

GROCERY PRODUCTS IN SENIOR'S SHOPPING BEHAVIOUR

Dagmar Lesáková

University of Economics in Bratislava

Abstract. The objective of the paper is to identify the preference factors in the choice of shopping place by seniors and key factors influencing seniors decisions in grocery stores. To explore views and opinions of older people in relation to preferred place of shopping, a research sample of 126 senior participants was created. Decision factors and motives in 5 areas have been explored: price policy, product policy, staff policy, store characteristics, communication policy. As the seniors are rather multidimensional and very complex segment, three age subgroupings in the large segment of seniors were formed: seniors aged 60–69, 70–79 and 80+. The purpose of the exploration was to determine characteristics affecting store choice and shopping behaviour of older people.

Key words: seniors, grocery products, shopping behaviour, preference factors, marketing mix, Slovak Republic

INTRODUCTION

Seniors constitute large and constantly growing group of consumers. They form potentially significant market segment for the near future. According to the Office of National Statistics in Slovakia, this segment has at present nearly a fifth (19%) of the Slovak population and is expected to grow in the next decade due to decreased fertility and increased longevity. An aging population has implications for healthcare policy, pension policy, but also marketplace policy. Older consumers build a remarkable market for many products and services and have unique shopping habits. Even though a substantial part of the seniors are poor, they represent a market, which is greater than the youth market, which is more attractive for many firms.

In spite of the size of senior's group, little attention was devoted to this segment from retailers in Slovakia and extensive research to identify their shopping behaviour is expected in order to suggest relevant marketing actions [Lesáková 2010].

Older consumers are (because of age) more experienced, request more information about the products than younger customers and have enough time to verify the obtained information. Their time spent on purchase decisions is longer in comparison with a young buyer. Senior customers have different needs and desires to compare with younger people when they choose shopping places and stores. Such attributes as low prices, smaller package sizes, store location, staff courtesy or easy access to the stores etc. cause satisfaction or dissatisfaction of older shoppers.

There is a tendency in the practice to treat everyone over 60 years old as “a one-dimensional, monolithic market”, despite the literature and research on the richness and diversity of the older people and seniors consumer behaviour [Moschis 2004].

With the successive age, people become more diverse. As a result, within the large seniors market exist smaller subsegments (subgroupings), requiring different marketing strategies. Responding to the demographic changes involves an understanding of the growing diversity within the older population [Moschis and Mathur 1993].

Older people have less in common with each other than younger people have with each other, because they are no longer overloaded by the career, children and family formation. Seniors do not live with the unifying influence of new technologies and global media that creates high commonality among younger generations. There are some characteristics of older consumers that differentiate them from the younger ones. These include: tendency to risk avoidance, higher levels of store loyalty, convenience and simplicity of products. These characteristics have implications for retailers [Majaro 1991].

Moschis and Mathur [1993] have emphasised the importance of understanding the heterogeneous nature of the senior's market. They argue that numerous life experience results in a wide range of personality-building circumstances produce greater heterogeneity to compare with younger age segments. The complexity of this segment indicates that it could be more difficult to successfully target the whole 60+ segment than exploring needs and preferences of smaller subgroupings within this segment.

Within the existing literature there is agreement that low prices, attitudes of service staff, avoiding long queues at checking points and accessibility of products on shelves are particularly important to seniors shopping. It is also important for seniors that shopping places have easy access [Richterová 2011, Lesáková 2012a].

In the paper the importance of factors influencing seniors decision-making in selection of grocery shopping places is explored, based on the results of interviewing focus groups.

MATERIALS AND METHODS

To communicate more effectively with older consumers, the retail industry needs to understand this segment. Considering the need for understanding this market segment, the purpose of the paper is to identify shopping requirements of the senior market. In order to serve seniors effectively, retailers need a clear understanding of the seniors needs and wants.

Two main goals were stated as key for the research: the identification of preference factors in the choice of a shopping place for grocery products by seniors and selection of

factors influencing seniors decisions in grocery stores. Following questions were raised: "what are the factors that influence seniors decisions for particular grocery store selection" and "what are the implications for retail management".

Grocery shopping was chosen as the focus of the research for two reasons. First, grocery industry is extremely important, because food represents one of the key components of health and well-being. Second, food expenditures represent one of the largest items in the seniors household budget. The development of the grocery retail sector has brought various store alternatives in terms of size, location, product assortment and customer services. In this context there is an essential question, why seniors choose and prefer particular store to others.

