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Full Length Research Paper

Trendy shopping replacing traditional format preferences

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The Indian retail sector is going through a transformation and the emerging market is witnessing a significant change in its growth pattern. Both existing and new players are experimenting with new retail formats. Consumers' are also in favor of these retail formats for trendy shopping. The present paper is first of its kind to take the various important aspects together, namely, emerging retail formats, demographic factors and attributes affecting customers' buying preferences from these retail formats for designing a framework. A self-structured questionnaire has been used for collecting the primary data from 500 urban consumers from major cities of Punjab in India. The study has used the descriptive statistics, ANOVA test and factor analysis for analyzing the data. The findings of the paper reveal that consumers' prefer emerging retail formats due to its significant product attributes like improved quality, variety of brands and assortment of merchandise and store attributes like parking facility, trained sales personnel and complete security. The retail formats have been classified into two categories; malls, specialty stores and hyper/supermarkets are recognized as modern retail formats and discount stores, convenience stores and department stores are recognized as traditional retail formats.

Key words: Retail formats, consumers, demography, product attributes, store attributes.

INTRODUCTION

Retailing is one of the largest industry in India and one of the biggest sources of employment in the country. Liberalization of the economy, rise in per capita income and growing consumerism have encouraged larger business houses and manufactures to set up retail formats in India and venture capitalists are investing in development of retail infrastructure (Aggarwal et al., 2007; Arshad and Hisam, 2007; Mishra, 2008). Retail sales in India amount to US$ 180 billion and account for 10 to 11% of gross domestic product. The retail industry in India is largely unorganized and predominantly consists of small, independent, owner-managed shops. However, the retail sector in India is witnessing a huge revamping exercise as the traditional retailers are making way for new formats. The Indian retail market has around 14 million outlets and has the largest retail outlet destiny in the world (Sinha and Uniyal, 2007). New retail formats in India are showing very interesting trends. Rapid growth is occurring not only in terms of purchases, but also in terms of the type of store formats that retailers are bringing into the market. Almost all retailers are offering multiple retail formats. For instance, the Future Group, the owners of Big Bazaar and Pantaloon stores, are present in about ten formats. Similarly, Reliance and Raheja offer at least five formats. Customers are switching not only within formats but also across formats (Anand and Sinha, 2009; Satish and Raju, 2010). These modern retail formats provide wide variety to customers and offer an ideal shopping experience with an amalgamation of product, entertainment and service, all under a single roof (Jasola, 2007; Jacobs et al., 2009).

The modern Indian consumer is seeking more value in the form of consistent availability, improved quality, pleasant shopping environment, financing options, trial rooms for clothing products, return and exchange policies and competitive pricing. This has created a rapid growing opportunity for organized, modern retail formats to

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emerge in recent years and grow at a fast pace (Sinha and Kar, 2007; Kotler, 2006). According to Swar (2007), Arshad et al. (2008) and Aggarwal (2008), several demographic indicators show favorable trends for the growth of organized trade in India. These are:

i) Rapid income growth: consumers have a greater ability to spend,
ii) Increasing urbanization: larger urban population that value convenience, coupled with the higher propensity of the urban consumers to spend,
iii) Growing young population: growth of the post-liberalization maturing population, with the attitude and willingness to spend and
iv) Spend now vs. save earlier: consumers are willing to borrow for present consumption.

Customer taste and preferences are changing leading to radical transformation in lifestyles and spending patterns which in turn are giving rise to new business opportunities. There is a change being observed in the shopping pattern of customers, which has resulted in the emergence of big retail chains in most metros; mini metros and towns. Halepete et al. (2008), Reddy (2009), Dalwadi et al. (2010), Senthilkumar and Shivakumar (2011) and Swar (2007) further express that due to rapid growth in retail sector, global retailers like Wal-Mart, GAP, Tesco, J.C Penney, Sears and Carrefour are trying to establish themselves in the Indian market; Infact Wal-Mart and TESCO have already opened their stores in partnership with Bharti and TATA in Indian market.

Growth of organized retail in year 2009 to 2010

According to Talwar (2010), during the past decade, retail industries have built up strong lifestyle brands positioning themselves to cater to the tastes and preferences of their consumers and utilizing the increasing disposable income of the end-users. With the economy recovering faster than anticipated, there is a drastic change in the consumer spending patterns and for India, the year 2010 is the beginning of a pivotal decade of how much development will take place in the next ten years. It is expected that the country will continue to accelerate its GDP growth and will sustain a GDP growth of about 9.6% by 2020. India is housing about 1.30 billion people and the per capita income of every Indian will be double to an average of 8%. The number of middle class households will increase from 120 million to 170 million with the addition of 50 million people earning US$ 1692 to 22,556 a year.

