Brand Trust Supremacy & Consumer Purchase Intentions: For High Value & Low Value Product

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Abstract - The purpose of this paper is to identify the trade area attributes that impact the store format location in urban and rural area. By doing so, we take in to consideration that how urban and rural strategies differs on the basis of retail mix, floor space, level of information, shopper profile etc. Also how, consumers demographic and lifestyle information helps to estimate the aggregate demand in a geographical area.

The study reveals how different buying practices differs in urban and rural area with respect to different level of information processing inputs in different trade area zones. Therefore, this study help to combine the current/future market opportunity and retail strategy to meet future shape of consumption in India is likely to look like.

Keywords - Trade Area, Topological Mapping, Operational Definitions and Information Processing   inputs.

Introduction:

Trade area analyses the market potentiality by knowing the customers demographic and lifestyle information (Pradhan, 2011), for estimating the aggregate demand in a geographical area. It helps to differentiate the customers with respect to distance from the store. Since, it varies with type of products, services and different market segments of customers. Market accessibility, amenities, product mix, competition, user friendly technology etc. are some of the important focus area which attracts the customer's orientation towards the retail formats.

Now a day's, trade area analysis has its own relevance in rural India, since due to lack of infrastructure facility, low disposable income, lack of education awareness etc. in the past several decades, the rural market has always been ignored. But, now due to many initiatives taken by government, multinationals, NGO's and a huge population base of 830 million, the rural India can hardly be ignored by big giants who are looking for the next big market (KPMG, 2013). Therefore, retailers have to face unique challenges in covering these markets.

This study mainly highlight mapping of consumers demand in urban and rural area with respect to different trade area. This paper builds argument for conducting research on mapping a trade area topology with consumer buying behaviour. Business models of different retail formats originated from western developed market are being tweaked as per Indian conditions. Due to difference in social and demographic culture the sales per square ft. from western market is different in Indian context. Furthermore, it revalidates the operational definitions of different retail formats and methods of trade area (India Retail Report, 2013). Due to continuous change in Indian landscape, the retail mix has to modernize and which format best fits in the Indian retail market and how they adapt to best meet the growing demands of the dynamic Indian consumer is always a big challenge.

Review of Literature:

(Korgoankar 1984) highlight important aspect of the interface between non store retailing and consumers: it suggests that shopping orientations of consumers can be useful in understanding consumers' non-store patronage intentions.

(Sengupta 2008) Emergence of modern retail in India is not just a result of increasing consumer buying power – manufacturers and unorganized retailers also have an important role to play in this process at the macro-level.

(Wang 2010) suggests that culture plays an important role in international out shopping motives. Therefore, cultural dimensions may have a direct effect on the propensity of out shopping. A number of culture factors may have impacts on each out shopping motive.

(Khasawneh 2010) emphasized that customers recognize the reputation of brand while in their buying decisions and customers, demographic features have no significant relation and influence on brand awareness.

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(Shehzad 2014) explained the purpose of this study is to examine the relationship between brand image and consumer buying behaviour. For this purpose survey questionnaire method and non-probability sampling technique was used.

(Chovanová 2015) concluded in their research that to stress the fact that brand is the factor which has an impact on consumer purchase decision-making process. Brands provide information about products and create associations that affect the mind of the consumer in purchase process.

(Sarkar 2016) in their research emphasized about the core as well as peripheral studies, on purchase preference factors for traditional rural retailers in developing nations comprise of a conceptual core.

(Prashar 2017) in their research emphasize that the mall managers tend to believe that purchasing decisions are made inside the shopping malls. These decisions, however, are influenced by various antecedent factors. This implies that shoppers look beyond the basic chore of shopping and experience while shopping plays a vital role. To attract the attention of shoppers, mall developers make huge investments in mall promotion and ambient factors in order to enhance the shopping experience.

Research Methodology:

Through synthesizing the pertinent literatures, the paper adopts the conceptual framework that proposes a significant impact of some of the predetermined laws and concepts which helps to identify the difference in urban and rural consumer's buying behaviour. These are studied through trade area analysis; trade area is a geographical area containing the customers of a particular store or group of stores for specified goods or services.

