



## CUSTOMER AND SHOPPING MALLS

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### **Abstract**

Liberalization of the economy, rise in per capita income and growing consumerism have encouraged larger business houses and manufacturers to set up retail formats; real estate companies and venture capitalist are investing in retail infrastructure. Added to this customer satisfaction, is widely recognized as a key pressure in the formation of consumers' future purchase intentions. Satisfied customers are also likely to tell others of their favorable experiences and thus engage in positive word of mouth advertising. The present study is undertaken to understand the customer preference and satisfaction towards retail stores & shopping malls in Bangalore city.

**Keywords:** Customer Preference, Retail Stores, Customer Satisfaction, Shopping Malls, Etc.

### **Introduction**

Retail store shopping is often categorized as a self-service retail environment. The aim of retailers is primarily to build relationships with their customers, being able to track their levels of satisfaction with the key elements of retail store environment. Secondly the retailer's aim is to minimize the reasons for complaints and dissatisfaction and the cost of a service recovery plan and also to establish direct feedback from customers about their reactions to key elements. Interestingly, for many years retailers have been administering surveys to their customers to measure both their overall levels of satisfaction and their opinion of various details of their store experiences, service and merchandise provided at organized retail outlets but they are not able to retain all their customers by providing solutions to them. Businesses recognize that retaining the existing customers is more profitable than having to win the new ones to replace those lost.

Customer satisfaction is the key factor in knowing the success of any retail store or retail stores & shopping malls; therefore it is very important to measure it and to find the factors that affect customer satisfaction. Customers will appreciate goods and services they buy, provided if they are made to feel special. This feeling is derived when they feel that the goods and services that they buy have been specially produced for them or for people like them.

### **Review of Literature**

Today's customers have too little time to spend but more intelligent than ever before. This has boosted the pace of competition for the retail stores to think about innovative and user friendly driven spaces to attract customers and also to retain them. The top tier retail store chains & shopping malls that have increased their size of their store base are highly competing against the low-cost operators to reinvest themselves and to find a sustainable stand in today's market.

Iacobucci et al (1994, 1995) provides precise definitions of service quality versus customer satisfaction. They contend that service quality should not be confused with customer satisfaction but that satisfaction is positive outcome of providing good service. Ittner and Larker (1998) concluded that at the customer business unit and firm-level that various measures of financial performance (including revenue, revenue change, margins, return on sales, market value of equity and current earnings) are positively associated with customer satisfaction and also added – that in the retail industry they found a inverse relationship between satisfaction and profitability due to the benefits from increased satisfaction can be exceeded by the incremental cost in retail.

Clark & Hwang (2000) conducted a study to compare satisfaction between American & Korean discount stores. Twenty items were used to measure customer's satisfaction with retail outlets in each country helpfulness of sales person, friendliness, number of sales people, ease in finding things, politeness, store layout, cleanliness, quality level, merchandise selection, fashionableness, willing to exchange, credit charge account, value of money, special sales advertising, location, other store customer loyalty programs.

Kaul (2005) concluded that consumers satisfied with the stores' service quality tend to remain loyal. Service quality is being increasingly perceived as a tool to increase value for the customer as a means of positioning in a competitive environment to ensure consumer satisfaction, retention and patronage. Ilter (2006) focused on the expectations, experiences & perceptions of high school girls to see what attracts them to the malls. Six factors were identified. They were merchandising, entertainment, atmosphere, locations and accessibility, security and personal service.



### Objectives of the Study

1. To identify the attitude and behavior of customer in retail stores & shopping malls.
2. To study the customer awareness and preference towards retail stores & shopping malls.
3. To study the satisfaction level of the respondent's towards retail stores & shopping malls.
4. To study the relationship between prices factors on customer satisfaction retail stores & shopping malls.
5. To study the relationship between product characteristics and customer satisfaction retail stores & shopping malls.

### Scope of the Study

The focus of this study deals with customer satisfaction towards retail stores & shopping malls. It tries to discover various other problems associated with retaining customers in present retail stores & shopping malls.

### Research Methodology

Exploratory research is being adopted to find out the customer satisfaction and characteristics of customers in retail stores & shopping malls.

### Area of the Study

Survey is conducted among three classes of customer's namely regular, occasional and frequent customers in the retail stores & shopping malls of Bangalore city. Primary data is collected through questionnaire containing open ended and close ended questions.

