Marketing Implications of Consumer Behavior for Supermarket in Kedah, Malaysia

Rabiul Islam and Alqahtani Ali Abdullah

School of Economics, Finance and Banking, College of Business, University Utara Malaysia, 06010 UUM, Kedah, Malaysia.

Graduate School of Business, College of Business, University Utara Malaysia, 06010 UUM, Kedah, Malaysia.

Abstract: The purpose of this paper is to identify the marketing implications of consumer behavior for supermarket in Kedah. It would serve as a reliable and effective guide to supermarkets in Kedah, in order to enabling it to precisely understand how their consumer behavior as well as what it ought to do with regards to the marketing strategies. It utilized survey methods based on questionnaires and the questionnaires were distributed to a sample 35 consumer at five supermarkets in Kedah, Malaysia. Several statistical techniques were used including frequencies, crosstabs, correlation, and regressions. Furthermore, the data were analyzed by STATPAC. Different amounts and types of product experience should be reflected by variation in cognitive structure. Theoretically, differences in cognitive structures should influence the cognitive processes and outcomes that involve those cognitive structures and, thereby, should also affect overt behavior.

Key words: Marketing, Implication, Consumer behavior, Supermarket.

INTRODUCTION

Market implications help in either encouraging or discouraging the purchase of such product in the economy. It may also help in determining the direction of the local industries and the marketability of their product, which help in increasing productivity or improvement in such products. Since the employment status has varying results on the perception of the visitors to their various shops. In order to attract all manner of employment category to visits the super market all the varying pull factors must be taken into consideration in planning and setting up of any super store. The growing population and increasing purchasing power of minority consumers in Canada represent significant market opportunities. There is therefore a growing concern among marketers with the impact of ethnic segmentation and differentiated marketing strategies (Faura, 1999). Cui and Choudury (2002) proposed a nested approach to ethnic market segmentation by analyzing the characteristics of the ultimate consumers.

The dry product and toiletries are mostly purchased by the middle income earning respondent in this study. On the quality of the product being sold in most of the super shops in the study area showed high degree of dissatisfaction by the visitors or customers. It has a long time implication on the marketability of such super shop should competing shop open with better and more qualitative products. The development of supermarkets, and the concentration of distribution that characterizes this development, leads to a reduction in the number sales outlets (Reardon and Berdegué, 2002). Variety in this regard may matter as much to the consumer as does the variety of goods themselves.

Sex-role theory defines gender as an individual, dichotomous and physical differentiating role that is relatively static and learnt in childhood. Gender theory suggests a system of inequality that is formed and reformed through daily experiences (Potucheck, 1992). Gender scholars favour a social constructionist approach to under- standing and explaining gender (Courtenay, 2000; Fox and Murray, 2000; Leaper, 2000; Poggio, 2006). Simply, gender is shaped through the institutional and social mores and is constantly redefined through the everyday individual practices and interac- tions (Poggio, 2006). As such, gender identities generate within dynamic and shifting social contexts (Collinson and Hearn, 1996; Courtenay, 2000) because culture and society are more powerful explanatory mechanisms than nature and biology (Synott, 1993; Shilling, 2003).

The traditional male gender roles no longer exist as clearly defined social barriers to familial roles. This merging of traditional familial roles, and society’s acceptance of these shifts, means that more men now undertake traditional female gendered roles such as grocery shopping (Davis and Bell, 1991; Dholakia et al. 1995; Dholakia, 1999; Gardner, 2004; Richbell and Kite, 2007). Generally, men who report to be the main grocery shopper are employed in white-collar, professional occupations, and have higher levels of education and income when compared with men who do not undertake the grocery-shopping duty (Piper and Capella, 1993) and are mostly less than 34 years of age (Dholakia, 1999).
There is increasing interest in understanding the effects of computer-mediated shopping environments (Hoffman and Novak, 1996). Customer loyalty is generally considered as a vital metric for firms due to its favorable implications on market share and financial performance (Reichheld, 2003). Burke et al. (1992) tracked the purchases made by 18 consumers in a traditional supermarket over a 7-month period. Two months later, the same group of consumers participated in laboratory experiments wherein market conditions identical to the in-store environment were created on a computer system for several product classes of interest. Each subject made online purchases in the simulated store during the same weeks in which that subject had made in-store purchases.

**MATERIALS AND METHOD**

The respondents had different perceptions about their shopping habits and reflected different patterns which became even more prominent when it came to male and female. It was used with enormous amount of data, and it was successful to come up with the solutions which would have logical marketing implications on the operations of the supermarket of its choice.

In non-probability sampling technique we started with the purposive or judgmental sampling to find out the categories of consumers who goes to the supermarket. It is the following categories on the basis employment are very dominant:

- Working man
- Working woman
- House wives
- Students
- Retired persons
- Few Unemployed but has earning source through business or other sources.

