Major Research Project Report

To study the factors and their impact on customer satisfaction in Retail malls and Outlets

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STUDENT'S DECLARATION

This is to certify that I have completed the research project titled "**To study the factors and their impact on customer satisfaction in Retail malls and Outlets**".

This work was done under the guidance of **Mr. Abhinav Chaudhary** in the partial fulfilment of the requirement for the award of the degree of **"Masters of Business Administration"** from **"Delhi School of Management, Delhi Technological University".**

It is also certified that the project of mine is an original work and the same has not been submitted earlier elsewhere.

Pratik Roy

2K18/MBA/059

CERTIFICATE FROM MENTOR

Date:

TO WHOMSOEVER IT MAY CONCERN

This is to certify that the Major Research Project Report, Titled **"To study the factors and their impact on customer satisfaction in Retail malls and Outlets"** submitted by *Mr. Pratik Roy* as partial fulfilment of requirement of the two year MBA – Marketing and Supply Chain Management course is a bonafide work carried out by the student at our Institute.

This Major Research Project Study is his/her original work and has not been submitted to any other University/Institute.

Signature

Name:

Designation:

ACKNOWLEDGMENT

After weeks of deliberation, research and perseverance, this report has finally reached a successful conclusion. I would like to express my appreciation and acknowledge the support and guidance provided to me over the course of preparation of this report.

I am highly indebted to Marketing Department of Delhi School of Management for giving me the excellent opportunity to work closely with experienced professionals from the field.

I express my gratitude to all the professors of Delhi School of Management for willingly helping me out while I was still pondering over the subject matter for the report.

My sincere thanks to *Mr. Abhinav Chaudhary* for mentoring me over the course of this report, and for helping me take this report to its completion. Without her guidance this report would not have reached its fruition. Her guidance, knowledge and insights have proved to be invaluable to this text.

Last, but not the least, I would like to thank my family for their endless encouragement and patience.

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1.1 <u>INDUSTRY OVERVIEW</u>

Indian retail industry is one of the fastest growing in the world and it is world's 5th largest global destination in terms of retail space. This because of the increasing consumption income of the Indian consumer and has the enormous growth potential in future as well as with the increment of income people are shifting towards a good lifestyle. Total consumption expenditure is forecasted to reach approximately 3600 billion US dollar by end of 2020 from 1824 billion US dollar in 2017. On other hand retail industry has reached 950 US dollar at CAGR of 13% in 2018 and expected to achieve 1.1 trillion US dollar by end of 2020. With enhance in internet facilities new doors has opened for e-commerce industry. Online retail sales is booming in India and expected to become world's fastest growing e-commerce market, with an expected growth rate of 31% year-on-year. Online retail industry has expected to grow from 32.70 billion US dollar in 2018 to 60 billion US dollar by 2020 end. Revenue earn from traditional retail businesses or offline retail businesses also known as brick and mortar retailer industry is expecting a growth by Rs 10,000 - 20,000 crore in FY20. It is the most preferred destination for all retailers with its growth rate and development is not limited to major cities, but also in Tier-2 and Tier-3 cities. According to the report of Department for Promotion of Industry and Internal Trade (DPIIT), India has already received Foreign direct investment (FDI) equity inflow of total amounting 1.85 billion US dollar during the period of April 2000 to June 2019 also investment in retail sector has been doubled in 2018 and reached Rs 1300 crore.

Everything is changing in the economy like disposable income of the people, lifestyle, taste and preferences, demographic profile, and this is the reason of the increasing competition in the retail industry and everyone is competing to provide best to their customers because there are so many options and if one retailer does not offer value to its customer, he/she can switch to another so with this high competition, customer retention is hard and retention can be only possible whether you are providing a unique offering which is a competitive advantage for you or you are giving your customers, value that is either

matching with their satisfaction level or beyond that so that customers can be fully satisfied with your product.

According to the industry trend it is very tough, how to differentiate yours offering from others and satisfying your target market and how to retain and increase the customer base. Global companies like GAP, Landmark India, Tesco, Amazon, Walmart, came to Indian retail industry which boosted this industry and many others are interested too and everyone is coming with new creative ideas which can act as POD for them. Unemployment rate is high and low labour cost enables foreign companies to make their product in cost effective manner and serve the market effectively.

Government is also taking initiatives to boost this industry and taking lots of decisions which can be good for whole economy and lead to GDP growth. Lots of changes have done in FDI policies like 100% FDI in online retail businesses and foreign retailers to sell Indian products etc and Make in India movement was also taken by the government which has several benefits like GDP increment, develop job opportunity, improvement of infrastructure, up gradation of technology and many more. So, there are many more decisions which government is taking just to improve this industry which will definitely help economy to grow. 1/3rd of product of multi-brands and single brands stores have to source by Indian suppliers, this action was to protect Indian players. It is forecasted that by end of 2021, offline retails share will reach 75% followed by organized retail share at 18% and 7% in case of online retail. There is continuous growth in this industry and will likely to change the whole scenario in upcoming years by introduction of different-different offering by companies.

1.2 <u>RESEARCH OVERVIEW</u>

This research is about the study of different factors which are there in the market and have impact on customers when they do purchase or we can say what are the different attributes customer look for when they choose Retail malls and outlets for shopping. Competition is getting tough with the introduction technology and foreign players. Not only these organised retailers are putting their efforts but normal shops and showrooms are also trying their best to satisfy their customers.

Normally we can see that customers are shifting towards organised retailers rather than going to normal shops they prefer these organised retailers and many are there which are having competitive price with local markets so customers do not purchase from local market and go to those retail shops.

So, this research will focus on those parameters only and will try to find out those factors which affects customers purchase behaviour and selection of retail shop. It will also help retailers to get to know what the most preferred factor by customers is and by working upon that they will be able to retain their customers and satisfy them. Through qualitative research and literature review I got to know about the independent variables which impact the customer satisfaction. Questions were randomly asked to the customers who has visited different outlets and malls like GIP mall Noida, City Center mall Kolkata, South city mall Kolkata, Pacific mall Delhi, Phoenix mall Mumbai etc. when I asked the expectations they have from the malls and outlets then majority of the customers look for these factors when they go for shopping.

To ensure the model fit and significant impact of the independent variables on the dependent variable, regression analysis will be used. To check the correlation among the variables- do they have positive relationship or negative relationship among themselves and correlation analysis will also tell whether they are significantly correlated.

1.3 <u>RESEARCH OBJECTIVE</u>

I.   To identify the factors affecting mind-set of a customer regarding Retail malls.

II. To identify the impact of those factors on the customer satisfaction in retail malls and outlets.

III. To understand the retail market and its customers to analyse the diversity in Indian market and their expectations.

1.4 <u>SETTING UP THE HYPOTHESIS</u>

Customer Oriented Service

- H0 (Null hypothesis): Customer Oriented Services provided at the retail malls and outlets does not impact customer satisfaction.
- H1 (Alternate hypothesis): Customer Oriented Services provided at the retail malls and outlets impact customer satisfaction.

