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AN ASSESSMENT ON CONSUMER PERCEPTION FOR SERVICE
EXCELLENCE IN RETAIL STORES IN THANJAVUR CITY



R. Jayanthi¹ and J. Sundararaj²

¹Ph.D Research Scholar, Department of commerce, Annamalai University,
Chidhambaram, Tamil Nadu.

²Associate Professor and Research Supervisor, Commerce Wing, DDE,
Annamalai University, Chidhambaram, Tamil Nadu.

ABSTRACT:

Retail service quality is also associated with future consumption behaviour in terms of the customer's intention to visit, purchase and recommendations of the store to family and friends. Hence, it is important for the corporate retail managers to pay attention on evaluation of service quality dimensions and to add value to the both customers and organizations. The retail environment is changing more rapidly than ever before (Dabholkar, 1996). The Indian consumers are becoming knowledgeable and expect more of superior quality products and improved services. The trade is characterized by intensifying competition from both domestic and foreign companies. By that the retailer has to differentiate themselves from others to encounter the rivals in the market. The generally accepted retailing strategy for creating competitive advantage is the service quality.

KEYWORDS : Sservice quality, customer satisfaction, retail outlet.

1. INTRODUCTION:

Retailing is the most prominent element of marketing where the marketer meets the ultimate consumer who exchanges value for the product and thus sanctions the very existence of business. Retailer is the last link in the distribution chain and his efforts to create demand and satisfy needs pave the way for the economic activity. Retailing is a business, easy to enter, with comparatively low capital and infrastructural requirements. The Indian retail industry is the fifth largest in the world comprising organized and unorganized sectors. Retail industry is one of the fastest growing industries in India, especially over the last few years.

Retail service quality is also associated with future consumption behaviour in terms of the customer's intention to visit, purchase and recommendations of the store to family and friends. Hence, it is important for the corporate retail managers to pay attention on evaluation of service quality dimensions and to add value to the both customers and organizations.

Retail sector occupies one sixth of the labour force in the world and it is one of the leading private sector that accounts for developing GDP. In India, retail sectors is high ranked an more attractive market for investments, it contributes about 10 per cent of total GDP of India and second largest sector which offers high employment to public next to agriculture sector. Globally, among 30 different rising markets, India has identified as a second most gorgeous retail destination. In recent years, Indian economy has been experience rising significance of formal retailing like departmental stores, hypermarkets and super markets. It can be concludes that many retail outlets approaching into the competitive retail market with branded retail outlets. Retailing is the final chain that links the manufactures and individual consumers. Normally money coerces the economy and retail is place where consumers pay out their money.

Service Quality:

Service quality is a concept that has aroused considerable interest and debate in the literature because of the difficulties in both defining it and measuring it with no overall consensus emerging either. Service quality can thus be defined as the difference between customer expectations of service and the customer experience. If expectations are greater than performance, then the perceived quality is less than the satisfaction level and hence customer dissatisfaction occurs.

Five Dimensions of Service Quality:

Parasuraman et al. (1988) devised the scale for measuring service quality on the basis of five-dimensions as follows.

- **Tangibles:** This dimension of service quality refers to those elements, which provides tangibles to the service and includes physical facilities, equipments of the service provider, dress and appearance of the service personnel.
- **Reliability:** This refers to the ability of the service provider to accurately perform the promised service of right quality goods at right prices.
- **Responsiveness:** It refers to the willingness of the service provider and his staff to provide assistance and prompt service to customers.
- **Assurance:** This refers to the ability of the service provider and his employees to use their knowledge and courteous behaviour to instil trust and confidence in customers regarding the services rendered.

- **Empathy:** This refers to the care and concern shown to the customers and the capability of the firm to devote individualized attention to its customers

Review Of Literature:

McKenzie (2006) examines the service quality dimensions in Estonia and states that three dimensions - physical aspects, personal interaction and problem solving - are distinguished in that particular market. However, most retail companies operate in three countries while adopting non-differentiated marketing approach and is useful to research all three countries together in order to evaluate which attributes of retail service quality that are important to customers could be distinguished as separate dimensions of service quality.