Talwar opines that India's overall retail sector is expected to rise to US$ 833 billion by 2013 and to US$ 1.3 trillion by 2018, at a compound annual growth rate (CAGR) of 10%. As a democratic country with high growth rates, consumer spending has risen sharply as the younger population (more than 47% of the country is below the age of 25) has seen a significant increase in its disposable income (Kaur and Singh, 2007; Jain and Bagdare, 2009; Ghosh et al., 2010). In the changing retail environment, understanding the psyche of customer is critical to success in retailing.

In India, there is a need to go in for a study to identify the winning formats suited to different segments and preferences of consumers for emerging retail formats and their attributes. So, the present paper tries to analyze whether the trendy shopping is replacing shoppers preferences to purchase from traditional retail formats. Thus, for analyzing this, the study has taken six retail formats, a mix of modern and traditional retail formats, namely, malls, specialty stores, convenience stores, discount stores, hypermarkets/supermarkets, and department stores. Along with formats, the study has taken product and store attributes and their influence to purchase from these retail formats. When we talk of trendy shopping – youth and higher income group people cannot be left behind.

Thus, the study also tries to categorize age into three groups' that is, young consumers' (between 18 to 30 years age group), middle-aged consumers' (between 31 to 45 years age group) and old consumers' (age group of more than 45). Similarly, consumers on the basis of income group have been categorized into no tax payer (less than 2 Lakh per year), low tax payer (between 2-5 Lakh per year) and high tax payer (more than 5 Lakh). ANOVA test has been used to see whether there is a significant difference amongst consumers of various age groups; income; and product and store attributes.

LITERATURE REVIEW

Emerging retail formats

According to Swinyard (1997), shopping patterns of US consumers are more sophisticated, they expect high level of services and merchandise quality. Moreover, economic and demographic trends are dramatically affecting the retail industry. Micro-marketing, globalization, new formats and age related merchandising changes are the consequences of retailing trends in USA. Gupta et al. (2003) studied the changing Indian consumer behavior in the past decade due to availability of large assortment of major products leaving an impact on their consumption and consumption structure. The consumer is no longer shopping from the local market; rather the place of shopping has shifted to the stores in malls. Malls are focused towards catering to the younger population segments (Barak, 1998; Myers and Lumbers, 2008) and shopping behavior of the consumer varies according to their age (Moschis, 2003). Shopping behaviour of younger consumers' would be focused towards seeking entertainment while older consumer focuses on convenience and leisure (Myers et al., 2008). According to Mishra (2007), India is currently in the second phase of evolution, that is, consumer demand organized formats. Retailers need to customize retail models as per the tastes and pre-ferences of Indian consumer. Mishra (2008) further expose that mall space, demography, rising young population, availability of brands, rising retail finance, changing lifestyle, modern retail formats and foreign direct investment are the strengths and opportunities for modern retail model. Arshad et al. (2007), Kaur and Singh (2007) and Ghosh et al. (2010) while highlighting the prospects of retailing in India, opined that 47% of India's population is under the age of 25 and this will further increase to 55% by 2015 and this young population will immensely contribute to the growth of the retail sector in the country. The study by Dash and Candy (2009), Technopak (2007) and CII (2008) depict that growing middle class, large number of earning youth customers, increase in spending, improvement in infrastructure, liberalization of Indian economy and India's booming economy are the various opportunities for organized retailing in India. The current study tries to analyze the age wise preferences of consumers' towards emerging retail formats.

H_1: Young consumers may prefer malls and specialty stores for shopping as compared to older ones

The consumer has multiple options to choose- ranging from the shopkeeper to the most sophisticated super-markets, plazas and malls which provide the latest and better quality products and have made India the top spot among the favored retail destination as observed by Jasola (2007) and India Retail Report (2009). Income is another important parameter influencing consumers' behavior. A lot of studies have examined the relationship between income and consumers' buying preferences. Aggarwal (2007) and Bhardwaj and Makkar (2007) highlight the emergence of organized retailing in India and view the catalytic effects of retail on Indian Economy. Employment generation, growth of real estate, increase in disposable income and development of retail ancillary market are the various catalytic effects on Indian economy. The changing Indian retail scenario with the intervention of organized retail in the form of modern retail formats such as one-stop malls, specialty malls, hyper markets and big-box retailing has also seen remarkable shift in the preferences of consumers. Hino (2010) shared his observation about the emergence and expansion of supermarkets that gradually decreased the market share of the traditional formats by displacing them and the factors that helped supermarkets in gaining consumers favors over the traditional stores are the 'consumers economic ability' and the 'format output'. Kuruvilla and Ganguli (2008), Gopal (2009) and Srivastava (2008) opine that mall development is expected to grow at a frantic pace in metros and mini metros driven by the organized retail sector. Malls comprise of 90% of the total future retail development. The basic reason behind the growth of malls is that it offers an experience and not just goods. There is a wide range of shopping experience- bargains and discounts, high-end brands for couples, gaming and other amuse-ment facilities for kids and the multiplexes theaters, etc. Shukla and Jain (2007). Goyal and Aggarwal (2009) and Ali and Kapoor (2010) opine that in India, a consuming class is emerging as a result of increasing income levels and dual career families with high disposable incomes. With retailers eyeing their presence in the market, it is important to identify the target shoppers as well as the prime factors of enjoyment in shopping.