Ambience

- H0 (Null hypothesis): Ambience of the retail malls and outlets does not impact customer satisfaction.
- H1 (Alternate hypothesis): Ambience of the retail malls and outlets impacts customer satisfaction.

Sales Promotion

- H0 (Null hypothesis): Sales promotion at the retail malls and outlets does not impact customer satisfaction.
- H1 (Alternate hypothesis): Sales promotion at the retail malls and outlets impacts customer satisfaction.

Variety

- H0 (Null hypothesis): Varieties at the retail malls and outlets does not impact customer satisfaction.
- H1 (Alternate hypothesis): Varieties at the retail malls and outlets impacts customer satisfaction.

Billing and Exchange

- H0 (Null hypothesis): Billing and Exchange policies at the retail malls and outlets does not impact customer satisfaction.
- H1 (Alternate hypothesis): Billing and Exchange policies at the retail malls and outlets impacts customer satisfaction.

Space and store layout

- H0 (Null hypothesis): Space and store layout of the retail malls and outlets does not impact customer satisfaction.
- H1 (Alternate hypothesis): Space and store layout of the retail malls and outlet impact customer satisfaction.

Location

- H0 (Null hypothesis): Location of the retail malls and outlets does not impact customer satisfaction.
- H1 (Alternate hypothesis): Location of the retail malls and outlets impacts customer satisfaction.

1.5 <u>SCOPE OF THE PROJECT</u>

The research that is being carried out is to find the factors that affect the customer satisfaction while choosing a retail mall for shopping. The research would evidently tell us the factors where the retail malls needs to push it self and the factors which are not important in adding customer satisfaction. The research also focuses on the aspects of increasing the customer satisfaction of retail malls.

The research is intended to derive observations from the data collected and formulate the hypothesis which shows the importance of the factor for the research. This Study will also propose some recommendations and suggestions which will be derived from the research carried out.

CHAPTER 2: LITERATURE REVIEW

Customers can find many reasons and motives to do shop. In the article Edward M. Tauber 1972, it is explained that 'why do people shop' and to explain that there are different motives which are explained. Personal motives like role playing, diversion, physical activity, learn about the trend, self-gratification. Social motives like peer group attraction, status and authority, social experience outside the home and last is Impulse shopping. There may be number of reasons and numbers of factors which can affect satisfaction of the customer.

Study by Downs (1970), it was written that shoppers' perception can be measured by different dimensions like price, layout, location and parking place, appearance, reputation, merchandise, services, environment.

Dash et al. (1976), study has revealed the relation of choosing store and pre-purchase information of products. This study found that in case of speciality stores shoppers have more pre-purchase information compared to departmental stores.

Crask and Reynolds (1978), in this study authors have explained different attributes of customers with their buying patterns. Study has shown that among frequent and non-frequent shoppers in departmental stores, customers with higher disposable income, young, more educated are mostly the frequent buyers.

Hauser and Koppelman (1979) identified five factors (quality, variety, parking, value and satisfaction) which affect customer satisfaction in retail malls.

Westbrook et al. (1985) explained the different motivations a customer can have to do shopping. Shopping malls/outlets has developed so much that now they offer wide range of merchandise at one place to its customers.

Fotheringham, 1988; Meyer and Eagle, 1982, this study reveals various aspects of location while selecting a store to purchase retail products. Store choice is hugely influenced by location but brand choice is not. Travel cost of shopping is one of the most driving factor while choosing a store.

(Bloch et al., 1994). With the changing trends in the fashion, need, lifestyle of the customers and their values and desires, these retails have developed themselves a lot with the continuous adaptations in terms of variety and designs (Martin & Turley, 2004). Earlier customers choice of shopping used to depend on the shopping mall/ outlet size and the distance from their home but now it has changed and several others factors came into existence which affect their buying decisions (Bucklin, 1971; Meoli, Feinberg & Westgate, 1991; Stoltman, Gentry & Anglin, 1991).

Finn and Louviere (1996), this study found six factors (merchandise, atmosphere, service, accessibility, anchor tenant and trendiness that effects customers' satisfaction in most significant manner.

Eastlick and Lotz (1999) studied about electronic retailing among potential adopters' groups and the result came that opinion leadership, innovativeness and involvements are the major influencers. Customer satisfaction is very critical to ensure loyalty of the customer. Concept has changed and now people not only go to retail stores to shop but also to gain a different kind of experience. People look this as family outing, recreation also. So, to satisfy a customer, his expectations should be match. Competition is global and the only thing that can differentiate one from many is only 'customer satisfaction' which will automatically lead to repetition of his second purchase which means loyalty of the customer.

Bell, Ho and Tang (2001) tested a model in which it was studied that what are the assumptions a customer makes when choose a store to shop where the cost is also lowest.

Sinha and Banerjee (2004), this study find the various aspects of store choice while purchasing retail products. Store choice is always been a subject of research and studied in terms of various perspectives. Customer shopping behaviour while choosing a store is quite similar with the behaviour of customers while choosing a brand but the major difference between these two, is spatial dimension in store choice.

Bhatnagar and Ratchford (2004), have shown in their study that most influencing factors while choosing retail format for non-durable products. Their model demonstrated factor such as perishability of products, travel costs, consumption rates etc are the driving influencer in choosing retail format.

In the study by Kaur, P., & Singh, R. (2007) suggests shopping motives depends on various factors and many of them are not related to the actual product buying. Purchase process focused more on the process of accruing products and characteristic of reward associated with it.

Rajagopal (2009), according to him a retail mall could attract higher number of customers, with the good ambience, variety, promotion schemes, and economic gains

CHAPTER 3: RESEARCH METHODOLOGY

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3.1 RESEARCH METHODOLOGY: Quantitative Research

  a. Descriptive analysis and interpretation

  b. Correlation and regression.

