



RETAIL SERVICE QUALITY DIMENSIONS IN INTERNATIONAL PERSPECTIVE: AN OVERVIEW

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Abstract: The present paper based on Service Quality variables and customer perception of Retailer, aims to identify the dimensions that organized retailers should offer to their customers. A thorough study of the contributions made by the researchers and persons from academic fraternity towards various retail service quality variables was done. Analysis of the various retail service quality variables was done to study the relationship between them. As organized retailers are considered as offering similar merchandise in the outlets, improving service quality is viewed as vital to ensure client commitment. With the entry of FDI in multi brand retailing, more international marketers are anticipated to introduce the Indian market this intern will bring more competition in this retail sector. For coming at par with global standards the Indian retailers will have to improve their service quality. This work attempts to find interrelationship between various Retail Service Quality dimensions, which will serve the retailers to identify the steps required to ameliorate the overall service.

Keywords: Organized Retail, Retail Service Quality, Service Quality Dimensions, Unorganized Retail.

INTRODUCTION:

Retail industry the biggest sectors in India and second largest employment provider after agriculture (Zameer, 2011); it plays a substantial part in increasing the productivity across a broad scope of commodities and service . In India both organized and unorganized retail sector co-exist, although bulk of the share being under unorganized. Organized retailing has finally come out from the shadows of unorganized retailing and is contributing significantly to the



development of the Indian retail sector.

India is one of the fastest growing economic systems in the world and one of the largest in term of consumer purchasing power. It has been called a nation of shopkeepers for centuries. Trading is one of the most important sectors of the Indian economy. The donation of this sector in the total Gross Domestic Product is 14 percent and close about 3 crore peoples derive their income from this trading activity. The bulk of them are laborer's involved in the small retail trading activity. These small traders now will have to face competition with organized large department stores like Tesco, Metro, Pyramid, Walmart, Pantaloon, Westside Big Bazar, etc.

The present market scenario is continuously changing its demographic's where organized retailing is taking shape and is nevertheless in its nascent phase. Customers either perform daily purchase or on monthly bases from organized retailers, according to their convenience. In recent times the buying behavior of the customers has also switched.

OBJECTIVES:

1. To understand the factors influencing the service quality of retailers.
2. To dissect the customer perceptions and customer expectations from organized retailers with regard to service quality.
3. To analyse the promotional activities taken by the organized retailers to enhance the sales.
4. To provide suggestions to improve the services provided by the organized retailers in order to maximize the customer satisfaction.

RESEARCH METHODOLOGY:

Research Methodology includes the secondary sources like Indian and International Journals, books, reports, company websites etc. are referred. The sources are compiled and an in-depth study followed by a thorough analysis was performed. Finally on the basis of review of literature, some factors were found to be considerably significant with regard to service quality of the retail sector.



SCOPE OF THE STUDY:

1. The study provides suggestions to the organized retailers for the improvement of their service quality.
2. The study helps the researcher to know how the aspects of customer perception are linked with organized retailing
3. The study throws light on various service quality parameters of organized and

LITERATURE REVIEW:

1. **Tarunjit Singh et al. (2015, Jalandhar, Punjab)** studied that the percentage of organized retail has gone up from 3.5% in 2005 through 5% in 2008 to 10% in 2013. This is majorly attributed to increased facilities and options under one roof for the customers. Increase of FDI in Single brand retail and multi brand retail as already named above is a major contributor to the development of organized retail in India. Technology has also been a major contributor to the growth as expected sales through e-commerce will touch \$8.8 billion by 2016 from a mere \$1.6 billion in 2012. The attitude of the young person is the major contributor towards the increasing preference towards organized retailers. Infrastructure development has cut travel times and good parking facilities, entertainment options and parks attract people to places of organized retail.
2. **Indal Kumar (2014, Allahabad)** found out that customers like to purchase natural products & vegetable from cooled stores on account of its quality items, however, because of the high costs, regardless they feel traditional to purchase these sorts of items either from the neighborhood versatile vegetable dealer or from the closest vegetable business. The study further uncovered that proximity was a most essential relative favorable position of disorderly outlets. The organized retailers are encountering a superior point of interest in light of the store picture, item accessibility, and value rebates. This study watched that because of changes in pay and enhanced quality. The customer discernment towards sorted out and chaotic retailers contrasts on the premise of value and cost. They selected to buy diverse items from the sorted out and chaotic retailers. From the review it was built up that



when contrasted with the sloppy retail design the vast majority of the respondents possessed a decent picture about the organized retailers.

