



CONSUMERS EXPECTATION AND SATISFACTION TOWARDS MODERN DAY RETAIL FORMATS

Kowsalya C*

Dr. Malleshwaran C**

**Research Scholar, Department of Commerce, Chikkanna Government Arts College, Tiruppur.*

***Research Supervisor, PG Research & Department of International Business, Chikkanna Government Arts College, Tiruppur.*

Introduction

The concept retail, which includes the shopkeeper to customer interaction, has taken many forms and dimensions, from the traditional retail outlet and street local market shops to upscale multi brand outlets, especially stores or departmental stores. Thus, it can be rightly said that Indian retail industry is now beginning to evolve transformation that has swept other large economies across the world. There is a vast change in Indian retail since the liberalisation of the consumer goods industry initiated in the mid-80's and accelerated through the 90's has begun to impact the structure and conduct of the retail industry. Retailing is part of ancient Indian culture. In ancient India there was a concept of weekly Haat, where all the buyers and sellers gather in a big market for bartering. The growth of organised retailing in India is the outcome of changes in the socio-economic factors. Now, India is standing on the threshold of retail revolution. Healthy economic growth, changing demographic profile, increasing disposable incomes, increasing urbanisation, changing consumer tastes and preferences, growing preference for branded products and higher aspirations for better life-style are some of the key factors that are driving growth in the organised retail market in India. Beside this Tier I and Tier II cities and towns are witnessing a major shift in consumer preferences and lifestyles, the result of which, they have emerged as attractive markets for retailers to expand their presence in these markets.

Need for the Study

Now a days, consumers are looking for higher values and are seeking a fair return in term of goods and services for their hard earned money and scarce time at retail outlets. Consumer expects products or services that meet their specific needs or wants and that are offered at competitive prices. Consumers expect a good value in the form of reasonable price, selection, quality and service. In this, the marketing decisions revolving around the target market, product assortment, services and store atmosphere, store activities and experience, procurement, price decisions, discounts, communications and location decisions which are very critical to a retailer's success in a market place. In shorts, the criterion considered by the consumers' choice of retail outlet is the critical component for success for retailers. It is not easy to satisfy the consumers as they want high quality merchandise at low price. So it is important for retailers to focus on understanding consumers' expectations and should act rationally to retain them as satisfied and loyal customers. The above discussed conceptual discussion motivated to conduct this research work. This study aims to analyse the consumers' expectation and satisfaction towards modern day retail formats in Coimbatore city, a prominent tier II city in Tamil Nadu.

Objectives of the Study

- To study the demographic and socio-economic status of the retail consumers living in Coimbatore city.
- To measure the consumers level of awareness towards nature of retailer currently functioning in Coimbatore city and to assess their buying behaviour in modern retail outlets.
- To critically evaluate the consumers' expectation towards modern retail services offered at Coimbatore city and to assess retail consumers' perception about the advantages and disadvantages of modern retail stores.
- To measure the consumers level of satisfaction towards modern retail stores merchandising features and shopping pleasures.
- To identify the existence of critical gap in consumers expectation and satisfaction towards modern retail stores merchandising features and shopping pleasures and to offer valuable suggestions for enhancement of organised retail services in Coimbatore city.

Research Methodology

The study applies both quantitative and qualitative techniques for data analysis. The current study is both explorative and descriptive in nature. Coimbatore city has been selected as the study area. For the effective conduct of this study the researcher applied multi-stage sampling techniques. In the first stage of the study the researcher adopted judgemental sampling techniques for classification and selection of organised retailers operating across Coimbatore city and in the second stage, researcher adopted convenience sampling techniques for collection of first-hand information from the retail consumers. As far as, the data collected from various sources and from retailer traders association functioning in Coimbatore there are 167 organised retail stores are functioning in Coimbatore city: departmental (130), super market (22) and hyper markets (15) functioning in Coimbatore city. A pilot survey was conducted with a small sample of 30 respondents to identify the most



prominent retail store that is most visited by the customers, popular among the consumers and consumers acknowledge them either as departmental stores, hyper market or super market. At the end of the pilot survey it was observed that Big Bazaar, Kannan Departmental store, Niligris, Reliance Fresh and Spa are the most preferred, popular among the consumers and consumers acknowledged organised retailers in Coimbatore city. Thus, these five retail stores were chosen as samples. From each retail store a sample of 125 respondents were elected, that was summed to 625 sample subjects in total. Convenience sampling technique was adopted for collection of primary data and only voluntary customers were included in the survey. Both primary and secondary data were used for the effective conduct of this study.

Statistical Tools Applied

The following tools have been applied in the study: Frequency Distribution.

Weighted Average, Likert's Scaling, Garrett's Ranking Technique, ANOVA Test, Chi-Square Test, Spearman's Rank Order Test, Paired 'Z' test, Garrett's Ranking, Reliability and Rotation Factor Analysis.

Limitations of the Study

Some of the limitations of the study are (I) the study is specific to the geographical limitation. This study is confined to Coimbatore City only. The geographical and socio-economic setting may not be identical to that of other cities in India, thus the findings of this study may not be generalised to organised retailers operating in other parts of Tamil Nadu or India or in other countries. (ii) The perception of the sample respondents who shop at the selected retail stores may vary many a time based on their time of visit, occasion, company with whom they had visited, visit purpose, based on these parameters their perception towards retail store services and merchandising may vary, which is not clearly recorded in this study. Therefore, the findings cannot be generalized based on these factors.

Conclusion

It is evident from the empirical data analysis that most of the organised retail stores accept debit/credit cards and it is highly convenient for the consumers'. On the other hand the consumers' feel that the price of the products offered in organized shops are too costly and unsuitable for all the economic classes. Further it has been found that the sample consumers' expect high quality services in organised outlets, but the service provider fails to satisfy the consumer(s) needs. It is known that the cost of services is high in modern retail outlets in comparison to the unorganised shops and it is obvious that the consumers' normally expect high quality services from these stores. Thus due to high expectations and competitive market circumstances the modern retail outlet(s) are in a compulsion to implement innovative strategies for their survival. The study conclude by stating that there exists association between consumers buying behaviour at organised retail stores and their expectation towards the retail store's product and service attributes and further, it was observed that consumers' expectation towards the retail store's product and service attributes and their overall level of satisfaction derived.

References

1. John William & S. Prabakar (2012), A Study on Customer Perception on Retail Service Quality In Select Organized Retail Stores in Coimbatore City. *International Journal of Retail Management and Research* (ISSN 2277-4750) Vol. 2 Issue 3 Sep 2012 pp1-10.
2. Thirumal Azhagan & Dr. P. S. Nagarajan (2011), Analytical Study On Retail Service Quality Of Organized Retail Sector In Trichy. *Amet Journal of Management*, July – Dec 2011, pp 75-83.
3. Darshan Parikh(2006), Measuring Retail Service Quality: An Empirical Assessment of the Instrument. *Vikalpa* Volume 31 No 2 April - June 2006 pp 45-55.
4. Dr. Ajmer Singh (2013), Relationship between Service Quality and Customer Satisfaction in Organized Retail Outlets. *Developing Country Studies* (ISSN 2224-607X) Vol 3, No.1, 2013, pp 84-95.
5. Kumar.R & Dr. G. Barani (2012), Appraisal Relationship between Service Quality and Customer Satisfaction in Organized Retailing at Bangalore City, India. *Industrial Engineering Letters* (ISSN 2224-6096) Vol 2, No.2, 2012 pp 61-70.