EXAMINATION OF SHOPPING HABITS AT THE HYPERMARKETS LIDL, TESCO AND INTERSPAR IN HÓDMEZŐVÁSÁRHELY

Brigitta Zsoter, Ildiko Haszan
University of Szeged, Faculty of Engineering,
H-6724 Szeged, Mars tér 7, Hungary
e-mail: zsoterb@mk.u-szeged.hu

ABSTRACT

The results of the research proved that costumers frequent these supermarkets mostly for doing the weekly or other bigger shoppings. The first reason for choosing any of these places of shopping is the reasonable price, then sales and goods of high quality. The location of the shopping centre is a very important point of view, mainly in case of TESCO. The number of daily shopping is the highest here- out of the three supermarkets. LIDL is preferred for its good prices.

1. INTRODUCTION

Market relations mean human relations, as well. In the contemporary traditional societies one or two dozens of different trades were enough for a community (a town, a village or simply a community based on family relationship) to produce themselves the necessary amount of products, crops to meet their needs. We coud take, for instance, a very simple example where a part of the community fulfill their needs with collecting, stock breeding, or the other part with agriculture. Naturally, the societies became more complex with the formation of industrial societies. New specialized fields, trades, professions appeared which did not take their part directly from the actual production. What is more, thinking over this logical way of development, the mutual ecnomical dependence has become typical to the modern societies, as it can be read at Anthony Giddens (2000: p 466): „ In modern societies people do not produce their own food, build their own houses and make the other necessary consumer goods." As we have mentioned in connection with professions, we have to emphasize the increased differentitation of sciences, too. New sciences were formed which occupy with people as individuals (psychology) or with the community (sociology, history, ethnography), and finally with economy (social economy). In this present situation it is necessary to know for the development of companies and their management how the market – demand and supply- work. Today's society we live in is a consumer society. Its formation is due to the formation of the capitalist economy as it gave birth to the purchasing power which could afford not only the basic goods but other goods, too, which had been considered luxury earlier. Even the demand and supply sides of the market transformed in the consumer society and it affected the costumers' shopping habits and lifestyle. Shopping became the tool to express differences in status (Gedeon, 2005). The methods of market research developed together with development of market since monitoring the sides of demand and supply improved the market even more. One of the most important elements of the examination of demand is the examination of shopping habits. If we are able to find the motives which affect the consumers' behaviour, we will be able to adjust supply to the demand and thus the market can be more effective.

In our research we aimed to examine the shopping habits on the basis of a case study, a survey which was taken in the parking lots of three bigger supermarkets in Hódmezővásárhely (LIDL, TESCO GLOBAL ÁRUHÁZAK ZRT, and SPAR Magyarország Kereskedelmi KFT).

Consumers' behaviour, activities are affected by several conscious and unconscious motives. These subjective factors can have important roles in the size of market demands and its change. Establishing its efficiency is an important part of market research. The questionnaire helps with it.

Our hypothesis are as follows: the weekly big shopping is typical in these supermarkets. The costumers generally arrive with the aim of shopping foods. Consumers pay 5.000 HUF on average in the supermarkets. The direct catchment area of the examined supermarkets is max. 20 kms. We are aiming to prove or refute these hypothesis.

2. A BRIEF DESCRIPTION OF THE EXAMINED SUPERMARKETS OF HÓDMEZŐVÁSÁRHELY

Since the political transformation it has been a new phenomena in the towns that store chains of small trade and wholesale trade have been built along the expedients. Centres of shopping and entertainment are built in the bigger building estates. The inner, administrative district of Hódmezővásárhely can be found on the main street and as in similar towns there is a shopping and entertainment district, too. The power that moves it is the formation of market economy and consumer society. The multinational companies established hypermarkets there. These companies have to fight against each other, have to watch and surpass their rivals in order to get and keep the consumers in this competition. The basic condition of this effectivenevess in competition is: The company has to pay attention to four significant points of view: these are called „the Four C of position-making in the market". They have to consider the characteristics of the consumer, the channels and the company. The precondition of a successful marketing activity is that the company should be in harmony with the consumers, the channels and the rivals. The company has to compete not only with its rivals when fulfilling the demands but it has to have itself accepted with the wider public (Kothler 1991, 132-133 pp).

