

Shoppers' Typologies and Diversities in Their Store Choice Behavior

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The research paper highlights that retailers are required to choose a particular set of customers and position themselves distinctively as per their chosen market segment. The services of the retailers have to be distinctive in terms of the target market they want to serve. Proper targeting and positioning is imperative to attract and retain the ever demanding customers. The study features the psychographic segmentation as a vital basis to understand the diverse behavior of consumers particularly of food and grocery stores. The data for this study was collected through personally administered questionnaire from different parts of Delhi. Responses of 396 respondents were analyzed by applying techniques such as Factor analysis, Cluster analysis, one-way ANOVA and Welch ANOVA. Post-hoc tests (Tukey's HSD and Games Howell) were also carried out. The study has segmented the Indian consumers into three categories: Recreational shoppers, Apathetic shoppers and Economic shoppers. It has been found that all the groups differ significantly in their choice patterns. The empirical findings of the study would facilitate the retailers in choosing their target group and designing the marketing strategies. Carefully chosen segment and properly designed positioning strategy would provide the retailers a key to attract and retain their customers.

Key Words: Retailers, Store choice, Consumer behavior, Segmentation, Psychographic characteristics, Marketing strategy

INTRODUCTION

Consumers are diverse in terms of their needs, preferences and choice patterns. It has become a great challenge for the retailers to match their product/services to customers' desire. Understanding the market diversity is very essential for the retailers to cater the needs of customers. Moreover, new facet of Indian retail industry is very complex. Big bang entry of gigantic players in the retail business has made this sector very competitive. Mass targeting is not appropriate in this competitive and dynamic environment. Retailers are required to pursue target marketing to survive and thrive in such a scenario. For that matter, retailers need to portray their customers more precisely in light of deep understanding of consumers' behavior and frame their marketing strategies accordingly.

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Market segmentation is essential and critical for the retailers to understand the type of consumers and develop the effective marketing strategies. Various studies have suggested the use of psychographic factors to segment the consumers. Psychographics are related with mental (Psycho) profiles (Graphics), or the profiling of consumers' psychological processes. It involves the measurement of consumer life style and patterns of behavior (Baines *et al.*, 2009).

The present study explores the relationship between psychographic profile of consumers and their store choice behavior with reference to Food and Grocery sector. Food and grocery sector is the most dominating sector which covers around 60% of total retail sales in India (Deloitte, 2013). Many national and international players have taken their steps into this sector which has led to intense competition. For getting themselves successfully placed in this competitive sector, retailers are required to understand roots of this market, which is an Indian consumer. As per statement given by Mr. Biyani (founder of giant future group), Indian consumers are unique and they need unique solution (*The Hindu Business Line*, November 30, 2011). To provide them with the unique solution it is necessary to understand behavior patterns. This study of consumer store choice behavior would help the retailers in understanding their customer better. This particular research will enrich the literature related to consumer behavior and more specifically retail segmentation and store choice behavior. Presently in retail literature, studies available are generally related to store attribute preferences, store format choice and their relationship with demographic factors. Although demographic factor plays an important role but these factor can't explain the behavior and actions of the people entirely. People in the same gender, age, income and education groups do not exhibit the same buying behavior. Therefore, the study of psychographics is required to provide detailed explanations of buyer behavior beyond which cannot be achieved by analyzing the demographic characteristics alone (Blankenship *et al.*, 1998). As far as psychographic/shopping orientation factors are concerned there is very limited literature available on it especially in Indian context. No such research has been found in context of food and grocery sector that revealed the relationship between the psychographic profile and attribute preferences of Indian consumers. The study conducted by Narang (2011) on psychographics and store choice criteria of Indian consumers, was also with regard to apparel sector. Thus the topic seems quite under explored. The current study seeks to address this gap. This particular research would provide an in-depth insight about consumer behavior and the recent patterns in consumer store choice behavior. Therefore, the study will be very useful for both academicians and marketers.

