

Organized retailing& Consumer Buying Behavior: *A Changed Scenario*

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Abstract

The growth of organized retailing has witnessed a paradigm shift in the consumer buying behavior. With the boom in the retail sector, there is a change in the pattern of shopping. Firms are becoming more customer conscious and are gradually moving towards *sustainable* Marketing. Shoppers are enjoying doing shopping like never before. With increased disposable income and brand infusion, the shoppers are buying more and the shopping behavior has seen a great change. This manuscript attempts to provide insight on the effects of various factors on the changed consumer buying behavior and has also categorized the shoppers based on their lifestyle distinctiveness. Our meta-analysis suggests that there are various categories of consumers as Location conscious, Discount seekers, Price conscious, Mall freekers and Brand conscious consumers. Their shopping pattern differs on the basis of the category in which they lie. This research deploys factor analysis to identify the structure of a set of variables apart from providing a process of data reduction. The primary data constituted of 135 responses through structured undisguised questionnaires. The survey questionnaire constituted of 25 items to capture the psychographic behavior of buyers and thereafter to categorize them based on their perceptions. This research aims to identify the perceptions of buyers with respect to their purchase activities. These variables are thereafter categorized into 5 main factors using Factor Analysis on SPSS.

Keywords: Organized retailing, Buying Behavior, Customer, Lifestyle

Introduction

With the surge in India growth rate, the retail sector in the nation will undoubtedly run over potential open doors more than ever. The retail area in India is highly fragmented and organized retail in the nation is at a very nascent stage.. This sector is of late often being hailed as one of the sunrise sectors of the economy. There are about 12 million retail outlets spread across India, most of them owning small mom and pop outlets. Till a couple of years back, the retail area in India was more of unorganized with negligible merchants ruling the chunk of the business but now the scenario has been changing fast . The sector is finally converting into organized retailing. The growth of organized retailing in India has off late seen changes in the consumer buying behavior. Consumer behavior refers to the mental and emotional process and the observable behavior of consumers during searching, purchasing and post consumption of a product and service. Consumer behavior includes investigation of how individuals purchase, what they purchase, when they purchase and why they purchase. It involves a combination of psychology, sociology, socio-psychology, anthropology and economics. It likewise attempts to evaluate the impact on the buyer from social life, for example, family,

companions, reference gatherings and society overall.

Consumers' Psyche

With the advent of a globalized economy in India, the Indian buyer's mind has been changed. Individuals have become mindful of the value of money. These days the Indian shoppers are well versed with the concepts about quality of products & services. . These Demands are the noticeable effects of the Indian Organized retail area. Since the Liberalization strategy of 1990, the Indian economy, and its consumers are getting whiff of the most recent public and worldwide items, with the assistance of print and electronic media. The social changes with the rapid growth due to trained personnel, quick modernization, and upgraded accessibility of retail space are the beneficial outcomes of liberalization.

Shopping in India has witnessed a revolution with the change in the consumer buying behavior and the whole format of shopping is also altering. Industry of retail in India has been completely modernized should be visible from the way that there are multi-put away shopping centers, colossal malls, and rambling edifices which offer food, shopping, and amusement all under same roof. Today individuals search for better quality item at modest rate, better assistance, better ambience for shopping and better shopping experience. Organized retail promises to provide all these. Customer is conscious about brand, price, various schemes, and location etc. The marketer has to gain the confidence of the customer and has to be very efficient in providing the products demanded by the customer. Today consumers have more freedom of choice; they are better informed and have more disposable income. The mindset has changed. Consumers have easy access to purchasing opportunities.

Factors Affecting Consumer Buying Behavior

There are three major factors which affect the consumer buying behavior include social, personal and psychological factors. Social factors includes factors and forces that people exerts which influence buyers' behavior. These include culture, subculture, roles, status, family, social class and reference groups. Personal factors on the other hand are those aspects that are unique to the person and influence purchase behavior. These include demographic factors, lifestyle and situational factors. On the other hand, psychological factors are internal to the individual and generate forces within that influence his / her purchase behavior. Major ones include motives, perception, learning, attitude and personality.

Buyer behavior has two aspects: the purchase activity visible to any observer and the detailed or short decision process that may involve the interplay of a number of complex variables not visible to anyone.

