CHAPTER IV

THE CONSUMERS

This chapter gives a general account of the consumers who purchase from the Co-operative Store; their location and general habits of expenditure.

One of the objectives of the Co-operative Store is to serve the entire student population and rather of the staff. Therefore, one can assume that these people are the consumers and potential consumers of the Store. Although the potential appears to be quite great, with possibility of greater increase in the near future resulting from increasing intake of students, the actual number of consumers who purchase frequently from the Store is discouraging. The majority of these are residents of the 3rd College where the branch store caters for them, twice a week on Tuesday and Thursday.

Although the number is discouraging when one takes into consideration the entire student population, the writer feels that given enough publicity by way of displays and posters calling attention to new kinds of goods, and through the building up of patronage habits coupled with the expansion into new market areas, the present number of consumers can be more than doubled.

Buying habits

Most buying from the main store is done upon impulse. Sales is therefore erratic and discouraging. As a result, daily turnover ranges from £15/- to £30/- This shows that most buying is done outside the Campus. The men residents buy in Kuala Lumpur or in Petaling Jaya and this is done during the evenings and week-ends. Ladies frequent the same places too although theirs are more on impulse outings.

Daily requirements, books and services are bought mainly in Kuala Lumpur. On the other hand, expenditures in Petaling Jaya are mostly on food and drinks. The students who make purchases at the Store are mainly on convenience goods.

The main product groups purchased by the students are toilet requisites, drinks, confectionery and stationery, and these are mainly convenience goods. From observations at habits of students in the 3rd and 4th Residential Colleges, it is apparent that fruits, which is not sold by the Store, are in great demand at the private stores. Obviously the Management Committee is unaware of students' changing demand conditions.

The Store fails to get a greater portion of the students' purse. Many reasons account for this.
a) The time of sales is not conducive to students who, in general, prefers to purchase in the evenings and at weekends. During such times the store is already closed.

b) There is not enough publicity given to its goods in stock. Students are therefore unaware of the products sold by the store. Moreover, there are products which are in demand by students, but Management is unaware of this.

c) No proper stock control is applied, and as a result, goods are sometimes out of stock even it takes some time for the Business Manager to re-order it. By the time the goods are in stock, students would have purchased their requirements from outside the Campus.

d) Some new students were given an unfavourable first experience. They have to get members to introduce them to the Store because they were not made aware of the existence of the Co-operative Store.

Suggestions

The Management should, by more aggressive promotional efforts, increase the number of active members and thereby increasing the potential sales volume. With such an expansion, the store can then widen its activities and serve a greater variety of products and so benefit the students.

Management should try to get a larger portion of the students total expenditure. This could be achieved in the following ways:-

a) Since time of sales is not conducive to students, the Store should be opened up to about 7 p.m. instead of up to 4.30 p.m. Moreover, it should also open for a few hours on Sundays and University holidays.

b) Management should introduce the store to the students and publicise its products by aggressive promotional methods. To know what products are demanded by the students, it is advisable that Management carry out a survey on a questionnaire basis. From the answers to these questions, Management will be able to introduce products that are greatly demanded and therefore able to serve the students to a greater extent.