

# MARKETING STUDY REGARDING THE CONSUMPTION BEHAVIOR TOWARDS KAUFLAND HYPERMARKETS

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**Abstract:** The main objectives associated to this research study focus on establishing the consumption behavior of young consumers towards the products and associated services sold by Kaufland hypermarkets, in terms of: motivation to choose the products from Kaufland hypermarkets, average time spent doing shopping, average amount spent on shopping, shopping habits of the customers. The present study is based on primary data gathered from the young clients of Kaufland hypermarkets. The data is analysed using the SPSS Informatics program, based on statistical functions (descriptive statistics, factor analysis, T test). This marketing study was made during the 1st May 2012 – 1st June 2012, using the questionnaire to gather the data, which was filled in, by a sample of 85 persons.

**JEL classification: M30, M31**

**Key words: consumer behavior, marketing study, retail industry, Kaufland hypermarkets, quantitative study**

## 1. INTRODUCTION

The retail industry plays a key role in the economy of each country due to the connections with different players on the market. An important category of these players is represented by the consumers, because the retail “directly influences the quality of the citizens’ lives” due to “the access of a great variety of alimentary and nonalimentary products imported from different countries”. (Puiu S., 2012, p. 25)

Many authors studied the field of the retail and tried to give a definition to it: Kotler (2003), Zentes, Morschett, Schramm-Klein (2007), Pradhan (2009). Pradhan (2009) underlines the fact that the retail activity includes not only the products sold to the final consumers, but also the services associated to them. Thus, “the role of a retailer is to assure a real supplementary value or a utility for the client” (Pradhan, 2009, p. 4). The main objectives associated to this research study focus on establishing the consumption behavior of young consumers towards the products and associated services sold by Kaufland hypermarkets, in terms of: motivation to choose the products sold in Kaufland

hypermarkets, average time spend doing shopping, average amount spent for shopping, shopping habits of the customers.

## 2. OBJECTIVES

The hypotheses that this research tried to validate are:

Hypothesis no 1. The customers do their shopping in hypermarkets only once a week.

Hypothesis no 2. The main reasons for choosing Kaufland hypermarkets for shopping are: large range of products, low prices, existing promotions, hypermarket's location, hypermarket's own brand.

Hypothesis no 3. The average time spent on shopping in Kaufland hypermarkets is one hour.

Hypothesis no 4. The average amount spent on shopping in Kaufland hypermarkets is 100 lei (around 20 euro).

Hypothesis no 5. When consumers go shopping they return into the same hypermarket for buying the same product and the same brand.

Hypothesis no 6. The main competitor of Kaufland hypermarket is Auchan hypermarket.

## 3. METHODOLOGY

The present study is based on the primary data gathered from the young clients of Kaufland hypermarkets. The data is analysed using the SPSS Informatics program, based on statistical functions (descriptive statistics, factor analysis, T test).

This marketing study was made during the 1<sup>st</sup> May 2012 – 1<sup>st</sup> June 2012, using the questionnaire to gather the data, which was filled in by a sample of 85 persons. The method used to determine the sample is the probabilistic method, with an estimated proportion of 50%, a maximum error margin of 9% and a level of trust of 90%. (Equation 1)

$$n \geq \frac{t^2 * p(1-p)}{\varepsilon^2} \geq \frac{1.65^2 * 0.5(1-0.5)}{0.09^2} \cong 85 \text{ persons} \quad (1)$$

## 4. ANALYSES

Hypothesis no 1. The customers do their shopping in Kaufland hypermarkets only once a week. We can observe that a percentage of 77.6 of young customers do their shopping once a week, while only 20% do their shoppings twice a week, compared to 1.2% of clients that go shopping four times a week. (Table no 1)

Table no. 1

How often do you go at Kaufland?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	once a week	66	77.6	77.6	77.6
	twice a week	17	20.0	20.0	97.6
	three times a week	1	1.2	1.2	98.8
	four times a week	1	1.2	1.2	100.0
	Total	85	100.0	100.0	

Hypothesis no 2. The main reasons for choosing Kaufland hypermarkets for shopping are: large range of products, low prices, existing promotions, hypermarket's location, hypermarket's own brand. For analysing this hypothesis, we will make use of the factor analysis, whose objectives are: data reduction and data resuming. The elements taken into consideration for the factor analysis are: products' diversity, low prices, existing promotions, location of the hypermarket, hypermarket's own brand.

