Customer Preference Towards Store Selection Criteria of Big Bazaar: A case study of Patna City

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Abstract: Customer service has to be a team effort and not just the responsibility of employees who deal with the public directly. Providing good customer service is a vital part of managing a business. Patna market is a highly competitive market with large number of players in both the organized & the unorganized sector. Big Bazaar is a from of discount store. The company operates three different store across Patna and caters to the varied needs of the dynamic population. In order to gain competitive advantage, the organisation must be constantly updated with the latest trends & change in the market, formulate new strategies for survival & sustained growth. This study aims at enhancing the brand value of Big Bazaar by focusing on providing better service & Satisfaction to the customers through enriched customer relationships & awareness, competitor analysis, demographic analysis & preference of the customers and understanding of a better advertising strategy. This study is instrumental in understanding the shopping pattern of the customers, their preference & perception and the most effective media for advertisement, which will further help in delivering more value propositions to the customers. The primary objective of this paper is to study the store selection criteria for apparels at big Bazaar, a leading apparel retailer in Patna.

Introduction

Good customer service leads to customer satisfaction. Satisfied customers are more loyal and profitable. Big Bazaar, the flagship retail chain of the Future Group, is on the verge of achieving a unique milestone in the History of World retail – by being the first hypermarket format in the globe to rollout fastest 101 stores in fourteen year's.

Big bazaar's journey began in October 2001, when the young first generation entrepreneur Kishore Biyani opened the country's first hypermarket retail outlet in Kolkatta. In the same month, two more stores were added – one each in Hyderabad and Mumbai. Big Bazaar is a from of discount store the punch line "**Is se Sasta Aur Accha Kahin Nahi"** The company operates three different store across Patna and caters to the varied needs of the dynamic population. The patna ,market is highly competitive with a large number of players for all segments, brands and their outlets. PNM mall is one stop place for all types of customers & has competition from all categories. Big Bazaar is aggressively trying to gain market share in all categories by its 'High Volume Low margin' strategy. In the department of apparels retailers in Patna like Reliance Trends, Vishal Mega Mart & other various players. The big bazaar has a competitive advantage by its low cost strategy

Research Methodology

This study was instrumental in understanding the store selection criteria of the customers, their preference & perception and the most effective media for advertisement,. The study observed that different customers emphasize on different attributes with different degree of satisfaction. Explorative type of research has been used in this study; in involves surveys and fact finding enquires. Exploratory research often relies on secondary research such as review of the available literature and data, or qualitative approaches such as informal discussion with consumers, more formal approaches through interviews, focus groups, projective methods, case studies or pilot studied. The primary objective of this paper is to study the store selection criteria for apparels at Big Bazaar, a leading apparel retailers in patna. The secondary objective includes the study of effective advertisement strategy to be adopted in reaching the customers. A sample size was fixed for the survey in order to obtain clear understanding of the market situation.

Data Analysis

The study was conducted among the customers of Big Bazaar and shoppers of PNM Mall of patiputraa colony. The respondents were asked to rank the preference of the 11 parameters on a 5 point rating scale and the analysis was done to understanding the relative preference across the various factors. The respondents were classified according to the sex, occupation & annual income. The other factor like influence of offers advertisement were also assessed.

Segmentation of Sample Population based on Gender & occupation

The survey was conducted among the customers of big bazaar & other shopper of PNM Mall in patna. Among the total respondents 29% constituted the female population & remaining 71% were males. The figure 1 is the representation of the sample population consists of a majority of private sector employees which make up to 44% followed by public sector employees 22% and then the students 21% housewives – 7% and the self employed constituting 5% of the sample.
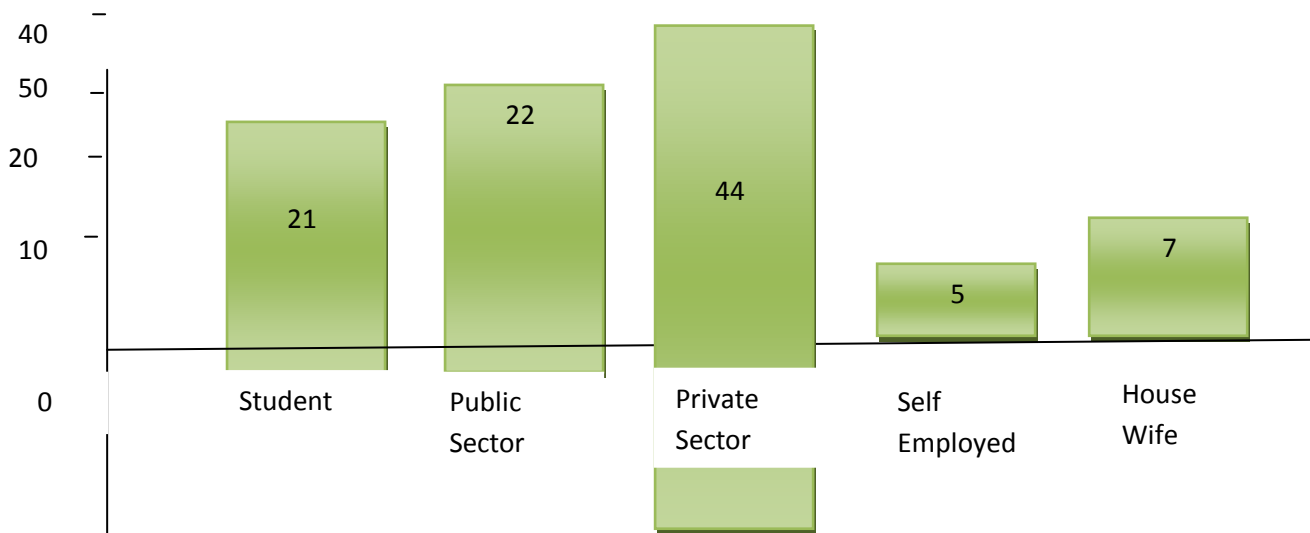
Relationship between Monthly Income & Shop Preference

