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Purchase Dynamics of Home Appliances at Hypermarkets

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Abstract
Retail formats have been flourishing and hypermarkets are one such favoured format in India. Research has been galore on consumer electronics and fashion. Home appliances are the core elements of any household and it is prudent to comprehend the customer psyche. This research surveyed 147 home appliance customers at hypermarkets at Chennai to assess their perceptions besides analysing their satisfaction and loyalty levels.

Keywords: Retail, Hypermarkets Purchase satisfaction, Loyalty.

1. Introduction

India is witnessing tremendous growth in retail consumption which stems from a multitude of factors like increasing urbanisation, increase in nuclear families, greater affluence, attractive socio-demography, global aspirations and inclination towards branded products. The organised segment is steadily growing and more players are stepping in with ambitious plans for the morrow. However, there are equal amounts of bottlenecks that need to be faced like (i) inadequate infrastructure and distribution channels, (ii) inefficient supply-chain management, (iii) not on par with international standards, (iv) desperation for retail space, (v) shortage of trained manpower, and (vi) no fixed consumption pattern (web 1).

2. Review of literature

Kumar and Gupta (2015) suggested that company should make sure that products are accessible with approximately all the dealers so that buyer will not face any complexity in finding them. Ray and Choudhury (2015) revealed that producers have to preserve quality and features of their products, since value of the product has eternal criterion behind buying decision. Kalaiselvi and Muruganandam (2015) observed the buying behaviour and approach of buyers towards selected white goods and found that the factors that influence the buyers are price, sturdiness, quality, features, brand, needs, wants, search, inspiration, and satisfaction. Mirabi et al. (2015) stressed that the purchase intention habitually is related to the manners, perceptions and attitudes of customers. Tiwari et al. (2015) assessed the task of merchandising in escalating the customer's paces and satisfaction. A stores manager's

job becomes more critical these days as he has to constantly assess and develop the merchandising methods. Back and Kim (2015) examined the consequence of touch point activities and found that in the surroundings where different media co-exist, it is essential to execute marketing to raise consumer awareness at suitable times by accepting touch points of each media. Vijayalakshmi and Rao (2015) divulged that home appliance industry has been witnessing important growth in recent years because of several factors, such as retail boom, rising disposable income and accessibility of easy finance schemes. It was also found that the consumer electronic appliances, similar to refrigerators, microwave and washing equipment have low diffusion in the country, representing enormous space for future growth. Kalaiselvi and Muruganandam (2013) attempted to find the influence of promotional schemes on consumer feelings. Maximum consumers have attention in some of the promotional schemes such as price reduction, exchange system, warranty, etc. and also consumers desire price reduction at first, when compared to non- price schemes. Sharma and Garg (2015) revealed that purchasing behaviour of the consumers was manipulated by the store atmospherics and visual merchandizing. It also found that store atmospherics was one of the leading issues in shaping the consumer's purchasing behaviour. Eswari and Subramanian (2016) concluded that women consumer behaviour and fondness have a huge impact on the home appliance products. It was suggested that the sales promotional actions occasionally may assist women consumers to buy more (cannot remain equivalent). Swati (2016) attempted to study and recognize various satisfaction factors with regard to buying at organised or unorganised retail shops, savings from organised and unorganised retail shops and their fondness

of purchase. Kamarposhi and Bagheri (2015) emphasized that brand personality (brand loyalty and two traits authenticity and mildness which are related to brand's magnetism and competence traits) influences establishing consumer loyalty to brand.

3. Materials and methods
3.1 Research Design: Descriptive research design was employed.

3.2 Objectives of Research: The objective was to analyse the perceived satisfaction with retail purchase of home appliances at hypermarkets especially influencers like retail merchandise, touch points, store process, atmospherics, managers and frontline employees, pricing and promotions.

3.3 Sampling and data Collection: The population comprised home appliance consumers at Chennai. The frame comprised home appliance consumers at Chennai who purchased from hypermarkets. Random sampling (Malhotra and Birks, 2006) was employed. The sample size was 147 customers. Survey method was employed with the help of a structured questionnaire.

4. Data analysis and results
4.1 Retail Merchandise: Retail merchandise refers to "variety of products available for sale and the display of those products in such a way that it stimulates interest and entices customers to make a purchase" (web 3.2). The mean ratings for Retailer merchandise is summarised in Table 4.1

Table 4.1
Mean Ratings for Retail Merchandise

Retail Merchandise	Mean	Position
First to carry new products	3.0061	2
Carry variety of products / models	2.8171	5
Carry merchandise that is different	2.9451	3
Carry original products	3.0244	1
Leader than a follower	2.8902	4

Source: Primary Data.

"Carry original products" was rated highest and "Carry variety of products / models" was rated least with respect to retail merchandise.

4.2 Retail Touch Points: Retail touch points refer to "all of the communication, human and physical interactions retail customers experience during their relationship lifecycle with the organisation (retailer)" (web 3.3). The mean ratings for Retailer touch points is summarised in Table 2.

Table 2
Mean Ratings for Retail Touch Points

Retail Touch points	Mean	Position
Location of Store	2.8171	2
Number of Branches	2.6341	3
Size of the Store	2.8232	1
Store Online Presence (Website)	2.4451	4
Store Mobile Presence (App)	2.2561	6
Store's SMS	2.0793	7
Store's E-mails	2.3841	5

Source: Primary Data.

"Size of the Store" was rated highest and "Store's SMS" was rated least with respect to retailer touch points.