C.N. Krishna Naik et.al(2010) studied "Service Quality (Servqual) and its Effect on Customer Satisfaction in Retailing". This research uses SERVQUAL to analyze the gap between perceptions and expectations of the customer, concerning with the service at retail units in the South Indian state of Andhra Pradesh. Five dimensions in service quality (servqual), tangibility, reliability, responsiveness, empathy, and assurance (Parasuraman, Zeithaml, &Berry, 1985) have been considered for this empirical research. General purpose of this research to know some factors that impact customer satisfaction. The result of research showed that services offered by retail units have positive impact and are significant in building customer satisfaction.

Omotayo and Abolaji (2012) made a study on "Measuring Retail Service Quality in Nigerian Departmental Stores". The study found that, RSQS to be a useful tool for evaluating retail service quality in retail sector of departmental stores. Physical dimension, reliability, personal interaction and problem solving were also found to significantly affect customers' satisfaction, while policy was found not to have similar effect within the Nigerian environment.

Aluregowda (2013) attempted a study entitled "Retail Service Quality and its Effect on Customer Perception: A Study of Select Supermarket in Mangalore". The paper focuses on retail service quality that contributes to customer perception. Retail service quality was measured by using five dimensions like reliability, personal interaction, physical aspects, problem solving and policy. The result revealed that all the five dimensions were positively significant to customer perception.

Statement Of The Problem:

Retailing in India is gradually inching its way towards becoming the next boom industry. The retail area today is very different—the opportunities are incredible but exploiting them is extremely tough. The retail environment is changing more rapidly than ever before (Dabholkar, 1996). The Indian consumers are becoming knowledgeable and expect more of superior quality products and improved services. The trade is characterized by intensifying competition from both domestic and foreign companies. By that the retailer has to differentiate themselves from others to encounter the rivals in the market. The generally accepted retailing strategy for creating competitive advantage is the service quality

Objectives Of The Study:

- (i) To assess the important retail service excellence dimensions;
- (ii) To study customer satisfaction on service quality in retail outlets
- (iii) To know the socio-economic profile of customers and their retail service quality

Methodology:

The sample was drawn from a population of active retail shoppers. Nearly 120 customers were approached during one week so as to get better representation of the shopping population visiting three organized retail outlets in Thanjavur situated at different prominent locations of the city of Thanjavur. SERVQUAL questionnaire was used to study the service quality. The responses to 20 statements of expectations and perceptions in SERVQUAL were used for analyzing the Service Gaps which existed between services expected by customers and services delivered to the customers.

Analysis And Interpretations

Education Wise Classification

Education	No. of Respondents	Percentage
Up-to HSC	39	32.5%
Graduate	31	25.8%
Post Graduate	18	15%
Professional Programs	11	9.2%
Others	21	17.5%
Total	120	100.0%

The above table shows that 32.5% of the respondents are having educational qualification up to hr. sec school. 25.8% of the respondents are having educational qualification of graduates. 17.5% of the respondents are having other types of educational qualification.

Customer satisfaction of service quality in related to Tangible dimension

Tangibility	dissatisfied	Satisfied	Highly satisfied
Fast billing and checking	15	48	57
Clean, attractive, convenient physical Facilities	44	46	30
Return and exchange of commodities	58	39	23
The store layout at this store is convenient to move around in the store	11	45	64
Attractive display	43	49	28

The above table shows that 87.5% (105) of the respondents are satisfied the fast billing and checking facilities. 63.3% (76) of the respondents are satisfied the clean, attractive, convenient physical facilities. 51.6% (62) of the respondents are satisfied the return and exchange of commodities. 90.8% (109) of the respondents are satisfied the convenient to move around in the store. 64.1% (77) of the respondents are satisfied attractive display of the stores.