Shopping centres transform shopping habits and also the place of shopping changes with it. Surveys show that 40% of trade in hypermarkets is realized on Friday and Saturday (fmcgkereskedok.hu). People do their shopping in hypermarkets for two reasons: on one hand, it is cheap, and on the other hand, they can buy everything in one place and they can utilize some other services, too. A business, shopping district of this kind is being built in Hódmezővásárhely, too (geography.hu).

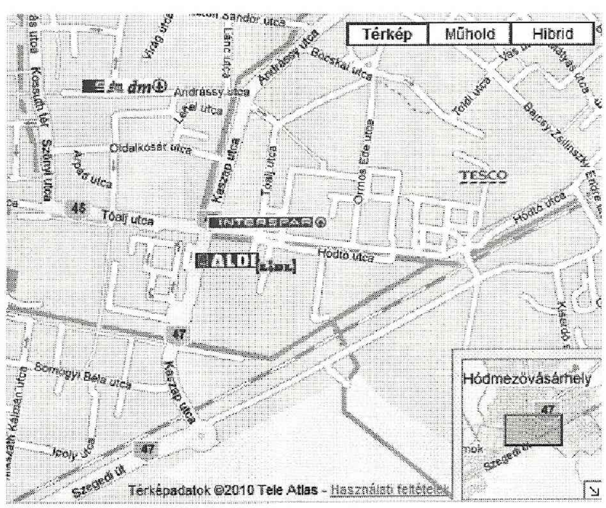

Figure 1. Location of LIDL, TESCO, SPAR in Hódmezővásárhely, aruhazabc.hu

The INTERSPAR, regarding its number of shops, is the second biggest hypermarket chain in Hungary, which is in Dutch-Austrian ownership. The first shop was opened in Győr in 1995. The INTERSPAR hypermarket in Hódmezővásárhely is the 200th store of the SPAR Group. It was opened on 8 November, 2007 in the Family Center Shopping Centre.
The INTERSPAR/SPAR is of hypermarket-type store, close to the living place, which offers –apart from the full range of food products – a wide variety of other consumer goods for a reasonable price.

The LIDL is a discount store. Its aim is to ensure the consumers' daily needs in the best quality and for the most favourable price. Its basic principle is simplicity (http://www.cylex-tudakozo.hu/lidl-2.html).
Stock in trade and the range of goods in LIDL are: textiles, household chemicals, furniture, household goods, toys, DIY-tools, garden tools, food etc.
Services at LIDL:

- Paying with a bank card
- Fresh goods on hand
- Short queuing up at the cashier's desk
- Quick, comfortable shopping
- Money-back guarantee. Food can be returned with a bill, other goods with a bill with money-back guarantee in a month and naturally, the guarantee ensured by the law is valid.
- New goods for sale:
- Reduced price on Saturday
- The opening hours are adjusted to the consumers

The British company, TESCO, has been presented in Hungary since 1994, the first hypermarket in the country was opened in 1996. It is the hypermarket chain which has the most shops and trade in the country. The bigger part of the foods come from Hungarian suppliers. It is important to mention that it is one of the greatest employers of the country. It ensures about 22.000 places of employment, increasing its number by about 3.000 every year. It offers thousands of products with its own brand. In Hungary it is presented in the half of the towns with population of 15-20.000. Its hypermarket was opened in Hódmezővásárhely on 29 November, 2002.

Its values: they pay attention to the costumers, they adjust their stock to the costumers' needs. Sales, a wide range of goods on hand, fresh bakery.
Its shops: foods, furnishing, fashion goods, clothes, technical appliances, books, jewellery, chemist, restaurant, post office, flowershop.

Services: eg. ATM machine, place where you can change the baby's diaper, free parking lot, gift voucher. It is open for 24 hours.

3. MATERIAL AND METHOD

We asked people to fill in the questionnaires in front of the shops LIDL, TESCO and INTERSPAR. It took place on a Saturday. People were chosen randomly. The respondants were coming out from the hypermarkets (SPAR 132 persons, TESCO 236 persons, LIDL 168 persons, altogether 536 costumers). Application of this method was proved by the character of the survey, since in this fast world it is almost impossible to carry out a survey of this kind with a more systematic sampling. Regarding its structure, the group of costumers is not homogeneous, the customers differ from each other very much. Differences can be felt in the amount of the product bought by them, in their income, qualifications, needs, and in their demands regarding quality and durability. Companies have to consider these differences. We examined the shopping habits with the questionnaires.

