

CHAPTER-V

FINDINGS, SUGGESTIONS & CONCLUSION

"The secret of successful retailing is to give your customers what they want. And really, if you think about it from the point of view of the customer, you want everything: a wide assortment of good quality merchandise; the lowest possible prices; guaranteed satisfaction with what you buy; friendly, knowledgeable service; convenient hours; free parking; a pleasant shopping experience." **Sam Walton**

RESPONDENT'S PROFILE:

Majority of the respondents are males (62%), in the age group of below 30 years (67.40%) and are graduate (44%). Most of them are salaried employees (44.60%) and belongs to the income groups of below Rs.200000 (30.20%) and Rs.200001-300000 per annum (28.20%). The sample mostly represents the middle income salaried group of customers in Punjab.

SHOPPING BEHAVIOUR OF RESPONDENTS:

- It is found that majority of the respondents have made more than 15 times purchasing from organized retail outlets are shopping.
- It is found that majority of respondents prefer evening time for shopping. For this reason a huge crowd can be seen at organized retail outlets in the evening time.
- It is found that majority of respondents visit very frequently to organized retail outlets i.e. once a week following by once a month.
- It is found that majority of respondents take the decision of shopping from organized retail outlets by them selves. A significant influence also can seen of their friends and spouse on the decision regarding organized retail outlets.

- Regarding their shopping companion, majority of respondents like to go with their friends and family members.
- There is no substantial change in the mode of payment from cash to cards. Majority of respondents make the cash purchase.

VARIABLES INFLUENCING THE DECISION OF CUSTOMERS FOR SHOPPING FROM ORGANIZED RETAIL OUTLETS

- The result of research shows that gender effect is independent of variables influencing the shopping behavior of the customers from organized retail outlets. It is found that availability of necessary goods and services under the same roof is the major influencing factor for male and female respondents to visit the organized retail outlets for shopping. 365x7* service and choice of different brands of products also play a significant role in making decision of shopping from organized retail outlets irrespective to gender of respondents.
- It is found that there is a significant effect of residential status on influencing variable for shopping from organized retail outlets. Majority of urban customers are more influenced by the availability of all necessary goods under the same roof for shopping from organized retail outlets. In contrary to this, majority of rural respondents take choice of different brands of products as more effective variable. Further, it is found that 365x7* open is the second more effective variable to influence the shopping decision of the majority of urban respondents as compared to rural respondents. Rural respondents take availability of all necessary goods utader same roof as second effective influencing variable.

- The results of research reveal that there is no association between age and variables for shopping from organized retail outlets. It is found that majority of respondents are more or less similarly influenced by availability of all necessary goods under the same roof and 365x7* service for shopping from organized retail outlets, irrespective of their age group.
- It is found that availability of all necessary goods under the same roof is the major effective factor influencing the majority of the respondents to visit the organized retail outlets for shopping irrespective to their educational qualifications. Shopping decision from organized retail outlets of different educational categories of respondents is more or less similarly influenced as far as 365x7* service and choice of different brands of products is concerned.
- The research found that majority of businessmen and service class respondents are highly influenced by the 365x7* service facility. Availability of all necessary goods and services under same roof has given considerable preference by majority of professional and household respondents. Majority of agriculturists are more influenced by the choice of different brands of product for taking decision of shopping from organized retail outlets.
- The result of research indicates that the income of respondents influences the purchasing of goods and services from organized retail outlets. It is found that lower income class (below Rs.200000) are highly influenced by 365x7* service, whereas lower middle income class (Rs. 200001-300000) take availability of all goods under the same roof as most influencing variable. On the other hand shopping decision of majority of upper middle (Rs.300001-400000, and Rs.400001-500000) and upper income (above Rs.5 lac) group respondents from organized retail outlets

- are significantly influenced by choice of different brands.

VARIABLES INFLUENCING THE SELECTION OF THE PARTICULAR ORGANIZED RETAIL OUTLET

- In selection of Big Bazaar economic benefit with mean score 4.59 and std. error .060 turns to be the most effective factor. The role of advertisement (mean score 4.32 and std. error.093) followed by quality of goods and services (mean score 4.05 and std. error.085) being offered by the Big bazaar have been found the second and third effective variables.

