

UNDERSTANDING THE SHOPPING JOURNEY: FACTORS SHAPING CONSUMER CHOICES IN LOCAL STORES

SUBMITTED BY

A.N.L. MANOHARI
Y. SWARNALATHA
DEPARTMENT OF COMMMERCE,
AG & SG SIDDHARTHA DEGREE COLLEGE, VUYYURU

ABSTRACT

Goal or objective: The descriptive research study set out to look into and comprehend, the Dynamics of In-Store Customer Behaviour: An Extensive Examination of the Elements Affecting Decisions to Buy Food **Tirupati** District research Products, Limited The aims investigate the elements affecting grocery product purchases Findings: - The purpose of the research is to identify the variables that affect consumers' choices to buy. Additionally, the research's findings will provide suggestions to companies and marketers on how to create in-store strategies in the retail industry in order to survive in a cutthroat market. Research Design, Methodology, and Approach: Using both quantitative and qualitative data, the study uses a descriptive research design. The respondents who have recently made an online purchase were chosen using the convenience sampling technique. Using statistical methods, the structural equations and modelling using confirmative Generalizability: The study looks at how broadly the results may be applied, and it becomes necessary to evaluate how customer behaviour is affected by variables that affect choices to buy in-store. Novelty: The study presents novelty by concentrating on a thorough examination of the variables impacting grocery product purchases made in-person, as well as by providing practical advice on how company owners and marketers may get a competitive edge.

Key words: - consumer behaviour, in-store shopping, purchasing decisions, business strategy, competitive advantage etc.

Introduction

Many variables affect purchase choices in today's competitive retail environment; retail organizations need to know which ones to capitalize on in order to increase sales. When a company discovers what drives consumers to make a purchase, it can adjust its retail presence to appeal to these drivers and put its brand front and center. Maintaining brand awareness in a retail setting requires an understanding of how marketing affects customer behavior, which is impacted by a wide range of variables. This study focuses on the factors that influence grocery product purchase decisions for in-store shopping in the Tirupati District. It is important to recognize that customer expectations are constantly changing due to macro factors, and brands need to be adaptable and accept change to satisfy customer needs. Understanding customers is crucial for go-to-market success.

STATEMENT OF THE PROBLEM

The goal of this study is to investigate the variables affecting consumers' choices to buy groceries when they purchase in-store in the Tirupati District.

SIGNIFICANCE OF THE STUDY

Customers' preferences for in-store and online shopping are pushing them to make purchases. However, maintaining profitability and building a satisfied customer base can be challenging in an online setting where there is little opportunity for interaction between staff and customers. As a result, factors that contribute to a

satisfied customer base are crucial. This research investigates the variables impacting grocery product purchases in Tirupati District as a result.

RESEARCH DESIGN AND DATA COLLECTION METHOD

The primary goal of the study is to conduct a thorough investigation of the variables affecting consumers' choices to buy groceries in-store in the Tirupathi District.

The following components make up the organized framework that is used to achieve this.

Research Design: In order to determine the features of the study issue, the researcher used a descriptive research design. It is a systematic and convincing investigation.

Sample Design: The convenience sampling approach was used by the researcher to gather data from a sample of respondents. This research is descriptive in character, and it analyzed and interpreted its findings using primary data.

Sample size: From in-store purchasing, the researcher selected 177 sample respondents for this study.

Sampling Area: The Andhra Pradesh city of Tirupati has been chosen by the researcher as the study region.

Statistical Tool: Tests using the structural equation model and confirmatory factor analysis are used to analyze the data.

DATA COLLECTION

Primary Data: It was gathered from Andhra Pradesh's Tirupati city's in-store patrons.

Secondary Data: It was gathered from books, periodicals, newspapers, journals, circulars, reports, and websites, among other sources.

The Instrument for Data Collection: Internet, mail, phone, interviews, and questionnaires.