We are aware that age alone is not the most significant factor in explaining differences in shopping behaviour. However, older age has an impact on decreasing family size. Also such factors like multiple sources of income (pension, part-time work), mobility and health conditions have significant influence on shopping behaviour [Lesáková 2012b].

To understand views and opinions of older consumers in relation to preferred place of shopping, research sample of 126 seniors was explored. Questions regarding patterns of shopping were raised. Interviews took place during February and March 2012.

In order to indicate the key characteristics in the shopping behaviour of seniors, three age subgroupings in the whole large segment of seniors were formed: seniors aged 60–69, 70–79, and 80+.

The purpose of the interviewing was to determine factors affecting store choice and shopping behaviour of older people. Recommendations on how the retail sector could respond effectively to this were developed based on the empirical outcomes.

The preference factors in store selection were identified by asking the respondents to indicate which of the 13 factors was important to them for preferring a specific store. They were asked to indicate as many factors as they needed. The factors were grouped into five categories representing the key policy areas of retailers: price policy, product policy, communication policy, staff policy and store accessibility with store characteristics.

RESULTS AND DISCUSSION

Customers may prefer stores for a number of reasons. Thirteen store choice attributes were explored in the research: price level, price discounts, quality of products, assortment breadth, familiarity of brands, knowledge and courtesy of staff, products display in stores, location and access to stores, cleanliness in stores, advertising and same-age people influence to visit the store.

Some of the attributes have been documented in the literature: price-level, adequate access to and within the store, problems associated with queuing. Courtesy and behaviour of store staff are described in the literature also as an important aspect [Schiffman and Kanuk 2004, Solomon 2004].

Respondents were asked to indicate what factors of the 13 given factors apply to their decision to select a certain store.

The results show that the perception of the importance of the 13 factors in choosing stores changes with age, as indicated by the 3 subgroupings of seniors (Table 1).

Table 1. Importance of factors in store selection by senior subsegments (in %)

Factors	Age subsegments			Mean
	60–69 (n = 62)	70–79 (n = 39)	80+ (n = 25)	
<i>Price policy</i>				
Low prices	82.4	86.5	94.9	87.6
Price discounts	80.9	83.9	94.9	86.6
<i>Product policy</i>				
High quality products	70.4	64.2	60.2	64.9
Broad sortiment	66.9	62.5	40.2	56.5
Carry brands familiar to seniors	63.7	69.2	83.7	72.2
<i>Staff policy</i>				
Knowledgeable staff	67.4	66.6	69.1	67.7
Staff helpful, courteous	69.0	69.2	69.1	69.1
<i>Store characteristics</i>				
Location near senior's home	63.7	72.1	87.7	74.5
Easy access to entrance/exit	48.0	62.9	73.0	61.3
Products display in store	55.5	55.1	51.2	53.9
Cleanliness in store	46.4	47.2	44.6	46.0
<i>Communication policy</i>				
Advertising	50.3	35.1	30.5	38.6
Recommendation by same-age people	58.6	62.5	67.7	62.9

Source: Own calculation.

Younger seniors place the highest importance among all subgroups on aspects of product policy and the lowest importance on aspects of price policy. Aspects of brand familiarity or store location were considered less important for them, probably because they have the transport means and are flexible in store choice.

In generally, seniors aged between 70–79 years are price-sensitive, cautious, demanding staff courtesy (the highest value among all subgroupings). Large differences were identified between 60–69 age group and 70–79 age group in accessibility factors and communication policy.

The oldest seniors put in their store choice the highest value to price and store accessibility. Shoppers in this group were identified often as living alone, female, with a lower social and economic status. As a result of restricted mobility and economic situation, these seniors would give up many aspects of store offer to the lowest possible prices and accessibility requirements. While they placed high emphasis on price aspects, it was secondary for them the breath of assortment or quality of products.

Based on Dunn Test 4 groups of factors were indicated across all age sub-groups (Table 2). General results for the whole segment of seniors without differentiating into subsegments indicate that low prices were mentioned by nine in ten of seniors as a reason in their decision to patronize certain stores. Price proved to be the most important factor in buying decision in all subsegments. The same applies to price discounts.

