

RESEARCH PAPER

A STUDY ON THE EFFECTS OF ATMOSPHERICS ON CONSUMER BUYING BEHAVIOUR AT SHOPPERS STOP

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ABSTRACT

Today, shopping has become a more delightful activity, then merely looking for and buying products or offerings that satisfy one's wants. The process of acquiring these products is all the more fascinating to many. With the retail environment undergoing a huge change, a customer now is more involved in the process of seeing, choosing and selecting what he wants, and this can be done at his own leisure, space and time. Initially, shopping was known to be inherently a female activity, but as the offerings for males has also increased and people demand better lifestyles, the male shopper also takes care about what is to be bought and after how much of examination.

Shopper's Stop, being a family store, caters to all kinds of customers and to the entire family. The store is frequented by shoppers of various profiles and ethnic diversities which is a big challenge for the store. The objective of this paper is to do an analysis of customer's view about Shoppers' Stop. Questionnaires were filled by customers and analysis was done to analyze the views of customers.

Keywords: *Atmospherics, Consumer Behavior, Retail, Footfall, International Affiliation*

1. INTRODUCTION

How many times in a day do people make product decisions? Think for a while and one realises that many product decisions are made every day, some without much thought. What should I wear? What should I eat? What am I going to do today? Many product decisions are answered on a routine basis every day and they help move the economy of cities, countries and ultimately the world.

Product decisions also shape life for the consumers. How can simple decisions be so important? Why do marketers spend millions of dollars to uncover the reasons behind these decisions? These are some things that are discussed in the research paper.

2. CONSUMER BUYING BEHAVIOUR

It is defined as the study of consumers and the processes that are used to choose, consume, and dispose of the products and services. A more in depth definition will also include how that process impacts the world. Consumer behaviour incorporates ideas from several sciences including psychology, biology, chemistry and economics.

"All marketing decisions are based on assumptions and knowledge of consumer behaviour," (Hawkins and Mothersbaugh, 2007). Researching consumer behaviour is a complex process, but understanding consumer behaviour is critical to marketers-they can use it to:

- Provide value and customer satisfaction.
- Effectively target customers.
- Improve products and services.
- Create a competitive advantage

- Understand how customers view their products versus their competitors' products.
- Expand the knowledge base in the field of marketing,

3. RETAIL

Retailing consists, those business activities involved in the sale of goods and services to the customer for their personal, family, or household use. Retailer is someone who cuts off or sheds a small piece from something. Retailing is a set of activities that markets and sells products or services to final consumer for their own personal or household use. Retailer does this by procuring product from a number of sources and then supplying them to customers on relatively small scale. Retailer is a person or agent or an agency, company or an organization that is instrumental in reaching the goods or merchandise or services to the end users or ultimate customers.

This study was done to know the customer behavior at shopper stop and also to find out how the store environment influences the shopping behavior of the customer and to know which section in the shopper stop have a good merchandising mix and to know how the store environment can be improved.

4. INDIAN RETAIL INDUSTRY

The Indian retail industry is the fifth largest in the world, comprising of organized and unorganized sectors. It is also one of the fastest growing industries in India, especially over the last few years. Though initially, the retail industry in India was mostly unorganized, however with the change of tastes and preferences of the consumers, the industry is

getting more popular these days and getting organized as well. With growing market demand, the industry is expected to grow at a pace of 25-30% annually. The India retail industry is expected to grow from ` 35,000 crore in 2004-05 to ` 109,000 crore by the year 2010.

In the Indian retailing industry, food is the most dominating sector and is growing at a rate of 9% annually. The branded food industry is trying to enter the India retail industry and convert Indian consumers to branded food. Since at present 60% of the Indian grocery basket consists of non-branded items. It is expected that by 2016 modern retail industry in India will be worth US\$ 175- 200 billion. Indian retail industry is going through a transition phase. Though retailing in India is undergoing an exponential growth, the road is full of challenges.