The three different zones – *primary, secondary & tertiary zones* has their own importance, for this different variables associated with it are shopper's profile, customer's loyalty, geographical area i.e. distance & competition in the market etc. are analysed. Therefore, variables are drawn from certain predetermine models & methods of trade area, through which the data is collected. Following variables are selected from the predetermine methods.

PREDETERMINED	PROCESS COMPONENTS	RESEARCH ISSUE
Reilly's Law	Store Facilities.	Credit facility, transportation of goods at a convince place, hospitality / friendly relations, sufficient space, Entertainment, vehicle ownership, bonus points on card, Freedom of feeling touch, proper parking facility.
Analogue model	Shoppers Demographic Profile	Gender, Age, Education, Family type, Income, employment
Proximal Area Method	Store Location	Distance (Trade area analysis)
Space – Sales Ratio Method	Market size with respect to Operational definitions	Prerequisites of Retail formats (Floor space - Square feet area, number of products availability, Product assortment etc.)
Huff's Gravity Model	Loyalty towards particular store	Distance travel with respect to time.
Multiple Regression Model	Shoppers Profile	

The total 301 respondents have given their responses. Various sub variables are considered with independent variables like (2 Effect of Gender's) x (4 Age group levels) x (4 levels of Education) x (2 Family types) x (4 Different Income level) x (2 x 3 Different levels of Employment Status) are studied under same or different conditions in regression analysis and try to find out Regression Model. The Model is found to be significant with respect to urban and rural consumers. ANOVA is also found to be significant for the above categorical variables.

Results:

Table – 1. Descriptive Statistics – Consumer's Response for High Value /Low Value Product.

Education	Gender		Total
	M	F	
Up to 12th Standard	98	52	150
UG	150	120	270
PG	50	30	80
P.hd / Professional	60	40	100

	Total	358	242	600

The above table 1 shows the result of descriptive statistics. It shows different composition of respondents with respect to Education Qualification & Gender. Previous research concludes that the variables like Education qualification, Gender, Urban & Rural area, Income level, Age, Occupation, and Place etc. are having a great impact on consumer decision making with respect to different white goods product. All the above 600 respondents are either working professionals and are the decision maker of the family.

The above table shows that 150 Professional having an education up to 12th Standard has participated in a research including Males & Females, Total of 270 Undergraduate respondents, which includes 150 Males & 120 Females were included in a research. Total 80 Post Graduate working professionals, out of which 50 are Males and 30 are female. Total 100 respondents are Doctors on their respective areas.

Table 2. Criteria's for Consumer Engagement in buying High Value & Low Value Product.
(Descriptive Statistics - Urban & Rural Consumers)

S.No	Age	Statistics	Impact of brands on consumers engagement		Size, Colour& Shape has an impact on consumer involvement		Consumer's involvement results to Cost effectiveness	
			U	R	U	R	U	R
1	25 - 65	Mean	1.17	1.37	3.51	1.36	1.12	1.6
2		Median	1.00	1	4.00	1	1.00	2
3		Mode	0.86	0.26	4.98	0.28	0.76	2.81
4		Std. Deviation	0.38	0.48	0.89	0.48	0.33	0.49
5		Skewness	1.78	0.54	-1.81	0.59	2.37	-0.4
6		Kurtosis	1.21	-1.72	2.20	-1.67	3.71	-1.86
7		Variance	0.14	0.23	0.80	0.23	0.11	0.24

The below mentioned table shows the various criteria through which a consumer gets engage in buying high value & low value product. The descriptive statistical tools are evaluating the criteria for their selection of consumer engagement.

