

Customer Perception and its Implications in Modern Retail Sector: A Case Study of Big Bazaar

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Abstract: One of the main reasons to take up this study is to understand the dynamics of the retail sector in the present scenario. Retailing has come a long way as a process to cater to the growing needs of the customers. Perception is one of the main aspects which has to be taken seriously by the present retailers, if they have to succeed in this world of cut throat competition. The study aims to highlight the cognitive thinking of customers which big bazaar has been targeting with immense and rigorous manner. The study aims to highlight the perception of customers towards Big Bazaar products and services by interacting with all aged customers who tend to visit the big bazaar. From the responses received, several loop holes in the management aspect have been highlighted and remedial suggestions have been provided in the study accordingly.

Keywords: Retailing, Competition, Perception, Management, Customers.

I. INTRODUCTION

Retail sector is one of the fast growing sectors in India in the past few decades. It is growing at an alarming pace in India (annual retail market is expected to increase at 12% per annum) as it has been in an international context. This sector has shown enormous potential if tapped wisely and in the proper way. It has been a hot and burning issue in modern economic sector. No country in the world could ever think of growing economically unless and until it is given the required attention as other sectors have been receiving. There are so many dynamics of retailing which have to be targeted with adequate majors so that the sector could be enhanced. One of the main issue which need to be addressed with utter care and delicacy is the promotion aspect. Without promotion retailing is but a mere process which will not be effective in enhancing the later. For a marketer the understanding of the consumer behavior is very important. The behavior of the consumer at the market place is depending on what he thinks as a reality or on his perception and knowledge and knowledge about the world around him. This perception may be based on sensations from the outside world which in turn may be influenced by past experience or learning, expectations, beliefs, values, personality, etc. Thus for having a better understanding of the buying behavior of individual, marketers must examine the importance of perception and its integration with the related concepts. This information will help him to device the marketing strategies and programmes, such as to help consumers to perceive their products or services positively. Objective of the study includes to know the frequency of the customers visiting the Big Bazaar and to know the gender, age, occupation and Income of respondents visiting the store. The scope of the study involves ascertaining the customer perception towards various areas such as price promotion offered, food items offered, billing system, cleanliness, quality of product, product variety and parking facility etc.. So the study tried to get the responses almost all kinds of respondents. Research design of the study the type of research design used was the descriptive research design and sampling procedure that was followed was random sampling. The research methodology includes the methods and techniques for conducting a research, and the total sample size for the study is 100 respondents across all the ages, income category, occupation and gender.

II. REVIEW OF LITERATURE

Jain and Talreja (2013) in their study argued that organized retail stores besides enhancing the quality of their products and services should also focus more on enhancing the various aspects of retailing like visual merchandise, parking facilities, space in the store. They further argued that customers buy food products mainly from these convenience stores due to various air conditioning facilities as compared to other products which don't require the air conditioning.

Tiwari and Abraham (2010) according to their study which was carried out in Raipur city to understand the customer behavior towards shopping malls, they asserted that as more and more shopping malls are coming up in India, it gets imperative to understand the needs and desires of the targeted groups so that the products/ services

could be delivered accordingly. This will help the marketers to impose their products in the minds of the customers in the desired way.

Sharma, Shiva Kumar R. (2012) in his study customer attitude towards shopping malls in Mumbai argued that shopping malls are ideal place for not only buying the products and services, but also provide an ideal platform for social interaction among people of all ages.

Singh and Agarwal (2012) revealed in their study that customers are shifting the grocery shopping preferences from local kirana stores to the organized convenience stores. According to their study, the two main factors which motivated customers to shift their purchase preferences were wide brand choices available at these convenience stores and the use of credit cards for shopping in these convenience stores.

Thakur and Kumar (2014) in their research observed that the various factors which motivate the customers to buy the products from the shopping malls are large variety of brands, quality of products, adequate service and availability of new products in the stores.

Research Gap

From the above review of literature, it was found that retail sector in India is one of the major determinants of the economic growth of the nation. Besides majority of the researchers have carried out their researches to highlight the role of retail sector in the growth of economy of the nation. The present study is carried out with the same focus albeit on an incremental basis.

III. OBJECTIVES OF THE STUDY

1. To study how the customers perceive the quality of products and services offered at Big Bazaar.
2. To study the customer's satisfaction towards the availability of different brands.
3. To know how customers perceive the prices of goods offered at Big Bazaar.
4. To identify valuable suggestions and to improve services at Big Bazaar.

Hypothesis

Large variety of products is not available at Big Bazaar.

Data sources

The data sources used here are primary data and secondary data.