It is a fact that the people with high income have more purchasing power & hence they spend more. From the graph it can be understood that occasional buyers are more for apparels compared to monthly buyers across all levels of income. They usually go for purchase more than once a month. A less than significant proportion only waits for festivals to make their purchases. 63% among the <10000 level, 78% among 10000 – 20000, 60% among the 20000 – 30000 level & 46% among the >30000 level are occasional shoppers for apparels & the remaining population goes for monthly shopping. From the analysis it was found that people preferred stand alone showrooms more as compared to other types of stores. This can be attributed to the increase in brand consciousness among the people. It was found that 40.7% of the population preferred stand alone show rooms, 27.3% of the population preferred value retail with shopping malls contributing 17.3%. Local stores are preferred by very small population of 14.7%.

Analysis of Influencers of a Purchase Decision

On analysis of the various influencing factors for a purchase decision it was found that friends are having a higher influence on the person. The "word of mouth" publicity is the most effective means of spreading the message among the respondents. publicity is the most effective means of spreading the message among the respondents. 45% of the respondent agree that friends are instrumental in their buying behaviour, 27% are influenced by the brand image, 21% of the population are under the influence of advertisements & the remaining 7% are influenced by the brand reputation.

Relationship between Gender & Shopping Behaviour

In the analysis, it was found that the majority likes to go to shopping with the family followed by friends. Among the males 48% go with their family, 38% with their friends & 14% go alone for shopping in the case of female respondents 57% go for shopping with their family, 30% with friends & 4% go for shopping alone.

Analysis of Factors Determining the Store Selection

The main intention of this analysis was to find the factors that are considered important by a customer in selecting a shop for purchasing. The respondents rated the factors on a 5 point rating scale based on their relative importance. Among the various factors quality is considered highly significant by the respondents; proximity and influence of advertisements are of moderate importance to the respondents. Shop offering low price materials are not considered favourable by the respondents. Similarly offers, discounts & brand availability are considered significant. Moderate significance was also given to shopping experience, ambience & service. Scope for bargaining is considered least important among the customers. In order to obtain relative significance among the various parameters it will be easier to determine the ratio between the frequencies of significant to frequencies of non significant. As per this the frequencies of very significant & significant can be considered as significant factor & frequencies of less significant and least significant can be considered together as non significant factors. The moderately significant frequency can be ignored for all the cases expert for quality, advertisements & proximity as there is a greater share of moderate frequency for these parameters.

Impact & Influence of advertisements

This study focuses on finding out the most popular media types & the media vehicle which will be effective in reaching out to more targets. It was carried out among the media types which include News paper, Magazines, Television, Radio Channels which gave the following results. It was found that among the 300 respondents surveyed &74% of the customers agree that advertisements influence their purchase decision, 26% of then said that their decisions are unaffected by advertisements, but influenced by various other factors like Brand image, Friends and recommendation. The advertising should be targeted to this vast majority which believes in advertisement. Among the advertising media, television was having 525 of the respondents found it to be effective in conveying the message. This was followed by the print media owing to its intensive coverage, flexibility & high believability constituting 23%.This was followed by Billboards & Radio constituting 14% and 11% each. Radio can be considered as an upcoming media for effective advertisement; the FM Channels are gaining popularity day by day and will emerge as an effective media for advertisements.

Conclusion

Although the Retail store shopping saves time and it provides discounts products at low prices. The paper intends to give an insight into the customer's behaviour regarding store's selection. There is a psychological behaviour or cognitive thinking of people that they always want to feel, touch and see the products before they purchase in case of expensive items. It is more convenient for them. The analyses of the criteria of the customer's preference in making their shopping decision will help in gaining an insight into what the customer is expecting from a shop, and the study was conducted on those existing customers who go for shopping and their perception towards retail stores.

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