
CONCEPTUALISING CUSTOMER PERCEPTIONS AND BUYING BEHAVIOUR FOR ENHANCED PERFORMANCE IN MARKETING OF FRUITS AND VEGETABLES BY STREET VENDORS

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ABSTRACT

In India, there has been concern as of late with respect to the proficiency of marketing of fruits and vegetables. Marketing of fruits and vegetables is perplexing particularly as a result of perish ability, seasonality and bulkiness. Street selling of fruits and vegetables provides for door to door services to large share of urban human population, especially for middle and low income class. Although, the food habits of Indians vary from place to place but the fruits and vegetable, in any form, do constitute a complete Indian meal. It is very difficult to measure and specify the influence of various factors leading to buying of fruits and vegetables from roadside or street vendors but the causal relationship can be drawn. The paper tries to develop conceptual model, through review of literature and a primary survey in the various local markets and street of Ahmedabad, which explains the influence of various factors leading to buying of fruits and vegetables from roadside or street vendors.

KEYWORDS: *Street Vending, Customer perceptions, Buying behaviour, Conceptual Framework*

1. INTRODUCTION

Street vending or hawking is one of the old retail activity and business type that has all the basic elements and qualities of a small business. This form of marketing has been in practice for many years. Street selling as a livelihood is sometimes viewed in negative light, but it has significantly contributed to the informal economic development in developing countries. In India, there has been concern as of late with respect to the proficiency of marketing of fruits and vegetables, and that this is prompting high and fluctuating buyer costs and just a little share of the customer rupee reaching to the farmers. Poor efficiency in the marketing channels and inadequate marketing infrastructure are believed to be a major cause of high and fluctuating consumer prices (see Kaul 1997, Ashturker and Deole 1985).

Marketing of fruits and vegetables is perplexing particularly as a result of perish ability, seasonality and bulkiness. Street selling of fruits and vegetables provides for door to door services to large share of urban human population, especially for middle and low income class. Although, the food habits of Indians vary from place to place but the fruits and vegetable, in any form, do constitute a complete Indian meal. A significant proportion, around 40 percent of the Indians being vegetarian; and for all Indians, in general, the quantity, and the quality of their vegetable and fruit consumption are very important.

There are various sources available for getting fruits and vegetables in India depending upon their local availability and infrastructure facilities. In villages locally grown mostly fruits and vegetables are consumed but in urban and semi-urban areas, the fruits and vegetables, various

sources like regulated market yards called as mandi, small retailers, road side or street vendors and also supermarkets are present. The globalization of retailing is having a profound impact on market structures in developing countries (Currah and Wrigley, 2004; In Humprey, 2007). Supermarkets are prevalent across a broad range of developing countries, and they have moved beyond targeting affluent consumers to attending to the needs of middle- and low-income consumers (Humprey, 2007). The effects of supermarkets on small retailers and vendors have been the peak of the news in India also in recent times with many protests being reported all over India. The number of street vendors in Indian cities has increased sharply especially after 1991 when the policies relating to structural adjustment and liberalisation were introduced (Bhowmik, 2005).

2. Street Vending, Vendor Characteristics, Customer Perceptions and Buying Behaviour: A Review of Literature

The subject of street vending has been investigated fairly in domain of sociology but examining the street vendor characteristics in marketing paradigm reveals that this group of people are uniquely entrepreneurial and diverse in their approach (e.g., Nova, 2003; Pena, 1999; Reuveni, 2002; Stroller, 2003; Tienda & Raijman, 2000). The general sociological perception of street vendors is generally negative. Also, it is noteworthy that urban local bodies consider street vending as an illegal activity. However, in 2004, for the first time, Government of India have recognized vendor's role in local economy. Thereafter some policies like National Policy on Urban Street Vendor, 2004 and 2009, Model Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bill, 2009 have come up. With growing.

In recent years, a viewpoint has evolved which argues that street vending has an essence of entrepreneurship and it is very important to well-functioning local and regional economies (Dasgupta, 2003; Fritsch, 2003; Gladstone & Fainstein, 2001; MacKenzie, 1992). However, The argument lays its foundations on the entrepreneurship literature that characterize entrepreneurship as an act of identifying an opportunity, coordinating resources for it, and risk-taking in order to generate profit from the available market opportunities. With these types of characterizations, the first generation street vendors may be considered as practicing entrepreneurs. However, the business that street vendors are engaged in depends upon their own characteristics, customer perceptions about them, and customer's buying behaviour.

2.1 Vendor characteristics

Many academic papers investigating street vendors are largely case studies or qualitative analyses which documents street vendor behaviour in developing countries, primarily as a subsistence business (Dasgupta, 2003; Mexico Business Monthly, 1998; Nova, 2003; Pena, 1999; Ritter, 1998). The sociological literature primarily focuses on magnitude of social ills related to street vendors and their lives (Duneier, 2002; Lee, Maume, & Ousey, 2003), and attributes poverty, low income, and low living standard to them (Lacey & Crosby, 2003; Population Reports, 2002).