- In selection of Reliance's retail respondents take the economic benefit as the most effective variable with mean value 4.21 and std. error .078 while taking decision for shopping. Role of advertisement (mean score 4.07 and std. error .103) followed by quality of goods & services (mean score 3.79 and std. error .098) being offered by the Reliance's retail has been found the second and third important considerations among the respondents. It is observed that location (mean 3.63 and std. error .090) of Reliance's retail turns out to be the least effective variable for influencing respondent's behaviour to select the outlet for shopping.

- In selection of Vishal Mega Mart advertisement has been found the most influencing variable with mean value 4.32 and std. error .067. It shows the significant impact of advertisement on shopping behaviour of respondents. Locations (mean 2.95 and std. error .126) and quality of goods and services (mean 2.30 and std. error .119) being offered by Vishal mega mart turn out to be the second and third effective variable which influence the selection of organized retail outlet.

- In selection of Spencer's economic benefits with mean value 4.19 and std. error 1.13 has been found the most influencing variable. Recommendation of family/friends (mean 3.83 and std. error 1.05) turns to be the second important variable which influence the

selection of Spencer's for shopping. It shows that while taking decision of shopping from Spencer majority of respondents take into the consideration the recommendation of family and friends. It is interesting that role of advertisement (mean 1.73 and std. error .075) has been found the least effective variable as per the perception of respondents.

- In the present research it is found that the role of advertisement (mean 4.28 and std. error .098) done by the malls is the most effective variable which significantly influences the respondents for shopping from malls. Recommendation of family/friends (mean 3.84 and std. error 1.032) is considered as the second most influencing variable. It is found that economic benefits (mean 1.64 and std. error .062) turns to be the least effective measure which influence the purchasing behaviour of respondents.

AWARENESS OF LATEST PROMOTIONAL SCHEMES:

It is found that majority of respondents 67% respondents are aware about the new promotional schemes offered by the organized retail outlets. It is also found that near 11% respondents never came to know what new schemes are.

EFFECTIVENESS OF DIFFERENT ADVERTISEMENT MEDIA LEADING TO CUSTOMER AWARENESS

Advertisement the newspaper has been found to be the most effective mean for creating awareness among respondents with a mean score 4.0680. Television has been found the second important effective tool in this regard. It is because television as a medium of communication appeals to more senses than any other medium. It is found that newspaper and television have a greater importance over all the other media of advertisement because it is very fast and influencing media to make a brand image in the mind of respondents. It is also found that magazine/journal followed by internet is also playing a significant role for creating awareness among respondents.

CUSTOMER SATISFACTION AND ORGANIZED RETAIL INDUSTRY

- The merchandise strategy employed at organized retail outlets in term of quality of products, value for money, variety of products, unique and trendy products, branded products, and good packaging meet the high expectations of majority of the respondents and results in higher satisfaction with the merchandise of organized retail industry. Further, inter-variable comparison through customer satisfaction index shows that quality of products dominates the satisfaction level by getting an index of 104.23. It indicates that the quality of products has 4.23% more satisfaction of customers. Likewise, index of packaging of goods and branded products show the good amount of contribution of these variables. Value for money, unique and trendy product and variety of products are comparatively less contributors to the satisfaction of respondents as compared to other three variables. There is a further scope of improvement in these variables.
- It is found that customers find the price reasonable when compared to quality and quantity of products. Reasonable price offered the customers good value for their money and contribute in enhancing the purchasing power of customers. This dimension meets the customer's expectation and enhanced the level of satisfaction.
- The research reveals that most of the variables of physical surroundings meet majority of the respondent's expectation while product information indicators meet some of the respondent's expectation. Further, customer satisfaction index shows that location dominates the satisfaction level with index 104.17. It indicates the 4.17% more contribution of this variable to the customer satisfaction. Similarly, lighting arrangement and atmosphere and decoration are comparatively greater contributor with respectively index 103.39 and 102.42. Product information indicator does at the bottom of satisfaction

level as measure through index. The decrease from average is almost 8.23%. Contribution of the parking space is adequate but needs further improvement, as index (99.75) is slightly less than 100.

There is sufficient scope to make improvement on this aspect to enhance the level of customer's satisfaction.