H_2: Higher income consumers may prefer malls and specialty stores for shopping as compared to lower income group.

Attributes and choice of retail formats

Herpen and Pieters (2000) identify that the attribute-approach captures consumer's perception of assortment variety better than the product-based approach and that it offers new insights into assortment variety. Popkowski et al. (2001) observed that the changing retail structure has provided the consumers with more options in the form of formats and services such as large variety of products, quality products and less travel time, etc. Gupta (2004) is of the view that consumers' prefer modern retail formats due to latest and better quality products. Urbonavicius and Ivanauskas (2005) methodology is based on evaluation of image attributes importance for customers. The authors illustrate that buyers indicated a number of image attributes of multiple retailers, which are important for them and make impact on store selection. Some image attributes are more important than others, and they include product quality, product assortment variety and product prices. Lather and Kaur (2006) and Gupta's (2007) study uncovered six main indicators: namely, price, sales personnel, quality of merchandise, assortment of merchandise, advertising services and convenience services that play key role for retailers in choosing the type of retail formats that may help them to cope up with the changing preferences of consumers. The study by Jackson et al. (2006) and Tendai and Crispen (2009) demonstrate that consumer choice between stores can be understood in terms of accessibility and convenience, whereas choice within stores involves notions of value, price, and quality.

H_3: Quality and variety of brands may be the important product attributes for purchase from emerging retail formats.

Erdem et al. (1999) examines the linkage between consumer values and the importance of some salient store attributes. The study indicated that the important judgments for store attributes were influenced by the set of terminal and instrumental values viewed as important by the shoppers. Thang and Tan (2003) and Dalwadi et al. (2010) supported that consumers' choice of shopping malls over traditional market stores is influenced by various factors like location, ambience, assortment, sales promotion schemes and in-store services. The facility of one stop-shop had a positive response from the consumers, who found it more convenient, time saving and satisfactory. Mittal and Mittal (2008) suggest that the retailers marketing strategy will have to take into account two sets of attributes: 1) loyalty drivers and 2) shopping experience enhancers. These attributes will have to be integrated into the retail format. For apparel shopping, the loyalty drivers are merchandise mix, sales promotions, price, and recommendation/relationship whereas the shopping experience enhancers are store reputation/ advertisements, temperature (air conditioning), return/ guarantee, and ambient conditions. Enjoyable, pleasant, and attractive in store shopping environment increases the chances of impulsive buying among consumers (Crispen et al., 2009).

According to Gopal (2007), Jain and Bagdare (2009), and Jacobs et al. (2010), layout, ambience, display, self service, value added services, technology based operations and many more dimensions with modern outlook and practices are the major determinants of modern retail formats (Ghosh and Tripathi, 2010).The study by Jackson et al. (2011) investigates the extent to which attitudes toward mall attributes and shopping value derived from a mall visit differ across gender and generational cohorts. Results indicate that there are no differences in hedonic and utilitarian shopping values by generational cohort, but generational differences in attitude toward mall hygiene factors, convenience and entertainment features did exist.

H_4: Location and ambience may be the important store attributes for purchase from emerging retail formats

Thus, from the detailed review, it can be stated that retailing is such a favorable topic that it has drawn many researchers covering various aspects like emerging retail formats and major segments of retailing like food and grocery and apparel sector; but in Indian context, there has been scarce literature available on covering impact of demographic factors and Important attributes of retailing which effect on consumers preferences for all the six type of formats considered together. Thus, the present study has been undertaken with the following broad objectives.

Objectives of the study

i. To study the impact of demographic factors (age and income) on consumers' preferences towards emerging retail formats.
ii. To study the product and store attributes that influence consumers to purchase from emerging retail formats.
iii. To propose a framework for consumer preferences towards emerging retail formats based on demography, product and store attributes.