3. **Hafiz Ihsan-ur-Rehman et al.(2014, Punjab, India)** found that the global retailers considering the Asian market is a most attractive play area for making profit. The objective of this study is to investigate the extent, to which store characteristics; product assortment, store atmosphere, location and Purchase intention would influence the Pakistani consumer's store choice. To examine the genes that influence consumer's Purchase intention, 200 questionnaires were disseminated among the general public out of which One hundred and eighty surveys were taken in. It has been concluded after applying suitable statistical tools that Product assortment is strongly correlated with store atmosphere, location and purchase intention. Besides the storage atmosphere is strongly correlated with product variety, location and purchase intention.

4. **SatnamUbeja (2014, Indore, India)** performed a survey whose objective were to investigate the client satisfaction with respect to sales promotion mix in shopping malls and to contemplate variations in the customer satisfaction with respect to sales promotion mix across different demographic variables. The authors have selected 18 factors of sales promotion mix and tried to assess the customer satisfaction in shopping malls. With the help of factor analysis, it was found that five new agents were lucky and bumping, frequent and warranty monetary and quantity benefit, gift and exchange, and finally discount offers. In summation, this survey indicated that the average customer of Indore city in the sample was not very sale promotion conscious, but scholars were rather conscious about any type of sales promotion mix elements. It found that; students, those are dependent on their parents and whose age is between 20-30yrs, UG students are more conscious about sales promotion in shopping malls for getting customer satisfaction. Shopping is a fun activity for them. Young customers are more recreational in their shopping.
5. **Adil Zia et. al. (2013, Uttar Pradesh, India)** found eleven dimensions that causes a positive impact and four dimensions have



a negative impact on shopping experience under unorganized retail. These eleven dimensions are helpful, acknowledgement, place to enjoy, store service quality, returns and exchange, shopping convenience, reliability, transactions, merchandise, product form and store appearance. Four dimensions having a negative impact on shopping experience in unorganized retail are shopping time, complaint handling, physical aspect and loyalty programs lead to negative impact on shopping. The retailers should pay utmost importance to merchandise which is a component of brand experience. This simply stands for retailers should try to sustain a large and varied range of products if they want consumers to deliver a secure and confident shopping experience. The least important component found in the field was reliability; this was because in unorganized retail setup retailers don't do much to improve the reliability of the wares.

6. **Shilpa Raghuvanshi et al. (2013, Indore, India)** compiled the primary data with the assistance of the standardized questionnaire of service quality which was administered to a convenience sample of 100 respondents accessing selection of retail stores in Indore, a city of Madhya Pradesh, a state in India. The data collected were analyzed with the statistical tools of factor analysis and z-test. The factors influencing customer's perception come to be responsive, tangibles, empathy, convenience, assurance and dependability. The survey brought out that, there is no substantial dispute in the perceptual experience about the satisfaction of the serviceman and businessman selection of retail shop clients. But one factor, i.e. Convenience, have significant difference. The study concluded that the prospect of stiff competition in the global business field where business have to survive and grow on the basis of mass instead of margin, selection of retail stores will constitute an essential plan of FMCG marketing.
7. **Rupali Pramanik et al. (2013, Uttar Pradesh, India)** revealed that there is no significant difference in overall retail expectation in three urban and suburban areas in case of grocery and food purchases. A real difference has been detected in the apparel sector. Further analysis reveals that there is similarity in two urban areas while suburban area is markedly different. In the instance of apparel proximity, no importance is attached to the three different



location points. For grocery and food the respondents have given weightage to nearby stores whereas for apparel they prefer to go just about distance. Regarding communication, the views expressed were found alike for grocery and food but different for apparels. So far as ambience of the retail outlet is concerned, opinions vary area to area, but for grocery and food stores the opinions of the respondents have been found alike. Price has been found alike for grocery and food while difference has been renowned in the apparel sector area - fresh. Difference in service has been recorded across all three location points of the subject areas in all three sectors. In the setting of product assortment of apparel, the perceptions and preferences of the masses of urban areas are alike, while in suburban area, it is found different, but in the case of grocery and food they are standardized across all three location points.

8. **Mohd. RumziTaushif et al. (2013, Delhi, India)** attempted to investigate the relationship of various factors, with the impulse buying tendency of consumers in the Delhi region. There is an empirical evaluation of the perception of the customers towards various in-store stimuli like price, merchandise, packaging, displays and ambience across stores located in Delhi. An empirical investigation is guided through the evolution of a structured questionnaire that was filled up by 100 respondents. Questionnaire through non-probability convenience sampling, which incorporates questions related to general people impulse purchase behaviour and the factors, general people believe are responsible for impulse purchase. The consumer is struck by both inner and external factors of impulse purchasing. Since impulse buying behaviour is often a stimulus driven and increased exposure to certain stimuli increase the likelihood of impulsively buying refer which the marketers use for tempting customers for the act of buying. The study concludes that atmospheric cues in the retail format act as an important stimulus that generates a desire to buy impulsively.
9. **MedhaKanetkar (2013, Nagpur, Maharashtra)** found that the most energizing aspects of the new computerized world is that buyers can associate immediately with other individuals who stay around the square or around the individuals. Advantages of composed retailing to shopper and society can be abridged as



