

Prospects of Super Market Concept in Dhaka City

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Abstract: With over twenty super markets that follow the theme of arranging all kinds of products under one roof for the consumers operating in full swing, the shopping style of city dwellers has changed dramatically. These super markets are also expanding the market for local products, encouraging new entrepreneurs and also catering for a variety of imported products. The numbers of super shops that have sprouted at different locations of Dhaka over the last two years are showing an upward trend in business and they have further implications for entrepreneurs.

1. Introduction

The word Super market literally means a large shop selling food, drink, household goods, etc. People choose what they want from the shelves and pay for them as they leave. Basically, a Super Market is a one floor large area consisting of the daily goods that are bought by households. The daily goods include all the fast moving consumer goods like households, groceries, stationeries, cosmetics, etc. These include fresh meat, fruits, vegetables to frozen food stuff etc. The products the super markets sell are also available at different departmental stores and kitchen markets but still people prefer to visit the super markets for convenience, hygiene and time factors. The main difference between super market and department store lies on the difference of variety of products and size of the outlets. The concept of Super Market is new in Bangladesh. But today, with the current shopping practices prevailing, the need for a real supermarket has become a necessity for the reasons like: (1) Shoppers are quite dissatisfied with the present system of bazaars, corner grocery shops and general stores, (2) super markets offer shoppers a unique shopping experience, (3) conveniently located in central areas, goods are of questionable quality in conventional grocery shops, (4) existing level of service by the sales people in groceries is not acceptable to most customers, consumers want a shop with a full range of grocery items. Hence they do not have to hop around from shop to shop, super markets offer clean and friendly environment with a wide range of quality products at affordable prices and it has become the primary channel for distribution of foods and other household effects to the consumers. Customers are free to move around the well displayed shelves to see, touch, feel and select the fresh products to buy. In Bangladesh, daily consumables account for fresh, raw and processed supplies in the form of fruits, vegetables, rice, meat, fish, poultry, spices and other edible items. The retailing sector of this industry is unorganized, and much small retailing involving a number of layers of middlemen occur.

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2. Objective

The objective of the Present Study is to measure acceptability and feasibility of super market concept through customer's perception about super shops. Moreover, we will identify whether demographic variables like age, gender, education, income, and bargaining behavior have impact in choosing between super market and Kacha bazaar.

3. Methodology

This study is grounded in survey data obtained from the both the consumers who visit super markets and those who visit *Kacha bazaar* in the city designed to address the research questions. A preliminary version of the questionnaire was developed on the basis of insights from in-depth qualitative interviews with experts. A variety of measurement scales (nominal, interval and ratio) were included in a structured format to examine the relationships between selected variables. We used the open-ended question only to find suggestions from the consumers that is included in the recommendation part.

Only 500 interviews were planned from Dhaka city. To obtain a probability sample, considerable effort was devoted to selecting the appropriate sample plan. A telephone number was provided too, in case respondents wanted to verify the identity of the investigators or clarify questions of concern. A total of 492 respondents were completed. Of these, 9 were considered problematic due to excessive missing data; don't know answers, NA (Not applicable) answers, and response biases. Thus, a total of 483 respondents were analyzed in the present Context.

Simple statistical techniques like frequency distribution along with percentage were obtained to check for data entry errors (e. g. unrecognized or missing codes) and to obtain descriptive statistics mean and standard deviation were also obtained from the frequency analysis. To determine whether a significant association exists between binomial variables (e. g. income and type of shop), cross tabulation analysis and chi-square test were performed. To determine the crucial factors that influence the shopping behavior of the individual, t-test and F-tests were performed. T-tests were used to test for significant differences on consumers satisfaction and perceptions of overall service quality between super shops and Kacha bazaar. One-way Analysis of Variance (ANOVA) was also used to test for differences in the ratings when more than two groups (e. g. income and education categories) were involved. Chi-square, F values, Cramer's V and "p" value were considered in testing hypothesis. Factor analysis was performed to find the extraction values in deciding importance of different factors.

