

## CUSTOMER SATISFACTION THROUGH SERVICE QUALITY IN RETAILING

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### ABSTRACT

The present research studies the relationship between the service quality and satisfaction. The quality of the service rendered by the retailer influence the customer judgment about the retailer therefore it becomes necessary for the retailer to give special attention to the various services they provide for the customers. Service quality is the consumer's judgment about a product's overall excellence or superiority. In this study the various services provided by the loyal world supermarket to the customers are undertaken and measured to know the level of customer satisfactions with each service. The data was obtained through structured questionnaire using five point rating scale. The sample selected for the study was 150 and the data was analyzed using one sample t- test and later the paired sample correlation test was conducted. The results revealed that 9 factors were positively related to customer satisfaction.

*Keywords – retail service quality, customer satisfaction, retailing, supermarket, Mysore city*

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## INTRODUCTION

Service quality has become an important subject because of its impact on consumer satisfaction. By satisfying customers through superior quality service, retailers are not only retaining their existing Customers, but also increasing the customer segment and market share. In retail stores where there is a mixture of product and service, retailers are likely to have impact on service quality more than product quality. Service quality plays a significant tactical role in creating quality perceptions. The perceived quality of the product is becoming the most important rivalry factor in commerce world. Services are increasingly becoming a larger portion of many organizations' regionally, on a national scale, and internationally and are considered as a tool for income streams. Today's knowledge intensive services businesses need reliable methods of measurement, estimation, and development.

## LITERATURE REVIEWS

Barani G experiential study examines the dimensions and their levels of service quality that have significant effect on customer satisfaction in organized retailing. The results illustrated that the dimensions of service quality such as tangible, competence, credibility, accessibility, reliability, responsiveness, and customer knowledge were positively related to customer satisfaction in organized retailing. However, by using Statistic software only four factors, namely, customer knowledge, credibility, reliability, and tangible have significant effect on customer satisfaction that indicated to improve customer satisfaction. Johan Anselmsson suggested that Service has conventionally been a powerful competitive tool in grocery retailing. Lately discount stores have proven to be a charming concept within North European grocery retailing and this has evoked a renewed interest in service quality and grocery retailing.. The result shows that the traditional grocery store performs better on all service attributes, particularly on assortment issues. Also, the result call for more research on how to measure service quality in north European grocery retailing. Srinivas Durvasula examines the service quality perceptions of consumers towards retailers in Singapore. He applied SERVQUAL, to assess service quality perceptions and expectations gaps in service quality. He first examined the dimensionality and reliability of this scale. Then, examination by various demographic groups' revealed significant gaps in service quality the gaps in quality were much superior for some service quality dimensions than for

others. The implications of these outcomes for Singapore retailers and retail entrepreneurs are then presented along with future research directions. WANG Shucui suggested that Retail stores belong to service industry, which present a mixture of goods and service, thus retail product organization not only have the common characters of goods quality but also have the special characters of services quality. He focused on the two main quality scales of the retailers: SERVQUAL and RSQS, the previous is prevalent in universal business service management; the last is improvement special for retail provisions. The applying situations and the boundaries of the two scales are concluded correspondingly. Nor Khalidah Abu recommended increasing competition in the grocery retail sector in Malaysia has moved many retailers despite of size, to find competitive edges that could place them ahead of the rest. The importance of foreign based retailers that are mostly large in size is disturbing the small and medium sized retailers. Yet, their attraction toward different types of grocery retailers may differ as Malaysian consumers become more discriminating in their choices of retailers. This study explored the needs of customers frequenting retail outlets of different sizes and evaluates the service quality dimensions which should be given main concern by retailers wishing to establish firm competitive edge. The results suggest the existence of all dimensions from findings of RSQS by Dabholkar, Rentz, and Thorpe, However, detailed issues related with physical aspects and personal interaction differs for different sizes of grocery stores. Service quality is usually defined based on consumer's evaluation. Parasuraman defined service quality as a measure of how well the service level delivered matches customer expectations; delivering quality service means confirming to customer expectations on a constant basis. Zeithaml defined service quality as the consumer's judgment about a product's overall excellence or superiority. Kotler defined service quality as "the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. So, service quality is one of the important factor which leads to customer satisfaction and leads to customer loyalty. Ghobadian et al. hypothesize that most of the service quality definitions fall within the "customer led" groups. Juran elaborates the definition of customer led quality as "features of products which meet customers' needs and thereby provide customer satisfaction. As service quality relate to meeting customers' needs, we will be looking at "perceived service quality" in order to understand consumers (Arnauld et al., 2002). Grönroos (1984) and Parasuraman looks at perceived quality of service as the difference between customers' expectation and their perceptions of the actual service received. Further researchers

seems at perceived service quality as an approach. Arnould et al., defined perceived quality “whether in reference to a product or service” as “the consumers’ evaluative decision about an entity’s overall superiority in providing preferred benefits”

### **OBJECTIVE OF THE STUDY**

The objective of the study is to identify the effect of various selected service dimensions on customer satisfaction.

