

# Effect Of Demographics On Customer Buying Behavior In Malls Relative To Standalone Outlets

Ms Ashwarya Sharma<sup>1</sup>, Ms Komal Kashyap<sup>2</sup>

<sup>1</sup>Assistant Professor Chandigarh School of Business,CGC Jhanjeri,Mohali

<sup>2</sup>Assistant Professor Chandigarh School of Business, CGC Jhanjeri,Mohali

DOI: 10.47750/pnr.2023.14.S02.36

## Abstract

One of India's rising industries has been retail. The number of malls in India is projected to increase due to the country's retail expansion.. The present paper tries to understand the effect of demographics on shopping behavior of the customers'. The objective is to examine if the customers' preference for mall vis-à-vis standalone store outlets and related parameters are being affected by the demographic profile of the respondents. The information was gathered from 500 consumers in the Punjabi cities of Ludhiana, Amritsar, Jalandhar, Mohali, Patiala, and Bathinda using a self-structured questionnaire. For the investigation, the cluster convenience sampling approach was adopted. The emerging retail formats considered in the present study are –malls and Standalone stores. The chi square is used as a statistical tool to test association among demographics and parameters of customer shopping. The findings of the paper reveals that Age, Education, Profession and Family size of shoppers are the variables which remained significant for most of the times and drive the choice of stores. The report also shows that customers favour malls for clothing purchases and standalone businesses for food and groceries.

## Introduction

Retail is currently one of India's economic pillars. It is now the fourth-largest economy in the world and the third-most desirable retail destination worldwide in terms of purchasing power parity (ppp) (Kearney, 2010), trailing only China and the United States. The retail industry in India is broken up into two broad categories: organized and unorganized. In the past, Indian retail has developed to meet the country's specific requirements. India's retail landscape has seen a significant shift from traditional kirana shops to modern formats like department stores, hypermarkets, and specialty stores since the 1990s. Although unorganized players have dominated the market, the entry of domestic and international organized players is expected to alter the situation. According to Kokatnur 2009, the market is anticipated to expand at a rate of 13% annually as a result of shifting income profiles, the lifestyle choices made by a younger population of consumers, increased credit friendliness, and shifting tastes and preferences. According to the report by Sarwar (2006), the retail industry will experience tremendous growth as a result of shifting demographics and consumer profiles, rising urbanization, rising investments in technology and real estate, and the creation of world-class shopping environments for customers. In retailing, consumer perception is more volatile and erratic than ever before. Modern shopping malls, also known as "Malls," have experienced rapid expansion in the Indian consumer market over the past 6-7 years. India's retail boom is likely to increase the number of malls in the country, but their success remains uncertain. Standalone stores are another type of retail establishment that operate as a single unit and are not connected to a shopping mall. It is a small, independent, and frequently family-owned and operated business

with few employees that is typically not franchised and only operates out of one location. Businesses that are owned and operated in a single location, such as the city's main shopping center, are known as standalone stores. As a result, it is necessary to compare the shopping habits of people who shop in standalone stores to those in large shopping malls. This information can be used to develop effective marketing strategies that meet the needs and wants of customers. This research paper is a modest attempt at doing the same.

## Literature Review

Previous research had shown that organized retail formats like malls and standalone stores are preferred by customers for a variety of reasons, including the store's attractiveness, convenience, product selection and services, offers and after-sale services, and entertainment value. This is because these stores offer services and the working population is growing, which is helping the organized retail industry grow in India. The demand for organized retailing is also rising in tandem with the rise in Indians' earning capacity; opined by Khan and Mehtab (2013) and Jasveen Kaur (2013)

According to previous research by Jhamb & Kiran (2012), Kaur & Singh (2007), and Dash et al. (2009), consumers in contemporary retail formats prefer product attributes such as improved quality and a variety of brands, as well as store attributes such as parking facilities, trained sales staff, and security. For shopping items like clothing, footwear, and jewelry, customers prefer malls and specialty stores. According to research, consumers with more disposable income, young people, and people with higher incomes visit modern retail formats more frequently than older people with lower incomes. Kavita Kanaba (2012) looked at how mall culture is becoming more popular with customers. The convenience of food courts, window shopping, entertainment, and leisure activities, as well as the availability of a variety of product categories all under one roof, are some of the reasons why shoppers prefer shopping malls.

