



BRAND AWARENESS OF BIG BAZAAR HYPERMARKET AND ITS COMPETITORS IN INDIA

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ABSTRACT

The case examines in detail the changing dynamics in the Indian retailing industry in this 21st century, driven by the growth of organized retailing sector and increased personal consumption of customers on account of increased exposure to foreign goods and growth in nuclear families and rising incomes. The article focuses on retailing formats in India. Retail revolt is extensive throughout India. Organized retailing has grown with growth of supermarket, malls, multiplexes, and hypermarkets, the consumer is being revealed to a new kind of shopping knowledge and services which is gently and surely redefining customer expectations from shopping. The purpose of this paper is to study the retail industry in India. Hypermarket retail industry was considered more vivacious than ever because of the industrialization, macroeconomic performance of the country and need of organized retail segment. Due to modernization and technological growth there was growth in personal disposable income in the last 15 years which made it necessary to have giant retail story where everything is easily accessible.

KEY WORDS: Brand Awareness, Big Bazaar, Hypermarket, Retail Industry.

1. INTRODUCTION:

Brand awareness is a marketing term that describes the degree of consumer recognition of a product by its name. Creating brand awareness is a key step in promoting a new product or reviving an older brand. Ideally, awareness of the brand may include the qualities that distinguish the product from its competition. Big Bazaar is an Indian retail chain of hypermarkets, discount department stores, and grocery stores. The retail chain was founded by Kishore Biyani under his parent organisation Future Group, which is known for having a significant prominence in Indian retail and fashion sectors. Big Bazaar is also the parent chain of Food Bazaar, Fashion at Big Bazaar (abbreviated as fbb) and eZone where at locations it houses all under one roof, while it is sister chain of retail outlets like Brand Factory, Home Town, Central, eZone, etc. A hypermarket is a retail store that combines a department store and a grocery supermarket. Often a very large establishment, hypermarkets offer a wide variety of products such as appliances, clothing, and groceries. Hypermarkets offer shoppers a one-stop shopping experience. The idea behind this big box store is to provide consumers with all the goods they require, under one roof. Some of the more popular hypermarkets include the Wal-Mart Supercenter, Fred Meyer and Super Kmart. Hypermarkets can include warehouse-like stores that might also offer merchandise found in discount stores or specialty stores at one location.

2. REVIEW OF LITERATURE:

- Mehrabian and Russell (1974) note that the response that retail store atmosphere elicits from consumers varies along three key areas of pleasantness, arousal, and dominance. This results, in turn, influences behavior, with superior likelihood of purchase in more settings that are enjoyable and in setting of intermediate arousal level.
- Milliman (1982); Eroglu and Machleit; Grewal et al. (2003) different of a retailer's in-store setting, e.g., color, music and crowding, can influence consumer's perceptions of a store's ambiance, whether or not they visit a store, how greatly time they spend in it, and how much money they pay out there.
- Baker et al. (2002) Find that store environment factors, particularly physical intend perceptions, significantly affect consumers' perceptions of merchandise price, merchandise quality, and employee service quality.
- Schollosser (1998) argues that, since store atmosphere has a societal identity appeal, an enjoyable atmosphere in the store should influence perceptions of socially communicative product in the store, not so much essentially rewarding products. This logic can be comprehensive to argue that store atmosphere would have a greater impact on perceptions of products with top perceived (social) risk.
- Indeed, Richardson, Jain, and Dick (1996) do find that consumers' ratings of the private label's quality are higher when the store is aesthetically pleasing than when it is lowest attractive, although there is no significant difference in their ratings of national brands' quality.
- Chaudhuri (2006) explicated that with 250 malls coming up, it's estimated that some 1800 screens would soon be put up in these multiplexes. While malls do well attracting shoppers from everywhere, shops in malls have had

poorer success rates, with only around 30% of the shop owners admitting to recovering their return on Investment.

3. OBJECTIVES OF THE STUDY:

- To study about the Brand awareness of Big Bazaar and its competitors.
- To know the Preference levels of customers for Big Bazaar when compared to Spencer's and D-Mart.