Street vendors are different from common retailers in many ways. They operate with minimal overheads and have no fixed structure (shop) where they sell their products. They do not have big or large number of assets to work with. Interestingly, they are capable of winding their businesses overnight and disappear. However, many of them operate in the same location for months or sometimes years. They develop close friendly relationships with their customers and they sell their produce with lot of price discrimination. Their advertising is typically limited to signs visible to passersby and through word-of-mouth. At times, these vendors may create a desire for a luxury, novelty, or impulse purchase item. For Fruits and Vegetables, street vendors have the advantage of reaching to the door steps of the customers.

2.2 Customer perception

Food choice is often influenced more by the psychological interpretation of product properties than the physical properties of products themselves (Rozin et al., 1986). Buyer motivations are quite complex and vary according to gender, age, cultural, ethnic, regional etc and it is well known fact that consumer attitudes do not follow a uniform pattern. The Ctifl (Centre technique inter professionnel des fruits et légumes, Laborde, *et al.*, 1993 as cited in Camelo, 2004) identified three different types of group behaviour patterns. The first group comprises consumers with a basic attitude. They are traditional - i.e. consumers of generic and undifferentiated fruits and vegetables. The second group seeks quality differentiation - i.e. organic or quality certified products, commercial brands, labels of certification of origin or regional produce that is differentiated etc. Convenience consumers belong to the third group.

Packer Fresh trends study, as cited in Rhodus et al. (1994), revealed health and nutrition factors as the number one reason for increased fresh produce consumption by consumers. Results indicated produce quality influences a person's decision on selection, while the motivation for buying is improved health and better nutrition. Not surprisingly, consumers indicated that convenience makes the initial sale, but it is the produce quality which brings the repeat purchaser back to the store. The article indicates consumers think of "produce quality" as its appearance, taste, freshness, and ripeness. (Packer Fresh trend In Rhodus et al., 1994)

There are other factors which also influence buying decisions. The main objective of buying is to obtain satisfaction. For fruits and vegetables, this means being able to meet nutritional requirements as well as being able to enjoy different tastes, textures, colours and aromas. There are two key considerations. Camelo (2004) posit that the "tangible quality attributes such as uniformity, freshness, quality, colour, ripeness, packaging, etc" affect "appearance and make produce more appealing or attractive compared to similar products". Camelo (2004) also posited that buying decisions are also influenced by "some intangible quality attributes such as quality, environmentally friendly production techniques, brand reputation, image of the supplier, etc." Within a general tendency towards greater consumption and variety, the consumer demands "quality in terms of appearance, freshness, presentation" as well as nutritional value and safety (Camelo, 2004).

2.3 Buying Behaviour

A fruit and vegetables buying consumer do have many similarities with a normal consumer buying a FMCG product. The consumer in this purchase is "socially embedded with the interactions of the market vendors and physically embedded through the consumption of products identified with the local physical environment" (Jackson and Thrift in Hunt (2006). Social interactions are an important aspect of roadside markets and influence consumer spending and promote changes (Hunt, 2006). The social interactions facilitate feedback that allows producers or marketers to be responsive to consumer demands. However, by focusing their marketing efforts on freshness, locality and organic production, vendors do have not made an overt connection to the consumer's desire to support a working rural landscape (Hunt, 2006).

Also Oliver (1981), as cited in Bolton and Drew (1991), argues that "satisfaction is characterized by the surprise", that eventually becomes an input to a less dynamic attitude. Consequently, satisfaction can be considered to influence the customer's evaluation of service quality, purchase intentions, and behavior (LaBarbera and Mazursky 1983 in Bolton & Drew, 1991). Also Customer satisfaction or dissatisfaction is a function of the disconfirmation arising from discrepancies between prior expectations and actual performance (Cardozo 1965 in Bolton and Drew, 1991). The customer satisfaction literature demonstrates that expectations and perceptions of performance levels affect customer satisfaction directly, as well as indirectly via disconfirmation. Churchill and Surprenant (1982), as cited in Bolton and Drew (1991), found that Customer satisfaction or

dissatisfaction with non- durable goods is a function of expectations, performance evaluations, and disconfirmation.

Recent marketing research regarding customers' attitudes toward consumable good has focused on perceived quality (Zeithaml 1988). Parasuraman et al. (1985, 1988), as cited in Bolton and Drew (1991), considered that a customer's assessment of overall quality depends on the gap between expectations and perceptions of actual performance levels. They propose that overall quality is evaluated on five underlying dimensions: tangibles, reliability, responsiveness, assurance, and empathy. Parasuraman et al. (1985, 88), as cited in Bolton and Drew (1991), also suggest that expectations should be influenced by personal needs, word-of-mouth communication, and past experiences. Gupta (2009), with respect to buying behaviour towards fruits and vegetables, found freshness, cleanliness and good for health are the three most important parameters. He also found value for money as very important criteria.

