



## CUSTOMER SATISFACTION ON FACILITIES IN RETAIL OUTLETS: A STUDY WITH REFERENCE TO ERODE DISTRICT

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**ABSTRACT** Retailers play a vital role in carrying the goods from the manufacturers to the end-users. The retail industry is emerging as the next boom industry. The concept of shopping has witnessed a sea change with reference to the format, consumer buying behaviour, etc. In the modern world, large size shopping centres, multi-storied malls and huge complexes are preferred by the consumers since these retail outlets offer not only the shopping but also the entertainment for the customers as well as their children. Food court is also available for serving the food needs of the customers. Apart from these, the retail outlets provide various facilities to the customers. However, it is necessary for the retail outlets to satisfy the customers. In this paper an attempt has been made to examine the level of satisfaction of customers towards the facilities offered in the retail outlets in Erode District.

**KEYWORDS :** Retailers, Customers, Facilities, Satisfaction

### INTRODUCTION

The role of retailers in fulfilling the needs of the customers is crucial in the sense that they act as the intermediary between the manufacturers and users. They have to understand the expectations of the manufacturers as well as the requirements of the users. Indian retail industry has been growing with ultra modern retail formats like Shopping malls, Multiplex shopping centres, chain stores, etc. These retail outlets draw the attention of the customers in different ways. They try to provide all the requirements under one roof for the benefit of the customers. Apart from these, in order to attract the customers, the retail outlets provide facilities like waiting lounge, elevator, parking, food court, entertainment, kids zone, etc.

### REVIEW OF LITERATURE

Amit and Kameshvari (2012) have conducted a research entitled, "A Study on Consumer Behaviour of Organized and Unorganized Retail Outlets in Vadodara City. They have selected the respondents who bought goods from organized and unorganized retail outlets in Vadodara City. They have made an attempt to examine the consumer behaviour while shopping in these retail outlets. The researchers have also analyzed the perception of consumers, their level of satisfaction, and demographic variables. The reasons for preference of retail outlets and the factors considered by the customers while visiting the retail outlets have also been examined by the authors.

Ravilochan and Shyamala Devi (2012) in their paper on "Analysis of Customer Preference in Organized Retail Stores" explained the scope of organized retail stores. The factors influencing the customers' preference of retail outlets have been analyzed by the researchers. They have found that there was a favourable response from the customers towards the retail outlets and their size of business has increased to a considerable extent. They have suggested that the retail outlets have to take various initiatives to improve the success of organized retail trade. The results of the study have given an insight into various aspects of the shopping experience of the customers.

### STATEMENT OF THE PROBLEM

The retail shopping trend has compelled the retailers to provide for facilities to the customers. This made the customers to expect more and more facilities. The expectations of the customers have increased to a greater extent. In order to satisfy the customers, the retailers collect feedback from them. Using the feedback as a tool, the customers mention the requirements to be fulfilled by the retailers. However, due to the competition among the retailers, it is deemed necessary to retain the existing customers by satisfying their needs. Under these circumstances, the question arising in the minds of every retailer is to what extent, the customers are satisfied with the existing facilities and what are their further expectations. The following research questions have been probed in this study:

1. Are the customers aware of the facilities provided by the retail outlets?
2. To what extent the customers are satisfied with the facilities provided by the retail outlets?

### OBJECTIVES OF THE STUDY

The main aim of the study is to understand the satisfaction of the customers towards the facilities provided by the retail outlets. However, the following objectives have been framed for the present study:

1. To examine the level of awareness of customers about the facilities provided by the retail outlets.
2. To assess the level of satisfaction of customers towards the facilities provided by the retail outlets.
3. To offer suitable suggestions for enhancing the awareness and satisfaction of customers

### HYPOTHESIS OF THE STUDY

The following hypotheses have been formulated and tested for fulfilling the objectives of the study:

**Null Hypothesis H<sub>0</sub>:** There is no significant relationship between facilities provided and level of satisfaction of customers

**Alternative Hypothesis H<sub>1</sub>:** There is a significant relationship between facilities provided and level of satisfaction of customers

### NEED FOR THE STUDY

In this competitive environment, every retailer is required to satisfy the customers in order to retain them. The expectations of customers change from time to time. The retailers have to understand whether the existing facilities could satisfy the customers or not. An exclusive study on the satisfaction of customers towards the facilities provided by the retailers with reference to Erode District would be highly relevant for the retailers to plan their store location and lay out.

### RESEARCH METHODOLOGY

The research work can be carried out successfully if the research methodology has been properly design. It provides guidance to the researcher to conduct every step of the research smoothly. It includes the data source, data collection, sample size, sampling method and statistical tools used for data analysis.

### DATASOURCE

In the case of a research study based on survey method, the primary data would be highly useful. The present study mainly depends upon the primary data obtained from the sample respondents.

### DATA COLLECTION

The data required for the study could be collected from the respondents using different data collection tools. In this study, the researcher has used a structured questionnaire for the collection of data from the sample respondents. For this purpose, the researcher has consulted the subject experts and framed a structured questionnaire which has been administered among the selected respondents and the data have been collected.

### SAMPLE SIZE

The sample size is the number of respondents from whom the data have been collected. The number of sample respondents has been decided to

be 200 respondents from each of the five taluks in Erode District. Thus the total size of sample has been determined to be 1000.

