

## **A Study on Consumers Behaviour of Retail Jewell Store Choice With Reference To Madurai City**

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### **ABSTRACT**

Consumer buying decision making is dynamic process which is not static in nature. Every individual contains different psychology and family and social structure. It is very difficult to predict and understand the behaviour of individual in dynamic environment. Therefore, the purpose of this research is to understand the consumer buying behaviour of jewellery. This research has conducted in Madurai region. A structure questionnaire has developed to collect the responses of buyers of jewellery. Nineteen statements have been included in questionnaire which is measured on five point likert scale. In this research, exploratory factor analysis technique is used to extract the factors. This research contributes four factors which can help to understand in decision making process of buyer of jewellery. These four factors are Perceived Quality, Promotion and Payment Options, locality of Shop/Outlet and recommendations.

**Key Words:** Buying behaviour, Jewellery, Exploratory Factor

### **INTRODUCTION**

#### **Retail Industry in India**

Retail is the foremost stage of the economic activity and which occupies a important place in the economy. The business activities involved in retailing are selling goods and services to the consumers. India is the fifth largest retail destination of the world. AT Kearney's eleventh annual Global Retail Development Index (GRDI), in 2012 India was ranked as the most fascinating newly-visible market for investment in the retail sector.

According to the 'Yes Bank - Assocham' study the retail market is expected to reach a whopping Rs. 47 lakhcrore by 2016-17, as it increase at a compounded annual growth rate of 15 per cent. The Indian retail market is divided with 94 percent business coming from unorganized retailing and 6 percent share from organized retailing. Growth of the industry is fortified by vigorous macro economic conditions, including 6 to 7 percent lift up in GDP, rapid urbanization and higher disposable incomes. Organized retail share would reach 25% by 2018 as per a study done by Technopak and according to IBEF; by 2020 retail market in India is projected to reach USD 1.3 trillion from USD 672 billion in 2016.

In India, jewel is the utmost immensely huge retail category after food and groceries, representing more or less 10 percentage of the total market. Gaining and sustaining competitive advantage in retailing involve knowledge of the store attributes that consumers' values and use to discriminate between stores. Therefore, there is a rising need to appraise the major drivers of shopping behaviour in Indian context.

## **JEWEL RETAILING IN INDIA**

Jewel is a piece of object that is used to decorate our body and moreover which is value addition to the human Beauty. Earlier the term associated with jewel was garment. Garment refers only to the simple attire outer and inner that wear not only branded or designer specific but jewel is a broad term that includes not only jewel but the accessories such as belts, bags, shoes, jewels etc. Over the years consumer view has changed tremendously. Earlier the Indian market was dominated by the ready-made players and the consumers are not having brand conscious. They purchased either ready-made garments or just cut - pieces of cloth for their necessary which they converted into dresses or suits according to their need and taste, the need for appropriate accessories was not felt important at the time and the branded or designer accessories were worn on occasions only.

The Indian consumers have access to varieties of world class jewel brands from the simple garment. Foreign jewel brands have a strong presence in tier I and tier II cities. At the earlier stage very few foreign companies were selling their jewel brands in India. These overseas

jewel brands are setting up their outlets across the country. They are not dependent on retail chains. They are giving tough competition to established domestic players. Presence of global brands is making Indian consumers aware and conscious of the international fashion and lifestyle trends. The foreign players are venturing into Indian market through joint ventures or strategic alliances as franchise.

## **PURCHASE BEHAVIOUR**

Understanding consumer buying behaviour is the major aspect of the retail business. A consumer may describe his requirements and yet may act otherwise. He comes to store to buy a particular thing but ultimately due to changes in his mind and buys some other else. He may change his mind at any stage of the buying process. Therefore, it becomes essential for a retailer to understand consumer behaviour. Contemporary research on Consumer Behaviour considers a wide range of factors influencing the consumer, and recognized a broad range of consumption activities beyond purchasing. The activities include are need recognition, information search, evaluation of alternatives, the preparing purchase plan, buying and consumption (Zinkhan 1992) for satisfying needs, wants and desires (Belch and Belch, 2007). Consumer behaviour is the study of how individuals decide to spend their resources on the consumption related activities (Schiffman and Kanuk, 1997).

## **FACTORS INFLUENCING THE BUYING BEHAVIOUR**

Consumer buying behaviour is a decision-making process by the consumer to buy a particular product or service. A consumer will search for, select and purchase a product or service for use and disposal based on personal wants and needs. Various factors influence purchasing habits, including personal, social, psychological and cultural factors. Businesses and researchers study consumer behaviour to get a better understanding about the factors that influence consumer purchasing decisions

## **NEED FOR THE STUDY**

The amount of retail space in Chennai is growing drastically, and retailers have to attract more consumers to their shops. Shops that differentiate their offerings can build strong patronage, which will ultimately survive in this intense competition. Through a better understanding of a demographic segment, marketers and retailers will be more capable of meeting their wants and needs. This study provides significant insights into the factors that influence consumers to select private label brands. A proper understanding of the behaviour of consumers can be financially beneficial to businesses. Understanding the way consumer shop and factors affecting consumer's behaviour help marketers to design more effective and efficient strategies. Very few academic materials are available on the consumer behaviour towards private label apparels and none about Chennai. The review also indicates that a few studies were conducted on consumer behaviour in towards private label apparels in India. In the light of this context, this research has attempted to study the purchase intention, behavior, satisfaction and repurchase intention of consumers towards private label brand apparels.

