

A STUDY ON THE CUSTOMER SATISFACTION TOWARDS
THE RETAIL MARKETING MIX OFFERED BY THE SELECT
ORGANISED MULTI BRAND RETAIL OUTLETS WITH
SPECIAL REFERENCE TO COIMBATORE CITY

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Abstract:

India, the land of retailers is experiencing newer dimensions in the retail strategies. Recent policies of the Government with regards to FDI on retail induce the big retail players in India to equip them by all means to meet global competition. Retailers should design the marketing mix effectively to create and sustain competitive advantage in addition to customer satisfaction. The retail marketing mix is composed of 7Ps of marketing such as product, price, place, promotion, people, process, physical evidence. The present study focuses on the retail marketing mix offered by the organised multi brand retail outlets with special reference to Coimbatore City, India. The multi brand retail outlets included for the study are the select hypermarkets, super markets and departmental stores in Coimbatore. The stores were selected randomly based on the convenience of the researcher. The study focuses on the customers' satisfaction levels with regards to the elements of retail marketing mix. The study makes a profound analysis on the different sections of the organised multi brand retail outlets and also the customers' shopping preference in the same. The study also emphasizes on the customers' expectation in the components of marketing mix delivered by the organised multi brand retail outlets.

Key Words: Marketing mix, Hyper markets, Shopping preference, Multi brand retail

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Introduction:

In the present scenario, “**customer is considered to be the king of any business activity**”. The taste and preference of customers vary with time. Due to the tough competition prevailing in the sector of retail, there arises a need for studying customer needs and expectations. Therefore the study on the retail mix is essential for identifying the efficiency of existing retail mix and making changes accordingly. This increases the satisfaction level of customers and earns loyal customers.

Objectives of the Study:

- To find out the customer satisfaction levels towards the marketing mix offered by the multi brand retail outlets
- To identify the customer expectation with regards to the retail marketing mix
- To analyze the consumer shopping preferences in a multi brand retail outlet
- To offer suggestions for improving the effectiveness of the existing marketing mix

Limitations of the study:

- The study was restricted to the multi brand retail outlets of Coimbatore
- The store choice was random
- The respondents were selected randomly as per the convenience of the researcher
- The sample size was limited to 300

Research Methodology:

The present study is an empirical investigation and analytical in nature including the field survey. The primary data has been collected from 300 customers who visit the organised multi brand retail outlets. Random sampling technique was used. The customers are approached randomly when they complete their shopping at the organised multi brand retail outlets. The respondents were given a structured questionnaire and the data was collected. The response rate

was found to be 80%. The data regarding the current strategies in the organised multi brand retail outlets was collected from the stores and also through the personal interview with the employees. Open ended and close ended questions were used in the questionnaire. Likert scale (5 point) has been used as a scaling technique in the questionnaire. Simple percentage analysis, chi-square test and weighted average calculations were the tools employed for data analysis.

Data Analysis and Interpretation:

Simple percentage analysis is used to classify the responses into different categories. The age group of the respondents is as follows, 32% of the respondents are under the age group of 20 to 30 years and 22.3% are under the age group of 30 to 40 years (Table 1). 56% of the respondents are male and 44% of the respondents are female (Table 2). 80% of the respondents are graduates (Table 3). 76% of the respondents' monthly family income is Rs15,000 and above (Table 4). More than 75% of the respondents travel 10 Km or lesser to reach the nearest organised multi brand retail outlet (Table 5). 41% of the respondents visit the organised multi brand retail outlets monthly once and 10.7% of the respondents visit frequently (Table 6). 50% of the respondents visit the organised multi brand retail outlets during evening hours from 4.30 PM to 10.30 PM (Table 7). 49% of the respondents are attracted by special offers at the organised multi brand retail outlets (Table 8). 54% of the respondents visit the organised multi brand retail outlets due to personal interest (Table 9). Discount pricing is the pricing strategy preferred by many (34%) of the respondents (Table 10). The respondents have high satisfaction levels with regards to product varieties, quality, and packaging and low satisfaction level with their expected brand availability (Table 11). 57% of the respondents prefer to have food at the restaurant in the organised multi brand retail outlets (Table 12). 68% of the respondents prefer self service and no respondent has high level of dissatisfaction with regards to self service (Table 13). The respondents have a low satisfaction level with regards to billing facility due to queue at the billing counters especially in the peak hours (Table 14). Majority of the respondents (58%) rated service quality as good in the organised multi brand retail outlets. The respondents have a low satisfaction level with regards to parking space availability at the organised multi brand retail outlets at Coimbatore. 29% of the respondents made complaints at the customer service desk (Table 17) and among them

