

The consumer buying behaviour marketing essay

[Business](#), [Marketing](#)



The success of a profit making firm is not determined by financial parameters but also by its consumers, which is usually a very strong determinant in an organisation's search for excellence and survival in this highly competitive retail industry. Therefore, it is primordial that we understand consumers' buying behaviour and also what operational factors motivate them to buy from one particular retail outlet. This chapter will review the literature about consumer buying behaviour and the operational factors which contribute towards these behaviour.

Consumer buying behaviour

The study of consumer behaviour is important in deciding production policies, price policies and framing the sales promotion in a supermarket. This chapter attempts to concentrate on the past literature concerning consumer buying behaviour, it focuses particularly on the behavioural aspect in supermarkets. (John Arndt, 1976) defines consumer behaviour as the mental and physical activities of a person or group of individuals who are concerned with consumption that links to acquisition, usage and in some cases disposition of economic and consumer goods and services both from the private and public sector. Consequently, (Christopher, 1989) stated that the shopping behaviour of consumers was studied in order to analyse whether or not the store culture, product ranges and strategies of the companies are suitable towards consumer requirements. He believed that consumer buying behaviour cannot be predicted and it is changes continuously. Eventually, when trying to understand how a person or group make their decision to spend their resources which is time, money and effort on consumption-related items (Schiffman and Kanuk, 1997), the factors that

affect the consumer before the purchase is feedback from other customers, packaging, advertising, product appearance and price (Peter and Olson, 2005). The importance of this approach is important for an organization's success so that they can have an indepth understanding of their consumer buying behaviour (Solomon et al, 2006). Marketers can measure the physical action or behaviour of consumer and their buying behaviour directly (Papanastassiu and Rouhani, 2006). This is why many organizations these days are spending quite a lot of their resources to do research on how consumers preview their buying process, that is, how many they, what they buy, when they buy and where they buy (Kotler, Armstrong, 2001). To obtain a well structured result, normally firms observed this behaviour based on their analysis on different assumptions that is, whether customers buying behaviour were studied from different perspectives such as quality of the product and better services or lower price system (Papanastassiu and Rouhani, 2006). Different concepts and researchers have proved that when firms are able to meet all the aspects of its customer market, then this will result into higher profitability (Chaudhuri, 2006) and also permit them to develop better strategic decisions for consumers (Asseal, 1998). Probably, the most difficult and challenging concept in marketing has to do with understanding why buyers behave like they do and what are they thinking or what are the methods and reasons are they using to buy a commodity (Schiffman, 2004). Marketers opt to learn consumer buying behaviour so as to be more effective to reach consumers and increase the probability towards success (Sargeant and West, 2001). Therefore, it is vital to understand the problems that consumers are going through while they are

accounting to do a purchase (Johan Arndt, 1976). (Andreason, 1965) proposed one of the latest models of consumer behaviour. This model is shown in Figure 1. The model identifies the importance of information in the consumer buying behaviour. However, it fails to consider attitudes of re-purchasing behaviour. Figure: Attitudes and consumer behaviour (Andreason, A. R, 1965) Therefore, we can see to what extent the analysis of consumer behaviour helps organizations to improve their marketing strategies by apprehending argument like the psychological factors of how an individual feel differentiate between different alternatives or what motivates them to buy a particular item and so on.

Customer satisfaction

In accordance with (Hasemark&Albinson, 2004) customer satisfaction is a general attribute towards a particular product or an emotional acknowledgement to the variation between the customers' expectations and what they are actually receiving as regards to the fulfillment of a need. Likewise, (Kotler, 2000; Mac Innis, 2001) determine customer satisfaction as an individual's positive sentiment of happiness, delightfulness, excitement or even negative ones like disappointment, frustration and discouragement, in regards with the services and products of the supermarket, in regards to the customer expectations. The definition of the word satisfaction itself means the happiness that a person feels when he or she has accomplished a particular need or desire. Moreover, customer satisfaction might sometimes be a tool in measuring to what extent customers are happy with the services being offered by the supermarket. Satisfied customers are the ones who act as referrals; recommend their friends, they are more likely to become loyal