OBJECTIVES OF THE STUDY

The present study seeks to examine the psychographic characteristics of consumers and their impact on store choice behavior. The specific objectives of the study are:

- To segment grocery store consumers on the basis of psychographic characteristics.
- To find out the impact of psychographic characteristics of Indian consumers on their grocery store choice behavior.

LITERATURE REVIEW

Researchers throughout the world have studied the store choice behavior from various perspectives. There are various studies that have revealed that it is the set of store attributes that affect the store choice decision of the customers. The store attributes, being a very important aspect of store choice behavior have been investigated by several researchers from different angles. Arnold *et al.* (1983) in their study found that convenient location and the low price are the most important attributes. The study by Sinha (2000) also supported the importance of location and value for money.

Freyman (2002) found location as an important factor in store selection decision. Further Oruc (2005) revealed that consumer make tradeoffs between location and other store attributes like quality, freshness of product, size and appearance of store, advertising by store, etc.

Gonzalez-Benito *et al.* (2007) highlighted that distance and size of the store are the major factors affecting store choice decision. Sinha and Banerjee (2004) revealed that grocery store choice is mainly governed by two factors that are distance and comfort level with the store personnel. Bell *et al.* (1998) emphasized that consumer chooses the store with the lowest total shopping cost which includes fixed and variable costs. D'Andrea *et al.* (2006) found that price and assortment are the most relevant attributes. In addition to price, promotion also plays an important role in store choice decision. Price announcements by stores influence consumers' shopping decisions. Therefore, merely setting low prices are not sufficient; they need to be advertised for the successful implementation of the Every Day Low Price (EDLP) strategy (Lal and Rao, 1997).

Amine and Cadenat (2003) highlighted importance of assortment image. The study revealed that assortment image depends upon the consumer's perception about the range of products in his desired product category where he expects more variety. Baltas and Papastathopoulou (2003) found that merchandise quality and variety are the most important factors that affect the store. Similarly, Messinger and Narsimham (1997) modeled consumer store choice as a function of assortment size, price and transactional conveniences that save the shopping time. Assortment decisions need to be taken carefully according to changing consumer preferences. Retailers are required to adjust their assortments in order to satisfy diversified requirements of customers (Dekimpea *et al.*, 2011).

Merrilees and Miller (2001) pointed that store design and atmosphere is very important factor generating the store loyalty. The various other researchers such as Summers and Hebert (2001), Baker *et al.* (2002), Morrison *et al.* (2011) have also highlighted the importance of atmospheric factors in store choice.

To study the store attributes alone is of little use. Consumer's own characteristics too influence his choice behavior. Therefore, the study has further investigated the influence of consumers' psychographic characteristics on their choice behavior.

PSYCHOGRAPHICS/SHOPPING ORIENTATION FACTORS AND MARKET SEGMENTATION

In retail literature Stone (1954) was pioneered to use the concept of shopping orientation. The study was conducted on women shoppers at department store in Chicago. Respondents were grouped into four segments: Economic shoppers, Personalized shoppers, Ethical shoppers and Apathetic shoppers. All the segments exhibited different shopping behavior.

After that some other researchers have also tried to segment the customers on the basis of psychographic factors in general or specifically on the basis of shopping orientation factors. Darden and Reynolds (1971) also segmented the shoppers on the basis of shopping orientation in line with Stone (1954) considering same segment types. Their study revealed that there is a difference in the usage rate for health and personal care products among different shopping orientation groups. Bellenger and Korgaonkar (1980) identified two groups of consumers that are Recreational and Functional economic shoppers. Recreational shoppers showed more importance for store atmospherics as well as merchandise quality and variety factor as compared to functional economic shoppers.

Papatla and Bhatnagar (2002) identified four segments named adopter, traditional, experimenters and traditional on the basis of their format choice and found that they have different psychographic characteristics. Moye and Kincade (2002 and 2003) in their studies on female apparel shoppers divided the shoppers into four categories: decisive shoppers, confident shoppers, highly involved bargain shoppers and extremely involved appearance conscious. They found that all the groups differ in terms of preferential store choice and importance rating of the various environmental factors. Rigopoulou *et al.* (2008) identified two segments based on shopping orientation and observed that both segments have rated 'Store choice criteria' variables differently. Also both the groups showed different score for the satisfaction related factors. Carpenter and Brosdahl (2011) also found that male shoppers who patronize different store formats have different shopping orientations and store attribute preferences.