Customer satisfaction of service quality in related to Reliability dimension

Reliability	dissatisfied	Satisfied	Highly satisfied
Quality of products	8	73	39
Giving prompt service	23	54	43
This store provides services on time, as it is declared	35	51	34
This store insists on error-free sales transactions and records	21	49	50
Individual attention	47	48	25

The above table shows that 93.3% (112) of the respondents are satisfied the statement store is having highly quality products. 80.8% (97) of the respondents agreed that the stores offered prompt service to the customers. 70.8% (85) of the respondents are satisfied the store is provides services on time, as it is declared. 82.5% (99) of the respondents are satisfied the store insists on error free sales transaction and records. 60.8% (73) of the respondents are satisfied the individual attention of the customers.

Customer satisfaction of service quality in related to Responsiveness Dimension

Responsiveness	dissatisfied	Satisfied	Highly satisfied
Employees should treat customers courteous	23	49	48
Employees should be knowledgeable	14	52	54
Immediate response to customer request	9	54	57
Customer has a problem the outlet shows sincere interest is solving the same	26	61	33
Behaviour of employees instils confidence in Customers	11	46	63

The above table reveals that 80.8% (97) of the respondents are satisfied that employees should treat customers courteous. 88.3% (106) of the respondents are satisfied that employees should be knowledgeable. 92.5% (111) of the respondents are satisfied that immediate response to customer request. 78.3% (94) of the respondents are satisfied that customers has a problem the outlet shows sincere interest is solving the same. 90.8% (109) of the respondents are satisfied that behaviour of the employees instils confidence in customers.

Customer satisfaction of service quality in related to Assurance dimension

Assurance	dissatisfied	Satisfied	Highly satisfied
This store accepts all major credit cards	59	37	24
This store has operating hours convenient to all their customers	26	49	45
This store provides plenty of convenient parking for customers	20	47	53
Telling exactly what will be performed	42	59	19
This store have its own loyalty card	14	67	39

The above table shows that 50.8% (61) of the respondents are satisfied that the store accepts all major credit cards. 78.3% (94) of the respondents are satisfied that the store has operating hours convenient to all their customers. 83.3% (100) of the respondents are satisfied that the store provides plenty of convenient parking for customers. 65% (78) of the respondents are satisfied that the employees are telling exactly what will be performed. 88.3% (106) of the respondents are satisfied that the store have its own loyalty card.

Customer satisfaction of service quality in related to Empathy dimension

Empathy	dissatisfied	Satisfied	Highly satisfied
Offer attractive carry bags	12	73	35
Good response in phone orders	51	42	27
Door delivery services	64	41	15
Individual customer card for special discount	31	57	32
Special gift according to the customer purchase level.	91	22	7

The above table reveals that 90% (108) of the respondents are satisfied that the store offer attractive carry bags. 57.5% (69) of the respondents are satisfied the good response in phone orders. 53.3% (64) of the respondents are dissatisfied the door delivery services.

T test

There is a significant difference between marital status of the respondents and their overall perception of service quality of retail outlet

	Mean	SD	Statistical inference
Tangibility			T = 46.269
Married (86)	25.82	11.963	0.000 < 0.05
Unmarried (34)	28.24	12.744	significant
Responsiveness			T = 55.383
Married (86)	15.02	7.640	0.113 < 0.05
Unmarried (34)	16.56	8.499	Not Significant
Reliability			T = 65.332
Married (86)	26.45	12.912	0.793 < 0.05
Unmarried (34)	32.25	9.324	Not Significant
Assurance			T = 32.407
Married (86)	21.73	14.496	0.000 < 0.05
Unmarried (34)	24.47	15.589	Significant
Empathy			T = 53.821
Married (86)	30.98	11.962	0.000 < 0.05
Unmarried (34)	33.42	13.358	Significant
Overall perception about service quality in retail outlet			T = 63.873
Married (86)	260.36	279.29	0.001 < 0.05
Unmarried (34)	102.022	111.213	Significant