Further, nearly three quarters of all senior respondents indicated that the location plays an important role in the selection of a certain store. Location near the respondent's

Table 2. Factors influencing store selection by seniors as a whole (in %)

Factors	All senior subsegments						p
	Frequency	Mean of importance	Groups of factors				
			A	B	C	D	
<i>Price policy</i>							
Low prices	126	87.6	×				p < 0.001
Price discounts	126	86.6	×				p < 0.001
<i>Product policy</i>							
High quality products	126	64.9		×			p < 0.001
Broad assortment	126	56.5			×		p < 0.001
Carry brands familiar to seniors	126	72.2	×				p < 0.001
<i>Staff policy</i>							
Knowledgeable staff	126	67.7		×			p < 0.001
Staff helpful, courteous	126	69.1		×			p < 0.001
<i>Store characteristics</i>							
Location near senior's home	126	74.5	×				p < 0.001
Easy access to entrance/exit	126	61.3		×			p < 0.001
Products display in store	126	53.9			×		p < 0.001
Cleanliness in store	126	46.0				×	p < 0.001
<i>Communication policy</i>							
Advertising	126	38.6					p < 0.001
Recommendation by same-age people	126	62.9		×		×	p < 0.001

A (most relevant factors): low prices, price discounts, brands familiarity, location near one's home; B (very relevant factors): products quality, easy access to store, knowledge and courtesy of staff, recommendations by others to visit the store; C (relevant factors): breadth of assortment, products display in store; D (slightly relevant factors): advertising.

Source: Own calculation.

residence is highly influencing factor. More than two thirds of seniors in all subsegments indicated that their preference was motivated by familiar brands or items.

There was a high level of agreement among respondents that sales staff is of importance to older customers.

Opinions and views presented by older shoppers should be of concern for the store managers and store staff, in order to satisfy effectively the needs and wants of seniors and to gain their loyalty.

a) *Staff policy*

The staff was described as a very important determinant of the satisfactory shopping experience for older people.

Both two factors representing staff policy were considered important by about 66 to 69 per cent or more respondents (Table 1). Slightly larger percentage rated courteous and friendly staff higher than professional knowledge of the retail staff. Several respondents mentioned the quality of service received in the past by small grocery stores as a strength and an opposite to big stores with their non-personal culture in recent years.

The friendly, helpful and courteous staff is considered equally important by all three subgroups. At present, the idea of relationship marketing requires a lot of attention among retailers. A positive staff-customer relationship with older consumers is a very strong preference motive, with evidence that this factor becomes more important with age.

b) *Product policy*

In the category of product policy importance of two factors declines with successive age: quality of products and assortment's breadth. On the contrary, brand familiarity shows an increase with age: a larger percentage of older seniors than younger seniors value their familiarity with brands.

A larger percentage of youngest subsegment (66.9 percent), in comparison with 40.2 percent in oldest subsegment patronize stores because of their assortment. Seniors putting emphasis on assortment (60–69 years) expected the possibility of broader choice. Based on these results we could conclude that the reasons for store choice that were considered to be important by the younger seniors show a bias towards product-related rather than store related attributes. The product-related factors such as quality and broad assortment have been the highest valued by the youngest age category (60–69). They consider product quality and product features as central issues.

Brands familiar to the shopper are of a greater importance to the oldest seniors, with 83.7 percent, reporting this factor to be relevant in their store preference decision, in comparison with 63.7 percent in the youngest subsegment.

Unexpected to the assumption, product quality was not rated as the highest priority and the most important factor by more than one third of the respondents. The importance of quality shows a slight decline with age.

During interviews some other important product features have been mentioned by seniors. Small size of text on products has a consequence that seniors with eye and reading deficiencies hardly understand information about prices and products attributes. Reading product and package labels can be a problem because of small print size. Seniors have also difficulties to differentiate colors of similar intensity. Pastels, as well as dark colors, could be particularly difficult. These aspects should be taken into account in marketing decisions when developing packaging, product materials, advertising illustrations or store design [Gardner and Sheppard 1989].

Also package size seems to be too large for senior households. Family-size packages are not appropriate for older people both for their budget constraints and usually smaller food portions consumed by seniors. Hence, grocery stores should incorporate small packages popular by older people into their merchandise offer.

c) *Store characteristics*

With the successive age older seniors prefer to shop close to home and to have nearby bus routes. Decreasing mobility with increasing age diminishes the preference of those retailers which are located in suburban parts and away from the homes of older consumers. Location near their home is an important preference motive for store choice especially for the oldest 80+ subsegment (87.7 percent).

Another factor of concern for older customers is easy access to store entrance. Access to the store is far more important for the oldest group than to the youngest senior group

(73 vs 48 percent). Older respondents also indicated they would welcome a place to sit and rest during their shopping in the grocery stores.