RESEARCH METHODOLOGY

The present study is descriptive in approach based upon primary data. Stratified random sampling method has been used for the study. A self-structured questionnaire has been used for collecting the data from urban consumers of Punjab. The questionnaire has been tested for reliability and content validity. The overall reliability of the questionnaire as depicted by Cronbach alpha is 0.936. Questionnaires were distributed to 1200 consumers' on the basis of their demographic profile and the 500 duly filled questionnaire complete in all aspects have been taken in the study. Data has been collected from approached 500 urban consumers' from major cities of Punjab - Amritsar, Jalandhar, Mohali, Patiala and Ludhiana. The response rate of questionnaire is 41.67%. Two types of attributes considered in the study are: product attributes such as quality, price, brands, merchandise, availability of products, display of products, warrantee of products, proper packaging, exchange facility and bundling offers and store attributes, namely, ambience, location, security, promotions, dressing room, cleanliness, children play area, parking facility, convenient hours and helpful staff. Descriptive statistics, ANOVA and factor analysis has been used for analyzing the data.

RESULTS AND ANALYSIS

The results of the study as shown in Table 1 highlight that young consumers' and middle aged consumers' between the age group of 18 to 30 and 31 to 45 years prefer malls and specialty store for shopping purposes. There is not much difference in consumer preferences between the first two age groups. On the other hand, old consumers (>45) have different preferences for shopping from the emerging retail formats as they prefer Convenience store followed by hyper/supermarkets and department stores. The overall results show that consumers prefer malls (4.25 mean score) followed by specialty sore (3.82 mean score) and hyper/ supermarkets (3.52 mean score).

H_1: Young consumers may prefer malls and specialty stores for shopping as compared to older ones.

The sample size of the study has been divided into three strata's, that is, age group of young consumers', middle aged consumers' and old consumers'. Results of the study highlight that young consumers' prefer malls and specialty store more for shopping as compared to older age groups.

Hence, H_1 has been accepted. These findings are supported by earlier researchers like Arshad et al. (2007), Kaur and Singh (2007), Myers and Lumbers (2008), CII report (2008), Mishra (2008), Ghosh et al. (2010) and Dash and Candy (2009).

Table 2 explains the consumer preferences of emerging retail format with reference to their household income. The results show that consumers in the category

Table 1. Impact of age on consumers preferences across different retail formats.

Age group		Malls	Specialty stores	Convenience store	Discount stores	Hyper/Super markets	Department stores
Young consumers	Mean	4.60	3.65	2.85	3.51	3.31	3.18
	Std. Dev.	1.62	1.72	1.67	1.52	1.33	1.79
Middle-aged consumers	Mean	4.47	4.62	3.50	3.12	3.52	1.76
	Std. Dev.	1.43	1.26	1.15	1.23	1.86	1.52
Old consumers	Mean	1.70	3.09	5.63	2.26	4.76	3.56
	Std. Dev.	1.72	0.45	1.01	0.81	0.75	1.08
Total	Mean	4.25	3.82	3.31	3.28	3.52	2.88
	Std. Dev.	1.82	1.60	1.73	1.45	1.50	1.78

Table 2. Impact of household income on consumers preferences across different retail formats.

Household Income (per year)		Malls	Specialty stores	Convenience store	Discount stores	Hyper/super markets	Department stores
No tax payers	Mean	3.14	3.41	3.45	2.95	4.73	3.32
	Std. Dev.	1.64	1.68	1.92	1.70	1.03	1.76
Low tax payers	Mean	3.91	3.82	3.84	3.16	3.52	2.87
	Std. Dev.	1.94	1.60	1.82	1.53	1.42	1.61
High tax payers	Mean	4.71	3.86	2.75	3.43	3.40	2.85
	Std. Dev.	1.57	1.59	1.41	1.32	1.56	1.94
Total	Mean	4.25	3.82	3.31	3.28	3.52	2.88
	Std. Dev.	1.82	1.60	1.73	1.45	1.50	1.78

of ‘no tax payers’ prefer to shop from hyper/supermarkets and convenience stores. Low tax payer consumers having income between 2 and 5 Lakh prefer to shop from malls and convenience store. On the other hand, the high tax payer consumers having income of more than 5 Lakh prefer malls and specialty store. A switch towards trendy shopping is obvious for low and high tax payer category as malls, specialty stores and hyper/supermarkets are preferred to convenience stores, discount stores and department stores.

H_2: Higher income consumers may prefer malls and specialty stores for shopping as compared to lower income group.

