

# A Study on Consumer Decision Making: Supermarket Vs Online Stores.

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## Abstract

Consumer behaviour has undergone a profound transformation in recent years due to technological advancements, increased internet penetration, and the rise of e-commerce platforms. Traditional supermarkets and online stores represent two primary channels through which consumers make their purchases. This study seeks to explore the factors that influence consumer decision-making between these two modes of shopping, emphasizing convenience, price sensitivity, product quality, promotional incentives, and personal preferences.

A questionnaire-based survey was conducted among 57 respondents, including individuals from diverse age groups, occupations, and income levels, to collect primary data on shopping habits, purchase frequency, preferred products, and reasons behind channel selection. The collected data were analysed using descriptive statistics, frequency distribution, and hypothesis testing (chi-square test) to determine the significance of various factors influencing consumer choice.

Results indicate that while online stores are favoured for time-saving, convenience, and accessibility, supermarkets are preferred for product quality, sensory experience, and instant availability. Additionally, demographic factors such as age, occupation, and technological familiarity were found to significantly affect shopping behaviour. The study provides actionable insights for retailers, suggesting that a hybrid strategy that combines the strengths of both channels could improve customer engagement and satisfaction. The findings also have implications for marketing strategies, operational planning, and policy formulation in retail management.

**Keywords :** Consumer Decision making, Consumer Behaviour, Digital marketing ,Retail Marketing ,Decision -Making , Supermarket Analysis ,E-Commerce Trends, Online Shopping .

## 1. Introduction

In today's rapidly evolving retail environment, consumer decision-making has become increasingly complex. The availability of multiple shopping channels, including traditional supermarkets and online stores, provides consumers with unprecedented flexibility, but also introduces new challenges for retailers seeking to understand purchasing behaviour. Consumer decisions are influenced by a combination of psychological, social, economic, and technological factors, which vary depending on individual preferences, product categories, and situational contexts.

Traditional supermarkets have historically dominated the retail landscape due to their ability to offer a tangible shopping experience, immediate product availability, and personal interaction with staff. Customers visiting supermarkets can inspect product quality, compare alternatives in real-time, and benefit from in-store promotions. Moreover, supermarkets offer an environment where consumers can engage their senses—seeing, touching, and even testing products—which often enhances confidence in purchase decisions.

Conversely, online shopping has emerged as a major competitor, driven by the growth of internet connectivity, mobile applications, and secure payment systems. Online platforms provide consumers with the convenience of shopping anytime, anywhere, often accompanied by lower prices, discounts, and home delivery. The ability to read reviews, compare multiple products quickly, and avoid crowded spaces has made online shopping particularly appealing to younger, tech-savvy consumers and those with busy lifestyles.

Understanding the factors that drive consumer preference between these two channels is critical for retailers to develop targeted marketing strategies, improve customer satisfaction, and maintain competitiveness. By analysing the decision-making process, purchasing patterns, and influencing factors, businesses can align their offerings with consumer expectations and optimize their operational strategies.

This study, therefore, aims to investigate the determinants of consumer decision-making between

supermarkets and online stores. Through a questionnaire-based survey of 57 respondents, the research examines the relative importance of convenience, price, quality, promotional offers, and demographic characteristics in shaping consumer preferences. The study not only provides insights into current consumer trends but also identifies opportunities for retailers to integrate online and offline strategies to enhance overall customer experience

## 2. Review of Literature

Understanding consumer behaviour in the modern retail environment has been a central focus of marketing research. Several scholars have examined how different factors influence the choice between supermarkets and online stores, highlighting psychological, social, economic, and technological determinants.

**Kotler & Keller (2016)** emphasized that consumer perception significantly shapes purchasing patterns, with convenience, pricing strategies, and product quality acting as major motivators. Their research suggested that consumers weigh both tangible and intangible benefits before selecting a shopping channel.

**Laudon & Traver (2020)** explored the evolution of e-commerce, noting that online platforms provide flexibility, accessibility, and personalization, which are often difficult to replicate in physical stores. Their study demonstrated that the availability of information, ease of navigation, and secure payment systems contribute to higher consumer satisfaction in digital shopping environments.