Consumer decision making involves the following stages:



Fig.1 Stages in Consumer Decision Making

Endurance in the present financial environment and competitive retail environment requires something beyond low costs and innovative items. To contend successfully, organizations should focus on the customers shopping experience. To deal with a consumer insight, retailers should understand what 'consumer experience' really means. consumer experience incorporates each resource at which customer interacts with the business, products, services. Customer experience management represents a business strategy designed to manage customer experience. Proper supply chain delivers superior customer experience which results in higher customer satisfaction, more frequent shopping visits, larger wallet shares and higher profits

The objectives of the study include:

- *To study the changes in the buying behavior of consumers*
- *To understand the factors responsible for these changes*
- *To categorizes shoppers on the basis of their lifestyle distinctiveness*

Literature Review

A positive store image and good value / quality merchandise are two important things that retailers should look for to gain success in the increasingly competitive market place. The important factors for store patronage decisions are retailers' store image, quality of merchandise and brands sold and price /promotions. when shoppers are exposed to pricing and promotional activity by frequently purchased packed products, they might develop assumptions that are utilized as perspectives in assessing future action. The promotional activity has significant reference effects on consumer response. (James M. Lattin, 1989). More than 84% of the sales increase due to promotion comes from brand switching. (Gupta, 1988). The monetary and nonmonetary promotions provide consumers with different levels of *three hedonic benefits (opportunities for value expression, entertainment, and exploration) and three utilitarian benefits (savings, higher product quality, and improved shopping convenience)*. For high-value brands, money related promotions are more effective for utilitarian products than for hedonic products. (Pierre Chandon et al, 2000). It is necessary to understand the product's promotional state at the time of purchase as an explanatory element of the process. Promotion is a great is a tool that can help manufacturers, Wholesalers, suppliers and/or retailers in the achievement of their objectives (try the brand, help to decide what brand to buy, etc.). price reduction is the technique which has greatest influence on the brand choice process. It is the tendency of consumers that the consumer perceives a promotion accept it such as coupons or rebates, but does not modify his or her behavior. In this case, manufacturers and/or retailers has invested their resources in promotional actions that do not have any effect on the consumer. (Begoña Alvarez Alvarez, 2005). it is often said that high knowledge respondents are more influenced by brand name, while low knowledge respondents are more influenced by price discounts. Low knowledge consumers are also swayed by store name and brand name. (etal). Sales promotions has very minimal affect post-promotion brand preference. However, depending upon various characteristics of the sales promotion techniques and the promoted product, promotions can either lead to increase or decrease preference for a brand. (Devon DelVecchioa, 2006). In-store price promotions are associated with negative purchase event feedback compared to non-promotion purchases, whereas non-price promotions such as features or sampling have no effect or in fact are associated with positive purchase event feedback, compared to purchases made off promotion. (Neslin, 1999). Economical factors such as interest rates, unemployment, and economic growth has an significant influence on consumers' knowledge of prices.

Certain economic environments may therefore provide marketers with the ability to utilize pricing tactics which rely on limitations in consumers' knowledge of product prices. Using a meta-analytic framework, this paper synthesizes the results of 297 previous price knowledge studies to document the effects of inflation, unemployment, GDP growth, interest rates, country of study, and passage of time on consumer price knowledge. The meta-analysis results exhibit that economic variables have impressive effect on explaining differences in customer price knowledge. (Hooman Estelamia, 2001) the price. There was stronger "excess loyalty" effect for the loyalty program. This was in spite of the competitive price promotion. The price promotion also generated excess loyalty which although was less than the loyalty program. The price promotion generates temporary but a larger share in the market. Both marketing interventions appear to be quite defensive in nature, which encourage buying by existing buyers. (Sharp, 1997). One of the purposes of a consumer promotion is to elicit a direct impact on the purchase behaviour of the firm's customers (Kotler, 1998; Blattberg and Neslin, 1990). Based on past researches, sales, sales promotions positively affect short term sales (Priya, 2004).