Results of income wise analysis depicted that high tax payer consumers’ prefer malls and specialty store more for shopping as compared to no tax payer consumers as they prefer hyper/supermarkets and convenience stores more for shopping. Hence, H_2 has been accepted.

The findings support earlier researchers like Aggarwal (2007), Bhardwaj and Makkar (2007), Srivastava (2008), Kuruvilla et al. (2008), Goyal and Aggarwal (2009), Hino (2010) and Ali et al. (2010).

The study used ANOVA analysis to know if there is a significant difference among consumers’ of different age group and product and store attributes influencing consumers’ preferences to shop from emerging retail formats.

The ANOVA results (Table 3) show significant differences in eight consumers behavior product attributes across different age segments. ANOVA results are not significant only for proper display of products and warrantee of products. For all other attributes there is a significant difference on the basis of age.

Similarly, ANOVA has also been used for product attributes and income of consumers’. The ANOVA results (Table 4) show that there is a significant difference in consumer preferences of nine product attributes across household income of consumers.

Table 3. ANOVA: Product attributes and age groups.

Product attributes		Sum of squares	df	Mean square	F	Sig.
	Between groups	51.739	2	25.870	20.233	0.001***
Improved quality	Within groups	635.453	497	1.279		
	Total	687.192	499			
	Between groups	53.966	2	26.983	25.881	0.001***
Reasonable price	Within groups	518.162	497	1.043		
	Total	572.128	499			
	Between groups	11.531	2	5.766	6.014	0.003**
Variety of brands	Within groups	476.461	497	0.959		
	Total	487.992	499			
	Between groups	36.050	2	18.025	22.888	0.001***
Assortment of merchandise	Within groups	391.412	497	0.788		
	Total	427.462	499			
	Between groups	7.460	2	3.730	3.954	0.020*
Easy availability of products	Within groups	468.818	497	0.943		
	Total	476.278	499			
	Between groups	1.212	2	0.606	0.687	0.504
Proper display of products	Within groups	438.826	497	0.883		
	Total	440.038	499			
	Between groups	8.061	2	4.031	2.829	0.060
Warrantee of products	Within groups	708.137	497	1.425		
	Total	716.198	499			
	Between groups	239.857	2	119.929	125.543	0.001***
Proper packaging	Within groups	474.775	497	.955		
	Total	714.632	499			
	Between groups	259.394	2	129.697	92.128	0.001***
Exchange facilities	Within groups	699.668	497	1.408		
	Total	959.062	499			
	Between groups	143.767	2	71.883	48.978	0.001***
Bundling offers	Within groups	729.433	497	1.468		
	Total	873.200	499			

*** Sig. at 0.01% level, ** Sig. at 1% level, * Sig. at 5% level.

The improved quality, reasonable price, variety of brands, assortment of merchandise, easy availability of products, proper display of products, proper packaging, exchange facilities and bundling offers are significant at 0.01% level.

Factor analysis was applied for both product and store attributes to reduce the number of variables for each category. Factor analysis on product attributes helped in classifying items into three categories namely, core product attributes, secondary product attributes and supplementary product attributes (Table 5).

These three factors explain 68.30% of total variance. Core product attributes emerged as an important factor. This includes improved quality (0.828), variety of brands (0.828), assortment of merchandise (0.789), and reasonable price (0.584) explains 25.656% variance.

Secondary product attributes has emerged as second most important factor accounting for 24. 120% of total

Table 4. ANOVA: Product attributes and household income of consumers.

Product attributes		Sum of squares	Df	Mean square	F	Sig.
Improved quality	Between groups	28.644	2	14.322	10.809	0.001***
	Within groups	658.548	497	1.325		
	Total	687.192	499			
Reasonable price	Between groups	43.500	2	21.750	20.449	0.001***
	Within groups	528.628	497	1.064		
	Total	572.128	499			
Variety of brands	Between groups	14.491	2	7.245	7.605	0.001***
	Within groups	473.501	497	0.953		
	Total	487.992	499			
Assortment of merchandise	Between groups	12.311	2	6.155	7.369	0.001***
	Within groups	415.151	497	0.835		
	Total	427.462	499			
Easy Availability of products	Between groups	36.767	2	18.383	20.788	0.001***
	Within groups	439.511	497	0.884		
	Total	476.278	499			
Proper display of products	Between groups	13.048	2	6.524	7.594	0.001***
	Within groups	426.990	497	0.859		
	Total	440.038	499			
Warrantee of products	Between groups	7.762	2	3.881	2.723	0.067
	Within groups	708.436	497	1.425		
	Total	716.198	499			
Proper packaging	Between groups	18.763	2	9.382	6.700	0.001***
	Within groups	695.869	497	1.400		
	Total	714.632	499			
Exchange facilities	Between groups	115.372	2	57.686	33.982	0.001***
	Within groups	843.690	497	1.698		
	Total	959.062	499			
Bundling offers	Between groups	27.591	2	13.796	8.108	0.001***
	Within groups	845.609	497	1.701		
	Total	873.200	499			

*** Sig. at 0.01% level, ** Sig. at 1% level, * Sig. at 5% level.

variance.