and consume more from the supermarket. (Ciavolino & Dahlgaard, 2007) define customer satisfaction as the general assessment of the service performance or utilization. In accordance with (Hoyer & Mac Innis, 2001) customer satisfaction might be affiliated with an emotional connection or feelings of acceptance, delightfulness, excitement and relief. Additionally, (Zairi, 2000) claims that many researchers have concentrated on the effect of customer satisfaction based on a continuous purchasing pattern, loyalty and retention; and they have all found that satisfied customers are the one who share their experiences with at least five to six individuals. Furthermore, this study has been supported by (La Barbera & Mazarsky, 1983) who also assert that customer satisfaction generates frequent purchasing decisions but at the other end, dissatisfaction is viewed as a very first factor for discontinuity of purchase. (Hoyer & Mac Innis, 2001) also claim that customer dissatisfaction will opt towards discontinuation of purchase; this will not only prevent the customers from buying but also, they act as a negative word of mouth for others. As we can see, various studies have been carried out in this sphere of customer satisfaction. Many definitions have been developed as to what customer satisfaction is all about. Nevertheless, for the aim of this study while ascertaining satisfaction, we make reference to customer satisfaction in regards to the particular supermarket which they visit frequently, with the jumbo supermarket respectively. Most companies dealing in the retail industry offer a four-dimension service which comprises of a trade formatting, store merchandise management, customer service and customer communication (MC Goldrick & Ho, 1992); and these services are determined in different ways by the consumers. They

also added that merchandise means the quality and price of goods evaluated by the supermarket. In the same manner, the trade formatting constitutes of variables such as the structure, location and environment. And finally, the customer service consists of the level of guidance and assistance provided by the store, the agility of service and courteous staff. Customer satisfaction is an element which can be attained by offering better service quality.

(Ciavolino & Dahlgaard, 2007) argues that service quality is the foundation of service level based on the elements of the core product; the elements might consist of facility provided, presentation of products, fair labeling of information about the products, hygienic environment. Supplementary elements might include good service process, location, a well structure express checkouts, reasonable operation opening and closing hours, reliability and durability, fair waiting time at counters, additional services such as sufficient parking lots, variety of goods, membership cards, parent and baby facilities

Service and product quality

Quality is in accordance to customers' expectations, in other words doing things rightly but the things which the operation needs to do right will vary in the consistency of the type operation (Slack, Chambers and Johnston, 2007). All operations view quality as an apart vital objective. In one way, quality is considered to be the factor which is the most visible part of what an organization provides. Moreover, it is something that a customer can judge very easily about the product. Thus, it is clarified that " quality has a major influence on customer satisfaction or dissatisfaction" (Slack et al., 2007). It is clearly determined that quality covers a high percentage of dimensions in

the delivery of goods and services such as performance features, reliability, conformance, durability, serviceability, aesthetics and perceived quality. In the provision of services, factors like personal attention, empathy, knowledge, security and kindness covers a high importance (Gronroos, 2000). The quality aspect in a supermarket may imply, for instance, goods in a good condition of purchase, the warehouse also must be clean and tidy, the décor also is considered as a quality factor in a supermarket- it should be appropriate and attractive and helpful, friendly and respectful employees which are the frontline in the provision of products and services. As far as internal operations are concerned, it reduces costs of productions and avoids wastages. In almost all markets dealing with consumers, there are more to shopping than simply in search for lower prices. A product's quality might have a big impact on demand and consumer welfare. Past theories have long valued that firm possessing a high market power may decrease their products' quality so that costs are reduces and maximize profits (Chamberlin, 1933; Abbott, 1955), experimental research and competition policy attend to concentrate almost only on price fixing (Draganska, Mazzeo and Seim, 2009). However, in a supermarket, the products become the shopping experience that it provides to its customers.