4. Findings

Respondents were asked to indicate the type of shop or bazaar they prefer at the time of shopping. We have provided them three options to choose for two questions. The options are shown in the table-1 with their respective frequencies.

Table-1: Frequency of the types of shop or bazaar preferred by the consumers

Types of bazaar or shop	Frequency	Percentage
Super market	307	63.6%
Kacha Bazaar	116	24.0%
Others	57	11.8%
Total	480	100%

Mean response = 1.48 and Standard Deviation = 0.71. 3 out of 483 were found non response.

It can be found from the analysis that a large number of respondents (63.6%) are in favor of super markets while only 24.0% of them prefer Kacha Bazaar. The reason may be various like, the wide collection of goods in super shops, clean environment, bargain free environment, quality products, and good quality service by the sales people. In some cases availability of the use of credit cards encourages the consumers to shop with the super markets that is not that much available in Kacha bazaar or other grocery shops. Another important reason to choose the super market identified by the respondents was home delivery services with a very nominal payment. Minimum number of respondents (11.6%) still stands in favor of other type of shops mainly due to the closeness to their home or work places that are locally located. Still 24% of the respondents are in favor of Kacha bazaar because people still believe that shopping in kacha bazaar is a heritage and tradition. Moreover, perception is that the price of super market is higher than in Kacha bazaar.

The average number of response are found to be 1.48 with a standard deviation of 0.71, which clearly states that the respondents have a common tendency in choosing shopping outlets that goes in favor of super shops.

To assess the association between gender and types of bazaar chosen (see table-2), statistical analysis like cross-tabulations and chi-square tests were conducted. Moreover following hypothesis were tested by chi-square, cramer's-v and p-value. Following hypothesis will be checked with the statistical results:

H_0 : There is no significant association between gender and the type of bazaar.

H_A : Gender and type of bazaar chosen are associated

Table-2: Association between gender and types of bazaar chosen

Type of bazaar	Gender		
	Male	Female	Total
Super market	188	49	307
Kacha Bazaar	81	35	116
Others	36	21	57
Total	305	175	480

$\chi^2 = 2.686$ with 2 degrees of freedom, $p=0.26 > .05$, Cramer's V = 0.075.

Note : Three non- response were found regarding the type of bazaar.

The above analysis shows a common tendency of choosing super markets by both male and female respondents. But comparatively male respondents are more in favor (188 out of 305) of super markets than that of female respondents (49 out of 175) although it was expected that there will be a significant number of females preferring super shops due to cleanliness or hustle free shopping. Still many woman customers prefer Kacha bazaar due to close to their home. The reason for the male respondents to choose super market is to avoid crowd and bargaining in shopping after having a long day office.

Chi-square (2.686) and p value (0.26) dictates the research to accept null hypothesis that gender discrimination has no significant affect in choosing super shop, kacha bazaar or other shops. This result is also supported by the Cramer's V value (0.075).

To test whether there is any association between education level and type of bazaar, following hypothesis was assumed:

H₀: There is no significant association between education level and the type of bazaar.

H_A: Education level and type of bazaar chosen are associated

Table-3: Association between education level and types of bazaar chosen

Type of bazaar	Education level					Total
	SSC	HSC	Graduate	Post-Grad	Others	
Super market	4	43	156	74	30	307
Kacha bazaar	7	21	51	27	8	115
Others	3	24	18	10	2	57
Total	14	88	225	111	40	479

$\chi^2 = 39.109$ with 10 degrees of freedom, $p=0.00 < .05$, Cramer's V = 0.202. Note: A total of 1 and 3 respondents were found as non-respondent regarding education level and the type of bazaar.