The main challenge was that it had to collect an extensive pool of data from a huge number of respondents. These respondents all were from different areas of Kedah State. So it broadly categorized these areas into 4 broad categories:

- High class secured residential areas,
- Middle class private residential areas
- Unplanned mass city areas
- Outside metropolitan areas

It reached minimum 35 respondents from five various supermarkets in Kedah State shoppers among those categories. Resource constraints such as research works, time and cost permitted us to select only 35 people that were interviewed using interviewer administered questionnaire. It has been chosen five super markets from Kedah State for this study.

1. Aneka
2. C-Mart
3. Giant
4. Tesco
5. Yawata

Data analysis indicates that there were 31 male (88.6%) and 4 female represent (11.4). The group age of 40-44 was the highest among other group (31.4) following by age group 35-39. 56% of respondents have a full time work, while 6.7% are not working. Regarding to the income it was found that 54.3% of householder has income between RM 2001-4000. Selecting the samples from the whole population will not answer the question. So it has been decided to follow non-probability sampling technique. Respondents were selected in the location of the shopping and they were having been asked to answer the questionnaire. As a team, it defined the work of this paper among the members and to make sure that the data collection give a good result, each member have distributed 10 questionnaires in different supermarket. Several statistical techniques were used including frequencies, crosstabs, correlation, and regressions. Furthermore, the data were analyzed by STATPAC.

**RESULTS AND DISCUSSION**

First we show the relationship between the often gender and the often do the main shopping at super shop as dependent variable and gender as the independent variable. The estimated regression coefficient is RM0.960. These coefficient shows that the gender is positively related with go to the main shopping at super shop. The coefficient shows that the gender is positively related with often go to the main shopping at super market. If income increases by 1.00 units the expected often goes to the main super shop. The statistically significant is at least at 90% level.

Regarding store loyalty, men routinely patronized the same store. Women Male respondents believed men should take a more active role in shopping and viewed grocery shopping as a family activity rather than a responsibility of the household female were more inclined to shop around for the best buy.
Male shoppers consider quality fresh produce and meat, a wide product range and one stop shopping as being important. Men rate identifiable pricing and the ability to complete the shopping in the fastest possible time to be important store characteristics. However, late trading hours, easy car-parking facilities, discount coupons, helpful staff and value-added services (such as dry cleaning or home delivery) appeared to be of less interest to men, but more important to women which is indicate frequent sales, helpful sales personnel, being in stock, accurate checkouts, attractive décor, convenient locations and easy access were all store characteristics more highly regarded by women than they were by men. That car parking is of little interest to men tends to suggest they feel at ease in accessing the supermarket, or they are alone and need not concern themselves with heavy shopping bags and children.

Table 1: The main shopping at super shop with gender.

| IV = Gender       | Mean = 1.114 | Standard Deviation = 0.323 |
| DV = How often do you do the main shopping at super shop? | Mean = 2.400 | Standard Deviation = 1.063 |

Goodness of fit
- Mean of Residuals = 0.000
- Standard Deviation of Residuals = 1.017
- Mean Absolute Percent Error = 35.934%
- Mean Percent Error = -17.292%
- Mean Square Error = 1.004

Regression Statistics
- Valid Cases = 35
- Missing Cases = 0
- Correlation Coefficient = 0.291
- Degrees of Freedom = 33
- Adjusted R-Squared = 0.057
- Standard Error of the Estimate = 1.032

Regression Coefficients Table

<table>
<thead>
<tr>
<th>Coefficient</th>
<th>Estd. Std. Error</th>
<th>T-Value</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>1.331</td>
<td>0.635</td>
<td>2.095</td>
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<tr>
<td>Slope</td>
<td>0.960</td>
<td>0.548</td>
<td>1.751</td>
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</tbody>
</table>

Table 2: The main shopping at super shop with age.

| IV = What is your age? | Mean = 4.057 | Standard Deviation = 1.626 |
| DV = How often do you do the main shopping at super shop? | Mean = 2.400 | Standard Deviation = 1.063 |

Goodness of fit
- Mean of Residuals = 0.000
- Standard Deviation of Residuals = 0.963
- Mean Absolute Percent Error = 34.715%
- Mean Percent Error = -15.949%
- Mean Square Error = 0.902

Regression Statistics
- Valid Cases = 35
- Missing Cases = 0
- Correlation Coefficient = -0.422
- Degrees of Freedom = 33
- Adjusted R-Squared = 0.153
- Standard Error of the Estimate = 0.978

Regression Coefficients Table

<table>
<thead>
<tr>
<th>Coefficient</th>
<th>Estd. Std. Error</th>
<th>T-Value</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>3.519</td>
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<td>7.822</td>
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<tr>
<td>Slope</td>
<td>-0.276</td>
<td>0.103</td>
<td>-2.675</td>
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</table>
First we show the relationship between the often age and the often do the main shopping at super shop as dependent variable and age as the independent variable. The estimated regression coefficient is RM0.276. These coefficient shows that the age is negatively related with go to the main shopping at super shop. The coefficient shows that the gender is negatively related with often go to the main shopping at super market. If income increases by 1.00 unit the expected often goes to the main super shop but it decrease because of the age was an old no intent to shopping. The statistically significant is at least at 99% level.