5. ATMOSPHERICS

It refers to the design of an environment through visual communications, lighting, colors, music and fragrance to stimulate customers perceptual and emotional responses and ultimately to affect their positive purchase behaviour. It becomes even more important if retailer wants to make a very strong image for himself and if his total sales are dependent upon how customer perceives the retailer. Atmospherics can have a very positive effect on the purchases done by customer. Good music, fragrance, and pleasant environment can make a customer spend more time on the floor and this can lead to higher purchases done by him.

6. COMPANY PROFILE

Shopper's stop is not just another hyper market. It caters to every need of your family style. Where shoppers stop scores over other stores is its value for money proposition for the Indian customers. Shopper's stop was founded was founded by K. Raheja group in the year 1991. Setting up shop in 1991 with its flagship store in Andheri, Mumbai, Shoppers' Stop is a member of the K. Raheja Corp. of Companies. Shoppers' Stop is the first retail venture by the K. Raheja Corp. Promoted by Mr. Chandru L. Raheja, Mr. Ravi C. Raheja and Mr. Neel C. Raheja, the K. Raheja Corp. have been leaders in the construction business for over 48 years. With its wide range of merchandise, exclusive shop-in-shop counters of international brands and world-class customer service, Shoppers' Stop brought international standards of shopping to the Indian consumer providing them with a world class shopping experience. Expanding its operations to Bangalore, Hyderabad, Jaipur, Delhi, Chennai, Mumbai (Andheri, Bandra, Chembur, Kandivli, Mulund), Pune, Gurgaon and Kolkata, Shoppers' Stop is today recognised as India's premier shopping destination. With a customer entry of about 50,000 customers a day, a national presence with over 6,00,000 square feet of retail space and stocking over 250 brands of garments and accessories, Shoppers' Stop has clearly become a one stop shop for all customers.

International Affiliations: Shoppers' Stop is the only retailer from India to become a member of the prestigious Intercontinental Group of Departmental Stores (IGDS). The IGDS consists of 29 experienced retailers from all

over the world, which include established stores like Selfridges (England), Karstadt (Germany), Shanghai No. 1 (China), Matahari (Indonesia), Takashimaya (Japan), C K Tang (Singapore), Manor (Switzerland) and Lamcy Plaza (Dubai). This membership is restricted to one member organization per country/region.

7. REVIEW OF LITERATURE

Piyali Ghosh, Vibhuti Tripathi and Anil Sharma in their research paper concluded that Store atmospheric attributes such as colour, lighting, sales personnel, music affect the image of the store are very important in attracting customers. Retailers have realized the importance of such attributes and systematically try to improve ambience including appropriate colours, music that attract their target customers.

S. Ramesh Kumar & Dinesh Kumar, in their research article "*Exploring consumer retail shopping experience*" showed that stock availability, quality, brand variety, knowledgeable salesperson and product display are likely to have a significant impact on store image.

Kaul in his research article "*Consumer shopping behaviour among modern retail formats*" found out that individual determinants such as shopping intension, attitude toward retail outlet and shopping habit play important role on consumer shopping decisions. So retailers should concentrate on strategies in building consumer positive attitude towards their retail, so that consumers visit their retail store in order to make purchases regularly.

Leung & Oppewal, in the research paper "*The roles of store and brand names in consumer's choice*" concluded that a high-quality brand or high-quality store is sufficient to attract the customer to a retail store. The study also revealed that store names have a larger impact on store choice than the brand names of the products that these stores have on offer.

Tripathi & Sinha, in their research paper "*Study of consumer behavior with respect to shopping*" opined that retail store choice does not come from the perspective of an individual but of the family. They argue that it is mostly the family and not the individual who is the consumer of the retail offering.

8. OBJECTIVE & SCOPE OF THE STUDY

- To understand the influences of atmospherics on shopping behaviour of customers at Shopper's Stop.
- To understand whether Atmospherics have a positive or negative effect on customers buying behaviour.

Type of Study: The study uses both qualitative and quantitative techniques. The analysis is descriptive in nature.

Source & Tools for Collection of Data: For this study questionnaire method of data collection is used. A structured questionnaire containing 16 questions was formulated and was administered to the employees. The

data so collected was tabulated, analyzed & calculated to find out the final conclusion.