3.2 INDEPENDENT VARIABLES

- Ambience
- Variety
- Customer oriented Service
- Space and store layout
- Sales promotion
- Billing and exchange
- Location

3.3 DEPENDENT VARIABLE

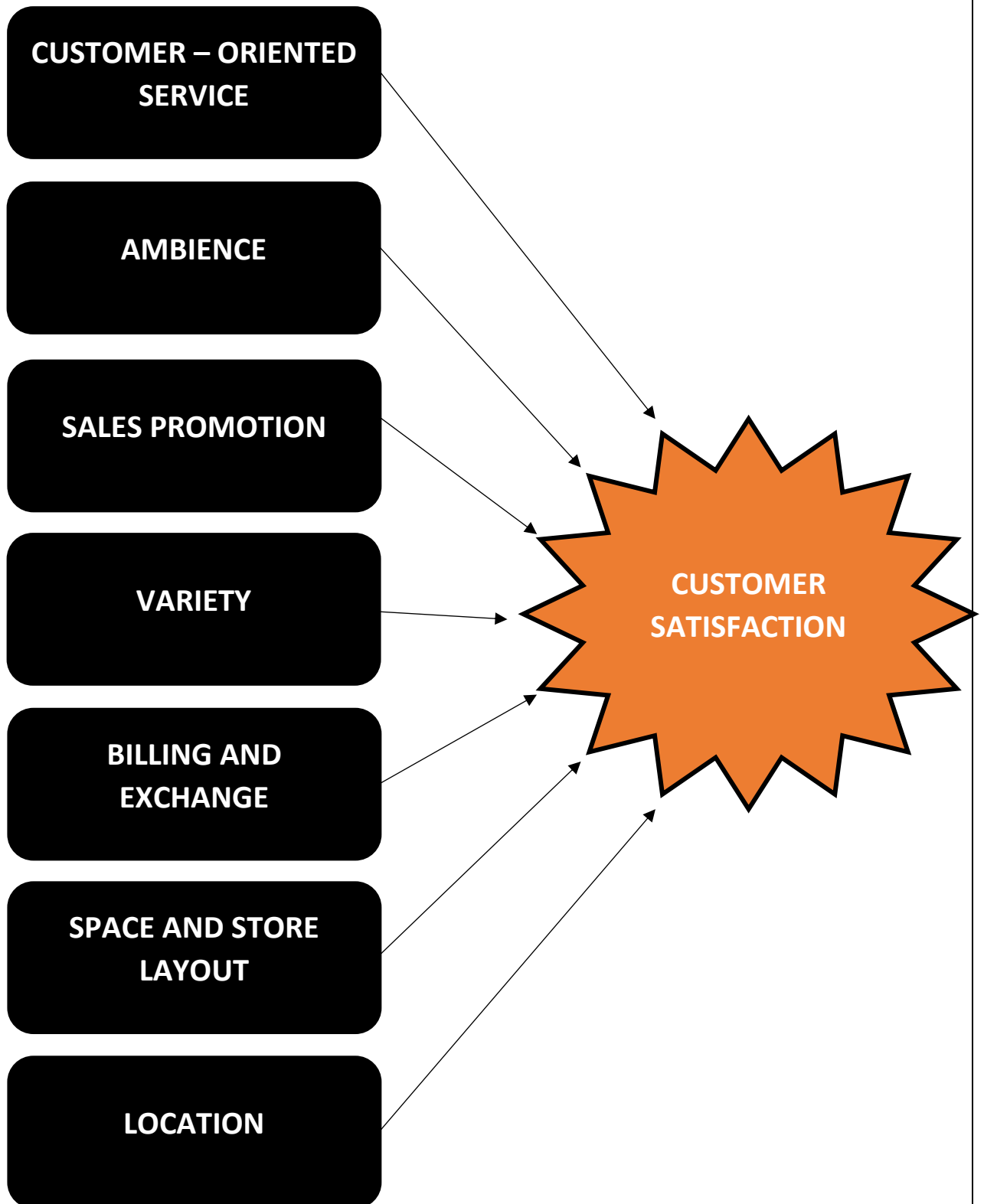- Customer satisfaction

3.4 <u>RESEARCH MODEL</u>

Figure 3.1 Representation of business research model

3.5 <u>DATA COLLECTION</u>

In this study I have choose google form to collect data regarding this research. Due to covid-19 crisis it was not possible to collect data from individuals with face-to-face interaction. To solve this issue, I have chosen digital platform to collect my data. I have made a questionnaire to find the factors that influence the customers purchase process and decision. I have shared the form across different social media platforms like WhatsApp, Facebook, LinkedIn etc with my friends, family members and classmates and asked them to share the form in their network to collect more heterogeneous sample. I have made questionnaire anonymous so that individuals can provide their responses without the threat of losing their identity.

Questionnaire has divided into two sections:
First, demographic details of respondents which includes gender, age which is divided into 6 ranges so that respondents can maintain their privacy, marital status and income which is also divided into 4 ranges.

Second, factors in underlying variables. In this section I have tried to identify the most important factor among 7 previously chosen factors on basis of literature review, which motivates customer's buying process. Then I have divided each factor into several sub-factors to identify the exact sub-factor which influence the customers' satisfaction while making purchase decision from retail outlets.

I have provided a snapshot of questionnaires which is made on google form platform.

CHAPTER 4: DATA ANALYSIS & INTERPRETATION

4.1 DESCRIPTIVE ANALYSIS

In this section, data collected from the questionnaire has been analysed in descriptive manner to understand the nature of the data and its attributes. The total no of responses collected from the questioner is 125.
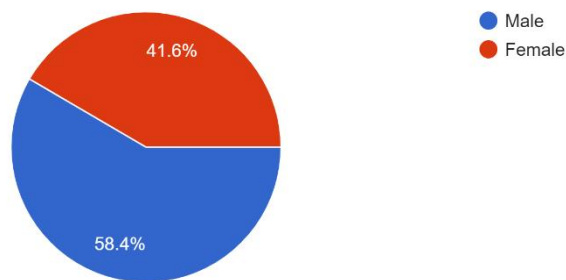
Q1. Gender?
125 responses

Figure 4.1 Distribution of population on basis of gender (Primary Data)

Analysis: Out of 125 respondents 41.6% is female and 58.4% is male candidates. So, in terms of gender, data is segregated approximately in 2:3 ration.

Q2. Age Group?
125 responses
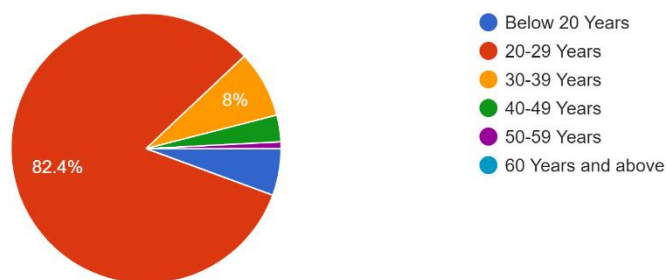
Figure 4.2 Distribution of population on basis of age (in years) (Primary Data)

Analysis: Age was divided into 6 ranges. 82.4% of 125 respondents are belong from 20-29 age group. These age group has maximum disposable income. 90% of the respondents belong from 20-39 age group.
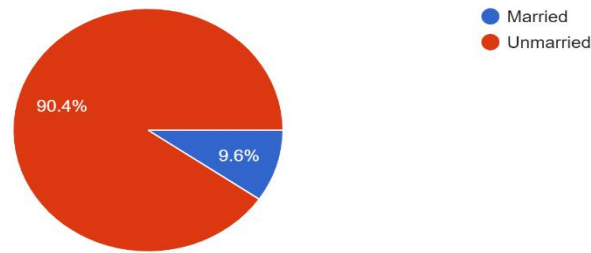
Figure 4.3 Distribution of population on basis of marital status (Primary Data)

Analysis: Marital status has a huge influence on purchasing tendency of individuals. Unmarried individual has higher disposable income and purchase more frequently. 90.4% of the candidates are unmarried. As most of the candidates belong from 20-29 years age group that explain this data. Individuals in these categories purchase more frequently from malls and retail outlets.