The major elements that consist of this factor are proper display of products (0.759), warrantee of products (0.747), bundling offers (0.737) and easy availability of products (0.644).

The supplementary product attributes has been recognized as third important factor that account for 18.526% variance. The major items comprising this factor include product packaging (0.868) and exchange facilities (0.832).

H_3: Quality and variety of brands may be the important product attributes for purchase from emerging retail formats.

The result of factor analysis depicts that improved quality (item loading 0.828) and variety of brands (item loading 0.828) are the important product attributes to purchase

Table 5. Factor analysis for product attributes.

Factor name	Eigen value	% of variance	Cumulative	Items	Factor loading
Core product attributes	2.566	25.656	25.656	Improved quality	0.828
				Variety of brands	0.828
				Assortment of merchandise	0.789
				Reasonable price	0.584
Secondary product attributes	2.412	24.120	49.775	Proper display of products	0.759
				Warrantee of products	0.747
				Bundling offers	0.737
				Easy Availability of products	0.644
Supplementary product attributes	1.853	18.526	68.301	Proper packaging	0.868
				Exchange facilities	0.832

Table 6. ANOVA: Store attributes and age groups.

Store attributes		Sum of squares	df	Mean square	F	Sig.
Pleasant ambience	Between groups	33.066	2	16.533	19.629	0.001***
	Within groups	418.606	497	0.842		
	Total	451.672	499			
Better location	Between groups	42.417	2	21.209	24.573	0.001***
	Within groups	428.965	497	0.863		
	Total	471.382	499			
Complete security	Between groups	71.269	2	35.634	38.487	0.001***
	Within groups	460.163	497	0.926		
	Total	531.432	499			
Nice in-store promotions	Between groups	85.617	2	42.808	54.588	0.001***
	Within groups	389.751	497	0.784		
	Total	475.368	499			
Adequate dressing rooms	Between groups	31.117	2	15.559	16.659	0.001***
	Within groups	464.171	497	0.934		
	Total	495.288	499			
Cleanliness of store	Between groups	37.579	2	18.789	20.264	0.001***
	Within groups	460.843	497	0.927		
	Total	498.422	499			
Children play area	Between groups	156.464	2	78.232	50.359	0.001***
	Within groups	772.086	497	1.553		
	Total	928.550	499			
Good parking facility	Between groups	300.141	2	150.070	153.971	0.001***
	Within groups	484.409	497	0.975		
	Total	784.550	499			

Table 6. Contd.

Convenient shopping hours	Between groups	22.090	2	11.045	9.758	0.001***
	Within groups	562.588	497	1.132		
	Total	584.678	499			
Trained sales personnel	Between groups	149.440	2	74.720	94.167	0.001***
	Within groups	394.358	497	0.793		
	Total	543.798	499			

*** Sig. at 0.01% level, ** Sig. at 1% level, * Significant at 5% level.

from emerging retail formats. The number of previous researchers like Herper and Pieters (2000), Popkowski et al. (2001), Gupta (2004), Urbonavicius and Ivanauskas (2005) and Jackson (2006) also supported similar results. Hence, H_3 is also accepted. ANOVA has been used for store attributes and age groups.

The ANOVA results (Table 6) highlight that there is a significant differences in all the ten store attributes of consumers across different age segments. The pleasant ambience, better location, complete security, nice in-store promotions, adequate dressing rooms, cleanliness of store, children play area, good parking facility, convenient shopping hours and trained sales personnel are significant at 0.01%.

The ANOVA results (Table 7) show significant differences in consumer preferences of eight store attributes (out of ten) across different household income of consumers. Factor analysis for store attributes helped in classifying items into the following two categories: shopping experience enhancer attributes and store environment attributes. These two factors account for 59.436% of total variance.

Table 8 highlights that shopping experience enhancers attribute has emerged as a most important factor contributing to store attributes and it accounts 36.429% of variance. Store environment attributes are the second factor that explains 23.007% variance. The items covering in these factors are adequate dressing rooms (0.834), cleanliness of store (0.792), pleasant ambience (0.634) and better location (0.554). Here, adequate dressing rooms and cleanliness of store had higher loadings in relation to ambience and location.

