

## **Customer Satisfaction and Brand Loyalty towards Corporate Retail Store - [A Case Study of Big Bazaar Retail Store in Bangalore City]**

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**Abstract:** Brand loyalty is the consumer's emotionally-charged decision to purchase a specific brand again and again. Recent studies focused on loyalty concept in goods as well as services sector. Of late brand loyalty is receiving a great deal of attention in corporate retailing sector. So there is a need for introducing comprehensive brand loyalty model for this retail sector. The present study is taken up with an objective to measure the opinion on the antecedents of brand loyalty such as product quality, price, purchase decision, perceived quality, store environment and design; to assess the customer satisfaction; and to suggest specific steps to improve brand loyalty towards Big Bazaar in Bangalore city is chosen through the judgment sampling method, and 100 samples are considered to pool up the opinions by convenience sampling through a well structured questionnaire. The survey results depicted that brand loyalty towards Big Bazaar is positive and all the six antecedents have the significant effect on customer satisfaction as customer satisfaction is positively associated with brand loyalty. So it is important for a marketing manager to introduce innovative customer loyalty programs for protecting the customers' base line for Big Bazaar in Bangalore city.

**Keywords:** Brand loyalty, customer satisfaction, corporate retailing sector, Big Bazaar

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### **I. Introduction to Corporate Retailing**

Retailing means selling products in small volumes directly to individuals and it is emerging as a sunrise industry in India. It is presently the largest employer after agriculture and it generates more than 10% of GDP in India<sup>(1)</sup>. The customer satisfaction and brand loyalty are pre-eminent. The success of the retail stores depends on customer's reaction to the retailing mix to earn more profits, to increase the volume of turnover, market's share, image, status and lastly its survival<sup>(2)</sup>.

#### **Big Bazaar**

Big Bazaar is the chain of retail stores of the big banner Pantaloon Retail (India) Ltd., Mr. Kishore Biyani as its group CEO and MD, headquartered in Mumbai. Big Bazaar was launched in 2001 with four stores established in Calcutta, Indore, Bangalore, and Hyderabad and has been developing rapidly by spreading its wings all over India. A great deal of stores numbering 150 reliable stores have been established in 80 cities in India. The Big Bazaar has been opening innovative sections, such as electronic bazaar, food bazaar, and furniture bazaar<sup>(3)</sup>. In Bangalore city alone, there are 12 branches. Moreover, the customer friendly ambience and the organized retailing of products also make Big Bazaar one of the successful retail companies in India. It offers all time discounts and promotional avenues to its customers<sup>(4)</sup>.

#### **Customer satisfaction**

Customer satisfaction is the end result of the service and product quality. Its measures are critical to any product or service company because customer satisfaction is a strong predictor of customer retention, customer loyalty and product repurchase. It is rightly said that a single unsatisfied customer can spoil five satisfied customers<sup>(5)</sup>.

### **II. Brand Loyalty And Its Antecedents**

The brand loyalty is a consumer's preference to buy a particular brand in a product category. It occurs because consumers perceive that the brand offers the right product features, image, or level of quality at the right price<sup>(6)</sup>.

**Product quality:** It is explained as "fitness for use" or "capability to obligation". Customers may replicate the buying of a particular brand or shift to different brands due to the quality of the sold product<sup>(7)</sup>.

**Price:** The Customers with elevated brand loyalty are ready to pay a heavy amount for their preferred brand, because customers think that brands with intense prices are more valuable<sup>(8)</sup>.

**Purchase decision:** It is the accepting process in which judgment and knowledge is combined to select one product in alternatives of two or more<sup>(9)</sup>.

**Perceived Quality:** It is the level to which a product or service provides key customer necessities and how consistently these requirements are delivered<sup>(10)</sup>.

**Store Environment:** It is extremely vital in attracting consumer buying and purchasing opinion. “If customers find the store to be vastly reachable through their shopping tour and are happy with the store’s variety and services, these clients may become loyal afterwards<sup>(11)</sup>.”

**Design:** Brands that provide elegant package magnetize loyal consumers who are trend aware. Fashion leaders or followers genially buy or to frequently acquire products from those stores that are very fashionable and trendy<sup>(12)</sup>.