In the organized sector, consumer demographics like age, income, occupation, and education influence purchase decision, as identified by previous studies of consumer buying behavior. Customer satisfaction and loyalty are largely determined by service and quality. According to Somasekhae and Saleem (2014), Khan, Rana & Singh (2014), Jayaraman & Aggarwal (2001), Rajagopal (2007), Jain & Begdare (2009), and Jacobs (2010), one-stop shopping for all of one's needs, layout, ambience, value-added services, technology, and self-service are the dimensions that influence buying behavior. Customers prefer organized retailers due to factors such as location, cleanliness, offers, quality.

In the rapidly expanding food and grocery retailing, previous studies examined the effect of shopper socio-demographic, geographic, and psychographic factors on format choice behavior. According to the findings, factors such as age, gender, occupation, education, family size, monthly household income, and the distance traveled to the store have a significant impact on shoppers' decisions regarding retail format. According to Prasad and Aryasri (2011), Nilsson, Tommy, Garling, and Ilnordvall (2015), Pandey, Khare, and Bhardwaj (2015), Mittal (2008), and Nilsson, Tommy, Garling, and Ilnordvall (2015), store quality is the most important attribute of a grocery store, as is childcare.

Singh & Sahay (2012), Khare, Achtani, & Khattar (2014) investigated mall customers and identified the following factors: ambience, physical infrastructure, marketing focus, convenience, safety, and security in order to visualize the shopping experience, enhance convenience, and create ambience. In addition, mall retailers offer price cuts, freebies, coupons, and rebates to draw customers to their stores and boost sales. In recent years, India has witnessed a rapid expansion of shopping malls.

**Objective and Methodology of Study** With this backdrop, this research paper examines the effect of demographics on shopping behavior of the customers'. The objective is to examine if the customers preference for mall vis-à-vis standalone store outlets and related parameters are being affected by the demographic profile of the respondents.

Based on the primary data, this study is descriptive in nature. For the purpose of gathering primary data from Punjabi consumers, a self-structured questionnaire with closed-ended and multiple-choice questions was used. Through a survey, information was gathered from six Punjabi cities: Ludhiana, Amritsar, Jalandhar, Mohali, Patiala, and Bathinda. The study employed the cluster convenience sampling method with a sample size of 500 customers. According to Punjab's 2014 statistical abstract, the six cities of Punjab were divided into clusters based on their urban population. Two categories of goods, such as food and groceries and apparel, were taken into consideration. Malls and standalone stores are the two new retail formats that the current study takes into consideration. The chi square is a statistical tool that is used to test the association between demographics and shopping behavior parameters of customers.

**Hypothesis:** There is no significant relationship between demographics with parameters of customer shopping behavior. Further this hypothesis has been divided into sub hypothesis for analysis purposes.

## Results & Analysis

**Table -1**

### Demographic profile of respondents

Demographic		No of respondents	
		Frequency	Percentage
Gender	Male	248	49.6
	Female	252	50.4
<b>Total</b>		<b>500</b>	<b>100.0</b>
Age Group (in years)	Less than 20	28	5.6
	20-30	297	59.4
	31-40	122	24.4
	41-50	44	8.8
	Above 50	9	1.8
<b>Total</b>		<b>500</b>	<b>100.0</b>
Marital status	Married	184	36.8
	Unmarried	290	58.0
	Others	26	5.2
<b>Total</b>		<b>500</b>	<b>100.0</b>
Education	Matriculation	19	3.8
	Graduate	211	42.2
	Post Graduate	178	35.6
	Professional	92	18.4
<b>Total</b>		<b>500</b>	<b>100.0</b>
Profession	Agriculture	25	5.0
	Business	75	15.0
	Service	254	50.8
	Professional	106	21.2
	Housewife	13	2.6
	Student	27	5.4
<b>Total</b>		<b>500</b>	<b>100.0</b>
Income(per month in Rs)	5000-10000	54	10.8
	10001-20000	133	26.6