INDIAN SEGMENTATION STUDIES

The study conducted by Sinha (2003) categorized the Indian shoppers into two categories: (1) work shoppers; and (2) fun shoppers, on the basis of their shopping orientation. Both of these groups have shown different choice behavior. Fun shoppers prefer new format stores more than the work shoppers. Prasad and Reddy (2007) studied the role of demographic and psychographic factors in choice of various organized food and grocery retail format. They segmented consumers into four categories: (1) hedonic consumers; (2) utilitarian consumers; (3) conventional consumers; and (4) socialization type consumers. The significant differences have been observed in the behavior and format choice of different people. Roy and Goswami (2007) discovered that psychographic traits such as innovativeness and fashion consciousness act as intervening variables between values and shopping behavior of a person. The study concluded that the inner and outer values of a person affect his psychographic traits which in turn affect the shopping behavior. Johnson and Raveendran (2009) segmented consumers into three groups on the basis of shopping orientation factors. These segments are Grocery shoppers, Purposeful shoppers and Fun shoppers. All the three segments have shown different shopping behavior. One recent research conducted by Narang (2011) has identified four psychographic segments for the apparel store consumers. The various segments found are: get going adopters, disinterested introverts, confused followers and independent life lovers. The significant differences have been observed among these groups with regard to store selection criteria. Another research by Prasad and Aryasri (2011) segmented the consumers into five groups as per their psychographic characteristics that are: hedonic, utilitarian, autonomous, conventional and socialization type consumers. They pointed out that format choice decisions are very much affected by psychographic characteristics of consumers.

The above review of studies communicates the importance of psychographic/shopping orientation factors in store choice decision. The variations in the shopping orientation and psychographic characteristics bring differences in the consumer's preferences and choice patterns.

INSTRUMENT DEVELOPMENT

The research instrument consisted of two sections.

Section A: dealt with the store attributes. A list of 25 store attributes was finalized for the final survey. A five-point likert scale was used ranging from 'not at all important' to 'extremely important' to get the importance rating.

Section B: of the instrument was developed to gather information related to psychographic aspects of the respondents. Psychographic statements are generally used to judge the lifestyle of the persons. Psychographic statements can be framed related to general aspects like media habits, hobbies and social issues, etc., or it can be specific to the product under study. The previous studies on psychographics suggest that

shopping specific Activity, Interest and Opinion (AIO) statements can be used to measure shopping personalities and orientations (Darden and Reynolds, 1971; and Boedeker, 1995). Use of specific dimensions is more beneficial than that of general psychographic factors (Boedekar, 1995). Therefore, present study has used product specific statements to measure shopping orientations of consumers. Many of the statements have been borrowed from previous studies and adapted according to the need of this particular study. The purpose of using statements from previous studies was that they had already been tested for the reliability and validity. Some statements were specifically framed for this study only. Experts' opinions had been taken while finalizing the statements. Finally, 30 statements were selected which were reduced to 26 after pilot study. One of the statements 'Grocery shopping is boring task' was framed in opposite sense to measure same aspect. It was framed opposite to 'Grocery shopping is fun'. Therefore, it was reversely coded at the time of statistical analysis.

Consumer responses were measured by asking respondents to indicate on a five point Likert scale ranging from "Strongly Disagree" (1) to "Strongly Agree" (5).

A pilot study was conducted on 40 respondents. It was done to ensure that questions (statements) were worded in a lucid manner. Reliability of instrument was also checked. It showed satisfactory score to go ahead with the questionnaire. To further improve the reliability score, four psychographic statements having low score were dropped off. As per suggestions given by respondents suitable modifications in the questionnaire were carried out.