The customer's assessment of value also depends on "sacrifice (i.e., the monetary and nonmonetary costs associated with utility) and the customer's frame of reference" (Zeithaml 1988). Thus, there should be differences in customers' assessments of service value due to differences in monetary costs, nonmonetary costs, customer tastes, and customer characteristics. In addition, perceived value was shown to be another significant determinant of customer satisfaction and loyalty. In order to obtain higher customer loyalty, business practitioners (vendors in our study) must continuously work to improve the value perceived by consumers, by increasing the quality of their content, product, service and system, and by the reasonable pricing of their products/services (Zeithaml, 1988). Thus "customers' perception about the tangible and intangible value "derived from the fruits and vegetable and the providers influence purchase intention and buying behavior, (Bolton and Drew, 1991).

Gupta (2009) also found of the changes in buying and consumption behaviour of relocated people was not significantly different from the level of changes in behaviour of non-moving people. He also pointed out that long relationship and trust really affect the customer buying behaviour and even cite many examples where these factors even overpower convenience. In the light of increasing number of organised retail outlets and super markets there have been several studies, which suggest that the local retail shops and vendors will continue to survive due to their personal relationship with the local buyers. Gupta (2009) found that variety seekers love to go to the place where they can get most of the items at one place and where the display of the product is better. This may be one of the reasons for people preferring to go to organized retail shops or supermarkets. Mishra (2007) found that consumers prefer the shopping mall or variant of organized retail format due to convenience and variety. Similarly Gupta (2009) found that people continued to visit local grocery stores and vendors despite the fact that they are going more number of times to organized shopping malls as well.

Another perspective from the marketing side could be 4Ps for vendors and corresponding 4 C's for the customers. The 4 P's include Product, Price, Place (distribution) and promotion (Lilien, Kotler, Moorthy, 1992). These four P's are the parameters that the vendors can control, subject to the internal and external constraints of the marketing environment. The goal is to make decisions that center the four P's on the customers in the target market in order to create perceived value and generate a positive response. Customers are more sophisticated and price sensitive. They expect products and services to be delivered faster and more conveniently. And they have no qualms about switching to competitors. Products are not much different from each other, pricing is quickly matched by competitors, and advertising is not possible for vendors. From customer perspective, there is need to have for with 4C's i.e. Cost, Convenience, Customer want and communications (Kotler, 1999).

3. Methodology

Qualitative methods have been employed for the study. Interview method backed by observations is used to draw out various attributes of customer perception and their buying behaviour. To triangulate the data, vendors are also interviewed. Observations were made before the interview and its output is fed in for the interviews. The observations were made for a period of 30 days in local markets and streets of Ahmedabad City. The markets include Kalupur, Jamalpur, Naroda, Vastrapur etc. while streets include Vastrapur, Maninagar, Hatkeshwar, Bapunagar, CTM, Khokra, Behrampur etc. An attempt was made to interview the customers as well as the vendors in the natural settings to understand their purchasing behavior and experiences. The sampling was purposive and convenient.

3.1 Interview method

In order to understand the different aspects of the buying behaviour, it was decided to undertake a sampling plan that would encompass different kind of vendors and different customers to know their possible perception about the same phenomenon. Fifteen customers along with equal number of vendors are selected for the interview through stratified random sampling. The vendors are so chosen to understand the customers better because of their long experience in dealing with large number and different types of customers. It was assumed that certain general traits of customers can very well be brought about by the vendors that otherwise will need large customer interviews. Also, it was assumed that the vendor interviews may fill up some of the gaps the gaps left over by the customer interviews. Thus, both vendors and customer interviews were taken as they are assumed to complement each other.

For vendors the basis of stratification was triple: one, which was based on customers they serve, i.e. upper, middle and lower class and two, based on type of selling mode i.e. whether vendor is stationary or mobile and the third based on the whether they purchase raw material from mandi or grow it themselves. The stratification for customers is dual: one which was based on geography i.e. residents of old economy and today's customers, two, their source of purchasing fruit and vegetable. It was decided to have at least three vendors who sell around in upper class who are not believed to purchase from street vendors, and therefore neglected in many previous studies. For a vendor who is mainly a farmer producing and selling his own produce, the customer perception may be different so the study also tried to have at least two to three such types of vendors.

For customers the study tried to have at least three customers who had experience of purchasing fruits and vegetables from malls or supermarkets i.e. today's customer. It was also tried to have at least three customer who has never used the malls and are long-time customers for vendors i.e. customers from old economy or traditional customers. Another element of diversity that the study strongly considered for customer selection was the period for which each is buying from particular sets of vendors or a vendor. Through such a sampling plan, I hope to get a sense of similarities and differences in terms of perceptions and experiences based on contextual realities.