(Priya, 2004). Research on price promotion has consistently reported high sales effect and high price elasticity for brands which are on promotion (Blattberg, Briesch and Fox, 1995). Past Studies have shown that price promotions enhance brand substitution within a product category (Dodson et al, 1978), affect total sales (Gupta, 1998), also affects stock piling and purchase acceleration (Blattberg, Eppen and Lieberman, 1981, Neslin, Henderson and Quelch, 1985). However, there has some studies which suggest that sales promotion affects brand perceptions.

Situational influences including physical, social and time factors affect buyer's purchase decisions. A number of consumers delay their buying decisions till the time they actually visit the store. Store design and product presentations could motivate consumers to buy. Previous researches using rats have revealed that a higher concentration of dopamine in one side of the brain is related to a movement bias towards the opposite side (Zimmerberg, Glick & Jerussi 1974). Shoppers, also have a general orientation towards the store's periphery on the basis of dopamine concentrations in their brain. Short distant shoppers tend to cover short distances for shopping task with the clockwise store layout (Klein and BARTmann). Retailers often make use of predictive models while choosing a suitable location for their new store. With an understanding that a buyer's store choice is location driven, a number of large scale retailers' focus on geographic position strategy (Brook's et al., 2001). The decision of store selection is also related to the principles of low involvement decision making of products or brands (Spiggle and Sewal, 1987). Consumers may be motivated to select stores on the basis of their locations in case it is not worth the effort and time to shop around (Jantan and Kamaruddin, 1999). Further, in addition to location, atmospherics such as music played at stores, fragrance, lightening, temperature etc do affect consumers' buying intention. Consumer's reaction towards item prices and promotional offers can be altered by the geo-demographic profiles of the store's trading area (Hoch et al.). A number of other studies have identified that space allocation to a category affects store's performance (Chen et al., 1999, Grewal et al., 1999, Bultez et al., 1989). Depending upon the type of location, local customers tend to find some product categories more appealing than others. With respect to logistic decision making, shelf space is one of the most vital resources to attract customers (Yang and Chen, 1999). A lot of methods are deployed by retailers to appropriately allocate space as per chosen assortments. Such methods aim to maximize retailers' profits by allocating space on the basis of item profitability and shelf-space elasticity (Walter and Grabner 1975).

Price is another form of attribute used by consumers to evaluate a product. Price can sometimes be an indicator of quality; with a higher price indicating higher quality (Mowen & Minor, 1998; Siu & Wong, 2002).

Consumers perceive that a higher price can be attributed to the higher cost of quality control (Siu & Wong, 2002). Some consumers are highly price sensitive (elastic demand), whereby a high prices may shift consumers to competitive brands (Mowen & Minor, 1998). Therefore price can have a positive or negative influence on customers.

The logic behind the existence of a brand is to transmit trust to the market, especially when direct contact between consumers and companies is not possible. (Sheth and Parvartiyar, 1995). Another argument is given by Chaudhuri and Holbrook (2001), who affirm that the unique value perceived in a brand may be derived from greater trust in that particular brand that other brand lack. Drawn on the definition of brand trust proposed by Dlgado-Ballester et al. (2003), who stated that a trusted brand is one that “consistently keeps its promise of value to consumers through the way the product is developed, produced, sold, serviced and advertised.” It seems that brand trust is about accomplishing expectations. In building brand preferences, Alreck and Settle (1999) proposed six strategies:

- 1) Need association- the product/brand linked to need through repeated messages.
- 2) Mood associations- brands should be associated with good feelings through slogans, songs.
- 3) Subconscious motivation-use of symbol to excite consumers’ subconscious motives.
- 4) Behavior modification-consumers are conditioned to buy the brand by controlling cues and rewards.
- 5) Cognitive processing-penetrating perceptual and cognitive barriers to create favourable attitudes towards the brand/product.
- 6) Model emulation- portraying idealized lifestyles for consumers to imitate.

However, this study focused only on the symbolic or tangible elements in influencing brand preference. It did not discuss tangible aspects (i.e product characteristics) of influencing brand preference.

Within the confines of this literature review, the prior studies on consumer behavior, the buyers’ lifestyle in India and the vital factors influencing buying behavior have been reviewed. Following theoretical model is generated for the purpose of the study (refer fig 2).