lovely insides with excitement office extremely satisfying atmosphere, Mall offers considerably more than simply shopping, Huge gaming zone where children can use the time at the ideal, Malls are continually being built at prime area and in prominent ranges. The evolving pattern, accommodation of shopping, settling a blend of things under one rooftop draws in and instigates individuals of all age gatherings to often visit shopping centres, shopping centres creates livelihood opportunities, immediate and insurance, for a great many individuals. Considering the effect of Big Bazaar on the buyers, retailers or rendering the administrations like keeping the supply of the diverse assortments of products, applying different techniques for interest creation, helping in the compelling dissemination of shopper merchandise. , stretching out credit offices to the buyers, giving numerous individual administrations to the shoppers.

10. **Girish K Nair et al. (2013, Kerala, India)** analyzed the various retail service quality variables and established the relationship between them. The study explores the factor that attracts the customers towards the organized retail sector in Trivandrum. From the chi square analysis of the different variables of the diverse dimensions of Retail Service Quality it was found that there is a substantial relationship between Modern looking equipment and fixtures and Visually Appealing variables of Physical aspect dimension. Similarly, it was found that there is a substantial relationship between easy access and easy internal mobility variables of Physical aspect dimension. There is no substantial relationship between Error free billing and Reliability in using credit card variables of Reliability aspect dimension. There is a substantial relationship between Returns and exchanges and sincerity in problem solving variables of Problem-solving aspect dimension. There is a significant relationship between convenient store hours and convenient parking facility variables of Physical aspect dimension.

ANALYSIS:

The literature review shows studies conducted for retail service quality dimensions. The paper provides insights into the various dependent



variables of perceived service quality. The retail service quality research sensitizes marketers to the fact that consumers are drawing satisfaction not only from perceived product quality and product price but also from the service quality provided by the retailer at the retail format. Thus, the consumer comes to the retail store with a set of expectations that extend beyond the type of promotions (buy one get one free, price off etc.) on offer, product quality and product price. During their stay in the store, they are analyzing the nature of the services provided by the retailer, the store ambience, management of the entire promotion (chaos in the store etc.), POP displays, effectiveness of announcements, behavior of the staff, complaint handling etc. On the one hand, they are deriving satisfaction from the sales due to expectations, perceived quality and value for money derived from the sales. However, on the other hand, there is a marked gap between the customer expectations and perceptions. The review points out Hence it is impending on retailers not only to provide the right type of promotions, best price and quality, but also to serve the customer to fulfil his satire for service. Thus broadly dimensions can be divided into physical and non-physical. The Physical aspect dimensions extracted out of service quality incorporates variables like trained sales personnel, merchandise arrangement and set up, packaging, displays and ambience, Vehicle parking facility, location of the retail format, Restroom facility, waiting lounge facility, drinking water facility, entertainment and recreation means, cleanliness and security, payment options like credit card, Debit card, cash on delivery, error free billing, finance facility, exchange and return facility, home delivery. The non-physical aspect dimensions include convenient store hours, proximity, healthy store environment, including fragrance, lighting, temperature, humidity, behavior of sales personnel, query and complaint handling.

CONCLUSION:

The customer perception of retail service quality is an important section of the emerging and the existing retailers in the marketplace. As the review study reveals that perception of service quality is influenced by the various parameters among different categories of customers, even some of the general factors like personal interaction, the physical aspects are the dimensions on which customer perception remains



constant and common to the entire customer on a majority basis. So the retail

outlets have to frame their own strategies in order to attract the customers on a long basis. The non-physical aspects of service quality can be improvised by scheduling quality training for store sales personnel at a regular interval of time, skill development modules and appropriate complaint handling policies for customers and incorporating customer friendly strategies. On the contrary the physical aspects can be strengthened by developing retail infrastructure, remodeling of retail facilities, provision of basic amenities for the customers, healthy and comfortable store environment. Hence, the retailers are supposed to upgrade their service quality dimensions so that the gap between expected and perceived service quality dimensions are minimized to the extent so as to satisfy the customers for long term existence and survival of organized retail formats. Thus broadly speaking, the factors influencing customer's perception can be segregated into composite variables like environment, comfort, responsive, tangibles, empathy, convenience, assurance and efficiency.

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