49% of the respondents received a quick response for their complaints (Table 18). 48% of the respondents used to purchase at more than one retail outlet (Table 19). Chi-square analysis was performed to identify the relationship between income of the respondents and preference of the pricing strategies at the organised multi brand retail outlets (Table 20 & 21). At 5% level of significance, the calculated value (26.845) is greater than the table value (26.30), so null hypothesis is rejected emphasizing the fact that there exists a significant relationship between the monthly income of the respondents and preference of the pricing strategies at the organised multi brand retail outlets. Discount pricing is preferred by the people of all income groups, bundle pricing is mostly preferred by the people of income ranging from Rs 15,000 and above, free products strategy is preferred by the people of income ranging from Rs 5,000 to Rs10,000 and timely pricing is preferred by the regular visitors and of income ranging from Rs 10,000. The performance of the different sections of the organised multi brand retail outlets were ranked based on the weighted average calculation (Table 22). The rankings were given based on the purchase preference of the customers towards the different sections in an organised retail outlet to purchase products. The ranks are as follows, FMCG Section – I, Home appliances Section – II, Food court – III, Fashion Section – IV, Electronics Section – V, Furniture Section – VI, Others – VII respectively. Others included the beauty section, mobile phone section, etc available at very few organised multi brand retail outlets at Coimbatore.

Suggestions:

The following suggestions are given to the organised multi brand retail outlets at Coimbatore district, to improve the effectiveness of retail marketing mix

- Brand availability can be enhanced overall in order to satisfy the expectation of customers.
- Billing facilities should be equipped; avoiding queue and more counters can be opened for billing during rush hours.

- A display or directions board can be kept at the centre of the entrance which would help the new visitors to locate the products at different floors.
- The offers and discounts can be extended to a specific time than the time it is offered currently.
- Price of the products (especially fashion and cosmetics) can be reduced further when there are no offers.
- The collections in stationery, apparels, and electronics section can be increased.
- Man power or employee strength can be increased to manage customers during week end and peak hours and also at season time.
- The sales persons should be aware of products placement in the floors and they can be trained to communicate with the customers.
- Water facilities can be made available at each floor especially it should be equipped in food court.
- Groceries and spices should be made available at a cheaper price.
- Announcements inside the store can accompany with displays and it should be clear.
- Sports item collections can be brought in and watch section can also be included in the store.
- Online features can be implemented and door deliveries can be encouraged.
- Employees' service is preferred at the restaurant by many of the respondents especially water service.

- More outlets can be opened for the ease of customers and to earn loyal customers.
- Parking space can be equipped if possible to avoid discomfort of customers at peak time.

Conclusion:

The above study dealt with the retail marketing mix in the organised multi brand retail outlets in Coimbatore. The Customers' satisfaction and expectation on the same was studied. Marketing mix is essential for designing and implementing suitable marketing program with reference to customer expectation. Retail marketing mix composes of 7Ps of marketing. Through this research carried out at the organised multi brand retail outlets, the efficiency of the existing marketing mix was analyzed. Suitable recommendations are made in accordance to customers' suggestions and expectations. The customers have a good satisfaction levels towards the retail marketing mix of the organised multi brand retail outlets in Coimbatore. The marketing mix could be equipped further by effecting slight changes. Today's retail shoppers anticipate varieties and customization in the products. India, the World's fascinating retail hub, is expecting the top retail players to cater to the multi various needs of the customers. In spite of huge restrictions, the Government of India's FDI policies is expected to thrill the customers with amazing shopping experience. At this juncture the traditional Indian retailers should be ready to meet out the competition and they should carefully analyze the retail marketing mix of the competitors and should find ways to bridge the gap in order to attain a competitive advantage.

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