3.2 Observation method

In order to understand the different aspects of the buying behavior, it was decided to observe at different locations for few days (30 days) how customers purchase from vendors and how the deal is finalized. It was also observed how customers behave in terms of various aspects of vendors' characteristics, fruit and vegetable characteristics, location, and inherent self characteristics. The observations were mainly taken by: one, visiting the roadside informal markets in different localities of Ahmedabad; two, by moving along with the street vendors who were later interviewed to see how their various customers' buying behavior.

In order to have better understanding that would encompass different kind of street vendors and different customers to know their possible perception about the same thing the following sections

now seek to present some of the expressions of these meanings that emerged from the unstructured conversational interviews that I carried out with three vendors and three customers, and observations. Identity and personal information of these vendors and customers have been masked to maintain their anonymity.

4. Findings and Analysis

4.1 Customers' Experiences

Customer Type 1 is a housewife of age around 30 and is well versed with the all the sources from where desired fruits and vegetables can be brought and consumed. She is, thus, today's customer. She purchases the fruits from the roadside vendors from past 7-8 years and vegetables from a small vendor who produces them at his own farm for over from 2-3 years. She too had an experience of buying from Reliance Fresh outlet.

Customer Type 2 is a female of age around 50 years who used to buy fruits and vegetables from an informal market just close to her street from the time it was in place and never bought vegetables and fruits from supermarkets. She had heard of supermarkets from her neighbours and relatives. She is customer of old economy i.e. traditional customer.

Customer Type 3 is a male customer of age around 45-50 years and he used to purchase vegetable from a government regulated market yard (APMC), locally called mandi, as well as roadside vendors from more than a decade. He purchases vegetable for 5-6 days and place them in refrigerators. Rest of the vegetable is bought from roadside vendors, as and when required. He also reported that for fruits they rely on local vendors only.

When asked about key things that really matters for fruits and vegetables purchase, all the sample customers revealed convenience and quality (also perceived as freshness) as the answer. Specifically Customer Type 1 mentioned that she helps her husband at his shop and thus convenience and nutritional aspects are more important necessities. She also mentioned that being a vegetarian, fruits and vegetables form the main source for the essential nutrients so she gives lot of importance to quality and nutritional aspects. Similarly Customer Type 2 and Customer Type 3 also quote family well being and convenience for their fruits and vegetables' purchase. Also the observations about the various customers, it was found that the product quality do matter a lot in deriving sale of fruits and vegetables. Specifically many customer at beginning of the purchase enquired-"Bhaiya, is it fresh." Interestingly only few of these customers went for second inspection about freshness. Some customers didn't even ask for freshness and purchased the stuff while some after visual freshness check, bought the vegetables or fruits. Convenience really does matter as was evident when many customers purchased the fruits from their vehicle itself and paid the vendor quoted price. No bargaining was observed in those cases.

All the customers also revealed their consideration for reasonable price for the given quality and unit of purchase. For example Customer Type 3 mentioned that he used to go to mandi to purchase less perishable vegetables for the whole week for getting price benefits due to bulk buying and having refrigerator at his place. Interestingly Customer Type 1 on price also commented that quality is more important than anything else and there is no reservation regarding paying higher price for better quality. From the observations also it came out that right prices do matter a lot for most of the customers but at times impulse buying may occur. Customers do bargain a lot for prices and also purchases the stuff with lower monetary price more but it depend upon customer characteristics and the locality. For example not much bargaining is observed in upper class locality and also many customers. This observation could also be due to permanent customers coming under purview of observations and thus it is not wise to generalise it without taking first time purchase or repeat purchase into consideration. But one thing which also needed mention here is that it is not the low price but the price worth or value of the products which was found to

really matter. For example the apple which was quoted at Rs 70 was also purchased in fair amounts along with its cheaper grade of Rs 40. Thus it brings in the factor- “Value for money”.

On the price front all the sample customers mentioned that they have a budgeted amount fixed for the purchase for a day and they tried to buy mix of vegetables and fruits making some tradeoffs in various aspects like quantity, quality and product grade. From the sample customers’ replies it became evident that prices, taste and quality sometimes act against one another and any parameter can dominate on a given day. But more or less the sample customers zero in on right value for right quality produce i.e Value for money. For example Customer Type 2 specifically mentioned that she had fixed budget of 80 Rs per day for fruits and vegetables and with that she buy variety of fruits and vegetables keeping in taste and health of her family but based on market price, she sometimes purchase beyond budget constraints also.

On similar lines it was observed that the customers, in general, ask for prices of many commodities available but finally take the one they asked the price for at first instance. This act indicates that customers want to have information about various options and variety available to him so that they can switch in between various fruits and vegetables over time so as to have richness in nutrition and taste and getting best value for their money. In case of vegetable this phenomenon is less observed than in case of fruits which are mostly higher priced than vegetables. From the interviews of Type 3 customers and observations it also came in to light that word of mouth of family members and neighbours also influences the buying behaviour of customers towards vendors. Moreover, children were observed requesting parents buying more of fruits like banana and apple against mangoes or vegetables. Also it is observed that most of the customers of vendors are elderly ladies and men and less of youth population. But again it may be a location specific observation and generalisation may be incorrect.

