

**CHANGING DIMENSION OF RETAILING IN INDIA  
WITH SPECIAL REFERENCE TO FMCG  
(FAST MOVING CONSUMER GOODS)  
" A CASE STUDY OF NORTH KARNATAKA"  
SERVICE GAP ANALYSIS OF BIG BAZAAR, HUBLI**

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**Theoretical Background for the research work and customer gap**

- **Provider Gap 1:** Not knowing what customers expect
- **Provider Gap 2:** Not selecting the right service designs and standards
- **Provider Gap 3:** Not delivering to service standards
- **Provider Gap 4:** Not matching performance to promises

**Gap 1:**

Inadequate research orientation, insufficient marketing research, poor focus on service quality and inadequate use of market research. Lack of upward communication Lack of interaction between management and customers, Insufficient communication between contact employees and managers, too many layers between contact personnel and top management inadequate service recovery lack of encouragement to listen to customer complaints, failure to make changes when things go wrong no appropriate recovery mechanisms in place for service failures

**Gap 2:**

Poor service design, unsystematic new service development process, vague undefined service designs, failure to connect service design to service positioning. Absence of customer-driven standards, Lack of customer-driven service standards, Absence of process management to focus on customer requirements, Absence of formal process for setting service quality goals, Inappropriate physical evidence and services cape. Failure to develop tangibles in line with customer expectations Service gap design that does not meet customer and employee needs

Inadequate maintenance and updating of the service gap

**Gap 3:**

Deficiencies in human resource policies, ineffective recruitment, role ambiguity and role conflict, poor employee-technology job fit, inappropriate evaluation and compensation systems, lack of empowerment, perceived control, teamwork, customers who do not fulfill roles, customers who lack knowledge of their roles and responsibilities and customers who negatively impact each other.

**Gap 4:**

- Lack of integrated services marketing communications, tendency to view each external communication as independent, not including interactive marketing in communications plan, absence of strong internal marketing program ineffective management of customer expectations, absence of customer expectation management through all forms of communication, lack of adequate education for customers, over promising, over promising in advertising, over promising in personal selling, over promising through physical evidence cues, inadequate horizontal communications. Insufficient communication between sales and operations insufficient communication between advertising and operations, differences in policies and procedures across branches or units.

**Research Problem**

Due to the stiff competition faced by Big Bazaar from Vishal Mart retaining customers and managing crowd during weekends is very crucial. Clearly defining employees role as they are the one who are in contact with employees. And reaching the sales target of a particular product for which management expect

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impulse buying from customers, efforts are put in terms of signage, advertisements and paging.

**A research problem is a question or matter involving doubt, uncertainty or difficulty that is proposed for solution or uncertainty or difficulty that is proposed for solution or discussion key aspects of a research problem.]**

The research problem here is most of the people are not responding to announcements made on the offers availing in the particular section. People are not able to find the things at a particular space, the employees help the customers to find the products but it is not at the satisfactory level.

There exists a gap between the service provided and the service expected from the people, most of the people say the employee should help them to find out the products but employees do not stand upto the expectations. Even during billing there is a long waiting line at the counter, this happens at the weekend. The above mentioned are few of the problems where in they make a big thing for the organization. When the customer is dissatisfied he will not turn up next time, and there is a competitor just beside. Through research one can find out the exact gaps in the service provided and it can be rectified.

**Objectives:**

1. *To assess Company's Service Quality along servqual dimensions.*
2. *To analyze the impact of physical evidence on customers.*
3. *To understand employees and customer's role at Big Bazaar*
4. *To study the customer Service Recovery Strategies*

**Sources of data:**

Data are facts, figures and other relevant materials, past and present, serving as bases for study and analysis. The data serves as the basis for analysis without an analysis of factual data no specific inferences can be drawn on the questions under study. Inferences based on imagination or guess work cannot provide correct answers to the research questions, the relevance, adequacy and reliability of data determine the quality of the findings of a study. For the purpose of present study, data from two sources have been collected namely primary and secondary data.

❖ **Primary data**

Primary data are the data that are collected to help solve a problem or taken advantage of an opportunity on which decision must be taken. The main method of collecting primary data is survey method, there are different types of survey techniques for example personal interview, mail survey, internet survey and telephone survey. Primary data is first hand information that has been collected by the researcher from the respondents of up country market. With the help of questionnaire, Analysis, interpretation, summary of findings, conclusions and recommendations are completely based on primary data.

❖ **Secondary data**

Secondary data are data that were developed for some purpose other then helping to solve the problem at hand. After identifying and defining the research problem and determining specific information required to solve the problem, the researchers task is to look for the type and sources of data which may yield the desired results. Secondary data in this research references made by the researcher with the other published sources. The present research will not be complete without the complete reference to the relevant secondary data.

**Type of Research :** The research based on which the project report is done is Exploratory and Descriptive Research.

**Sampling Method :** In the present research study, Non probability, Convenience sampling method techniques were adopted. Individual sampling unit is taken for the Sampling method. 140 samples were chosen for the study the gaps in the service 100 from customers & 40 from employees of big bazaar.