4. EVALUATION OF THE RESULTS

At the beginning of the research we supposed that costumers go to the shopping centres to buy foods, or more exactly, the main motive of their interest is neither the services nor the supply of other, for example electronic, products. It can be seen from the data in Figure 2 that the purpose of shopping is buying food has a very high percentage (LIDL 90%, TESCO 60%, INTERSPAR 72%), and proportion of those whose aim is to use a service or to buy electronic products is very low. Summing up, the hypothesis which assumed that costumers arrive with the aim of buying food has been proved.

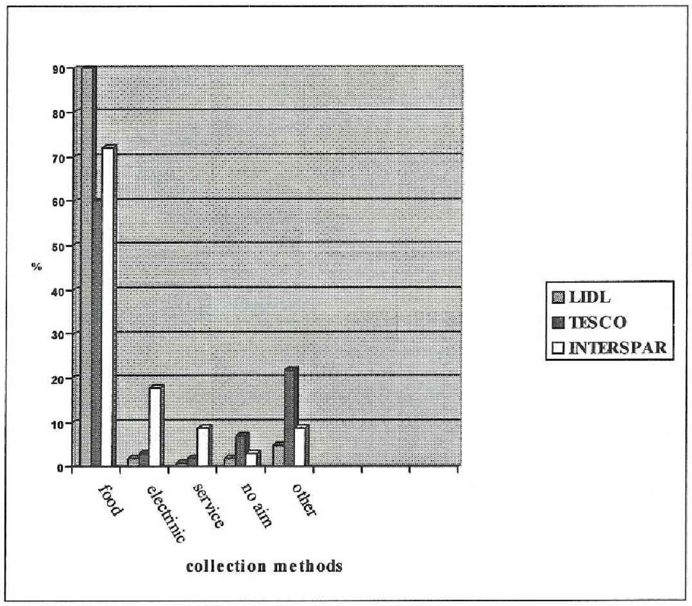

Figure 2. The aim of shopping
Source: data collected and edited by the authors

The question is what is the reason for this proprtion of buying food as primary aim of shopping? Of course, there can be more answers, however, we can assume that it is due to the potential food sales at the weekend. So, 90% at LIDL is not so surprising because it attracts costumers for its „Saturday super price". The reason for the 72% at INTERSPAR is the reduced prices of „super Saturday" which is very popular with costumers.
The TESCO has a different characteristics because of its wider range of stock, comparing to LIDL and INTERSPAR, so the proportion of shopping for food is only 60% here. Proportion of shopping for other goods (23%) shows that costumers –mainly young people, families with children- come there for shopping at the weekend because they have more time then and it is a kind of a family program for them.

Most of the costumers spend between 1000 and 10.000 Fts in the mentioned hypermarkets (Figure 3).