Statistical analysis on the association between education level and type of bazaar shows that there is a very strong association between these two variables. That is, the type of bazaar matters for the educated people since there is a very highly significant association ($p = 0.00$) between the level of education and type of bazaar. It can be seen from the table that a total of 260 respondents out of 307 who are choosing super markets are above their graduation. Only 47 respondents (only 15%) who are below graduate level education visit super market out of total 307 visitors of the stated shop. On the other hand, a total of 55 (7 + 21 + 3 + 24) respondents who are below their

graduation (31%) go to kacha bazaar and other shops out of 172 respondents who visit kacha bazaar and other shops. It shows that more educated people are tending towards super shops. The reason may be that the less educated people are less aware about the facilities of the super shops. Another reason may be that, the advertisements of the super shops are more targeted to the educated people. Moreover, it may be a psychological matter for the less educated people still thinking that super shops are for the higher income and more educated people.

In continuation, to know whether really an association exists between income and types of bazaar chosen, we have constructed following hypothesis:

H₀: There is no significant association between income level and the type of bazaar.

H_A: Income level and type of bazaar chosen are associated

Table 4: Association between income level and types of bazaar chosen

Type of bazaar	Income level					Total
	5-15 thou	15-30 Thou	30-50 Thou	50-100 Thou	100 Thou+	
Super market	38	97	97	54	18	307
Kacha bazaar	32	48	22	10	3	116
Others	6	25	13	6	7	57
Total	76	170	132	70	28	480

$\chi^2 = 34.51$ with 10 degrees of freedom, $p=0.00 < .05$, Cramer's V = 0.19.

Note: Three non- response were found regarding the type of bazaar.

A very highly significant association between the income level and type of bazaar was found in the analysis. So it is obvious that the variable income level matters in choosing the category of shop ($p=0.00$). It was also observed that higher income people (15 to 50 thousand income) have a common tendency to choose super markets (194 respondents out of 302 super shop visitors) where as low income people chose kacha bazaar more (80 respondents out of 116 who shop in kacha bazaar). This is even true for the income class of 50 to 100 thousand taka (54 out of 70). Interesting to find that respondents having highest income that is more than 100 thousands (18 respondents out of 28) usually chose super markets. The reason may be the people's conception that the super shops are charging more than the traditional kacha bazaar that the low income people can't afford. In addition we can say that high income people are choosing super shop with a view that they are ready to pay something extra for high quality products and clean shopping environment. It was also seen that the expensive items are available at super shops that can't be found in the kacha bazaar encourages the high income people to visit super markets. Another important reason is that, most of the super shops are now located in the areas where high income people live and that is inconvenient for the low income people to shop over there.

To asses the association between shopping regularity and types of bazaar chosen (see table-5), statistical analysis like cross-tabulations and chi-square tests were conducted. Moreover following hypothesis were tested by chi-square, cramer's-v and p-value.

H₀: There is no significant association between shopping regularity and the type of bazaar.

H_A: Shopping regularity and type of bazaar chosen are associated.

Table 5: Association between shopping regularity and types of bazaar chosen

Shopping regularity	Type of bazaar			
	Super market	Kacha Bazaar	Others	Total
Yes	196	58	20	274
No	111	58	37	206
Total	307	116	57	480

$\chi^2 = 19.36$ with 2 degrees of freedom, $p=0.00 < .05$, Cramer's V = 0.201.

Note: Three non- response were found regarding the type of bazaar.

From the analysis a highly significant association between shopping regularity and the type of bazaar chosen has been observed. So the type of bazaar chosen is expected to be influenced by the regularity of shopping. To recommend more strongly on this finding, let's have an analysis on association between frequency of shopping per month and types of bazaar chosen (See table-6) based on following hypothesis:

Table 6: Association between shopping frequency per month and types of bazaar chosen

Shopping frequency/month	Types of bazaar			
	Super market	Kacha Bazaar	Others	Total
Once	17	20	5	42
Twice	58	11	12	81
Thrice	47	10	6	63
4 times	93	42	23	158
8 times	76	22	11	109
Daily	16	11		27
Total	307	116	57	480

$\chi^2 = 31.392$ with 10 degrees of freedom, $p=0.01 < .05$, Cramer's V = 0.181.