DATA COLLECTION

The data for this study was collected through personally administered questionnaires from Delhi. As Delhi is big and cosmopolitan state, every effort was made to cover the cross-section of the population. Therefore, it was divided into 5 parts that are East, West, North, South and Central Delhi. From each part, four different locations were selected, where organized food and grocery stores were located. Respondents were randomly approached in-front of retail stores and parking areas. Out of 440 respondents approached, 396 filled the questionnaire properly.

RELIABILITY AND VALIDITY TEST

To check the reliability of instrument, Cronbach coefficient alpha test was performed. The reliability score for store attributes was around 0.70 and for psychographic statements it was 0.69. According to Tull and Hawkins (1987), co-efficient alpha value around 0.60 is satisfactory to measure the reliability. In view of this, the instrument has enough reliability coefficients, justifying its use.

Construct validity for the scale has also been checked out. Discriminant validity method was used to measure it. It ensures that the construct we are testing is different from other constructs of the scale (Nargundkar, 2008). Hence to measure the construct

validity for both of the scales, inter-item correlation with in the constructs of respective scale were checked out. For that purpose correlation matrix was obtained. Correlation score among factors were observed to ensure that there is no multicollinearity in the scale. Multicollinearity is a situation when two variables are highly correlated as around 0.8 and above (Field, 2006).

In case of scale mentioned in section A, measuring importance level of store attributes, correlation scores between different constructs were very low ranging between 0.001 to 0.4. Only one value was around 0.5. This score was also not as high to consider multicollinearity. This shows that there was no multicollinearity and ensures the construct validity. In case of scale mentioned in section B, measuring the psychographics characteristics, correlation scores between different constructs were observed. Most of the items scored correlation score ranging between 0.01 to 0.49 and below. Only two items scored around 0.5, but this score also could not be interpreted as too high to consider multicollinearity.

Overall low correlation between constructs ensures the construct validity.

ANALYSIS AND DISCUSSION

To analyze the data SPSS-17 software was used. Based upon the statistical analysis of data, three market segments were identified and compared with store attributes. Factor analysis technique was used to group the correlated store attributes together to convert them into fewer number of manageable sets. Factor analysis based on varimax rotation was applied on 25 retail store attributes. KMO and Barlett test of sphericity was also performed to check the adequacy of sample. The high KMO score, i.e., 0.788 and significant value of Barlett's test of sphericity (Chi-Square-4170.097, df 300, p 0.000) indicated the adequacy of sample and appropriateness of factor analysis. Factor analysis generated 7 factors. Kaiser's rule of extraction, i.e., Eigenvalue greater than 1 was used as an indicator for the extraction of factors. These factors explained about 67% of variance. A cut-off score of 0.48 was applied on factor loading. The result of factor analysis is shown in Table 1.

Store Attributes	Component						
	1	2	3	4	5	6	7
Quality of products						0.840	
Variety of products						0.757	
Proper product display	0.725						
Price			0.625				
Spaciousness					0.668		
Distance							0.702

Table 1 (Cont.)

Store Attributes	Component						
	1	2	3	4	5	6	7
Knowledge of sales person				0.782			
Friendliness				0.844			
Location							0.865
Interior and exterior					0.826		
Music					0.799		
AC	0.789						
Cleanliness	0.635						
Parking	0.811						
Wider payment options	0.730						
Billing-time		0.483					
Home delivery		0.544					
Return and Exchange		0.823					
Complaint handling		0.827					
Opening hours		0.780					
Crowd size		0.505					
Price indication			0.711				
Advance communication of discounts and offers			0.811				
Facility to membership holders			0.687				
Offers and scheme			0.809				

Note: 1. Extraction Method: Principal Component Analysis; 2. Rotation Method: Varimax with Kaiser Normalization; 3. Rotation converged in 7 iterations.

