



## Customer Buying Preferences Towards Retail Stores

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### ABSTRACT

This study investigates the complex links between numerous store features and client purchasing preferences in a retail setting. It specifically looks at how retail convenience, layout, goods quality, store image and store service influence consumer purchase decisions. The study takes a quantitative methods approach, analyzing quantitative data using regression weights and beta coefficients to assess the relevance and strength of the various variables. The data show that store convenience, which accounts for 86% of the variance in purchasing preferences, is also an important feature in retail context. Similarly, store layout, merchandise quality, store image, and retail service all have a considerable impact on customer preferences, accounting for a large amount of the variation in purchasing behaviour. The findings of the study illustrate the multifaceted behavior of consumer preferences in retail contexts, emphasizing the significance of a comprehensive approach to retail management and marketing tactics. The study's findings are useful for retailer marketers who look to increase customer preferences towards the store.

**Keywords:** Consumer Behavior, Store Convenience, Store Layout, Merchandise Quality, Store Image, Store Service, Customer Buying Preferences

### INTRODUCTION

In the fast-paced world of retail, understanding why we choose to buy what we buy is crucial for the success of stores. This research dives into the reasons behind why people prefer certain retail stores, focusing on five key factors like how convenient the store is, the layout of the store, the products they sell, the overall image of the store, and the service they provide. These factors, also known as independent variables, play a huge role in shaping our shopping experience.

Firstly, we are looking at store convenience – how easy it is for us to get to the store and navigate inside. Think about how important it is to find parking or have a smooth checkout process. Then, there's store layout, which includes how products are arranged in the store. This influences our feelings and decisions while shopping.

Next up is the merchandise – the products the store offers. From variety to quality, what they sell affect our choices. The fourth factor is store image, which is all about how we see the store as a brand.

#### Objectives:

1. To examine the influence of store convenience on consumer buying preferences while selecting retail stores.
2. To investigate the relationship between store layout and customer preferences.
3. To examine the relation between merchandise quality and customer preferences.
4. To interpret the effect of store image on customer buying preferences.
5. To justify the importance of store service on customer buying preferences

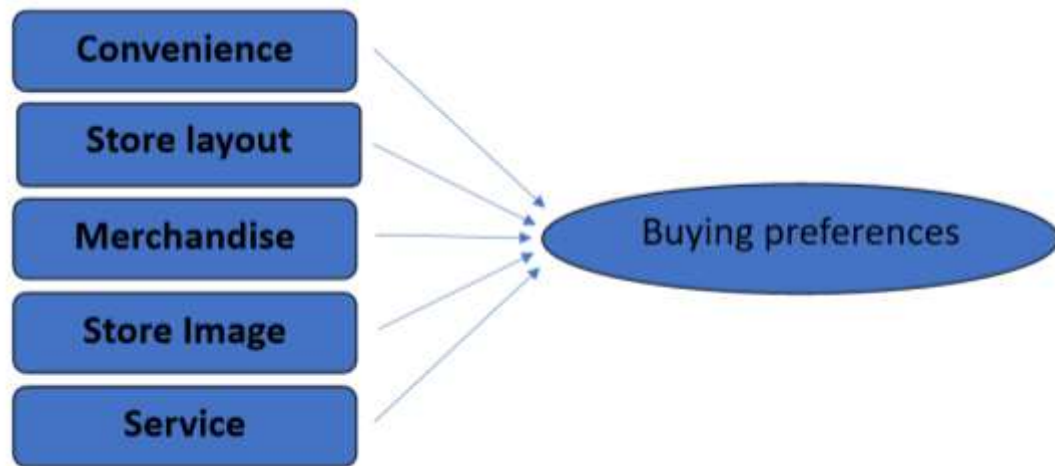


Fig.1: CONCEPTUAL FRAMEWORK OF THE STUDY

## Review of Literature

### 1. Store convenience:

The influence of **store convenience** on buying behavior is a complex relationship, as indicated by Tirmizi (2009) who found a weak association between impulse buying and store convenience. However, Gupta (2015) suggests that individual shopping value can influence the perception of convenience, which in turn affects satisfaction and loyalty. Lee (2009) further supports this, showing that store attributes, including convenience, can influence consumer behavior. This is in line with Kelley (1958), who highlights the increasing importance of convenience in consumer purchasing. Therefore, while store convenience may not directly drive buying behavior, it can significantly impact consumer satisfaction and loyalty, especially when considered in conjunction with individual shopping values.

**H1: Store convenience significantly influences consumer buying preferences while selecting a retail store.**

### 2. Store layout:

The influence of **store layout** on customer buying preferences is a well-documented phenomenon. Griffith (2005) found that online store layouts can significantly impact consumer response, with tree structures leading to higher purchase intentions and brand recall. This is consistent with the findings of Štulec (2016) in the food retailing sector, where store layout and visual merchandising were identified as key factors in customer satisfaction. Robinson (2019) further emphasized the importance of visual merchandising in influencing customer perception and buying behavior. Newman (2003) proposed a theoretical model and methodology for analyzing in-store customer behavior, providing a practical approach for retailers to optimize their store layouts. These studies collectively highlight the significant role of store layout in shaping customer preferences and behavior.

