

# CUSTOMER SATISFACTION TOWARDS THE SERVICES RENDERED BY SUPERSTORE RETAILERS

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## ABSTRACT

*This paper presents a study of customer satisfaction towards the services rendered by superstore retailers. A non-probability convenience sampling technique was used to collect the data from the respondents. The respondents were 200 customers of D<sup>+</sup>Mart, Pune. The responses of the respondents have been collected on the nominal and ordinal scales. The responses pertained to the customer satisfaction have been collected on five-point satisfaction scale (basically an ordinal scale) ranging from extremely satisfied (5), extremely dissatisfied (1) with the middle of the scale identified by the response alternative neither satisfied nor dissatisfied (3). Survey method and printed questionnaires were used to gather the primary data. The questionnaires were supervised personally exercising the face to face approach to enhance response rate. The data was collected over a span of 2 months. A survey was done on Saturday and Sunday to get more positive responses. The Scope of this study is limited to Pune city. The data was analysed using Kolmogorov-Smirnov one-sample test and weighted average methods.*

**Keywords-** Customer, Satisfaction, Service, Superstore, Retailers, Pune.

## I. INTRODUCTION

Traditionally, the retailers were relying only on the products to retain and satisfy their customers. However, those days have gone and due to changing lifestyle and customer behaviour, increasing customer aspirations and tough competition among the market players, today retailers also render a variety of services to attract, satisfy and retain the customers.

The services play an important role in the influencing the behaviour and satisfaction level of the customers. Jayawardhena and Farrell (2011) determined that service and customer orientation behaviours are positively associated with the service quality; the service quality is positively associated with customer satisfaction and satisfaction positively relates itself to buying intention of the customers. The services assist the retailers to increase the customer satisfaction level and Wiles (2007) found that customer services increase the market value of the retailers. Torres-Moraga *et al.* (2008) stated that the success of supermarkets, as well as the retail industry, rely on the services. Watson (2012) found the effects of service type, previous service experience, service criticality and service recovery on the loyalty of customer, customer satisfaction and complaint behaviour.

Zolfagharian and Paswan (2009) suggested that consumer perception of service innovativeness is related to the patronage intention. Fullerton (2005) examined the mediators of the loyalty relationship and service quality. The results determined that effective commitment to the retailer has a significant impact on customer loyalty. Swinyard (2003) tendered that store type, salesperson mood and shopper behaviour have an effect on the level of customer service offered by the stores. Lu and Seock (2008) studied the relationships between perceived service qualities and their satisfaction to the stores. The findings showed that service quality dimensions are positively and significantly associated with their satisfaction at preferred department stores and overall loyalty behaviour to the stores.

Mahatma Gandhi also stated the importance of the customer to a business and said that the customer is the most important visitor in the business premises. The customer is not dependent on any business. The business is dependent on him / her. Businesses are not doing a favour by serving the customer. The customer is doing a favour by giving an opportunity to do so. Taking the inspiration from this great thought, this current research has been taken to study the customer satisfaction level towards the services rendered by superstore retailers.

## II. LITERATURE REVIEW

Torben *et al.* (2011) defined the customer satisfaction as the degree to which consumer expectations are met. They determined that patronising discount stores and upscale stores' consumers, who give high preference to quality and price, are likely to become more satisfied. Fornell (1992) found in the study that customer satisfaction enhances the customer loyalty, reduce the customer churn, decrease the costs of failed marketing, signifies the price sensitivity of customers, create new customers, enhance the effect of advertising, lowers the cost of operations and finally improves the reputation. Torben *et al.* (2011) detected that the level of satisfaction among the customers with various retailers cannot be understood by matching expectations with products & services, but may also be based mental justification of the customer. Hamburg and Koschate (2004) studied the role of perceived fairness and customer satisfaction on the repurchase intention after a price increase. Their findings of the study suggested that perceived fairness has a positive impact on the repurchase intention while satisfaction moderates this relationship. Martenson (2007) researched the effect of the corporate store image on customer satisfaction and store loyalty in grocery retailing and deduced that the brand image of the store is an important aspect for the customer satisfaction. If the retailers understand and address the need of the customers, the customers are satisfied. Sánchez-Fernández and Iniesta-Bonillo (2009) studied the relationship between consumer satisfaction and economic value. They suggested an operational tool to measure economic value of designing suitable strategies to create and deliver value to customers by retailers.

Zielke (2008) indicated that value for money, the price level and special offers are both satisfiers and dissatisfiers; price perceptibility, price processability and price fairness tend to be dissatisfiers only; and price advertising and products in the upper price range are indifferent requirements. Fonseca (2009) by adopting a new technique and a new conceptual model of customer's satisfaction expressed that in order to estimate the global customer satisfaction measure; one should appeal to methodologies recognising that satisfaction must be understood as a latent variable, quantified through multiple indicators. Söderlund and Rosengren (2007) inspected the impact of positive and negative word-of-mouth from dissatisfied and satisfied customers on the potential customer. The results reveal that the word-of-mouth of existing customers significantly affects the

behaviour of potential customers. Huddleston *et al.* (2009) demonstrated that degree of influence of price, employee service, product assortment and quality effect store satisfaction despite store types. The degree varied according to store type. Bodet (2008) studied the satisfaction-loyalty relationships and highlighted the role of overall satisfaction on attitudinal loyalty and reduces the role of transaction-specific satisfaction and found that neither attitudinal loyalty nor customer satisfaction predicts customer repurchase behaviour.