The changing demographics affect consumer spending habits. The supermarket typically has been identified as an individual who is 40- years old and above, has a relatively high income, has a household size greater than three, is not particularly sensitive to deal, and considers shopping an enjoyable recreational experience. The only consumer groups shopping at supermarket in greater numbers today are teens and senior citizens. Both groups have more free time for recreational shopping than do baby boomers. In fact, teens are definitely the most frequent visitors to supermarket.

The behaviors are as a browsing, socializing, eating, exercising, and being entertained. Specific factors included a quality of the shopping center for example security, attractiveness of décor, courtesy of personnel, quality of merchandise, cleanliness and atmosphere, variety one roof for example variety of stores, number of department stores, number of specialty store, and presence of new fashions, the convenience for example convenient location from home, parking facilities, and layout of area, the social experience for example spending time with friends of family, and people watching, the comfort areas for example great place to take children and great place to spend a few hours, the special sales/promotions.

### Table 3: Total weekly grocery expenditure with income.

| IV = What is your household income? | Mean = 2.000 | Standard Deviation = 0.691 |
| DV = What is your total weekly grocery expenditure? | Mean = 5.356 | Standard Deviation = 2.369 |

#### Goodness Of Fit

- Mean of Residuals = 0.000
- Standard Deviation of Residuals = 2.036
- Mean Absolute Percent Error = 56.742%
- Mean Percent Error = -32.953%
- Mean Square Error = 4.022

#### Regression Statistics

- Valid Cases = 34
- Missing Cases = 1
- Correlation Coefficient = 0.514
- Degrees of Freedom = 32
- Adjusted R-Squared = 0.241
- Standard Error of the Estimate = 2.067

#### Regression Coefficients Table

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<th>Coefficient</th>
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<th>T-Value</th>
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<td>Intercept</td>
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<td>1.093</td>
<td>1.696</td>
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<tr>
<td>Slope</td>
<td>1.750</td>
<td>0.517</td>
<td>3.386</td>
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We had made an assessment about the positive relationship between the household incomes with the total weekly grocery expenditure at super market. The estimate regression coefficient is 1.750.Since the regression coefficient value is positive, it means that the income of the household is increase and the household will buy main groceries at super market more frequently. When the income is rise up, indirectly household would like to go to the super market to buy main groceries more frequently. If increasing of income is RM 1.00, the estimated value of discount/promotion affect purchasing is increase by 1.750 and it significant at least at 99% level.

The increasing of income every household will affect the expenditure for the buying grocery. Households record daily expenditure, income receipts, and tax payments in a diary that is collected once a month. Monthly household demographic information and labor force participation are also included. While one of the goals of the survey is to collect expenditure data from a nationally representative sample of households, two notable exclusions from the survey are agricultural workers, student, government and households with only one individual. If the response of these two groups to the consumption tax rate changes differed systematically from those covered by the survey, our estimates of the inter-temporal substitution and income effects will not be indicative of the average household, but rather the average non-agricultural, multi-person household.

The behaviors are as a browsing, socializing, eating, exercising, and being entertained. Specific factors included a quality of the shopping center for example security, attractiveness of décor, courtesy of personnel, quality of merchandise, cleanliness and atmosphere, variety one roof for example variety of stores, number of
department stores, number of specialty store, and presence of new fashions, the convenience for example convenient location from home, parking facilities, and layout of area, the social experience for example spending time with friends of family, and people watching, the comfort areas for example great place to take children and great place to spend a few hours, the special sales/promotions.

Table 4: Discount/Promotion affects your purchasing decision with income.

| IV = What is your household income? | Mean = 2.029 | Standard Deviation = 0.684 |
|DV = How does discount/promotion affect your purchasing decision? (They have led me to try out new products) | Mean = 2.213 | Standard Deviation = 0.783 |

Goodness of Fit

Mean of Residuals = 0.000
Standard Deviation of Residuals = 0.744
Mean Absolute Percent Error = 23.864%
Mean Percent Error = -9.458%
Mean Square Error = 0.536

Regression Statistics

Valid Cases = 33
Missing Cases = 2
Correlation Coefficient = -0.305
Degrees of Freedom = 31
Adjusted R-Squared = 0.064
Standard Error of the Estimate = 0.756

Regression Coefficients Table

<table>
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<th>Estd. Std. Error</th>
<th>T-Value</th>
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<td>Intercept</td>
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<td>6.987</td>
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<tr>
<td>Slope</td>
<td>-0.348</td>
<td>0.195</td>
<td>-1.783</td>
</tr>
</tbody>
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We had made an assessment about the negative relationship between household income with the impact of discount/promotion affect the purchasing decision. The estimate regression coefficient is -0.348. Since the regression coefficient value is negative, it means that the income of the household decrease. It will not buy main groceries at super market more frequently. The impact when the discount/promotion held at super market is the total weekly expenditure at super market will rise up. If income is RM 1.00, the estimated value of discount/promotion affect purchasing is decrease by -0.348, and it significant at least at 90% level.