Research hypothesis:

There is a significant difference between marital status of the respondents and their overall perception of service quality of retail outlet

Null hypothesis:

There is no significant difference between marital status of the respondents and their overall perception of service quality of retail outlet

Statistical Tools

Student 't' test was used in the above table

Findings:

The above table reveals that there is a significant difference between marital status of the respondents and their overall perception of service quality of retail outlet. Hence the calculated value is less than table value ($P < 0.05$). So the research hypothesis is accepted and null hypothesis is rejected.

Findings:

- 87.5% (105) of the respondents are satisfied the fast billing and checking facilities.
- 63.3% (76) of the respondents are satisfied the clean, attractive, convenient physical facilities.
- 51.6% (62) of the respondents are satisfied the return and exchange of commodities.
- 90.8% (109) of the respondents are satisfied the convenient to move around in the store.
- 64.1% (77) of the respondents are satisfied attractive display of the stores.
- 93.3% (112) of the respondents are satisfied the statement store is having highly quality products.
- 80.8% (97) of the respondents agreed that the stores offered prompt service to the customers.
- 70.8% (85) of the respondents are satisfied the store is provides services on time, as it is declared.
- 82.5% (99) of the respondents are satisfied the store insists on error free sales transaction and records.
- 60.8% (73) of the respondents are satisfied the individual attention of the customers.
- 80.8% (97) of the respondents are satisfied that employees should treat customers courteous.
- 88.3% (106) of the respondents are satisfied that employees should be knowledgeable.
- 92.5% (111) of the respondents are satisfied that immediate response to customer request. 78.3% (94) of the respondents are satisfied that customers has a problem the outlet shows sincere interest is solving the same.
- 90.8% (109) of the respondents are satisfied that behaviour of the employees instils confidence in customers.
- 50.8% (61) of the respondents are satisfied that the store accepts all major credit cards.
- 78.3% (94) of the respondents are satisfied that the store has operating hours convenient to all their customers.
- 83.3% (100) of the respondents are satisfied that the store provides plenty of convenient parking for customers.
- 65% (78) of the respondents are satisfied that the employees are telling exactly what will be performed.
- 88.3% (106) of the respondents are satisfied that the store have its own loyalty card.

Suggestions :

Based on the findings of the study, the following policy implications are drawn: Since the service quality gap in all dimensions are almost in negative, the retailers have to analyse the customer's expectations and perceptions on retail service quality consistently. They are advised to take remedial action to minimize such gaps according to their resources. The remedial measures to minimize the service quality gap in different towns need not be the same. Prevalent retail practices focus on creating a pleasurable shopping experience in anticipation to deliver favorable customer service.

Satisfying customer needs through excellent service quality provided by customer-oriented salespeople will increase the likelihood of customers returning to shop and eventually recommending the stores to others. Word-of-mouth recommendations on service quality play an important role in pushing products to new customers and generating revenue streams by increasing the percentage of retained customers. Thus it is important to take measures to keep the ambiances clean so that overall

quality experienced is felt by the customer.

CONCLUSION:

The retailers have to focus on all five dimensions in retail service quality. The employees in retail counters should be properly trained to improve their skills in assurance, reliability and empathy. An understanding of customer's experiential responses may help retailers in better management of retail stores and aligning their efforts towards ensuring enhanced overall service quality experience. Retailers can further identify the factors leading to creation of a positive retail customer's experience in terms of service quality.

Every retail outlet has significant advantages with respect to other outlets in terms of location, potential of the trading area, brand pull of the retail outlet. Since the study is related to retail service quality, it is highly dynamic. Hence, the retailers should be very cautious to analyse their customers' perceptions and expectation in a consistent manner in order to enrich their business in future.

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