### III. METHODOLOGY

Research hypotheses: Based on objective of the study, the following hypothesis has been formulated:

**H<sub>1</sub>:** Customers are significantly satisfied with the services rendered by superstore retailers.

In this study, the exploratory, as well as descriptive research methods, were employed. The exploratory research assisted in forming the hypotheses and objectives of the study through the extensive review of secondary data while a descriptive method was employed to carry the objectives of this study. For this study, a non-probability convenience sampling technique was used to collect the data from the respondents. The respondents were 200 customers of D<sup>+</sup>Mart, Pune. D<sup>+</sup>Mart is a multi-item superstore based retailer.

This study is based on both primary as well as secondary data. The secondary data was gathered from various libraries, books, journals, magazines, Retail Association of India, FICCI, websites and other published sources available. Taking the insight from the secondary data, a structured questionnaire was framed to gather the primary data from the respondents. The questionnaire comprises self-structured close ended questions. This questionnaire was pre-tested by conducting a pilot survey of the few respondents selected on a random basis. Taking the insight from the pilot survey, a few items were included and even excluded to modify the questionnaire for the final study.

The responses of the respondents have been collected on the nominal and ordinal scales. The responses pertained to the customer satisfaction have been collected on five-point satisfaction scale (basically an ordinal scale) ranging from extremely satisfied (5), extremely dissatisfied (1) with the middle of the scale identified by the response alternative neither satisfied nor dissatisfied (3). Survey method and printed questionnaires were used to gather the primary data. The questionnaires were supervised personally exercising the face to face approach to enhance response rate. The data was collected over a span of 2 months. A survey was done on Saturday and Sunday to get more positive responses. The Scope of this study is limited to Pune city. The data has been presented with the help of tables and charts and analysed using Kolmogorov-Smirnov one-sample test and weighted average methods.

### IV. RESULTS AND DISCUSSION

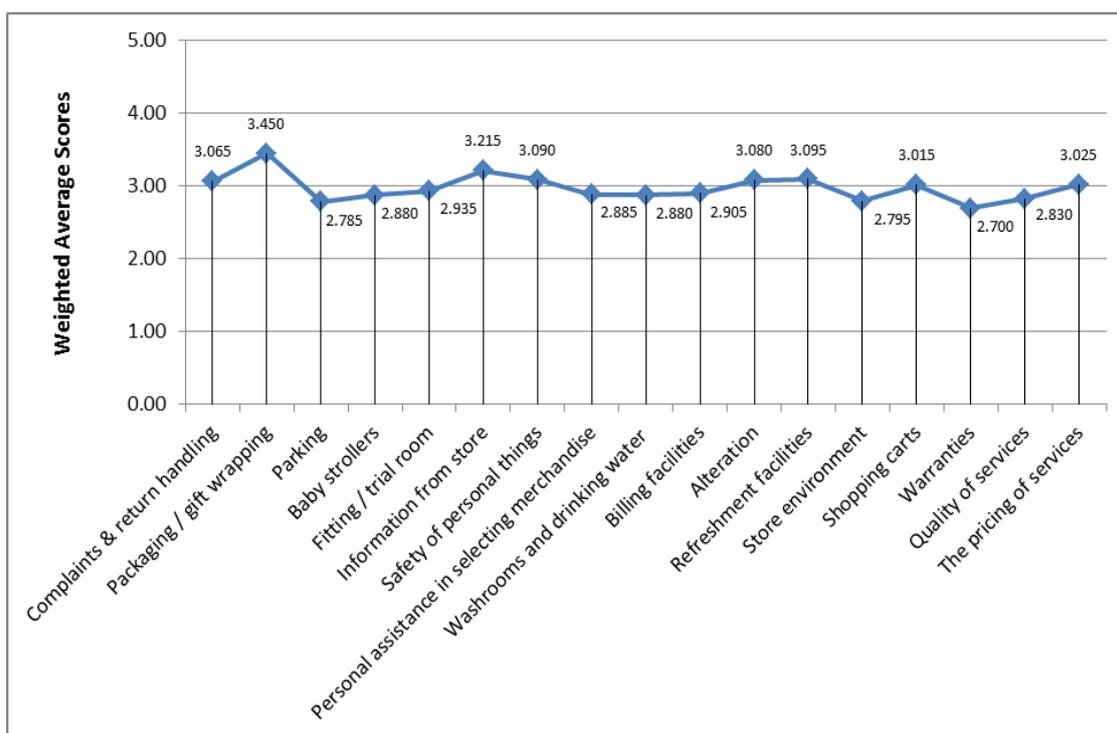
#### Respondents' / customers' profile

Throughout the survey, the male respondents were 57.50% in comparison to female with 42.50%. The respondents were categorized in 6 age groups and maximum respondents (i.e. 39.50%) were from the age group of 31 to 40, followed by other age groups like 41 to 50 with 25.50%, 21 to 30 with 15.50%, 51 to 60 with 11.50%, below 21 with 5.50% and above 60 age group with 2.50%. The respondents were also categorised according to their education and the highest number of respondents (i.e. 37.50%) was a graduate, followed by