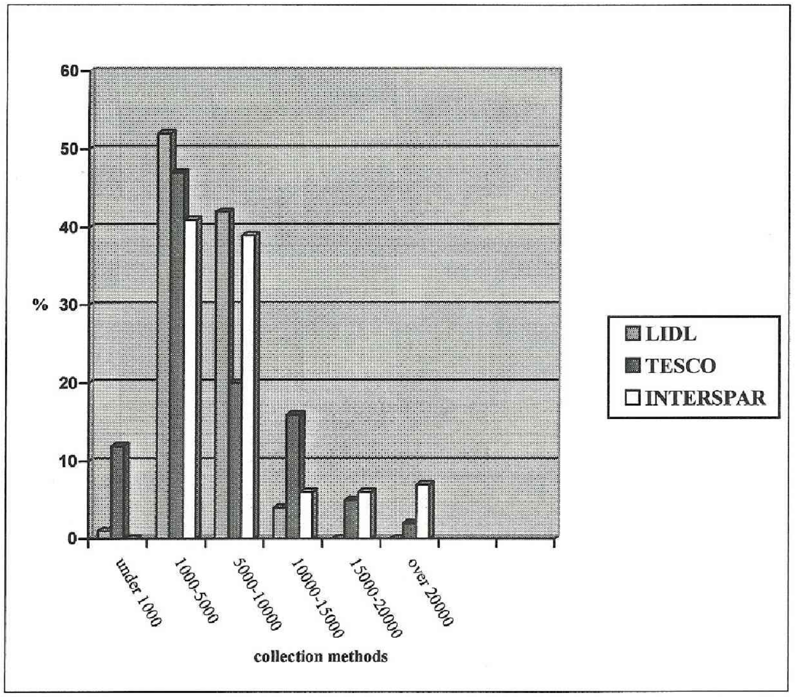

Figure 3. The amount of the money spent
Source: data collected and edited by the authors

It can be concluded that the weekly big shopping is typical to these shops. No respondant spent less than 1000 Fts in the INTERSPAR. It is not typical to LIDL either to spend less than 1000Fts there. If somebody shops for either fresh vegetables or the basic food, it is worth buying a bigger amount of them. Regarding the age, 40-60 year-old skilled labourers and old-age pensioners belong to this group. According to the survey the pensioners spend 1000-5000 Fts at a time.

It is important to underline that it is typical for people with a lower income –blue-collar workers, pensioners, students and mother on child care allowance, unemployed etc.- to spend less on shopping. White-collar workers rather spend more -5000-10.000Fts- in the stores, while contractors spend the most. However, these data lead to another question. Since the amount of money spent on shopping can be separated according to categories of professions, it will possible to determine the exact aim and the frequency of shopping. That is why I feel important to return to these two questions.

On the basis of the money spent on shopping, it can be concluded that people do not do their daily shopping at LIDL and they do not buy things in small amounts (1% spent under 1000 Fts). In TESCO 12% spent under 1000 Fts which means that people living in the neighbourhood rather „drop in" for smaller things than in the corner shop. 19% spend between 5000 and 10.000 Fts. Shopping over 10.000 Fts may mean that the costumers purchased an article of higher value. Hardly any costumers (4%) paid more than 10.000 Fts at LIDL, and there was no respondant who spent over 15.000 Fts. Values on the frequency of shopping prove my assumptions.

Regarding the frequency of shopping, the weekly shopping is typical. There is a change in the costumers' life style. Working people cannot do the daily shopping living a very fast way of life. Shopping for a week or two, the shopping program at the weekend save a lot of time for the family. We can go to the nearby supermarket for smaller goods, but shopping with a car takes place at the weekends. Costumers at LIDL do not mean regular ones, we can assume that they rather buy sustainable food or go for the discount products. As the catchment area of the hypermarkets and supermarkets is much wider than that of a smaller store, I think other costumers come from more distant places or they are just random costumers.

Today almost every household has a refridgerator, freezer which make storage of foods possible. That is why we can buy a bigger amount at one time. At the weekend there is time to choose where we can find cheaper and better goods. It is also important how much the place of shopping is comfortable, customer-centered and how much its opening hours adjust to our daily routine.

The most important reasons for choosing one or the other place are the good price (INTERSPAR 57%, LIDL 48%), the sales followed by the costumers (TESCO 34%) (Figure 4). It is important to mention here that the price is not the only point when buying things. Kothler emphasizes the importance of the full range of products according to their value (Kothler, 2003).

The quality of products (INTERSPAR 24%, TESCO 21%, LIDL 21%) plays an important role, too. The other important point is the location, vicinity of the place (TESCO 41%, INTERSPAR 27%, LIDL 17%).

In TESCO it could be observed at the frequency of shopping, too, that the number of daily shopping is the highest here. The answers show that it is very close to its costumers, it was built in a very good place. If we examine the reasons for choosing the place it is the LIDL which stands out with its good price (48%). It can be seen at the frequency of shopping, as well, from the number of costumers who do their monthly shopping there.

The respondants consider the prices of INTERSPAR satisfactory (57%) and they choose it because of its sales and vicinity in almost the same proportion. If the costumer considers the joint aspects of price and quality, he/she chooses INTERSPAR from the three hypermarkets. The range of goods is considered better at LIDL and INTERSPAR than at TESCO. Appearance of the Hungarian products increased the number of costumers at LIDL.