The proportion in which the retained variables form a coherent assembly and measure the concept can be well represented by the KMO measurement (Kaiser-Mayer-Olkin). In our case, the KMO value is 0.5 and represents an acceptable factor solution. (Table no 2)

**Table no. 2**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.500
Bartlett's Test of Sphericity	Approx. Chi-Square	8.843
	df	1.000
	Sig.	.003

According to the table no 3, the variation can be explained in a percentage of 65.941.

**Table no. 3**

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.319	65.941	65.941	1.319	65.941	65.941
2	.681	34.059	100.000			
Extraction Method: Principal Component Analysis.						

According to the factor analysis, the following elements explain the choice of Kaufland hypermarkets for shopping: products' diversity and hypermarket's own brand. (Table no 4)

**Table no. 4**

Component Matrix <sup>a</sup>	
	Component
I have chosen Kaufland Hypermarket for the existing products' diversity	.812
I have chosen Kaufland Hypermarket for its own brand	.812
Extraction Method: Principal Component Analysis.	
a. 1 components extracted.	

Hypothesis no 3. The average time spent on shopping in Kaufland hypermarkets is one hour. For the analysis of this hypothesis we will make use of the T test. For a degree of trust of 95%, the time spent on shopping varies between 50 minutes and 63 minutes. The average time spent in Kaufland hypermarkets is 56 minutes (almost one hour). (Table no 5)

**Table no. 5**

One-Sample Test						
	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
How much time do you spend on average in Kaufland Hyermarket?	18.782	84	.000	56.471	50.49	62.45

Hypothesis no 4. The average amount spent on shopping in Kaufland hypermarkets is 100 lei (around 20 euro). T test analysis reveals that the average amount spent in Kaufland hypermarkets is 120 lei (around 25 euro). The interval of confidence varies between 102 lei and 139 lei. (Table 6)

**Table no. 6**

One-Sample Test						
	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
What is the average amount you spend for shopping in Kaufland Hypermarket?	13.113	84	.000	120.412	102.15	138.67

Hypothesis no 5. When consumers go shopping they return into the same hypermarket for buying the same product and the same brand. The table no 7 shows that the young clients are loyal to the hypermarket, in a percentage of 50.6, returning to it for buying the same products and the same brands. (Table no 7)

**Table no. 7**

When you go shopping:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	you buy from the same hypermarket, the same product, but other brand	16	18.8	18.8	18.8
	you buy from the same hypermarket, other product, but the same brand	14	16.5	16.5	35.3
	you buy from other hypermarket, the same product, but other brand	12	14.1	14.1	49.4
	you come back into the same hypermarket for the same product, the same brand	43	50.6	50.6	100.0
	Total	85	100.0	100.0	

Hypothesis no 6. The main competitor of Kaufland hypermarket is Auchan hypermarket. Using the descriptive statistics, the responses of the Kaufland hypermarket clients show that its main competitor is Auchan hypermarket (64.7%), followed by Real hypermarket (25.9%). (Table no 8)

Table no. 8

In what other hypermarket do you go for shopping?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Auchan	55	64.7	64.7	64.7
	Real	22	25.9	25.9	90.6
	Metro	2	2.4	2.4	92.9
	Lydl	4	4.7	4.7	97.6
	Carrefour	1	1.2	1.2	98.8
	Other	1	1.2	1.2	100.0
	Total	85	100.0	100.0	

#### 4.1 Critical

The hypothesis no 1 is totally validated. The customers do their shopping in hypermarkets only once a week.

The hypothesis no 2 is partially validated. The young customers chose Kaufland hypermarkets for: products' diversity and hypermarket's own brand.

The hypothesis no 3 is totally validated. The average time spent on shopping in Kaufland hypermarkets is one hour.

The hypothesis no 4 is not validated. The average amount spent on shopping in Kaufland hypermarkets is 120 lei (around 25 euro).

The hypothesis no 5 is completely validated. When consumers go shopping they return into the same hypermarket for buying the same product and the same brand.

The hypothesis no 6 is completely validated. The main competitor of Kaufland hypermarket is Auchan hypermarket.

## 5. CONCLUSIONS

Hypermarkets play an important role in most of the young customers' shopping habits. As we have seen from the results, the customer is loyal, he comes back into the same hypermarket to buy the same product and the same brand, eventhough he usually goes shopping in Kaufland hypermarkets only once a week. When the young customers go shopping in Kaufland hypermarkets, they stay there on average one hour, spending an average amount of 120 lei (25 euro). The young customers' main reasons for loyalty are: the diversity of the existing products and the hypermarket's own brand. However, Kaufland hypermarkets have to pay attention to the main competitor from the young customers' point of view (Auchan hypermarkets).

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