This study examines the lifestyle characteristics of Indian buyers. It identifies the various parameters which guide their purchase activities. A number of earlier researches have recognized price, promotional strategies, location of retail outlet, branding, environment etc as vital factors affecting consumers buying decisions. This research further categorizes shoppers on the basis of their lifestyle distinctiveness. Further, each segment is profiled appropriately and its corresponding marketing implications are discussed.



Fig 2: Theoretical Model

This study examines the lifestyle characteristics of Indian buyers. It identifies the various parameters which guide their purchase activities. A number of earlier researches have recognized price, promotional strategies, location of retail outlet, branding, environment etc as vital factors affecting consumers buying decisions. This research further categorizes shoppers on the basis of their lifestyle distinctiveness. Further, each segment is profiled appropriately and its corresponding marketing implications are discussed.

Research Methodology

This study involves non-probabilistic convenience sampling. 135 customers were selected throughout the urban and semi urbanized locations of India. Quantitative data was collected from undisguised questionnaire. Utmost care was undertaken to make sure that there is insignificant sampling error, and the results of the sample study can be applied, in general, for the universe with a reasonable level of confidence. The study used a variety of questions to find out complete information about the topic under research. Apart from dichotomous and multiple-choice questions, the questionnaire also included statements which the respondents were required to rate on the basis of different scales like the Likert scale and rating scale. Moreover, descriptive and frequency testing was employed on the quantitative data, and factor analysis was carried out to meet the objectives of the research.

Descriptive Analysis

Most of the respondents are males (52.6%). The highest percentage of the respondents is salaried (65.9%), with 48.9% falling in the salary bracket of Rs. 20,000 to 40,000.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	71	52.6	52.6	52.6
	Female	64	47.4	47.4	100.0
	Total	135	100.0	100.0	

Table 1: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unemployed	26	19.3	19.3	19.3
	Salaried	89	65.9	65.9	85.2
	Self Employed	16	11.9	11.9	97.0
	Business	4	3.0	3.0	100.0
	Total	135	100.0	100.0	

Table 2: Salary

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10,000-20,000	33	24.4	24.4	24.4
	20,000 - 40000	66	48.9	48.9	73.3
	40000 to 50000	16	11.9	11.9	85.2
	>50000	20	14.8	14.8	100.0
	Total	135	100.0	100.0	

Table 3: Monthly Income

While 47% believe that they purchase most of their requirements within a month, 38% prefer fortnightly shopping. Surprisingly, 40% of the respondents do not present to visit malls or organized retail stores in a month for making purchases, although 25.2% ensure visiting about 5 to 6 times a month as part of their monthly buying activity.