Value for money

The value for money is a distinguished level of quality related to the price for a particular product or service (Ciavolino & Dahlgaard, 2007). Value for money is dependent upon certain factors like competitive pricing of products, specific discounts granted to customers and promotions. (Cronin & Taylor, 1992), asserts that customer satisfaction is not only influenced by

services provided to customers but even the price and the convenience. Moreover, many researchers have been studying elements attached to the value perceived by the customers. These analyses also stretch out in what ways the price differ with the quality and how they affect anticipated value, customer satisfaction and customer behavior. Additionally, (Zeithaml 1988) claims that according to customers, value for money is the general judgment of the utility of a particular product based on what attributes are received and what is given. (Keaveny, 1995) carried out a quantitative research; based on the study, the results of switching behavior in services was more than customers who were discouraged due to poor pricing opinion. Additionally, (Varki & Colgate, 2001) also arrived at the same outcome in the banking industry; price perception directly affects consumer behavior and customer satisfaction. However, (Sirohi, 1998) defines value for money differently; you get for what you have paid. It was also argued that the value perceived in supermarkets, shopping is attached to several elements like freshness and facilities, convenience, variety, service quality, nutritional choices and among others. This research was inspired by that of (Hauser & Urban, 1986) on the utility per dollar measure of value. Thus, (Woodruff & Slater, 1997) recommends that it is necessary for supermarkets to accommodate their marketing concepts towards delivering superior customer value as it is considered to be among the strongest driver of satisfaction, retention and also profitability.

Additional services and facilities

In this section, we consider factors like membership and loyalty cards, delivery of goods, parking lots and nowadays baby areas are also provided

by some supermarkets. (Martinez-Ruiz, 2010), put forward that nowadays customers are constantly looking for benefit of convenience in this modern environment. Since the level of competition has significantly increased in the retail industry, these additional services are very effective and also important. Moreover, these services play a major role in assessing customer satisfaction through the creation of convenience. For instance, (Grewal, 2002) affirms that additional services such as parking area provided for customers will generate convenience for customers who have vehicles which will eventually constitute a positive image on the customer's satisfaction. Other additional services such as the use of the membership and loyalty card enable customers to acquire discounts and promotional goods. Furthermore, these fidelity cards generate frequent purchasing from customers as they include premiums and more discount goods. In terms of facilities, variables such displays, music and spacious atmosphere to project the effect of the facilities provided by the supermarket on customer satisfaction. In accordance with (Inman, 2009), a supermarket is viewed as a place of sensory stimuli where consumers can sense all the displayed products, for example, customers may find colourful product displays accompanied with attractive fruits and flowers or packages of chocolates during christmas season. He additionally stresses on the fact that the supermarket stimuli serves them as a clue to remember what they need to purchase and it is also argued there is a particular group of customers who enter the supermarket without the intension of purchasing certain products but at the end they finally buy the set of goods. This is because of the stimulus which has generated some needs which the customers have not yet recognized before

entering the supermarket. The desire of acquiring that particular product turns into a purchasing decision-making. Besides, (Terblanche & Boshoff, 2004), argues that supermarkets are places where customers view as a summary of different variables and the latter contribute towards a jovial shopping sphere; it can be in terms of the store design which facilities an easy movement across the supermarket, the supermarket hygiene and well-structured product displays. Due to a significant increase of competition in the market, organizations dealing in the retail industry are attempting to enhance their flow and way of displaying products strategies. Initially, this concept has been implemented in order to obtain a higher consumer purchases and share of wallet. Consequently, (Burke, 2005) claims that flow management includes the effective arrangement of set of products in the supermarket to boost up customers' shopping experience. During his research, (Sirohi, 1998) enquired that a fair facility design which includes the overall disguise of the supermarket, the hygienic factor, the different departments allocated in their respective places and a wide and well-structured flow directions; all these factors contribute towards a more embellished opinion of the overall supermarket's service quality. In addition, according to the research of (Yuen & Chan, 2010), the physical attributes like the supermarket's outline and pleasant service elements allow the customers to have a good impression and attitude towards the supermarket.