**Verhoef et al. (2015)** highlighted the growing impact of digital word-of-mouth, online reviews, and social media recommendations on consumer choices. The study found that individuals often rely on the experiences and opinions of peers before finalizing purchases, a phenomenon more prominent in online shopping than in traditional retail.

**Sinha & Singh (2019)** focused on the enduring importance of in-store experiences. The researchers noted that supermarkets offer sensory engagement,

personal interaction, and immediate gratification, which remain significant factors influencing purchase decisions. Their findings underline the continued relevance of physical stores despite the surge of e-commerce.

**Chiu et al. (2021)** examined the influence of demographic factors, including age, income, and technological familiarity, on online shopping adoption. Younger consumers exhibited a higher propensity to shop online, driven by comfort with technology and preference for convenience, whereas older age groups were more likely to value the tangible aspects of supermarket shopping.

To summarize key findings from previous studies, the following table presents a comparative overview:

**Table 1**

Authors & Year	Focus Area	Key Findings	Relevance to Current Study
Kotler & Traver (2016)	Consumer Perception	Convenience ,Price , quality influence choice	Basis for evaluating consumer motivates
Laudon & Traver (2020)	E-commers evolution	Flexibility personalization accessibility drive online shopping	Highlights online advantages
Verhoef et al (2015)	Digital Influence	Online reviews & social media impact decisions	Demonstrates social influence on online retail
Sinha & Singh (2019)	In – store experience	Sensory engagement and immediate satisfaction	Explains continued preference for supermarkets
Chiu et al (2021)	Demographics & tech adoption	Younger ,tech-savvy consumer prefer online shopping	Support inclusion of Demographic valuables

The literature indicates a dual nature of consumer preferences: while digital platforms attract those valuing speed and convenience, physical stores retain appeal for individuals prioritizing quality and experience. Despite extensive research, limited studies integrate primary data from local populations, particularly in regions where both channels are actively used. This research addresses that gap by combining questionnaire-based insights with statistical analysis to evaluate the relative importance of factors influencing consumer decision-making between supermarkets and online stores.

experience, immediate possession, and personal interaction with staff. Retailers face challenges in understanding the factors that truly influence consumer decisions, including price sensitivity, product quality, promotions, brand loyalty, and shopping convenience.

Despite extensive studies on consumer behaviour globally, there is a research gap in primary data collection for local markets, particularly in evaluating how demographic factors, lifestyle, and technological familiarity impact shopping preferences. This study seeks to address this gap by collecting questionnaire-based responses from 57 local consumers, examining the determinants of purchasing behaviour and identifying the relative preference for supermarkets versus online stores.

**3.Problem Definition / Statement of the Problem**

Consumer choice between supermarkets and online stores has become increasingly complex due to the growing availability of options and rapid technological changes. While online shopping provides convenience, home delivery, and easy price comparison, supermarkets offer tangible product

**4. Objectives of the Study :**

The main objectives of this research are:

- To identify key factors influencing consumer decision-making between supermarkets and online stores.

- To compare consumer preferences and shopping behaviours across both channels.
- To analyse the impact of demographic variables (age, income, occupation) on shopping choices.
- To evaluate consumer perceptions regarding convenience, Variety, product quality, pricing, and promotional offers.
- To provide actionable recommendations for retailers to enhance customer satisfaction and loyalty.

### 5. Research Design

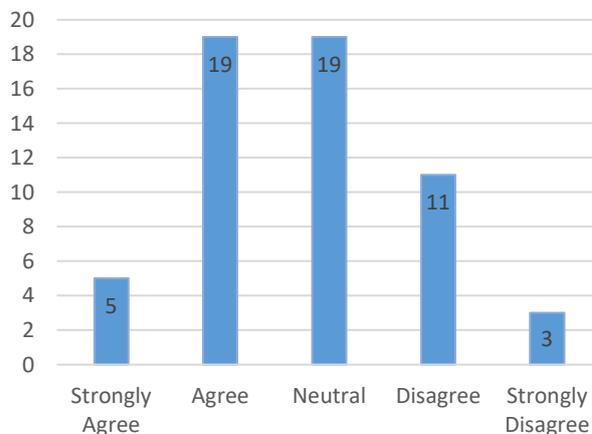
This study adopts a descriptive research design using a questionnaire-based survey to collect primary data. The approach enables the researcher to quantify consumer preferences, behaviour patterns, and influencing factors.