Sample: This is convenience sampling. The sample units were Customers who were found at Shoppers Stop store at three venues of Jaipur i.e. World Trade Park, C-Scheme and Jothwara

Sample Size: The questionnaire was filled by 200 respondents for the purpose of this study.

Method of Analysis: The analysis was descriptive. The

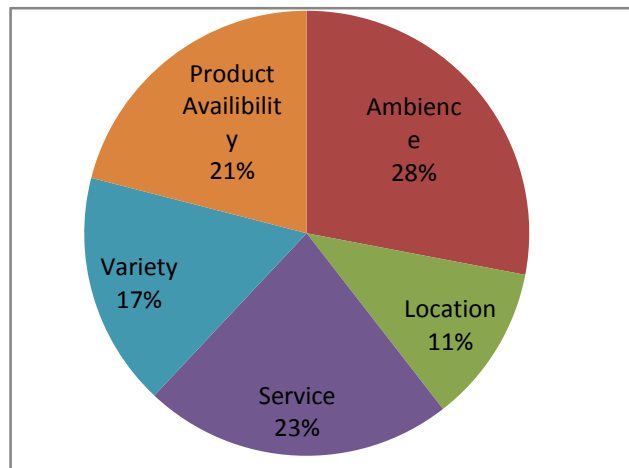
data collected was tabulated. The frequencies of response were measured using percentage as a tool. Logical analysis was done. Evaluation was made by using inferences and final conclusion was drawn.

9. LIMITATION OF STUDY

- The data collected under this study is restricted to respondents of 3 locations in only Jaipur city.
- Many respondents were reluctant to furnish responses.

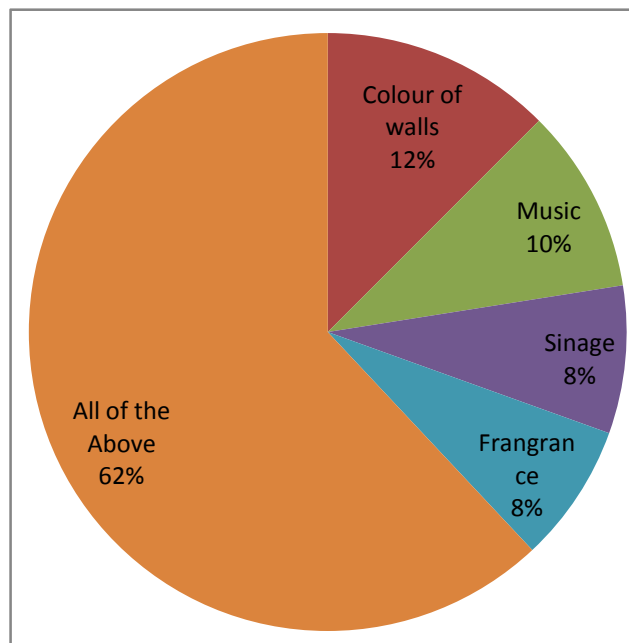
10. DATA ANALYSIS AND INTERPRETATION

Q.1. What affects the choice of a retail store?



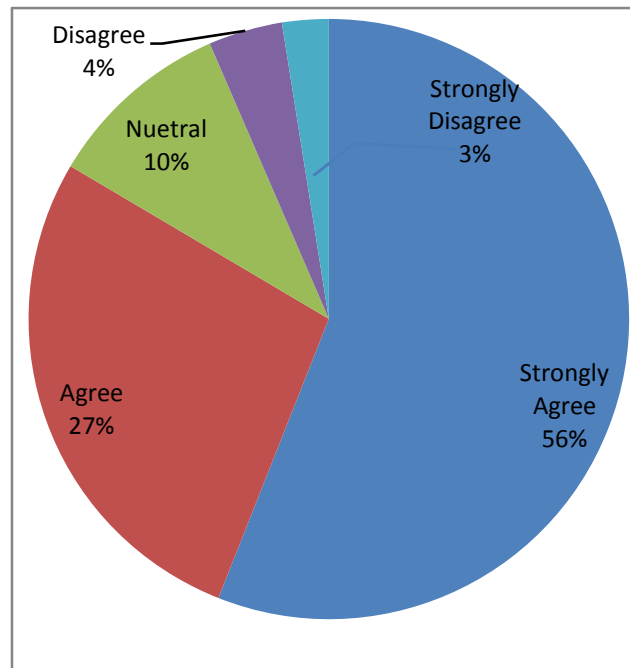
The pie chart shows out of all the options provided to respondents ambience is the most important factor for customers while choosing a retail store as 28% of customers chose this option. The least important is location. The reason as to why location is least important is that these days people don't mind traveling to far off places if they get what they want at a distance also.

