ABSTRACT

Indian retail industry is witnessing the emergence of different retail store formats. Retail customers are found to patronize multiple retail store formats to satisfy their shopping needs. Food and grocery sector, which occupies a predominant position in the Indian retail industry, is experiencing tremendous competition between retail formats. The present study explores the factors underlying cross-shopping behaviour of customers across traditional retail stores and supermarkets while buying food and grocery items. Independent variables used in the study are retail store attributes, consumer demographics and shopping motives such as customer engagement, shopping occasion, customer experience and value for money. Data for the present study has been collected using a structured questionnaire. The questionnaire has been developed based on previous research studies and focus group interviews. Convenience sampling technique is used for choosing the respondents and a total of 900 responses have been collected from customers. Descriptive statistics like frequency and mean have been computed to understand the demographic profile and shopping pattern of customers. Inferential statistics like independent sample t test, ANOVA, multiple correlation, regression and step-wise linear regression have been used to analyze the collected data. Structural Equation Modeling (SEM) has been employed to validate the proposed model of grocery retail consumer behaviour. The results indicate that the store attributes product, promotion and facility influence customers’ choice of supermarkets while the attributes price, location and customer service influence customers’ choice of traditional retail stores for buying food and grocery items. Shopping motives are found to moderate the relationship between retail store attributes and customers’ choice of retail stores. Consumer demographics like age, gender, marital status, education, occupation, income and family size are also found to have an impact on store format choice behaviour of customers. Customer satisfaction is found to mediate the relationship between stores attributes and re-patronage intention of customers.