	20001-30000	177	35.4
	30001-40000	74	14.8
	>40000	62	12.4
<b>Total</b>		<b>500</b>	<b>100.0</b>
<b>Family Size</b>	1-3	139	27.8
	4-5	288	57.6
	5-6	73	14.6
<b>Total</b>		<b>500</b>	<b>100.0</b>

The demographic characteristics of the respondents (Table1) shows that there were equal respondents (50.4%) were female and (49.6%) were male. In regard to age group, most of them are young people (59.4%) with unmarried (58%). Education profile of the respondents shows that most of them have graduate (42.2%) or post-graduate (35.6%) level qualification followed by professionals (18.4%). Most of the sample consumers' i.e. (50.8%) belong to service class followed by professionals (21.2%). It is further revealed that most of the respondents' belong to the Rs 20000-30000 monthly income group with family size have 4-5 members (57.6%) in the families of the respondents.

**Table – 2 Parameters of customer shopping behaviour**

Parameters of customer shopping behaviour		No of respondents	
		Frequency	Percentage
<b>Preference for Food &amp; Grocery</b>	Mall	194	38.8
	Stand alone	306	61.2
<b>Total</b>		<b>500</b>	<b>100.0</b>
<b>Preference for Apparel</b>	Mall	268	53.6
	Stand alone	232	46.4
<b>Total</b>		<b>500</b>	<b>100.0</b>
<b>Frequency of Shopping for Food &amp; Grocery</b>	Once a Week	184	36.8
	Once a Fortnight	130	26.0
	Once a Month	186	37.2
<b>Total</b>		<b>500</b>	<b>100.0</b>
<b>Time for Shopping Apparels</b>	On Festivals	51	10.2
	On Wedding	74	14.8
	On Sale Offers	173	34.6
	Seasonally	202	40.4
<b>Total</b>		<b>500</b>	<b>100.0</b>
<b>Travel to Visit the Store</b>	Less than 3 Km	134	26.8
	3-5 Km	178	35.6
	5-7Km	110	22.0
	7 Km and Above	78	15.6
<b>Total</b>		<b>500</b>	<b>100.0</b>
<b>Day for Preference for Shopping</b>	Weekdays	54	10.8
	Weekends/Holidays	245	49.0
	As & when Required	201	40.2
<b>Total</b>		<b>500</b>	<b>100.0</b>
	Less than 1000	91	18.2
	1000-2000	142	28.4

<b>Amount Spent for Food &amp; Grocery (per visit in Rs)</b>	2000-3000	138	27.6
	3000-4000	81	16.2
	More than 4000	48	9.6
<b>Total</b>		<b>500</b>	<b>100.0</b>
<b>Amount Spent for Apparels (per visit in Rs)</b>	Less than 2000	108	21.6
	2000-5000	234	46.8
	5000-10000	124	24.8
	More than 10000	34	6.8
<b>Total</b>		<b>500</b>	<b>100.0</b>

The above table 2 reveals the parameters of customer shopping behavior. Most of the respondents (61.2%) prefer standalone store for preference of food & grocery. When preference for apparel is considered (53.6%) respondent prefer mall and (46.4%) prefer standalone store. A majority of respondents (37.2%) purchase food & grocery once a month followed by once a week (36.8%). When time for shopping apparels is considered, majority respondents (40.4%) purchase apparels seasonally followed by (34.6%) when sale offers are there. This revealed that discounts/sales promotion offers played dominant role at the time for shopping apparels. Most of the sample consumers' (35.6%) travel 3-5 km to travel their favorite store followed by (22%) 5-7 km. This revealed that larger the distance, lesser is the frequency of consumers to the store. Weekends/holidays are the favorite day for shopping (49%) followed by (40.2%) as per requirement. A majority of the respondents' (28.4%) spend Rs 10000-20000 on each visit for purchase of food & grocery followed by (27.6%) in the range of Rs 20000-30000. A majority of the respondents' (46.8%) spent Rs 2000-5000 on each visit for purchase of apparels.

