DETERMINANTS OF STORE CHOICE IN GROCERY RETAILING

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Abstract:

India has seen unparallel growth in the organised retail segment with the top five stores in the grocery category alone growing by more than 50%. To capture this opportunity, the major challenge lies in retaining existing and loyal consumers. This study aims to study the factors that would influence store choice / patronage in grocery retail stores. Grocery retail consumers were asked to allocate 100 points among the five Store patronage criteria – merchandise, price, location, service and advertising of the store. Service as an important patronage criterion for a grocery retail store was checked and found to be the third most important variable after merchandise assortment and price. This study throws light on the importance of service quality in a sector that sells ‘necessary or essential goods’.

Keywords: Service quality, Grocery retail, Store Patronage criteria, store choice