Graph – 2. Descriptive Statistics & Measures of Dispersion of U/R Consumers with Age Group.
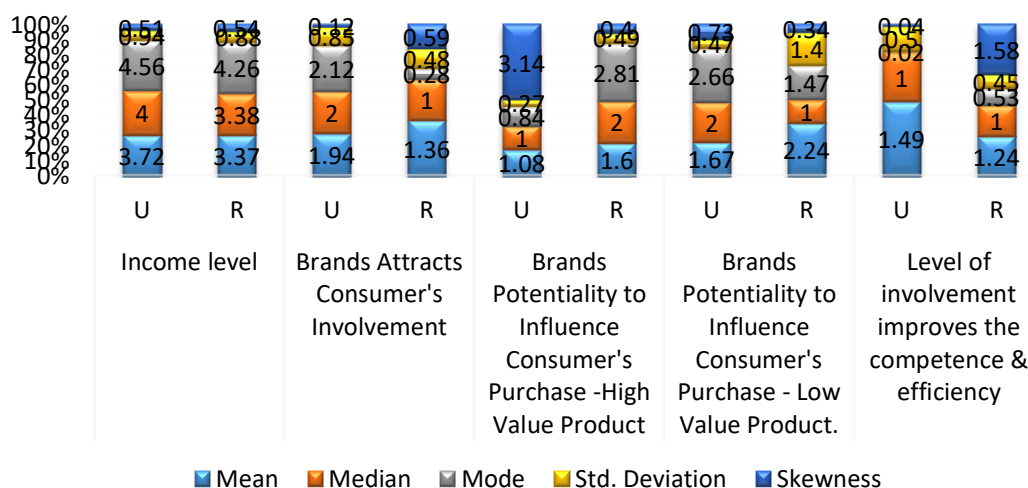
The above graph shows the descriptive statistics and measures of dispersion which signifies the criteria for consumer's engagement with the help of various variable. As these variables, signifies that how consumer get engaged in decision making process with high and low involvement product in urban and rural area with high and low value

product. This can be signifies with the help of various variables which concludes the consumers engagement. The values of mean, median, mode, standard deviation, skew-ness etc.

For Urban consumers, for both high & low value products - The value signifies that brands has a very strong impact to engage the consumer, this may be due to various attributes and unique selling preposition offered by branded product. Since, branded product has a novelty to retrieve the attention of the customers, so it's unique in features, functions, technology etc. inspires the curiosity of every consumer.

For Rural consumers, for both high & low value products - The above said values signifies that impact of brands has comparatively low effect on consumer's engagement. This may due to the fact that the rural consumers due to lack of knowledge about the product and their competitors offerings regarding features, technology, look of the products etc. So, these consumers are happy with the products, whatever they have and they had not even explore their products completely. Due to this, they were busy in exploring the existing brand instead of searching a new one.

The other variable like "Size, Colour & Shape has an impact on consumer involvement" as this variable retrieve the attention of a consumer. In urban area (for both High & Low value product) due to multi-building (flat system) concept many peoples have limited space, hence they expect & chose the product which fits in their space. Also by the involvement of consumer's they are able to compare the white goods as per their features required by them. Many of the time many features are not required by an individual but even though due to their non-involvement they are paying for them, which results them as a loss. Therefore, their involvement results in to cost saving and become effective decision.

Table 3. Analysis of Variance "Between & Within Groups" Branded Product Vs. Age Group.

S.No	Variables	Between/ Within Groups	Sum of Squares	df.	Mean Square	F	Sig.
1	Brands Attracts Consumer's Involvement	Between Groups	21.3	29	0.73	2.54	0.01
		Within Groups	164.6	570	0.29		
		Total	185.8	599			
2	Brands Potentiality to Influence Consumer's Purchase	Between Groups	16.2	29	0.56	4.81	0.00
		Within Groups	66.4	570	0.12		
		Total	82.7	599			
3	Brands Potentiality to Influence Consumer's Purchase	Between Groups	31.1	29	1.07	6.00	0.00
		Within Groups	101.9	570	0.18		
		Total	133.0	599			
4	Level of involvement improves the competence & efficiency	Between Groups	25.7	29	0.89	4.07	0.02
		Within Groups	124.2	570	0.22		
		Total	149.9	599			
5	Impact of brands on consumers engagement	Between Groups	10.9	29	0.38	2.76	0.01
		Within Groups	77.7	570	0.14		
		Total	88.6	599			

Analysis of variance (ANOVA) was established by the mathematical statistician Ronald Fisher. It's an assembly of various statistical models and their connected valuation techniques. The between & within is used to calculated the variation and helps to know the mean difference. It is used to retrieve the information about the association among dependent and independent variables. Here, F value is calculated with the help of ratio of variation between to variation within the sample mean.

