

A Study of Customer Preference and Satisfaction of Hypermarket in Coimbatore City

Karthika.M

Assistant Professor, Sri Ramakrishna College of Arts and Science, Nava India, Coimbatore, India.

ABSTRACT - There always extant one or the other trend in shopping – be it fashion or grocery. Hypermarket is the emerging trend in shopping that combines all forms of shopping together. It is undeniable that people would shopping all their need under one roof. That is the rationale behind hypermarkets. Though it is novelty to the Indian culture, there is a huge response and welcome for it in India. As much as people love shopping their needs under one roof, there is a disparity between youngsters loving hypermarkets and elders having an aversion to it. This study sifts through every dimension of hypermarket to get a perspective of what gives complacency and how people are biased towards hypermarkets.

Keywords: Customer Preference, Customer Satisfaction, Hypermarket, Coimbatore City.

I. INTRODUCTION

A hypermarket is a retail store that is a combination of grocery supermarket and departmental store. For example: Wal-Mart Super centre, Reliance, Big Bazaar, SPAR etc where consumer is provided with an enormous retail facility with full line of groceries and general merchandise. When everything is given under one roof, people find it an embarrassment to the riches. To be more precise, people get overwhelmed. Hypermarkets are novelty to Indian consumers. This came into existence when British colonial government brought the idea for its officers to be able to shop under one roof. This has acted as predecessor for the present supermarket or Hypermarket. It is safe to say that these rely on urban area. It must be noted that these hypermarkets sell both domestic and international brands. Hypermarket retail industry was considered more vivacious than ever because of the industrialisation, macroeconomic performance of the country and need of organised retail segment. Due to modernisation and technological growth there was growth in personal disposable income in the last 15 years which made it necessary to have giant retail story where everything is easily accessible. Hypermarkets are giants and behemoths that are air conditioned making a place for people to feel day out of place. Similarly, to beef up the margins, hypermarkets in India have continuously strived to bring down the share of branded products, substituting them with the store brands and their own brands from bread to pulses in their stores.

1.1 OBJECTIVES OF THE STUDY

PRIMARY OBJECTIVE

1. To study about the impact created by hypermarkets in Indian economy
2. To know about the influences made by hypermarkets in the life's of Indian people

SECONDARY OBJECTIVE

1. To study the factors which influence customers in preferring hypermarkets.
2. To know about the product's that customers highly consume.
3. To examine the cost, quality, and efficiency of the products available at hypermarkets
4. To analyze the offers & discounts that is provided to the customers in hypermarkets

1.2 SCOPE OF THE STUDY

1. The present study is made to measure customer's preference and satisfaction towards hypermarket.
2. It also aims at analyzing the extent of the satisfaction of the customer's.
3. When compared to other stores or markets the customers prefer SPAR since there are more offer, discounts available by week wise and monthly wise.
4. The study also provides suggestions to the store, which would help them to retain their market and customer as many new entrances are taken place.

II. REVIEW OF LITERATURE

Severin et al. (2001) and Yilmaz (2004) showed that convenient location has the greatest impact on consumers' choice of center. Davies (1995) expressed that the way we think about retail location is dominated by the idea that the primary role of the retail store or the retail center is to attract the shopper to the location. An alternative paradigm exists, of taking retailing to where there are people, either at home or in crowds and this is likely to become more important for a number of reasons. Just because a crowd exists does not mean that the people in it can be easily converted to being shoppers. A number of factors will determine the likely levels of sales: the complementarity of the merchandise with the primary activity being followed

by the crowd; the ease with which they can exit from that activity; the associated issue of how much time they perceive is available to them; and the level of crowding. Burns and Warren (1995) opined that since the store mix and product offerings of many regional shopping malls are very similar, often the primary discriminator between many of these centers is merely location. Making the choice to shop at a regional shopping mall other than the one nearest to one's place of residence, therefore, does not appear to be a logical choice in many instances. Such behaviour, however, appears to be relatively common. It would appear, therefore, that regional shopping mall choice may not always be based solely on the offerings and location of the available shopping alternatives.

III. RESEARCH DESIGN AND METHODOLOGY

The sources of data used in this project report are both primary and secondary data.

3.1. Primary data:

Primary data consists of original information gathered from sample size of 77 respondents residing in Coimbatore

3.2. Secondary data:

Secondary data consists of information that already exists and that was collected in the past for some other purposes.