Customer Type 2, clinically more than Customer Type 1 and Type 3 quoted vendor service as important parameters for the selection. This is natural as Customer Type 2 purchase from informal market regularly and had time to spend to look for all these things. But Customer Type 1 who purchased from a street vendor at her own house, don’t have enough time to look for that how vendor behaves. And Customer Type 3 seems price conscious thus these things, bother him a bit less. All the sampled customers highlighted that it is trust and long relationship with the vendor that got them better buying experience. To some extent the vendor service and his characteristics get engulfed with long relationship factor and thus this factor is very important in relation to buying behaviour of customers towards vendors.

As super markets are coming in like anything these days so it is necessary to know about it from sample customers is necessary. Customer Type 1 and Customer Type 3 revealed that supermarkets like Reliance Fresh and Star Bazaar do have lot of varieties but one cannot rely on their freshness claims. They admitted that at times when they are at supermarkets for various reasons they do purchase fruits and vegetables but specifically it is rare to be there for only some vegetables or fruits. Customer Type 3 had never purchased from supermarkets and but wish to do so if it is convenient and economical. Customer Type 1 also admitted that she is lured by lot of varieties available at Reliance Fresh but it is not convenient and economical for her to visit it regularly. She also revealed that visit to Reliance Fresh is more like a fast food enjoyable for a while but cannot hamper her affinity towards local fruits and vegetable vendors.

Customer Type 1 and Customer Type 3 reported that prices at retail stores or supermarkets and vendors are almost similar but value of purchase at some of stores need to be large for justifying the visit there. Customer Type 1 and Type 2 also noted that although vendors have fewer varieties, still they interestingly have all vegetable and fruit what one normally need for his/her daily requirements. The above experience about supermarkets indicated that long lasting relationship with vendors and convenience are more important than availability of more varieties and better

buying ambience. This is similar to what Gupta (Type 2009) found.

On similar lines, when convenience is segregated out of factors influencing purchase from supermarket by asserting that if supermarkets can open in her neighbourhood soon, Customer Type 2 even then replied negatively about her buying from supermarket. This highlights risk-averse nature of Customer Type 2. In contrast, Customers Type 2 and Type 3 replied in affirmative but with added condition of not compromising with freshness.

For understanding the impact the formalisation drive of government, when sample customers were asked whether they will continue to purchase from vendors if government shifts the vendor to some place a kilometre away, all replied in negation and revealed their alternate plan to buy from some nearby vegetable and fruits shops or even mandi. Customers when asked whether they would like to have vendor selling at their houses, conflicting answers came. Customer Type 2 accepted it with no condition but Customer Type 3 accepted it with condition of no extra payments over and above what a roadside market vendor charges. Customer Type 2 put a no for it as she is happy with present system which gives her more variety and less monopoly of the vendor in later system.

For one more competitor of vendors, Mandi, Customer Type 3 mentioned that although it has large variety and price advantage but still minimum quantity and locational constraints are there to take into consideration. He also reported that on special occasions when bulk is required the mandi is best option as the prices and grades offered there are wide but it need a bit of experience to find out the best fit. In terms of cleanliness and congestion problem he perceives vendors purchase far superior experience over mandi. Customers Type 1 and Type 2 have never used mandi in recent times but mention that it is far off and economical in case of buying bulk for special occasions. Thus it is again convenience and amount of purchase to decide the buying behaviour.

On the influence of vendor appearance and other visible attributes on purchase from them, Customer Type 1 and Type 3 mentioned that they do not bother about but Customer Type 2 said at times it do influence because of food safety reasons. This may be due to the fact that she had bit of the time to think over when purchasing vegetables which Customers Type 2 and Type 3 don't because of busy schedule. Observations also support the above finding. Interestingly, more customers were seen buying from the vendor who is more talkative than from the one who, though having similar portfolio of fruits and/ or vegetables was less talkative. Thus communication and convincing ability do matter a lot for new customers and in building long relationship.

On different note, Customers Type 1 and Type 3 replied affirmatively to no reservations in buying from a new vendor but Customer Type 2 mentioned that long relationship and trust do matter and thus it will take her time to purchase from new vendor. But she mentioned- "If vendor is selling some peculiar fruit or vegetable at right price than why not?" This highlights that trust and long lasting relationship can be traded off if some new customer sought products are made available to them at reasonable price. All the sampled customers reported satisfaction regarding weighing and vendor behaviour. From the observations also it came out that once a trust and long relationship is built these things don't matter.

