Executive Summary

Quality in a service is a measure of the extent to which a delivered service meets the customer’s expectations. It is determined by the customer’s perception and not by the perceptions of the providers of the service. Service quality is considered a critical determinant of competitiveness. Service quality can help to differentiate itself from other competitors and gain a competitive advantage. Superior service quality is a key to improved profitability. Services are an important segment of all economies and they become increasingly more a part of everyday life as economies develop. Consumer service is a key factor towards generating loyal retail customers, and ultimately, successful retail businesses. Defined as an activity that supplements or facilitates store sales, consumer service includes such items as free parking, gift wrapping, environment and delivery. Additionally, sales personnel offer consumer service through their interactions and relationships with customers. Nature and extent of Service Quality is dependent upon certain identifiable factors or dimensions which can be optimized with wise managerial judgments.

The main objective of the study is to study the impact of service quality on retail customer perception. Purposive sampling
method is used to collect data. 400 respondents visiting Big Bazaar, D-Mart, Pick-N-Pay, Star Bazaar and Vishal mega-mart in Gujarat were taken to study their perception and preferences regarding service quality of Super Markets. They were asked to fill up the structured questionnaire which consisted of closed ended questions.

The study is divided into 8 chapters. The first chapter includes introduction to Retailing, Distinctive characteristics of India’s Retail Sector, Classification of Indian Retail Sector, Retail Industry in India, Evolution of India’s Retail Sector, Retail formats in India, Benefits of Retailing, Challenges in Retailing, Foreign Direct Investment (FDI) in India’s Retail Sector. The second chapter deals with introduction of super market, History of super market, Advantages of supermarket, Growth of super markets in developing countries and Challenges faced by Super Market. The third chapter deals with meaning of Service Quality, Characteristics of Services, Customer Retention through Quality Improvement and Models for Measuring Service Quality. The fourth chapter deals with review of literature. Research Methodology is dealt with in the fifth chapter. This chapter includes research design, problem statement, area and period of the study, objectives and scope of the study, tools and techniques of analysis and limitations of the study. The sixth
chapter describes the profile of selected super markets in Gujarat. The seventh Chapter deals with analysis of demographic profile of respondents of selected super markets in Gujarat and the evaluation of service quality of super markets in Gujarat. The eight chapter given the conclusion of the study and give suggestions based on the findings.

It is inferred that majority of the respondents in all five super markets agreed that overall service quality of the super market is good. Majority of the respondents across all super markets prefer to visit the super markets monthly. Majority of the respondents (73%) in all five super markets preferred to pay cash. Both male (51.1%) and female (51.9%) respondents on an average spent less than Rs.1000 per visit. Super Markets in Gujarat do provide wide range of products to customers. Majority of the respondents prefer to shop for garments and grocery and footwear in super markets. According to Garrett’s Ranking Technique, good quality of products, along with fair price of the products followed by accurate and speedy transactions and staff performance were the top four priorities in selection of super markets by respondents in Gujarat. Among the five dimensions of RSQS (Retail Service Quality Scale) Physical Aspects, Reliability and Problem Solving are the key factors impacting customer’s perception of service quality in super markets.