various formats of the store shopping which affect the consumers motivations in particular store shops, departmental stores and shopping malls.
• The Fifth chapter analyzes the consumers characteristics positively associated with the store patronage intention.
• The Sixth chapter summaries the findings of the study, suggestions, conclusion and scope for further research.