

“Consumer Buying Behaviour In The Retail Marketing And Retailer Strategies”

Dr. A. Govindaraju¹, Mr. V. Ravindar²

¹Assistant Professor Department of Commerce Annamalai University
Annamalai Nagar Deputed to Raja Serfoji Government College Thankjavur.

²Research Scholar Department of Commerce Annamalai University Annamalai Nagar

Introduction

Today, the delivery of products is not an easy job for a retailer, which is essential to the delivery of products and services associated with them. Retailing is a set of business activities to add value to products and services sold to end users or consumers for personal or family use. This involved all activities related to the marketing and distribution of goods and services. Retailing also includes all activities or steps taken to sell the product or service to consumers for their personal or family use. Retailing is the process of procuring supplies from manufacturers to fulfill the individual demands of consumers. A common assumption is that retailing involves only the sale of products in stores. However, the sale of goods or services also includes those offered at a hotel or by vehicle rental agencies. The selling does not only take place through retail stores. This included selling through mail, the internet, door-to-door visits, or any other way that could be used to approach the consumer when a manufacturer also performed the retailing function. Retailing involves a direct conversation with the customer and involves all business activities from end to end, right from the concept or design stage of a product or offering to its delivery and post-delivery services to the customer.

Statement of the Problem

Consumer behavior is difficult to understand because of the changing behaviour of each individual customer. The changing behaviour of the consumer in the retail market segments is due to increasing disposable incomes, an improving economy, changing lifestyles, and changing buying patterns. When purchasing from retail stores, a number of other factors, such as quality, price, value, and service, also have an impact on consumer purchasing decisions. Hence, the retailer should understand the behaviour of the different groups of customers, the effectiveness of promotional tools, buying motives, social and cultural factors, the possibility of continuous improvement, and better retention service quality.

Retail marketers are segmented into three important categories: organized retail stores, unorganized retail stores, and online retail marketers. The unorganised retailers are generally small traders who have the capacity to compete with the expectations of consumers with the high-capacity organised retailers. The majority of unorganised retailers perform their business themselves due to the limitation of resources. The gap between these two retail segments is

expanding, putting the former in financial distress and threatening its existence. As a result, unorganised retailers are necessitated to develop new marketing techniques and other methods to counteract the challenge posed by organised retailers and preserve higher sustainability and profitability. Apart, from that, both marketers need to work extra hard these days to keep up with the competition from online marketers. The online retailer also finds it very difficult to retain the potential buyer, because of the buyers are scattered about their convenience in purchasing. In order to keep possession of these market segment sales volumes, the retailer has to face stiff competition from businesses. Competition from these segments means retail marketers will need to develop a new strategy to acquire the largest possible proportion of customer attention and business. As a result, the current study makes an effort to profile the retail market segment and understand consumer preferences, behaviours, and attitudes, which will aid marketers in developing a marketing strategy. Hence, the study has been taken by the researcher, "Marketing Strategy and Buying Behaviour in the Retail Industry, with Retailers and Consumer Perspectives."

Objectives

This research study was conceptualized in order to gain insights into the functioning of retail marketing and consumer behavior in India, specifically in Tamil Nadu. The study focused on delineating the variables involved in retail marketing-consumer preference and behavior-and the ways in which these variables and their mutual interactions affected the processing of retail marketing messages by consumers. The main objectives of the study were:

1. To identify the consumer buying pattern with different groceries store preferences of the consumers of Karikkal.
2. To examine retailer strategies to attract the buyers in grocery stores.

Sampling and Methodology

It is critical to collect reliable and correct information in order to draw valid conclusions. The current study relies on both primary and secondary data. The study required extensive preparation and planning in order to obtain the essential updated data and information. A significant amount of work has been needed to identify the respondents and make personal contact with them.

Sampling

Sampling is the process of obtaining information from only a small, representative part of the total population rather than from each and every unit of the universe. The small representative part is studied to derive conclusions for the entire universe or population. In this study, convenient sampling has been adopted for the purpose of collecting data. The sample respondents are selected from Cuddalore District and a total of 200 respondents are selected and circulated. However, in accuracy in the collected 27 questionnaire were rejected and the response rate is 86.5 percent and therefore the total of 173 respondents were included in the study.

Statistical Tools Used

Statistical tools like percentage analysis, mean rank, Chi-square, multivariate tests, SEM analyses, and reliability tests were used to figure out the connection between the different questions in the questionnaire and the different types of retailers and customers.