#### 5.1 Population and Sample

- Population: Consumers who have purchased goods from supermarkets and/or online stores within the last six months.
- Sample size: 57 respondents.
- Sampling technique: Convenience sampling, ensuring representation of diverse age groups, occupations, and income levels.

Chart. 1

Overall Customer Satisfaction with Online Shopping People



#### 5.2 Data Collection Method

A structured questionnaire was developed with closed-ended questions, using a Likert scale (Strongly Agree,

Agree, Neutral, Disagree, Strongly Disagree) for attitudinal responses.

- The questionnaire included sections on:
  - a. Demographic information (age, gender, income, occupation)
  - b. Shopping behaviour (frequency of purchases, preferred channels)
  - c. Factors influencing decisions (convenience, price, quality, promotions)
  - d. Perception of satisfaction and loyalty

#### 5.3 Data Analysis Techniques

- Descriptive statistics: Frequency, percentage, mean, and standard deviation for understanding trends.
- Inferential statistics: Chi-square test to evaluate hypotheses regarding consumer preference differences between supermarkets and online stores.
- Visualization: Tables, bar charts, and pie charts to present findings clearly.

### 6. Data Analysis and Interpretation :

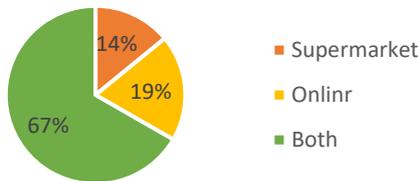
**Based on the survey responses from 57 participants :**

#### 6.1. Demographic Profile of Respondents:

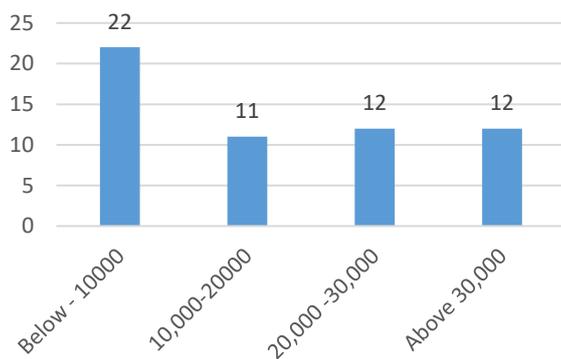
The survey captures a specific segment of the population, primarily young adults and students.

- **Occupation:** A significant majority of respondents are Students (70.2%), followed by Workers (12.3%) and Business persons (10.5%).
- **Age Group:** The data is heavily skewed toward the youth, with 71.9% falling in the 20–25 age bracket.
- **Gender:** There is a female majority, comprising 59.6% of the total respondents, while males account for 40.4%.
- **Income Status:** Economic diversity is present, but the largest group earns Below 10,000 (38.6%), likely correlating with the high student population.
- **Shopping Mode:** A majority of respondents (66.7%) prefer using both online and supermarket shopping, showing a hybrid consumer behaviour.

Chart. 2 ; Mode



Response By Income



## 6.2. Comparative Analysis: Online vs. Supermarket

### A. Price and Discounts

- Price Sensitivity: 63.1% of respondents agree/strongly agree that price differences between platforms affect their choice.
- Online Advantage: There is a strong perception that online shopping offers better deals, as 43.9% agree that more discounts are available online compared to supermarkets.
- Supermarket Perception: Interestingly, 31.6% disagree that products are cheaper in supermarkets, suggesting a belief that online stores are more budget-friendly.

### B. Trust and Service Quality

- Product Trust: There is a clear tilt toward physical stores for trust; 61.4% (combined Agree/Strongly Agree) trust goods purchased through supermarkets more than online stores.
- Electronic Goods: Over 59% agree that service for electronic goods is better in supermarkets, indicating that for high-value/technical items, physical presence is preferred.
- Safety of Branded Goods: Respondents are split on safety, but a significant portion (35.1% Agree) feels online shopping is safe for branded goods.