3.3 Sample design:

Size of Sample:

The sample size selected for the research is 77 in the area of Coimbatore, India.

3.4 Sampling technique:

Random sampling:

Random sampling is a procedure for sampling from a population in which (a) the selection of a sample unit is based on chance and (b) every element of the population has a known, non-zero probability of being selected.

IV. DATA ANALYSIS AND INTERPRETATION

TABLE 4.1: DISTRIBUTION OF SAMPLES BASED ON VARIABLES

S.NO	Category	Subgroups	Number	%	Total
1.	Age	Under 25 years	67	87.01	77
		25-35 years	8	10.39	
		35-45 years	2	2.60	
		45 years Above	0	0.00	
2.	Gender	Male	34	44.16	77
		Female	43	55.84	
3.	Nationality	Indian	74	96.10	77
		Foreigner	3	3.90	
4.	Occupation	Student	63	81.82	77
		Employee	8	10.39	
		Business	2	2.60	
		Retired	0	0.00	
		Homemaker	4	5.19	

INTERPRETATION:

87.01% of the respondents are 'Under 25 years', 10.39% of the respondents are 'between 25 to 35 years', 2.60% are 'between 35 to 45 years' and there are no respondents 'above 45 years'. 44.16% of the respondents are 'male' and 55.84% of the respondents are 'female'. 96% of the respondents are Indian and 3.90% are 'Foreigners'. 81.82% of the respondents are 'Students', 10.39% are 'Employees', 2.60% are doing 'Business', 5.19% are 'Homemaker' and there are no 'Retirees' in the respondents.

It is inferred from the above table that 87.01% of the respondents are 'Under 25 years', 55.84% of the respondents are 'female', 96% of the respondents are Indian and 81.82% of the respondents are 'Students'.

TABLE 4.2 Frequency of Visit to Hypermarkets

Frequency of Visit to Hypermarkets	No. of Respondents	Percent
Once in a week	14	18.18
Once in a month	30	38.96
On need basis	33	42.86
Total	77	100.0

Source : Primary Data

INTERPRETATION:

18.18% of the respondents visits once in a week, 38.96% of the respondents visits once in a month and 42.86% of the respondents visits on need basis.

It is inferred from the above table that (42.86%) of the respondents visits on need basis.

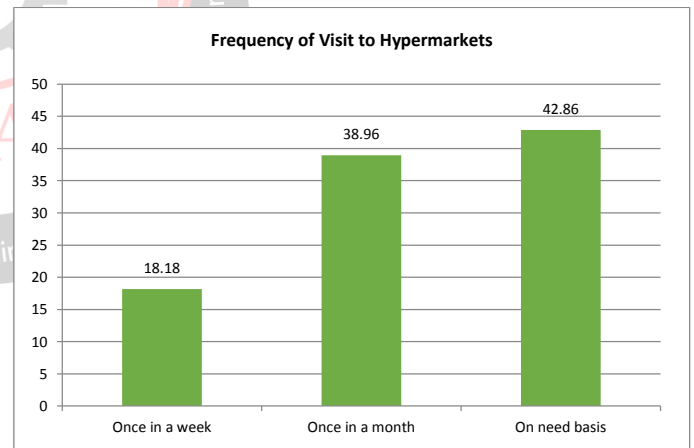


Figure 1 : Frequency of Visit to Hypermarkets

TABLE 4.3 SOURCE OF MEDIUM TOWARDS HYPERMARKETS

Source of Medium towards Hypermarkets	No. of Respondents	Percent
Newspaper	6	7.79
FM Radio / TV	5	6.49
Friends	21	27.27
Social Media's	37	48.05
Leaflets & Pamphlets	8	10.39
Total	77	100.0

Source : Primary Data

INTERPRETATION:

7.79% of the respondents choose newspaper, 6.49% of the respondents choose fm radio/tv, 27.27% of the respondents choose friends, 58.05% of the respondents choose social media and 10.39% of the respondents choose pamphlets.

It is inferred from the above table that a majority of the respondents (58.05%) choose social media.