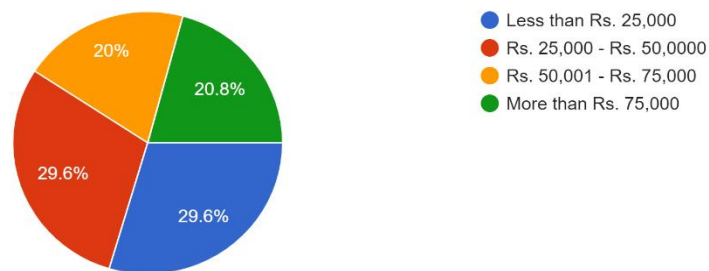Q4. Monthly household income?
125 responses

Figure 4.4 Distribution of population on basis of monthly household income (Primary Data)

Analysis: Income of the respondents are well distributed. Household income of less than Rs. 25000 and income between Rs. 25000- Rs. 50000 is equally distributed as 29.6%. on other hand Income of Rs 50000 – Rs 60000 and above 60000 is also equally distributed i.e. 20%. This will help us to get more accurate insight on influencing factor across various income groups.

In next set of graphs, influencing factors and the underlying variables are explained.

Q1. Which is the most important factor which effects you while choosing a retail mall for shopping?
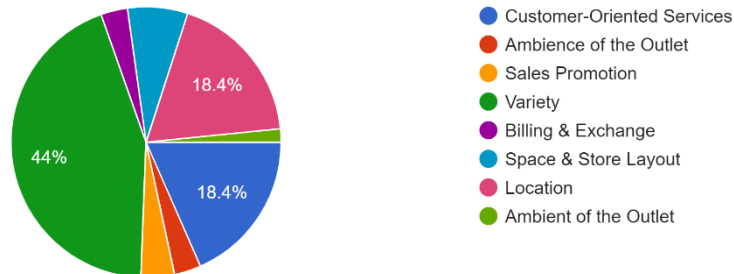
125 responses

Figure 4.5 Distribution on basis of most influencing factors while choosing retail malls

(Primary Data)

Analysis: In this study 7 influencing factors have chosen to identify their effects of customer satisfaction. From the above graph its absolutely clear that 80.8% of respondents believe that variety, location and customer – oriented services are the top 3 influencing factors while choosing retail mall for shopping. Among them variety is the most important factor as it consists 44% of the data while others two has equal importance.
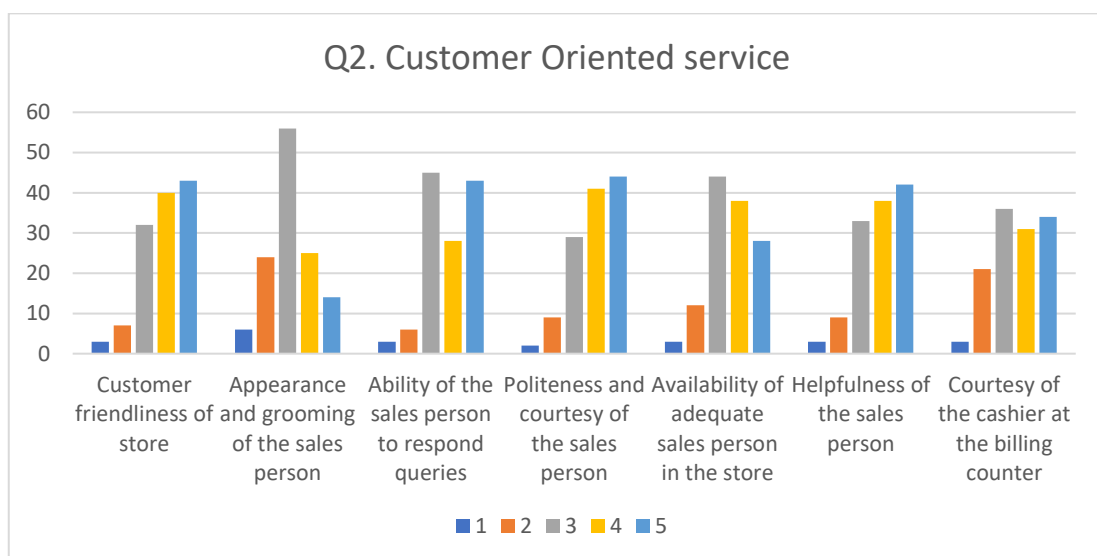

Figure 4.6 Importance of various factors while considering Customer-oriented service

(Primary Data)