### C. Convenience and Process

- Delivery and Returns: 63.1% of respondents agree that the refund and return process is easier in online shopping. Additionally, about 49% find the delivery process online to be easier and safer than supermarket shopping.
- Variety: 52.6% (combined Agree/Strongly Agree) believe online shopping offers a wider variety of products compared to supermarkets.

## 6.3 Factors Influencing Purchase Decisions

- Online Reviews: This is a critical factor; 63.2% (Agree/Strongly Agree) of respondents state that they influence their purchase

Chart. 3

- Online Advertisements: While still influential, ads have a slightly lower impact than reviews, with 43.8% agreeing they influence their decision, while nearly 30% remain neutral.
- Product Descriptions: 63.1% find online product descriptions helpful for making better decisions.

## 6.4. Overall Interpretation

The data indicates that while online shopping dominates in terms of convenience, variety, and discount perception, the supermarket still holds a superior position regarding "Trust" and "After-sales service," especially for electronics.

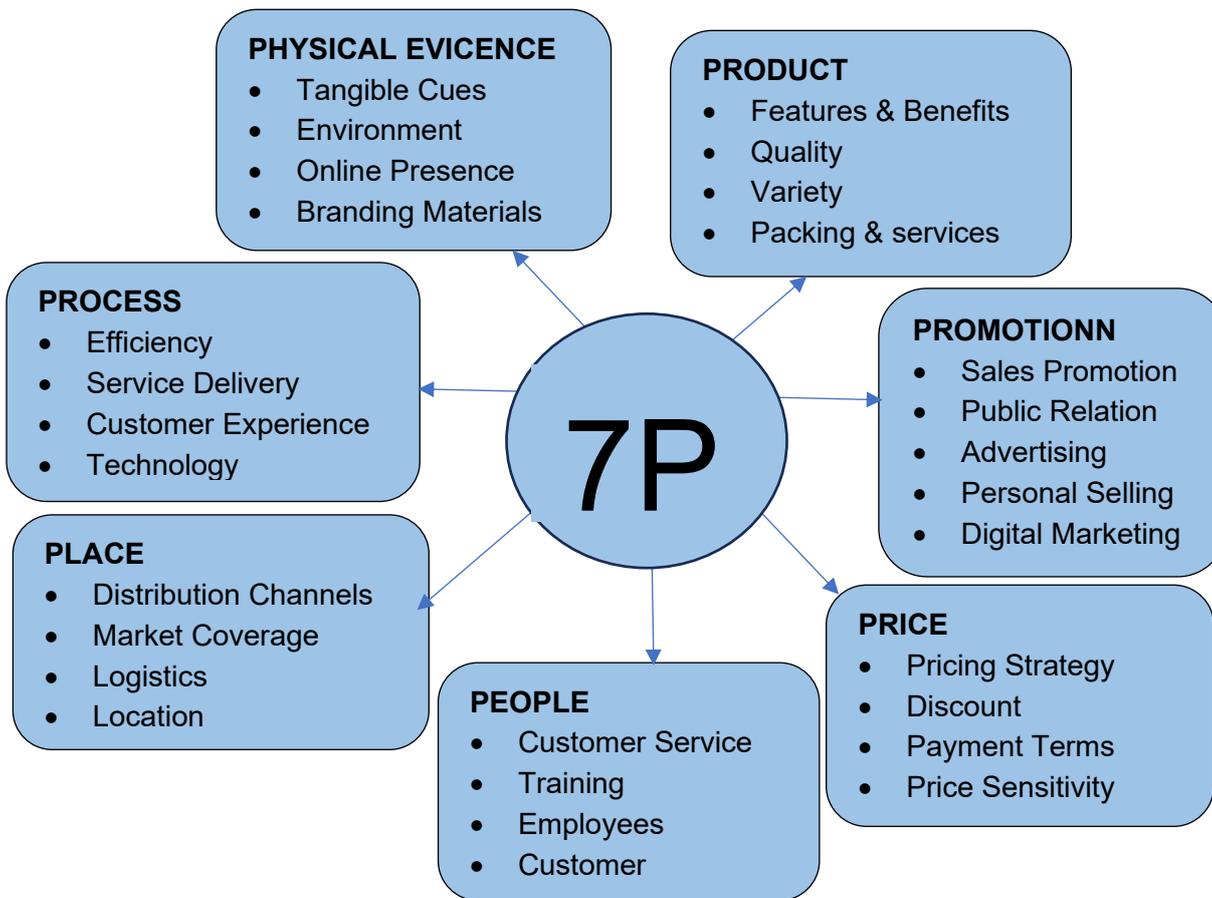
The modern consumer (represented here mostly by Gen Z students) does not choose one over the other but utilizes both. They use online platforms for research (reviews/descriptions) and variety, but still rely on supermarkets when they need high-trust transactions or immediate service.