4. RESEARCH DESIGN:

The research design applied for the study is described as descriptive research study. The descriptive research study is used for defining and analyzing the research problem effectively. It mainly concerned with describing the essential characteristics of a particular individual or group or situation. Descriptive research includes surveys and fact-finding enquires of different kinds. The major purpose of descriptive research is description of the state of affairs as it exists at present.

Sample Design:

Due to time and resource constraints the sample size is restricted to 150.

Sampling unit : customer of food bazaar

Sample size : 150 (big bazaar-50, spencer's-50, d-mart-50)

Sample method : convenience sampling method

Statistical tool : chi-square test, percentage analysis.

5. DATA COLLECTION:

Data refers to information or facts. It includes numerical figures, non-numerical figures, Descriptive fact, quantitative and qualitative information. The task of data collection begins after research problem has been defined and research design in chalked out. While deciding about the method of data collection to be used for study, the researcher needs to focus on two types of data viz., primary data and secondary data. The primary data are those that are collected through questionnaire and direct personal interview. All the questionnaires were collected through personal contact from the respondents. It is collected a fresh and for the first time and thus happen to be original in character. Secondary data, on the other hand, is those which have already been collected by someone else and which already have been passed through the statistical process. Secondary data pertaining to this study was obtained from company documents, websites etc. The study is based on the primary data. The relevant secondary data collected from various journals, books, and websites.

6. RETAIL INDUSTRY IN INDIA:

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. Total consumption expenditure is expected to reach nearly US\$ 3,600 billion by 2020 from US\$ 1,824 billion in 2017. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. India is the world's

fifth largest global destination in the retail space. In FDI Confidence Index, India ranks 16th (after U.S., Canada, Germany, United Kingdom, China, Japan, France, Australia, Switzerland and Italy)

Emergence of Organized Retailing in India:

The emergence of retailing in India has more to do with the increasing purchasing power of buyers (especially post-liberalization), increase in product variety, and the increasing economies of scale, with the aid of modern supply and distribution management solutions. A description of Indian retailing is essential in order to be in a position to assess the impact of retailing and its future potential.

Challenges facing by the India organized retail sector:

The challenges facing the Indian organized retail sector are various and these are stopping the Indian retail industry from reaching its full potential. The behavior pattern of the India consumer has undergone a major change. This has happened for the India consumer is earning more now, western influences, and women working force is increasing, desire for luxury items and better quality. He now wants to eat, shop, and get entertained under the same roof. All these have led the Indian organized retail sector to give more in order to satisfy the Indian customers. The biggest challenge facing the Indian organized retail sector is the lack retail space.

Retail Trade Formats:

The retail trade sector comprises establishments engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The retailing process is the final step in the distribution of merchandise. Retailers are therefore organized to sell merchandise in small quantities to the general public.

This sector comprises two main types of retailers:

- Store retailers
- Non store retailers

Store Retailers:

Operate fixed point-of-sale locations, located and designed to attract a high volume of walk-in customers. In general, retail stores have extensive displays of merchandise and use mass-media advertising to attract customer. They typically sell merchandise to the general public for personal or household consumption, but some also serve business and institutional clients. These include establishments such as office supply stores, computer and software stores, building materials dealers, plumbing supply stores and electrical supply stores. Catalog showrooms, gasoline service stations, automotive dealers and mobile home dealers are treated as store retailers. In addition to retailing merchandise, some types of store retailers are also engaged in the provision of after-sales services, such as repair and installation. For example, new automobile dealers, electronics and appliance stores, musical instrument and supplies stores often provide repair services. As a general rule, establishments engaged in retailing merchandise and providing after-sales services are classified in this sector.