Note: Three non-response were found regarding the type of bazaar.

H_0 : There is no significant association between shopping frequency and the type of bazaar.

H_A : There is significant association between shopping frequency/month and the type of bazaar.

From the analysis it can be seen that a large number of people (total of 215 out of 480) who shop less frequently (1 to 4 times) chose super markets. The reason may be that, less frequent purchaser buy at a high quantity and get price discount for that bulk purchase from the super markets. It was also found that most of the respondents (total of 267 out of 480, 55%) like to shop more frequently (4 to 8 times). Interestingly it was found that none of the respondents chose other shops for their daily purchase of goods. There is a very highly significant association between the frequency of shopping per month and types of bazaar chosen ($p = 0.001$). So it is obvious that frequency shopping per month affects the type of bazaar chosen. That means more frequent purchasers choose kacha bazaar and less frequent purchasers visit super markets.

Further analysis was conducted to find association between timing of shopping and the types of bazaar chosen (see table-7). Following hypothesis was tested too:

H_0 : There is no significant association between timing of shopping and the type of bazaar.

H_A : There is significant association between timing of shopping and the type of bazaar.

Table 7: Association between shopping frequency per month and types of bazaar chosen

Timing of Shopping	Types of bazaar			
	Super market	Kacha Bazaar	Others	Total
6-10 AM	15	11	1	27
10-12 PM	74	33	8	115
12-4 PM	39	12	3	54
4-8 PM	130	43	37	210
8-11 PM	49	17	8	74
Total	307	116	57	480

$\chi^2 = 18.014$ with 8 degrees of freedom, $p=0.021 < .05$, Cramer's V = 0.137.

Note: A Three non-response were found regarding the type of bazaar.

There is a clear pattern of shopping time can be observed here with most of the people like to shop between 10-12 PM (115 respondents out of 480) and 4 to 8 PM (210 respondents out of 480). Moreover, the trend shows that, less people like to shop between 12 to 4 PM in both super shops and kacha bazaar. So the super markets must go for discount or other promotional activities for this stated time period to encourage more people to shop.

Table 8: Association between bargain behavior and types of bazaar chosen

Like bargaining	Types of bazaar			
	Super market	Kacha Bazaar	Others	Total
Yes	52	43	18	113
No	255	73	39	367
Total	307	116	57	480

$\chi^2 = 21.276$ with 2 degrees of freedom, $p=0.00 < .05$, Cramer's V = 0.211.

Note: Three non- response were found regarding the type of bazaar.

Interestingly it was observed that people who shop at late nigh (Between 8-11 PM) prefer super market than kacha bazaar as at that time less quality products (sometimes inferior) are found in kacha bazaar. Super markets should employ more part time sales people to provide better services in the rush hours (4 to 8 PM).

Data shows that bargain behavior is a very influential factor ($p = 0.00$ and $v = 0.211$) in choosing the type of bazaar. So we reject the hypothesis of no difference between the variables under consideration. It can be seen that a very large number of people (367 out of 480) don't like bargaining at the time of shopping. And as the super shops are following fixed price concept, most of the people who don't like bargaining (255 respondents out of 480) rush to super shops. But the ratio of the number of people like bargaining in super markets and kacha bazaar is very close giving an indication that those who like bargaining mostly go to kacha bazaar and other shops (61 respondents out of 113).

We have already got the information that most of the people are in favor of super shops. Next analysis highlights the reasons for choosing super shops.

Table 9: Frequency of the reasons for choosing super shop

Reasons	Frequency	Percentage
Easy and convenient	41	8.5
To avoid crowd	48	9.9
Neat and clean environment	74	15.3
All of the above	312	64.6
Total	475	98.3 %

Note: A total of 8 respondents didn't provide their opinion on this specific field.

