



“MEASURING CUSTOMER SATISFACTION & LOYALTY IN ORGANIZED RETAIL STORES”

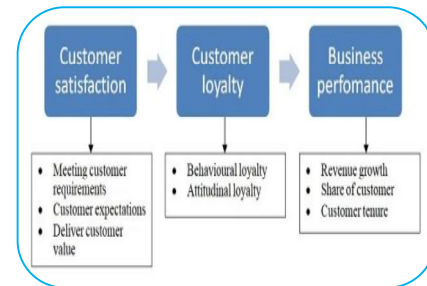
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ABSTRACT :

An important aspect of the current economic scenario in India is the emergence of organized retail. There has been considerable growth in organized retailing business in recent years and it is poised for much faster growth in the near future. Major industrial houses have entered this area and have announced very ambitious future expansion plans. Retailing is playing a vital role in Indian economy. Retail store is a part of the retail business. Nowadays, retail stores are being a part of the human beings. It ensures the prosperity of the nation in terms of employment creation and deployment of resources. It is also increase the standard of living of the people. They are providing lot of innovative services to their customers like all things under one roof, desired goods, affordable prices, ambience facility etc. Today, organized retailing has become an experience characterized by comfort, style and speed. It is something that offers a customer more control, convenience and choice along with an experience. Organizations need to retain existing customers while targeting new customers.



KEYWORDS : economic scenario , retail business , Organizations, employment creation and deployment of resources.

INTRODUCTION:

Measuring customer satisfaction provides an indication of how successful the organization is at providing products or services to the market. Customer satisfaction provides a leading indicator of consumer purchase intentions and loyalty. Customer satisfaction occurs when the value and customer service provided through a retailing experience meet or exceed consumer expectations. If the expectations of value and customer service are not met, the consumer will be dissatisfied. Customer satisfaction is the key factor in knowing the success of any retail store or business; therefore it is very important to measure it and to find the factors that affect the customer satisfaction. Customers are most likely to appreciate the goods and services they buy, provided if they are made to feel special. It should be always keep measuring in order to get feedback for the products and services in order to develop it further with wide customization. Customer satisfaction levels can be measured by using by various techniques. Gaining high levels of customer satisfaction is very important to a business because satisfied customers are most likely to be loyal, place repeated orders and use a wide range of services

offered by a business. The study aims at measuring customer satisfaction and loyalty in organized Retail Stores

LITERATURE REVIEW:

There is substantial volume of empirical work conducted in the field of customer satisfaction in organized retail stores.

- **Ubeja & Bedia (2011)** - The organized retailing sector in India has undergone significant transformation in the last decade. Customer satisfaction is a complex phenomenon for marketers. The purchases of goods or services consist of a number of factors that could affect purchase decision. The study analyse the customer satisfaction in shopping malls with respect to product, price, place and promotion in Indore city and to study the variations in customer satisfaction due to different demographic variables.
- **Dineshkumar & Vikkraman (2012)** - Customer satisfaction is widely recognized as a key pressure in the formation of consumers' future purchase intentions. Satisfied customers are also likely to tell others of their favourable experiences and thus engage in positive word of mouth advertising. The study investigates customer satisfaction in the organized retail outlets in Erode city. The study identifies the determinants of customer satisfaction in the organized retail outlets.
- **Vashishth & Nishi Tripathi (2016)** - The performance of the retailing sector for the past few years is outstanding and witnesses a huge revamping exercise, significantly contributed by the growth of the organized retailing. Rapid urbanization, exposure to large number of foreign brands and changing lifestyle and preferences has contributed to the growth of retailing in India. This study identifies the dimensions in which the services provided by the organized retail outlets to the customers and also it reveals the dimensional measure and the satisfaction of the customers.
- **Milner & Furnham (2017)** -This paper reviews various different questionnaires designed to measure customer response to a particular service. They differ on various criteria including the dimensions that they are trying to evaluate their established psychometric qualities and their usage. Recommendations for their use are made.
- **Soujanya & Daniel (2020)** - Retailing today is transforming a lot from the conventional ways of satisfying the customers. It is continuously searching for new ways to succeed and survive. While deciding the strategy and the distribution systems, the retailer has to consider the pressure exerted by the consumer. Whether the retailer is good or not will be decided by the customer based on what the new the retailer can offer him both in terms of the large variety of products and the bundled services. The retailer has to therefore, constantly innovate new products and services to satisfy the changing needs of the customers.

OBJECTIVE OF THE STUDY:

The objective of this research is to focus on measuring customer satisfaction and loyalty in organized retail store.

SCOPE OF STUDY:

The scope of this study is wide and valuable. The study deals with the customer satisfaction towards organized outlets which is very essential for retailing. This study focuses on how to measure customer satisfaction.

RESEARCH METHODOLOGY:

The aim of this study is to know the customer satisfaction towards organized retail outlets and find out the measuring factors of customer satisfaction. Therefore descriptive research is being adopted to find out the customer satisfaction. The required data was obtained from secondary sources.