REVIEW OF LITERATURE

D. Chakraborthy (2023) reported in his research paper that a longitudinal study was conducted with 418 respondents in the first phase and 392 in the second phase. The results indicated that consumers are more interested in grocery service applications (GSAs) than traditional stores due to the novel experience. Therefore, retailers should consider offering user-friendly options to pique consumers' interest and encourage them technology. According to M. Knof et al.'s (2023) study, while retailers are integrating smart technology and improving shop cleanliness, there is still room for significant improvement in the way customers browse for products and complete transactions in-store. Through semi-structured interviews and an exploratory qualitative method, B. Alxaender & A. Kent (2022) discovered the in-store importance integrating and applying technology to improve the In Rao V.N. (2021), an empirical study was carried out using primary data obtained from a survey using a valid questionnaire. The researcher covered various aspects of customer experience management by choosing a retail format in the retail industry and retail firms be more innovative in sustaining the According to research by Agnese Rondoni and Simona Grasso (2021), consumers who are more affluent and well-educated tend to care more about the environment and purchase foods labeled as eco-friendly. However, consumers are still unaware of carbon measurements; this awareness increases when carbon footprint labels are redesigned with symbols that appeal to consumers. It was also said that increasing consumer willingness to pay is achieved by labeling food produced environmentally with a carbon footprint. In order to create a system of carbon labels that is favorable to customers, food makers need educate them about carbon footprints. Diep et al. (2021) observed in this study work that 478 respondents experimentally evaluated and acknowledged that environmental living style and retailer's environmental reputation had a direct influence on consumers' purchasing behavior concerning sustainable packaging.

According to study by Maharani et al. (2020), in-store promotions, visual merchandising, and shop image propositions have a direct consumer impact value and Bhagat & Ravi (2020) Using mobile technology applications, the researchers found that stock availability, personnel management, in-store visibility, share of shelf, competition updates, and share of shelf were significant factors influencing sales performance in retail businesses. The research paper included **FMCG** merchandisers A conceptual model was created by Grewal et al. (2020) to comprehend a fresh and future in-store technology infusion. The research's conclusions include a number of hypotheses predicated on the notion that social presence and convenience may ignite vividness by raising consumer interaction, elaboration, and imagery—all of which eventually result in higher sales. to provide them a customized purchasing experience inside their physical retail company setting. The findings demonstrated that about the purpose of technology was to learn physical behavior of the RN In their study work, Naryan & S Mehendale (2022) examined 378 customers of temporary shops located around India. The results indicated that customers place a high value on quick and simple access to the store as well as the extent to which they may purchase a product.

RESEARCH QUESTION

Following an extensive assessment of the literature, the following query was put out for the inquiry. 1. How do the variables influencing in-store purchasing, customer satisfaction, and impulsive buying behaviour relate to one another?

Objectives

- 1. to create and evaluate a structural model that reflects the links between the variables influencing instore purchasing, customer satisfaction, and impulsive purchasing.
- 2. To investigate how customer experience and impulsive buying are directly impacted by variables that influence in-store purchasing behavior.
- 3. To investigate how customer experience influences the link between variables influencing impulsive purchasing and in-store shopping behavior.
- 4. To provide recommendations for improving in-store purchasing habits.

Hypothesis

- H1: The customer experience has favorable and substantial relationship with beacon technology. H2: The customer experience has a good and substantial relationship with social media integration. H3: experience is favorably and strongly correlated with social media and loyalty programs. H4: purchasing behavior has favorable and strong relationship with technology. a H5: The integration of social media is favorably and strongly correlated with the behavior of impulsive purchase. H6: There is a favorable and strong correlation between Impulse purchase behavior and social media and loyalty programs. purchasing behavior is favorably and strongly correlated with customer experience. H8: The association between beacon technology and spontaneous purchasing behavior is favorably and considerably mediated by customer experience.
- H9: The association between impulsive purchasing and social media integration is favorably and considerably mediated by the customer experience.