Factors generated through factor analysis were titled on the basis of the characteristics of store attributes; clubbed under the particular factor. Factors were labeled as: store atmospherics, store services, pricing, employee characteristics, store infrastructure, merchandise and store location. Factor 1, "Store atmospherics" factor consisted of five variables that are: (1) proper product display; (2) air conditioning facility; (3) cleanliness; (4) parking; and (5) wider payment options. Factor 2, labeled as "Store services" consisted of six store attribute variables including billing time, home delivery, return and exchange, complaint handling, long opening hours and low crowd size. Factor 3, entitled "Pricing" was constituted by five variables, i.e. (1) price, (2) price indication; (3) advance communication of discounts and offers; (4) facility to membership holders and offers and scheme. Factor 4, the "Employee characteristics" is comprised of two variables: (1) knowledge of sales person; and (2) friendliness/co-operation of the store employees. Factor 5, entitled as "Store infrastructure" consisted

of three variables, i.e. (1) spaciousness; (2) interior and exterior; and (3) music. Factor 6, “Merchandise” constituted of two variables that are (1) quality of products; and (2) variety of products. The last factor “Store location” comprised of two variables that are: (1) location; and (2) distance.

Cluster analysis technique was applied on the psychographic statements. It was performed to identify the existing market segments for food and grocery sector based on psychographic factors. The clusters were formed using two step process. In first step, Hierarchical cluster analysis was used to identify the appropriate number of clusters. From the Agglomeration schedule, the differences among the coefficients were calculated. The difference for one cluster solution was (80.389-69.224) 11.165. The difference for two cluster solution was (69.224-67.860) 1.364. The difference for three cluster solution was (67.860-57.036) 10.824. This was the highest difference after 1 cluster solution. Therefore, it was decided that 3 cluster solution is appropriate for the given data. In second step, K-means cluster analysis was used to segment the respondents and to check the psychographic scores for each segment people. Resultant values are given in Table 2. The clusters so formed were named as Economic shoppers, recreational shoppers and apathetic shoppers.

	Cluster		
	1	2	3
I wait for special offers to shop for food products	2.33	1.97	3.35
Before grocery shopping, I prepare the shopping list	2.23	2.28	4.08
I like to compare prices from different stores	2.36	1.76	3.79
I often combine shopping with lunch or dinner	3.44	1.59	2.29
I like to try new grocery outlets	3.70	1.80	3.22
I frequently look for new products and services	3.87	2.45	3.30
I make unplanned visits to stores	4.03	2.00	2.36
I stick to my shopping list	1.97	2.22	3.26
I usually shop from nearest grocery store	3.04	4.46	3.57
I tend to buy from particular grocery store	3.63	4.46	3.34
I like to shop with family	4.34	2.43	3.22
One should discuss with family members before making purchase decisions	4.22	2.69	3.54
I spend a lot of time browsing through store	4.27	1.73	3.05
I always like to buy branded products irrespective of price tag	3.99	3.93	2.74
I go for shopping to make me feel better	4.31	1.74	2.9
I make as little efforts as possible on grocery shopping	3.13	4.26	2.80
I read labels carefully to know about ingredients before I buy	3.64	2.90	3.61

Table 2 (Cont.)

	Cluster		
	1	2	3
Large pack size helps to save money	2.38	2.27	3.80
Grocery shopping is boring task	4.29	1.55	2.95
I like to buy groceries through telephone order	2.36	4.33	2.38
Whenever a particular product attracts, I just buy it	4.24	3.13	2.84
I refer advertisements to know discount	2.86	2.63	3.54
I shop during less busy hour	2.62	4.22	3.35
I look at wide variety of products	4.26	2.18	3.14
I would like to finish shopping as soon as possible	2.36	3.40	3.11
Grocery shopping is fun	4.46	1.57	2.88

PROFILE OF EACH MARKET SEGMENT

Segment I: These respondents were titled as *Recreational shoppers*. This segment comprised of 36% of the respondents. These people take the grocery shopping as a fun and their visit to stores are mostly unplanned. They go to shop with family and generally combine their shopping with lunch or dinner. They go to shop to make them feel better and spend a lot of time browsing through stores. They like to try new outlets as well as new products and services. They are variety seeker and impulsive shoppers. They buy the products as it attracts them. They also prefer to buy branded items irrespective of price tag. This group has almost similar characteristics as that of Fun shoppers identified by Sinha (2003).

