

**Impact of Point of Purchase on Shopping Behaviour-An Analytical Study with  
Special Reference to North Bihar**

**\*Nitu Kumari**

**Research Scholar**

**Department of Commerce and Business Administration**

**L. N. Mithila University, Darbhanga**

**\*\* Prof. A. K. Singh**

**Former Head cum Director**

**Department of Commerce and Business Administration**

**L. N. Mithila University, Darbhanga**

**Abstract**

*From the marketing mix elements perspective, point of purchase advertising presents the closest link between promotion and place (distribution). It provides direct promotional prorating of consumers at retail touch point. What makes point of purchase advertising so critical is that it is probably the only advertising option that creates a strong promotional persuasion for the consumer in an environment where all the other marketing mix elements (place, product& price) are present. At this Juncture, the present study tries to analysis the impact of point of purchase on shopping behaviour with special reference to North Bihar.*

**Key words:** *Buying Motive, Consumer Behaviour, Kirana Shop, North Bihar, Point of Purchase*

**Introduction**

A buying motive is the reason why a person buys a particular product. It is the driving force behind buying behaviour and may be based on physiological or psychological wants. We have rational, emotional, or patronage motives. High quality, low prices, long life, performance, ease of use are the examples of rational buying motives. Desire to be different, desire for mastery, desire for prestige, desire to attract the opposite sex are examples of emotional buying Convenience of location, services

offered, reputation of the outlet, friendship with the store owner, price are the examples of patronage motives. Marketers are interested in patronage motives such as store loyalty and brand loyalty.

The buying behaviour also depends upon the expectation of the future. If an individual hopes that he can earn more in the days to come, he will spend more on comforts and luxuries. If the expectation of future earnings is little, then only subsistence expenditure will be made and savings will be on the increase. Thus expectation of future earnings also influences the buying behaviour of the consumers.

If the savings of the consumer increases, because of the increased income, this huge savings may influence the consumer to spend freely on consumer durables or on capital goods. This savings will be built up in the form of bank deposits, gold, corporate securities and other liquid assets which can be readily converted into cash. These savings which can be freely spent, also influences the buying behaviour.

These days' commercial banks, other financial institutions and even the corporate enterprises producing consumer durables lend money to be repaid in installments. Hire-purchase and installment sales are very common during these days. This type of sales motivates the consumers of small and middle income group to join for purchases on hire-purchase system. Consumer credit extended by commercial banks also designs the consumer buying behaviour. The deferred payment facilitates the lower income group to make current purchases of consumer durable. The recent example of Bajaj Scooters made the consumers to possess the bajaj scooter. The company offered hundred percent loan facility to purchase the scooters. The consumer has to simply walk in to the

dealership, sign the papers, and take delivery of the scooter. Like this many manufacturers have varieties schemes to purchase the products. This types of facility the consumers to make current purchases of any consumer durable which increases the standard of living.

Economic theories like, Indifference curve approach, Law of diminishing marginal utility, Law of maximum satisfaction have also analysed the consumer buying pattern. But these theories are concerned with price-quantity relationship. Consumer looks to be passive in the whole process. However consumer behaviour is not only influenced by the economic factors. The buying pattern is also influenced by the psychological factors.

The marketing effort is not only to increase the gap between the existing and desired state of mind, but also to increase the tension level where need recognition is ensured. Marketers therefore make efforts to provide easy payment facility (credit), or through bank loans and other financing companies. They also try to compare the consumers with their peers. All these tactics of marketing lead to problem recognition, which leads to felt need and then to purchase without problem recognition there is no need for a decision process. Problem recognition occurs when there is a discrepancy between the actual and the desired state. The degree to which it is out of alignment is also important. The desire to resolve a problem depends on the magnitude of discrepancy and the relative importance of the problem e.g. if the discrepancy is small, a decision may not be made Sometimes, the discrepancy is large but the importance is small, so a decision may not be required, because of budget constraints, time constraints, or both, or other more important problems

like housing utilities etc. At this Juncture, the present study tries to analysis the impact of point of purchase on shopping behaviour with special reference to North Bihar.

### **Objectives of the Study**

To explore the effectiveness of point-of-purchase display materials with relevant dimensions that will differentiate usage of the POP (point of purchase) material between a supermarket and a kirana store on:

- 1 Awareness of Product Benefits.
- 2 Awareness of sales promotion.
- 3 Impact on the purchase of the brand mentioned in the POP.
- 4 Impact of POP on the impulsive purchase of the brand mentioned in the POP.

