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Service Quality and Its Impact on Customer Satisfaction in Shopping Malls

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Abstract

Retail industry plays a significant role in increasing productivity across a wide range of consumer goods and services, and it is a big business in developed countries, and it is in a much more organized format in India. Most of the retailing in India happens in the un-organized sector with over 12 million retail outlets of various sizes and formats. Retailing involves direct interface with the customer and co-ordination of business activities from end-to-end right from the concept or design stage of the product and delivery of service to the customers. Changing customer's lifestyle and the competitive environment has made the customers' expectations grow high. The retailers were more concise with satisfying their customers since the customer satisfaction will be the core point of improving the retailer's products and services. So the researcher has made an attempt to measure the satisfaction level of customers in the shopping mall.

Key Words: retail, business, product, services, customer.

1. INTRODUCTION

The metros and the tier I cities continue to sustain retail growth, there is a shift from the great cities to lesser known ones, the spending power is no longer limited to metros, every Tier II cities in the country has good market for almost every product and service due to this tier II cities like Chandigarh, Coimbatore, Pune, Kolkata, Ahmadabad, Baroda, Hyderabad, Cochin, Nagpur, Indore, Trivandrum etc. provide a good platform for a brand to enter Indian market.

Retail is an industry we all have a part in-after all, it is the sale of products to individual consumers (as opposed to businesses). Aside from all the consumers, though, more than 15 million people in the United States are employed by retailers-that's 12 percent of the workforce. With U.S. annual retail revenues close to \$4 trillion in 2009 and more than a million retail businesses in operation, there's no question that this is a huge industry-and one in which its success is directly connected to industries beyond its control.

Mega retailers Wal-Mart, Macy's, Home Depot, and J.C. Penney all lowered their estimates

for fourth quarter sales in 2013 due to the struggling housing market, rising gas prices, and credit woes expected to have not only a negative impact on holiday sales, but the sales environment throughout 2012. Shoppers were thought to have proved their resilience by spending \$10.3 billion on holiday purchases on Black Friday, a 9.3-percent increase over 2013. But, alas, The New York Times reported spending between Thanksgiving and Christmas increased only 3.6 percent over 2009, compared to 6.6-percent sales growth in 2010 and 8 percent in 2011 at least four years (according to Master card Advisors).

Retail goods are traditionally divided into durable goods, such as furniture and large appliances, which are expected to last at least 5 years, and nondurable goods, which include food, clothing, and other categories far too numerous to mention but which eventually form the bulk of the stuff you see on makeshift tables at garage sales.

The retail landscape has seen drastic changes in the last decade or two. In the old days, retail was dominated by small, local mom-and-pop stores (like

the tiny neighborhood record store and the corner market), shopping malls, and traditional department stores (e.g., Mervyn's and Macy's) that acted as those malls' "anchors." There are still plenty of mom-and-pop stores, malls, and department stores around today, but they're dominated in the retail landscape by mass merchandisers (e.g., Wal-Mart and Target), discount clubs (e.g., Costco and Sam's Club), "category killers" (e.g., Home Depot, Barnes & Noble, and Staples), and specialty and online retailers (e.g., Coach, Amazon.com, and J. Crew).

If you don't think past sales clerk when thinking about the career opportunities offered by the retail industry, you'll miss a lot of the opportunities that are out there—including jobs for people with more of a head for business than for fashion, or electronics, or sporting goods, or whatever else the company you go to work for might do. While it's true that most of the industry's employees are salespeople and clerks, retail also offers opportunities for those interested in determining what goods will be sold, getting these goods to the right place at the right time, and managing the operations, finances, and administration of retail companies. Retail executive-training programs are crammed with energetic twenty-somethings, all hoping to perform those shopping actions as sales and merchandise managers, buyers, and marketers at major retail organizations, such as Ann Taylor, Macy's, J.C. Penney, and the Gap.