Speed process (Being fast)

Waiting in a queue to settle for purchases in a supermarket is quite necessary and normal but it is also an unwanted gesture that customers must go through to complete their purchases (Tom and Lucey, 1995). Speed

can be defined as the time elapsed between the customer's requesting of products till they receive the receipts of them. Eventually, (Robert Lowson, 2002) argues that the reaction which is closely related to speed dominates many sectors. Also, speed is a written way of saying " Speed of response, which means the time between an internal or external customer requesting a product or service and getting it. The speed process can be in terms of checkout counters, opening hours and queue at counters. It becomes vital to control these factors of process during service delivery as they contribute towards customer satisfaction. According to (Katz, 1991), the registered waiting time in a queue at the supermarket is a bad experience for customers that can lead to consumer dissatisfaction. Eventually, (Hui, 1997) maintains that the former can negatively affect the encouragement behaviour of a customer. The first advantage of having a speedy delivery of goods to customers in such a way is that it improves the operation's offering to the customers. Therefore, the more quickly the customers can acquire the product, the benefits that they receive is greater. Besides, speed is vital as it assists to respond faster to consumers and it is also possible to charge a higher price when service is fast. A research carried out in 1990 by the Food marketing Institute (Alcott, 1991) reported that 89% of the people who were interviewed showed that a fast checkout was important; however, only 69% of the same shoppers reported that stores met their expectations. Time appears to be the most important element to customers' shopping experiences, not just in grocery stores but also in retail outlets in general (Peritz, 1993). Some customers who strictly dislike waiting in queue, they hire people to wait in lines for them (Geist, 1984; Guirl, 1986). Parameters

such as the number of checkout counters and even express checkout counters, queue waiting time at counters are very essential for organizations like supermarkets. It is vital to regulate these variables of process in a delivery service as they can improve customer satisfaction and also adversely affect customer satisfaction. According to (katz, 1991), the amount of time spent in the process at a supermarket is a bad experience that will definitely lead towards customer dissatisfaction. Eventually, (Hui, 1997) as well, argues that the former will negatively influence the consumer buying behaviors. Besides, based on past research executed by (Kumar, 1997), the latter identified that the satisfaction accompanied with the waiting experience is determined by the waiting length expectation. Therefore, it is important to estimate in what ways the customers' expectations of a wait will affect their shopping behavior. To support this theory, (Taylor, 1994) identified that the increase in customer satisfaction is obtained with shorter waiting time at counters. Therefore, it is necessary, for supermarkets in particular, to control long waiting queues specifically at peak hours when there is high traffic in the store.

Flexibility

A visible outcome of responding to a dynamic and ever-changing environment is that firms alter the ways of doing business. This is known as, " flexibility". In simple words, flexibility can be defined as the capacity to adapt to an existing situation in a reversible way (Bucki and Pesqueux, 2000). Flexibility, in some ways means to change operation strategies. This might imply changing what the firm does how it is conducting production or when it is doing it. Specifically, customers want the operation to change so

that four types of requirements are involved: product/service flexibility, mix flexibility, volume flexibility and delivery flexibility. " Flexibility measures how good the supplier is at shortening the agreed lead time when asked (Roy, 2009). For example, if a customer intends the supermarket to make the delivery of goods as home delivery a week earlier than predicted, then will the supermarket take desired action and be flexible enough to execute this order? Firms operating in the modern era are faced with increased environmental pressures due to many factors, in regards with a rapidly changing business environment, shorter product life cycles, increased demand and less loyal customers with changing tastes and preferences (Dreyer&Gronhaug, 2004). The traditional way of doing business towards strategic planning which appear to industry structure for opportunities, threats and internally to the firm for strengths and weaknesses have been proved to be question due to their lack of flexibility to respond to alterations in the external environment (Salmela & Spil, 2002). In respect to this, (Porter, 2001) has stated that any business which lacks a proper business strategy is that success will most likely be achieved accidentally.

