

# Study on” Understanding the decision making styles of consumers with respect to Shopping Malls” in Pune city

Vishal Weldode<sup>1</sup>, Shree Prasad Kulkarni<sup>2</sup>, Swapnil Udgir<sup>3</sup>

<sup>1,2,3</sup> Balaji Institute of Modern Management Pune, Survey No. 55/2-7, Off Mumbai-Bangalore Bypass, Tathawade, Pune, Maharashtra 411033

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## ABSTRACT

The retailing sector in India has undergone significant transformation in the past 10 years. The organized retail industry in India is expected to grow at 25-30% annually and would triple in size from Rs. 35,000 crore in 2004-05 to Rs.109,000 crore (\$24 billion) by 2010. Retailing is gradually inching its way towards becoming the next boom industry. The consumer decision-making process is a complex phenomenon. The purchase of goods or services includes a number of factors that could affect each decision. Decision making is more complex and even more important for consumers today than in the past. The objectives of this study were to investigate the decision-making styles of Indian shoppers in shopping malls and to study the variations in these styles across different demographic variables. Mall intercept survey was conducted to study the decision-making styles of Indian shoppers in shopping malls. The sample included 128 active mall shoppers. The Consumers decisionmaking styles were identified by a structured questionnaire and captured in six styles by conducting factor analysis. These decision-making styles were price consciousness, quality consciousness, recreational, confused by over choice, novelty consciousness, and variety seeking. This study will help managers of shopping malls to understand the underlying decision making styles of the shoppers in the malls and help them to craft their marketing strategies. Profiling consumers by their decision-making styles provide more meaningful ways to identify and understand various consumer segments and to target each segment with more focused marketing strategies.

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## I. INTRODUCTION

Understanding consumer decision-making (CDM) styles is essential for market segmentation, positioning and crafting marketing strategies within a market. Few studies have examined the structural relationship among decision-making styles that consumers exhibit during mall shopping, level of satisfaction and purchase intention. The purpose of this study was to examine CDM styles as the antecedents and predictors of level of satisfaction and purchase intention. Based on the Consumer Styles Inventory, eight CDM styles that individual exhibit during shopping mall activities are proposed in terms of utilitarian and hedonic perspectives. We hypothesize these eight CDM styles as a set of predictors of customer satisfaction and purchase intention.

The empirical assessment supports that hedonic shopping styles consumers that exhibit high level of habitual, brand consciousness, fashion conscious, recreational conscious style have lower levels of satisfaction and purchase intention during mall shopping while novelty and fashion conscious style consumers have lower level of satisfaction but do not unveil lower purchase intention. Utilitarian shopping styles consumers that exhibit high level of price conscious, confused by overchoice and high-quality conscious style have higher levels of satisfaction while impulsive/careless shoppers do not; and while price conscious, impulsive/careless, confused by overchoice consumers have higher levels of purchase intention but the high-quality conscious consumers do not unveil higher purchase intention. Further, there is a positive relationship between satisfaction and purchase intention. The practical and managerial implications are discussed

Shopping in India has witnessed a revolution with the change in the consumers buying behavior and due to alternation in the whole format of shopping during the liberalized, privatized and globalized era. Shopping practices of the consumers are generally guided by their decision making styles and expectations as well as their motives. Therefore consumer decision making styles are become important components of buying pattern. Hence consumer decision making topic has become prominent in research amongst researchers. This study helps to understand advantages

offered by decision making styles which includes the possibility to grasp visually what happens as marketing environments change and it also provides conceptual frames of reference that logically indicate the inter relationship of variables for research purposes and the possibility to understand different consumer decision styles, processes and marketing strategies. Hence an urgent need arises to study the shopping mall consumers' decision making styles in changing shopping mall scenario.

## **II. OBJECTIVE OF THE STUDY**

- (i) To see the influence of mall experience on shoppers.
- (ii) To study the buying behavior of shoppers and get an insight to find out the most preferred attributes of stores in shopping malls perceived by them
- (iii) To determine the preferred promotional strategies of malls ideal for shopping experience

## **III. LITERATURE REVIEW**

Retailers and marketers often seek to learn how and why people shop. The consumer decision-making process is a complex phenomenon. The purchase of goods or services includes a number of factors that could affect each decision. Decision making is more complex and even more important for consumers today than in the past. Consumers are besieged by advertising, news articles, and direct mailing that provide an abundance of information, much of it with mixed messages. In addition, increases in the number and variety of goods, stores, and shopping malls, and the availability of multi component products and electronic purchasing capabilities have broadened the sphere for consumer choice and have complicated decisionmaking (Hafstrom et al., 1992) Sproles and Kendall (1986) define a consumer decision making (CDM) style as "a mental orientation characterizing a consumer's approach to making choices." Broadly speaking, there are three types of approaches in studying consumer decision-making styles: the psychographic/lifestyle approach, which identifies hundreds of characteristics related to consumer behavior; the consumer typology approach, which classifies consumers into several types; and the consumer characteristics approach, which focuses on different cognitive dimensions of consumer decisionmaking ( Fanet al., 1998).

