

Study on Customer Satisfaction of Retail Stores in Belagavi

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Abstract

In India retail sector is growing at a very fast rate. Customer satisfaction is the key factor for success and which is depends highly on the services provided by the service providers. Customers should be treated as an assets, and that customers vary in their needs, preferences, and buying behavior. This study is undertaken in a retail store to analyze customer satisfaction based on different determinants. 100 customer Respondents were surveyed to find the satisfaction level of customers. This study attempts to identify the expectation and satisfaction of customer towards retail store. The results show that perceived quality had the greatest impact on the customer satisfaction for satisfied and dissatisfied customers.

Keywords: Customer satisfaction, services, determinants.

Introduction

Usually the success of every organization depends on the satisfaction level of the customers. Whenever a business or organization has to be started, customers and profit both have to balance. To sustain and to remain in the top position companies have to satisfy their customers. Today's business company has known that customer satisfaction is the key component for the success of the business and at the same time it plays a vital role to expand the market value.

During the last four decades, satisfaction has been considered as one of the most important theoretical as well as practical issues for most marketers and customer researchers (Jamal, 2004). Overall Consumer Satisfaction thus reveals "The general evaluation of the actions carried out by a given business in relation to expectations accumulated after various contact between the consumer and business" (Bitner and Hubber, 1994).

Customer satisfaction is influenced by specific product or service features and perceptions of quality. Satisfaction is also influenced by customer's emotional responses, their attributions and their perception of equity (Zeithal & Bitner. 2003, 87-89). Increased customer satisfaction can provide company benefits like customer loyalty, extending the life cycle of a customer expanding the life of merchandise the customer purchase and increases customers positive word of mouth communication. When the customer is satisfied with the product or service of the company, it can make the customer to purchase frequently and to recommend products or services to potential Customers. It is impossible for a business organization to grow up in case the company ignores or disregards the needs of customers (Tao 2014.)

Objectives of the Study

Study on customer satisfaction was undertaken at a particular retail store in Belagavi city. The following are the objectives listed below.

- 1) To identify the determinants of customer satisfaction in the organized retail stores in the city.
- 2) To identify the attitude and behavior of customers in organized retail stores.
- 3) To study the future prospects of organized retail stores in the city

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Limitations of the Study

- 1) This project may be subjected to the bias and prejudices of the respondents. Hence 100% accuracy cannot be assured.
- 2) Time period of the study is limited for detail study of all aspect of this topic.
- 4) The customers did not give proper / genuine feedback for the questions asked to them.
- 5) The study has been conducted only during a particular season, festival, or occasion i.e. the December Christmas and New Year.

Research Methodology

The data needed for the study is collected from the Customers, through a Questionnaire. Statistical tools like graphs, pie charts are used to analyze and interpret the data.

Research Design

The study was based on survey method. The aim of the study is to find satisfaction levels of the Customers.

Sample Design

Convenience sampling method is used in selected samples.

Sample Size

The Sample Size of this study is 100 respondents.

Data Collection

Both Primary and Secondary data is collected for the study

Primary Data

During this study, primary data were collected through personal interview using a questionnaire. The questionnaire was administered to 100 Customers.

Secondary Data

Secondary data is collected from:

- 1) Previously published records, Statistics, Research Reports and Documents.
- 2) Books, Periodical and Websites.

Literature Review

Irani (2011) conducted a study of clothing in Iran and found that variety is a key influencing factor while purchasing fashion clothes. The study also found that price sensitivity is not positively related to hedonic pleasure. Philip Kotler (2013) defines, "customer satisfaction as a Person's feeling of pleasure or disappointment which resulted from comparing a product's perceived performance or outcome against his/her expectations". Although Kotler uses abstract terms like pleasure and disappointment, the definition is by no means ambiguous.

Customer Satisfaction = f (Perceived Performance, Buyer's Expectations)

Here, Customer Satisfaction is a function of Perceived Performance and Expectations.