### **Rationale of the Study**

Many researches confirm that the consumers tend to buy more when they are stimulated by various environmental conditioning like display, promotional signage etc. which tells us that in order to make shopping easy and give a comfortable feeling to consumers during shopping, store environment needs to be designed. It is very much important to have an atmosphere which makes the shopping pleasant and to create a store image and a favorable mindset of the consumer towards store position. Stimulating storefronts and interiors can create a sense of distinctiveness to appeal the mind of the consumers. It creates a warm welcoming feeling, helps satisfying customers and ultimately converts a single purchase into a long-term relationship.

POS displays have a very important role, but they have to be carefully planned, strategically placed and executed to perfection. They have to progress and evolve along

with the customers and, in most cases, they have to somewhat disregard the planned purchases, since those customers already know what they are buying. Nowadays, most POS displays are focused on rational propositions, such as prices, discounts etc. But, as we already established, consumers' shopping experience is often emotional and irrational, so they are using emotional and sensory means to interpret the messages placed by the retailers.

To understand the Indian market and consumer behavior better, marketing firms have to look at the characteristic feature of the Indian consumers. The consumers vary in the consumption pattern based on Geographical location, density population, urban-rural feature of the consumer, age, literacy level, income level, linguistic diversity, religion and dress, food habits and festivals celebrated. Against this background, this study investigates the impact of POP materials on kirana shop purchases and the purchases of consumers from supermarkets. Given the importance of POP material on the purchase of FMCG purchases, we feel that this study will be useful to bridge the gap between theory and practice and will provide valuable insights to managers involved in retailing.

### **Hypothesis/ Assumptions**

Supporting brands in-store enhances marketing communication at a time when the impact of traditional above-the-line promotional methods are declining. In-store communication is effective across international boundaries in a manner that is more effective than marketing campaigns. We formalized this and adapted it to the North Bihar market in the following hypothesis/assumptions: -

- There is no difference between supermarkets and kirana stores on the effect of POP displays on the awareness of product benefits

- There is no difference between supermarkets and kirana stores on the effectiveness of POP materials on the awareness of sales promotions.
- There is no difference between supermarkets and kirana stores on the impact of POP materials on the impulsive purchase of the brand mentioned in the POP.

### **Research Methodology**

The study is analytical in nature. Data and information has been collected from both primary and secondary sources. Primary data collection has been made through interview from the beneficiaries. For this purpose, sample size of 200 was taken for the chosen formats 'kirana' and 50 for the chosen format's supermarkets. The North Bihar with its geographical neighborhood was considered for the sampling exercise.

We looked into the supermarkets in North Bihar. Supermarkets are large, multiple and cohesive self-service retail outlets, catering to varied customer needs. A kirana store is a small grocery or general store that's found within walking distance of almost every family. These stores focus on selling a large variety of FMCG products but also stock most home necessities.

Data and information, thus, collected and compiled have been analysed and interpreted with the help of suitable statistical and mathematical tools and techniques. The tools and techniques used for analysing the collected data and for testing the hypothesis are as follows:

- Ratio
- Proportion

- Percentage
- Measures of Central Tendency etc.

### **Findings of the Study**

The point of purchase has highly impacted the purchase decision of the customer. Many factors are influencing the point of purchase purchasing decision like atmosphere of the store, relation with the store keeper , color/packaging of the product, the product recommend by their family, price of the product, the product that visible and near the hand reached, familiarity with that brand or product . These all factors influence the purchasing decision of the customer at the time of point of purchase.

Storekeeper have a good relationship with their customer because they play an important role to recommend a product to their customer and the setting of the store is in a good manner so, the range of the product and the product is visible and near the hand of the customer that influence their point of purchasing and customer are more influence by packaging and the display. So, the display should be better so customer can easily choose the product.

The major findings of the study include

- More responses are from the female customers that is 52 percent and rest are from the male customer that is 48 percent.
- Another finding is more responses that is 70 percent from the age group of 18-25, after that responses from the age group of 26-49 that is 26 percent and rest are from the 50 above age that is 4 percent.