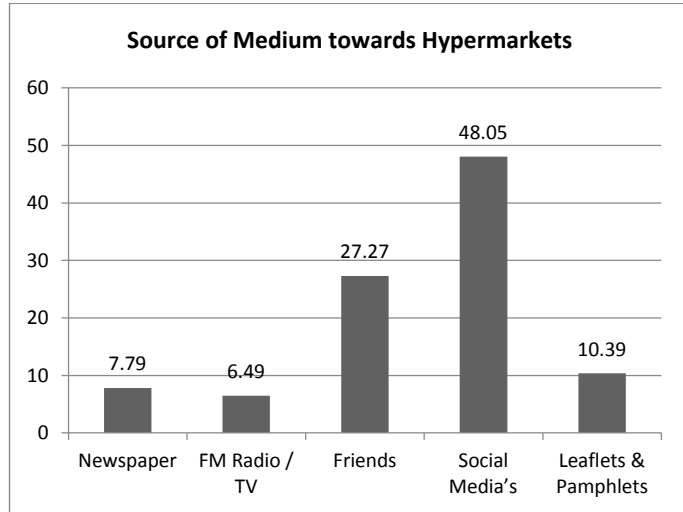


Figure 2 : Source of Medium towards Hypermarkets

TABLE 4.4 PARKING FACILITIES IN HYPERMARKETS

Parking facilities in hypermarkets	No. of Respondents	Percent
Good	33	42.86
Better	37	48.05
Should be improved	7	9.09
Total	77	100.0

Source : Primary Data

INTERPRETATION:

42.86% of the respondents feel it's good, 48.05% of the respondents feel it's better and 9.09% of the respondents feel it must be improved.

It is inferred from the above table that majority of the respondents (48.05%) feel it's better.

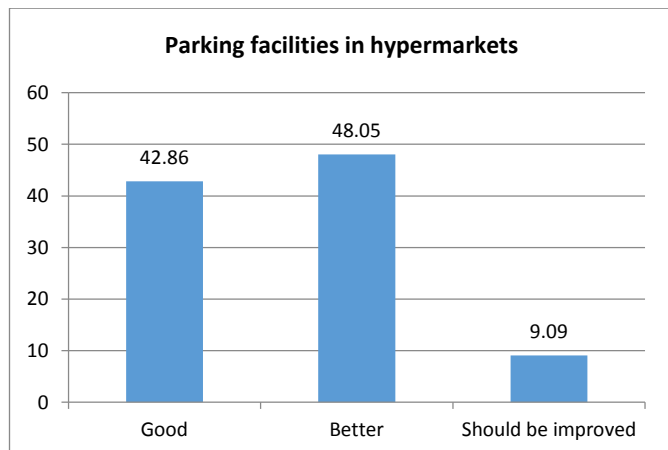


Figure 3 : Parking Facilities in Hypermarkets

TABLE 4.5 TIME GAP TO VISIT FOOD COURTS IN HYPERMARKETS

Time Gap to visit food courts in hypermarkets	No. of Respondents	Percent
Always	23	29.87
Rarely	44	57.14
Not at all	10	12.99
Total	77	100.0

Source : Primary Data

INTERPRETATION:

29.87% of the respondent always visits the food court in hypermarkets, 57.14% of the respondents rarely visits the food court and 12.99% of the respondents doesn't visit at all.

It is inferred from the above table that majority of the respondents (57.14%) rarely visits the food court in hypermarket.

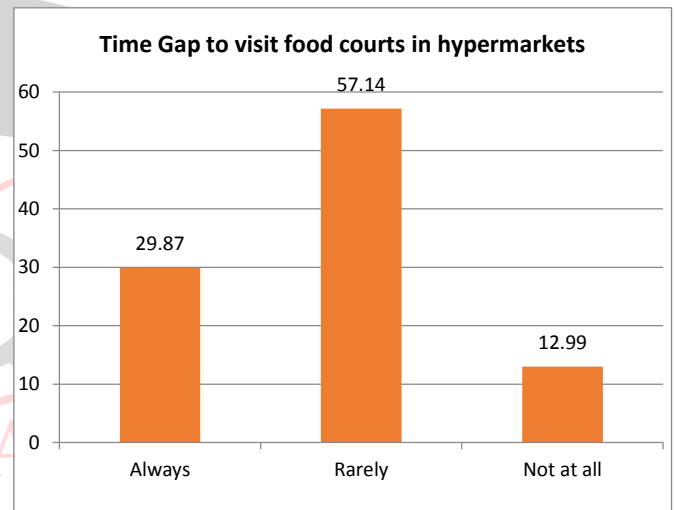


Figure 4 : Time Gap to visit food courts in hypermarkets

TABLE 4.6 TYPE OF DISPLAYS WHICH ARE ATTRACTIVE

Type of Displays which are Attractive	No. of Respondents	Percent
Counter display	17	22.08
Brand corners	41	53.25
End cap display	10	12.99
None	9	11.69
Total	77	100.0

Source : Primary Data

INTERPRETATION:

22.08% of the respondent choose counter displays, 53.25% of the respondent choose brand corners, 12.99% of the respondent choose endcap displays and 11.69% of the respondent says it doesn't matter.