Perceived performance is the consumer's belief about the product or service experience. Buyer's expectations, on the other hand, are influenced by:

1. Performance of the product in the recent past
2. Word of mouth, recommendations or testimonials

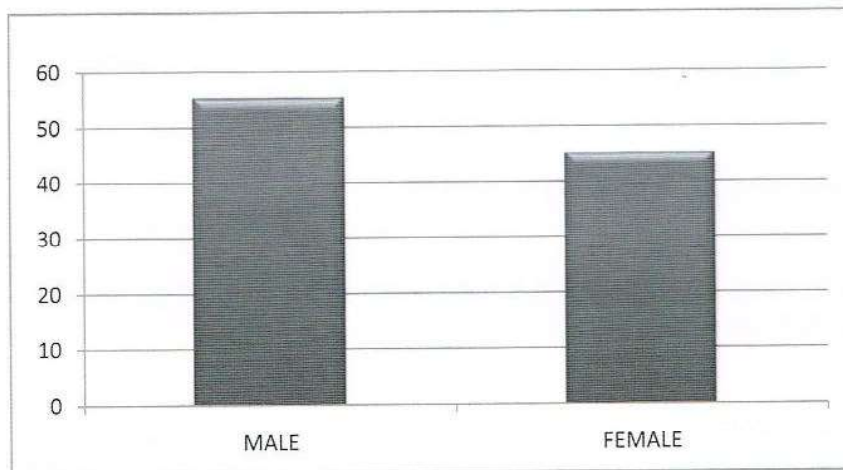
3. Reviews
4. What competitors say about the product or service
5. What its own marketers promise

Gil-Saura (2009) reveals that Marketing is predicated on the institution and maintenance of continuous relations between customer and salesperson as a supply of mutual advantages. Yet, perceptions of the advantages of those relations will vary to an excellent supported the sort of consumer. The aim of this text is to characterize teams of retail customers supported their perceptions of the advantages and prices derived from their relations with retailers. Brent McKenzie (2006) in his paper on "Retail service quality success factors in Estonia: A qualitative Approach", reports that the findings are limited within the potentially confounding effects of other consumer specific shopping variables. There is a need for a greater understanding of retail consumer behavior theory and practice, rather than mere consumer data gathering.

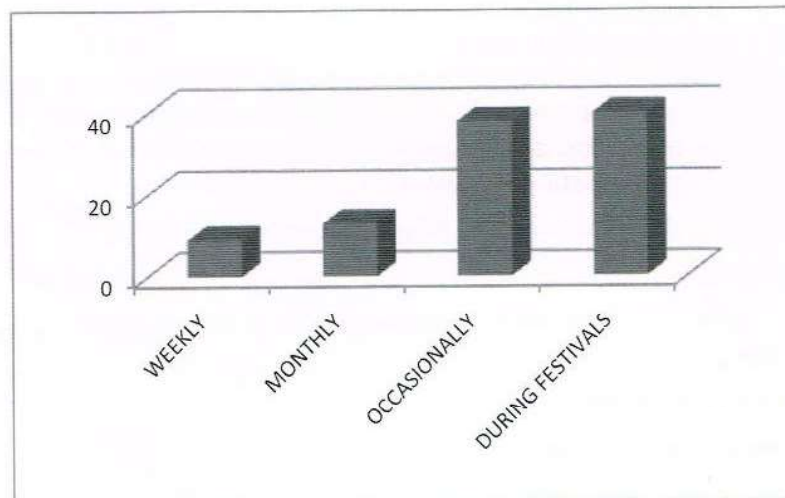
Data Analysis and Interpretation

From the study, data analysis and interpretation is provided below from figure 1 to figure 13 for various determinants of customer satisfaction.

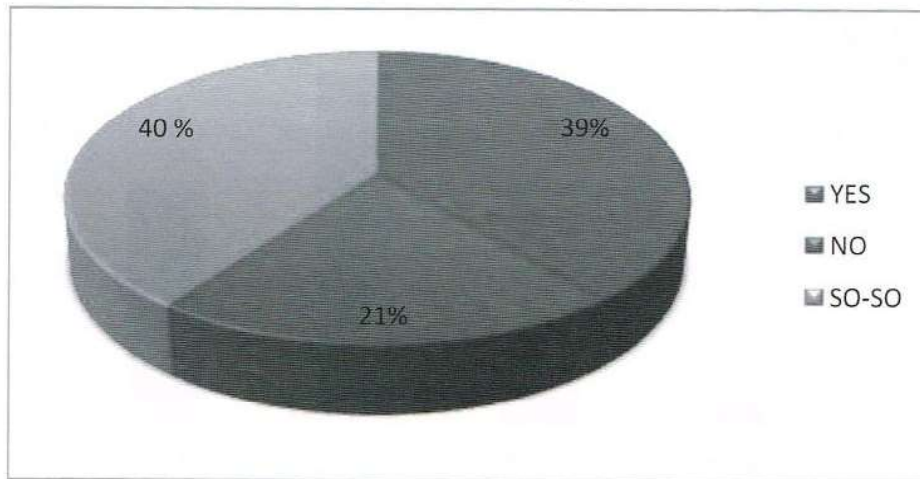
Graph 1. Male and Female Customers Visiting to Retail Stores.