Q.2. According to you what includes atmospherics of a retail store.



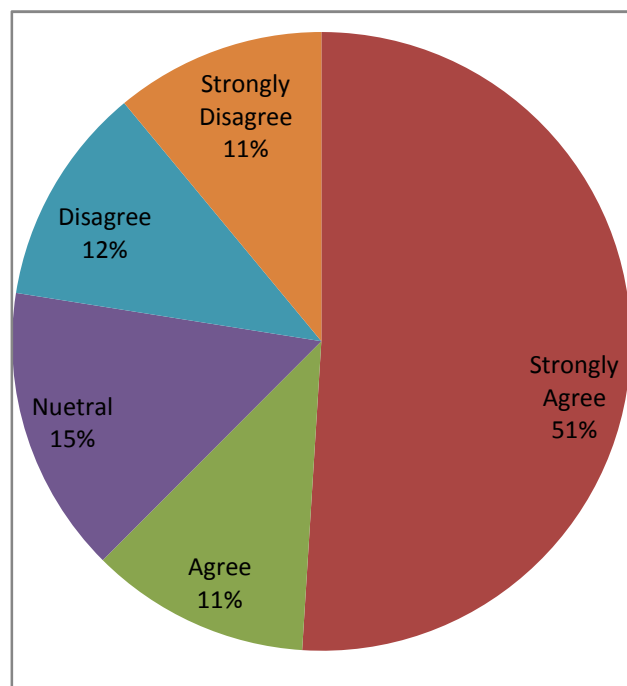
The Second question put forward to the respondents was about the atmospherics. This question was asked to find whether customers actually understand the meaning of atmospherics or not. To this the replies given by respondents shows that more than 50% of the respondents understand the meaning of atmospherics and also know that it includes music, fragrance, signage and color on the walls etc.

Q.3. You notice the atmospherics of a retail store when you enter.

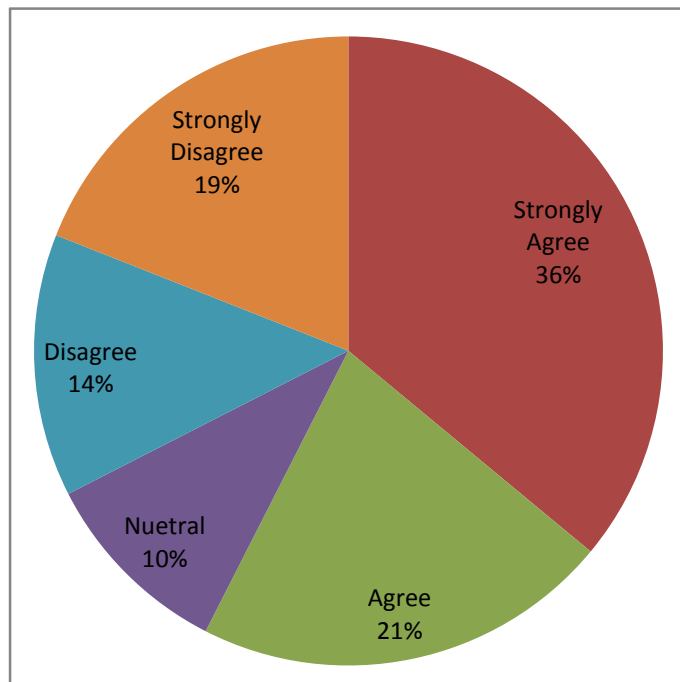


The above pie chart shows whether atmospherics hold any importance for the customers or not. This shows that 54% of respondents feel that they always notice the interiors and atmosphere of a retail store when they go for shopping. Only 3% say that they don't notice the atmospherics. This signifies that good atmospherics are defiantly very important for retailer and retailers should pay due attention to it.

