ATTITUDES ABOUT SHOPPING HABITS OF CITIZENS IN THE FUNCTION OF SOLVING THE MAIN SOCIO - ECONOMIC PROBLEM OF MAN AND SOCIETY

ABSTRACT

Economic and wider social development are having the purpose of better meet the natural and historically formed human needs (individual and collective). All economic discipline on the basis of findings from its areas of research are trying to help more efficient and equitable socio-economic development of a country and thus contribute to the resolution of the main economic and social problems of man and society once, today and tomorrow. Main objective of the research was twofold; first, create a whole picture of Croatian population about attitudes in shopping, preferences in shopping and second, acquaint perceptions of Croatian population in terms of small shopping habits (up to 200 kunas). Additional research through brand pyramid has been conducted in order to crystallize which shopping chains satisfies entirely shopping habits of Croatian population.

In order to answer the research question of meeting key human needs i.e. shopping habits a survey was conducted on a random sample of Croatian citizens in two waves of measurement (2013 and 2014); n = 8079 respondents. The dominant motives of the respondents in terms of the frequency of purchase, place of purchase, the selection criteria of purchase, total consumption, purchase via online shops are differ among the given observed socio-demographic characteristics of the sample. The economic dimension of individual and social life is the most important dimension because it seeks opportunities and ways to meet the numerous and constant need, and without which there is no survival or future development. Throughout, economically, as part of a wider social development, individuals and companies increase their own production potential and the level of individual and social productivity, but also the level of available consumption of which depends on the quality of meeting the needs.

Key words: human needs, socio-economic development, shopping habits, economic goods
Ekonomski i širi društveni razvoj za svrhu imaju bolje zadovoljavanje prirodnih i povijesno nastalih ljudskih potreba (individualnih i kolektivnih). Sve ekonomske discipline na temelju spoznaja iz svoga područja istraživanja nastoje pomoći efikasnijem i pravednijem društveno-ekonomskom razvoju jedne zemlje te na taj način pridonositi rješavanju glavnog ekonomsko-društvenog problema čovjeka i društva nekad, danas i sutra.

Glavni je cilj istraživanja bio dvostruk; prvo, stvoriti cjelovitu sliku hrvatskog stanovništva o stavovima i kupovnim navikama i drugi, upoznati percepcije stanovnika Hrvatske u pogledu malih kupovnih navika (do 200 kuna). Dodatna istraživanja kroz brand piramide je provedena kako bi se detektiralo koji trgovački lanci u potpunosti zadovoljavaju kupovne navike hrvatskog stanovništva. Kako bi se odgovorilo na istraživačko pitanje o zadovoljavanju ključnih ljudskih potreba tj. kupovnim navikama građana provedeno je istraživanje na slučajnom uzorku građana Republike Hrvatske u dva vala mjerenja (2013. i 2014. godine); n=8079 ispitanika. Dominanti motivi ispitanika u pogledu učestalosti odlazaka u kupnju, mjestu kupnje, kriterijima odabira mjesta kupnje, ukupnoj potrošnji, kupnji putem internet trgova međusobno se razlikuju obzirom na promatrane socio-demografske karakteristike uzorka. Ekonomski dimenzija individualnog i društvenog života je najvažnija dimenzija jer se u njoj traže prilike i načini za zadovoljavanje brojnih i stalnih potreba, a bez čega nema opstanka niti budućeg razvoja. Kroz, ekonomski, kao dijela šireg društvenog razvoja, pojedinci i društva povećavaju vlastiti proizvodni potencijal i razinu individualne i društvene proizvodnosti, no ujedno i razinu dostupne potrošnje od koje zavisi kvaliteta zadovoljavanja potreba.