**Table 3 Significance Values of Chi Square Test**

<b>Demographics</b>	<b>Preference for mall or standalone in case of Food &amp; Grocery</b>	<b>Preference for mall or standalone in case of Apparels</b>	<b>Frequency of shopping in case of Food &amp; Grocery</b>	<b>Time for shopping in case of Apparels</b>	<b>Travel to visit the store</b>	<b>Day for preference of shopping</b>	<b>Amount spent on Food &amp; Grocery</b>	<b>Amount spent on Apparels</b>
<b>Age</b>	0.163	0.654	0.078	0.026*	0.013*	0.047*	0.006*	0.306
<b>Gender</b>	0.887	0.155	0.576	0.141	0.007*	0.884	0.425	0.746
<b>Marital Status</b>	0.101	0.625	0.187	0.219	0.029*	0.260	0.110	0.024*
<b>Education</b>	0.618	0.045*	0.917	0.049*	0.205	0.000*	0.155	0.006*
<b>Profession</b>	0.033*	0.007*	0.025*	0.776	0.061	0.008*	0.748	0.079
<b>Income</b>	0.172	0.482	0.404	0.086	0.227	0.392	0.075	0.001*
<b>Family size</b>	0.405	0.022*	0.037*	0.014*	0.048*	0.266	0.128	0.042*

\* Significant at 5% level value of significance

It can be observed from Table 3 that only demographic variable Profession has significant association with the preference for Mall or Standalone in case of Food & grocery. Demographic variables- Education, Profession and Family size are affecting the preference for Mall or Standalone in case of Apparels. It can be observed that demographic variables Profession and Family size have significant association with the frequency of shopping in case of Food & Grocery. The reason may be that larger families prefer to shop less frequent as compared to smaller families. Demographic variables- Age, Education and Family size have significant association with timing for shopping in case

of Apparels. It can also be observed that demographic variables- Age, Gender, Marital status and Family size have significant association with the travel to visit the store. Demographic variables- Age, Education and Profession have significant association with day for preference of shopping. It can be inferred that demographic variable Age has significant association with the amount spent on Food & Grocery. Also it can be inferred that demographic variables- Education, Marital status, Income and Family size are affecting the amount spent on Apparels.

## Conclusion

The major conclusion of the research paper is that both malls and standalone stores will coexist in Punjab, as both of them have their own advantages. The study revealed that customers prefer food & grocery from standalone stores and apparels from malls. The paper further explores that shoppers would like to minimize the effort of shopping by reducing the travelling distance. Thus shoppers give prominence to proximity of the store. Age, Education, Profession and Family size of shoppers are the variables which remained significant for most of the times and drive the choice of stores. Gender, marital status do not influence significantly. Monthly household income did not come out as a significant factor. The study concludes that, in comparison to other demographic variables, the aforementioned significant variables have a greater impact on consumer behavior. When devising strategies for analyzing consumer behavior, decision-makers must take these variables into account.

## References

Arpita khare, Dhren Achtani, Manish Khattar(2014),” Influence of price perception and shopping motives on Indian consumers’ attitude towards retailer promotion in malls”, Asia pacific journal of Marketing and Logistics, Vol. 26 Issue:2 pp272-295

AT Kearney, (2008),”Retail in India: Getting organized to drive growth” A.T Kearney and Confederation of Indian Industries, Delhi.