2. ONLINE SHOPPING VS TRADITIONAL SHOPPING

Shopping is the word which brings smile on the faces of women and as far as men are concerned this word brings strain both on their faces as well as their pocket. Shopping has been done by people from past 100 of years but the way of doing has changed in past few years quite drastically. Nowadays one does not need to go outside to do shopping one can do it with just one click from home over internet and this act of purchasing by consumer is called online shopping. In order to understand this better let's look at some of the differences between online and physical or traditional shopping.

Online shopping as the name suggest is done over internet and therefore you do not have stand in line or go anywhere from your home to purchase the stuff you like whereas in physical shopping if you want to buy you have to go nearby mall or shop and then purchase the item you like from there.

In online shopping one can look many products and that too multiple times without buying them and therefore it offers lot of flexibility whereas in case of physical or traditional shopping one does not have too much of choices as one has to buy the product which is available at shop and if that product is not available then either you buy the product which is your second choice or wait for that product to come and then buy.

In Online shopping if one is buying products like shoes or clothes then one cannot try the product before placing the order and therefore the chances of actual product being different from perceived product is high whereas in case of traditional shopping there is no such risk because consumer try it first and then buy and therefore there is no scope of difference between actual and perceived product.

Online shopping is transparent in the sense that one can compare the price of product over different websites to ensure that he or she buys the product at cheapest price, however in case of physical shopping one does not have this luxury because the buyer has to purchase the product at a price which is quoted by seller as there is no way of finding whether the price quoted by seller is fair or not.

In case of online shopping thousands of different products are available at one place or website whereas in case of physical shopping this is not possible and hence if you want to buy mobile and trousers then you have to go to 2 different shops as these product are different and hence it leads to time wastage. Hence one can say that when it comes to time saving online shopping definitely scores over physical shopping.

Online shopping scope is used by people who are tech savvy and therefore it is mostly used by young people, however in recent times middle age and older age people too are getting used to it whereas physical

shopping is done by old people or by those who are not that familiar with technology advancement in e-commerce and its benefits and they consider online shopping risky because of fear of fraud and unknown.

3. REVIEW OF LITERATURE

John B. Clark and Hojong Hwang (2000), in the article entitled, 'International comparative Analysis of Customer Satisfaction with Discount Stores' stressed on the importance of international comparative study on customer satisfaction for the multinational firms which entered or intend to enter in global retail market as well as domestic firms which are already doing business in the market, to assess performance and mapping retail strategy. Anselmsson (2006), have developed and validates a conceptualization of shopping mall satisfaction based on field studies in Sweden. He had observed that Customer satisfaction with a shopping centre may be viewed as an individual's emotional reaction to personal evaluation of the total set of experiences encountered at the shopping centre. P. Praba Devi and R. Sellappan (2009) attempts to measure service quality prevalent in the retail stores as perceived by the customers and how some of the factors are related with that of the socio economic factor. Derar, Et al (2010) attempted to examine retail service quality in a college shop. This scale was modified based on the retail service quality scale (RSQS) to make it more contexts specific and culturally sensitive for the retail college shop (Al Waha) at Dubai Women's College. Md. ShakForid (2011) attempted to understand the perception of customers in relation to fashion and lifestyle product based retail service and assessing the impact of retail service quality on customer satisfaction. Jing Xiao and Julia Chernetskaya (2010) evaluated retail service quality according to Retail Service Quality Scale (RSQS) which composes of 5 dimensions namely physical aspects, reliability, personal interaction, problem-solving and policy in various Stadium sport stores in Helsinki

A. John William & S. Prabakar (2012) studied the customer perception on retailer service quality. It aims to identify the dimensions of the services provided by the organized retail outlets to the customers and

the perception of the customers. Retail service quality was measured by using five dimensions like reliability, personal interaction, physical aspects, problem solving and policy.

4. OBJECTIVES OF THE STUDY

- ❖ To know the level perception of service quality at shopping mall
- ❖ To identify the level of customer satisfaction among shopping mall consumers
- ❖ To understand the level of customer Loyalty among shopping mall consumers
- ❖ To understand the customer purchase pattern

5. RESEARCH METHODOLOGY

(a) **Research Design** : The descriptive research design is used to describe market characteristics of shopping malls or make comparisons of variables and make predictions. The design followed in this study is the descriptive because the goal was to look in some characteristics of the shopping mall service and make assumptions and inferences about them.