- Another thing that is occupation and under this more responses from the students that is 70 percent and another responses from the businessmen that is 16 percent and rest are from the serviceman that is 14 percent.
- Another one is most of the respondents think the item before coming to the store that is 80 percent and the customer didn't think about the item is only 20 percent.
- After that customer expectations about the brand and under this customer think about the brand before coming to the store that is 78 percent and 22 percent that they didn't think the brand before coming to the store.
- Very important thing is that influence purchase decision is the price. And it has been observed that most of the respondents agree that the price is highly important for them that is 52 percent and moderate important is 40percent and very less important is 8 percent for the customers.
- The custom considered the colour/package while selecting the product and under this most of the respondents say yes that is 74 percent and very few of the respondents say no that is 26 percent. So, colour / packaging affecting the customer purchasing decision.
- Another responses is pronunciation of the product is important for the customer while buying the product and the agreed responses is 80 percent and disagree responses is 20 percent.
- Another one is customers recommend the product to their family and friends that they like and most of the customer say yes that is 84 percent and very few



say no that is 16 percent. So, recommendation affect the purchase decision of the customer.

- Another is which parameter mostly think by customer before coming to store and respondents mostly give vote to Taste that is 58 percent after that pricing that is 36 percent after pricing there is display that is 34 percent after that packaging that is 32percent and color 28 percent . So, these parameters highly affected the purchase decision of the respondents.
- Another responses is schemes run by the storekeeper is highly motivate the customer for buying the product that means schemes affected the purchase decision of the respondents. 38 percent respondents have affirmed.
- Customer considered the lower price of the product while doing a unplanned buying or shopping of the product.
- Most of the customer considered the early experience of the product and sample while buying the product that means the position or negative impact of the product motive the customer buy or not buy the product.
- Most important factor is display that near the hand and visible to the customer is highly motivated the customer to buy the product.
- Another thing is the Relationship with the store / storekeeper is highly affect the purchase decision. Many respondents are agree that good relationship with the store keeper/store motivate them to buying the product.
- Familiarity of the brand and the product is highly motivate the customer to buy the product as per respondents review.

- Recommendations by the family / friends is highly affected the Purchase decision of the customers.
- Many of the customer agree they carry the extra money for the impulse purchase that means point of purchase is highly important for them.
- As above research indicates that point of purchase is highly affected by the factors like relation with store keeper, display that is near the hand and visible, recommendations, familiarity of the brand or product, past experience of the products or samples. So, it's compulsory that storekeeper must need to be arrange the display or products in an attractive manner and it's highly affect the purchase decision of the customer and these all factors helps to increase the productivity if store keeper focus on these factors.

### **Suggestions**

Point-of-purchase displays are crucial for merchants looking to boost sales. Customers nowadays are more savvy than ever, and they always look for the best value. As a result of supermarkets' rise to prominence, the retail sector is undergoing rapid transformation around the world. With reference to client purchasing behavior toward point-of-purchase display, the following suggestions are made as the retail industry in India rapidly evolves from an unorganized to an organized state:

- Point-of-purchase advertising needs to grab customers' attention, so be daring. Use vibrant hues, a daring motif, and striking typefaces. Retailers' displays are more noticeable when they use contrasting hues. Think about adding some flair or ado. So that consumers aren't overwhelmed by the variety of options

available to them, and can make an informed purchase based solely on the point-of-purchase material.

- Strong Visuals: A well-thought-out layout is crucial when developing a POP display.
- The advantages of utilizing the product must be emphasized.
- There needs to be some sort of visual representation of the exhibition of visuals. Marketers also have the option of including moving graphics into their displays to provide further details on the product, its advantages, and a working demonstration.
- Include tear-off coupons offering a discount to motivate instantaneous purchases by consumers. Include coupons if your product competes with others on the market. Customers are often persuaded to make unplanned purchases at the point of sale. According to a number of polls, a sizable percentage of consumers regularly make impulsive buys. Therefore, the Point-of-Purchase aids advertisers in converting clients from one brand to another via spur-of-the-moment purchases. Finally,
  - ✓ Since the point of purchase plays such a pivotal role in the customer's choice to make a purchase, the seller should focus most of its attention there.
  - ✓ Because it's the first thing a buyer sees, the display needs to be appealing if they want to buy the product.
  - ✓ The company risks losing customers if it does not do enough to sway their purchasing decisions at the point of sale, thus it is in the corporation's best interest to make the product more appealing to buyers.

- ✓ It is the responsibility of the shopkeeper to ensure that the shopper feels at ease while making a purchase.
- ✓ Customers are more likely to make a purchase if they have a positive experience with the store's proprietor. It is, therefore, in the proprietor's best interest to cultivate positive customer relationships.