Non Store Retailers:

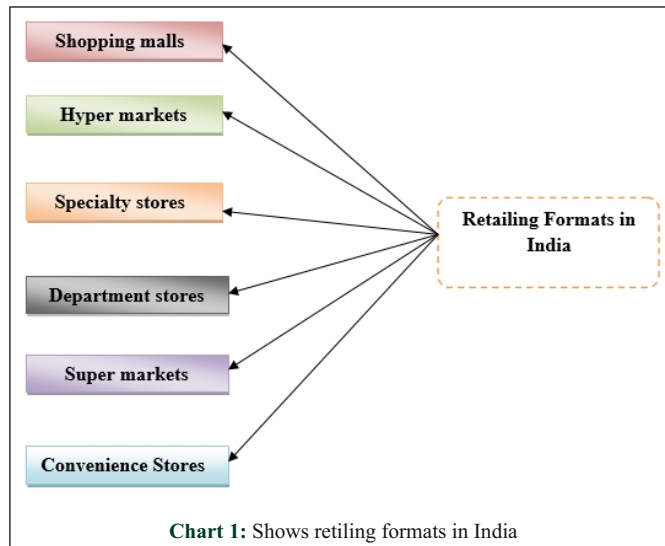
Non-store retailers, like store retailers, are organized to serve the general public, but their retailing methods differ. The establishments of this subsector reach customers and market merchandise with methods, such as the broadcasting of "infomercials," the broadcasting and publishing of direct-response advertising, the publishing of paper and electronic catalogs, door-to-door solicitation, in-home demonstration, selling from portable stall (street vendors, except food) and distribution through vending machines. Establishments engaged in the direct sale (non-store) of products, such as home heating oil dealers and home delivery newspaper routes included here.

Hyper Markets:

This industry is large combination food and general merchandise retailers. They typically stock less than super centers, between 40,000 and 60,000 items ranging from groceries, hardware, and sports equipment, to furniture and appliances to computers and electronic. The store generally is spread across 100,000 to 300,000 square foot. The concept of hypermarket comes into existence in USA by merging the food supermarkets store and non-food discount store. The sales areas of hypermarket store various from country to country. This concept of hypermarket is also popular in India and it is divided in two big hypermarket and small hypermarket according to the total sales area. If the stores have between 2000 to 5000 square meters of sales area, they are considered as supermarkets or small hypermarkets. If the stores have more than 8000 square meters are they are considered big hypermarkets. Some of the Hypermarket stores in India. Big bazaar, D mart, Trent, Landmark, star bazaar, more, Spencer's, Hyper city, metro cash and carry, reliance, SPAR, Vmart, saravana stores, shopper stop etc.

Retailing Formats in India:

Some of the prevalent relating formats in India as shown in below chart 1.



Shopping mall: Malls are upcoming trend in retail market. The concept is based on constructing centrally air-conditioned malls and renting the floor space out to individual shops. Malls inspire fashion-based shopping, as distinct from the need-based shopping inspired by super-markets and discount stores.

Hyper markets: The hypermarket combines supermarket, discount and warehouse retailing principles. Its product assortment goes beyond routinely purchased goods and includes furniture, large and small appliances, clothing and many items. The basic approach is bulk display and minimum handling by store personnel, with discounts offered to customers who are willing to carry heavy appliance and furniture out of the store.

Specialty stores: Specialty stores, as the name implies, are ones that carry a narrow product line with deep assortment within that line.

Department stores: A department store carries several product lines, invariably all that is required by a typical household. These lines include food, clothing, appliances and other household goods, home furnishings, gifts and curios.

Super markets: This is large, low cost, low margin, high volume, self-service operation designed to serve the customer's need for food, laundry and household maintenance products.

Convenience stores: There are generally food stores that are much smaller in size than supermarkets. They are conveniently located near residential areas and have long hours of operations, seven days a week, and carry a limited line of high turnover convenience products.

Future Retail:

The retail businesses of Future Group in India are divided into three main categories:

Future value retail limited:

- The leading retail formats under this include:
- Pantaloon stores
- Big bazaar
- Central
- Food bazaar
- Home town
- E zone
- Depot
- Health & Beauty Malls
- Online retail through future bazaar.com

Joint ventures with international brands:

- Indus League Clothing that owns leading apparel brands like Indigo Nation, Scullers and Urban Yoga.
- Galaxy Entertainment Limited that operates Bowling Co, Sports Bar, F123 and Brew Bar
- French retailer ETAM group, US-based stationary products retailer, staples and UK-based Lee Cooper.
- Franchisee of international brands like Marks & Spencer, Next, Debenhams and Guess in India.