- In the present research to examine the customer's satisfaction with promotional schemes following variables: free gifts, special discount, advertise and special event are explored and discussed. The service in term of advertisement and sp events in organized retail outlets is well accepted. As the customer satisfaction index shows advertisement and special event are contributing above 4.63% and 5.45% higher in the satisfaction of the promotional schemes as launched by different outlets. On the other hand, a significant number of dissatisfied respondents have been found for special discount and free gifts. It is found that these variables meet the some of respondent's expectation, thus, dissatisfaction occurs in customers. Free gifts have obtained the lowest index 91.55. Contribution of this variable is 8.45% less from the average level of satisfaction. On the whole, In order to enhance the level of satisfaction and decrease the dissatisfaction level there is a need to focus attention on the promotional schemes.

- It is found that service of employee's interaction is good and meets the expectations of majority of the respondents. But still there is a need of improvement in this dimension as some dissatisfied respondents are also found. Further, customer satisfaction index depicts that knowledge of staff about store policies followed by good etiquettes dominate the satisfaction level by getting index respectively 104.74 and 104.24. It indicates that these variables contribute approximately 4% more in satisfaction. The variable 'sound

knowledge of merchandise' has obtained the lowest index 95.01. Its contribution to satisfaction is almost 4.99% less from the average satisfaction.

Individual attention to customers and prompt services has shown the similar contribution as measure by index 97.00 and 97.76. There is a further scope of improvement in these variables.

- It is found that different variables of after sale services i.e. refund/repl of defective goods, free home delivers', repair of goods, installation of electronic goods, timely service of goods meet some of the respondent's expectation. It is evidenced by the contingency tables that a good amount of marginal frequency are falling in the 'dissatisfaction' and 'highly dissatisfaction' categories. Further as the customer satisfaction index of free home delivery 84.66 indicates the serious cause of dissatisfaction. Its contribution in satisfaction is approximately 16% less than normal level of satisfaction. Organized retail outlets should take some effective measure in this regard to enhance the level of satisfaction. On the whole, the organized retail outlets need to improve their after sale services, especially in term of free home delivery to improve the customer's satisfaction level.

- The present research found that the service of organized retail outlets in term of service support in not well, It is evidenced by the contingency tables a good amount of marginal frequency are falling in 'dissatisfaction' category however, neutral response is also not ignorable. it is interesting to note that easy billing system meets the higher expectation of customers. Easy billing system has obtained the highest customer satisfaction index 121.49 which indicates the greater contribution of this variable. The analysis suggests that free gift wrapping with index 65.37 and special order with index 79.40 are

comparatively less contributors to the satisfaction of respondents. There is a need to pay proper consideration to improve the service of this dimension.

- It is found that with regard to other miscellaneous factors, satisfaction level of customers is not very well. In term of toll free number, child care facility and security arrangements service of organized retail is very poor. Contingency tables show that for majority of variables, dissatisfaction is the dominating marginal frequency. In term of entertainment and alteration of merchandise customer's satisfaction level is well accepted. It can be concluded that there is a significant scope of improvement in this dimension of service to improve the customer satisfaction level.

CUSTOMER CARE AND ORGANIZED RETAIL INDUSTRY

- Customer can contact to the customer care unit to logging the proper complaints through various modes. This includes through internet, telephonically, personally and through other modes. The most commonly used contact mode is in person followed by telephone. Although in the present era of marketing internet is commonly used mode, but in present study internet doesn't appear so popular.

- The result of research reveals that there is no significant difference among waiting time to get connected with the customer care units of different organized retail outlets. Majority of customers have to wait for 2-5 mm. followed by 1 mm. Further, mean score indicates that waiting time in different outlets is respectively Big bazaar (1 .76), Reliance's retail (2.08), Vishal mega mart (1.80), Spencer (1.59) and malls (1.67). As the dominating marginal frequency indicates waiting time for 2-5 mm. there is scope to improve in this regard in order to reduce the waiting time.