### SAMPLING TECHNIQUE

The population of the study has been the residents the study area. Erode District has been divided into five taluks according to the Revenue authorities. The researcher has selected the respondents from each of these five taluks. The technique adopted for the selection of sample respondents is regarded as stratified random sampling technique.

### STATISTICAL TOOLS USED

The data collected from the sample respondents have been analyzed with appropriate statistical tools like percentage analysis, mean, standard deviation and chi square test. The percentage analysis, mean and standard deviation are used to present the descriptive statistics and the chi square test is used to analyse the level of awareness and level of satisfaction of respondents towards the facilities provided by the retail outlets.

### RESULTS AND DISCUSSION

The primary data have been collected from the sample respondents using a structured questionnaire. The data so collected have been put through analysis by applying appropriate statistical tools. The results of the analysis have been presented here followed by the discussion. The retailers have been offering various facilities for the benefit of the customers. However, for the purpose of the analysis made in the present study, the following facilities have been considered:

1. Kids zone
2. Toilets
3. Housekeeping
4. Parking and Security
5. Elevator / Lift
6. Food court
7. Waiting lounge and
8. Entertainment

### LEVEL OF AWARENESS

The level of awareness of customers about the above facilities has been assessed on the basis of responses given by the sample respondents. The sample respondents have been classified as young, middle aged and old. The following table shows the level of awareness of customers about the facilities provided by retail outlets:

**TABLE 1: LEVEL OF AWARENESS**

S. No.	Level of Awareness	No. of respondents	Percentage	Average	Min	Max	S.D.
1	Young	338	33.8	31.19	21	50	6.877
2	Middle aged	237	23.7	40.14	22	56	8.942
3	Old	425	42.5	37.56	22	55	9.703
	<b>Total</b>	<b>1000</b>	<b>100.0</b>				

Table 1 evinces that the total respondents have been constituted by 338 young respondents (33.8 per cent); 237 middle aged respondents (23.7 per cent) and 425 old age respondents (42.5 per cent). The average score of awareness of young respondents was found to be 31.19 with the minimum score of 21 and the maximum score of 50 while the standard deviation was 6.877. On the other hand, the average score of awareness of middle aged respondents was found to be 40.14 which ranged between 22 and 56 while the standard deviation was ascertained to be 8.942. On the other hand, the average score of old age customers was found to be 37.56. The minimum score, the maximum score and the standard deviation were 22, 55 and 9.703 respectively. It denotes that the proportion of old age customers was the highest among the total respondents. The average score of awareness was the highest among the middle aged customers. The lowest score was found among the young customers and the highest individual score was found among the middle aged customers. It implies that middle aged customers were more aware of the facilities provided by retailers than the other customers.

### LEVEL OF SATISFACTION

The respondents were asked to state their level of satisfaction in a five point scale – highly satisfied; satisfied; neutral; dissatisfied and highly dissatisfied. These responses were assigned scores as 5 for highly satisfied; 4 for satisfied; 3 for neutral; 2 for dissatisfied; and 1 for highly dissatisfied. The following table shows the relationship between facilities provided and level of satisfaction:

**Table 2: Facilities Provided And Level Of Satisfaction**

Factor	Chi square value	Table value	D.F.	Result
Facilities Provided	15.639	23.68	14	Not significant

From the Table 2, it could be understood that the computed value of chi square stating the relationship between facilities provided by the retailers and the level of satisfaction of customers was found to be 15.639 while the table value was 23.68 for 14 degrees of freedom at 5 per cent level of significance. Since the computed value was less than the table value, it falls in the acceptance region. Hence, the null hypothesis is accepted. It is concluded that there is no significant relationship between facilities provided and the level of satisfaction.

### RECOMMENDATIONS

The fact that the young customers were less aware of the facilities provided by retail outlets leads to the recommendation that the retail outlets that colourful neon sign boards about the facilities available shall be displayed in prominent places of the retail outlets in order to make the customers aware of the facilities. Section-wise and floor-wise layout charts shall be displayed to help the customers aware of the facilities made available to them. The analysis of satisfaction revealed that there is no significant difference in the level of satisfaction among various groups of customers about the facilities provided. It is an indication that the retail outlets should provide more facilities to satisfy their customers. Hence, it is suggested that the parking area should be enlarged and housekeeping department shall be made more effective by enhancing the frequency of cleaning. Pure drinking water shall be provided in all the floors. Free wifi facility shall be provided to attract more young customers. Mobile applications shall be developed and provided to the regular customers to place the orders well in advance before visiting the retail outlets. Barcode image processor shall be provided to identify the goods available and the price of the goods.

### CONCLUSION

The study on customer satisfaction on facilities provided by retail outlets reveals that the awareness level was high among the middle aged customers while comparing with the young customers and old age customers. The customers have been enjoying the facilities provided by the retail outlets. However, the level of satisfaction has not been influenced significantly by the facilities provided. The retail outlets should provide advanced and technology oriented facilities to attract the customers. It would enhance the level of satisfaction of the customers. The higher the level of satisfaction greater will be the loyalty of the customers. The loyal customers would serve as the ambassadors and they would recommend their friends and relatives about their favourite retail outlets.

### SCOPE FOR FURTHER RESEARCH

It is suggested that the future researchers shall undertake a research study on the Information and Communication Technology (ICT) facilities provided by the retailers. Comparative study on the awareness, perception and satisfaction of customers towards the facilities provided by various retail outlets shall be conducted. Further studies shall be carried out on service quality of retail outlets in Erode District and other districts.

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