A.T. Kearney (2010) ‘Expanding Opportunities for Global Retailers -2010 Global Retail Development Index’, Available at: [http://www.atkearney.com/images/global/pdf/2010\\_Global\\_Retail\\_Development\\_Index.pdf](http://www.atkearney.com/images/global/pdf/2010_Global_Retail_Development_Index.pdf)

Berman & Evans (2012),” Retailing Management-Strategic Approach” New Delhi: Prentice hall of India

Cherukuri Jayasankara Prasad, Ankiseti Ramachandra Aryasri (2011), “Effect of shopper attributes on retail format choice behavior for food and grocery retailing in India” International Journal of Retail and Distribution Management Vol. 39 Issue 1, pp 68-86

Deepika Jhamb and Ravi Kiran (2012), “Emerging Retail Formats and its Attributes: An Insight to Convenient Shopping” Global Journal of Management and Business Research Vol. 12 Issue 2, version 1.0

Elin nilsson, Tommy garling, Agneta marell, Anna nordvall (2015), “Importance ratings of grocery store attributes”, International Journal of Retail and Distribution Management Vol. 43 Issue 1, pp 63-91

G.Somasekhaeand S.Saleem (2014), “Shopper’s Preference and Problems: A study of unorganized & unorganized Retail Outlets in Chittoor district of Andhra Pradesh” International Journal of Retailing & Rural Business Perspectives” Vol 3 No. 4

Harvinder Singh, Vinita Sahay (2012),”Determinants of Shopping experience: Exploring the mall shoppers of national capital region (NCR) of India,” International Journal of Retail and Distribution Management Vol. 40 Issue 3, pp 235-248

Jasveen Kaur (2013),”Customers’ Perception towards Global Retailers Influencing the Indian Organized Retailing”, The Indian Journal of Commerce vol 66 No.3.

Joseph, M (2008), “Impact of organized retailing on the unorganized sector”, working paper No. 222 by Indian Council for Research on International Economic relations (ICRIER)

Jacops, S. A., De Beer, H. and Larney, M. (2010) ‘Adult consumers understanding and use of information on food labels: a study among consumers living in the Potchefstroom and Klerksdorp regions’, Public Health Nutrition, 14(3), pp. 510-522.

Jayaraman, V. and Aggarwal, R. (2001) ‘Determining optimal partnership in technology transfer-a theoretical framework’, Portland International Conference, 1, pp. 256.

Kavita kanaba(2012),”Change in Consumer Behavior in Surat with introduction of mall” International Journal of Research in Finance & Marketing Vol. 2 Issue 4

M.singh, Shantanu saurabh, Smriti Srivastva (2015), “Organized retailing in India: A Socio Economic Study of Customers' Perception of Allahabad”, The Indian Journal of Commerce Vol.68 No. 1 January-March

Mishra, R. K. (2007) ‘Benchmarking scheme for retail stores efficiency’, International Journal of Marketing studies, 1(2).

Protima Goswami, Mridula S. Mishra (2009),”Would Indian consumers move from kirana stores to organized retailers when shopping for groceries?”, Asia pacific journal of Marketing and Logistics, vol. 21 Issue:1 pp127-143

Rituparna Basu, Kalyan K.Guin, Kalyan Sengupta (2014),”Do apparel store formats matter to Indian shoppers?”, International Journal of Retail and Distribution Management Vol. 42 Issue 8, pp 698-716

Swapna Pradhan( 2009) Retailing Management:Text & Cases, Mcgraw Hill Education,

Shivendra Pandey,Arpita Khare, Preshth Bhardwaj(2015),”Antecedents to local store loyalty,influence of cultue,cosmopolitanism and price”, International Journal of Retail and Distribution Management vol.43 Issue1,pp5-25

Syed Faisal ali khan, Divya Rana, Harpreet singh(2014.),” An Empirical study of Organized strategies in Developing customer loyalty, changing purchase decision and developing satisfaction in consumer of Indian sub-continent”, International Journal of Multidisciplinary and Current Research Vol. 2 March-April