H_4: Location and ambience may be the important store attributes for purchase from emerging retail formats.

The factor analysis for store attributes depicts that good parking facilities (0.796) and trained sales personnel (0.792) are the major contributing attributes. On the other hand, better location and pleasant ambience which are contributing to second factor viz. store environment attributes have not emerged significant as a factor loading for these factors are comparatively low, thus H_4 has not been accepted. Although a number of studies like Thang and Tan (2003), Gopal (2007), Jain and Bagdare (2009), Jacobs et al. (2010) and Dalwadi et al. (2010) have identified location and ambience as important store attributes, the results of the present study are contrary to these. Thus, on the basis of these results, a framework has been designed as depicted in Figure 1.

The results of consumers' preferences of emerging retail formats depict that younger consumers' prefer to buy from malls, specialty stores and hyper/supermarkets. Thus, these formats have been clubbed in one category, that is, modern retail formats. Results also highlight that old consumers prefer to buy from discount stores, convenience stores and departmental stores. A change is yet to be seen in this age group of consumers'. Thus, these three formats are clubbed in category two namely, traditional retail formats. Further, a framework illustrates the important product and store attributes. With the use of factor analysis, product attributes have been divided in three major factors, that is, core product attributes, secondary product attributes and supplementary product attributes. On the other hand, store attributes have been divided in two major factors, that is, shopping experience enhancer attributes and store environment attributes.

Conclusion

The present study has been undertaken to study the impact of demographic factors (age and income) on consumers' preferences towards emerging retail formats and the attributes that influence consumers to purchase from emerging retail formats. For analyzing the data effectively, ANOVA and factor analysis has been used. The results of the study highlight that young consumers and high tax payers prefer malls and specialty stores for shopping purposes. On the other hand, older consumers and no tax payers have different preferences for shopping from the emerging retail formats as they prefer convenience store, discount stores and department stores. The ANOVA test was used to know the significance level between demographic factors and important retail attributes and results of ANOVA show that there is a significant difference in consumers' preferences of retail attributes across different demographic factors. The

Table 7. ANOVA: Store attributes and household income of consumers.

Store attributes		Sum of squares	df	Mean square	F	Sig.
Pleasant ambience	Between groups	15.661	2	7.831	8.926	0.001***
	Within groups	436.011	497	0.877		
	Total	451.672	499			
Better location	Between groups	20.034	2	10.017	11.030	0.001***
	Within groups	451.348	497	0.908		
	Total	471.382	499			
Complete security	Between groups	2.707	2	1.353	1.272	0.281
	Within groups	528.725	497	1.064		
	Total	531.432	499			
Nice in-store promotions	Between groups	21.650	2	10.825	11.858	0.001***
	Within groups	453.718	497	0.913		
	Total	475.368	499			
Adequate dressing rooms	Between groups	15.100	2	7.550	7.814	0.001***
	Within groups	480.188	497	0.966		
	Total	495.288	499			
Cleanliness of store	Between groups	4.211	2	2.105	2.117	0.121
	Within groups	494.211	497	0.994		
	Total	498.422	499			
Children play area	Between groups	11.907	2	5.954	3.228	0.040*
	Within groups	916.643	497	1.844		
	Total	928.550	499			
Good parking facility	Between groups	56.081	2	28.041	19.131	0.001***
	Within groups	728.469	497	1.466		
	Total	784.550	499			
Convenient shopping hours	Between groups	13.128	2	6.564	5.708	0.004**
	Within groups	571.550	497	1.150		
	Total	584.678	499			
Trained Sales personnel	Between groups	27.311	2	13.655	13.140	0.001***
	Within groups	516.487	497	1.039		
	Total	543.798	499			

*** Sig. at 0.01% level, ** Sig. at 1% level, * Sig. at 5% level.

The study further used factor analysis to classify the retail attributes in most important factors. With the help of factor analysis, product attributes have been divided in three major factors, that is, core product attributes which accounts 25.656% of variance, secondary product attributes account for total variance of 24.120% and the supplementary product attributes has been recognized as the third important factor. On the other hand, store attributes have been divided in two major factors, that is, shopping experienced enhancer attributes explain 36.429% of variance and store environment attributes accounts 23.007% of total variance. Finally, the overall result of the study shows that the trends toward emerging retail formats are changing and consumers prefer modern retail formats due to its significant product attributes like improved quality and variety of brands and store

Table 8. Factor analysis for store attributes.