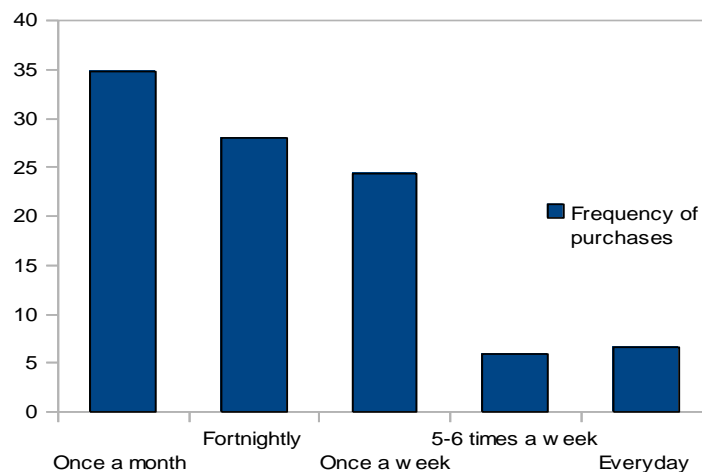


Figure 3: Frequency of purchases

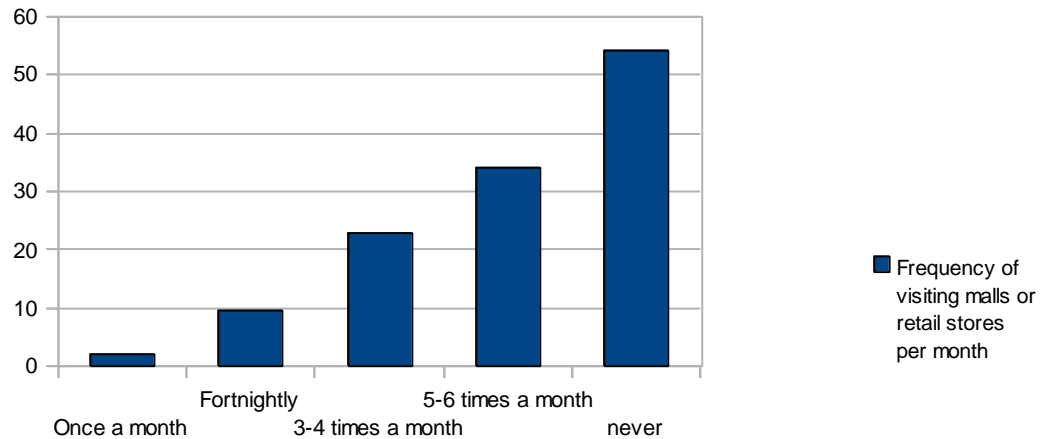


Figure 4: Frequency of visiting malls or retail stores per month

Factor Analysis

This research deploys factor analysis to identify the structure of a set of variables apart from providing a process of data reduction. The primary data constituted of 135 replied questionnaires. The survey questionnaire constituted of 25 items to capture the psychographic behavior of buyers and thereafter to categorize them based on their perceptions. This research aims to identify the perceptions of buyers with respect to their purchase activities. These variables are thereafter categorized into 5 main factors using Factor Analysis on SPOSS . The variables which are measured with multi-items were generated based on extensive literature review. All items required a 5-point Likert scale with responses ranging from 1 = “strongly agree”, through 3 = “neutral”, to 5 = “strongly agree”.

R-type factor analysis is deployed to understand the structure of the psychographic variables. Metric variables chosen for the purpose of this research constituting a homogenous set of perceptions are found to be most suitable for conducting factor analysis. It's understood that factor analysis procedures are based on the initial computation of a complete table of inter-correlations amongst the variables constituting the correlation matrix. Thereafter, the obtained correlation matrix is transformed into a factor matrix through estimation of a factor model. Following table shows the total variance explained after applying Principal Component Analysis (refer Table 4).

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.122	12.486	12.486	3.122	12.486	12.486
2	2.613	10.451	22.937	2.613	10.451	22.937
3	1.829	7.317	30.254	1.829	7.317	30.254
4	1.633	6.532	36.786	1.633	6.532	36.786
5	1.533	6.134	42.920	1.533	6.134	42.920
6	1.405	5.621	48.541	1.405	5.621	48.541
7	1.335	5.340	53.882	1.335	5.340	53.882
8	1.112	4.447	58.329	1.112	4.447	58.329
9	1.045	4.179	62.507	1.045	4.179	62.507
10	1.001	4.002	66.509	1.001	4.002	66.509
11	.888	3.552	70.062			
12	.824	3.295	73.357			
13	.769	3.074	76.431			
14	.750	3.002	79.432			
15	.709	2.836	82.269			
16	.641	2.564	84.832			
17	.608	2.430	87.262			
18	.537	2.148	89.411			
19	.508	2.032	91.442			
20	.491	1.962	93.404			
21	.397	1.590	94.994			
22	.380	1.521	96.515			
23	.331	1.324	97.839			
24	.286	1.144	98.983			
25	.254	1.017	100.000			

Table 4: Principal Component Analysis

Further, the screen test is also shown in the subsequent figure which plots the 25 factors extracted in this study (refer figure 5). Starting with the first factor, the plot slopes steeply downward initially and then slowly become an approximately horizontal line subsequent to the fifth factor. At this juncture, the point at which the curve almost attains the horizontal line is considered as the cutoff to assess the maximum number of factors. 5 factors therefore qualify to be considered post factor analysis.



Fig 5: Scree Plot

It's difficult and theoretically less meaningful to interpret this factor loading pattern. It therefore becomes imperative to rotate the factor matrix in order to redistribute variance from the earlier factors to the later factors so as to obtain a simpler and more meaningful factor pattern. To cater to this, an orthogonal (VARIMAX) rotation is applied. Following table 5 depicts the VARIMAX rotated component analysis factor matrix.