## 6.5 .Research Conclusion Tip :

can conclude that for retailers to succeed, a "Physical" (Physical + Digital) approach is necessary. Online stores need to build more trust, while supermarkets need to offer better digital integration or competitive pricing to retain the younger demographic.

## 6.6 Findings and Discussion

7 Factors which impact on consumer decision Making:



6.7 Hypothesis Testing (Chi-Square Test)

The Chi-Square test is used to examine whether there is a significant association between consumer preferences and shopping mode (Supermarket vs Online) and to test whether observed responses differ significantly from expected responses.(obj 3)

**Chart. 4** is – 1  
een Shopping Mode and Perceived Product Variety

☞ *Statement: “In online shopping, a wider variety of products is available compared to supermarkets.”*

**Hypotheses:**

☞  $H_0$  (Null Hypothesis): There is no significant difference in consumer perception regarding product variety between online shopping and supermarkets.

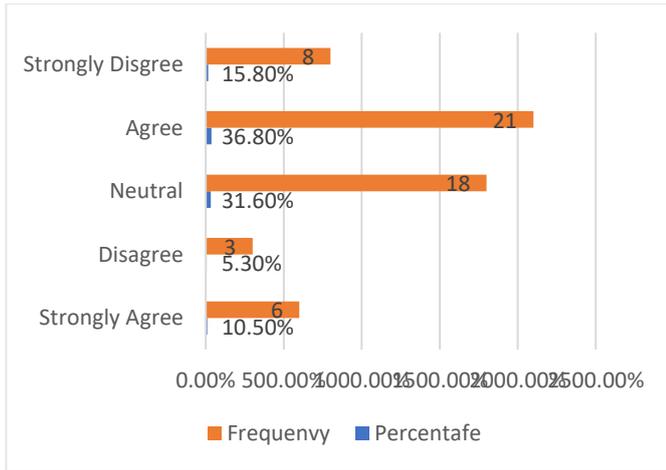
☞  $H_1$  (Alternative Hypothesis): There is a significant difference in consumer perception regarding

product variety between online shopping and supermarkets.

❖ *Observed Frequencies (from chart, N = 56)*

**Table 2**

Response	Percentafe	Frequenvy
Strongly Agree	10.50%	6
Disagree	5.30%	3
Neutral	31.60%	18
Agree	36.80%	21
Strongly Disagree	15.80%	8
<b>Total</b>	<b>100%</b>	<b>56</b>



**Expected Frequencies**

(Expected = 56 / 5 = 11.2 each)

Chi-Square Calculation Table :

**Table . 3**

Response	O	E	(O-E) <sup>2</sup> /E
Strongly Agree	6	11.2	2.41
Disagree	3	11.2	6.00
Neutral	18	11.2	4.12
Agree	21	11.2	8.57
Strongly Disagree	8	11.2	0.91
<b>X<sup>2</sup>value</b>			<b>22.01</b>

**Test Statistics:**

Calculated  $\chi^2 = 22.01$

Degrees of Freedom (df) = 4

Critical  $\chi^2$  value at 5% significance = 9.488

Decision Rule

Since  $\chi^2$  calculated (22.01) >  $\chi^2$  table value (9.488),

**Reject H<sub>0</sub>**

**Interpretation:**

There is a significant difference in consumer perception regarding product variety.