**H2: Store Layout significantly influence consumer buying preferences in a retail store**

### 3. Merchandise:

The influence of **merchandise** on customer buying preferences in retail stores is a complex and multifaceted issue. Girard (2006) found that product classification significantly influences online purchase preferences, suggesting that the type of merchandise available in a retail store can impact customer preferences. This is further supported by Simonson (1999), who highlighted the role of product assortment in influencing buyer preferences and purchase decisions. The importance of the store environment in shaping customer attitudes and purchase intentions was also underscored by Villiers (2018), indicating that the presentation of merchandise in a retail store can significantly influence customer behavior. However, the specific impact of merchandise on customer buying preferences in physical retail stores was not directly addressed in these studies, suggesting a potential gap in the literature.

**H3: Consumer preferences and purchasing behaviour are greatly influenced by the variety, quality, and presentation of the merchandise.**

### 4. Store Image:

**Store image**, encompassing factors such as atmosphere, merchandise quality, service, price, and convenience, significantly influence customer perceptions and preferences (Hosseini, 2012). This, in turn, impacts shoppers' attitudes, perceived value, and purchase intentions (Balaji, 2021). The store image also directly influences relationship quality and retailer brand equity (Shen, 2010). Furthermore, it affects buyers' product evaluation, particularly for durable, semi-durable, and non-durable products (Verma, 2005). These findings underscore the crucial role of store image in shaping customer preferences towards retail stores.

**H4: Customer buying preferences are positively influenced by store image.**

## 5. Store service:

The influence of **store service** on customer buying preferences is a well-documented phenomenon. Singh (2012) further emphasized the importance of service quality, with physical aspects, reliability, and personal interaction being key factors. Sharma (2015) specifically highlighted the positive influence of perceived service quality on customer satisfaction and patronage intentions in the convenience store industry, with merchandise availability and courtesy being particularly important. These studies collectively underscore the critical role of store service in shaping customer preferences and behavior.

**H5: Store service has a positive impact on customer buying preferences.**

## METHODOLOGY:

Customer-focused structured questionnaire using a likert scale was developed in order to ascertain their purchasing preferences with regard to store layout, product quality, store image, and service. A convenience sampling method is selected, utilising a sample size of 200 customers, in order to achieve representation that encompasses various demographic groups and purchasing behaviours. SPSS statistical tools were employed to analyse the survey data. Regression analysis was one of the methods utilised to comprehend relationships and impacts.

### Analysis of Results:

The collected data were analysed using regression analysis to test the hypotheses. The regression weights, beta coefficients, R<sup>2</sup> values, and p-values were examined to assess the strength and significance of the relationships between the independent variables (store convenience, layout, merchandise, store image, and service) and the dependent variable (buying preferences).

### Hypothesis Testing Using Regression Analysis

Hypothesis	Regression Weights	Beta Coefficient	R <sup>2</sup>	P- Value
H <sub>1</sub>	Store Convenience → Buying Preferences	.927	.860	.000
H <sub>2</sub>	Store Layout → Buying Preferences	.813	.661	.000
H <sub>3</sub>	Merchandise → Buying Preferences	.897	.806	.000
H <sub>4</sub>	Store Image → Buying Preferences	.895	.801	.000
H <sub>5</sub>	Store Service → Buying Preferences	.913	.854	.000

#### H1: Store Convenience → Buying Preferences

Interpretation: The strong regression weight (.860) and high beta coefficient (.927) indicate a significant and robust positive relationship between Store Convenience and Buying Preferences. The R<sup>2</sup> value of .860 denotes that 86% of the variance in buying preferences is explained by Store Convenience, highlighting its substantial impact. With a p-value of .000, this relationship is highly statistically significant.

#### H2: Store Layout → Buying Preferences

Interpretation: The regression weight of .661 and beta coefficient of .813 demonstrate a substantial positive relationship between Store Layout and Buying Preferences. The R<sup>2</sup> value of .661 signifies that 66.1% of the variance in buying preferences is explained by Store Layout. Moreover, the low p-value of .000 confirms the statistical significance of this relationship.

#### H3: Merchandise → Buying Preferences

Interpretation: The high regression weight (.806) and beta coefficient (.897) indicate a significant and strong positive association between Merchandise and Buying Preferences. The R<sup>2</sup> value of .806 signifies that 80.6% of the variance in buying preferences is explained by Merchandise. The p-value of .000 confirms the statistical significance of this relationship.

#### H4: Store Image → Buying Preferences

Interpretation: A considerable positive relationship exists between Store Image and Buying Preferences, supported by a regression weight of .801 and a beta coefficient of .895. The R<sup>2</sup> value of .801 demonstrates that 80.1% of the variance in buying preferences is attributable to Store Image. Additionally, the p-value of .000 signifies the statistical significance of this relationship.