Primary sources

The primary data for this study was collected through questionnaires. This method of data collection is quite popular, particularly in case of big inquiries. The questionnaire has been used to survey the customers who visit the Big Bazaar store

Secondary Data

Secondary data is the information which already exists. Secondary data is collected from internet, journals, magazines, books, dissertations etc. Very little research specific data was available; hence much emphasis is given to primary data

Research approach

Survey method was adopted in order to collect the primary data required for the study.

Research Instrument

Structured questionnaire was used to collect the data from the respondents. Reliability and validity of the instrument was tested with the help of the calculation of value of cronbach's alpha. The values calculated were higher than minimum value of 0.70 as specified by the Mukhopadhyaya in 1998.

$$1.96 * S.D. / \sqrt{N-n}$$

S.D= Standard Deviation, N= total population, n= Sample taken from the population.

Interview schedule was designed with open-end and close-end questions. The interview schedule was designed in such a manner so as to cater to the all areas and aspects of all study.

Sampling plan

- a) Sampling unit: A customer visiting Big Bazaar is identified as sampling unit.
- b) Sampling size: The total sample size for the study was 100 respondents. Sample size was taken as 100 units for the convenience purpose.
- c) Sampling procedure: Random sampling.
- d) Research design: Descriptive Research

IV. RESULTS AND DISCUSSION

Table 1: Summary of data collection on various aspects of customer perception.

Perception of customers	Questionnaire issued	Returned	Not Returned	% of return to % issued
A. Quality	35	35	0	100
B. Price	30	28	2	93
C. Promotion	18	15	3	83
D. Availability of Brands	17	16	1	94
Total	100	94	6	94

Research Question One: How often do you visit BIG BAZAAR?

Table 2

	Number of respondents	In percentage
Two times a week	30	30%
Once in a week	35	35%
Fortnightly	6	6%
Monthly	14	14%
Special events	15	15%
Total	100	100%

The above table(2) shows the frequency with which the customers visit big bazaar, the major respondents about 35 % are visiting once in week, 30 % of respondents visiting 2 times in a week, 15 % of respondents visiting in special events ,and 14 % of customers visit monthly. Hence majority of the respondents are visiting the big bazaar usually on weekends.

Research Question two: Did you visit any other retail shops?

Table 3

	Number of respondents	In percentage
Reliance mart	47	47%
More	18	18%
Central	14	14%
Food world	11	11%
Metro	10	10%
Total	100	100%

The above table (3) shows that 47% of respondents visit Reliance mart,18 % of respondents visit More,14% of respondents visit to Central, 11% of respondents visit food world and only 10 % of respondents visit metro. Hence Big Bazaar has so many competitors to confront with.

Research Question 3: Compared to other retail shops, quality of products offered at Big Bazaar is?

Table 4

	Number of respondents	In percentage
Very high	14	14%
High	23	23%
Medium	53	53%
Low	10	10%
Total	100	100%

The above table (4) shows the customer perception towards quality of products. 14% of the respondents are completely satisfied, 23% of respondents are highly satisfied, 53% respondents moderately satisfied and 10% are not satisfied with product quality offered in Big Bazaar.

Research Question 4:How do you perceive the prices offered at Big Bazaar?

Table 5

	Number of respondents	In percentage
High	30	30%
Average	63	63%
Low	7	7%
Total	100	100%

The above table shows the perception of customers regarding the prices offered in Big Bazaar. about 30% of the customers feel prices are high at Big Bazaar, 63% of customers perceive the prices are average at big bazaar, while as 7% of the respondents perceive the prices at Big Bazaar as low.

Research Question 5: What is your opinion about the prices of products in Big Bazaar compared to others?

Table 6		
	Number of respondents	In percentage
Affordable	37	37%
Value for money	33	33%
High	27	27%
Very high	3	3%
Total	100	100%

The above table (6) shows the price of products in Big Bazaar compared to other retail stores, majority i.e. 37% of the respondents feel the prices in Big Bazaar are affordable, about 33% of the respondents feel the price is value for money, 27% of respondents feel the price is high in Big Bazaar as compared to other retail stores and only 3% of respondents feel the price is very high.

Hypothesis Testing

Null Hypothesis: Large variety of products is not available at Big bazaar.

The product variety at big bazaar:

Table 7		
	Number of respondents	In percentage
A. Large	31	31%
B. B. Satisfactory	47	47%
C. C. Little	14	14%
D. Insufficient	8	8%
Total	100	100%

Table: Chi-Square contingency values of Customer perception towards Variety of products at Big Bazaar.