Table 5: Discount/Promotion affects your purchasing decision with weekly expenditure at super markets.

| IV = What is your total weekly expenditure at super markets? | Mean = 4.497 | Standard Deviation = 2.195 |
|DV = How does discount/promotion affect your purchasing decision? (They help me stock up on essential grocery items) | Mean = 2.522 | Standard Deviation = 1.165 |

Goodness of Fit

Mean of Residuals = 0.000
Standard Deviation of Residuals = 1.122
Mean Absolute Percent Error = 42.676%
Mean Percent Error = -23.155%
Mean Square Error = 1.219

Regression Statistics

Valid Cases = 33
Missing Cases = 2
Correlation Coefficient = -0.305
Degrees of Freedom = 29
Adjusted R-Squared = 0.062
Standard Error of the Estimate = 1.142

Regression Coefficients Table

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<th>Coefficient</th>
<th>Estd. Std. Error</th>
<th>T-Value</th>
<th>Significance</th>
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<tbody>
<tr>
<td>Intercept</td>
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<td>0.474</td>
<td>6.934</td>
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<tr>
<td>Slope</td>
<td>-0.163</td>
<td>0.095</td>
<td>-1.725</td>
</tr>
</tbody>
</table>

We had made an assessment about the negative relationship between total weekly expenditure at supermarkets and impact of discount/promotion affect the purchasing decision. The estimate regression coefficient is -0.163. Since the regression coefficient value is negative, it means that the total weekly
expenditure at super market decrease because of household are not go to the super market frequently. The impact when the discount/promotion held at super market is the total weekly expenditure at super market will rise up. If income is RM 1.00, the estimated value of discount/promotion affect purchasing is decrease by -0.163, and it significant at least at 90% level.

The increasing of income every household will affect the expenditure for the buying grocery. Households record daily expenditure, income receipts, and tax payments in a diary that is collected once a month. Monthly household demographic information and labor force participation are also included. While one of the goals of the survey is to collect expenditure data from a nationally representative sample of households, two notable exclusions from the survey are agricultural workers, student, government and households with only one individual. If the response of these two groups to the consumption tax rate changes differed systematically from those covered by the survey, our estimates of the inter temporal substitution and income effects will not be indicative of the average household, but rather the average non-agricultural, multi-person household.

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**Conclusions:**

Product cannibalization occurs when a company decides to replace an existing product and introduce a new one in its place, regardless of its position in the market for example. The product’s life cycle phase does not come into account. This is due to newly introduced technologies and it is most common in high tech companies. As all things in life there is negative and positive cannibalization. It should be approached cautiously when there are hints that it may have an unfavorable economic effect to the company, such as lower sales and profits, higher technical skills and great retooling. Penetration pricing is the pricing technique of setting a relatively low initial entry price, often lower than the eventual market price, to attract new customers. The strategy works on the expectation that customers will switch to the new brand because of the lower price. Penetration pricing is most commonly associated with a marketing objective of increasing market share or sales volume, rather than to make profit in the short term.

The easier the process of purchase of products in the shop the more people are attracted to visits such shop. The simpler the process of payment after purchase the more customers are attracted to such shop. So also is transportation back to destination after purchase and when planning to go on visit for purchase purpose. This paper was able to determine the customer perception on the product quality of the most visits shops in the study area. The study was able revealed the percentage and category of those who always compare prices with the nearby rival shops in order to make decision on which shop to visit. It was also established that male visitors purchase more cloth and none cloth products in the shop. The results also revealed that female are more on the purchase of toiletries than male customers.

The paper was also able to prove that lower income customers are more prominent in the purchase of ready prepared meals compared to middle income purchase of confectionary and dry products in the shop. The results also showed that in terms price check higher income customers usually does so, while middle income don’t usually does so as against the lower income that always does the price checking before making decision to purchase product or not. The lower income categories were also highest in terms of purchase of medicine products as against all the other categories. This research therefore has implication in strategic marketing in the area of marketing decision to embark or not embark on promotional sells, physical development, and retention of labour force, price reduction, which product to replenish, which product sell faster and host of other marketing factor consideration.

**REFERENCES**


