



A Comparative Study of Customer Perception towards Various Supermarkets: Unraveling Preferences and Influencing Factors

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Abstract

This research delves into the intricate realm of customer perceptions towards supermarkets, aiming to conduct a comparative analysis across diverse retail environments. In a competitive market where consumer preferences shape the retail landscape, understanding the factors influencing customer perceptions is critical for supermarkets seeking to enhance customer satisfaction and loyalty. Employing a mixed-methods research design, this study combines qualitative data gathered through interviews and focus group discussions with quantitative surveys to examine and compare customer perceptions towards various supermarkets. Qualitative insights will provide a nuanced understanding of the factors shaping customer opinions, while quantitative analysis will identify trends, preferences, and correlations among different supermarket attributes. The research aims to uncover the key determinants influencing customer choices, such as the impact of pricing strategies, the role of product quality, the importance of a positive shopping experience, and the influence of brand image. Additionally, the study seeks to identify areas for improvement and innovation within the supermarket industry by evaluating the factors that contribute to customer satisfaction and loyalty. The findings from this research are expected to offer valuable insights for supermarket operators, retailers, and industry analysts. By understanding the nuances of customer perceptions, supermarkets can tailor their strategies to better meet consumer expectations, ultimately fostering a competitive and thriving retail environment. This study contributes to the broader understanding of consumer behavior within the supermarket sector, providing a foundation for further research and strategic decision-making in the retail industry.

Keywords: Comparative Study, Customer Perception, Supermarkets, Retail Environment, Consumer Preferences, Shopping Experience, Product Quality, Pricing Strategies, Customer Satisfaction, Loyalty, Convenience, Brand Image.

1. Introduction

People shift their buying from local retail stores to supermarkets, because of many reasons. This trend shift has not only been seen in metro cities but in small towns too. These change in perceptions of the customer understanding the researcher has to study the reason behind it. This study tries to understand the demographic profile of the customers and compare the perception of customers towards various supermarkets. It has noticed that people started preferring more buying in supermarkets. Because of huge changes in way of living of people, it altered the buying or purchasing way of shoppers from local shops to supermarkets and to online

shopping. The changes bring the occidental culture in locating of products and services instead of elder culture by retailers. In years gone by, the customers used to buy in nearby shops, whereas now they preferred to shop in supermarkets, which makes them run into the different and simplest way of shopping. In the present scenario, Customer perception and satisfaction has been the prime concern of the supermarket (retail stores). Customers are the lord and leaders to the supermarkets. The major goal and objective of the supermarket is to satisfy their customers. Supermarket shopping is often break down as self-



service supermarket. The key aspect of supermarket is to build a strong relationship among them and their customers and met their expectations. Satisfaction is the customer's post-purchase judgement of altogether service experiences provided by supermarkets. It is affective feedback in which customer needs, aspiration, assumption during the course of service experience have been met. Customer satisfaction information includes the experiences, satisfactions & ratings given by customer to particular supermarket and it helps to shape how best the supermarket is performing their services and reaching to customers' expectations through their best service. The modern retail industry is resounding across the human existence. Therefore, it is crucial for retailers to use strategies which focus on satisfying modern customers. Supermarkets and Hypermarkets have played a dominant role in food distribution since they seemed. For modern life, the existence of traditional markets has been bit by bit replaced by their modern supermarkets and humankind depend on supermarkets for their basic requirements for day-to-day life. Shopping at the supermarket has become a massive and most important pantry for many ordinaries.

2. Statement of the Problem

These days' consumers are open-eyed of the value of their income and their economic buying power than their previous stage of life. The conceptualization of this interpretation is to make mindful of product quality and service delivered by supermarkets like Dmart, Reliance fresh and Ratnadeep to end users. Understanding the buyer is a backbreaking job for a supermarket. The fame of a retail concern needs a great depth understanding of end user demographics and the relationship in the middle of age, income, occupation, and gender of end users which change their mode of buying. The basics of where, when and how often people visit multiple outlet types and provides intuition into key outlook of shopping behavior are to be look over. Supermarkets have to focus on satisfying the customers' needs and meet their expectations. This is possible only through the study of customer

perception. In order to persuade the end users, supermarkets should modify themselves and adapt advance methodologies compared to other retail methodologies. They have to put forward quality products with the likelihood of limited price differentiate to other retail stores and an overall isolated experience.