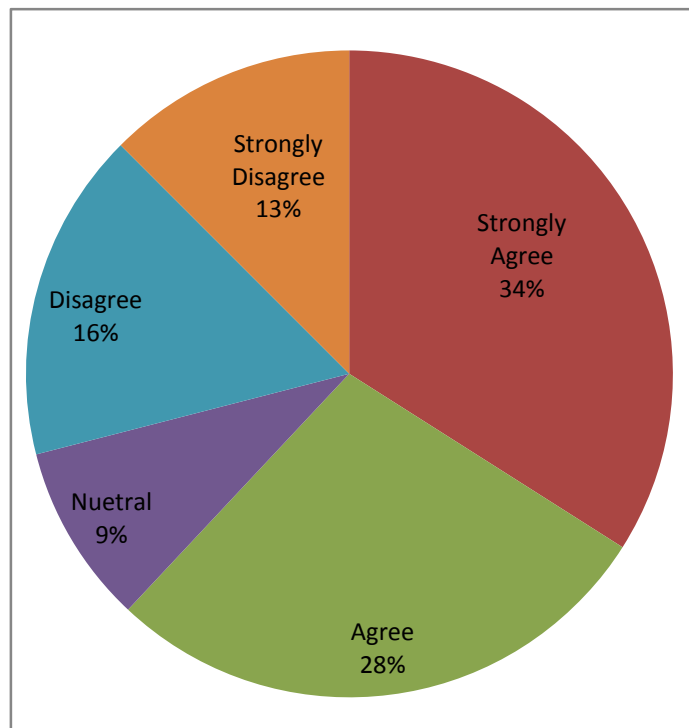
Q.4. Atmospherics have a positive Effect on your buying behaviour.



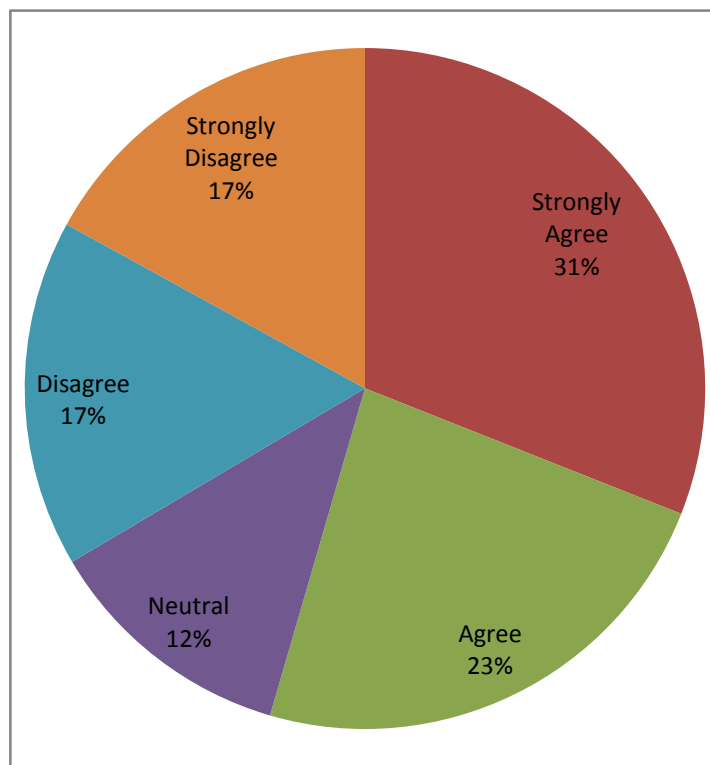
51% of the respondents feel that atmospherics have a positive effect on their shopping behaviour which means that in good atmosphere shoppers buy tend to make more shopping. Only 11% respondents feel that it doesn't make them buy more. So we can say that good atmosphere has a psychological effect on the buying behaviour as they feel more comfortable in such environment.

Q.5. Shoppers Stop has a balanced mix of atmospherics in the store.