Table 8				
Product Variety	A	B	C	D
Observed	31	47	14	8
Expected	24.75	33.29	12	5.8

To specify the calculations, a table will be framed and used as below:

Table 9					
Product Variety	O	E	O-E	(O-E) ²	$\frac{(O-E)^2}{E}$
A	31	24.75	6.25	39.06	1.58
B	47	33.29	13.71	187.96	5.65
C	14	12	2	4	0.33
D	8	5.8	2.2	4.84	0.83
Total					$\Sigma 8.39$

From table (9), the calculated value of chi-square = 8.39.

Here we use the total value of chi square for comparison at 5% significance level by taking into consideration the chi-square distribution table, the critical value of chi square at significance level of 0.05 is 3.74

Decision Rule

Since the calculated value of chi square=8.39 is greater than the critical value of 3.74, hence we accept the alternate hypothesis and reject the null hypothesis that there is large variety of products (Brands) available at Big Bazaar.

V. MAJOR FINDINGS OF THE WORK CONDUCTED

1. Majority of the respondents perceive that newspapers possess the major portion of information about the Big Bazaar, which is 35%, 23% of the respondents come to know through magazines, 17% of respondents through relatives, 11% of respondent come to know through internet, while 16% of the respondents came to know through other sources. So Big Bazaar should focus more on the newspapers and magazines to make all the customers aware about their various promotional offers.

2. Majority i.e. 37% of the respondents feel the prices in Big Bazaar are affordable, about 33% of the respondents feel the price is value for money, 27% of respondents feel the price is high in Big Bazaar as compared to

other retail stores and only 3% of respondents feel the price is very high. It clearly shows that the majority of the respondents feel that the prices are affordable and the price is value for money in Big Bazaar.

3. majority of the respondents i.e. 76% of the respondents feel that the offers like discounts, gifts, combo offer and buy one get one free, etc. influence people to shop in Big Bazaar and only 26% of respondents feel offers does not influence their purchase decision.

4. Another finding is regarding the customer perception towards discounts offered at Big Bazaar, it is clear that 38% feel good, 41% feel average, 21% feel very good about that discounts offered at Big Bazaar. Thus we can say that the discounts offered during festivals and in other seasons are effective and most of the respondents feel happy about discounts offered at the store.

5. This finding is regarding the customers purchase preference at big bazaar. Majority of the respondents about 31% are like to purchase food products (available different variety of brands and also cheap as compare to other retail outlets), 23% of the respondents feel better purchase home products, 22% of the respondents purchase clothing products (due to less price and better quality), 10% purchase electronic goods (due to less product varieties) 14% of the respondents are interested in purchasing all the above products. So it is clear that more customers purchase food products than other products.

6. Another finding is regarding the satisfaction level of customers towards the brand availability of Big Bazaar. Out of total respondents, 51% are satisfied with brand availability at Big Bazaar. 9% of the respondents are highly satisfied with brand availability at Big Bazaar, 21% are moderately satisfied with the range of products at Big Bazaar. 19% of the respondents are unsatisfied with the range of products at Big Bazaar, So the majority of the respondents are satisfied with the range of products available at Big Bazaar.

7. Majority of the respondents i.e. 53% are moderately satisfied with the product quality offered at Big Bazaar. 14% of the respondents are completely satisfied, 23% of respondents are highly satisfied and 10% are not satisfied with product quality offered in Big Bazaar. It is clear that the respondents are quite happy with the quality of products offered in Big Bazaar.

8. Majority of the respondents i.e. about 35% of the respondents would like to visit the store once in a week; this day will be mostly weekend i.e. Saturday and Sundays, about 30% of the respondents would like to visit the store more than 2 times in a week (hotel members and house wives). Only 6% respondents would like to visit once in a fortnight. about 14% of the respondents would find it ideal to visit once in a month (job holders) and at least 15% of the respondents would like to visit occasionally as most of them do not want to miss the experience of shopping or due to need that arise for the products

Recommendations

Although the Big Bazaar has been targeting the middle class families from the past few decades, but it should look beyond the specific group and should try to cater to the needs of other classes. It should focus more on its strengths than on competitor's weaknesses. Innovation in its marketing programmes is another aspect to look into. Fresh marketing programmes should be designed to attract more varied customer groups. Remodeling of the stores needs to be done to enhance the spacing and visual merchandise in the stores.

Limitations of study

Some of the limitations of the study are:

Due to the time constraint the study was limited to Bangalore City and the number of the questionnaires was restricted to 100.

It is assumed that the respondents understood the questions in the interview schedule as they were supposed to. The chances of misunderstanding were remote but it cannot be ruled out.

Scope for future Research

The research was carried out with a purpose to contribute towards the growth and development of the retail sector in India. The research provides a base to other researchers to carry out the further research by using other determinants of the sector.

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