The above table explicates that 53.25% of the respondents choose brand corner.

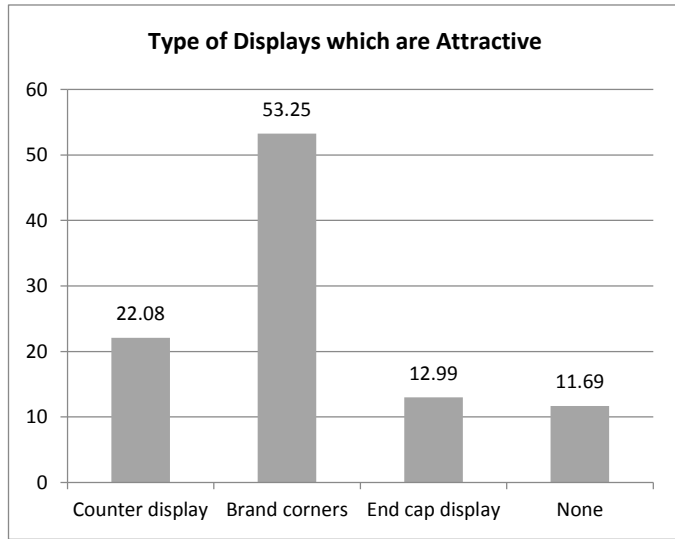


Figure 5 : Type of Displays which are Attractive

TABLE 4.7 STORE SPACE FACILITIES IN HYPERMARKETS

Store space facilities in hypermarkets	No. of Respondents	Percent
Its free space	50	64.94
Not free space	12	15.58
Small space	13	16.88
Congested	2	2.60
Total	77	100.0

Source : Primary Data

INTERPRETATION:

69.94% of the respondent says it has free space
 15.58% of the respondent says it has no free space, 16.88% of the respondent says it has less free space and 2.60% of the respondent says it is congested.

The above table expounds that a majority of the respondents (69.94%) says it has free space.

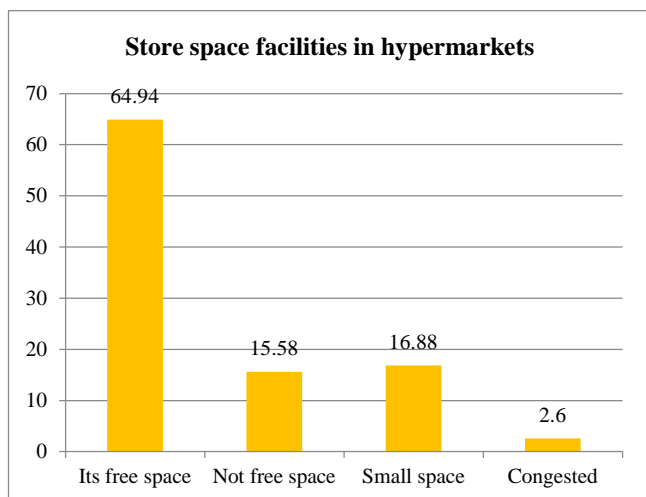


Figure 6 : Store space facilities in hypermarkets

TABLE 4.8 BILLING TAKES A LONGER PERIOD OF TIME

Billing takes a longer period of time	No. of Respondents	Percent
Yes	53	68.83
No	24	31.17
Total	77	100.0

Source : Primary Data

INTERPRETATION:

68.83% of the respondent says 'yes' and 31.17% of the respondent says 'no'

From the above table it is inferred that majority of the respondents (68.83%) says 'yes'.