### III. Research Methodology

**Objectives:**

1. To measure the opinions on the product quality, price, purchase decision, perceived quality, store environment and product design.
2. To assess the customer satisfaction on Big Bazaar.
3. To measure customer’s brand loyalty of Big Bazaar.
4. To suggest specific steps to improve brand loyalty of Big Bazaar.

**Scope of the study**

The study is done on Big-bazaar customers in Bangalore city.

**Data sources**

**Primary data:**

Primary data is collected from the Big-bazaar customers in Bangalore city through a well designed questionnaire.

**Secondary data**

Secondary data is collected from books, magazines, company reports, some websites and news papers.

**Sampling unit**

All the Big-bazaar customers in Bangalore city

**Sampling size**

100 Big-bazaar customers are taken up for the study from Bangalore city.

**Sampling:**

In order to investigate the antecedents of brand loyalty, Bangalore city is taken up through the judgment sampling method, and 100 samples are considered to pool up the opinions by convenience sampling through a well structured questionnaire.

### IV. Data Analysis:

**Table 1: Demographic profile of the customer**

Demographic characteristic	Category	Frequency	Percent
Profession	Student	7	7
	govt. employee	4	4
	private employee	64	64
	Others	25	25
Age	15-25	43	43
	26-35	46	46
	36-45	3	3
	above 45	8	8
Income	10000-20000	30	30
	20000-30000	50	50
	30000-40000	1	1
	above 40000	19	19

**Inference:** From the table it can be inferred that 64% of the respondents are private employees, 25% are other professionals, 7% are students and the remaining 4% are Govt. employees. 46% of the respondents are in the age of 26 to 35 years, 43% are of 15 to 25 years, 8% are above 45 years, and the remaining 3% are between 36 and 45 years. The income of 50% of the respondents lies between Rs 20,000 to 30,000, 30 % are with Rs 10,000 to 20,000, 9% are with above Rs 40,000 and the remaining 1% are in the range of Rs 30,000 to 40,000.

**Table 2: Customer’s opinion towards brand loyalty**

Criteria for brand loyalty	WAM	SD
1.The brand you purchase satisfies you	0.32	2 3 . 1 9
2.The brand is reputable	0.33	2 5 . 3 1
3.Recommendation of products to others	0.23	1 6 . 2 6
4.Purchase product of this company again	<b>0.51</b>	2 4 . 7 1
5.Brand name and image magnetize to purchase	0.27	2 6 . 1 0

Table 2 shows that respondents gave a weight of 0.51 to the special offers, discounts and coupons [criterion 4] offered by the Big Bazaar that made the customers to buy the products again, while for the criterion 2,1,5 and 3 they gave weights of 33%, 32%, 27% and 23% respectively.

[WAM= Weighted average method: Sd= Standard Deviation]

**Table 3: Customer’s opinion towards product quality**

Criteria for Product quality	WAM	SD
1.The materials used by the brand are natural	0.14	2 2 . 6 0
2.The brand stays longer than other brands	<b>0.66</b>	1 3 . 9 4
3.The brand has superior functional quality	0.08	1 6 . 7 9
4.The brand has adequate color	0.08	2 2 . 1 0
5.Overall satisfaction on product quality	0.23	2 6 . 0 7

Table 3 shows that the criterion 2 ‘the brand stays longer than other brands’ stands first with 0.66 weight, while brand colour, superior functional quality, attracts least attention by customers. Natural material used by the brand stands via media with 0.14 weight and the overall satisfaction of the customer is at .23 weight.

[WAM= Weighted average method: Sd= Standard Deviation]

**Table 4: Customer’s opinion towards price**

Criteria for Price	WAM	SD
1.Overall satisfaction on price	0.15	8 . 9 1
2.Comparatively the brand we use charge low price	0.11	2 4 . 5 1
3.The brand we use charge fear prices	0.15	1 3 . 8 7
4.The brand provides good rate for money	0.1	1 8 . 7 6
5.Increases of price not hamper me to purchase	-0.15	1 9 . 5 1

Table 4 explains that the increase in price has a negative effect [-0.15 weight] on their purchases. They also opined that the brands which are offered by the stores are not providing good value for money [0.1 weights] they paid. Even though store is offering various types of discounts and offers, customers are not satisfied with the price.