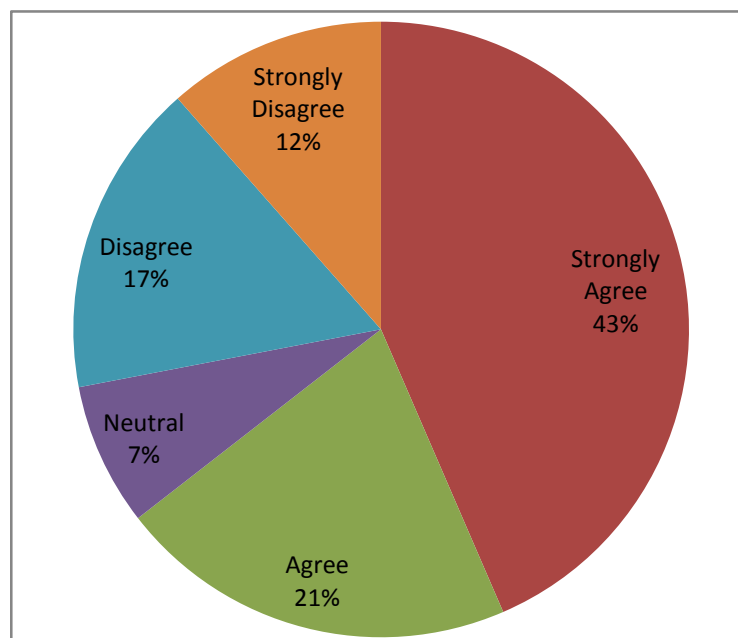
When asked about the atmospherics of Shopper's Stop 36% people responded that they like it a lot, while 21% agreed that the atmospherics are well groomed at Shopper's Stop, 19% of respondents feel that shopper's stop does not at all has a good mix of atmospherics and 14% feel that it is not good while 10% were neutral about the atmospherics in the concerned retail store.

Q.6. Interior of the shoppers stop dragged you to the store for shopping.

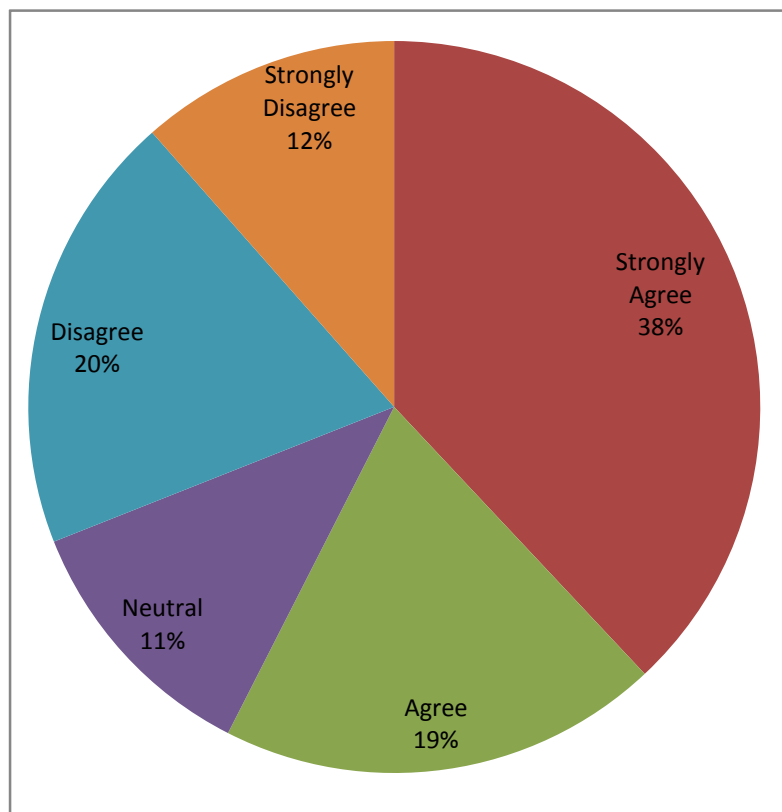
This is a truth that today people go for casual window shopping in malls and when they like some store from outside or find interiors of a store attractive they enter and shop in that store. 34% of the people agreed that interiors of shopper's stop did compel them to go in the store and 28% said that to some extent interiors were responsible for entering the store. Only 13% said that they never went into Shopper's Stop because of the interiors.