On the basis of differences in backgrounds and trainings, researchers may assign different names to similar results. However, a more logical factor labeling could facilitate better understanding and presentation of the output. Keeping this under consideration, following names/ categories of buyers have been identified:

Factor1: Location conscious

I do my monthly shopping from a big store which is not very near from my house

When I go for planned shopping I decide the shop as well

When I go out shopping I am conscious of how much I pay for each item I buy

If the shop near my house does not have the brand I want, I will wait for it

The shop near my house offers products at less than MRP
I buy from the shop from near my house because he gives me credit for a month

If I don't find a particular brand in the store, I take the other brand

Factor 2: Discount Seekers

I buy from shops near my home

The place I shop has discount offers

I prefer to make Monthly purchases in the shop for which I have discount coupons

When I read the pamphlets and advertisements on discount/offers I try to go to that shop

Factor 3: Price conscious

In case of urgency, I get my product from nearby shop

I want products which are economical but satisfaction is same

The store which I visit offers many brands for each and every product

In an emergency, I choose from the available brands

When there are two brands of a product, I go for the one that I have tried already

Factor 4: Mall freekers

I like the big mall because it has products of all kinds to satisfy all kinds of customers

I have felt happy on finding new brands of FMCG products when I go to shop in a mall

I go to the big retail shops because my whole family can have a nice outing

Factor 5: Brand conscious

If the shop near my house does not have the brand I want, I go to other shops but buy branded goods only

Malls are useless if they do not have all brands

A smart businessman will keep all the brands and items in his shop so that he can satisfy his customer

I insist on branded items when I buy from the local shop near my house

I'm very brand loyal

I like only branded items on all items I buy

Rotated Component Matrix *

	Component				
	1	2	3	4	5
I insist on branded items when I buy from the local shop near my house	.672				
I'm very brand loyal	.657				
If the shop near my house does not have the brand I want, I go to other shops but buy branded goods only	.634				
I like only branded items on all items I buy	.630				
A smart businessman will keep all the brands and items in his shop so that he can satisfy his customer	.443		.357	.356	
Malls are useless if they donot have all brands	.343				
If I don't find a particular brand in the store, I take the other brand		-.621			
If the shop near my house does not have the brand I want, I will wait for it.		.552			
I buy from the shop from near my house because he gives me credit for a month		-.527			
I do my monthly shopping from a big store which is not very near from my house		.494			.314
The shop near my house offers products at less than MRP		.473			
When I go out shopping I am conscious of how much I pay for each item I buy.	-.338	.470			
When I go for planned shopping I decide the shop as well.		.456			-.383
When I read the pamphlets and advertisements on discount/offers I try to go to that shop.			.731		
The place I shop has discounts/offers			.642		
I buy from shops near my home.			-.451		
I prefer to make Monthly purchases in the shop for which I have discount coupons		.378	.412		
In case of urgency, I get my product from nearby shop				-.620	
When there are two brands of a product, I go for the one that I have tried already				.537	
I want products which are economical but satisfaction is same				-.529	
In an emergency, I chooze from the available brands		-.379		-.520	
The store which I visit offers many brands for each and every product				.360	
I go to the big retail shops because my whole family can have a nice outing					.746
I have felt happy on finding new brands of FMCG products when I go to shop in a mall.					.716
I like the big mall because it has products of all kinds to satisfy all kinds of customers					.444

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 7 iterations.

Table5: Varimax rotation

Reliability of the multi-item scale for each dimension was measured using Cronbach alphas. As can be seen, measures of reliability for all the above dimensions.

Factor	Cronbach Alpha	Number of items
Location conscious	0.74	7
Discount seekers	0.67	4
Price conscious	0.78	5
Mall freekers	0.82	3
Brand conscious	0.71	6

Table6: Reliability Analysis

Conclusion:

The research has therefore identified the various categories of consumers as:

- Location conscious
- Discount seekers
- Price conscious
- Mall freekers
- Brand conscious

Location

Location, Location, Location!!! This is the most important term in retailing. The first category of consumers is Convenience conscious. These are consumers who look for ease and handiness in their buying. They are not very shopping oriented. Therefore, location of a retail store should be approachable and convenient for the customers, and this is one of the very important key for success.