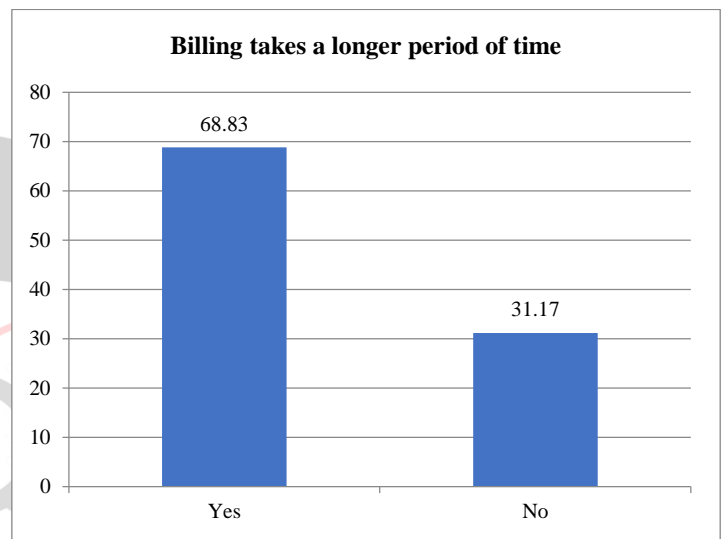


Figure 7 : Billing takes a longer period of time

TABLE 4.9 PREFERRED HYPERMARKETS BY THE PEOPLE

Preferred hypermarkets by the people	No. of Respondents	Percent
Spar	10	12.99
Big Bazaar	41	53.25
Others	26	33.77
Total	77	100.0

Source : Primary Data

INTERPRETATION:

12.99% of the respondent says Spar market, 53.25% of the respondent says Big Bazar and 33.77% of the respondent says other markets

The above table has revealed that majority of the respondents (53.25%) choose Big Bazar.

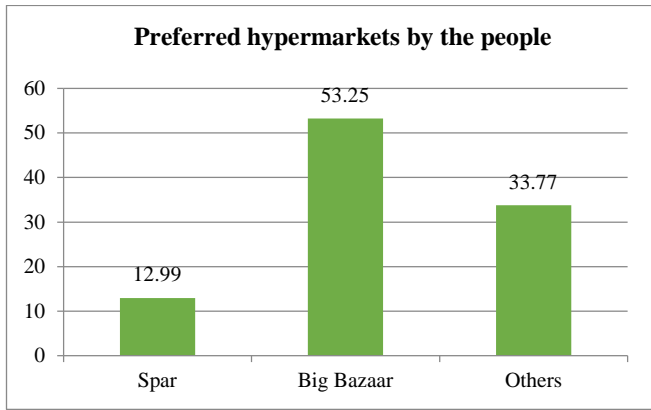


Figure 8 : Preferred hypermarkets by the people

TABLE 4.10 TYPE OF OFFERS ATTRACTS YOU THE MOST

Type of offers attracts you the most	No. of Respondents	Percent
Seasonal sales	14	9.79
Festive occasion sales	26	18.18
Discounts on discounts(50%+20%)	44	30.77
Membership discount	11	7.69
Coupons	12	8.39
Gift hamper	17	11.89
Buy one get one	19	13.29
Total	77	100.0

Source : Primary Data

INTERPRETATION:

9.79% of the respondents prefer seasonal sales, 18.18% of the respondents prefer festive occasion all sales, 30.77% of the respondents prefer discounts, 7.68% of the respondents prefer membership discounts, 8.39% of the respondents prefer coupons, 11.89% of the respondents prefer gift hampers and 13.29% of the respondents prefer buy one get one offers.

The above table reveals that a majority of the respondents (30.77%) prefer discounts.

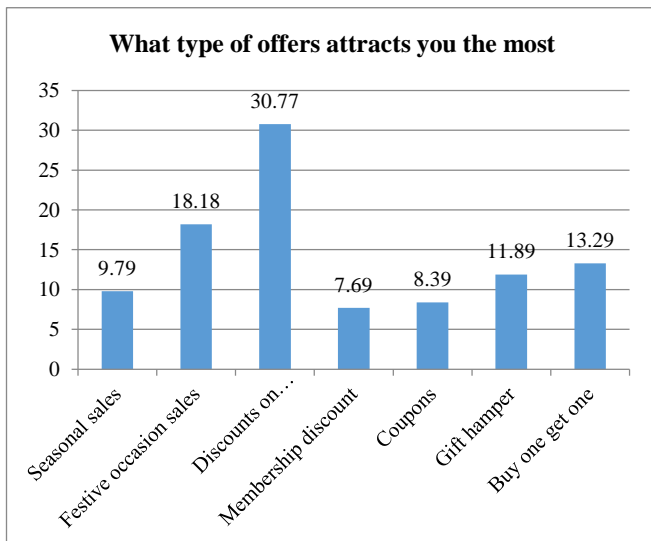


Figure 9 : Type of offers attracts you the most

TABLE 4.11 PRODUCTS THAT ARE OFTEN PURCHASED IN HYPERMARKETS

Products that are often purchased in hypermarkets	No. of Respondents	Percent
Groceries	23	14.38
Home appliances	27	16.88
Households	25	15.62
Bakery & Diary	20	12.50
Meat & Fish	13	8.12
Branded foods	16	10.00
Dresses & clothing's	36	22.50
Total	77	100.0