Q.7. Good music and fragrance of the store makes me stay for longer period.

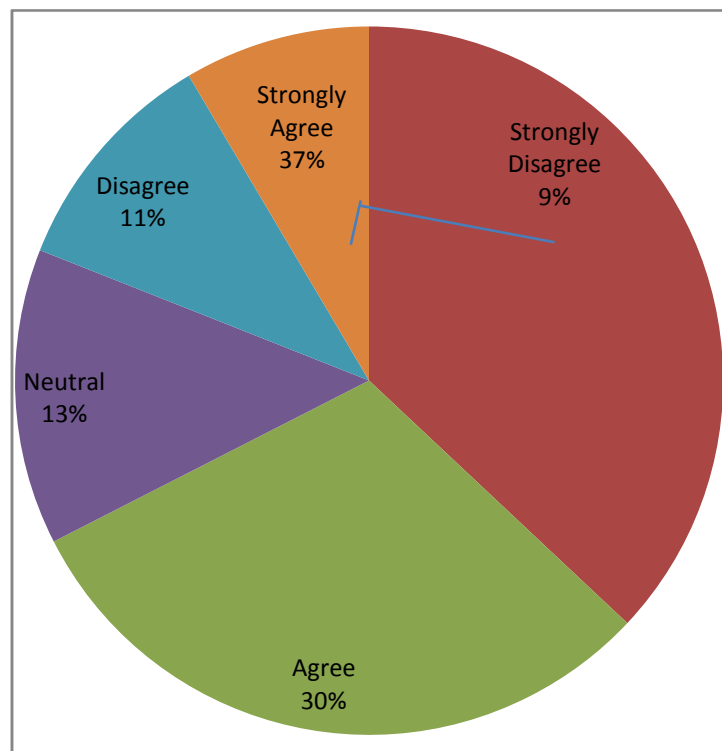
31% of the respondents feel that good music and fragrance makes them feel more comfortable in a retail store and they stay for longer period in the store which sometimes directly and sometimes indirectly leads to more shopping if not planned then impulse buying. Only 17% feel that it does not affect their shopping behaviour.

Q.8. Does good environment of Shopper's Stop makes you do unplanned shopping.

41% people very strongly feel that good environment of a store makes them do unplanned shopping in a retail store. 21% agree, 7% are neutral, 17% disagree and 12% strongly disagree that good shopping environment makes them to do unplanned or impulse shopping.

Q.9. Ease in finding a product affected my size of shopping positively.

Ease in finding a product makes people do quick shopping and this also helps them in location more product in lesser time so the question is whether it leads them to do more shopping or not. 38% people feel that yes it does make them do more shopping while 12% people completely disagree with this statement.

Q.10. Products placed in an attractive manner increase my shopping.

Attractiveness in placing the product the products is a key to increased shopping by customers. This statement is regarded as true for a total of 67% of respondents out of

which 37% strongly agree with it while 30% agree with it. Only 9% strongly disagree with this statement.

11. KEY FINDINGS

- Ambience, product availability is key determinants for choosing a retail store for shopping.
- Attractively placed products have higher turnover as it motivates people to shop more.
- If customers are able to locate the products easily then they buy more.
- Customers find interiors of Shoppers Stop attractive which drags them inside and motivates them to shop more.
- Good music lets people feel good and they spend more time in the store.
- In a pleasant environment customers tend to do more unplanned shopping.

12. SUGGESTIONS

- Retailers should keep in mind that atmospherics are important for their sales.
- To induce people in impulse buying they need to make them more comfortable.
- Customers feel comfortable in an environment where there is good music and fragrance.
- If people are able to locate required products easily in retail store then they buy more products, so retailers should make use of proper sign boards in their store.
- Retailers should also pay attention while placing the products as good placement styles can make customers buy more.

13. CONCLUSION

From the above data analysis it is concluded that good environment of a store helps in retaining customers for longer period of time in the store which directly converts into higher sales. Ambience, product availability, attractively placed products increases turnover as it motivates people to shop more.

With regards to Shoppers Stop customers find its interiors very attractive and are also very happy with the overall package offered by it.

14. REFERENCES

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