2.1 Need of the Study

India is having an enormous customer base having alternative options and behavior. To persuade their need is a different piece of work. Indian retail has changed Kirana to supermarkets and has become the necessitate in India. Different supermarkets are proffering different strategies and promotional schemes. Hence, a study is being regulate to know the effective marketing strategies entail to fascinate modern customers.

2.2 Objective of the Study

- To understand customer preference in regard to various supermarkets.
- To examine the satisfaction measure of customer in various supermarkets.
- To sense the consumer perception of various supermarket.
- To be close to the shopping norms of consumer.
- To work out that how supermarkets outreach the end user expectations.
- To know the competitive capacity among various supermarkets.
- To enlarge the knowledge of consumers related to retail supermarkets.

2.3 Scope of the Study

- The collected data is based on the respondents across all the income groups, occupation, gender etc.
- The study involves ascertaining the customer perception towards various supermarkets.
- The study covers the areas of supermarket like price of product, discounts offered, billing system and parking facilities etc.
- Whereas, the total sample size of the study is 110.
- This study also makes an effort to know why customers choosing supermarkets instead of local stores.



2.4 Limitations of the Study

- Due to short of time and pandemic situation, only finite number of persons has been approached.
- The study was conducted among buyers in supermarkets in Hyderabad only.
- Hindrance of Time limitation.
- Inadequate size of sample i.e., 110.
- Therefore, the study area is limitless but researcher unable to meet all the respondents directly and used questionnaire.

2.5 Review of Literature

According to Subhadip Roy (2005), “Find out the factors governing the consumer’s choice of food retail supermarkets and behavior on supermarkets. This study identified the underlying dimensions of consumer’s choice of supermarkets. Also, the study revealed that choice pattern of shoppers varied according to age group, occupation and income [1].”

According to Sharif Memon (2006), focused on “The buying behavior of Indian shoppers in the organized market. The study deducted that the producers brand clout will diminish I future and the producers have to face rivalry from Retailers’ private brands as shoppers would be attracted towards private brands [2].”

According to Lather Anu Singh, et al. (2006), explored “The strategies adopted by retailers to keep pace with the changing moods of the shop keepers and addition the study also addressed the factors within and outside the stores which affect store-level shopping decisions. The study observed that most of the customers don’t look at pricing alone. They are looking for the sense of belonging, a brand of quality and innovation that they can trust [3].”

According to C S Venkata Ratnam, (2007), have concluded that the detailed changing of consumer behavior in retail trade in India in his paper entitled “Changing Consumer Behavior and Emerging Challenges to the Retail Trade in India” the author has highlighted that sustained and rapid growth of India and China, which together provide home to over a fifth of the humanity, are creating a tremendous surge in consumerism in a scale which is unprecedented. Both the countries are attractive

destinations for investment and production as well as sales and marketing [4].

According to Sharif Memon, (2007), “He examined various promotional tools of few retail chains. This study resulted into the findings that small gifts such as Calendars, pens, etc. would be an effective medium for sales promotion and among all promotional tools advertisements in local cable networks will be an effective way for attracting shoppers [5].”

According to Kuruvilla and Ganguli (2008), explained that shopping develops into important aspect in the lives of people, as they are becoming financially sound to do purchase in malls and they begin to consider the shopping value as an important factor along with the price of the products. In 1990s the modern trend in shopping mall concept had been introduced by Spencer Plaza in Chennai and crossroads in Mumbai. After that, there has been a great improvement in this modern concept [6].

According to Nair Suja (2008), in her book Retail management “has tried to explain the growth of retailing in Indian context especially me the context of new economic policy, global economic development, changes in the marketing and economic system as well as changing pattern and classification of economic activity [7].