Factor name	Eigen value	% of variance	Cumulative	Items	Factor loading
Shopping experience enhancer attributes	3.643	36.429	36.429	Good parking facility	0.796
				Trained sales personnel	0.792
				Complete security	0.702
				Children play area	0.697
				Nice in-store promotions	0.696
				Convenient shopping hours	0.639
Store environment attributes	2.301	23.007	59.436	Adequate dressing rooms	0.834
				Cleanliness of store	0.792
				Pleasant ambience	0.634
				Better location	0.554

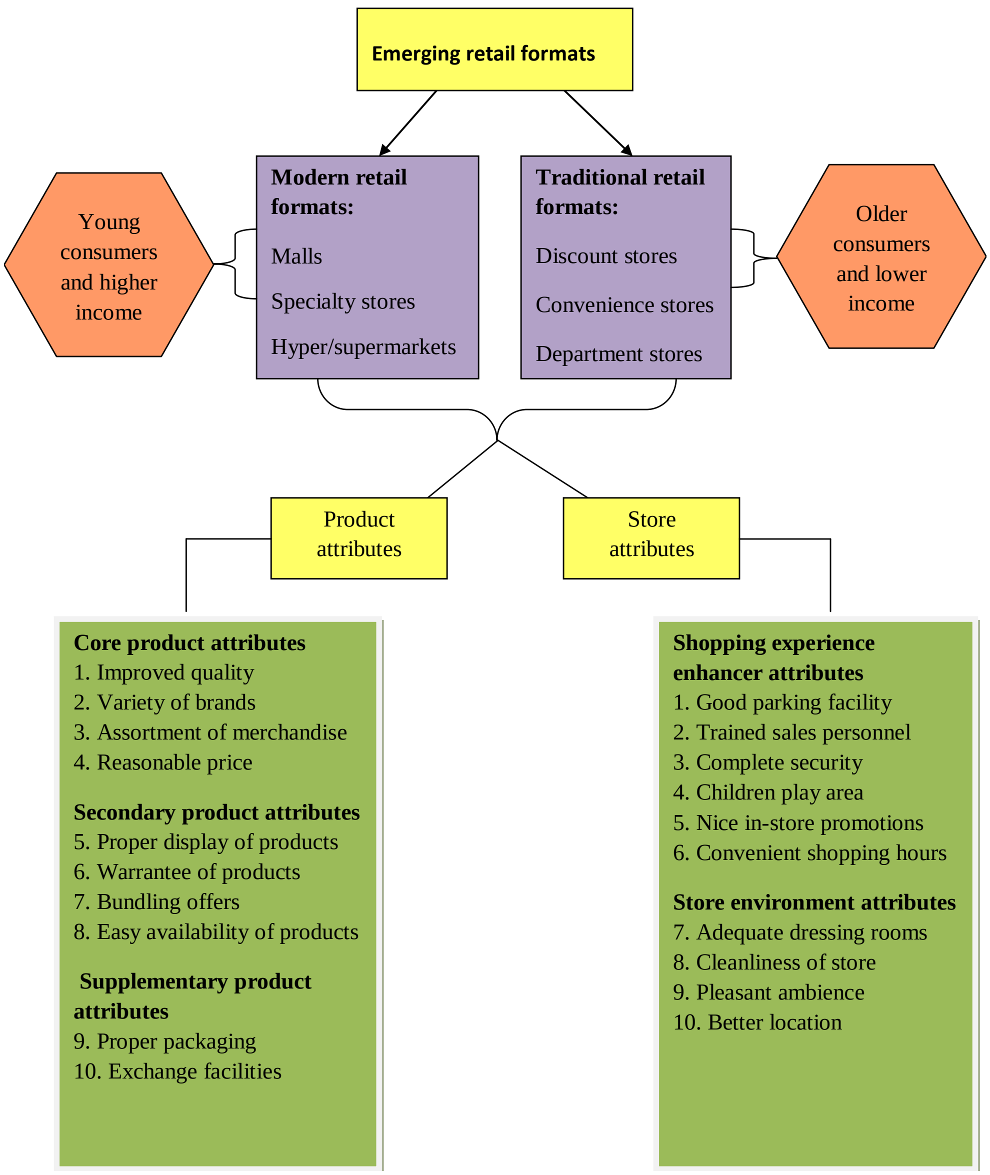

Figure 1. Framework of consumers' preferences for emerging retail formats.

attributes which enhance the shopping experience of consumers like good parking facility and trained sales personnel.

LIMITATIONS AND FUTURE RESEARCH

Although the present study tries to cover all important aspects of emerging retail formats, this paper has a few limitations. The research was conducted only on the consumers of one state, that is, Punjab. A future research can be undertaken to make a comparison between consumers' preferences of emerging retail formats in other states or the same study can be done all over India with higher sample size.

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