The above data shows that most of the people (312 out of 475) prefer super market for all the above mentioned reasons. But among the individual reasons, neat and clean environment is the dominant factor (74 respondents) influencing the choice of super shops.

5. Problem identification

Super market concept is obviously a prospectus one in metropolitan city. But this concept is not free from error. Following problems were identified from the above statistical analysis and qualitative interview with the respondents regarding this popular concept:

- Super markets are located in rich areas like Gulshan, Banani, Dhanmondi, Uttara etc which is not that much convenient for the low income people.
- It was found that some super markets are charging more than traditional kacha bazaar. Moreover, there is a (mis) conception with the customers that the super shops are charging more due to its well decorated space, more sales people and air conditioned environment.
- Promotional activities of the super markets are more targeted to educated and high income people that discourage the lower income people to shop there.
- We have got a tradition or heritage effect too. Still many people have a psychology to shop with kacha bazaar as that's the common tradition of Bangladeshi people. This image/culture of shopping goes against super markets concept.
- Some said that many local rare fruits and vegetables are not available in super markets which they can easily buy at a reasonable cost from kacha bazaar.

6. Conclusion and Recommendations

As the super shop concept has already become popular, the entrepreneurs must take this opportunity to make more money. After a certain period of time it may not be quite impossible to see that traditional kacha bazaars are vanishing. Our prime suggestion to the entrepreneurs is:

Go for establishing super markets in each area by co-operative shop building. In this case many grocery or other street shop owners can go for alliances among them to invest money to setup super markets in their respective area. This will eliminate the problem of funding too. Not only that, try to establish your own distribution system which will enable your shop to facilitate home delivery to most of the customers. Moreover, construct play ground for the kids within your super markets which will encourage the housewives to shop with your super chain shop.

The demographic trends suggest that as super markets have proliferated in Dhaka city, better educated and higher income people have gravitated to these shops for shopping. These people/customers are likely to have better information about the quality of products and services provided by both super markets and kacha bazaar and their inclination to select super shops suggests, implicitly, that the quality of product is better at these shops even though their (super shops) product/service cost is somewhat higher.

A class issue seems to be surfacing in the realm of shopping behavior; people with limited income and resources would seem to be deprived of super shop's products or services available to the more affluent and better educated. While the ability to pay more should, realistically, enable the customers to get better and quality products, what is important is that defined standards of quality (quality of products, environment etc) procedures must be established (though some procedures are there theoretically) and ensured for all types of shops and kacha bazaar. To solve this income and education disparity problem in shopping behavior the super markets can do following activities:

- Offer different quality products at different prices so that even lower income people can rush to the super markets
- Create promotional activities in such a way that it will also target the lower income people. Prepare creative advertisement that go in favor of lower class people
- Make comparative advertisement to inform the customers that super markets are charging same for more quality or same for same quality products. This will remove the people's psychology that super markets are charging more for same. Due to the lower income of the people, they are more concerned about price not about the quality of products.
- Create advertisement to aware the people that kacha bazaars are creating hazardous waste that makes the shopping environment unhygienic.
- Do a lot of personal selling of products and services to the customers
- Train personnel to make them knowledgeable and interact well with the customers
- Positive and societal marketing activities to build and project specific shop image
- Design facilities to achieve specific marketing or image objectives of the shop
- Establish formal system for controlling quality of goods and services and communicate that with the customers.
- Provide specific effort to encourage customers to tell others about your services.

In designing new and improved value added products/services and pricing the super markets can follow the strategies mentioned below:

- Regularly collect information about customer needs
- Perform marketing activities based on knowledge about customers
- Ensure that the shop's activities enhance customer satisfaction
- Do marketing survey to design customer oriented and customer focused services
- Base prices on what competitors charges (requires industry analysis)
- Base prices on what the market and the customer is willing to pay

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