According to Abhinav S Singh et al. (2008), compared “The features between Kirana stores and organized Retail format. They found that the emergence of the organized retailers in the Indian retail industry has bought a retail revolution in the country but not a radical change in the shopping behavior of consumers. This is because of the initiatives taken by the Kirana stores to realign themselves against the new reality their customers [8].”

According to Mohamed Rashid Khan (2009), he explored “The customer perception and strategies sued by retail company i.e., pantaloon. The researcher produced the outcome that the pantaloon company is producing goods services, post-sales service, quality product at reasonable price, etc., also the study concluded that the satisfaction level among pantaloon customers is good [9].”



According to Shilpa S Kokatnur (2009), analyzed “The strategies adopted by the small retailers to overcome competition from organized retailers, the study suggests that small retailers need to shift ‘bell curves’ to ‘well curves. In addition, the study also suggested the formation of association by smaller retailers to combat the expected competition in future from the organized retailers [10].”

According to Hamil A (2012), “A customer perception towards retail supermarkets in Tirunelveli district concluded that once a buyer begins to buy commodities from a supermarket, he sustains with it. The buying inclination of buyers in Tirunelveli District towards a supermarket is increasing. Mostly buyers have the habit of comparing the price and quality of the commodities in supermarket with that of small retail grocery shops or provision stores. But majority of the buyers are satisfied with the price and quality of the commodities sold in supermarkets.”

According to Dr. Girish k. Nair & Harish K. Nair, (2013), “The customer perception of retail service quality is an important segment to the emerging and the existing retailers in the market. As the study reveals that perception of service quality is influenced by the various natures among various customers, even some of the general factors like personal interaction, physical aspects are the dimensions on which customer’s perception remains constant and common to the entire customer on a majority basis. So, the retail outlets have to frame their own strategies in order to attract the customers on a longer basis.”

3. Introduction to Retail and Retailing

Supermarket is a place or emplacement where retailing activity is maintained. So, it is predominant to understand the term 'retail' and 'retailing'. According to Collins Dictionary, Retail is "The activity of selling goods direct to the public, usually in small quantities". A retail supermarket is a system under which a large number of retail shops are owned by one same possessor, which are separate over the various places of particular country and engaged with same activity. Grammatical references disclose that the term Retail

comes from the French word 'retailer' derived from the old French word toiler, which means "to cut off, clip, pare, divide" in terms of tailoring. According to Philip Kotler, "Retailing includes all the activities involved in selling goods or services to the final consumers for personal, non-business use". A retailer or retail store is any business enterprise whose sales volume comes primarily from retailing.

4. Introduction to Supermarket

A supermarket is a large-scale retail establishment that specialized in demanding and convenience items. They have enormous warehouses sell both food and non-food items. It could be absolutely owned or it could have some departments that are leased out on an accommodation or compromise basis. So, supermarkets are known as self-service stores because customers are expected to do all of their shopping without the assistance of salespeople or sales assistants. English Business Dictionary defines supermarket as “A large store, usually selling food and household goods, where customers serve themselves and pay at a checkout”. Supermarkets are self-service format contributing a full line of groceries and other produce occupying between 20,000 to 40,000 square feet of total selling area. The standard store size of a supermarket in the zone of one third that of a hypermarket, but their product span is around 80 percent of the grocery Stock Keeping Units carried by a hypermarket.

5. Classification of Retail Formats

Retailers have changed dramatically according to the changing tendency and the advanced necessitates of the consumers. Different retail arrangement has turn up over the years and each have been a spontaneity over the earlier formats. Retail stores can be break-downed mainly based on store based and non-store and the store while the non-store based are those, which do not use the traditional format. Ownership in store based is further divided based on ownership and merchandise. This segment debate some of the leading formats under each classification shown in Figure 1.