Discounts

All marketing programs such as product, price, advertising, promotion and distribution can contribute to the formation of expectations about the brand. Promotional activity as sales promotion attracts the customers by providing some incentives to the customers. The retailers and manufacturers have to be very cautious in designing the sales promotion strategy as the consumers should get a feeling of that they are getting more value than what they are paying.

Price

O For high-equity brands, monetary promotions are more effective for utilitarian products than for hedonic products. (Pierre Chandon et al, 2000). It is necessary to consider the product's promotional state at the moment of purchase as an explanatory element of the process. Promotion is a tool that can help manufacturers and/or retailers in the achievement of their objectives (try the brand, help to decide what brand to buy, etc.). Immediate price reduction is the technique that exerts greatest influence on the brand choice process. It is possible that the consumer perceives a promotion, for example, coupons or rebates, but does not modify his or her behavior. In this case, manufacturers and/or retailers will be investing their resources in promotional actions that do not have any effect on the consumer. (Begoña Alvarez Alvarez, 2005). High knowledge respondents are more influenced by brand name, while low knowledge respondents are more influenced by price discounts. Low knowledge consumers are also swayed by store name and brand name. (etal). Sales promotions do not affect post-promotion brand preference. However, depending upon characteristic of the sales promotion and the promoted product, promotions can either increase or decrease preference for a brand. (Devon DelVecchioa, 2006). In-store price promotions are associated with negative purchase event feedback compared to non-promotion purchases, whereas non-price promotions such as features or sampling have no effect or in fact are associated with positive purchase event feedback, compared to purchases made off promotion. (Neslin, 1999). Environmental factors such as interest rates, unemployment, and economic growth may significantly influence consumers' knowledge of prices. Certain economic environments may therefore provide marketers with the ability to utilize pricing tactics which rely on limitations in consumers' knowledge of product prices. Using a meta-analytic framework, this paper synthesizes the results of 297 previous price knowledge studies to document the effects of inflation, unemployment, GDP growth, interest rates, country of study, ver the time immemorial price has been taken to be the most Important indicator of product quality. now the question is that is it applicable any more! luckily the Answer is No! This has made the the decision making even more cumbersome. A cheaper product can be better than the costlier one or vice-versa. The major aspect in organized retailing is the efficiency of the organization's supply chain. This is a big , critical and analytical choice but with the emerging scenario it is becoming more tough and rigorous with many new dimensions being added to the decision making. Emergence of organized retailing is making this more essential to establish very close networking with suppliers, retailers and customers. The natural corollary is the integration of the supply chain becoming the single most important factor.

Brand

In today's time, brand consciousness has increased. Consumers are looking for branded products as they provide quality. Some consumers are brand loyal towards a particular brand and they would not like to switch over to the other brands. Others are brand switchers who show no loyalty. This brand or that brand... but the consumers buy branded products. In a dog eat dog world, survival is all about gaining a distinctive edge. The competition is tough and satisfying the customer is even tougher. Customer is conscious about brand, price, discounts, location etc. The marketer has to gain the confidence of the customer and has to be very efficient in providing the products demanded by the customer. Therefore, Supply Chain management plays a crucial role. It has to be very efficient to get the final products for the customers. Supply chain management along with block chain technologies is becoming a successful strategy which can effectively link all trading partners such

as retailer, wholesalers, customers it also ensures cost-effective and timely movement of materials from the raw material supplier to the end users.

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The role of supply chain is also very important for the Indian customer demands at affordable prices a variety of product mix. It is with the help of supply chain which ensures the customer in all the various offerings that a company offers to its customers, be it cost, service, or the quickness in responding to dynamic taste and preferences of the customer. The infrastructure in India is also at developing stage in terms of road, rail, and air links. Warehouses play a major role as an aspect of supply chain operations. To overcome these problems, the Indian retailer is trying to reduce transportation costs and is investing in logistics through partnership or directly. The Indian organized retail sector is growing so the role of supply chain becomes all the more important. It ought to turn out to be even more responsive and versatile to customer request. Thus, there is a strong need for the supply chain to be more cost efficient and collaborative to win the immense competition and the satisfaction of the customers.

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