Approximately five in ten seniors across all three age groups indicated that products display in store is very important for them. Several interviews suggested that seniors find it difficult when the stores change their layout frequently.

Cleanliness in store was considered important by 44.6–47.2 percent between all respondents.

d) *Price policy*

Older consumers are very price sensitive. Price was the most influential factor, central to the vast majority of seniors for their store choice decision. It was the highest rated factor in all age subsegments, with 82.4 percent in the youngest subsegment (60–69 years) and 94.9 percent in the oldest subsegment (80+ years).

Seniors are focused on price and actively seek out products with the lowest possible price. They are prepared to travel a lot in order to get the minimal price. Price becomes increasingly important with age in late life.

e) *Communication policy*

Older people are heavier consumers of mass media, particularly radio and television, than other adult population segments. In spite of the fact that they use media as an important source of information, they are rather skeptical to media advertising, as the research discovered.

Five in ten youngest seniors (60–69), in comparison with only three in ten oldest seniors (80+), consider advertising as an important factor influencing their store selection. Word-of-mouth recommendation from the same-age people is far more important than advertising in all senior age subgroups, with the highest level of importance in the subsegment aged over 80 years (67.7 percent).

Most of the respondents in the research indicated they do not like to try new products or services. Older people have been shown to resist the purchase of new consumer items.

We found that elderly respondents interviewed would not buy foods advertised primarily for older people. It has to do with individually perceived age by seniors, which is lower than biological age. Product strategies appealing to all age segments have higher chances of success in developing positive responses from older consumers. In case that age is used as a main element in advertisements focused on older people, it should be applied with high sensitivity, featuring positive aspects of old age, such as experience, knowledge etc.

CONCLUSIONS

Developing better understanding of seniors is crucial for business success so that organizations can better appeal to this important segment.

As people age they become more diverse. More segments exist within the large seniors market, requiring different marketing strategies.

Although certain aspects of the store choice are common to all seniors, there are also differences in the degree of emphasis put on various factors by different subsegments of seniors. The shopping behaviour of older people does not only differ from the behaviour of the younger people, it also varies by various subsegments. The research presented in the paper reveals differences in the way how seniors respond to various marketing stimuli. Knowledge of factors which are patronized by seniors in their store selection, is essential for retail management.

Seniors may prefer stores for a number of reasons. Following factors show significant increase with age:

- The importance of store location in relation to senior's home and easy access to store grow with age and become important factors for selection of a certain store.
- Low prices and price discounts become increasingly important with subsequent age for oldest seniors.
- Finally, the influence of brands familiarity increases with age.

On the other hand, three factors show decline in shopping behaviour and store choice with successive age: advertising influence, breadth of assortment and quality of products.

Our data provide evidence of the senior's preference to shop in a store where staff is knowledgeable, polite and helpful. Price was rated as most important factor across all subsegments. The "young" old (60–69) put more emphasis on quality of products and broad products assortment, while the "old" old (80+) emphasize location aspects of shopping place and familiarity of brands in store. Because of the physical and other health problems of older population, stores should pay attention to the store layout and location. Reading various package and product information remains a serious problem for many older consumers. More attention also needs to be given by manufacturers and retailers to the needs of seniors in the area of package size, that is often too large for senior's small consumption.

Developing a better understanding of the senior consumers is crucial for retailers in order to respond better to their needs and to develop the loyalty of this constantly growing segment.

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ZACHOWANIA ZAKUPOWE SENIORÓW NA RYNKU ARTYKUŁÓW SPOŻYWCZYCH

Streszczenie. Celem artykułu jest identyfikacja czynników preferencji w wyborze miejsca zakupów dokonywanych przez seniorów i czynników kluczowych wpływających na decyzje podejmowane przez seniorów w sklepach spożywczych. Aby poznać poglądy i opinie osób starszych dotyczące preferowanego miejsca zakupów, przebadano 126 starszych uczestników rynku. Badaniem objęto czynniki decyzyjne i motywy w następujących obszarach: polityka cenowa, polityka produktu, polityka kadrowa, cechy sklepu, polityka komunikacyjna. Ponieważ seniorzy stanowią wielowymiarowy i bardzo złożony segment rynku, wyodrębniono trzy grupy wiekowe: seniorzy w wieku 60–69, 70–79 oraz 80+. Głównym celem badania było określenie cech wpływających na wybór sklepu i zachowania zakupowe osób starszych.

Słowa kluczowe: seniorzy, artykuły spożywcze, zachowania zakupowe, czynniki preferencji zakupowych, marketing mix, Słowacja

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