

# Factors influencing customers to choose supermarkets



**ASSIGN  
BUSTER**

Consumers purchase decision is frequently made at point of purchase and influenced by what takes place there. A great many factors contribute to consumer purchase decision, including product's characteristics, brand, situational factors etc. By identifying these factors existing supermarkets can improve their store layout and design, merchandising, product variety, staffing decisions etc. In my research I will examine and understand the factors influencing customers to choose supermarkets. I'll also also try to identify which factors marketer should give more concern and how they can increase their brand image and value for the customer.

## **Background**

Supermarkets in UK are always attracting customers to buy in bulk from them. To attract consumers, they give various promotional offers. There are numerous chain supermarkets operating in UK. The major players in this industry are Tesco, Asda, Sainsbury's and Morrisons. There are stores like Lidl and Aldi which aim to sell products at discounted price. On the otherhand there are expensive supermarkets like Marks and Spencer and Waitrose. Different customers choose different supermarket for their every day shopping. The most common reasons are their preferences, product availability, perceived quality, brand image, perceived price, etc. This research will find out the factors that have significance influences on customer to choose supermarket while they are shopping in daily life.

## **Objectives**

Broad objective: To identify the factors influencing the customers to choose supermarket.

**Specific objectives:**

To identify the various factors this significantly influences customer to choose supermarket.

To discover the more important factors which supermarkets should more focus on.

To identify actual and potential buyer of supermarket.

To recognize other situational factor which can influence customer?

To get idea about the benefit which customer gain from supermarket.

**Design of the study**

This research will be conducted to identify the Factors influencing consumers to choose Supermarkets. I have identified some triggering factors like- Product Quality, Price, Brand image, Availability of product, Convenient location, Environment those may create significant influence on the customer to choose supermarket.

**Research Problem Statement**

“ Factors Influencing Customers To Choose Supermarkets”

**Research Questions**

Does product quality influence customers to choose superstore?

Does price level influence customers to choose superstore?

Does brand image influence customers to choose of superstore?

Does Availability of product influence the consumer to choose superstore?

Does the consumer influenced by the convenient location of superstore?

Does the consumer influenced by the environment of the superstore?

## **Hypotheses**

I have developed the following hypotheses based on the Research questions:

H1: Product Quality of Superstore has a significant positive influence on choosing Superstore.

H2: Product Price of Superstore has a significant positive influence on choosing Superstore.

H3: Brand Image of Superstore has significant positive influence on choosing Superstore.

H4: Product availability of Superstore has a significant positive influence on choosing Superstore.

H5: Convenient Location of Superstore has a positive influence on choosing Superstore.

H6: Environment of Superstore has a significant positive influence on choosing Superstore.

## **Significance of the study**

Primarily this research will be of great use for the existing supermarkets to further get an insight of the customers' perception. The findings will help

them focus more on the factors which will have positive effect in attracting more customers.

Secondly, this research will also benefit the potential new entrants in this industry by getting a solid insight of the customers' in advance. If they can focus on the contributing factors from the very inception, there lays a high possibility to penetrate the market ensuring a bigger customer span.

Last but not the least, this paper will be a guideline for the young researchers to have a basic idea of how the factors brand image, perceived quality, perceived price, product availability, product variety, convenient location, environment play important role in the decision making of the customers to choose a supermarket.

## **Methodology**

I will mainly focus on quantitative research and then I'll conduct some depth interviews to support my findings. It is not possible to conduct the research throughout the United Kingdom, so convenient sampling will be used for accuracy. I will collect data only from people living in Bangor. Once my surveys are complete I will analyze data to find a possible conclusion, data will be analyzed by SPSS.

## **Sources of Data**

Two types of data will be used in research

Primary data

Secondary data

Primary data: survey will be conducted for research. There will be structured questionnaire having fixed alternatives. I will go to different supermarket to collect information. I will also conduct Face to face interviews and telephone interviews for better result.

Secondary data: the website of different supermarket, published journals, and

articles related to the issue will be considered as secondary sources, which will provide huge information.

## **Questionnaire**

I will ask questions based on six factors- Quality, price, variety of product, Availability of product, convenient location, brand image and environment. A Likert scale will be used to question the respondents on the five point scale. The respondents will be asked to rate on the scale between Strongly Agree and Strongly Disagree.

## **Data Analysis**

To evaluate the research findings I will use both Microsoft Excel and SPSS to find frequency, relative frequency, regression analysis, ANOVA table, coefficient correlation etc.

## **Expected limitations**

As a student I am expecting some sorts of barriers that may hamper my research work.

Difficulties in collecting data and maintenance:

Due to unwillingness and shortage of time people may not answer all the questions. Moreover Supermarkets may not allow me to conduct surveys in their premises.

Lack of customer's knowledge:

There are many supermarkets in UK. Customers may not have accurate knowledge about all the supermarkets and their benefit.

### **Expected findings**

The expectation from this research is to identify if the factors used for this particular research at all has any relation with customers' choice for a Supermarket

I expect that people are more concerned about quality of products and price of supermarket. Sometime situational factor like environment-music, scent, interior design, service people behavior can affect purchase decision of customers. Preference of supermarket can vary housewife to jobholder.