Analysis: Customer-oriented service has a great influence in purchase decision of customers. To understand various underlying factors of customer-oriented service, it is divided into 7 underlying factors, among them customer friendliness of store, Ability of the sales person to respond queries, politeness and courtesy of sales person are most important factors to the customers while considering a service as customer oriented.
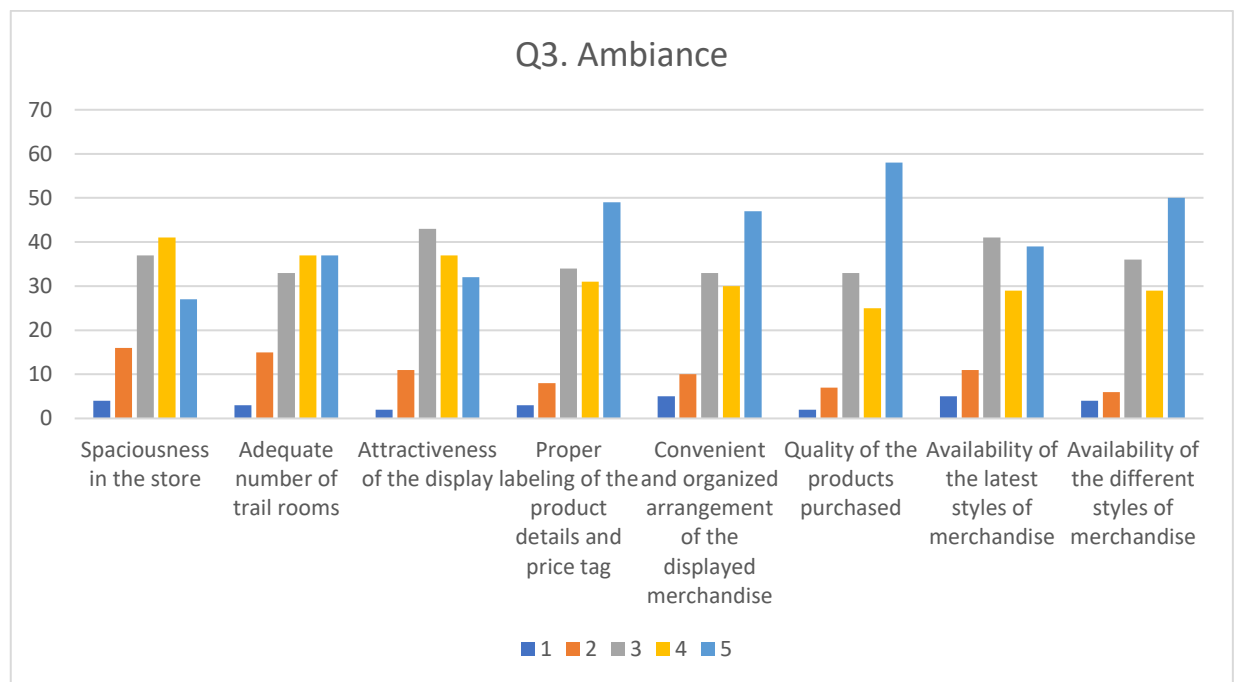

Figure 4.7 Importance of various factors in Ambiance of retail outlet (Primary Data)

Analysis: Today shopping is not any more price and product oriented it is about overall experience. Customer just not visit retail outlets for purchasing specific products but at the same time they find a place to enjoy spend quality time while shopping. For providing a great shopping experience to customers, ambience of the retail outlet plays a great role. Ambience of the outlet, is sub-sectioned in to 8 underlying factors, among them quality of products, availability of the different styles of merchandise, convenient and organized arrangement of the displayed merchandise and proper labelling of the product details and price tag are most important driving factors while considering ambience of outlets.
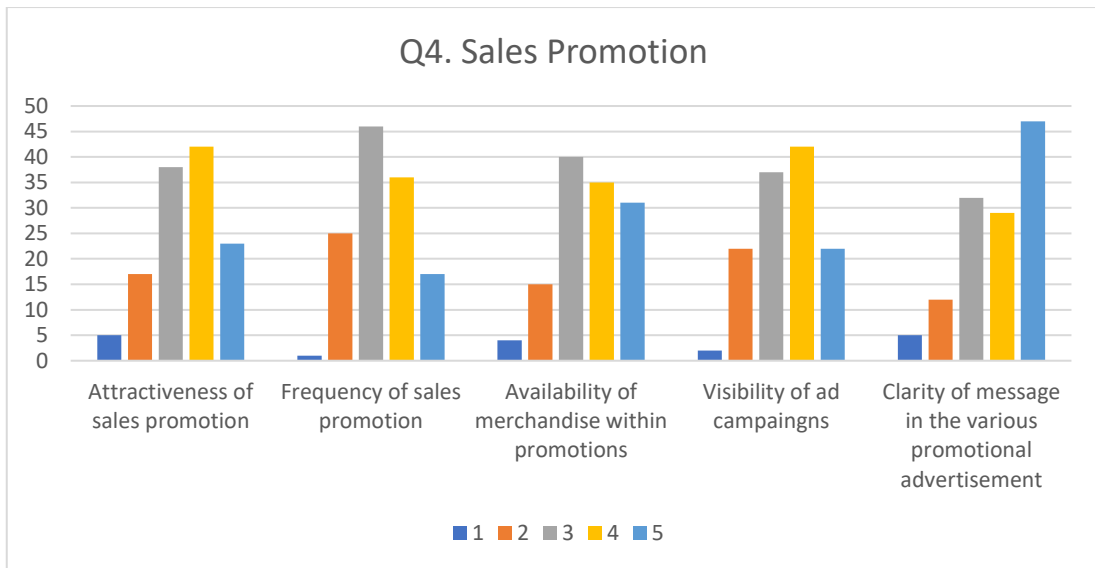
Figure 4.8 Importance of various factors while considering Sales Promotion (Primary Data)

Analysis: Sales Promotion is a great way to attract customers. Sales Promotion is divided into 5 underlying factors. According to this data, in sales promotion, clarity of message in the various promotional advertisement is most important underlying factor for customer.

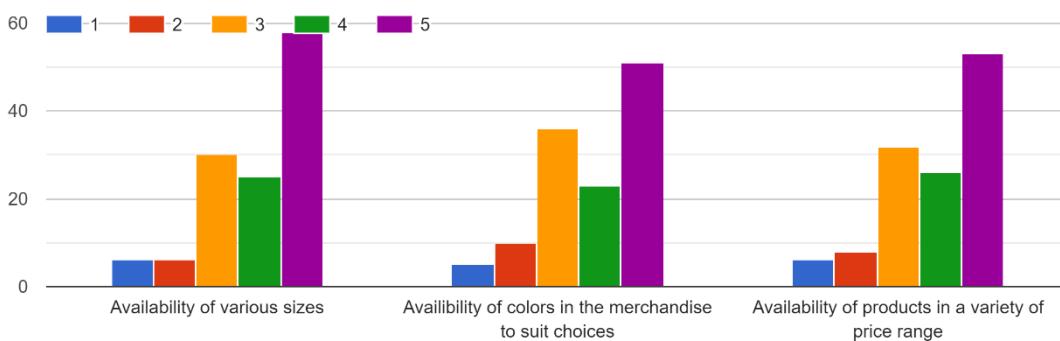**Figure 4.9 Importance of various factors while considering Variety (Primary Data)**