Ključne riječi: ljudske potrebe, ekonomsko-društveni razvoj, ekonomska dobra

1. Introduction

The economic dimension of individual and social life is the most important dimension because it seeks opportunities and ways to meet the many and permanent needs, and without which there is no survival or future development. Through economic, as part of a wider social development (which includes in addition to economic and other dimensions of development - eg. the political and moral-ethical), individuals and companies increase their own production potential and the level of individual and social productivity, but also the level of available consumption of which depends on quality of meeting the needs (Vranjican, 2007.). With the increasing production and consumption possibilities in principle (not always and necessarily) also strengthen and grow the moral and democratic potential of the individual and society. Economic development through history has enabled the gradual reduction of labor and production aimed at satisfying the needs of naturally occurring, thereby increasing labor and production aimed at satisfying the needs of historically incurred (Waligorski, 2006.). Today's most developed economy and society not only can fully satisfy all natural and many historically formed the needs of its members (which does not mean that in these societies there are no poor, ie. those who cannot meet even the minimum needs of their own), but encouraged and all faster and more comprehensive formation and development of completely new needs. The emergence and spread of new and different needs contributes to the development of demand for products (goods and services) that will meet those needs, as well as the rise of direct consumption of such goods and services. The increase in the number of needs, because of increased demand for products and consumption of different types of products to meet the growing needs, positively affects the development of the productive forces (caused by the positive reactions to the new producer or widespread need) a society and increase its productivity. Still, many historically, in the meantime created the need have little or nothing to do with the true needs of man, moreover, their acceptance and attempts to satisfy them cause
many dangerous and damage free, psychological and general health of the individual, orderliness and
stability of society and the preservation of the natural environment.

2. Human need in the era of socio-economic development

Great American psychologist Abraham Maslow (2011) said that our needs ascend the hierarchy of the
physical to the emotional and spiritual (the path that scientist Jacob Bronowski described as "the rise of
man"), (Barton, 1993). Our most important needs is for air, water and food; when they met a hostile
environment, then shelter and security. Then come our social needs for belonging, the needs of our
'ego' for love and attention, and finally our need for personal development and intellectual research.
When each of these needs meet, people are becoming more aware and more desirous of following,
more. When you meet their physical needs, some seek emotional pleasure, and few seek intellectual
comply. Andrew Curry et al. (2006) from the Henley Centre in London says that the needs of
consumers in the OECD (ie. in industrialized countries) have changed markedly in recent decades,
functional and practical things to feelings of well-being and personal fulfillment. In 1998, more than 50
percent of expenditures went towards consumers 'lifestyle' and 'entertainment'. Paul Saffo from the
Institute of the Future in California says that there is a hierarchy of consumer desire with amusement at
the top (Figliuolo, 2011). We should not be surprised if people that are material needs largely met and
who have a high level of disposable income overturn their ambitions and start to highly appreciate the
things of the mind. You should not be surprised if the market develops to meet those needs. Already
takes place several different processes. On the supply side, automation in manufacturing and, to a lesser
extent, in services, reducing the need for manual work, so that young people have to look for work
elsewhere. Many are turning to creative industries, which can provide an attractive way of life and
above average economic fees.

Market economy skillfully meet consumer needs, especially in the field of entertainment, where those
needs are so fervent and non-permanent. Suppliers have become adept at charging pleasure.
On the demand side, economic product continues to grow, leading to an increase in purchasing power;
to increase the budget for leisure; and to the increasing focus on the Leisure activities. British,
Americans and Japanese are spending more on their own leisure than on clothes or health care (and
most of the clothing is selected equally for pleasure and usefulness). Econonomization or rationalize the
use of economic goods is carried out in two basic ways: prices (which is a product or rarer it is difficult
to produce a team becomes more expensive and therefore consumer demand for it automatically
decreases) and legislation (eg. prohibits the over-cutting of rare tree species ). In our world of scarcity,
as if it already is not enough, our economic problems and worries increases (Howkins, 2003): i) the
necessity to continually meet the needs for their perpetual renewal, ii) an increase in the number and
types of human needs, and iii) continuous increase (at least for now) the number of members of our
species (which grows and the total amount needs to be satisfied). Although scientifically explained, it is
somewhat ironic that the number of inhabitants on our planet's fastest growing in those areas of the
world where living conditions are the most difficult, and the needs of the poorest are met.