Types of Retail Businesses

Department stores

Specialty shops

Warehouse/Wholesale clubs/discount/mass merchandisers

Factory stores

The retail management system is aimed at small and medium-sized businesses that want to automate their stores, point of sale, operations, inventory control, and tracking. Pricing, sales, and promotions, customer management and marketing, employee management, customized reports, and information security are all managed by the package, which runs on personal computers.

Table 1 Socio-Economic Characteristics

Social and Economic variables		No. of Respondents	Parentage
Age	18-27Years	39	22.54
	28-37Years	51	29.48
	38-47Years	44	25.43
	Above 48 Years	39	22.54
	Total	173	100.00
Gender	Male	94	54.34
	Female	79	45.66
	Total	173	100.00
Marital Status	Single	26	15.03
	Married	139	80.35
	Divorced or Widowed	8	4.62
	Total	173	100.00
Education	High school	85	49.13
	College or Graduate degree	61	35.26
	Post Graduate	21	12.14
	Total	173	100.00
Occupation	Student	34	19.65
	Employed	67	38.73
	Self-Employed	46	26.59
	Retired and others	26	15.03
	Total	173	100.00
Income: Monthly household income	Upto ₹.25,000	87	50.29
	₹.25,001 to ₹.40,000	40	23.12
	₹.45,001 to ₹.60,000	21	12.14

	Above ₹.60,000	25	14.45
	Total	173	100.00

Source: Primary Data

The socio-economic profile of the 173 respondents reveals a diverse yet structured demographic distribution. The largest age group consists of individuals aged 28-37 years (29.48 percent), indicating a relatively young to middle-aged adult participation. Gender distribution shows a slight male majority at 54.34 percent, while the vast majority of participants are married (80.35 percent). In terms of educational attainment, nearly half of the respondents have completed attainment, nearly half of the respondents have completed high school (49.13 percent), followed by 35.26 percent with college or graduate degrees. Occupational data reflects that the largest segment is employed (38.73 percent), complemented by a significant portion of self-employed individuals (26.59 percent). Economically, the sample is characterized by a lower-to-middle income profile, as over half of the respondents (50.29 percent) report a monthly household income of up to ₹.25,000, while only 14.45 percent earn above ₹ 60,000. Overall, the data suggests a predominantly married, employed, and high-school-educated workforce with a modest income level.

The survey represents a predominantly married, employed, and high-school-educated demographic with a majority earning a modest monthly income of up to ₹25,000.

Table 2 Buying Behaviour

S. No.	Variables	SA	A	N	DA	SDA	Total
1.	Prioritize price when buying groceries from the stores	59	85	12	11	6	173
		34.10	49.13	6.94	6.36	3.47	100.00
2.	Value the quality of products offered by the stores	37	105	11	11	9	173
		21.39	60.69	6.36	6.36	5.20	100.00
3.	Prefer the stores based on offers and benefits	40	81	18	28	6	173
		23.12	46.82	10.40	16.18	3.47	100.00
4.	Frequency of purchase the groceries is based on loyalty programme	46	87	10	21	9	173
		26.59	50.29	5.78	12.14	5.20	100.00
5.	Trust the brand reputation of the store	59	76	11	10	17	173
		34.10	43.93	6.36	5.78	9.83	100.00
6.	Prefer the store type for its wide range of products	47	90	11	14	11	173
		27.17	52.02	6.36	8.09	6.36	100.00
7.	Proximity to home	45	79	7	33	9	173

		26.01	45.66	4.05	19.08	5.20	100.00
--	--	-------	-------	------	-------	------	--------

Source: Primary Data

Table 2 analysis reveals that a price of products is the most significant influencer, with 83.24 percent of respondents agreeing prioritize price when buying groceries from the stores on its importance. Further, the quality of products offered by the stores gain significant of 82.08 percent agree and also prefer the store type for its wide range of products (79.19). Trust the brand reputation of the store (78.03) and frequency of purchase the groceries is based on loyalty programme (76.88) are another important factor in buying behaviour. The proximity to home (71.68) and Prefer the stores based on offers and benefits (69.94) are least important factors in the buying behaviour. Overall, variety and trust are the primary drivers of consumer choice.