H10: The connection between social media, loyalty programs, and impulsive purchasing behavior is favorably and strongly mediated by customer experience.

Measurement Model

To assess the link between observable and unobserved variables in the measurement model and determine the significant difference between the various constructs, the first step in the SEM is to conduct a confirmatory factor analysis. The measuring model of the study included twenty-eight statements and six latent components, as shown in figure 1. Every statement has a single route derived from the latent variable, and all of the latent variables are correlated. Several model fit indices were used to assess the measurement model's model fit. The indices comprise incremental fit measures such as Tucker Lewis index (TLI) and comparative fit index (CFA), parsimony fit measures such as adjusted goodness of fit index (AGFI) and parsimony comparative fit index (PCFI), and absolute fit measures such as normed chi-square (χ2 /df), goodness of fit index (GFI) and root mean square error of approximation (RMSEA). When the χ2 /df value ranges from 5 to 1 (Arbuckle, 2009), the RMSEA is less than 0.08 (Browne and Cudeck, 1993), the GFI, TLI, and CFI values are greater than 0.9 (Hu and Bentler, 1999), and the AGFI and PCFI values are more than 0.5 and closer to the GFI and CFI values (Mulaik et a., 1989), the model is considered to be well-fitting. Furthermore, Hoelter's statistics calculate the sample size needed to get a suitable model fit (Byrne, 2010). Table 4.39's model fit indices indicate that all six latent variables in the study model had an unsatisfactory fit until a few items that were loaded below the threshold value were removed, at which point adding correlations between the error items led to a decent fit. χ2/df=3.744, GFI=.810, RMSEA=.125, TLI=.886, CFI=.899, AGFI=.744, PCFI=.829, χ 2= 992.070, p<0.000, Hoelter = 99 (.01), 94 (.05. Even though the measurement model's GFI value is less than the 0.9 threshold, certain research (Nayak, 2016; Zhang and Bartol, 2010; Chow and Chan, 2008) require that values that are marginally below the cutoff values be taken into consideration when determining what constitutes a good model.

Structural Model

Creating the structural model to evaluate the proposed linkages in the research model is the second step in the SEM process. To support the study's hypothesis, the structural model is discussed in four stages of this research. The first phase examined the link between customer experience (CM) and characteristics that effect in-store purchase behavior. The relationship between variables that influence in-store purchasing behavior and impulsive buying behavior (IBB) was examined in the second phase. The third stage was an analysis of the connection between impulsive purchasing behavior (IBB) and customer experience (CM). The last stage was a mediation analysis whereby the research variables were mediated by customer experience (CM).

Discriminant Validity

The degree of difference between one notion and the others is known as discriminant validity. For sufficient discriminant validity, the square root of the average variance extracted must be greater than the intermediate construct correlations. Rather, AVE ought to exceed the squared estimates of correlation between the variables. It explains why there is more variation across the constructs' claims than there is mutual sharing. The square root of the AVE of the variables, while off-diagonal values indicate correlations between the constructs. This requirement has been met by each concept, and the latent variables' sufficient discriminant validity has been acknowledged.

Structural Model

Creating a structural model to examine the connections in the research model that are hypothesized is the second phase in SEM. To verify the study's premise, the structural model is discussed in four sections of this research. Initially, the link between customer experience and variables influencing in-store purchase behavior was investigated. The relationship between variables influencing in-store purchasing behavior and impulsive purchasing behavior was examined in the second stage. The third step included examining the connection between impulsive purchasing behavior (IBB) and customer experience (CE). The function of the mediator among the research variables was examined in the last step of the mediation analysis using customer experience (CE) and impulsive purchasing behavior (IBB).