3. Consumer attitudes and shopping behaviour

Shopping behaviour of consumers and their habits depend on numerous factors: degree of development
of the country, presence of various sales chains, but also culture and tradition of the country and
consumers. Type of shopping behaviour varies from country to country, but also “levelling” of
consumer characteristics is noticeable. Globalization affects presence of global brands, presence of
global sales chains, as well as global campaigns (less and less adjusted to local consumers). On a
personal level, shopping habits are determined by demographic variables: age, education, income,
gender, place of residence. All these categories also determine lifestyle of an individual, so type of
shopping behaviour is an important characteristic of life style (Klopčič, Kuipers, Hocquette, 2013). In the same study authors (Klopčič et al. 2013) stated that types of locations where consumers purchase food have changed over the past years following changes in lifestyle (e.g. working habits) and in what is on offer from retail sector. The rapid increase of the number of super and hypermarkets resulted in a steady growth of their market share. Preferences for supermarkets are stronger amongst younger people and people with higher education. The second most popular type of store is mini-market; however their share is slightly declining. Large retail establishments figure more and more prominently due to changes in the way of living and new customer needs. The latest development trend is moving in the direction of construction of modern shopping centres that provide different shopping services and entertainment in one place. They recreate the street ambiance with its bars, restaurants, kiosk and children playground and become privileged for socialising.

4. Methodology Overview

Main goal of the paper was not only to provide theoretical framework of economic dimension of individual and social life in order to meet the numerous and constant needs without which there is no survival or future development but also to help in creating a whole picture of Croatian population about attitudes in shopping, preferences in shopping and shopping habits. For that purpose the research analysis among Croatian citizens has been conducted using backdate1 of four research waves through 2 years (2013 and 2014), two waves per year, (n=8079). Data collection was done using self-completion method, and data set related to shopping habits was a part of wider research project. Sample was representative for Croatian population aged from 15 to 65 years, meaning that sample represents around 2,970,000 Croatian inhabitants. Controlled variables were gender, age, education, working status, region, settlement type, personal income and total household income. Selected segment of measurement instrument was consisted of 7 statements plus brand pyramid of the strongest shopping chain and questions related to socio-demography.

4.1. Research results

First goal of the research was examining the general impression about the shopping habits among Croatian households through seven dependent variables. With the first question, “Are you the person in your household that most often takes care of buying groceries, and generally functioning of the household, or is it another household member?” high proportion of the examined sample (70%) were females between 40-65 years old, 68% of them with finished college, employed (54%) and divorced (74%) with the total household income up to 3,000 kunas. In the second question, “Are you familiar with the possibility of buying food for the household via the Internet?” high proportion of the sample (58%) is familiar but not using Internet and 33% of the whole sample is not familiar with Internet shopping possibilities. Interesting data is that only 9% of those who are familiar are using it in everyday life. Deeper insight into the structure of the examined sample of “not users” are between 20-40 years of age with college degree (70%), employed, divorces, town settlement with total household income 9000-11000 kunas. Above mentioned datas were somehow surprising since the highly educated
Croatian population living in the age of digitalization and information are expected to be more opened to the advantages and possibilities of saving time through internet shopping. Similar results can be found on the other side of shopping activity, suppliers. In the research conducted by Pejic-Bach (2009) where is stated that only a small number of firms use Web pages as their delivery and selling channel. The number of Internet users in Croatia is one million (45% of the population older than 15), and the total value of e-commerce transactions was over 60 million euros in 2009. According to several researchers the typical Internet users in Croatia include people from urban areas who have access to the Internet. In contrast, this is true only for a smaller percentage of people from rural areas. Most Internet users come from the Croatian capital city – Zagreb and town on the Adriatic coast. Approximately one third of men have access to the Internet, and the same is true only for one quarter of women. Finally, the majority of the users are people younger than 35.

The last set of questions „How often do you buy in specialized organic food/cosmetics stores?“, „Do you use any of the loyalty cards when shopping?“, „How often do you plan your purchases based on printed catalogs you receive in your mailbox?“, „How often do you visit websites where you can compare offers and prices of different stores?“ were detected high proportion of the examined Croatian citizens that never buy in that kind of stores, do not have loyalty cards, do not plan purchases based on the printed catalogs and do not compare offers on the websites.