Source : Primary Data

INTERPRETATION:

14.38% of the respondents purchases grocery items, 16.88% of the respondents purchases home appliances, 15.62% of the respondents purchases household items, 12.50% of the respondents purchases bakery & diary items, 8.12% of the respondents purchases meat & fish, 10.00% of the respondents purchases branded food items and 22.50% of the respondents purchases dressing & clothing.

The above table has made it conspicuous that majority of the respondents (22.50%) purchase dressing & clothing.

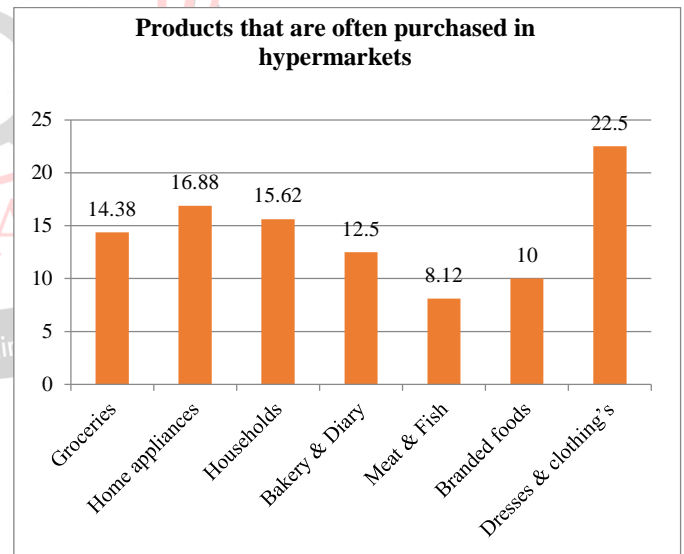


Figure 10 : Products that are often purchased in hypermarkets

V. FINDINGS

- Majority of the respondents (87.01%) are below the age of 25
- Majority of the respondents (55.84%) are female
- Majority of the respondents (96.10%) are Indians
- Majority of the respondents (81.82%) are students
- Majority of the respondents (42.86%) of the respondents visits on need basis
- Majority of the respondents (48.05%) feel it's better

- Majority of the respondents (57.14%) rarely visits the food court in hypermarkets
- Majority of the respondents (53.25%) choose brand corners
- Majority of the respondents (69.94%) says it has free space
- Majority of the respondents (68.83%) says 'yes'
- Majority of the respondents (53.25%) choose Big Bazar
- Majority of the respondents (30.77%) prefer discounts
- Majority of the respondents (22.50%) purchase dressing & clothing.

5.1 SUGGESTIONS

As it is found from the study that people are attracted by the discounts and availability of items in the hypermarket. It is also found that people who prefer hypermarket are below the age of 35, which ultimately begs the question why people above 35 are not interested in hypermarket. The obvious reason is the generation gap and the aversion the elderly people have towards things that are new. They also find discounts illegitimate or bogus at times. The other aversion people have towards hypermarket is its parking space. As hard as it can be to drive in the traffic to reach the hypermarket, it is also equally hard to find a space to park their vehicles. It is unquestionable that hypermarkets should come up with innovative ideas for creating parking space. As important as it is to have spectrum of products, it is also important to have trained staffs. Trained staffs help the consumers with their need and answer queries that it even instils confidence among consumers.

5.2 CONCLUSION

From the above details it is clearly found that people visits the hypermarkets based that of items and the study shows that numerous consumers visit the trends of late. It is no secret that there are a lot of retailers entering the market and there extant a competitive rivalry in the market, which supposedly means that we ought to anticipate an elevation in the competition with the rise of new entrants and such. There is neither circumventing nor dodging this if the extant players want to stay in the track. The extant players will have to run introspection into their marketing basics to withstand the cutthroat competition. Retailing is a crucial part of the service industry and service quality should be the oxygen of retailing. It is important that this industry should ameliorate the quality to combat the new entrants. It has been proved by many studies that superior service quality leads to better customer satisfaction which in turn leads to customer loyalty

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