Table 3 Retailer Strategies

S. No.	Variables	SA	A	N	DA	SDA	Total
1.	Product quality and freshness	73	56	10	22	12	173
		42.20	32.37	5.78	12.72	6.94	100.00
2.	Pricing competitiveness	98	45	10	12	8	173
		56.65	26.01	5.78	6.94	4.62	100.00
3.	Assortment and variety	66	69	12	12	14	173
		38.15	39.88	6.94	6.94	8.09	100.00
4.	Location and convenience	78	56	15	14	10	173
		45.09	32.37	8.67	8.09	5.78	100.00
5.	Stores ambience and layout	71	51	25	20	6	173
		41.04	29.48	14.45	11.56	3.47	100.00
6.	Grocery shop services and staff interaction	86	51	10	22	4	173
		49.71	29.48	5.78	12.72	2.31	100.00

Source: Primary Data

Table 3 data indicates that pricing competitiveness (83.66 percent) and grocery shop interaction (79.19) also show high levels of consumer approval, suggesting that a diverse inventory at competitive rates is essential. The assortment and variety (78.03), location and convenience (77.46) and product quality and freshness is the most critical retailer strategy, with an overwhelming 74.57 percent total agreement. The store ambience received the lowest agreement at 70.52 percent. Overall, the findings suggest that while service and environment matter, retailer must prioritize quality and product range to meet customer expectations.

Chart 1 – Mode Fit Consumer Buying Behaviour and Retailor Strategies

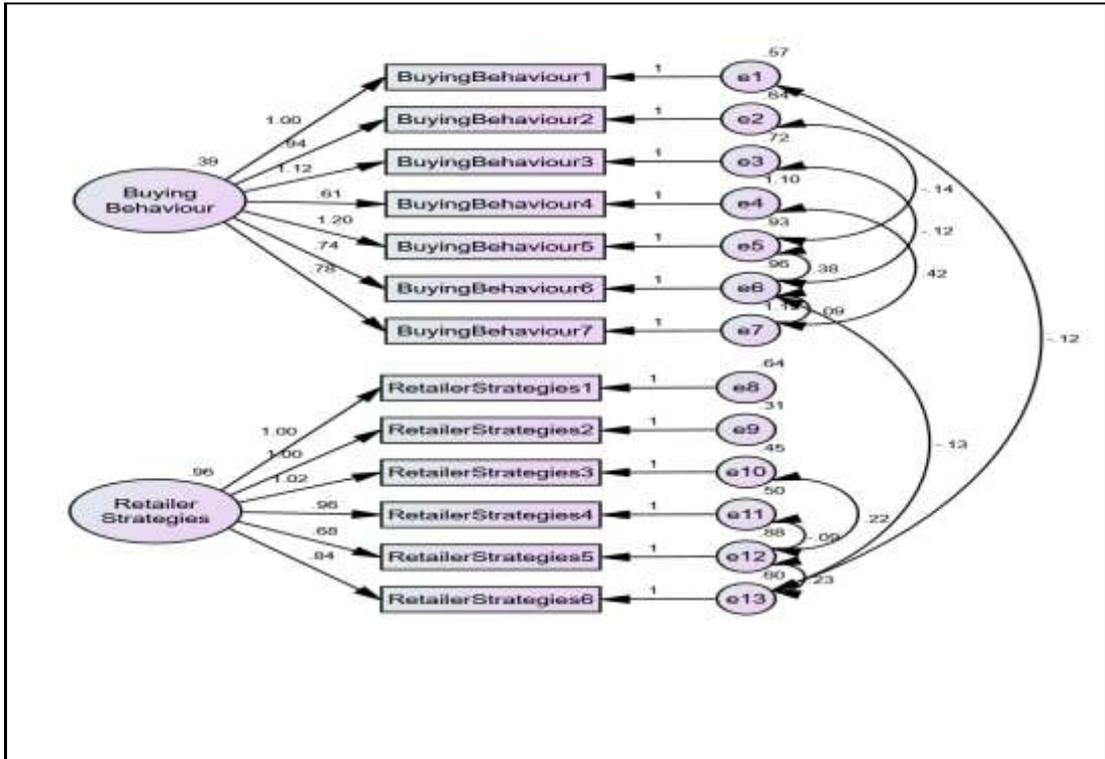


Table 4 Model Fit Summary -CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	36	80.301	55	.015	1.460
Saturated model	91	.000	0		
Independence model	13	963.887	78	.000	12.358

Source: Computed from Primary Data

The default model demonstrates a good fit to the data, evidenced by a CMIN/DF ratio of 1.406, which comfortably falls below the recommended threshold of 3.0. although the p-value of 0.015 suggests a statistical departure from a perfect fit, this metric is often sensitive to sample size; the low CMIN/DF ratio and the stark improvement over the Independence model (12.358) confirm that the proposed model effectively captures the underlying relationships in the primary data.