Here, various variables like "Income level, Brands Attracts Consumer's Involvement, Brands Potentiality to Influence Consumer's Purchase in high & low level, Level of involvement improves the competence & efficiency, Impact of brands on consumers engagement are analysed with the independent variable "Age". The sum of squares between & within is calculated and with the help of "F" value & p-value as shown in below mention table.

As mention above, the various variables are analysed on the basis of independent variable "Age". The sum of the square is a measure to calculate how far an individual observation is from the mean value and the mean square is the difference between the square of means. Here, for the variable "Brands Attracts Consumer's Involvement vs. Age group, the "F value 2.54 and significance value 0.01 signifies that the model is highly significant. Here, for all age group (in between 25 to 65 years), the brand has a capacity to influence and retrieve the consumer's involvement. For both high & low value product, the consumer's involvement for both urban and rural area is found to be significant. The results concludes that in both urban and rural area, for both high & low value products the consumer is having a high impact of brand. As it develops the trust, confirmation about quality of product, prestige in both society and within peer group etc. It also develops the long term durability of product hence save cost in repairing the product.

Table 4. Analysis of Variance "Between & Within Groups"
Branded Attractiveness Vs. Age Group.

S.No	Variables	Between/ Within Groups	Sum of Squares	df	Mean Square	F	Sig.
1	Size, Colour & Shape has an impact on consumer involvement	Between Groups	21.3	29	0.73	2.54	0.00
		Within Groups	164.6	570	0.29		
		Total	185.8	599			
2	Consumer's involvement results to Cost effectiveness	Between Groups	31.8	29	1.10	5.99	0.00
		Within Groups	104.2	570	0.18		
		Total	136.0	599			
3	Good Quality Assurance	Between Groups	1474.2	29	50.83	6.39	0.00
		Within Groups	4535.0	570	7.96		
		Total	6009.2	599			
4	Feeling of Satisfaction	Between Groups	921.9	29	31.79	5.09	0.00
		Within Groups	3561.1	570	6.25		
		Total	4483.1	599			
5	Value for money.	Between Groups	1474.2	29	50.83	6.46	0.00
		Within Groups	4535.0	570	7.96		
		Total	6009.2	599			

As mentioned in the above table the various variables like Size, Colour& Shape has an impact on consumer involvement, Consumer's involvement results to Cost effectiveness, Good Quality Assurance, Feeling of Satisfaction, Value for money are analysed with the various Age group. The "F value" and Significance level 0.00, signifies that the model is highly significant. Here, the value of sum of the square for various variables shows that how far these variables are from the mean. Also, the mean square of various variables signifies the square from the mean value. The various "F value & Significance" values of different variables like Size, Colour& Shape has an impact on consumer involvement the (F = 2.54, Sig 0.00) signifies that the dimensions of branded product plays a significant role for attracting the orientation of the consumers.

The variable "Consumer's involvement results to Cost effectiveness" with F = 5.99,Sig. 0.00 signifies that consumer's involvement in high & low value branded product results in to the cost effectiveness, as their involvement directs them in minute observation of a product including cost, where they can compare the quality with cost and they found as an competitive edge. The value of Sum of the square "between & with in" show their distance from the mean value. The value of mean square is the square of the values from the mean signifies the less value. The overall effect of the model signifies that consumer's involvement helps the consumer to take their own decision and clear their understanding about the various features and benefits offered for the cost, which they had paid for the branded product.

The variable "Good Quality Assurance" with F = 6.39, Sig. 0.00 signifies that consumer's involvement in high & low value branded product for both urban and rural area results the assurance of better quality of product. As, the value of sum of the square is very large for both "between & within the groups". This signifies that the above said variable varies with the degree of variation with price i.e. as quality varies with the price and affordability plays an important role. It differs from consumer to consumer. Also, the value of mean square is significant, as it is a square of the values from the mean signifies that it varies. Therefore, it can be concluded that quality assurance of the branded product differs from consumers paying capacity.

