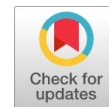


# A Study on Customer Perception Towards Supermarkets in Goa

Lamaan Sami, Pushpender Kumar



**Abstract:** People shift their buying from local retail stores to supermarkets, because of many reasons. This trend shift has not only been seen in metro cities but in small towns too. These change in perceptions of the customer insight the researcher and other stakeholder to study the reason behind it. This study tries to understand the demographic profile of the customers in Goa and compare the perception of customers towards supermarket and local retail stores. It has observed that people prefer supermarkets more as compared to the local retail store.

**Keywords:** Customer- Perception, Supermarket, Retail Store.

## I. INTRODUCTION

Liberalization and globalization not only leads to the development and growth, but it also changes the standard and ways of living of the people. It brings the western culture of marketing and distribution of goods and services. It shifts the buying ways from local shops to malls and further moves to online shopping. Earlier people used to buy from the local retail shops (kirana shops), now they prefer to go and buy from supermarkets, which make the shopping experience different and easy. Perceptions towards supermarkets vary from various demographical factors.

## II. LITERATURE REVIEW

There is adequate literature available on customer satisfaction or perceptions towards supermarkets, (Thuong, 2016) [6] explore the satisfaction of customers towards supermarkets and for this he selected 4 supermarkets in Nguyen city and found that price is the one of the prominent factors which attracts the customers towards the supermarkets. (R. & Gangatkar.J, 2015) Survey was conducted using a structured questionnaire of 100 respondents in Bangalore and found that customers have better perception of supermarkets as compared to provisional stores except price. Provision stores need to adopt more strategies to survive and grow in the long run. (Malhan, 2014) [3] [5]

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\* Correspondence Author

**Dr. Lamaan Sami**, Assistant Professor, Department of Commerce, Aligarh Muslim University, Aligarh (Uttar Pradesh) India. E-mail: lamaan sami@yahoo.com

**Dr. Pushpender Kumar\***, Assistant Professor, Institute of Management Studies (IMS) Ghaziabad (Uttar Pradesh) India. E-Mail, pushy.yadav@gmail.com

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The author tried to measure the expectation level of the customers regarding the service quality in the food retail sector against their perception levels of the service quality in uchumi hypermarkets (a government owned enterprise) and to determine the gap between the customers' expectations and perception regarding service quality. The research concluded that the customers' expectation regarding service quality in uchumi supermarket is higher than their perceptions of service quality at uchumi. Customers expect high service quality at uchumi so if they don't meet the needs of the customers then it may result in dissatisfaction among the customers and losing customers to competitors. (Mohan, 2013) study the food retail supermarket stores in Bangalore city. He captured the 5 main factors i.e. Customer service, Brand variety, Store environment, Convenient location and Shopping convenience that impact customer satisfaction in food retail supermarkets, which can help food supermarket retailers formulate strategies and marketing activities to attract and retain customers. (Azad, Hossain, & Parveen, 2012) Study the customer perception about supermarkets and also tried to estimate the factors which are responsible to satisfy the customers of supermarkets in Bangladesh. They conclude that there is no limit to the satisfaction level of the customers, as it differs from person to person. But there are some common factors which can determine the overall satisfaction of the customers of supermarkets. If the customers are satisfied by shopping in supermarkets then there is a positive attitude of customers towards supermarkets and will repeat their purchases. But if they are not satisfied, then the supermarket is not serving its purpose to the customers. (Abubakar, Mavondo, & Clulow, 2011) [1] investigate the customer ratings of importance of various attributes associated with supermarket shopping. The results suggested that nowadays the retail formats have become very sophisticated and standardized and the corporate reputation is ranked high. (Lu & Lukoma, 2011) [4] examined the overall dimensions and specific elements to measure the customer satisfaction level and also a comparative analysis was conducted between the three supermarkets. The study resulted in showing that the people like to buy from the most convenient supermarket therefore location is considered as the most important factor for retailers business. The critical factors of customer satisfaction of the supermarkets were location, staff, reliability, product quality and additional services. (Noyan & Simsek, 2011) Customer satisfaction and loyalty are very important to develop the retail strategies [7].



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Store image and customer relationship proneness play an important role in creating satisfaction. Sample used in this study consists of customers shopping from 102 stores belonging to four Turkish supermarket chains in Istanbul. (Awng, 2008) [2] compares the consumer's perception between superstores and family-run stores in Bangkok. Three super stores were selected to compare with family-run stores in the city [8].

### Objective of study

1. To study the demographic profile of the customers who visit supermarkets and local retail stores.
2. To compare the customer perception towards supermarkets with local stores [9].

### III. METHODOLOGY

The purpose of the study was to investigate customer's perception towards supermarkets in Goa. The study was carried out from December 2018 to March 2019. Using

convenience sampling, a structured questionnaire was administered to 350 respondents. The total usable responses were 300 with a response rate of 86%. The data was collected from students, businessmen, employed and unemployed people and also from housewives [10].

The data was collected using a structured questionnaire which was divided into two parts. The

**First** part tried to assess the respondent's demographic information, i.e. Gender, Age, Education, Marital Status, and Income, Occupation and Location. The **second** part related to various factors considered by customers while choosing the supermarket or local retail store for their shopping. Here, 10 statements were extracted from past research and respondents were asked to rank the extent to which they ranked highest rank (5) to lowest rank (1). In order to find out any significant difference in preference of customers, a paired sample t-test is used.