Overall Croatian Consumer Confidence Index can be found as a part of a larger survey conducted in the frame of the Nielsen Global Survey of Consumer Confidence and Spending Intentions conducted among 58 countries out of which Croatia Global Consumer Confidence Index is ranked on 55 place with the 4 index points lower than previous year (total index is 41).

After overall general impression about shopping habits of Croatian citizens within the second goal of the research authors wanted to find out are the perceptions of Croatian population differ in terms of small shopping habits (up to 200 kunas). According to set of six questions differences between demography groups were measured through affinity index = target's affinity toward particular answer where index < 85 represents no affinity to particular answer and index > 115 represents affinity to particular answer. Regarding gender and age categories differences among question “How often do you go to small shopping for food and other household necessities?” (Graph 1), female are much more involved on the need for household necessities than men. The affinity is strongest on youngest target group 15-19 years since this population group, according to the results, never do small shopping. Affinity to the answer in the domain of doing shopping “one or more times a day” and “4-5 times a week” has the target group between 40-65 years, mostly from Lika i Banovina and Dalmatia region with the total household income between 3000-5000 kunas.

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2 The Nielsen Global Survey of Consumer Confidence and Spending Intentions was conducted between August 10 and September 7, 2012 and polled more than 29,000 online consumers in 58 countries (3 months trend) throughout Asia-Pacific, Europe, Latin America, the Middle East, Africa and North America.

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Graph 1 Affinity index differences rates – by gender and age (How often do you go to small shopping for food and other household necessities?)

Source: Authors, 2015

Regarding second question ,"At which retail outlets do you usually do small shopping?" (Graph 2) highest affinity to particular answer such as Self-service - part of a retail chain, Supermarket/hypermarket/big retail centers/cash-carry, Market, Specialized store(bakery, meat shop, drugstore...), News stand, Another place has been detected among employed, university educated population. Deeper insight into the affinity to above mentioned answers are particulary detected among Croatian Littoral and Istria region from urban settlements with the average household income between 9000-11000 kunas. Similar datas can be found in the research Mihić, Čulina (2006) where out of the 16 purchasing situations/cases, where the superiority of social class over income was expected, social class did prove to be a more important indicator in eight of them (e.g., theater attendance, macrobiotic nutrition, importance of furniture design, etc.).

Graph 2 Affinity index differences rates – by education and employment (At which retail outlets do you usually do small shopping?)

Source: Authors, 2015

In the last part of the second goals of the research there was a question How much money do you spend in one typical small shopping? (Graph 3) with regard to the Total household income. Affinity has been detected among all the multiple choices in domain of modality Without income last month where later affinity is also significant among answers in range of spending 101-150 kunas and 151-200 kunas in households with more than 11000 kunas. This target population shows affinity in domain of important criteria for choosing a retail outlet for small shopping in the answers: cash registers speed, different
ways of payment, well organized shelves, suitable working hours. Target population of Croatian citizens with the total income up to 3000 kunas shows affinity in close relations with the staff, frequent prize games, personnel kindness and least important criteria for choosing a retail outlet for small shopping for them are cash registers speed, reasonable prices, product freshness. One can conclude that target populations with above average national household salary tends to evaluate those intangible assets related to the functioning of the system in general while households with and below average salary give prominence to behavioral (emotional) values.

Graph 3 Affinity index differences rates – by total household income (How much money do you spend in one typical small shopping?)