#### H5: Store Service → Buying Preferences

Interpretation: Store Service significantly influences Buying Preferences, as evidenced by the substantial regression weight (.854) and beta coefficient (.913). The R<sup>2</sup> value of .854 indicates that 85.4% of the variance in buying preferences is explained by Store Service. Moreover, the low p-value of .000 confirms the statistical significance of this relationship.

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## Discussion

### H1: Store Convenience and Buying Preferences

The high correlation between store convenience and buying preferences, which accounts for 86% of the variability, highlights the crucial significance of store ease in the retail setting. Consumers highly prioritise factors such as accessibility, user-friendliness, and overall convenience when it comes to their purchasing experiences. To boost consumer happiness, retailers should prioritise streamlining the shopping process, guaranteeing convenient product accessibility, and minimizing checkout times.

### H2: Store Layout → Buying Preferences

The significant impact of store layout on buying preferences, resulting in 66.1% of the variation, underscores the significance of the physical arrangement and visual attractiveness of the business. These findings indicate that a carefully planned store layout that promotes effortless movement and product exploration can greatly improve the shopping experience, therefore impacting customer preferences. Retailers ought to prioritise the optimization of store design in order to establish a welcoming and streamlined shopping environment.

### H3: Merchandise → Buying Preferences

The robust correlation between the quality of merchandise and buying preferences, which accounts for 80.6% of the variation, demonstrates that product quality is a vital factor in shaping consumer preferences. This discovery implies that consumers possess a keen ability to judge product quality and are inclined to form strong preferences for stores that consistently provide superior items. Retailers must prioritise maintaining stringent quality control measures and providing products that not only meet but surpass client expectations.

### H4: Store Image → Buying Preferences

The strong correlation between store image and buying preferences, accounting for 80.1% of the variance, emphasises the influence of a store's brand and perceived image on consumer behaviour. This implies that the general opinion of the store, including factors like reputation, brand attractiveness, and visual appeal, is vital in attracting and keeping customers. Retailers ought to allocate resources towards establishing a robust and favourable store image by means of marketing efforts, customer service initiatives, and maintaining consistent store aesthetics.

### H5: Store Service → Buying Preferences

The results pertaining to store service, which account for 85.4% of the variation in buying preferences, highlight the crucial significance of customer service in the retail encounter. This suggests that client engagements with personnel, the extent of support offered, and the overall excellence of service are crucial in influencing purchasing choices. Retailers ought to prioritise the training of their workers to deliver exceptional customer service and foster a culture that revolves around the needs and satisfaction of the customers within the business.

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## Conclusion

The research conducted in this study provides persuasive evidence regarding the crucial influence of different store characteristics on customer purchasing choices in a retail setting. The examination of the connections between store convenience, layout, goods quality, store image, and store service with customer buying preferences has produced noteworthy findings, each supported by robust results and substantial explanatory capability. The findings of this study have significant ramifications for retail strategy. They propose that retailers should implement a comprehensive strategy that gives equal importance to the physical attributes of the store, the quality of products, and the degree of service offered. Comprehending and applying these principles can determine whether a business flourishes or remains mediocre in a fiercely competitive retail environment. The study offers significant information for both retailers and marketers, emphasising the crucial factors that impact customer purchasing preferences. Retailers can achieve substantial improvements in customer happiness and loyalty, leading to business success, by prioritising store convenience, optimising store layout, ensuring excellent goods quality, cultivating a positive store image, and providing exceptional service.

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## Limitations

The results of the research are predicated on a distinct sample, potentially constraining their generalizability to alternative retail formats, geographic areas, or cultural contexts. This study may not comprehensively encompass the complexity of consumer behaviour that exists among various demographic groups and cultures. This methodology might fail to sufficiently capture temporal shifts in preferences or trends, and it also fails to definitively establish causality. Significantly, self-reported data from surveys and questionnaires are utilised for this study. Potential biases introduced by this method, including social desirability bias and recall bias, may compromise the veracity of the data. Regarding purchasing preferences, the research investigates each factor (store layout, merchandise quality, store image, and service) independently. However, these factors may interact in complex ways in the real world, which the study does not exhaustively investigate. Rapid change is inherent in the retail sector as a result of technological developments, economic fluctuations, and evolving consumer preferences. The applicability of the findings in swiftly evolving retail contexts may be limited.

## Scope for future research

Further studies could investigate these processes across many cultural contexts. Future research could investigate the impact of digital advancements on customer perceptions of store convenience, layout, and service, as digital technology becomes more integrated in retail, such as through online purchasing platforms and digital in-store experiences. This would be especially essential in comprehending the changing characteristics of retail in the digital era. Subsequent investigation may centre on the manner in which various demographic cohorts (e.g., age, gender, and income levels) perceive and assign importance to these retail components. Given the growing environmental awareness among customers, it might be worthwhile to investigate the impact of sustainability and ethical practices in the retail industry on consumer purchasing choices. This encompasses the influence of sustainable products, responsible procurement, and eco-conscious store operations. Given the increasing prevalence of e-commerce, doing a comparative analysis of the variables under study in online and offline retail environments could help us in understanding the various factors in traditional retail stores compete with online retail stores.

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