Thus, results concluded from the questionnaires support the thesis defined by Kothler (2003:84 p) which says *„it is the value proposition which determines whether our product is competitive or not against our market rivals."*

The assumption seems to be proved, on the basis of the survey data, according to which the customers are attracted mostly by sales. However, it has not been proved that the 24-hour-long opening would be the most important motivating force for the customers at TESCO.

However, there is a question: if the costumer does not choose the given shopping centre, which of the companies can be regarded as rivals for our company? Most of the customers inquired at LIDL –more than three quarters- do their shopping at TESCO, while hardly more one third of them go to the SPAR, and finally, less then half of them frequent the Penny Market store chain.

39% of the customers at TESCO often go to LIDL, too, apart from this they prefer INTERSPAR (34%) and Penny (22%).

The customers of INTERSPAR seem to be the most constant. 57% of them keep to its brands (while only 5% at TESCO). 30% of the respondants prefer Coop, too. 39% go to the LIDL and only 6% to the TESCO.

Regarding their geographical position, INTERSPAR and LIDL are very close to each other. A great part of customers at LIDL do their shopping at INTERSPAR, and vice versa. TESCO is further away geographically and presumably customers of INTERSPAR visit TESCO at sales time. Customers of LIDL may look for the cheaper TESCO-products at TESCO.

30% of the customers of INTERSPAR visit other shopping centres on a weekly basis, and 20-20% in every two weeks or even more rarely. 25% of the customers of TESCO go to other shops every week, or two weeks or even more rarely. 45% of the customers of LIDL do shopping somewhere else, while about 30% in every two weeks and 23% rarely.

Most of the respondants (INTERSPAR 88%, TESCO 78%, LIDL 76%) live in Hódmezővásárhely. The examined shopping centre is the favourite place of shopping for the inhabitants of the small region of Hódmezővásárhely. Although it can hardly be seen from the survey data. What can be seen is that the customers of TESCO have more layers.

According to their professions, most of the customers of INTERSPAR (48%) are white-collar workers. Higher values of other categories show that mother on child care allowance, students, unemployed and agricultural workers do their shopping there, too. There are hardly less white collar customers at TESCO, and the proportion is almost the same at LIDL, too. We can presume the vicinity of the institutions of secondary and higher education can be felt there, since eg. young people prefer supermarkets.

Contractors and skilled workers (INTERSPAR 12%, TESCO 39%, LIDL 31%) go to Tesco and LIDL, perhaps they are employees of the industry in Hódmezővásárhely.

Az INTERSPAR-ban a 30-39 éves korosztállyal találkoztunk a leggyakrabban (45%). Costumers who belong to the age group 30-39 yrs old frequently go to INTERSPAR (45%). Regarding their composition, they were mainly young mothers and students. It is possible that the number of pensioners (15%) is less because they do not do their shopping on the busy Saturday. At TESCO the outstanding value was the 20-29 year-old group (38%) because they have time for shopping only at the weekend.

Composition of the customers at LIDL, regarding their age, does not show any outstanding values. The number of people under 19 is unsignificant (2%-6%-7%).

4. SUMMARY

A significant part of customers spend between 1000 and 10.000 Fts at hypermarkets. It seems that customers go to these stores for doing their weekly or other big shopping there. Values of the frequency of shopping also support the hypothesis that people generally do their weekly shopping there. Working people cannot do the daily shopping living a very fast way of life. Shopping for a week or two, the shopping program at the weekend save a lot of time for the family. We can go to the nearby supermarket for smaller goods, but shopping with a car takes place at the weekends.

When choosing the place of shopping, the first important point is the good price, then come the sales and products of good quality. The other important point is the vicinity of the shopping centre, in case of TESCO. It could be concluded at the frequency of shopping in TESCO that the number of daily shopping is the highest here, comparing to the two other places. Regarding the reasons for choosing the place, LIDL stands out with its good prices, it can be observed at the frequency of shopping, too, since the number of monthly customers can show the motivating force of gooid prices and sales for the customers who come from further away. The number of customers who come from other settlements is the highest in case of LIDL, the three quarters of the respondants do not live in Hódmezővásárhely.

Thus, we can see that differences in the profiles of the examined hypermarkets affected both the composition of the customers and the demands towards the store, too. It would be worth examing what differences can be experienced between the data of this research and the data collected on a weekday.

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