In the last part of the research additional analysis has been conducted again through four waves within two years (2013 and 2014) in order to crystallize out which shopping chains satisfies entirely shopping habits of Croatian population. For that purpose Brand Pyramid has been used in order to have deeper insight into the Croatian population and their tendency to particular shopping chain. Brand pyramid (Ipsosadria.com) consist of six possible consumer attitude towards particular brand with a ratio of moving to a higher step pyramid and compare the ratio with the average category or best values achieved. Six consumers attitudes are: Recognition - Consumers who have heard for the brand, know that brand exists, Experience - Consumers who have had experience with the brand, i.e. have ever used it, Usage - Consumers who have used this brand last period, Consideration - Consumers considering when buying a brand, Primary usage - Consumers who most commonly used brand, Loyalty - Consumers who are loyal to the brand. For the purpose of this research only four out of six attitudes has been observed (recognition, shopper, primary, best). From the data from research three shopping chains: Konzum, Lidl and Kaufland are having the biggest proportion of recognition percentage among Croatian population where only in the case of Konzum (95% recognized it out of whole population) 45% of whole population will become Konzum shopper (Konzum has the biggest proportion of conversion from indicator recognition to indicator shopper, 47,5%). Primary users are 30% out of whole population (66% from the shoppers proportion will become primary users) and finally best buyers among whole population is 20% but viewed from proportion of primary users 68,6% of them will be best (loyal) users (Picture 1). Situation for Lidl and Kaufland is somehow different especially in terms of moving consumers to a higher level of the pyramid, from recognition to became a shopper. This situation indicates small proportion of those consumers who will, after having experience in using the brand, consider it again in the future shopping (Lidl – 30,1% out of 92% population knowing that this brand exists and Kaufland – 26,5% out of 89% of population knowing that this brand exists). In the
case of Lidl and Kaufland, big proportion of consumers who commonly use this brands becomes loyal to this brands.

**Picture 1** Brand pyramid of three shopping chains in Croatia for small shopping: Konzum, Lidl, Kaufland

In order to get a better overview and insight into the profile of best shoppers of Konzum between demography groups were measured through affinity index = target's affinity toward particular answer (null point = 100, affinity reference - total sample).

**Picture 2** Affinity index – by gender, age, education, personal income, region
Picture 2 represents profile of Konzum best shoppers through two observed years (four waves of measuring). Regarding gender differences of Konzum shoppers females (55.86%) are much more involved in buying than mans (44.32%). When comparing age categories affinity to Konzum products have been detected in age between 30-50 years (45%) with university degree and earning incomes 2001-4000 kunas, mostly from Zagreb region (39.03%).

Recent research that has been conducted in the field of shopping chains in Croatia states that 51% of the retail market in Croatia was held by the largest retail chain, Konzum, as shown by the GfK's most recent market research. Croatian citizens prefer to shop at supermarkets and hypermarkets; they are relatively loyal to their brands, showed by results of the market research conducted by ACNielsen called ‘Trends in retail and shopping habits’. Research shows that the preferred style of shopping in Croatia is the so called Mediterranean style, meaning that people still prefer to shop for fresh fruit and vegetables at open markets and grocery stores, to get their meat from butcher’s and fish from the fish stores.

5. Conclusion

Economic and wider social development are having the purpose of better meet the natural and historically formed human needs (individual and collective). All economic discipline on the basis of findings from its areas of research are trying to help more efficient and equitable socio-economic development of a country and thus contribute to the resolution of the main economic and social problems of man and society once, today and tomorrow. The economic dimension of individual and social life is the most important dimension because it seeks opportunities and ways to meet the numerous and constant need, and without which there is no survival or future development.

Results of the conducted research on the target group of Croatian citizens in four waves of measuring through years 2013 and 2014 indicate affinity of small shopping (up to 200 kunas) among target group of females between 40-65 years, mostly from Lika i Banovina and Dalmatia region with the total household income between 3000-5000 kunas. High proportion of the target population choose small shopping in self-service as a part of a retail chain, supermarket/hypermarket/big retail centers/cash-carry, market, specialized store (bakery, meat shop, drugstore...), news stand, out of which Konzum represents most recognisable shopping chain for the Croatian population (95%) in terms of small shopping. 20% of the whole Croatian population is best buyers of Konzum shopping chain which represents the proportion of only loyal customers; mostly middle-aged, highly educated females with earning incomes up to 4 000 kunas from Zagreb region.

Throughout, economically, as part of a wider social development, individuals and companies increase their own production potential and the level of individual and social productivity, but also the level of available consumption of which depends on the quality of meeting the needs.

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