Analysis: Variety not just in terms of products but also variety of size, colour and price range is very important to attract different customers in retail shopping. Size variety of products should give most importance while considering variety factor.
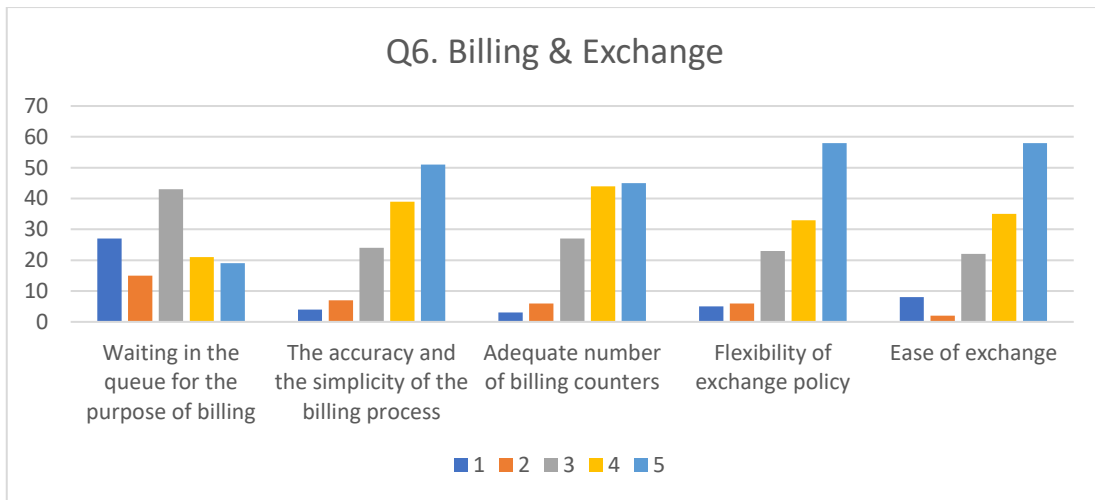
Figure 4.10 Importance of various factors while considering Billing and Exchange (Primary Data)

Analysis: While considering customer satisfaction, hassle free billing and exchange policy plays a significant role. So, to understand it more accurately it is divided into 5 sub factors among them Flexibility of exchange policy and ease of exchange is driving factor for customer satisfaction in billing and exchange segment.
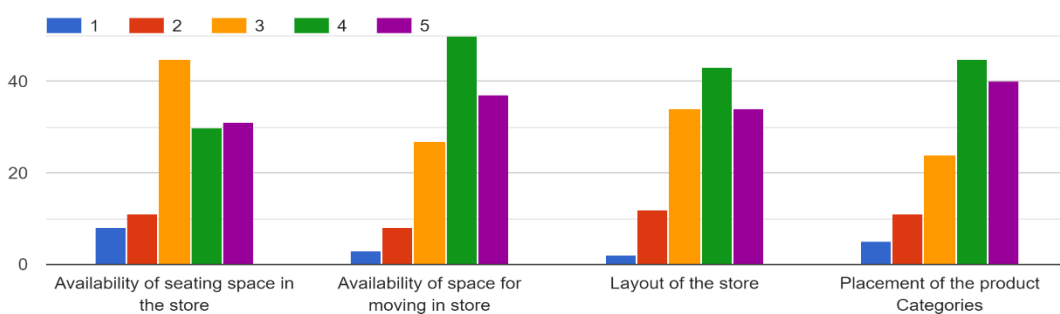

Figure 4.11 Importance of various factors while considering Space and Store Layout(Primary Data)

Analysis: to enhance shopping experience of customers Space and store layout Space is driving factor. For better understanding of this, store layout is sub-sectioned into 4 categories, among them placement of product most influencing factor according to this study.
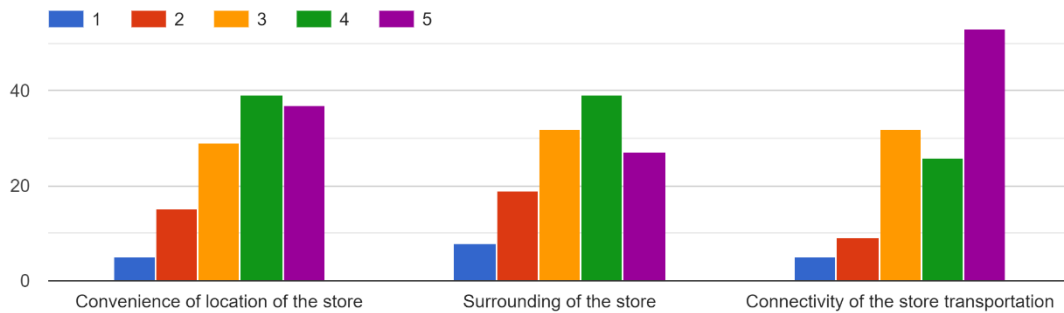
Figure 4.12 Importance of various factors while considering Store Location (Primary Data)

Analysis: For customers shopping is an experience and they want to spend most of the time in the shopping outlet. While choosing location of the store for shopping customer consider connectivity of the store transportation as most important. For customer convenience of travel is most driving factor while choosing mall for shopping.
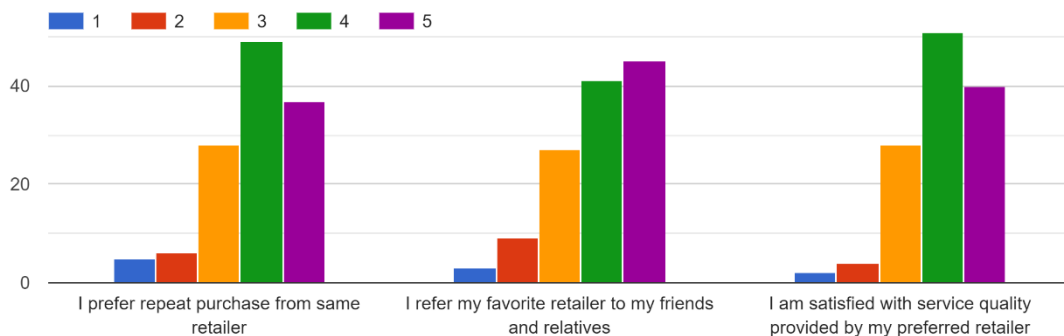
Q9. Customer Satisfaction

Figure 4.13 Measurement of various factors in customer satisfaction (Primary Data)

Analysis: Finally, customer satisfaction can be measured best by how a customer refer their favourite retailer to his/her friend family members and another indicator of customer satisfaction is repeat purchase from same store.