[WAM= Weighted average method: Sd= Standard Deviation]

**Table 5: Customer’s opinion towards purchase decision**

Criteria for purchase decision	WAM	SD
1.While purchase goods you consider friends and family suggestions	0.04	1.87
2.It took me less time to purchase brand item	0.38	13.20
I take my own decision for the purchase of brand item	<b>0.42</b>	17.14
do you purchase product from the company again	0.25	17.20
Overall satisfaction on decision of purchase	0.36	12.62

Table 5 denotes that majority of the customers [0.38 weight] are taking less time to make purchase decision. This is because of the customers pre-intention to purchase a particular brand, easy finding of the product in displays and the awareness of the offers. Majority of the customers [with a weight of 0.42] are taking their own decision while purchasing. The satisfaction with their purchase decision is nominal [0.36 weights].

[WAM= Weighted average method: Sd= Standard Deviation]

**Table 6: Customer’s opinion towards perceived quality**

Criteria for perceived quality	WAM	SD
I have good expectation regarding quality of this brand	<b>0.46</b>	14.45
The ability to perform the promised services	0.08	16.97
The willingness to help customers	0.06	18.92
The knowledge and courtesy	0.21	26.30
The provision of caring, and individualized attention to customers	-0.06	13.54

With regard to the perceived quality of the products of the Big Bazar, the expectations towards it more as the weight given to it stands at 0.46, while the knowledge and courtesy of the employees are accounting for 0.21 of the weights, whereas provision of caring and attention is proved to be worst. The store’s ability to perform the promised services [with 0.08 weight] is also found bad.

[WAM= Weighted average method: Sd= Standard Deviation]

**Table 7: Customer’s opinion towards store environment**

Criteria for store environment	WAM	SD
1.The brand has good store locality	0.49	17.87
2. The brand has an adequate outlets	<b>0.52</b>	20.34
3. The interior display is good	0.46	22.48
4.Does this brand havean extensive stock	0.32	18.34
6.Overall satisfaction on store location	0.31	21.02

Regarding the store environment, the attributes ‘brand has adequate outlets [0.52] , store locality [0.49] are having good acceptance. This is because of the fact that the outlets are located at important places of the city, with easy accessibility to the store and sufficient parking place, and even large space to walk around inside it. Pleasant and cool environment within the store, displays, sufficient stock reserve, rest rooms make the customers to get satisfied with store environment. The satisfaction on store environment has positive effect on customers [0.31].

[WAM= Weighted average method: Sd= Standard Deviation]

**Table 8: Customer’s opinion towards product design**

Criteria for design	WAM	SD
1.The brand provides broad range of designs	0.31	11.33
2.Designs of the brand are appropriate for me	<b>0.65</b>	26.07
3.Designs of the brand have unique features	0.06	20.70
4.Designs are stylish and fashionable	0.14	18.26
5.Overall satisfaction on design of brand	0.59	20.90

As for as the design is concerned, the stores are keeping appropriate designs [0.65 weight], broad range of designs have positively resulted [0.31 weight], while brand’s unique features have very low compact. The customers are highly satisfied with the design.

### V. Suggestions

1. Since the brand name, and its image is not so good as was expressed by the sample (table 2) respondents, it is advisable to enhance its image through various means, especially the advertising promotions, and public relations so as to convince and please them to recommend the brand to their friends and relatives.
2. Though its brands stay longer, they do not have attractive colours, and functional quality as is shown in table 3, it is advisable to design them with attractive colours, ingredients, shapes and sizes of the brand to keep the quality consistence.
3. Pricing strategy is always related to the perceived value of the product. Concerning this, the stores require improving its perceived value or lowering its price (table 4) as . the value for money is longed by customers which is evident from the low weight 0.10 given by them.
4. Since the independent purchase decisions are taken, friends and relatives are kept aside for their suggestions (table 5). Hence, the customers are to be informed through various electronic and print media with an appeal that affect their ego.
5. Since it is found that employees are not willing to help customers, and are not with knowledge and courtesy to provide promised services (table 6), it is advised to train them to make them positive in their attitude towards customers.
6. Since the criteria used to study the store environment score high (table 7) it has to maintain the status quo while taking care of the increasing the number of bill counters, trained staff and space for car parking.
7. The store management has to focus on incorporating the unique featured brands to enable the store keep more designs and unique features with the products (table 8.).
8. The promotion strategies of stores require paying immediate attention to take on the competitors with a completely new positioning.

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