- Result of analysis indicates that there is no significant difference among the reasons for calling customer care unit of different organized retail outlets. On the whole; dominating frequency in the marginal frequency distribution is falling in the replacement of defective goods followed by non-delivery of goods. Defaulty billing and poor after sale services are also shown a good amount of frequency which indicates the further scope for improvement in billing system and after sale services. A very few number of respondents call the customer care unit for the reason of misleading advertisement and misbehavior of sale staff.
- The analysis suggests that behaviour of customer care unit is found helpful and encouraging (61.8%) followed by (38.2%) irritating and ignoring behaviour, It indicates a sufficient scope of improvement in this regard.
- A very high value of chi-square leads to rejection of null hypothesis and show a significant difference among the time taken by different organized retail outlets for resolution of the problem. It is interesting to note that this attribute shows a very divergent view as compared to expectation. With the help of marginal frequency totals it can be concluded that the probability of a customer getting immediate resolution is 0.30 only which is too small. Customers have to wait for two to more than 10 days for getting the resolution of the problems. It is suggested to' organized retail outlets to make the arrangements of efficient and fast resolution in order to reduce the waiting time, which leads a discomfort among the customers.

PREFERENCE FOR ORGANIZED RETAIL OUTLET

Big bazaar turns to be the most preferred organized retail outlet among the respondents' with mean score 3.27 and std. error 0.059. It is found that Big bazaar provides higher

quality of services in term of merchandise, price, physical surrounding, promotional schemes, personnel interaction and miscellaneous factor of service. Big bazaar meets the majority of customer's expectation. Reliance's retail (mean score 3.16 and std. error 0.055) has been found the second most preferred organized retail outlets. Spencer with mean score 2.65 and std. error 0.066 is the least preferred organized retail outlets.

OVERALL CUSTOMER SATISFACTION WITH ORGANIZED RETAIL INDUSTRY

It is found that majority of the respondents are satisfied (53.8%) with the performance of organized retail outlets, followed by (20.8%) of the respondents are neutral with the performance of organized retail outlets. (19.6%) respondents are highly satisfied with the organized retail outlets. Only (5.8%) of the respondents are dissatisfied.

So it is concluded from that majority of the customers are satisfied with the overall performance of organized retail industry.

IMPLICATIONS FOR ORGANIZED RETAIL CHAINS

The findings of the research have practical implications for organized retail players who strive to organize their services offering in order to accomplish their corporate objectives. Following are suggestions which organized retail outlets should take into account o enhance service so as to induce customer satisfaction and to attain higher level of favorable outcomes and to alleviate negative outcomes.

The majority of the respondents belong to younger generation so their needs should be taken in account while deciding marketing strategy. Younger age respondent's demand branded products at reasonable price. They also attract towards entertainment means so organized retail outlets are suggested to make sure the availability of branded product at

reasonable price and arrange more and more entertainment means to pull a huge number of younger age respondents.

- Organized Retail outlets can appeal to the female customers by offering more products geared especially towards women. They can provide a shopping experience that women are particularly attracted to. In this way organized retail chains can expand their customer base as the organized retail outlets have a large base of potential customers.

- Availability of all necessarily goods under the same roof and 365x7* service are the major effective variables that influence the customer's decision for shopping from organized retail outlets, so organized retail chains should give proper emphasis on these variables. More extensive assortment ranging from fresh food products to electronic products should be offered. Timing of organized retail outlets should be extended as customers in this new age of economy like to either shop in the late hours or only on weekends and they expect their favorite organized retail outlets to be open during these time.

- To improve the level of customer satisfaction organized retail outlets are suggested to provide their customers experimental goods which are according to n trend and a wide range of different variety and brands of goods according to their requirement.

- Proper parking facilities should be there and parking should be made free for the regular customers! Heavy purchaser's .Such people may be issued a parking card, which free earmarked parking. Organized retail outlets are also suggested to provide proper signs and tags about the location of different product categories so that customers can easily locate their necessities.