The customer's experience at the point of sale (POS) can make or break a sale. The store owner's display is more crucial than anything else listed here. That's why it's important to have the goods within the customer's immediate reach and display it in an appealing way. As a result, consumers are swayed to make a purchase decision. Thus, the research confirms the importance of the point-of-purchase display in influencing customers' final purchasing decisions. It's also obvious that a lot of stuff goes into a customer's decision to buy anything right there and then. The elements such as proximity, shelf appeal, price, brand recognition, store loyalty, impulse buys, and word-of-mouth all play a role in influencing consumers' decisions to purchase a product. All of these things have an impact on whether or not a client buys a product at the point of sale, therefore it's important for retailers to showcase their wares in an appealing way. Therefore, the product is simple to select for the customer. These aspects all play a role in the customer's final selection, therefore it's important for retailers to take them into account when setting up displays.

With this in mind, there are a few core ideas that businesses should prioritize when creating their point-of-sale display:

- ✓ Customers are more likely to buy innovative technologies when they are given the opportunity to try them out for themselves. Providing our customers with the opportunity to see and touch the product enhances the likelihood that they will make a purchase, especially an impulse buy.
- ✓ Better product visibility is achieved by strategic use of shelving, which also improves the aesthetics of the retail space. The features and layout of a store's interior have been demonstrated to have the greatest impact on shoppers' propensity to make hasty purchases (Oliver and Swan, 1989). Every supermarket stocks thousands of items from hundreds of different brands across at least a dozen different aisles. A point-of-sale (POS) display stands out from the crowd, making it easier for customers to discover what they need when they need it. When it comes down to it, the single most important factor is how noticeable your solution is to a potential consumer who is exploring online.
- ✓ All of this strategic planning and research must, of course, be supported by a formidable brand identity. While the point-of-sale display plays an important role in delivering a positive brand experience to customers, it is ultimately up to the company to know its demographics and select the best products to appeal to them.

### **Summing-up**

Although we can't read our customers' minds or learn about their unique personalities, we can provide them with simple, straightforward, strategically placed

POS solutions that make it easy for them to find what they're looking for and encourage them to make a purchase.

The present study, like any other research, has data constraints and opens up avenues for further study. The findings of this study, which focus on north Bihar, are generalizable to other areas. A larger data set and greater customer input can provide light on the motivations behind consumers' buying habits. The study also concentrated on shops and malls. Expanding the scope of the research to include comparisons with internet purchasing for the same retailers is possible. Connecting social media promotions and advertising is another option for trying to sway consumer preferences. Another disadvantage of this research is that the effects of sales on consumers' purchasing decisions and satisfaction tend to be very temporary.

#### **References:**

1. *Bhandari, Paridhi (2014), A Study on Impact of Sales Promotion Activities on Consumer Buying Behavior with Special Reference to Rathi Build Mart, Raipur, International Journal of Science and Research, Volume 3, Issue 5, May, 2014, pp.300-303.*
2. *Dave, S (2011), An Empirical Analysis of The Determinants of Customer Conversion: A Cross Sectional Study of Organized Retailers in Chattisgarh, Journal of Retail & Leisure Property, Vol. 9, No. 5, pp. 465-475.*
3. *Dubey, M Saini, S and Umekar, S (2016), Study and Analysis of Consumer Buying Behavior in Retail Market, International Journal of Engineering Technologies and Management Research, Vol. 3, No. 11, pp. 1-6.*

4. *Economic Survey 2020-21, Finance Department, Government of Bihar, Patna.*
5. *Fitzgerald, K (2006), Point of Sale Advertising: Tactical Marketing Impact, Harper Publications, New Jersey.*
6. *Gupta, Sunil (1988), Impact of Sales Promotion on When, What, and How Much to Buy, Journal of Marketing Research, Vol.25, No.4, November, pp.342-355.*
7. *Khan, Matin (2007), Consumer Behaviour, New Age International Private Limited, New Delhi.*
8. *Mishra, D P Chaudhary, S K (2017), Impact of Sales Promotion on Consumer Buying Behavior towards Colour Television: An Empirical Study. International Journal of Scientific Research and Review, Volume 6, Issue 11, pp. 114-122.*
9. *Nair, Suja R (2004), Consumer Behaviour: Text and Cases, Himalaya Publishing House Pvt. Ltd. Mumbai.*
10. *Quelch, J A (2006), Better Marketing At the Point of Sale, Harvard University Press, New York.*
11. *www.statista.com*