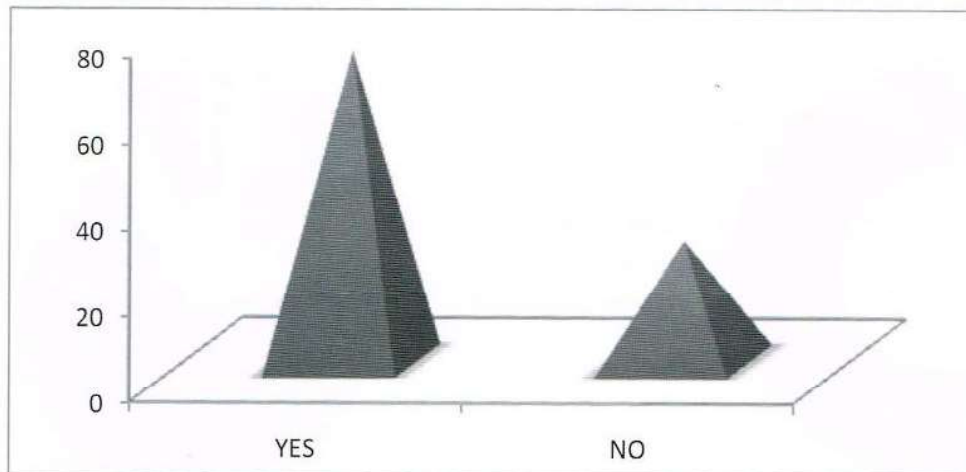
Graph 2. Frequency of Visit to Retail Stores



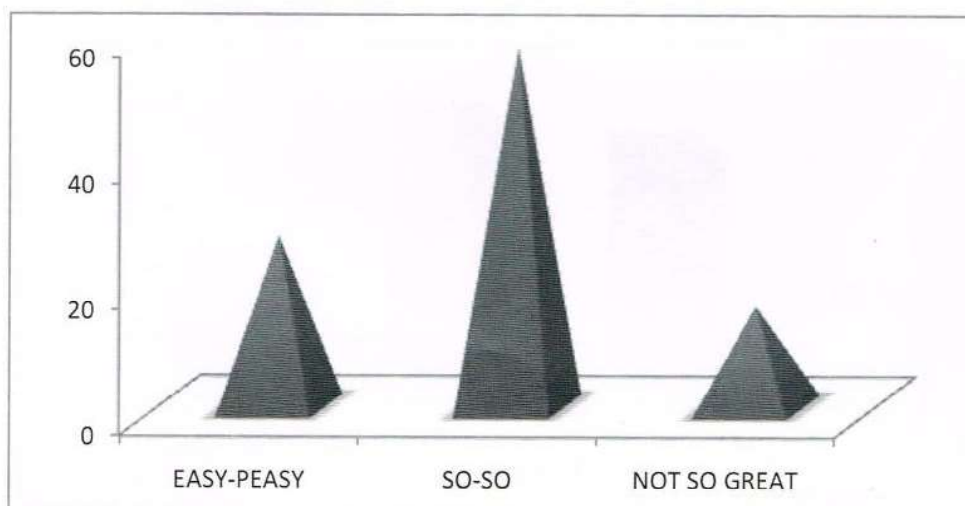
Graph 3. Employee's Greetings of Customers