The variable "Feeling of Satisfaction" with F = 5.09, Sig. 0.00 for consumer's involvement in high & low value branded product for both urban and rural area signifies that branded products always gives pleasure and happiness when they use them. As the product offerings offered by a brand gives a trust, satisfaction, feeling of proudness etc. The value of Sum of the squares – between & within groups, also on the higher side shows that feeling of satisfaction are sufficiently large distance from the mean value. Which means that due to difference in spending pattern between and within the groups within the society, has an impact on consumer's purchase. Due to these there may be variation in the purchase of branded product, which results in to differences of their product offerings. The mean square also signifies the same, hence it can be concluded that due to difference in product affordability by different consumer variety of consumers their branded product choice differs hence their feelings about the brand differs, so as satisfaction.

The variable "Value for money" with F = 6.46, Sig. 0.00 signifies that consumers who involves in high & low value branded product always differs in their utility deriving condition. In both the cases, either different brands or in same brand with different range value the value which they derives from the product, so they cannot yield the same utility. Also, high values of Sum of the squares for both between & within the groups signifies that due to difference in choice of branded product, the satisfaction derives from different product differs hence consumer derives only that much utility for which they had paid. Therefore, value for money for different branded products differs. Comparatively low mean square signifies that consumer is deriving a sufficient utility for the product/model for which they had paid and they are satisfied from that utility.

Discussion:

This paper analyses how different buying practices differs with respect to different level of information processing inputs in different trade area zones. Since, research on the selection of site locations in trade area zones for different retail formats in urban and rural area has highlighted importance of retail mix, floor space, level of information, shoppers profile etc. Therefore, this study helps to combine the current/future market opportunity and retail strategy to meet consumers need and demand.

The impact of rapidly changing Indian consumer behaviour is contributing to the uncertainties within the retail sector and along its value chain. The demand for products and services will continue to rise for the foreseeable future due to

socio-demographic trends. Urban wealthy consumers, changing lifestyles, aspirations and a potential customer move away from the traditional norms of Indian living. For the rural poor, the nature of aspirations tends to be more fundamental, for example, towards reliable healthcare, education, safe drinking water and improved sanitation.

Therefore, for prosperous urban consumers, these are more likely to be considered basic utilitarian requirements. The mix of hedonic, aspiration, basic and utilitarian needs will be extremely challenging, not only for retailers, but also for government, whether at the national or state level. This may make consumer behaviour even more unpredictable and uncertain over the next few years. Due to huge diverse mix in socio-economic class in Indian circumstances, the consumerism therefore creates substantial uncertainties around targeted customers. Therefore, this research will help the decision makers, strategist and big giants etc. to take some necessary actions and customized approach on the basis of different trade area regions.

Conclusion:

The results revealed the significant relationship of trade area and retail formats in urban and rural area. As the buying decision of a consumer differs with respect to demographic and geographic profile of a consumer. But there are many controlled and uncontrolled variables which play a predominant role and directly or indirectly affect the buying behaviour of a consumer. These controlled and uncontrolled variables vary according to the situation.

The organized retail strategy for urban and rural market should differ in their size and magnitude. The features like quality assurance, promotional offers/prizes, saving time, wide product range etc. has significant impact in urban and rural area, but their interaction effect is found to be insignificant. A retail strategic feature in urban and rural area differs in their averages also. This is due to the fact that urban and rural consumers differ in demographic and geographical lifestyle and hence the operational definitions of retail formats differ from urban and rural area with respect to different trade area zones. The recognition, attraction and respect which the rural consumers are receiving from their peers and society makes them proud feeling and found their decision as value for money for them. As rural consumers, are not confused about brand selection due to lack of exposure hence they feel satisfied and happy for the reason that whatever advertisement they had seen or recommendation form their near & dear, they consider it as a latest trend and feel happy.

Sometimes, lack of exposure of rural consumers proved to be blessings for them. There is very less chance of confusion about brand, whatever brand they have, they feel it as a top brand, so they feel it as a value for money.

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