Table 5 RMR, GFI, AGFI and PGFI

Model	RMR	GFI	AGFI	PGFI
Default model	0.074	0.935	0.892	0.565
Saturated model	0.000	1.000		
Independence model	0.393	0.453	0.362	0.389

Source: Computed from Primary Data

Table 5 shows that the Default model fits the data well, with a GFI of 0.935 exceeding the standard 0.90 benchmark for a good fit. The AGFI (0.892) is very close to the ideal 0.90 threshold, indicating the model remains strong after adjusting for complexity. Furthermore, an RMR of 0.074 (below 0.80) and a PGFI of 0.565 confirm that the model is both accurate in its residuals and statistically parsimonious.

Table 6 Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	0.917	0.882	0.972	0.959	0.971
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

Source: Computed from Primary Data

Table 6 confirms an excellent model fit, as the primary incremental indices CFI (0.971), TLI (0.959), and IFI threshold for superior fit. The NFI (0.917) also surpasses the acceptable 0.90 benchmark, indicating that the default model provides a substantial improvement over the independence model. While the RFI (0.882) is slightly below 0.90, the overall strength of the other baseline comparisons validates the model’s predictive power and consistency with the primary data.

Table 7 Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
Prioritize price when buying groceries from the stores	<---	Buying Behaviour	1.000				
Value the quality of products offered by the stores	<---	Buying Behaviour	0.944	0.169	5.593	***	
Prefer the stores based on offers and benefits	<---	Buying Behaviour	1.117	0.183	6.086	***	
Frequency of purchase the groceries is based on loyalty programme	<---	Buying Behaviour	0.611	0.165	3.698	***	
Trust the brand reputation of the store	<---	Buying Behaviour	1.203	0.217	5.546	***	
Prefer the store type for its wide range of products	<---	Buying Behaviour	0.743	0.184	4.030	***	
Proximity to home	<---	Buying Behaviour	0.776	0.181	4.298	***	

			Estimate	S.E.	C.R.	P	Label
Product quality and freshness	<---	Retailer Strategies	1.000				
Pricing competitiveness	<---	Retailer Strategies	0.996	0.082	12.136	***	
Assortment and variety	<---	Retailer Strategies	1.020	0.088	11.539	***	
Location and convenience	<---	Retailer Strategies	0.959	0.087	11.041	***	
Stores ambience and layout	<---	Retailer Strategies	0.679	0.092	7.382	***	
Grocery shop services and staff interaction	<---	Retailer Strategies	0.841	0.083	10.088	***	

Source: Computed from Primary Data

Table 7 presents the regression weights, confirming that all observed variables are significant predictors of their respective latent constructs. For buying behaviour, brand reputation (1.203) and offers and benefits (1.117) carry the highest predictive weight, while for retailer strategies, assortment and variety (1.020) and pricing competitiveness (0.996) emerge as the strongest factors. Crucially, every path shows a Critical Ratio (C.R) well above 1.96 and a p-value as ($p < 0.001$), indicating that these relationships are statistically significant at the 99.9 percent confidence level and that the selected indicators are highly effective in measuring the underlying consumer and retail dimensions.

References

1. Katriina Mattsson (2009), customer satisfaction in the retail market, Business Economics and Tourism, Degree Programme of International Business, Vaasan Ammattikorkeakoulu, Vasa Yrkeshogskola, University of applied sciences.
2. M. Selvakumar, A. Muthumoni, (2011), Problems And Prospects of Retail Business – A Study With Reference To Sivakasi Taluk, Zenith International Journal of Multidisciplinary Research, Vol.1 Issue 6, October 2011, ISSN 2231 5780.
3. Surajit Dey, Sameena Rafat, Alam Sageer (2012), Retailers and Customers: Problems and Perspectives, IOSR Journal of Business and Management (IOSR-JBM), ISSN: 2278-487X, Volume 5, Issue 6 (Nov. - Dec. 2012), pp.45-53.
4. Vinayagamorthy D. Kamatchi, (2014), Problems and Prospects of Rural Retail Marketing In India, Asia Pacific Journal of Research, Vol: I Issue XVI, August 2014 ISSN: 2320-5504, E-ISSN-2347-4793, pp.36-44.
5. B. Iswariyapriya, R. Sivanesan (2022), Marketing Problems of Edible Oil Industry- Retailers Perspectives, Journal of Positive School Psychology, Vol. 6, No. 5, pp. 5854 – 5864.