Indian Joint Venture Partners:

- Manipal Healthcare
- Talwalkar's

- Blue Foods
- Liberty Shoes.

Results:

Chi Square Test:

Null hypothesis (H₀): The performance of hypermarket is independent of their gender.

Alternate Hypothesis (H₁): The preference of hypermarket is dependent of their gender.

Hypermarket	Male	Female	Total
Big Bazaar	33	34	67
Spencer's	15	26	41
D-Mart	20	22	42
Total	68	82	150

Hypermarket	Gender	Observed Frequency (O)	Estimated Frequency (E)	(O-E)	$\frac{(O-E)^2}{2}$
Big Bazaar	Male	33	30	3	0.3
	Female	34	37	-3	0.24
Spencer's	Male	15	18.5	-3.5	0.66
	Female	26	22	4	0.72
D-Mart	Male	20	19	-1	0.05
	Female	22	23	-1	0.04
Total		150			2.01

Degree of freedom = $(3-1)(2-1) = 2 @ 0.05$

Calculated chi square value = 2.01

Table value of chi square for 2 degree of freedom at 0.05 = 5.991

The computed value of chi square (2.01) is less than the table value (5.991) the null hypothesis is accepted. Conclude that there is no relationship between gender and preference of hypermarket. The calculated value of 2.01 is less than the table value of 5.991 at 5% level of significance. Hence, the null hypothesis is accepted. Thus, preference of hypermarket is independent of their gender.

7. FINDINGS:

- BIG BAZAAR has good brand awareness (92%) among the consumers while D-MART has least awareness (64%).
- News papers are playing crucial role in creating awareness of big bazaar (33%). Spencer's (36%).
- Low prices (34%) and quality (37%) are the considerable factors in choosing hyper market
- SPENCER'S is expensive when compared to D-Mart & Big bazaar
- SPENCER'S offers good quality of products when compared to big bazaar and D-Mart
- SPENCER'S offers wide range of products compared to Big Bazaar and D-Mart.
- The service & store ambience of Big Bazaar is better than Spencer's & D-MART
- Big Bazaar has greater acceptance (45%) among the consumers in comparison to Spencer's (27%) and D-Mart (28%).
- The chi-square test proves that there is no relationship between gender and preference of hypermarket (Calculated chi-square value = 2.01, Table value = 5.991 @ 0.05)

8. SUGGESTIONS:

- The company should try to improve communication to the customers through news papers in order to create awareness of promotions and existence of hypermarket.
- It is recommended to maintain good quality products and ensure wider availability with moderate price.

- Big bazaar need to increase the range of products to attract more customers.

9. CONCLUSION:

Big bazaar is a major shopping complex for today's customers. It is a place where customers find variety of products at a reasonable price. Big bazaar has a good reputation of itself in the market. It has positioned itself in the market as a discounted store. It holds a huge customer base. The majority of customers belong to middle class family. The youth generation also likes shopping and moving around big bazaar. Volume sales always take place in big bazaar. Impulse buying behaviour of customers comes in to play most of the times in big bazaar. Retail industry reached to US\$ 950 billion in 2018 at CAGR of 13 per cent and expected to reach US\$ 1.1 trillion by 2020. Online retail sales are forecasted to grow at the rate of 31 per cent year-on-year to reach US\$ 32.70 billion in 2018. Revenue generated from online retail is projected to grow to US\$ 60 billion by 2020. Hypermarket customer quality is important indicator for selection of hypermarket shop. Perceived quality may be reflected of advanced technology, shop atmosphere, product, service etc. These findings may be still rational since the brand image; brand awareness, brand association and brand loyalty are not perceived as importance factors building brand equity. This shows of perceived quality in creating awareness and brand image in the hypermarkets. The hypermarket industry in India at the beginning of 2010 was valued at \$37 billion with strong prospects for future. Research suggests that large format stores/hypermarkets – the physical expression of retail are booming. But the harsh fact is that the heady gold hustle days for organized retail are over.

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