- Special promotional activities should be there on weekdays so as to gather rush on weekdays and avoid the chaos and confusion on the weekends. It is suggested to organized retail players to adopt liberal and well spelled promotional strategies so that they can increase their market share and enhance the level of customer satisfaction.
- Organized retail outlets should give more emphasize on the training of sale force available at the outlets with the information of new products and schemes so that they are fully equipped with the information and schemes related to the products, hence they can improve in their working skill.
- In order to improve level of customer satisfaction with after sale services, there should be provision of efficient and fast home delivery. Organized retail outlets are advised to spell out their refund/replacement policies clearly to minimize any misunderstanding later. There should be a proper arrangement to provide guidance to customers regarding electronic goods.
- Free gift wrapping is a regular feature in organized retail outlets and lack of it has been observed to be a major source of discomfort among customers. It is suggested to offer this facility to enhance the level of customer satisfaction level and to expand the market share. Special orders are usually placed by customers during festivals and special occasions. Organized retail outlets should execute their special order as and when the need arise.
- There should be a provision for baby comfort zone so that mothers can have shopping.
- There should be entertainment and game zones. There should be something for everyone at state-of-the-art premium family entertainment center, offering multiple, novel and unique leisure and entertainment options. Organized retail outlets can offer a

wide range of gaming options ranging from bowling and pool to redemption and interactive video games to bumper cars.

- Organized retail outlets should have trained first aid personnel. Proper arrangements should be made of fire fighting equipments, sufficient exit doors to avoid any accidental incident. Customers must be educated about the fire exit/evacuation plans on large screens/TV monitors.

- As there is a sufficient scope of improvement in the customer care services it is suggested to customer care unit of organized retail outlets to listen the customers carefully and without any interruption; create an immediate sense of confidence in the customer that you wish to attend to the complaint very fairly; make a sincere inquiry to examine the facts of the matter; take action as quickly as possible, remember that delays in redressal can often get sticky and don't pass on the complaint to another as a customer does not like being passed on to someone else and prefers to deal with the very first person only.

- From the analysis we can conclude that unplanned purchase behavior and off the shopping list buying behavior of the consumer have significant impact on the overall purchase behavior of the consumer in organized retail industry. Business firms must consider these factors while designing the marketing strategies especially related to displays, advertisements within and outside the outlets and strategic location of products etc. to increase the sales and profits.

CONCLUSION

Retail industry is the largest industry in India, with an employment of around 8% and contributing to over 14% of the country's GDP, Retail industry in India is expected to

rise 25% yearly being driven by strong income growth, changing lifestyles, and favorable demographic patterns. It is expected that by 2016 modern retail industry in India will be worth US \$ 900 billion. During the last decade the field of retailing has experienced significant changes. Specialty and discount stores have been edging in department stores turf, with cost conscious and breadth-of-selection strategies. The total number of available of retailing establishment grew sharply during the same period. Organized retail segment has been growing at a blistering pace, exceeding all previous estimates. According to a study by Deloitte Haskins and Sells, organized retail has increased its share from 5 percent of total retail sales in 2006 to 8 percent in 2007. The fastest growing segments have been the wholesale cash and carry stores (150 percent) followed by supermarkets (100 percent) and hypermarkets (75-80 percent). Further, it estimates the organized segment to account for 25 percent of the total sales by 2011. The beneficiaries of the competition being customers, the organized retail players in today's environment are required to design and deploy customer-centric strategies not only to grab a share in the market but also to sustain in the market in the long run. The players have realized the importance of constant service delivery to the customers for long run sustainability. Customer relationship signifies identifying the needs of the customers and stretching out ways and means to satisfy them. This study provides some insights on factors that could be important in managing customer satisfaction. Availability of all necessarily goods under the same roof and 365x7* service are the major effective variables that influence the customer's decision for shopping from organized retail outlets, so organized retail chains should give proper emphasis on these variables. More extensive assortment ranging from fresh food products to electronic products should be offered. Timing of

organized retail outlets should be extended as customers in this new age of economy like to either shop in the late hours or only on weekends and they expect their favorite organized retail outlets to be open during these time. Customers are concerned not only with the merchandise, physical surroundings, promotional schemes and personnel interaction but also with after sale services, entertainment and security arrangements. So, organized retail outlets need to enhance product quality and store convenience, and after sales services to improve customer satisfaction. Organized retail outlets must assure quality and availability of new products and attractive promotional schemes, sufficient security arrangements and to enhance customer satisfaction. Besides these variables customer care activities are becoming significant issue. To expand the customer base and customer loyalty, organized retail outlets should pay proper attention towards the same.

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