Weighing and transparency on part of vendors is always sought. Few customers specifically do mention about seeking correct weighed fruits and vegetables but never give keen eye to reading the balance. All sample Customers' symbolically mentioned that no frequent problem regarding weighing and cheating is there because vendors had to sell daily and one cannot be so fool to ruin many tomorrows for a single today. Thus the factors like correct weighing, no cheating etc are like Herzberg dissatisfiers, i.e. if they are present they do not influence buying much but if they are not they adversely affect buying ("Herzberg's Motivation-Hygiene Theory").

Critically looking at overall experience, it can be said that an Indian customer is quality oriented,

practical and do perceive convenience and value for money as satisfiers for vendor performance. There is a budget constraint and their basic instincts (risk averseness etc) that stop many customers from experimenting much but also gives them liberty thus less of sacrifice cost. There is lot of vendor stickiness among traditional customer but the crux of the deal is reasonable price. The bargaining helps the customers to get better deal and provide vendors for price discriminate¹ among the customers and one cannot complain for that. In terms of vendor performance on different parameters vendors are in good looks of the customers, but this may be due to the high switching cost².

It is very difficult to decide on whether attributes of the fruits and vegetables are primary to vendor attributes as it highly seems to depend on customer characteristics. Thus it is more of customer characteristics that influence buying behaviour. But one can say that fruits and vegetable are more of a convenience good and perception regarding experience attached with good is secondary. No major disconfirmation was reported about vendors and customers seemed satisfied with performance of the vendors and their products. In case, if in future, some disconfirmations arise, convenience benefit will act towards generating positive customer satisfaction and thus not much effect on her buying behaviour.

4.2 Vendor Experiences

Vendor Type 1 is a mobile street vendor of age in Type 30's who mainly serves the upper class and upper middle class people along with middle class societies from past 7 years. He is simple and cleanly dressed gentleman with his hand cart filled with vegetables of various types. The vendor mainly keeps seasonal vegetables due to higher demand, along with other all season vegetables except onion, potato and other tuberous vegetables.

Vendor Type 2 is roadside fruit vendor of middle age and serve the hitherto of customers from all walks of life and is in this profession from more than Type 10 years. He had a hand cart with well organised fruits in a temporary location near city highway with poor ambience due to proximity to municipal sewage bins and nearby fish selling autos. He only sells in the evening time because of lesser sales in morning along with more dehydration of fruits.

Vendor Type 3 is an old man, with wooden basket on his head, selling vegetables for more than Type 10 years to houses of middle class and lower class societies on daily basis, He produces his vegetables on his own and possess only seasonal vegetables with very limited or just single variety for Type 3-4 vegetables. He moves around from house to house calling the name and vegetables along with corresponding prices. He uses small wooden basket for some vegetables and for some vegetables he lets them mix. He also possesses a beam balance with varying weights. He uses the local Gujarati tone to address his customers and seems more eager to seal the deal at earliest.

Sample vendors, in general, revealed that convenience, product quality especially freshness and quick service are the most desired attributes by their customers. Vendor Type 1 also reported that his premium customers (customers from upper class locality) call him on his phone for ordering vegetable. He also reported that in case of selling apart from posh areas he had marked some key areas in colonies from where he informs the customers about his arrival with a bell attached to his cart. Thus the type of customers that vendor Type 1 mostly deals with are not price conscious but convenience seekers. Vendor Type 2, a stationary vendor, reported that he had some fix customers from nearby areas while rest are trespassers who purchased his fruits out as he happened to be in their way to their work. Vendor Type 3 reported that for sake of customer convenience he visited

¹ Pricediscrimination is the practice of a retailer, wholesaler, or manufacturer charging different prices for same items to different customers. It is a widespread practice that does not necessarily imply negative discrimination.

² Switching costs are negative costs that a consumer incurs due to changing suppliers, brands or products. Although most prevalent switching costs are monetary, they can be psychological, effort- and time-based.

their homes for his selling. By looking at the experiences with the vendors it is evident that convenience and price elasticity³ do play a significant role in leading customer to buying fruits and vegetable.

All the vendors are unanimous in saying that customers need freshness or quality in the produce and price is more or less based on quality only. Vendor Type 3 specifically mentioned that his customers praise the freshness and more or less his earning is out of his guarantee to quality only. It was also evident from observation how vendors keep wet jute and cotton cloths on fruits and vegetables along with regular sprinkling of water to keep their products' freshness intact. It is also observed that vendors took out rotten pieces out of the produce for avoiding the degradation in quality of products with time. This indicates that how important the quality is towards customers' buying and also how vendors cope up with perishability factor to give good product value to customer. This also highlighted that many customers have freshness as only perception of quality and vendors have to cater to this appropriately.