ORGANIZED RETAIL STORES:

Today, organised retailing has emerged as a separate function and the retailer has moved close to the customer with the emergence of various retail formats. In this competitive market scenario where customers are deciding the success and future of the organisations, satisfying customers is considered to be the most important element by the marketers to differentiate themselves with the rest of the competitive players in the market. Organized retail stores are expected to provide unique shopping experiences to customers. Such shopping experiences could lead to satisfaction and store loyalty. Excellent service provided by retail stores builds customer loyalty, stronger relationships, and higher retention, which leads to organizational success and a better bottom line.

ORGANIZED RETAIL STORE QUALITY:

During the past few decades store quality has become a major area of attention for marketers since it gives strong impact on customer satisfaction and loyalty that leads to market share and profitability of retailers. Therefore several studies indicating that perceived service quality is the antecedent of customer satisfaction and gives direct and indirect effects on loyalty and shows a positive relationship with customer satisfaction, and customer revisit intension, furthermore service quality positively influences customer satisfaction. Satisfied customers not only provide a company with financial resources through continued transactions, on the other hand they are also an important factor in creating a company's positive brand image, thus performing valuable marketing functions, moreover loyal customers are active promoters of the retailers through word of mouth communication and may become the brand ambassadors of the business. On the other part customers of retail stores are much more concerned about the quality of services receive from store due to enhancement of their knowledge and awareness. Retailers need to understand the antecedents of customer satisfaction to minimise the reasons for dissatisfaction of customer.

CUSTOMER SATISFACTION:

Customer satisfaction can be defined as the positive feeling or effect, which is based on the comparison between the customers' perceived level of offering or outcomes and the expected level of offerings or outcomes. Customer satisfaction is the state of mind that customers have about a company when their expectations have been met or exceeded over the lifetime of the product or service. The achievement of customer satisfaction leads to company loyalty and product repurchase. Customer retention also helps when happy customers share their positive experiences. Before you can measure customer satisfaction, you need to understand customer satisfaction. Satisfied customers tend to be repeat customers. It also helps expand your business, such as through referrals and positive reviews. Customer satisfaction provides a leading indicator of consumer purchase intentions and loyalty. Customer satisfaction is positively related with customer loyalty.

STORE LOYALTY:

Store loyalty is a behavioural aspect; it includes customer retention, repeat purchases and positive oral communication. Store loyalty is one of the most important factor for building retail success and store longevity. Loyalty has become one of the biggest challenges for the organized retailers as the customers have wide option for choosing a specific store for shopping. Loyalty is a phenomenon that has always received a great deal of attention among retailers, and store loyalty is the most important part for the retailers to be focused. Store loyalty offers the base of an organization's continuous competitive advantage, and is a vital indicator of the stores development and performance. Store loyalty is a vital aspect in explaining customer withholding and is specified by a combination of again purchase level and a general level of affection. Due to heavy competition, retailers face difficulties maintaining their loyal customers. Thus, stores that are successful in attracting large number of loyal customers may have the advantage of higher returns and increased store image in the mind of the customers resulting into stronger customer base.

Measuring Customer Satisfaction:

In order to measure customer's satisfaction with organized retail store, you have to first understand how customers are measuring their own satisfaction. Customers will appreciate goods and services they buy, provided if they are made to feel special. This feeling is derived when they feel that the goods and services that they buy have been specially produced for them or for people like them. No one wants to buy anything from a dirty or unclean store. Frequent cleaning is important to how customers perceive your business. Building relationships with customers makes it more likely that they will return to retail store. Customer satisfaction is the key factor in knowing the success of any retail store; therefore it is very important to measure it and to find the factors that affect customer satisfaction. Customer satisfaction and customer loyalty is directly related to the operational performance of a business. In addition, customer satisfaction and loyalty also help measure business performance.

Measuring customer satisfaction is an important way to determine how your business is doing overall, as well as finding out what improvements you can make. Continuous observation of customers' perception towards organized retail stores is an important criterion for a marketer to understand for further strategic decision. A very common and simple way to measure your customer's satisfaction is to send out a survey to them. To be a successful retailer and to gain the customer satisfaction level at the maximum, quality, variety of products, sufficient physical ambience, parking facility, fast access and billing system, proper crowd management should be continuously improved at all levels. This will shape or structure the retail stores to blend the expertise of the world to turn into best customer satisfiers in all spheres of their needs.

CONCLUSION:

Organized retail stores are expected to provide a unique shopping experiences to customers. Such shopping experiences could lead to satisfaction and store loyalty. Customer satisfaction provides a leading indicator of consumer purchase intentions and loyalty. Customer satisfaction is the key factor in knowing the success of any retail store; therefore it is very important to measure it and to find the factors that affect the customer satisfaction. Customer satisfaction is positively related with customer loyalty. Retailers need to understand the antecedents of customer satisfaction to minimise the reasons for dissatisfaction of customer. Customer satisfaction and customer loyalty is directly related to the operational performance of a business. In addition, customer satisfaction and loyalty also help measure business performance. Loyalty has become one of the biggest challenges for the organized retailers. Customer satisfaction levels can be measured by using various techniques. A very common and simple way to measure your customer's satisfaction is to send out a survey to them.

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