The structural model path coefficients reveal a positive and statistically significant association between BT and CE (β =.739, p<.001). As a result, the alternative hypothesis, H1, received support. A positive and statistically significant connection was found between SMI and CE (β =.008, p<.000). As a result, the alternative theory H2 was validated. SMLP and CE exhibited a substantial and positive relationship (β =.009, p<.000), supporting the acceptance of alternative hypothesis H3.

Relationship between factors impacting of in store buying behavior and impulse buying behavior.

In the second phase, the model's interpretation of the variables for the three factors—Beacon Technology (BT), Social Media Integration (SMI), Social Media and Loyalty Programs (SMLP), and their link to IBB—that are influencing in-store purchasing behavior was examined. The model exhibited a strong fit, according to an assessment of all fit indices with their threshold values (p<.000, χ 2 =711.076, χ 2/ df=4.336, GFI=.741, RMSEA=.137, TLI=.890, CFI=.905, AGFI=.669, PCFI=.579, Hoelter 37(.05), 49(.01)).

The link between BT and IBB was found to be positive and statistically significant, as shown by the structural model path coefficients (β =.257, p<.05). As a result, the alternative theory H4 was validated. SMI and IBB showed a positive and significant connection (β =.945).

p<.05. Thus, there was support for the alternative hypothesis H5. SMLP and IBB showed a positive and significant relationship (β =.113, p<.000), supporting the acceptance of alternative hypothesis H6.

Relationship between CE and IBB

The model was evaluated in the third stage, which also determined the CE variable's link to the IBB. The model exhibited a strong fit, according to an assessment of all fit indices with their threshold values (χ 2 =279.389, p<.000, χ 2/ df=3.351, GFI=.871, RMSEA=.115, TLI=.952, CFI=.964, AGFI=.791, PCFI=.538, Hoelter 30(.05), 39(.01)).

The structural model path coefficients reveal a positive and statistically significant association ($\beta = .238$, p<.000) between CE and IBB. Thus, there was support for the alternative hypothesis H7. relationships tested single All mediation the study were a structural in with identified its path coefficients to validate the hypothesized research model. Customer experience (CE) was viewed as a mediator in this research model, while impulse buying behavior (IBB) was the dependent variable depicted in figure 9. Independent variables included beacon (BT), social media integration (SMI), and social media and loyalty programs (SMLP). Thus, a direct relationship between variables influencing in-store purchasing behavior, customer experience, and impulse buying behavior was explored in the model. Additionally, an indirect relationship between variables influencing in-store purchasing behavior and impulse buying behavior through the mediating variable of customer experience was examined. The indices of model fit are quite high. $(\chi 2/df=3.744, GFI=.803, RMSEA=.125, TLI=.886, CFI=.899, AGFI=.664 PCFI=.579, Hoelter 30(.05), 38(.01))$ with $\chi 2=992.070$, p<.000.

Suggestions

The Tirupati district's in-store shoppers were the focus of the current investigation. According to the results of the present research, social media, loyalty programs, and technology features all improve customer experiences, which encourages consumers to make impulsive purchases when they shop offline. Based on its empirical results, the report makes the following recommendations. The offline shopping malls' use of new technologies has a big influence on consumers' spontaneous purchasing habits and overall shopping experience. The evolution of in-store consumers' impulsive purchasing behavior and their overall customer experience is greatly influenced by their choice of social media platforms. The majority of customers are drawn to making offline purchases using social media platforms that are appropriate for them. The study findings elucidate the noteworthy influence of in-store purchasing behavior on both customer experience and impulsive purchase behavior among conventional consumers. In order to attract and keep consumers, offline retail centers need to create loyalty programs that meet certain requirements.

Conclusion

The preceding conversations have shown that there is a correlation between organizational progress and consumer happiness. Appropriate implementation of customer services enables the process of determining client expectations and providing better products

and services.

Factors influencing client purchasing behavior must focus more on the attitudes, behaviors, and product knowledge of the customers. In order to improve consumer satisfaction and prevent impulsive purchases, the mall must continue to use effective CRM strategies.

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