Dependability service

Dependability means executing actions in time for consumers in receiving their goods or services exactly when they need it or when they were promised (Indran, 2007). Customers may apprehend the dependability of an operation simply when they have already acquired the product. That is, when it has been delivered. At the start, this may not alarm the emergency of the services provided as the authorized people in the supermarket might perceive that the supply of products are enough for customers and accord

less preference to operations of the retail services. Dependability means "being on time", in simple words, customers get their order on time. In reality, although this theory sounds to be simple, at times it can cause difficulties in measuring it. It strongly compels the customers to be dependable on the retail services.

Staff

In order to acquire success in a company's marketing strategy, it is essential to have good employee's empowerment. Employees can be categorized into two elements; namely, the friendly helpful staff and the knowledgeable and quick performance one. (Gwinner, 2005; Lia & Chuang, 2004) stated that the implementation of a successful marketing concept depends fully upon the frontline employees as they have a direct communication and interaction with customers. When employees are dealing with customers, their approach should be different and they have to be at their best behavior. Employees have to act in a particular positive manner as their behavior will determine a link between the organization and its customers. Eventually, according to (Gwinner, 1998) the most important factor which enables the company to develop impressive working relationship with customers is its employees. Moreover, the study of (Lemmink & Mattson, 1998) clearly indicates that the extent of individual touch which is demonstrated by employees with their customers is directly and highly depicted towards the perception of quality of service and customer satisfaction.

Personnel service

Based on some past researches, it has been proved that human beings like to socialize outside their four walls; taking for instance, (Tauber, 1972) claims that a specific number of individuals prefer to do their shopping at a particular supermarket because the latter seeks opportunities to socialize with fellow shoppers. The researcher also asserts that people like to shop in supermarkets where they seek a more friendly and refined personnel. In other terms, personnel service is directly affiliated to the core product. The dependability of the supermarket will rely upon elements such as knowledgeable staff, courteous and friendly staff and personnel service. We have to consider also the rate at which the staff solves particular problems arising in the organization. And also the staff's aptitude to be able to offer customized service to clients, for instance, having the capacity to identify familiar customers and even greets them politely by their respective names. These personalized services can make individuals decrease or forget about the non-monetary factors which include their precious time and convenience and at the same time multiply the benefits to do their shopping at a particular supermarket (Bolton & Drew, 1991).

Reliability

In simple words, reliability can be defined as to what extent customers can deliver their trust to the supermarket's staff and the organization itself; it can be in terms of accurate billing. " Reliability refers to the promises given by the store. If the store cannot keep or breaks the promises, it dissatisfies customers and results in negative word-of-mouth. In contrast, when the company is able to keep its promises, it increases customer confidence in

the store and creates customer satisfaction and lead to loyalty", (Yuen & Chan 2010)

Location

The area where any supermarket is located remains always very essential. Location in other terms might be convenience and accessibility for customers. Location can likewise be referred to the number of supermarkets present in a specific geographical area. (Martinez-Ruiz, 2010) stated that if a supermarket is located near to a residential area, then the transactional expenditures which are linked with the purchase process, such as transport costs and time taken are definitely going to reduce. Based on the research of (Reilly, 1931), the one who established " Reilly law of retail gravitation" which indicates that individuals are attracted towards large shopping area, that is, larger cities have the tendency of attracting more customers to shop there as compared to smaller ones. This concept is further upheld by (Craig, 1984), who made use of the " central place theory" to elaborate on the extent to how people living far away are the one who are highly influenced towards larger supermarkets which are located in a central place, in larger shopping malls offering a wide range of products and services than those stores within their reach, that is in their vicinity which are offering less goods and services.