### **METHODOLOGY**

The relevant data for the study has been collected from both primary and secondary sources. Simple random sampling is used to collect the information. One sample t test and correlation was used in this research the data was collected through structured questionnaire by using five point likert scale. A sample of 150 respondents was selected for the study.

### **LIMITATION OF THE STUDY**

In this study only few service dimensions are included and the geographical area is confined to one supermarket in Mysore city

### **DATA ANALYSIS AND INTERPRETATION**

1) **DEMOGRAPHIC-** Analysis of demographic information revealed that 38 percent customers were young and aged between 19 years to 25 years and 57 percent of the respondents were males. Around 43percent of the sample respondents had graduation and 58 percent were employed; out of the total sample 49 percent of the respondent’s annual income was in between 200000 to 250000p.a;

### **2) ONE-SAMPLE T-TEST STATISTICS**

	N	Mean	Std. Deviation	Std. Error Mean
BRAND VALUE	150	3.3400	1.06077	.08661
PRODUCT PRICE	150	3.3533	1.29603	.10582
SHOP POSITION	150	3.1867	.79754	.06512
QUICK DELIVERY	150	3.2267	1.16519	.09514
PARKNG FACILITIES	150	3.1533	1.23558	.10088
DISPLAY FACILITIES	150	3.5200	.73931	.06036
OFFERS	150	3.2333	1.08323	.08845
ADVERTISING	150	3.2600	1.31807	.10762
POLICY	150	2.8133	.66943	.05466
PRODUCT AVILABILITY	150	3.1667	.76340	.06233

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
BRAND VALUE	3.926	149	.000	.34000	.1689	.5111
PRODUCT PRICE	3.339	149	.001	.35333	.1442	.5624
SHOP POSITION	2.867	149	.005	.18667	.0580	.3153
QUICK DELIVERY	2.383	149	.018	.22667	.0387	.4147
PARKNG FACILITIES	1.520	149	.131	.15333	-.0460	.3527
DISPLAY FACILITIES	8.614	149	.000	.52000	.4007	.6393
OFFERS	2.638	149	.009	.23333	.0586	.4081
ADVERTISING	2.416	149	.017	.26000	.0473	.4727
POLICY	-3.415	149	.001	-.18667	-.2947	-.0787
PRODUCT AVILABILITY	2.674	149	.008	.16667	.0435	.2898

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	BRAND VALUE	3.3400	150	1.06077	.08661
	PRODUCT PRICE	3.3533	150	1.29603	.10582
Pair 2	SHOP POSITION	3.1867	150	.79754	.06512
	QUICK DELIVERY	3.2267	150	1.16519	.09514
Pair 3	CMPLAINT HANDLING	3.5200	150	.73931	.06036
	OFFERS	3.2333	150	1.08323	.08845
Pair 4	ADVERTISING	3.2600	150	1.31807	.10762
	PRODUCT AVILABILITY	3.1667	150	.76340	.06233

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	BRAND VALUE & PRODUCT PRICE	150	.229	.005
Pair 2	SHOP POSITION & QUICK DELIVERY	150	-.082	.319
Pair 3	CMPLAINT HANDLING & OFFERS	150	.174	.033
Pair 4	ADVERTISING & PRODUCT AVILABILITY	150	.117	.155

Paired Samples Test

		Paired Differences				t	df	Sig. (2-tailed)	
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower				Upper
Pair 1	BRAND VALUE - PRODUCT PRICE	.21333	1.47456	.12040	.05124	.32457	1.111	149	.001

Pair 2	SHOP POSITION - QUICK DELIVERY	-.04000	1.46494	.11961	-.27635	.19635	-.334	149	.739
Pair 3	CMPLAINT HANDLING - OFFERS	.28667	1.20032	.09801	.09301	.48033	2.925	149	.004
Pair 4	ADVERTISING - PRODUCT AVILABILITY	.09333	1.44402	.11790	-.13965	.32631	.792	149	.430

The results revealed that display facilities, brand value and product price as important factors in deciding where to shop. The factors which are considered less important in deciding where to shop is parking and policy, the various other factors which are considered important are shop position, quick service, display facilities, offers, advertising and product availability. The one sample test revealed that all the factors were positively related to customer satisfaction except parking facilities. Later the paired sample t test was conducted the result from the correlation analysis and test analysis determines that the customers are satisfied with brand value with the product price. The respondent feels that with the effective shop positioning there is a need to improve the delivery process. Respondent consider that the complaint handling system is effective and the store should provide better offers to the consumers. The respondents also feels that the retail store should also provide better advertising in order to make consumer aware about the product availability.

## CONCLUSION

It is concluded that the management need to consider some of the factors and take appropriate decision in order to make the required changes which ultimately leads to customer satisfaction and the customer remains loyal to the retailer. In the competitive world the only criteria to make the customer satisfied and to create competitive advantage is through better service. The study has revealed the factors for which the special attentions need to be taken.

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