In the extant consumer behaviour literature, most studies assume that all consumers approach shopping with certain decision-making traits that combine to form a consumer's decision-making styles. Academicians and researchers have long been interested in identifying these underlying decision styles of shoppers. For example, consumers are identified as economic shoppers, personalizing shoppers, ethical shoppers, apathetic shoppers, store-loyal shoppers, recreational shoppers, convenience shoppers, price-oriented shoppers, brand-loyal shoppers, name-conscious shoppers, problemsolving shoppers, quality shoppers, fashion shoppers, brand conscious shoppers and impulse shoppers. (Bellenger and Korgaonkar 1980; Darden and Reynolds 1971; Stone 1954, Williams, Painter, and Nicholas 1978, Moschis 1976; Stephenson and Willett 1969, Gehrt and Carter 1992, Jacoby and Chestnut 1978, Lumpkin 1985). ( Hiu, A.Y. et al., 2001). Using the consumer characteristics approach, Sproles (1985) developed a 50-item instrument to profile the decision making styles of consumers.

Using data collected from 111 undergraduate women in two classes at the University of Arizona and employing a factor analysis technique, Sproles (1985) found six consumer decision-making style traits He named and described these traits: (1) Perfectionism, (2) Value Conscious, (3) Brand Consciousness, (4) Novelty-Fad-Fashion Consciousness, (5) Shopping Avoider-Time Saver-Satisficer (6) Confused, Support-Seeking Decision-Maker. In a later study, Sproles and Kendall (1986) developed a comprehensive instrument called Consumer Style Inventory (CSI) to measure consumer decision making styles. The instrument was administered to 482 students in 29 home economics classes in five high schools in the Tucson, Arizona area. (ref. Fan, J.X., 1998).

1. Characteristics of Eight Consumer Decision Making Styles 1. Perfectionist/high quality-conscious consumer : decision style of consumers who systematically search for the best quality products possible. Consumers have high standards and expectations for consumer goods, and are concerned with the function and quality of products;
2. Brand consciousness : decision style of consumers concerned with getting the most expensive, well-known brands. They feel that price is an indicator of quality.
3. Novelty and fashion conscious : decision style of consumers who like new and innovative products and who gain excitement from seeking out new things. They are conscious of new fashions and fads.
4. Recreational and shopping conscious : decision style of consumers who take pleasure in shopping and who shop just for the fun of it.
5. Price conscious : decision style of consumers who are concerned with getting lower prices. They are likely to be comparison shoppers.
6. Impulsiveness/careless : decision style of consumers who never plan their shopping and tend to buy spontaneously. They are not concerned about how much money they spend.
7. Confused by over choice : decision style of consumers who feel they have too many brands and stores to choose from and who likely experience information overload in the market. Consumers find the marketplace confusing, view brands as alike, and seek help from friends

8. Habitual/brand loyal: decision style of consumers who are apt to have favorite brands and stores. They shop at the same stores and tend to buy the same brands each time. According to Sproles & Kendall (1986) identification of these Study on Decision Making Styles of Consumers in Mall

#### **IV. HYPOTHESES OF THE STUDY**

The following hypotheses were framed based on the objectives of the study.

1. "Pricing factor of the products is greatly influenced by one's income".
2. "Quality consciousness is a major factor for married people as compared to individual".
3. "Recreational Shopping is influenced by age".
4. "Competition doesn't have any significant impact on shopping".
5. "Variety seeking shopping behavior of consumers has some impact on shopping".

#### **V. SAMPLE AND RESEARCH METHODOLOGY**

The present study consists of 140 respondents in and around Pune city. A pilot study was conducted to test the questionnaire. The study is both descriptive and diagnostic. It is descriptive with portrayal of factors influencing the consumer decision making styles and it became diagnostic when the researcher analyses the level of (respondents) Consumer preference, perception and decision making styles of select Shopping Malls in Pune City with the help of certain statistical tools.

#### **CONCLUSION**

The objectives of this study were to investigate consumer decision-making styles in shopping malls and to study variations in consumer decision making styles across different demographic variables. Following the study of Sproles and Kendall (1986), an attempt was made to profile decision-making styles of Indian Consumers in shopping malls. Sproles and Kendall (1986) identified nine decision making styles while in this study researcher found only six decision-making styles in Indian environment.

These decision making styles are price consciousness, quality consciousness, recreational, confused by over choice, novelty consciousness, and variety seeking. This study does not confirm four dimensions proposed, i.e., fashion consciousness, brand consciousness, impulsiveness, and brand loyalty. These dimensions of decision making styles were reported in the study of Sproles and Kendall (1986).

In addition, this study shows that the average Indian shoppers in our sample were not very brand conscious, but were quite price and quality conscious. It is found that single consumers are more price conscious than married consumers. Indian consumers are recreational in their shopping. Shopping is a funny activity for them. Young consumers between the age group of 11-20 years are most recreational in their shopping. Above all Indian consumers are confused by over choice, novelty conscious, and variety seekers.

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