Sample Vendors also mentioned that value for money do have significant role in their sales. Vendor Type 1 mentioned that while selling to rich customers, mostly less price sensitive it is easy to fetch some more prices with no bargaining over prices. Vendor Type 1 admitted that the volume of sales comes from price sensitive customers only and there to allow for some price reduction is a must. Similarly Vendor Type 2 and vendor Type 3 revealed that most of the time it is price which drive their sales. Bargaining over prices was reported by all sample vendors to be a regular affair with middle class and lower class customers but with upper class and few regular customers it is not there. Interesting Vendor Type 1 revealed that to overcome price reduction to bargaining he and his fellow vendors overstate the price and then reduce it to the original price to please the bargaining customers. Although fair amount of bargaining was observed in case of informal markets in but most vendors were not seen allowing it in small quantity purchases. Vendors are also seen charging higher prices to some customers who are in hurry or least bothered about price. This indicates information asymmetry do prevail in term of prices with bargaining customers who out of their inherent habit do so and not due to marketing wisdom..

Vendors revealed that there is no complain regarding weighing and other such problems and he cited their long term selling in their particular localities as evidence. From the limited observations in the study there is no significant case of cheating or wrong weighing. But in one or two instances, it was observed that when somebody from car or vehicle asked for commodity vendors was heard charging higher prices for and specifically mixing lower grade lower grade stuff with the desired grade. This may be because either they are not the regular customers or hurry purchase have some cost. But this phenomenon cannot be generalised over other vendors in different localities. All the vendors revealed that their customers demand variety, depth (more grades of products) and keeping both vegetables and fruits but due to riskiness of their business, they had to avoid it.

In relation to location and ambience, vendor Type 2 noted that there are few customers who complained about the ambience (due to foul smell of sewage bin and fish) and discontinued the sale but later on irregular basis they buy fruits from him. He also told that maximum of his sales comes in the evening time when people have returned from their work places. He also wished for government intervention to make the location, an advantage for the sake of vendors and customers Vendor Type 1 and Type 3 do not have any specific ambience related problem. Vendors also knew about formalisation drive of municipal corporation and do wish to have license to sell their products in more systematic way to counter the nearby retail shops.

³ Demand for a product can be said to be price elastic if consumers are sensitive to the prices. In other words, with price rise there is reduction in demand of the given commodity.

On lines of supermarkets, Vendor Type 1 and Type 2 mentioned that although the customers, with whom they deal are aware of Star bazaar, a supermarket chain, they do not go for it because of distance constraint and long built trust with vendors. They also revealed that his customers do mention him that the vegetables from Star Bazaar are not long lasting as are their vegetables and fruits but also highlighted the premium experience of buying in air conditioners (better ambience). Vendor Type 3 had not much idea about supermarkets himself. Customer perception about perishability of vegetables from supermarkets as reported by sample Vendor Type 1 and Type 2 can be true for some customers but for all customers it cannot be generalized. All the three vendors mentioned that mandi do not have any impact on their sales but retail stores, due to more varieties, comparable price and presence in most of the localities from where they derive customers do affect their sales. Switching of customers to other nearby retail shops was also reported by sample vendors to be high and it is their service and reasonable price which is saving the day for them.

Looking at the Vendor experiences, convenience does generate sales but other factors like trust, quality and price also are important. It is also revealed that ambience is a very important in present context of booming supermarkets and can affect sales significantly. Another noteworthy aspect is the use of traditional marketing wisdom to attract and retain new customer. For vendor Type 1 the purchase intention generating factor is good health and main sales influencing factor is convenience, but for vendor Type 2, the intention generating and sales influence factor is monetary value of the fruit. Due to location disadvantage and due to lack of government permission make vendor Type 2 highly vulnerable which in turn is affecting his performance. Vendor Type 3 is vulnerable in case of high input costs which he had not accounted for and with more competition coming in form of retail stores and supermarkets he too can feel the heat of it. One more thing that is evident indirectly is that vendors are working towards finding a fit between their risk minimisations and value maximisation of customers.

4.3 Management perspective

Indian customer is mostly value driven and the value what it derive out of vendor purchase is 3C's i.e. Cost; Convenience and Consumer want or need. In Indian context 4th C i.e. communication in fruits and vegetable purchase is not so significant in existing era. But by opening of supermarkets this C will soon also started influencing buying behaviour. Thus vendors need to work out to match Customer needs and Cost along with satisfactorily addresses Convenience. For addressing Cost, vendors should form associations at local, state and national level for bulk purchase and other cost benefits. For addressing Consumer wants, vendors should try to understand what actually their customers want and try to address them with best efforts possible. The government also should come forward and formalise the informal markets and let the vendors play around demand and supply. Retail chain can also join in with induction of vendors involving chains. This will also address 4th C i.e. Communication

From the vendors' perspective, it is marketing what a vendor does. 3 P's of marketing have very high influence over sales of fruits and vegetables. Vendor from his side can only effect Type 1 P i.e. Place. It is what that really comes out of the study in form of factor called as convenience. Vendor can't affect Price because he purchase from mandi and there is lot of competition from retail shops and supermarkets. Vendors also cannot do much on the product characteristics because he had economic and resource constraints. The 4th P i.e. Promotion seem to have not much effect in influencing buying from vendors as is it is generic product and some attempts to brand them by retail chains are not showing desired results. In all, vendors can generate buying behaviour among its customers, who are mainly middle class and lower class customers, through service quality having parameters like honesty, trust, fairness in weighing, politeness and home service, if required.

