

Assessment of Service Quality in Organized Retail Stores of Udaipur

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Abstract: Indian organized retail market is growing at a fast pace due to the boom in the India retail industry. Many Indian companies are entering the Indian retail market which is giving Indian organized retail market a boost. Consumer do not easily articulate their requirements, also there are difficulties in delimiting and measuring the concept of service quality. As customers are involved in the production and consumption process of a service conducted within a physical environment, the physical environment will have a deep impact on customers' perception of service experiences also noted that physical environment is often used as cues of a firm's competences and quality by consumers before a purchase.

The paper highlights the frequency of customers visiting franchisee stores, malls etc. with respect to the quality of services facilitated specially at malls which provide convenience, comfort and entertainment.

Keywords– articulate, competences, delimiting, organized, retail.

I. INTRODUCTION

Retail market in the organized sector in India is growing. Many Indian companies are entering the Indian retail market which is giving Indian organized retail market a boost. The Indian organized retail industry is expected to grow \$637 billion in 2015. Retail Market India today is the second fastest growing economy of the world after China. Indian economy will grow larger than Britain's by 2022; Japan by 2032 and by 2050 will become the second largest economy of the world after China. Indian market has become the most lucrative market for retail investment in the world.

The shades of growth of organized retail sector are also found in the city of lakes "Udaipur"(Raj.). Some of the factors which have contributed to the growth of organized retail in Udaipur are: increase in the purchasing power of people, rapid urbanization, increase in the number of working women, large number of working young population.

Service Quality

Service quality by its very nature is an elusive, indistinct and abstract concept. Consumer do not easily articulate their requirements also there are difficulties in delimiting and measuring the concept.

Retail Service Quality Scale (RSQS)

To contextually fit the retail industry, Dabholkar et al. (1996) developed Retail Service Quality Model (RSQS). Based on SERVPERF, RSQ Secludes 28-item scale, of which 17 items are from SERVPERF and 11 items are developed by qualitative research. It composes of 5 dimensions, namely (1) Physical aspects – Retail store appearance and store layout; (2) Reliability – Retailers keep their promises and do the right things; (3) Personal interaction – Retail store personnel are courteous, helpful, and inspire confidence in customers; (4) Problem solving – Retail store personnel are capable to handle returns and exchanges, customers' problems and complaints; and (5) Policy – Retail store's policy on merchandise quality, parking, operation hours, and credit cards.

II Research Methodology

Research title: "Assessment of service quality in organized retail stores of Udaipur".

Research objective:

- ❖ To study applicability of RSQS model (given by Parsuraman) in organized retail stores of Udaipur city.
- ❖ To determine the significance of various dimensions of service quality in organized retail stores in Udaipur.
- ❖ To measure the retail service quality in organized retail stores.

Research Hypothesis:

H₀: There is no significant correlation between the format of outlets and the frequency of visiting these outlets.

Research design:

In this research descriptive research design is used for

- Analyzing the research problem
- To specify the objective with sufficient precision to ensure that the data collection were relevant.

Type of data collection:

For data collection data source are -

- i. Primary data: This data is collected by the help of questionnaire.
- ii. Secondary data: This data is collected by the help of internet, books, articles, & journals.

Research instrument: Annexure-This is used as one of the research instrument The annexure have two parts, first contains the information about respondent such as name, locality, gender, age group, occupation, family income & their frequency of visiting the different organized outlets. And the second part consists of the information about their perception of retail service quality in their city. This part has Retail Service Quality Measurement Scale consists of 28 statements based on 5 dimensions of service quality given by Parsuraman, that are physical aspect, reliability, personal interaction, problem solving, and policy. These statements were rated with the help of Likert five scales by the respondents as per their perception regarding service quality of Udaipur retail.

III Facts And Findings

Data analysis

For the purpose of analyzing the perception of the respondents (male & female) towards service quality in organized retail in Udaipur, they were asked to express their frequency of visiting (dx) in relation to the different outlet (dy). Correlation of bivariate grouped data was calculated from the data collected.

Formula:

$$r = \frac{N\Sigma xy - (\Sigma x)(\Sigma y)}{\sqrt{[N\Sigma x^2 - (\Sigma x)^2][N\Sigma y^2 - (\Sigma y)^2]}}$$

Where:

- N = number of pairs of scores
- Σxy = sum of the products of paired scores
- Σx = sum of x scores
- Σy = sum of y scores
- Σx^2 = sum of squared x scores
- Σy^2 = sum of squared y scores

Interpretation: The solution 0.0616 shows that there is *no significant correlation between two variables*, type of outlet and the frequency of visiting the outlet.