**Table:1 Demographic Profile of Customers**

Demographic Characteristics	Groups	North Goa		South Goa	
		#	%	#	%
Age	Below 20	29	16.3	20	16.3
	21-30	57	32.0	39	32.0
	31-40	44	24.7	31	25.0
	41-50	32	18.0	22	18.0
	51-60	11	6.2	7	6.0
	Above 60 years	5	2.8	3	2.7
Gender	Male	72	40.4	50	40.7
	Female	106	59.6	72	59.3
Marital status	Married	95	53.3	65	53.3
	Unmarried	82	46.0	56	46.0
	Divorced	1	0.3	0	0.3
	Others	1	0.3	0	0.3
Education	Up to 10th	42	23.7	29	23.7
	Up to 12th	40	22.7	28	22.7
	Professional	25	14.0	17	14.0
	Graduation	46	25.7	31	25.7
	Masters	25	14.0	17	14.0
Annual Income	Less than 1 lakh	39	21.7	26	21.7
	2-5 lakhs	84	47.3	58	47.3
	5-8 lakhs	49	27.3	33	27.3
	Above 8 lakhs	7	3.7	4	3.7
Occupation	Student	53	30.0	37	30.0
	Employed	52	29.0	35	29.0
	Own business	43	24.3	30	24.3
	Housewife	26	14.7	18	14.7
	Unemployed	4	2.0	2	2.0
Nature of family	Nuclear family	96	54.0	66	54.0
	Joint family	82	46.0	56	46.0

Source: Author's Compilation

The above table explains that the demographic profile of the respondents with percent. It is observed that respondents from the age group of 18-30 prefer visiting supermarkets i.e. (32 %), it means supermarkets attract the youth. In terms of gender 178 female respondents prefer buying from supermarket as compared to male respondents which consist of 122 male respondents. In terms of marital status - married

(53%) people mostly prefer shopping in supermarkets as compared to unmarried people which consist of 138 respondents [11].



In terms of education, Graduate people (25%) respondents prefer shopping in supermarkets than that of other groups in the education category [12]. In terms of income, 2 lakh to 5 lakh of the income group prefer buying products from supermarkets. In terms of occupation, (30%) students prefer shopping from the supermarket. In terms of the nature of the family, 162 respondents from nuclear families prefer shopping in supermarkets. In terms of location, 178 respondents from North Goa prefer shopping in supermarkets. The Remaining 122 respondents prefer shopping in supermarkets [13].

**Table: 2 Factor which attract to visit**

Factor	Super Market		Local Retail Store	
	#	%	#	%
Better customer service	35	12.7	2	8.1
location of the store	33	12.0	9	32.4
Comfortable shopping environment	132	48.5	5	16.2
Availability of credit	27	9.8	8	29.7
Product price is reasonable	46	16.9	4	13.5
Total Respondent	272		28	

Source: Author’s Compilation

From the above table, it is observed that 90.3% of total respondents prefer the supermarket and only 9.7% respondents prefer local retail stores. 48.5% of the respondents prefer to shop in supermarkets because of the availability of all products at one place as customers want everything at ease. Out of 272 respondents 16.9 prefer shopping in supermarkets due to product price being reasonable. Rest of the respondents said they prefer supermarkets because of better customer service, location of the supermarket and availability of credit. 32.4% respondents prefer local stores because of the location of the store, they find buying is easier and convenient from the nearby local store. 29.7% respondents visit due to availability of credit facilities; they prefer buying from local stores. Rest of the respondents said they prefer local stores because of the comfortable shopping environment, Product prices are reasonable and better customer service. It can be concluded that, location of the store and availability of credit at a local retail store attracts the customer, whereas availability of the entire product at one place and reasonable price at supermarket attracts the customer. In order to compare the customer perception towards supermarkets with local stores, the hypothesis has been framed and tested by the use of paired- sample t-test. Ho: There is no significant difference exist between the perception of consumers using supermarket and local store.

**Table: 3 Paired Samples Statistics**

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 Supermarket	3.5987	300	.69983	.04040
Local store	2.9210	300	.69344	.04004

**Paired Samples Test output**

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Supermarket - local store	.67767	1.14085	.06587	.54804	.80729	10.288	29	.000

In paired sample t- test the mean values of both supermarket and local store are compared the result showed that the t-value is significant (0.000<0.05) at the confidence level of 95%. Therefore, the null hypothesis is rejected and an alternate hypothesis is accepted, which indicates that there is a significant difference in the consumer perception of local retail stores and supermarkets. It also observes that the mean score of supermarkets is higher which indicates that the experience at supermarkets is more as compared to local stores. Factors such as special discount on occasions, time saving, mode of payment, good quality products etc. leads to prefer-ability of supermarkets over local retail stores.

**IV. CONCLUSION**

Customer perceptions is psychological phenomena which vary from individual to individual, this perception also vary due to certain demographical factor. In the present study it is observe that youth are get attracted towards the supermarket, people having income range to 2-5 lakh visiting more at supermarket. It also observes that there is no difference in demographic profile of the customer in terms of location. People in Goa prefer to visit supermarkets as compared to the local retail store because various factors such as special discount on occasions, time saving, mode of payment, good quality products etc. leads to prefer-ability of supermarkets over local retail stores.

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### AUTHOR PROFILE



**Dr. Lamaan Sami**, Ph.D working as Assistant Professor at Aligarh Muslim University, where she delivers courses on Business environment and Marketing. Her current research includes project in domain of Consumer Behavior. Her research works published in various reputed journals and she presented her research at various national and international conferences.



**Pushpender Kumar**, is Assistant Professor at IMS Ghazaibad, where he delivers courses on Banking and Finance. His current research includes projects in domain of Mergers and Acquisition, banking, international trade and Finance.