5. The Conceptual Model

The study found that customers are unique and their buying behaviour does depend on variety of factors. They are convenience seekers and value sensitive rather than price sensitive. They strictly follow their culture, past experience and values, as a result of which there is a need for vendors to give that touch to them in order to succeed. Customers are the ultimate beneficiary of the fierce competition in the present market which has turned into buyers' market. Vendors have many factors to make the difference in generating their sales. The factor relationship is given in form of model in Figure 1. The study also found that higher segment consumers also buy fruits and vegetables from vendors which are not considered in previous studies. It was also found that the consumers give preference to features of a product along with better experience, services and ambience than availability of products. This may be good sign for the growth of organised fruit and vegetable retail but also an area for vendors to work upon. With formalisation of market ahead and rapidly changing customer perceptions, vendors need to address these factors and governing bodies should also consider making the transformation of vendors, if any under process, comfortable.

To sum up, it is very difficult to measure and specify the influence of various factors leading to buying of fruits and vegetables from roadside or street vendors but the causal relationship can be drawn. An attempt in this direction was made and model is shown in Figure 1.

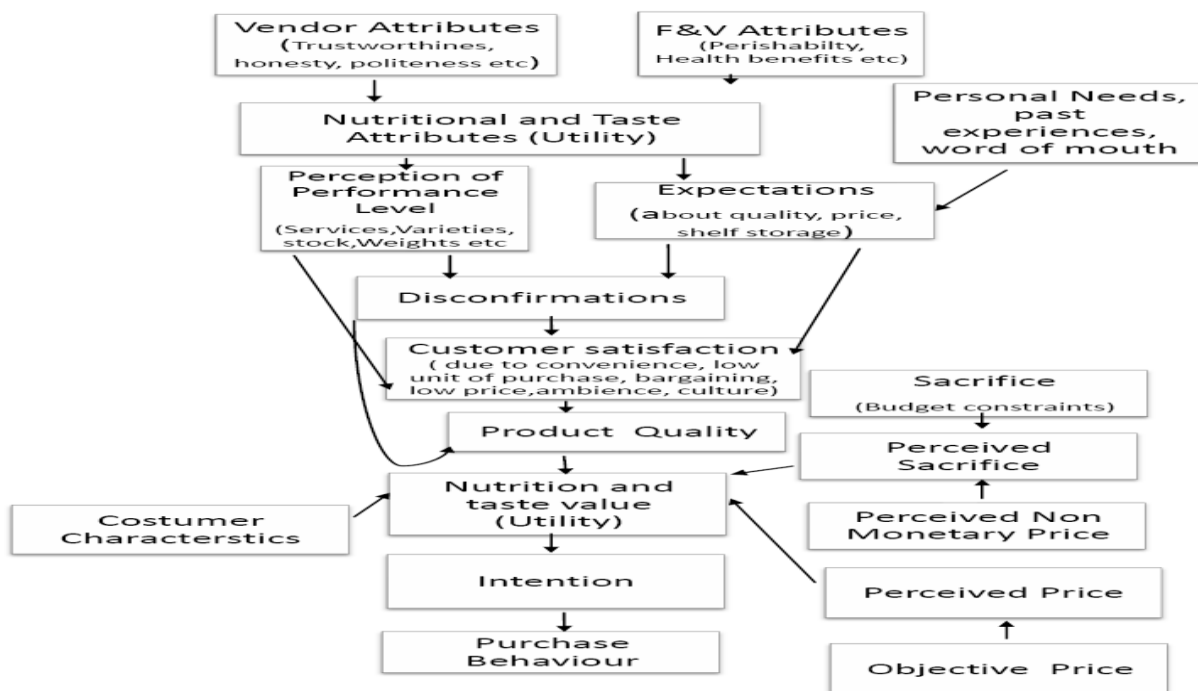


Figure 1: Model depicting the causal relationship between factors that affect customers 'purchase of fruits and vegetables from roadside or street vendors.

The model shows how vendor attributes and product attributes leads to a utility in terms of product and service. This further leads to perception of performance and also generates expectations about product and service. Ideally they lead to customer satisfaction but they may also lead to disconfirmation (a gap between expectation and existing performance level) which may generate negative perception about product quality and less overall value and finally reduced intention to purchase and ultimately low sales. But in case of vendors convenience is a big influencer and may overcome disconfirmation and lead to customer satisfaction and finally increase sales. Factors like Price, Customer characteristics and Sacrifice cost all affect to total value. Thus vendors should work on to bridge the gap between expectation and performance. This can help researchers and

vendors understand the effect of various factors that have scientific justification to influence the buying behaviour of customers.

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