## **STATEMENT OF PROBLEM**

Understanding of consumer behaviour is the essence for the survival of any business organisation. In changing cultural, demographic, political and economic environment, the consumers' taste and preferences are changing drastically. In the last three to four years, traditional retailers in India have experienced great problems related to improving their top line and bottom line, which has threatened the profile and identity of the retail market in India. It is felt that there is a need of understanding the behaviour of consumer towards private label brands and go to the extent of fulfilling the needs and wants in a more effective and efficient way. This study contributes to the existing research in private label brands and establishing the customer centric strategies for apparels based on the following factors such as consumers' Perception, Attitude, Purchase intention, Purchase behaviour and Satisfaction.

## OBJECTIVES

- ✓ To Study the Demographic characteristics of consumers who prefer to make their purchases from retail jewels stores in Madurai.
- ✓ To analyse the consumer behaviour towards retail jewels stores in Madurai.
- ✓ To examine the consumers' satisfaction about the services offered by the retail jewels stores in Madurai.
- ✓

## REVIEW OF LITERATURE

**Siti Nurafifah Jaafar et.al.,(2001)** research focused on factors that may influence consumers' intention to purchase private label food product in a state in Malaysia . Factors examined are extrinsic factors which include perceived price,'Packaging, advertisement and store image intrinsic factors (i.e. 'perceived quality', 'perceived risk' and 'perceived value) and consumers' attitudes (in terms of trust, familiarity and perceived economic situation). All responses were collected by using questionnaire through convenience sampling (n=100). Data was analyzed to obtain descriptive statistics, comparing mean analysis (i.e.independent t-test and ANOVA) and other analyses (i.e. correlation analysis and multiple linear regressions).Result shows that 'perceived value' becomes prominent in consumers' purchasing of private label brand food product, followed by other factors. Almost all independent variables are associated with purchase intention towards private label brand food products. The most significant factor that influencing consumers' purchase intention towards private label food products are 'consumers' attitude and perceived price. Consumers' past purchasing experience with the private label food products may also influence their perception towards price, packaging, store image and trust of those products. This study adds new knowledge regarding public purchasing behavior towards private label product. Retailers are anticipated to better understand the factors influencing the purchase and repurchase intention of private label food products which could better improve the standard of private label food products in the local market.

**Liljander et al (2009)** investigate the consumers' buying behavior in jewel category; the model took into account perceived value, perceived quality, perceived risk and store image and

studied their effects on purchase intention. The study concluded that perceived quality and perceived value have direct impact on purchase intention and perceived risk negatively affects the purchase intention. Whereas store image has indirect impact on purchase intention through perceived risk and perceived quality.

**Ioannis E. Chaniotakis et.al., (2010)** explores the factors affecting consumers' intentions to buy an own-label premium food product. More specifically, this study focuses on the case of own-label olive oil. Design/methodology/approach – The research involved a review of the available literature on factors affecting consumer attitudes towards own-label products. For the collection of data, a survey was designed and conducted in the greater area of Athens, Greece. The research questionnaire was administered by means of personal interviews to 799 consumers. Findings – Data analysis results, using structural equation modeling, showed that consumers' purchase intention is directly affected by consumers' attitudes towards own-label olive oil, which in turn are influenced by consumers' perceived benefits, economic situation, brand loyalty and trust. Moreover, the level of income has a direct negative impact on both consumer attitudes and purchase intention.

**Bao.Y,Y and sheng S (2011)** some consumers might associate low price with low quality. Those consumers who think price is an indicator of quality and companies might reduce the quality of the product to minimize the cost. Thus, to them the higher price is a signal of a better quality and also examines the effects of intangible extrinsic cues on consumer quality perception and purchase intention of private brands. Findings shows that store image and product signatureness enhance quality perception and purchase intention of private brands while quality variation reduces both outcomes. All effects of the three extrinsic cues on purchase intention are partially mediated by quality perception. In addition, consumer value consciousness strengthens the relationship between quality perception and purchase intention of private brands.

**Muhammad Bilal & Tahir Ali (2013)** explores the factors influencing purchase of private brands in Karachi and to understand how those factors affect the purchase intentions of consumers towards private brands. With the help of available literature a conceptual framework is developed to examine the factors influencing purchase intentions of consumers towards private

brands. In order to test the hypotheses a self-administered questionnaire was distributed in the major areas of Karachi, which resulted in 255 useful responses. These responses are tested through the regression technique to validate the hypotheses. The findings of the study indicate that the perceived price and quality are two main factors that affect the purchase intention of consumers for private brands in Pakistan. Therefore the store owners and marketing managers of private brands need to focus on devising policies that can ensure high quality of private brands with the most reasonable prices to make private brands a success in Pakistan.