Correlation Matrix of perception respondents towards service quality of organized retail.

1. “Employees in the store have the knowledge to answer customer questions” has strong correlation with “the behavior of the employees in the store instills confidence in customer”.
 2. “When the store promises to do something by certain time, it will do so” has highly co related with the “store provides its services at the time it promises to do so”.
 3. “Employees in the store are never too busy to respond to customer request” has correlation with “the store gives customer individual attention”.
 4. “The store insist on error free sales transactions and records” has significant correlation with “employees in the store have the strong knowledge to answer customer question”
 5. “The store provides its services at the time it promises to do so”. Has significant correlation with “the store performs the service right the first time”.
 6. “An attractive physical facility” has correlation with “visually appealing store services”.
 7. Employees in the store are never too busy to respond to customer request and the store provides penalty of convenient parking for customers were significantly co related.
- ❖ The overview of the five dimensions of RSQS implemented in Udaipur retail are:
- Physical facilities* are clean, tidy, modern-looking and attractive complete with a convenient store layout that enables the customers to find what they need but there is no proper space to move around with ease.
 - Services are delivered *reliably* by fulfilling all promises made to customers and doing things without mistakes.
 - The employees (salespeople) are enthusiastic, helpful, knowledgeable with the ability to instills confidence in the customers at all times during their *personal interaction* with the customers and provide favourable environment for customers.
 - Any complaints or *problems* faced by the customers are sincerely managed not directly handled.

□ The store *policy* is responsive to customer needs such as trading high quality merchandise, having convenient operating hours but they are lacking in providing ample parking spaces, a store discount or membership card and credit payment options.

IV Conclusion

Retail is currently the booming sector of the Indian economy. This trend is expected to continue for at least the next two-three decades, attracting huge attention from all quarters of the economy—entrepreneurs, business heads, investors as well as real estate owners and builders. In Udaipur, Slowly and steadily retail has witnessed considerable growth while a new form of organized retail sector has emerged within the retail industry. With such developments in the retail it is important to look at the service quality in this sector. The study firstly understands the service quality in organized forms of retailing. In addition the study looked at the significance of various dimensions of service quality in retail.

- ❖ This research has found the factor that influence to customer satisfaction and customer loyalty. This research has extended our understanding of customer satisfaction and customer loyalty by examining the effects of service quality in organized retail of Udaipur.
- ❖ This study has demonstrated the actual measurement of retail service quality in organized retail of Udaipur and considered the impact of retail service quality on customer's overall evaluation of retail service quality.
- ❖ This study provides several interesting insights into the mediating role of satisfaction between service quality perceptions and patronage intentions. This is attributable to the conceptual study of two different value dimensions that consumer associate with store service quality – performance value and expressiveness value.
- ❖ The findings obtained from the confirmatory factor analysis and reliability tests indicated that all the five dimensions of physical aspects, reliability, personal interaction, problem-solving and policy are highly suited for measuring retail service quality, particularly in clothing stores & food store. Thus, the instrument is appropriate for studying retail businesses that offer a mix of services and merchandise, such as departmental and specialty stores, supermarkets, hypermarkets, discount stores and the like. The measurement scale has proved to be applicable in Udaipur also.
- ❖ Retail service quality is also highly associated with future consumption behavior in terms of the customers' intention to visit, purchase and recommend the store to family and friends. All the underlying dimensions of service quality play a role in stimulating repeated store patronage and the spread of good word-of-mouth. However, it is noteworthy to point out that problem solving did not record strong positive correlations as compared with the other dimensions when it came to intention to visit and purchase although it was significantly related to those two intentions.

V Suggestions

1. Retailers still need to offer services that facilitate their sale of merchandise. This is achieved through their sales personnel who are responsible in assisting the individual customer in their shopping.
2. Care should be taken to ensure that there are always adequate salespeople around in the store who have been thoroughly trained and are professional enough in their dealings with customers.
3. Satisfying customer needs through excellent service quality provided by customer-oriented salespeople will increase the likelihood of customers returning to shop and eventually recommending the stores to others.
4. Word-of-mouth recommendations on service quality play an important role in pushing products to new customers and generating revenue streams by increasing the percentage of retained customers. Thus it is important to take measures to keep the ambiances clean so that overall quality experienced is felt by the customer.
5. Retailers must apply prompt and professional problem-solving methods.
6. Retailer must focus its resources on improving the particularly weak aspects of its service.

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Internet links:

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