4.2 RELIABILITY ANALYSIS – CHRONBACH ALPHA

- **Scale: Customer – Oriented Service**

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded a	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.914	7

- **Scale: Ambience of the outlet**

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded a	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.948	8

- **Scale: Sales Promotion**

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded a	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.907	5

- **Scale: Variety**

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded a	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.923	3

- **Scale: Billing and Exchange**

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded^a	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.795	5

- **Scale: Space and Store Layout**

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded^a	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.852	4

21

- **Scale: Location**

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded a	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.868	3

- **Scale: Customer Satisfaction**

Case Processing Summary

		N	%
Cases	Valid	125	100.0
	Excluded a	0	.0
	Total	125	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.856	3

4.3 <u>Correlations</u>

		Customer-Oriented Service	Ambiance of the Outlet	Sales Promotion	Variety	Billing and Exchange	Space and layouts	Location	Customer Satisfaction
Customer-Oriented Service	Pearson Correlation	1	.768**	.757**	.747**	.544**	.444**	.513**	.786**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000
	N	125	125	125	125	125	125	125	125
Ambiance of the Outlet	Pearson Correlation	.768**	1	.797**	.892**	.601**	.593**	.667**	.588**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000
	N	125	125	125	125	125	125	125	125
Sales Promotion	Pearson Correlation	.757**	.797**	1	.793**	.588**	.544**	.624**	.513**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	125	125	125	125	125	125	125	125
Variety	Pearson Correlation	.747**	.892**	.793**	1	.618**	.544**	.666**	.595**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000
	N	125	125	125	125	125	125	125	125
Billing and Exchange	Pearson Correlation	.544**	.601**	.588**	.618**	1	.738**	.570**	.710**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000
	N	125	125	125	125	125	125	125	125
Space and layouts	Pearson Correlation	.444**	.593**	.544**	.544**	.738**	1	.669**	.334**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000

	N	125	125	125	125	125	125	125	125
Location	Pearson Correlation	.513**	.667**	.624**	.666**	.570**	.669**	1	.672**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000
	N	125	125	125	125	125	125	125	125
Customer Satisfaction	Pearson Correlation	.786**	.588**	.513**	.595**	.710**	.334**	.672**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	
	N	125	125	125	125	125	125	125	125

**. Correlation is significant at the 0.01 level (2-tailed).

Referring to the above-mentioned table, we can look at the correlation values; Dependent variable is having a strong and positive relationship with the independent variables.

Change in customer-oriented service will positively affect the customer satisfaction by 0.786 units. Similarly, the other independent variables are connected to the dependent variable. Space and store layout is having a weak relationship with customer satisfaction, thus, it results in weak relationship/correlation. We can also refer to the regression table below that this variable doesn't significantly impact the dependent variable. P- value of the test is less than the level of significance i.e. <0.01 so we can say that aour test is statistically significant.

Positive sign in the values of the correlation refer to the positive relationship among the variables which tells that the variables are interlinked with each other and leads us to get an improved response. This response allows us to capture the required data so that we can make decision on consumer behaviour and can settle ourselves in such a situation where we can provide maximum satisfaction to the customer.

4.4 <u>REGRESSION ANALYSIS</u>

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.859a	.738	.729	.43891

a. Predictors: (Constant), Location, Customer-Oriented Service, Billing and Exchange, Space and layouts, Sales Promotion, Variety, Ambiance of the Outlet

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.206	.031		112.48	.000
	Customer-Oriented Service	.409	.031	.485	12.010	.002
	Ambiance of the Outlet	.017	.021	.558	12.94	.008
	Sales Promotion	.244	.017	.289	7.891	.000
	Variety	.117	.053	.143	3.541	.000
	Billing and Exchange	.118	.031	.129	3.694	.000
	Space and layouts	.138	.036	.158	4.291	.771
	Location	.182	.039	.218	5.376	.012

a. Dependent Variable: Customer Satisfaction

4.5 <u>INTERPRETATION OF THE ANALYSIS</u>

The regression result indicates that the F- statistics is highly significant which means the model used is very robust. The value of R-square is .729 which means 72.9% of the variation in the dependent variable (Customer Satisfaction) is explained by independent variables viz. Customer Orientation, Ambience, Billings and Exchange, Sales promotion, Variety, Location and Space & Store layout.

The regression model for the said data will be-
Customer Satisfaction= f(Customer-oriented Service, Ambience, Billing and Exchange, Sales promotion, Variety, Location, store layout and Space)
Customer Satisfaction= 4.206+ 0.409 (Customer-oriented Service) + 0.417 (ambience of the outlet) + 0.244 (Sales Promotion) + 0.117 (Variety) + 0.118 (Billing and Exchange) + 0.138 (Space and Store Layout) + 0.182 (Location)
Refer to the above table, it can be understood that in all the cases except Space and store layout, we fail to accept the null hypothesis, thus alternative hypothesis is accepted.

4.6 <u>HYPOTHESIS TESTING</u>

Customer Oriented Service

For independent variable- Customer-Oriented Service, p-value is 0.000 which is lower than 0.05 and is statistically significant. So, we fail to accept null hypothesis (H0), Alternate hypothesis (H1) is accepted which means Customer Oriented Services provided at the retail malls and outlets impact customer satisfaction.

Ambience

For independent variable- Ambience, p-value is 0.008 which is lower than 0.05 and is statistically significant. So, we fail to accept null hypothesis (H0), Alternate hypothesis (H1) is accepted which means Ambience of the retail malls and outlets impacts customer satisfaction.

Sales Promotion

For independent variable- Sales Promotion, p-value is 0.000 which is lower than 0.05 and is statistically significant. So, we fail to accept null hypothesis (H0), Alternate hypothesis (H1) is accepted which means Sales promotion at the retail malls and outlets impacts customer satisfaction.

Variety

For independent variable- variety, p-value is 0.000 which is lower than 0.05 and is statistically significant. So, we fail to accept null hypothesis (H0), Alternate hypothesis (H1) is accepted which means Varieties at the retail malls and outlets impacts customer satisfaction.

Billing and Exchange

For billing and exchange, p-value is 0.000 which is lower than 0.05 and is statistically significant. So, we fail to accept null hypothesis (H0). Alternate hypothesis (H1) is accepted which means Billing and Exchange policies at the retail malls and outlets impacts customer satisfaction.

Space and store layout

For space and store layout, p-value is .771 which is higher than 0.05 and is not statistically significant. It indicates strong evidence to accept the null hypothesis (H0). This means we retain the null hypothesis and reject the alternative hypothesis (H1). It means Space and store layout does not impact customer satisfaction significantly.

Location

For independent variable- Location, p-value is 0.012 which is lower than 0.05 and is statistically significant. So, we fail to accept null hypothesis (H0), Alternate hypothesis (H1) is accepted which means Location of the retail malls and outlets impacts customer satisfaction.

CHAPTER 5: RESULTS & DISCUSSIONS

5.1 FINDINGS:

After talking to customers who visit malls and outlets frequently I got to know that today customer wants something extra when go for shopping like if a family go for shopping on weekends with their children so they want that all the things should be at one place like in malls there are recreational activities for children, showroom to do shopping and food court to eat. So, in this manner they don't have to go to any second place. People with less income want more sales promotional activities to get discount on products. Ambience and variety of trendy products attract customers to come to these outlets. It was also found even if they purchase low price products, or grocery items from these outlets, it makes them feel good and enhance their lifestyle. Purchase from normal shops has no more fun for customers. So, customers now a days looking for different types of experiences.