## Research Methodology

This study concentrates to analyse the consumer behaviour towards retail jewels stores in Madurai. For the data collection the researcher used constructed questionnaire for the data collection based on convenient sampling method at the Madurai region and the respondents are consumers of jewels of the retail stores located at Madurai city. For the review of literature the researcher used secondary data. To get the results the researcher used Chi-Square analysis and One – way ANOVA by the SPSS version23.

## Data Analysis

**Table 1 Shopping pattern & age of the respondents**

(**H<sub>0</sub>**:There is no association between Shopping pattern and age)

	Particulars	Chi-square	P Value
Age	Frequency of your visit to the Store	60.298 <sup>a</sup>	.000
	Average Time spent per visit	58.549 <sup>a</sup>	.000
	Shopping day preference	21.081 <sup>a</sup>	.001
	Preferred time of visit	43.075 <sup>a</sup>	.000
	Shopping Companion	25.901 <sup>a</sup>	.004

The p value for Shopping pattern like Frequency of your visit to the Store, Average Time spent per visit, Shopping day preference, preferred time of visit and Shopping Companion shows that there is an association between Shopping pattern and age of the respondents.

**Table 2 Shopping pattern & Occupation**

(Ho: There is no association between Shopping pattern and occupation)

	Particulars	Chi-square	P Value
Occupation	Frequency of your visit to the Store	38.295 <sup>a</sup>	.000
	Average Time spent per visit	86.727 <sup>a</sup>	.000
	Shopping day preference	17.718 <sup>a</sup>	.001
	Preferred time of visit	50.035 <sup>a</sup>	.000
	Shopping Companion	36.552 <sup>a</sup>	.000

The p value for Shopping pattern like Frequency of your visit to the Store, Average Time spent per visit, Shopping day preference, preferred time of visit and Shopping Companion shows that there is an association between Shopping pattern and occupation of the respondents.

**Table 3 Purchase intention towards jewels from retail stores based on gender, marital status and family type**

(Ho: There is no significant difference between opinions on Purchaseintention towards jewels from retail stores based on gender, marital status and family type)

Particulars		N	Mean	SD	t	Sig.
Gender	Male	28	9.6688	3.53955	.418	.676
	Female	76	19.5362	3.51935		
Marital status	Married	46	17.9496	3.50965	3.276	.001*
	Unmarried	58	16.8608	3.46496		
Family Type	Nuclear	69	17.6156	3.20840	.001	.999
	Joint	35	17.6154	4.00782		

\* Significant at 0.05% Level

From the table 4.20 it is clear that the respondents have difference of opinion on the purchase intention based on marital status. Since its P value is less than 0.05% level, the null hypothesis is



rejected. There is no difference of opinion on purchase intention based on gender and family type.

## **FINDINGS**

Majority of the shoppers are female. Different age group shoppers have different likings. Retail managers and marketers should develop new strategies in order to attract more and more a crowd by employing new ideas, new technologies, by offering complete family entertainment along with a great shopping experience.

Frequency of store visit shows that majority of the shoppers used to visit the store once in three months and above, to attract them Retail outlets can offer a shopping experience and can expand their customer base Increase in the number of retail jewel stores increases competition so to attract customers they can offer discounts, buy one get one free, another product with any particular product, festival special, etc. also special promotional events and exhibits cause shoppers to visit a store more often.

Average Time spent per visit to purchase apparels shows Majority of the shoppers spend 1 to 2 hours and women spent more time than men, so women clothing should be priced low than men.

Majority of the shoppers prefer weekends for shopping and preferred time of visit shops is the evening time, to attract shoppers during weekdays and in the morning and afternoon timing, managers should develop new strategies.

Majority of the shoppers visit shop along with family members, the in-store promotion techniques can be employed to increase unplanned purchases of products. The techniques include in-store settings, on-shelf positions, price-off, sampling, point-of purchase displays, coupons, demonstrations of samples to name a few.

## **Conclusion**

This study has found out that majority of the shoppers used to visit the store once in three months and above, average Time spent per visit to purchase apparels shows that the shoppers spend 1 to 2 hours and women spent more time than men. So women clothing should be priced low than men. Shoppers prefer weekends for shopping and preferred time of visit shops is the evening time and they visit shop along with family member. The factors influencing purchase of private label apparels are quality, price, promotions and offers, availability, variety of products, durability, fitting, comfort, sales personnel opinion and store display. The growing consuming class along with the entry and expansion of retail jewel sector in recent years has set the pace for the corporate investment in retail business. Though the Indian retail business looks small, when compared to developed markets, it is attractive enough to invite the attention of the investors. As

human behaviour is a complex phenomenon, the buying motives that drive the consumers need to be studied. The segmentation of the market based on demography, psychographic, geographic and the like are needed to devise appropriate strategies to attract the consumers.

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