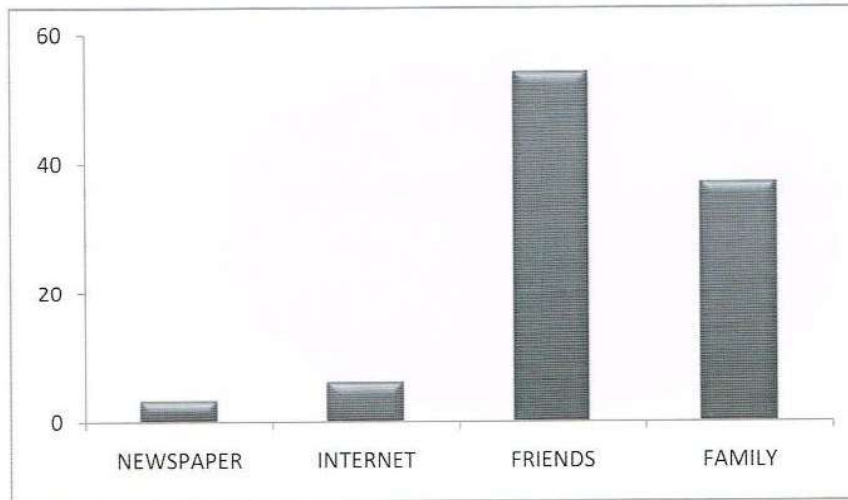
Graph 4. Employees Friendly and Knowledgeable



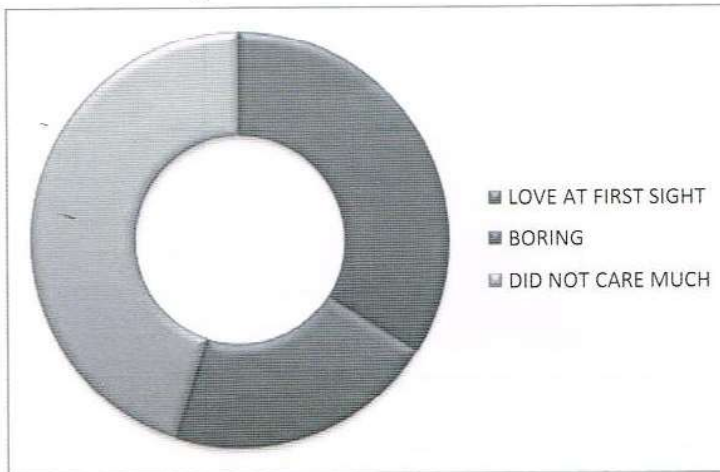
Graph 5. Easiness in Finding Items in Retail Stores



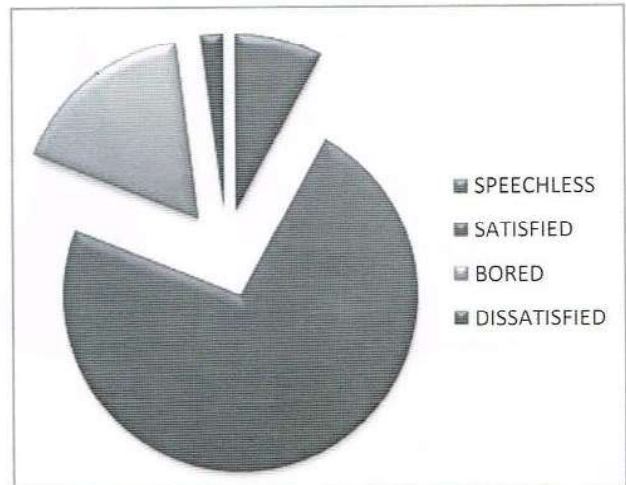
Graph 6. Source to Identify Retail Stores