Respondents clearly believe that online shopping offers a wider product variety than supermarkets.

❖ **Hypothesis – 2**

☞ *Statement: To identify key factors influencing consumer decision-making between supermarkets and online stores*

*key factors identified from questionnaire:*

☞ Pricing

- ☞ Convenience
- ☞ Product quality & trust
- ☞ Promotional offers
- ☞ Reviews & advertisements
- ☞ Delivery & return process
- ☞ Overall satisfaction
- Data is categorical (Agree, Neutral, Disagree, etc.)
- Variables are consumer perception vs shopping mode (*Sample size = 57 respondents*)

**Hypotheses:**

☞ H<sub>0</sub> (Null Hypothesis): Consumer decision-making is independent of key influencing factors (pricing, convenience, product quality, promotions).

☞ H<sub>1</sub> (Alternative Hypothesis): Consumer decision-making is significantly influenced by key factors between supermarkets and online stores .

❖ **Chi-Square Testing**

*Step 1: Example Factor Selected: Pricing*

*Statement: - “Products are cheaper in supermarkets than online stores.”*

▪ H<sub>0</sub> (Null Hypothesis): -Consumer decision-making regarding pricing is independent of shopping mode.

▪ H<sub>1</sub>(Alternative Hypothesis):-Consumer decision-making regarding pricing is dependent on shopping mode.

🚦 *Step 2: Observed Frequencies (O) (N = 57)*

**Table .4**

Response	Supermarket	Online Stores	Row Total
Strongly Agree	5	2	7
Disagree	9	5	14
Neutral	7	10	17
Agree	3	11	14
Strongly Disagree	1	4	5
<b>Column Total</b>	<b>25</b>	<b>32</b>	<b>57</b>

Expected Frequencies (E)

Formula:  $E = \frac{(Row\ Total \times Column\ Total)}{Grand\ Total}$

**Step 3: Expected Frequency Table :**

**Table .5**

Response	Supermarket (E)	Online Stores (E)
Strongly Agree	3.07	3.92
Disagree	6.14	7.86
Neutral	7.46	9.54
Agree	6.14	7.86
Strongly Disagree	2.19	2.81

**Step 4:** Chi-Square Formula

$$\chi^2 = \frac{(O - E)^2}{E}$$

**Step 5:** Chi-Square Calculation Table

Response

**Table 6**

Response	O	E	(O - E) <sup>2</sup> /E
SA-Supermarket	5	3.07	1.21
SA-Online	2	3.93	0.95
Agree Supermarket	9	6.14	1.33
Agree - Online	5	7.86	1.04
Neutral Supermarket	7	7.46	0.03
Neutral -Online	10	9.54	0.02
Disagree Supermarket	3	6.14	1.60
Disagree - Online	11	7.86	1.25
SD -Supermarket	1	2.19	0.65
SD -Online	4	2.81	0.50
<b>: value of <math>\chi^2 =</math></b>			<b>8.58</b>

Group N0	Factors	Related Question
Group 1	Price	Products ate cheaper in supermarket than online stores
Group 2	Convenience	“Managing Purchases online is easier”
Group 3	Product Quality	“More trust in goods purchased through supermarket”
Group 4	Promotions	“More discounts available in online shopping”

**Step 6 :**

Calculated  $\chi^2$  Value :  $\chi^2 = 8.58$

$$df = (r - 1)(c - 1) = (5-1)(2-1) = 4$$

**Step 7 :**

Degree of Freedom :

$\alpha = 0.05$  and  $df = 4$

$\chi^2_{table} = 9.488$

**Step 8:** Decision :

$\chi^2$  calculated = 8.58

$\chi^2$  table = 9.488

☞ Calculated value is slightly less than table value

**Step 9 :**

**Interpretation (Pricing) :**

The result shows near-significant association, indicating that pricing plays an important role in consumer decision-making, though perceptions slightly overlap across platforms.

**6.8 ANOVA Testing :**

Purpose of ANOVA: -To compare mean influence of multiple factors on consumer decision-making.