35.50% with HSC or SSC education, 15% with post-graduation, 9% below HSC education and 3% illiterate. Moreover, the respondents were also divided according to their occupations and found that maximal respondents (33.00%) were salaried, followed by homemakers with 30.00%, retired with 16.50%, self-employed with 13% and students with 7.50%.

## V. CUSTOMER SATISFACTION

The respondents were asked to rate their satisfaction pertained to services rendered by D<sup>▲</sup>Mart on the five-point satisfaction scale. Only those services were included in the study, which are rendered by D<sup>▲</sup>Mart. Table 1 presents all those 15 services.



**Figure 1: Weighted average scores (WAS) for customer satisfaction with merchandise assortment**

The WAS for customer satisfaction with services (e.g. complaints & return handling, packaging / gift wrapping, information from store, safety of personal things, alteration, refreshment facilities, shopping carts) as well as the pricing of services is more than weighted to the response alternative of the scale i.e. neither satisfied nor dissatisfied (3), which depicts that the customers of D<sup>▲</sup>Mart are satisfied with the services like complaints & return handling, packaging / gift wrapping, information from store, safety of personal things, alteration, refreshment facilities, shopping carts and pricing of services.

## V. HYPOTHESIS TESTING

Kolmogorov-Smirnov one-sample test and one sample t-test have been employed to test the hypothesis. Kolmogorov-Smirnov one-sample test was employed to test the hypothesis  $H_1$ . Kolmogorov-Smirnov ‘D’

values (K-S 'D' Value) were calculated and compared with the critical values. The critical K-S 'D' value at the 5% level of significance ( $\alpha = 0.05$ ) is 0.096 and at the 10% level of significance ( $\alpha = 0.10$ ) is 0.86.

Items	Calculated K-S 'D' Value	$\alpha$	Calculated value exceeds critical value?
Complaints & return handling	0.125	0.05	Yes
Packaging / gift wrapping	0.180	0.05	Yes
Parking	0.050	0.10	No
Baby strollers	0.070	0.10	No
Fitting / trial room	0.075	0.10	No
Information from store	0.140	0.05	Yes
Safety of personal things	0.120	0.05	Yes
Personal assistance in selecting merchandise	0.085	0.10	No
Washrooms and drinking water	0.075	0.10	No
Billing facilities	0.065	0.10	No
Alteration	0.115	0.05	Yes
Refreshment facilities	0.100	0.05	Yes
Store environment	0.055	0.10	No
Shopping carts	0.095	0.10	Yes
Warranties	0.025	0.10	No
Quality of services	0.035	0.10	No
The pricing of services	0.110	0.05	Yes

The calculated K-S 'D' values exceed the critical values (at an  $\alpha$  of 5% or 10%) for the services like *complaints & return handling, packaging / gift wrapping, information from the store, safety of personal things, alteration, refreshment facilities, shopping carts and pricing of services*, hence, the hypothesis  $H_1$  is accepted in case of these services. At the same time, the calculated K-S 'D' values are also less than the critical values (at  $\alpha = 0.10$ ) for the services like *parking, baby strollers, fitting / trial room, personal assistance in selecting merchandise, washrooms and drinking water, billing facilities, store environment, warranties and quality of services*, hence, the hypothesis  $H_1$  is rejected in the case of these services.

## VI. CONCLUSION

In conclusion, the multi-format super stores get more footfalls from male customers as compared to female and the majority of their customers belong to the age group of 31 to 50 years. In contrast, these stores get more footfalls from the graduates, salaried and homemakers. The multi-format superstores render the variety of services to their customers, e.g. *complaints & return handling, packaging / gift wrapping, information from the store, safety of personal things, alteration, refreshment facilities, shopping carts, parking, baby strollers, fitting /*

trial room, personal assistance in selecting merchandise, washrooms and drinking water, billing facilities, store environment and warranties.

The customers are also satisfied with some services like complaints & return handling, packaging / gift wrapping, information from the store, safety of personal things, alteration, refreshment facilities, shopping carts as well as the pricing of these services. However, many services fall short of the expectations of the customers, e.g. parking, baby strollers, fitting / trial room, personal assistance in selecting merchandise, washrooms and drinking water, billing facilities, store environment, warranties. Moreover, the multi-format superstores also lack to maintain the quality of the services as per the expectations of the customers and customers are not satisfied. The services are important role players for influencing the behaviour and satisfaction the customers and the quality of the services is also important to retain the customers. Therefore, multi-format superstores should render customers expected quality services with affordable pricing.

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