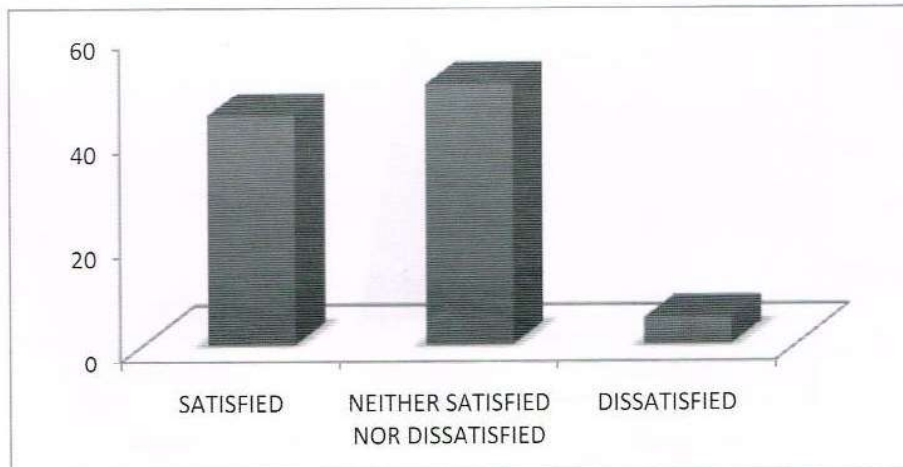
Graph 7. Look of Retail Stores



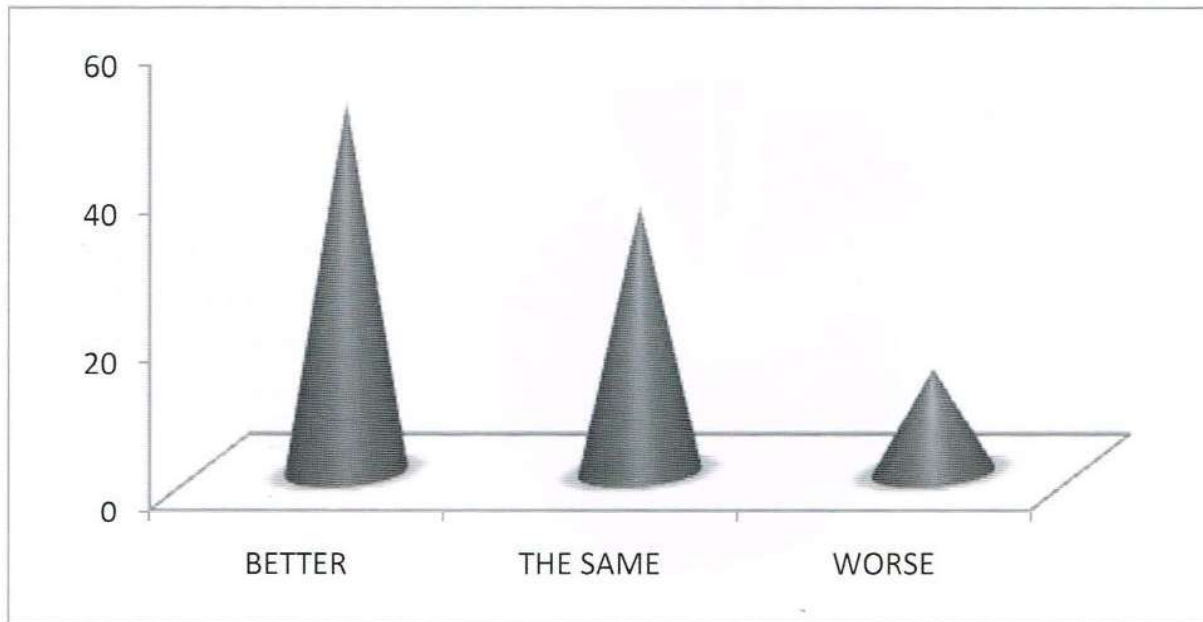
Graph 8. Variety of Brands in Retail Stores