(b) **Sample Size** : A finite subset of population is called a sample and the process of selection of samples is called sampling. This refers to the number of items to be selected from the population to constitute a sample. Primary data is collected through questionnaires distributed to 130 respondents. The entire questionnaire received was screened for errors, incomplete and missing responses.

(c) **Sampling Method** : A convenience sampling technique (Non-Probability Sampling) was used for the survey. Data was collected from the customers through the Questionnaire method.

(d) **Sources of Data** : Two types of data were collected for analysis. They were primary and secondary. The primary data are those which are collected afresh and for the first time and thus happen to be original in character. Information regarding demographic characteristics of the respondents and

customer expectations and perception towards service quality dimensions was collected through structured questionnaire. In this study researcher used primary data to analyze the customer’s expectation and perception on the service quality dimensions. The secondary data are that which have already been collection by someone else and which already was passed through the satisfaction process. Information relating to number of habitants in Coimbatore Corporation, shopping behavior of customer and the models to study the expected and perceived service quality was collected from journals, books, web sites and magazines. Also the researcher has collected the information on reviews, references, population size, store location information, pre-studied Questions and papers from various sources like Coimbatore Yellow pages, Just a Dial website and local directory.

6. ANAYSIS AND INTERPRETATION

Hypothesis

Null Hypothesis (H0): There is no significant Relationship between monthly Income of the respondent and Amount spent on purchase.

Alternate Hypothesis (H1): There is significant Relationship between monthly Income of the respondent and Amount spent on purchase.

Table 1 : Monthly Income Amount Spent

		Amount spent				Total
		Less than 1000	1000-2500	2500-5000	above 5000	
Monthly income	Less than 10000	6	9	1	0	16
	10000-20000	3	19	7	0	29
	20000-30000	1	16	15	5	37
	30000 & above	2	4	8	3	17
	None	15	12	4	0	31
Total		27	60	35	8	130

Table. 2 Chi-Square Tests Monthly Income *Amount spent

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	48.149^a	12	.000

Pearson chi-square test, it is observed from the above table that the chi-square value is (48.149) and significance value is (0.000) which is lesser than the critical value for this study (p=0.05).Hence, H1 is accepted and there is significant relationship between monthly Income of the respondent and amount spent on purchase. It revealed that majority of the respondents having the family income lies between 20000 and 30000 who spend the amount of 1000-2500.

Hypothesis

Null Hypothesis (H0): There is no significant relationship between Occupation of the respondent and amounts spend on purchase.

Alternate Hypothesis (H1): There is significant relationship between Occupation of the respondent and amounts spend on purchase

Table 3 : Occupation * Amount Spent

		Amount spent				Total
		Less than 1000	1000-2500	2500-5000	above 5000	
occu- pation	Agriculture	1	2	0	1	4
	Businessman	2	14	5	4	25
	professional	2	15	14	2	33
	students	22	29	16	1	68
Total		27	60	35	8	130

Table 4 :
Chi-Square test Occupation*Amount spent

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.980 ^a	9	.004

Pearson chi-square test, it is observed from the above table that the chi-square value is (23.980) and significance value is (0.004) which is lesser than the critical value for this study (p=0.05). Hence, H1 is accepted and there is a significant relationship between Occupation of the respondent and amount spent on purchase. It revealed that majority of the respondents are students who spend the amount of 1000-2500.

7. CONCLUSION

This study identified that Reliability and Policy

of the store are directly influencing the customer satisfaction. The other factors like Physical aspects, Personal interaction and Problem solving did not emerged as a significant variable. The study also found that one of the customer loyalty factors (recommendation of the store to others) is directly influencing the customer satisfaction. The analyze were carried out on the collected data and the results were shown by using graphs and tables. Based on the observations and the analysis done, some suggestion and recommendations were given for the betterment of the shopping mall in Coimbatore and for the customers of shopping mall. This study would help the Shopping mall manager to frame appropriate policies for their growth. Furthermore the findings of the study help the Organization to ascertain priorities of customers.



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