4.3 Retail Pricing and Finance: Retail pricing refers to "the total price charged for a product sold to a customer, which includes the manufacturer's costs plus a retail markup" (web 3.4). The mean ratings for Retailer Pricing and finance is summarised in Table 4.3.

Table 3
Mean Ratings for Retail Pricing and Finance

Retail Pricing and Finance	Mean	Position
Pricing is affordable.	2.5122	4
Pricing is better compared to other retailers).	2.9512	1
Discounts given by Retailer are reasonable.	2.5122	4
EMI Option schemes in this Store are appealing.	2.8841	2
Retailer's Tie-up with Financial Institutions are helpful	2.8232	3
Payment Modes (Cash, Debit / Credit card, Net Banking, Coupons) are convenient.	3.4451	6

Source: Primary Data.

"Pricing is better compared to other retailers" was rated highest and "Payment Modes (Cash, Debit / Credit card, Net Banking, Coupons) are convenient" was rated least with respect to retailer pricing and finance.

4.4 Retail Promotions: Retail Promotions refer to "set of marketing activities undertaken by the retailer to boost sales of the product or service" (web 3.5). The mean ratings for Retail Promotions is summarised in Table 4.

Table 4
Mean Ratings for Retail Promotions

Retail Promotions	Mean	Position

Gets customer attention.	2.7012	4
enhance confidence in purchase	2.9451	1
are exciting and tempting	2.7500	3
are honest and reliable	2.6951	5
Frequency is satisfactory.	2.9451	1

Source: Primary Data.

"Enhance confidence in purchase" was rated highest and "honest and reliable" was rated least with respect to retailer promotions.

4.5 Retail Store Process: Retail store process refers to "principles, processes and procedure of operating a retail store" (web 3.6). The mean ratings for Retailer Store Process is summarised in Table 5.

Table 5
Mean Ratings for Retail Store Process

Retail Store Process	Mean	Position
creates an involvement	2.8841	5
demonstrations and explanations are adequate	3.0061	3
Unknown beneficial information is given	2.8049	6
Transactions are error-free	3.0183	2
Transactions are smooth and systematic	2.8902	4
Hours of Operation is convenient	3.0671	1

Source: Primary Data.

"Hours of Operation is convenient" was rated highest and "Unknown beneficial information is given" was rated least with respect to retailer store process.

4.6 Retail Managers and Frontline Employees: Retail managers and frontline employees refers to "employees (managers) who deal directly with customers, or who are directly involved in making a product" (web 3.7). The mean ratings for Retail Managers and front line employees is summarised in Table 6.

Table 6
Mean Ratings for Retail Managers and Frontline Employees

Retail Managers and Frontline employees	Mean	Position
are knowledgeable	2.6280	4
give individual attention	2.7561	2
are courteous and willing to help	2.8171	1
respond to queries quickly	2.7012	3

Source: Primary Data.

"Courteous and willing to help" was rated highest and "Knowledgeable" was rated least with respect to retail managers and frontline employees.

4.7 Retail Store Atmospherics: Retail store atmospherics refers to "controllable characteristics of a retail space that entice a customer to enter the store, and which are designed to influence a customer's mood so as to increase the odds of a purchase being made" (web 3.8). The mean ratings for Retail store atmospherics is summarised in Table 7.

Table 7
Mean Ratings for Retail Store Atmospherics

Retail Store Atmospherics	Mean	Position
is interesting	2.9512	4
is different from other stores	3.1341	3
Signage are clear and appealing	2.9512	4
Merchandise arrangement	3.3841	1

easy to navigate this store (layout)	3.3232	2

Source: Primary Data.

"Merchandise is arranged in customer friendly way" was rated highest and "Ambience is interesting / fresh, Signage are clear and appealing" was rated least with respect to retail store atmospherics.

4.8 Overall Customer Satisfaction with Retailer: Customer satisfaction refers to "a measure of how products and services supplied by a company meet or surpass customers' expectations during a purchase process" (web 3.9). The responses for overall satisfaction with retailer is summarised in Table 8

Table 8
Overall Customer Satisfaction with Retailer

Overall Customer Satisfaction	Freq.	%
Poor	0	0
Satisfactory	51	31.1
Good	103	62.8
Excellent	10	6.1
Total	164	100.0

Source: Primary Data.

Majority of the respondent have given highest rating for "Good" and Lowest rating for "Poor" with respect to overall satisfaction with retailer.

4.9 Perceived Loyalty towards retailer: Customer loyalty refers to the "likelihood of previous customers to continue to buy from a specific organisation (retailer)" (web 3.10). The mean ratings for perceived loyalty towards the retailer is summarised in Table 9.

Table 9
Mean Ratings for Loyalty towards retailer

Loyalty towards retailer	Mean	Position
Renew my visits to this retail store.	2.6341	3
Recommend this Retail store to others.	2.7012	2
Spend more money in this Store in future.	2.7622	1

Source: Primary Data.

"Spend more money in this Store in future" was rated highest and "Renew my visits to this retail store" was rated least with respect to loyalty towards retailer.

5. Suggestions
Hypermarkets need to concentrate on improving the following at the earliest: stores need to carry a variety of products / models; (b) store needs to send SMS on a regular basis, (c) payment modes need to be more convenient, (d) promotions need to be honest and reliable, (e) beneficial information unknown to customer needs to be given in the store, (f) staff need to be knowledgeable, (g) ambience needs to be interesting and fresh, (h) signage needs to be clear and appealing, (i) store must endeavour to ensure that customer renew their visits to the store.

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