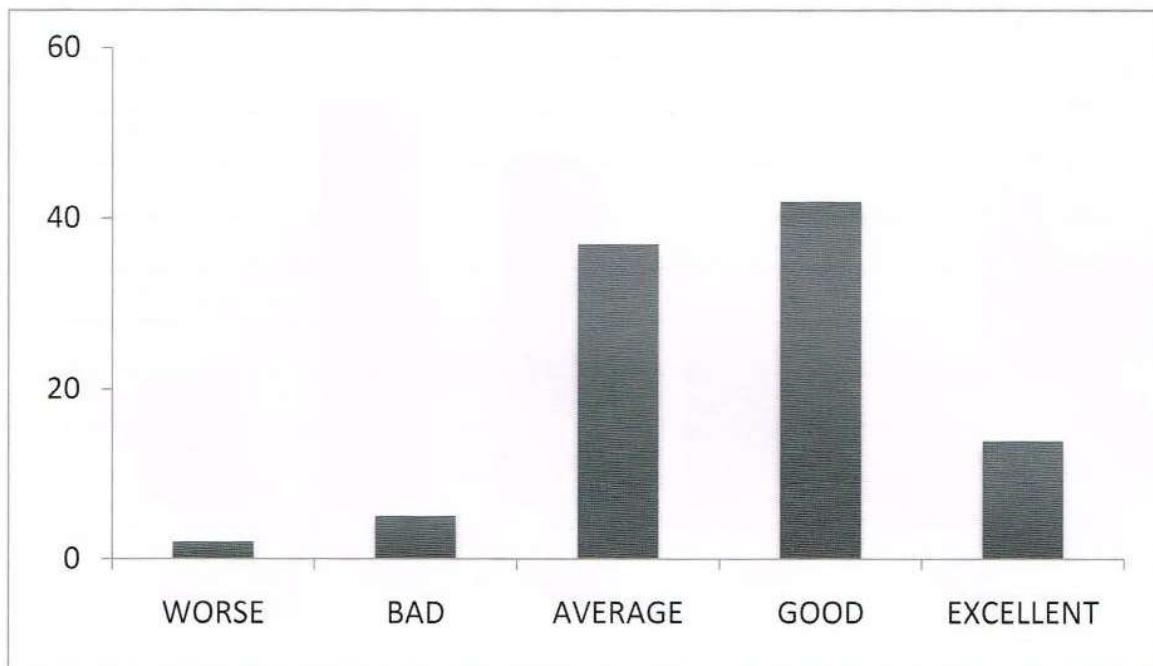
Graph 9. Cost of Items in Retail Stores



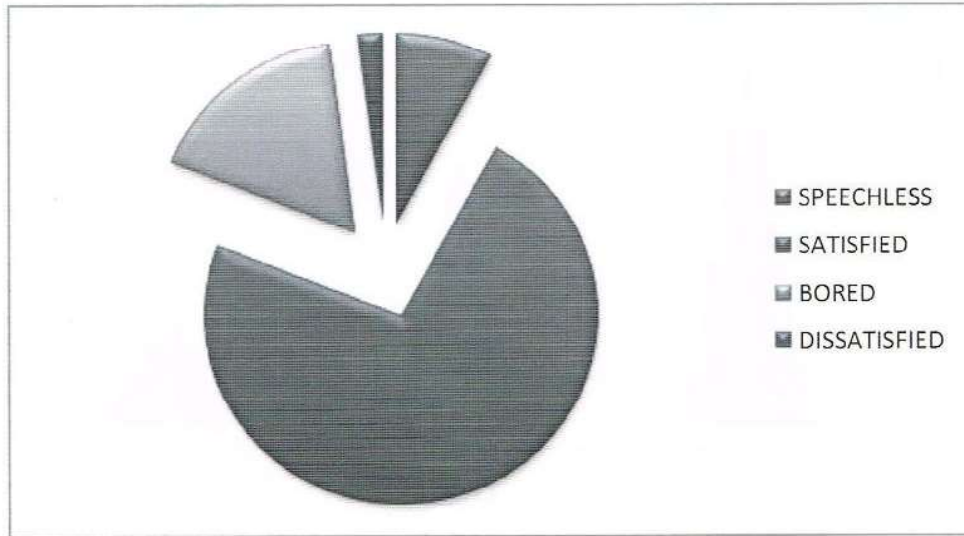
Graph 10. Quality in Comparison to Competitors