So, we can see that marketing and the way of strategizing play a key role in the present market along with the quality of the product. By studying the statistical graphs and looking at the trend of the data, it can be seen that customers go for easy availability and presentation first, then they will examine the quality. So, in the current market scenario, the showmanship is becoming very crucial for the retail outlets. But we have to keep in mind that these are the qualities to attract customers, the sustainability of customers is different ball game altogether. Study shows that to sustain with the company, the customer prefers quality than presentation. So as far as the weightage between investment in marketing and quality is concerned, we found that a certain level of investment is needed to attract people. Still, companies also need to invest in quality to hold their customers. The ratio of this weightage varies with different cases in different levels. So, retail outlets should focus more on customer shopping experience which includes both funfilled experience while shopping and satisfaction in purchase products.

5.2 <u>RECOMMENDATIONS</u>

Ambience of the retail malls is very important for retailers as it impacts satisfaction level of customers. So, retailers must take care like lightings, music etc., all should be attractive enough for customers.

Customer service at the store impacts customer satisfaction level so retailers need to work upon this and must have sufficient staff to handle customer's queries so that customers can feel comfortable and can build trust on that retailer.

Varieties, trendy products and sales promotional activities attract customers to come to these outlets and shop rather than going to normal shops so retailers should do their operations in cost effective manner so that they can offer more discounts and offers to their customers. Proper stocks should be there like different sizes, colours, designs etc. so that customers can have so many numbers of options.

Billing and exchange should be easy and convenient and there should be enough number of billing counters and exchange policy should be understandable to all customers.

While choosing location of the malls and outlets it must be taken into mind that it should be connected by transportation facilities and it should not be far from the residence of the city and surroundings do matter so it should also be taken care of.

According to this research space and store layout of the store does not impact customer satisfaction so no need to waste much time on that rather put your efforts on customer services, ambience, schemes and offers etc. space should be that much so that it would not look too congested and layout should be like that would be look like well-arranged or orderly managed.

QUESTIONNAIRE

FACTORS AND THEIR IMPACT ON CUSTOMERS SATISFACTION IN RETAIL MALLS AND OUTLETS

This research about the study of different factors which have impact on customer satisfaction when they choose Retail Malls and outlets for shopping. The information filled in questionnaire by the respondent will be kept confidential. Responses will be only used to carry out this research.

Meanwhile, I would like to express gratitude for your cooperation.

Thank You

Next

FACTORS AND THEIR IMPACT ON CUSTOMERS SATISFACTION IN RETAIL MALLS AND OUTLETS

* Required

Demographic details of respondents

Q1. Gender? *

○ Male

○ Female

Q2. Age Group? *

○ Below 20 Years

○ 20-29 Years

○ 30-39 Years

○ 40-49 Years

○ 50-59 Years

○ 60 Years and above

Q3. Marital Status? *

○ Married

○ Unmarried

Q4. Monthly household income? *

○ Less than Rs. 25,000

○ Rs. 25,000 - Rs. 50,0000

○ Rs. 50,001 - Rs. 75,000

○ More than Rs. 75,000

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FACTORS AND THEIR IMPACT ON CUSTOMERS SATISFACTION IN RETAIL MALLS AND OUTLETS

* Required

Factors and Underlying Variables

Q1. Which is the most important factor which effects you while choosing a retail mall for shopping? *

○ Location

○ Customer-Oriented Services

○ Space & Store Layout

○ Sales Promotion

○ Ambience of the Outlet

○ Billing & Exchange

○ Variety

Q2. Customer-Oriented Service *

Rate on scale of 5(1- Least Preferred and 5 - Most Preferred)

	1	2	3	4	5
Politeness and courtesy of the sales person	○	○	○	○	○
Appearance and grooming of the sales person	○	○	○	○	○
Ability of the sales person to respond queries.	○	○	○	○	○
Helpfulness of the sales person	○	○	○	○	○
Courtesy of the cashier at the billing counter	○	○	○	○	○
Customer friendliness of store	○	○	○	○	○
Availability of adequate sales person in the store	○	○	○	○	○

Q3. Ambiance of the Outlet *

Rate on scale of 5(1- Least Preferred and 5 - Most Preferred)

	1	2	3	4	5
Spaciousness in the store	○	○	○	○	○
Adequate number of trail rooms	○	○	○	○	○
Attractiveness of the display	○	○	○	○	○
Proper labeling of the product details and price tag	○	○	○	○	○
Convenient and organized arrangement of the displayed merchandise	○	○	○	○	○
Quality of the products purchased	○	○	○	○	○
Availability of the latest styles of merchandise	○	○	○	○	○
Availability of the different styles of merchandise	○	○	○	○	○

Q4. Sales Promotion *

Rate on scale of 5(1- Least Preferred and 5 - Most Preferred)

	1	2	3	4	5
Attractiveness of sales promotion	○	○	○	○	○
Frequency of sales promotion	○	○	○	○	○
Availability of merchandise within promotions	○	○	○	○	○
Visibility of ad campaingns	○	○	○	○	○
Clarity of message in the various promotional advertisement	○	○	○	○	○

Q5. Variety *

Rate on scale of 5(1- Least Preferred and 5 - Most Preferred)

	1	2	3	4	5
Availability of various sizes	○	○	○	○	○
Availibility of colors in the merchandise to suit choices	○	○	○	○	○
Availability of products in a variety of price range	○	○	○	○	○

Q6. Billing and Exchange *
Rate on scale of 5(1- Least Preferred and 5 - Most Preferred)

	1	2	3	4	5
Waiting in the queue for the purpose of billing	○	○	○	○	○
The accuracy and the simplicity of the billing process	○	○	○	○	○
Adequate number of billing counters	○	○	○	○	○
Flexibility of exchange policy	○	○	○	○	○
Ease of exchange	○	○	○	○	○

Q7. Space and Store Layout *
Rate on scale of 5(1- Least Preferred and 5 - Most Preferred)

	1	2	3	4	5
Availability of seating space in the store	○	○	○	○	○
Availability of space for moving in store	○	○	○	○	○
Layout of the store	○	○	○	○	○
Placement of the product Categories	○	○	○	○	○

Q8. Location *

Rate on scale of 5(1- Least Preferred and 5 - Most Preferred)

	1	2	3	4	5
Convenience of location of the store	○	○	○	○	○
Surrounding of the store	○	○	○	○	○
Connectivity of the store transportation	○	○	○	○	○

Q9. Customer Satisfaction *

Rate on scale of 5(1- Least Preferred and 5 - Most Preferred)

	1	2	3	4	5
I prefer repeat purchase from same retailer	○	○	○	○	○
I refer my favorite retailer to my friends and relatives	○	○	○	○	○
I am satisfied with service quality provided by my preferred retailer	○	○	○	○	○

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