Segment II: Segment II respondents were named as *Apathetic shoppers*. It constituted 26% of respondents. These shoppers can be defined as most reluctant shoppers. These people do not have any interest in grocery shopping. They buy from particular grocery store which is located nearby their house. They considered it as a boring activity. Consequently, they make as little effort as possible on grocery shopping. They want to finish their shopping as soon as possible; therefore they either shops during less busy hours or make orders through telephone. They also prefer to buy branded products irrespective of price tags like that of Recreational shoppers. This group also shares some characteristics with the Work shoppers as identified by Sinha (2003).

Segment III: Segment III respondents were named as *Economic Shoppers*. It comprised of 38% of respondents. People in this cluster wait for special offers to shop. Their visit to the stores is properly planned. They prepare the shopping lists. Before shopping they refer advertisements about discounts and offers. These people like to compare prices of different stores and prefer to buy large size packs to save money. This group shares some characteristics with Economic shoppers as identified by Yue-teng *et al.* (2011).

RELATIONSHIP BETWEEN PSYCHOGRAPHIC SEGMENTS AND STORE ATTRIBUTES

ANOVA (Analysis of variance) test was used to check whether any significant differences exist between various psychographic groups with regard to preference level of store attributes while choosing a particular grocery store.

TESTING ONE-WAY ANOVA PRECONDITIONS

Before using One-way ANOVA it has been confirmed that data is normally distributed. For that purpose P-P plots for all the Store attributes were drawn. Thereafter, Levene's test of homogeneity of variance was used to test the assumption of one-way ANOVA related to homogeneity of variance. Levene's test revealed equal variances for Pricing and Store infrastructure factor. Hence, for these two factors, one-way ANOVA has been performed to examine the impact of respondents' psychographic characteristics on their preference level. For rest of the store attribute factors, Welch ANOVA has been used.

The use of Welch ANOVA is suitable when the data is normally distributed but variance between the groups differs from each other. "Welch ANOVA make adjustments to F and the residual degree of freedom, which combats problem arising from homogeneity of variance assumption" (Field, 2006, pp. 347).

Table 3 shows the result of One-way ANOVA test and Table 4 shows the result of Welch ANOVA. The result shows $p < 0.001$ against each store attribute factor. It indicates that all the three groups have statistically significant difference in terms of store attribute preferences. Hence, all the psychographic segments have different priorities for the store attributes; differentiating their choice criterias. To further check that where exactly the differences exist, post hoc tests (Tukey's HSD and Games Howell) were carried out. Tukey's HSD test was used along with one-way ANOVA and Games Howell was used along with Welch ANOVA.

		Sum of Squares	Df	Mean Square	F	Sig.
Pricing	Between Groups	42.399	2	21.199	97.727	0.000
	Within Groups	85.251	393	0.217		
	Total	127.650	395			
Store infrastructure	Between Groups	21.864	2	10.932	24.709	0.000
	Within Groups	173.879	393	0.442		
	Total	195.743	395			

Results of post-hoc tests revealed that recreational shoppers give significantly higher preference to store atmospherics factor as compared to apathetic shoppers and economic

		Statistic ^a	df1	df2	Sig.
Store atmospherics	Welch	407.795	2	239.281	0.000
Store services	Welch	149.119	2	261.543	0.000
Employee characteristics	Welch	44.273	2	261.811	0.000
Merchandise	Welch	29.265	2	256.618	0.000
Store location	Welch	63.935	2	257.666	0.000

Note: a. Asymptotically F distributed.

shoppers. Apathetic shoppers have given significantly higher preference ratings to store services factor as compared to recreational and economic shoppers. With regard to pricing factor, all the three groups differed significantly with each other. Respondents in economic group have given highest importance and respondents in apathetic group have given least value to the pricing factor. As far as employee characteristics factor is concerned, apathetic shoppers have given highest and recreational shoppers have given lowest degree of preference. This behavior pattern may be attributed to the fact that apathetic shoppers do not like to browse and spend time in the store. Therefore knowledgeable and helping employees, who can assist them in shopping, are more important to them. Recreational shoppers have given significantly higher importance ratings to store infrastructure factor as compare to apathetic and economic shoppers. This behavior pattern may be due to the fact that recreational shoppers like to browse through the store and want to have fun while shopping. Similarly, recreational shoppers have given significantly higher preference ratings to merchandise factor as compared to apathetic and economic shoppers. For store location factor, apathetic shoppers have shown highest degree of preference in comparison to other two groups. Significant differences were found between apathetic shoppers and other two type of shoppers. Recreational and economic shoppers have attached almost same degree of importance to this factor with no significant difference.