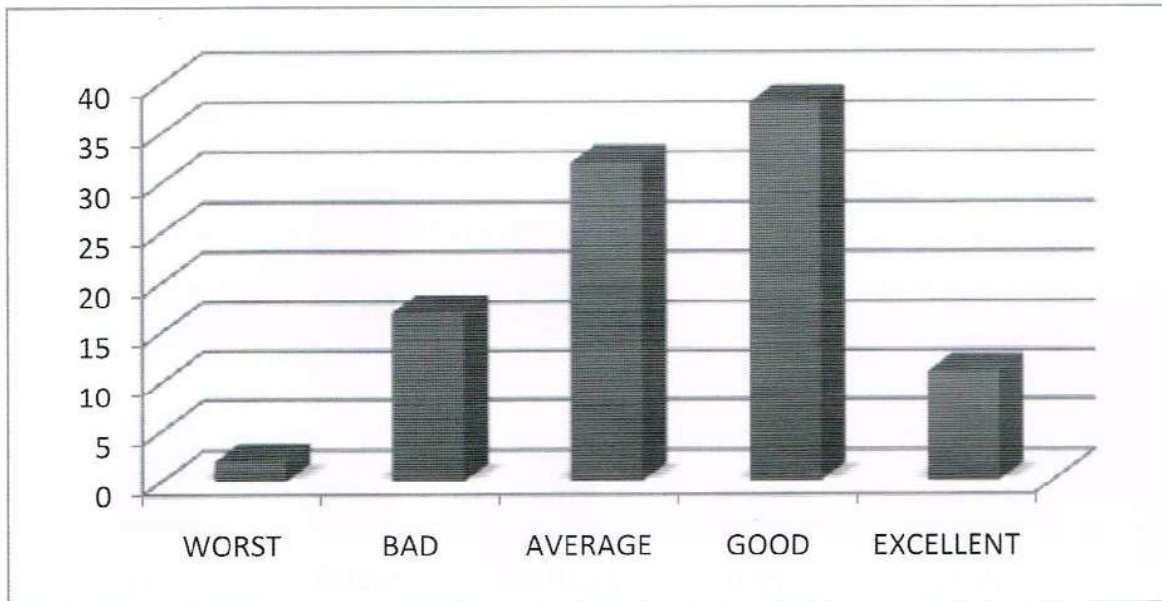
Graph 11. Billing Experience



Graph 12. Feeling of Wide Selection between Brands



Graph 13. Overall Services Provided at Retail Stores



Research Findings

- ❑ Maximum number of college going students and female prefer to visit retail stores. Most of the customers prefer to visit store during occasions and festivals.
- ❑ 21% didn't feel welcomed and pleased. 40% felt So-so (in between welcoming and non-welcoming).
- ❑ Retail stores have few counters, as it causes traffic jam of the customers.
- ❑ It was observed that, the employees use the accessories and clothes in front of the customers. That is not a good sign for a customer's overall satisfaction.
- ❑ Out of the 100 customers, 44% of them are satisfied with the prices. 50% of the customers say that, they are neither satisfied nor dissatisfied by the prices and 6% are dissatisfied.
- ❑ Among 100 customers, half of them say that, the quality of products is better compared to its competitors. While, 36% say that, the quality products are same as compared to the competitors and 14% say that, products are worse.
- ❑ Retail store provides its customers up to 80% discount during the festive seasons and also exiting prices in the off season.
- ❑ The attitude and behavior of the customer is analyzed on the basis of satisfaction of customer regarding different brands offered to customers, sources to identify retail stores, wide selection between brands, quality when compared to competitors etc. Hence maximum customers are satisfied with these determinants.

Recommendations/ Suggestions

- ❑ The retail stores should take strict actions against the employees who use the apparels before displaying them in the store.
- ❑ There is need to improve gestures to its customers on arrival to store.
- ❑ Employees should genuinely help the customers in finding items required for customers.
- ❑ Retail stores should use modern tools such as internet, social media, newspapers and pamphlets advertisement to attract more customers.
- ❑ Showroom should be designed in attractive and creative way to bring in more customers to retail store.
- ❑ As billing counters are less it creates problem for the customers, so there is need to either increase the billing counter or make the billing fast.
- ❑ They should create a brand identity and loyalty among its customers by giving them more quality clothes.
- ❑ Employees training should be done periodically to enhance the skills need to improve overall behavior of employees towards customers.
- ❑ Half of the customers feel that, products and quality are very better than other stores so it can also cover up the other half and build the Best Brand among all.

Further Research

This study has some limitations that future research can address. First, we used responses from customers of one retail outlet. Different retail outlets could be targeted instead of only one. Second, survey-based research imposes time limitations as customers are unwilling to spend too much time answering questions. Thus the model tests or quiz may moderate the impact of determinants on customer satisfaction. Third, the variables have been used for customer satisfaction could be increased or changed and worked upon. Fourth, we worked on apparel retail outlet. This survey based study can be applied to different sectors such as retail store, malls etc. at various locations or cities which could give different results based upon the values, norms and culture of every society.

Conclusion

The study dealt in a detail with the various factors that are linked and affect the customer's satisfaction. All the conclusions are drawn based on the analysis and interpretation of the primary data regarding the customer satisfaction at retail store. Overall there is need to focus on improvement in service provided to the customers. Move over the retail store should develop strategy in increasing sales and development and changes should be brought in display of various products at regular intervals to attract more customers.

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