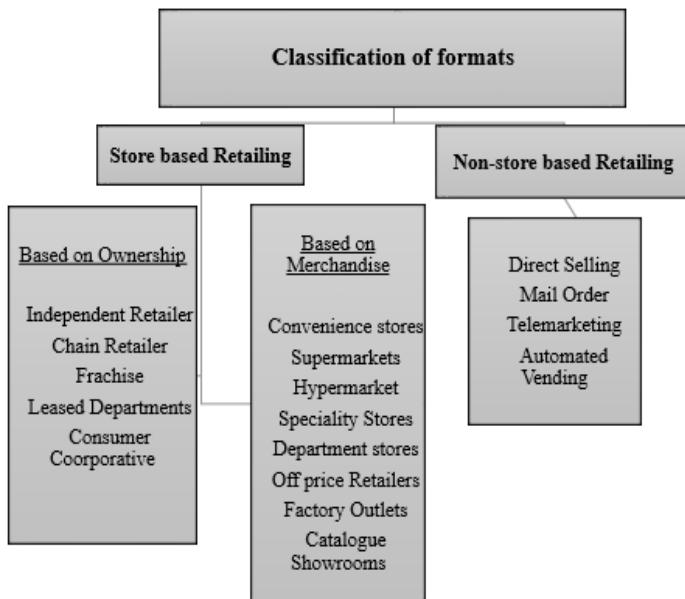


Figure 1 Classification of Retail Formats

6. Buying Activity and Attitude of Buyers Concerning the Supermarket

The buying activity in supermarket has to be neatly studied for some policy indications related to improvement of the services provided by the supermarket. Although, the contents in purchasing process are numerous, the current study encloses to the components determining to buy products at supermarket, purpose of buying products in supermarket, recurrence of purchase at supermarket, time spent at supermarket, comparison of quality and price of commodities in supermarket with another stores, purchase of private brand at supermarket and the role of profile variables of consumers and their behavior at supermarket. The comparative study of consumer perception on various supermarkets is more important to shaping and modifying the policies and strategies of supermarket according to the need of the consumer.

7. Reasons for Buying at Supermarket

Liberty of choosing: Customers enjoy full liberty of choosing in supermarket. As salespersons are not assigned in the markets, customers select goods of their choice with high-quality on their own.

Fixed price: Price of all products at the stores are always fixed and fair price. No bargaining is allowed in prices.

Lower prices: Prices of goods are more often kept low at the supermarket. Thus, these markets are appropriate for both rich and poor customers.

Availability of all the goods for daily need: Supermarkets supply almost all the goods of daily and regular needs to the consumers under one covering. Thus, they have not to move from one place to another for purchase numerous products.

Availability of variety of products: Supermarkets preserve large variety of goods and thus, help customers in selection of best products.

Accessibility of quality goods: Supermarket deal only in quality goods. Customers trust that they are paying the fair price for the quantity goods with the right quality.

More sales and profit: The sales of supermarket are too high. Through the majority of profit at supermarkets is kept too low, but the total amount of profit becomes too high

Conclusion

Inspite of rapid change in way of living and way of purchasing from local stores or Kirana store to Supermarkets or Hypermarkets in retail market. Customer's perceptions and their expectations are never changed. Though they change purchasing behavior they are expecting same i.e., best quality of commodities with fair price and also a clean and uncrowded areas, because of these pandemic situation customers are more particular and preferring to go to those areas which are cleanliness and uncrowded. In this study the researcher was mostly concentrated on the demographic factors like age, educational level, occupation, income level and marital status. And also, these demographic factors won't affect the buying behavior of the customer. Most of the services and commodities were satisfied the customers in extent level. Whereas, there are some services which are not satisfied by the customers like parking facility, billing counter and product varieties. Customers are expecting numerous varieties of products with best quality and also spacious parking area etc. In the perception of customers all the services are good but their expectations are higher than the actual service qualities of supermarket. To reach the expectations



of the customer's supermarkets have to more concentrate on service providing and develop their services with more innovative things. These days most of the customers are preferring eco-friendlier products which quite organic. Supermarkets can provide paper bags instead of plastic bags. By offering more discounts, coupons, complementary gifts and promotions helps in attracting the customers.

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