**Sampling Frame :** Customers from Hubli & employees of Big Bazaar.

**Sampling Unit :** 140 respondents were taken to conduct survey in Hubli.

**Tools and techniques of data collection and interpretation of data**

For the purpose of collecting primary data with the help of questionnaire has been gathered from 100 respondents of Hubli & 40 respondents are Big Bazaar's employees. For the purpose of analyzing, processing, interpreting the data, SPSS analysis was used which has been presented in the tables followed

by an appropriate analysis and graphical representations by different charts.

**Conclusion**

**Gap1:**

➤ ***Quality of the service provided by the employees when measured with servqual dimensions***

In case of reliability majority of the respondents say service given by employees is good.

In case of responsiveness 45% of the employees do not help customers in finding products. In case of assurance majority of respondents say that employees knowledge to answer questions is good, in case of empathy 56% expect individual attention out of which only 27% say that employees give individual attention. These factors considered together widens gap1.

➤ ***Service recovery strategies***

Only 7% of the respondents complain out of 32% who face difficulties, remaining 25% who do not complain may spread negative word of mouth. Gap widens as customers are not encouraged to complain. Management say 98% of the complaints are resolved but from customers point of view only 1% is resolved out of 7% who complain. So there is gap between customer expectation and company's perception of customer expectation.

➤ ***Lack of upward communication.***

Management say that ideas are taken from employees but 22.5% of the employees say that their ideas are not taken in the meeting. As employees come in contact with customers, if suggestions are not taken gap1 widens.

**Gap 2 :**

➤ ***Customer defined service standards***

From management point of view signages play important role but 47% of the respondents spent lot of time in searching for products which means that they haven't noticed direction boards or the layout which is designed is not appropriate and 45% of the employees haven't helped customers to find the products.

➤ ***Impact of physical evidence***

Majority of the respondents say that parking facility and billing process is good. Only on weekends due to huge crowd it becomes problematic.

**Gap3:**

➤ ***Employees Role***

25% of the employees have said that training hasn't helped them to deal with customers and their

problems so proper skills have to be imparted so that they can deliver quality service.

56% of the respondents say that employees do not educate day's offer before final billing , employees have failed to perform their role.

95% employees say that they assist customers in locating merchandise but only 45% customers say that employees help them in finding the products. So there is a gap between standards set and service delivered.

47.5% employees say that they don't take decision on the spot and customers have to wait till they take decisions. Out of 45% of respondents who get additional benefits only 32.5% of them are motivated and remaining 22.5% expect something else apart from incentives. 10% of the employees are not trained who fail to deliver quality service.

➤ ***Customers role***

Only 57% of the customers pay attention to announcements made and have noticed direction boards put up so they have failed their role which has an impact on successful service delivery. While majority of the employees make 10-15 times announcements.

**Gap 4 :**

➤ ***External communication***

33% customers say that offers do not match with company's advertisements but management say offers match with store offerings.

***Managing internal communications***

10% of the employees do not attend meeting so they do not come to know about the strategies made which widens the communication gap.

**Suggestions :**

1. Customers should be made aware of customer service desk and complaint box. Complaint box has to be placed near exit with a ready made format and with a signage on it saying "For any queries contact CSD" .And employees should note down failure in the service and report the same to seniors. And if common problems occur then changes have to be made in the service process.
2. Frontline employees are in regular contact with customers and thereby come to understand a great deal about customer expectations and perceptions, so top management have to take ideas from all the employees. So that they come to know about problems encountered in service

delivery and about how customer's expectations are changing.

3. As service is communicated mainly through physical evidence in Big Bazaar due to huge crowd where standardized approach is followed. Care should be taken to design effective signages, direction board in order to close standard gap (gap2). Layout of the store which includes all the departments in the store has to be put up near the entrance.
4. Quality of the service has to be improved considering all the dimensions reliability, responsiveness, assurance, empathy, tangibles for that proper skills, tools, and knowledge has to be given to employees which makes them to take right decisions. And understand employees in order to know what their motivational factor is. And define employee's role clearly in order to meet customer expectations.
5. All the employees should be made to attend the meeting compulsorily so that they come to know about the strategies made.
6. Products should be made available in the store according to the offers made through advertisements.
7. All the billing counters should be should be kept open especially on Wednesday bazaar's and weekends.
8. Instead of employees of respective department making announcements, separate person needs to be appointed and trained well for making announcements only, which increases impulse buying.

**Limitations :**

1. Response given by the customers differ based on the particular day due change in shopping experience.
2. All the points in the gap model couldn't be covered. Ex Retention strategies.
3. After sale service wasn't considered.
4. The period for the research was not enough to conduct the study in depth.
5. The accuracy of the results of the survey is restricted to the level with which the customers have responded and accuracy level of the answers from respondents is difficult to measure.
6. The study was limited to a few respondents, which may not represent the whole market situation.

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