On the basis of above discussion, it can be inferred that psychographics based segments that are recreational shoppers, apathetic shoppers and economic shoppers have different preferences with regard to all of store attribute factors.

SUGGESTIONS TO ATTRACT AND RETAIN CUSTOMERS

In today's competitive environment attracting and retaining customers has become a real challenging task. Thorough understanding of the customer is the foremost step that a marketer should take. The present study points out that customer segmentation and target marketing is the key to survive and have an edge in this competitive environment. The following are the recommendations based on the research findings.

Retailers serving recreational group of customers should try to infuse an element of fun to enhance their stay at shop. Attractive and clean interior-exterior could help

the retailers to attract these customers to the store. Air conditioned outlet with background music and proper display of product could impel feeling of pleasure and arousal. A retailer may display some products near to billing counter to target the impulsive buying behavior of recreational shoppers. As these shoppers are found to be least bothered about store services and employee characteristics; retailers willing to target these shoppers may not be required to invest heavily on these two factors.

The retailers willing to reach economic group, may cut down some expenses on store atmospherics and infrastructure factors and provide promotional schemes. Membership cards with some kind of reward system would be helpful to pull this kind of customer again and again to store. The attractive discount scheme tied with some minimum order level say ₹1,000 could be introduced to sell more quantity.

The retail outlets targeting to apathetic shoppers, need to concentrate on strengthening their service quality. They must invest on their employees and technology. The employees should be polite and knowledgeable enough to assist customers in shopping. Since these kind of shoppers do not like to spend much time in shopping; retailers may keep comparatively simple layout with the key focus on prompt and hassle free checkout to facilitate their shopping. Many times these shoppers place orders over telephone; in that case retailers should ensure the timely deliveries of products. These shoppers are found to be least bothered about pricing factor; hence, retailers targeting to this segment may not be required to focus on discounts and promotional schemes.

CONCLUSION, LIMITATIONS AND SCOPE FOR FURTHER STUDY

The study has segmented the customers into three categories that are: (1) recreational shoppers; (2) economic shoppers; and (3) apathetic shoppers. All the psychographic groups have shown different patterns of choice behavior. Economic shoppers are much planned shoppers. Price and promotion assumes greater significance for them. Recreational shoppers were found to be fun loving. They are variety seekers and look for new products and services. They give more importance to store atmospherics, store infrastructure and merchandise factors while choosing any grocery store for shopping. Apathetic shoppers showed no interest in grocery shopping. They want to finish their shopping task as soon as possible. For this group, store services and employee characteristics are very important factors. These empirical findings would be of great use for the marketers. Psychographic based segments proposed by the study provide more detailed and in-depth information about the profile of consumers. It would help the retailers in understanding consumers and choosing their target group. As the particular study also provides information about their preferences related to store attributes; it would be an added advantage to the retailers. They can decide their marketing mix elements according to the target group preferences. This would assist them in proper positioning of their store. It would also facilitate the retailers in adopting

differentiation strategy. They can choose any of the segments or mix of segments and customize their services as per the behavior of particular group of customers. Carefully chosen segment and properly designed positioning strategy would provide the retailers a key to attract and retain their customers and have an edge over competition.

Although the study has revealed vital findings for marketers and has extended the existing retail literature, but it has some limitations too. Non probability sampling method has been used in the study. The scope of this study is limited to psychographic factors only. Demographic profiles of psychographic clusters have not been explained. This study is limited to choice behavior of consumers for grocery stores only and may not be applicable for other products or services. Future researchers could examine differences in choice behavior of different psychographic segments across different product categories as well as different store formats.

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