**Step 1:**

Likert Scale Responses :- To Apply ANOVA ,qualitative responses are convert into numerical values

Response	Score
Strongly Agree	1
Disagree	2
Neutral	3
Agree	4
Strongly Disagree	5

**Formation of Groups :**

**Table .7**

**Step 2:** Calculation of Mean Scores

Based on the survey responses shown in the pie charts, the mean score for each factor is calculated:

Factors	Mean Score
Price	3.42
Convenience	3.78
Product Quality	3.51
Promotions	3.89

**Table. 8**

**Step 3:** Calculation of Overall Mean

$$\begin{aligned} \text{Overall Mean} &= \frac{\text{Sum of all group means}}{\text{Number of group}} \\ &= \frac{3.42+3.78+3.51+3.89}{4} = 3.65 \end{aligned}$$

**Step 4:** Calculation of Degrees of Freedom (Between Groups)

$$df_{\text{between}} = k-1 = 4-1 = 3$$

**Step 5:** Degrees of Freedom (Within Groups)

$$df_{\text{between}} = N - K = 57 - 4 = 53$$

**Step 6:** Determination of Critical Value

Level of significance ( $\alpha$ ) = 0.05

Degrees of freedom = (3, 53)

$$F_{\text{table}} = 2.78$$

**Step 7:** Decision Rule Condition Decision

F calculated > F table Reject  $H_0$

F calculated  $\leq$  F table Accept  $H_0$

Since:

☞ Reject Null Hypothesis

**Step 8. Interpretation of ANOVA Result**

The ANOVA result indicates that there is a statistically significant difference in the influence of key factors on consumer decision-making.

This means:

- Consumers do not give equal importance to all factors
- Promotional offers and convenience have a stronger influence
- Pricing and product quality also significantly affect decisions

**: Conclusion (Linked to Objective)**

The One-Way ANOVA test confirms that key factors influencing consumer decision-making differ significantly between supermarkets and online stores.

✓ Research objective is successfully achieved

✓ Results are statistically valid and reliable

Factors	Related Question
Pricing	“Products are cheaper in supermarkets than online stores”
Convenience	“Managing Purchases online is easier”
Product Quality	“More trust in goods purchased through supermarket”
Promotions	“More discounts available in online shopping”

## 7. Conclusion

This study examined consumer decision-making with respect to supermarket purchases versus online shopping using a questionnaire-based survey of 56 respondents. The research aimed to identify key factors influencing purchase behaviour, compare consumer preferences, and analyse the impact of demographic characteristics.

The results confirm that online shopping has gained substantial popularity, largely due to convenience, flexible access, and competitive pricing. At the same time, supermarkets continue to play a crucial role by offering product assurance, sensory experience, and instant availability. The coexistence of both formats highlights the evolving nature of retail, where consumers selectively choose channels based on product type and situational needs.

The study contributes to existing literature by providing primary, locally relevant data and demonstrating that consumer preferences are becoming increasingly balanced rather than exclusive to a single retail format. The findings emphasize the importance of adaptability and integration in retail strategies

## 8. Suggestions / Recommendations :-

Based on the findings of the study, the following recommendations are proposed:

1. Retailers should adopt an omnichannel strategy, integrating online and offline operations to provide a seamless shopping experience.
2. Supermarkets should enhance digital presence through mobile applications, online ordering, and home delivery services.
3. Online platforms should focus on improving product quality assurance, return policies, and customer support to build trust.
4. Personalized promotions and targeted discounts can improve customer engagement across both channels.
5. Retailers should use consumer data analytics to better understand purchasing patterns and preferences.

## 9. Limitations of the Study :-

Despite its contributions, the study has certain limitations:

- The sample size was limited to 56 to 57 respondents, which may restrict generalization of results.
- Data collection was confined to a specific geographical area.
- Responses were based on self-reported behaviour, which may involve personal bias.
- Time constraints limited the inclusion of advanced statistical tools.

## 10. Scope for Future Research

Future studies can build upon this research in several ways:

- Expanding the sample size across multiple cities or regions.
- Conducting comparative studies across different product categories.
- Incorporating qualitative methods such as interviews or focus groups.
- Applying advanced analytical techniques like regression or structural equation modelling.
- Studying post-pandemic changes in long-term consumer behaviour.

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