**Sample Size:** The sample size taken up for this study is 200.

**Period of Study:** The study was conducted during the period July 2016 to Sep 2016.

**Type of Sampling:** Convenience sampling is adopted for this study.

### Analysis & Interpretation

**Table 1: General Profile of The Respondents**

PARTICULARS	CLASSIFICATION	NO. OF RESPONDENTS	%
<b>AGE</b>	Below 20 years	65	33
	21 years to 35 years	45	23
	36 years to 45 years	54	27
	Above 45 years	36	18
	<b>TOTAL</b>	<b>200</b>	<b>100</b>
<b>GENDER</b>	Male	98	49
	Female	102	51
	<b>TOTAL</b>	<b>200</b>	<b>100</b>
<b>EDUCATIONAL QUALIFICATION</b>	School level	10	5
	College level	90	45
	Doctors	30	15
	Engineers	70	35
	<b>TOTAL</b>	<b>200</b>	<b>100</b>
<b>TOTAL MEMBERS IN FAMILY</b>	Two	54	27
	Three	52	26
	Four	68	34
	Five & Above	26	13
	<b>TOTAL</b>	<b>200</b>	<b>100</b>
<b>MONTHLY INCOME</b>	Below Rs. 15,000	22	11
	Rs. 15,001 – Rs. 20,000	92	46
	Rs. 20,001 – Rs. 25,000	42	21
	Above Rs. 25,000	44	22
	<b>TOTAL</b>	<b>200</b>	<b>100</b>
<b>MONTHLY PURCHASE AT SHOPPING MALLS</b>	Rs. 2000 – Rs. 3000	42	21
	Rs. 3001 – Rs. 4,000	82	41
	Rs. 4,001 – Rs. 5,000	58	29
	Above Rs. 5,000	18	9
	<b>TOTAL</b>	<b>200</b>	<b>100</b>



### Interpretation

From the above table, it is clear that the general profile of the respondents shows that:

1. 49% of the respondents are male and 51% of the respondents are female.
2. 33% of the respondents are of 20 years, 23% are of 35 years, 27% are of 45 years and 18% are above 45 years.
3. 5% of the respondents are at the school level, 45% of the respondents are at the college level, 15% are Doctors and 35% are Engineers.
4. 27% of the respondents have a total of two members in family, 26% of the respondents have a total of three members, 34% of the respondents have 4 members and 3% of the respondents have a total of 5 members and above.
5. 11% of the respondents have a monthly income of below Rs.15,000, 46% of the respondents between Rs.15,001 to Rs.20,000, 21% of the respondents between Rs.20,001 to Rs.25,000 and 22% of the respondents have a monthly income of above Rs.25,000.
6. 21% of the respondents do a monthly purchase ranging from Rs.2,000 to Rs.3,000, 41% of the respondents do between Rs.3,001 to Rs.4,000, 29% of the respondents do between Rs.4,001 to Rs.5,000 and 9% of the respondents above Rs.5,000.

**Table 2: Ranking For Preference of Retail Stores**

S.NO	NAME OF RETAIL STORE	NO. OF RESPONDENTS	%	RANK
1	More	20	10	V
2	Big Bazaar	20	10	V
3	Reliance Fresh	32	16	III
4	Nilgris	40	20	II
5	Spencers Daily	28	14	IV
6	Super Market	60	30	I
	<b>TOTAL</b>	200	100	

### Interpretation

From the above table it is clear that Super Market occupies I rank, followed by Nilgris in II place, Reliance Fresh in the III place, Spencer's Daily in IV place, more and Big Bazaar in V place in the order of preference of Retail Stores.

**Table 3: Ranking For Preference of Shopping Malls**

S.No	Name of Retail Store	No. of Respondents	%	Rank
1	Mantri Square Mall	72	36	I
2	Garuda Mall	58	29	II
3	Forum Shopping Mall	46	23	III
4	UB City Mall	24	12	IV
	<b>TOTAL</b>	200	100	

### Interpretation

From the above table it is observed that Mantri Square Mall in I place of 36%, Garuda Mall in II place of 29%, Forum Shopping Mall in III place of 23% and UB City Mall in IV place of 12% in the order of preference of Shopping Malls.

**Table 4: Satisfaction Level towards Service Provided At Shopping Malls**

PRODUCT	LEVEL OF SATISFACTION %				
	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
Product Price	53	32	16	0	0
Fast Checkout	28	46	16	7	4
Trolley Facilities	16	28	48	4	10
Home Delivery Facilities	18	61	16	6	0
Store Entrance & Walkways	19	33	32	16	7
Sales Promotion	28	36	38	16	5
Quality of Service	53	36	14	2	0
Modes of Payment	12	22	15	25	25
Time saving	23	52	14	16	4
Accessibility to various outlets	22	38	20	10	7
Parking Facilities	9	23	26	36	17



## Chi-Square Test

### 1. Table showing the relationship between Monthly Income and Average amount spent on purchase

**H0:** There is no significant relationship between monthly income and average amount spent on purchase.

**H1:** There is significant relationship between monthly income and average amount spent on purchase.

Calculated Chi square value	df	Table value	Conclusion
31.677	9	16.919	Rejected

Since the calculated Chi-square value (31.677) is greater than table value (16.919), Null hypothesis is rejected at 5% level of significance.

#### Inference

There exists significant relationship between monthly income and average amount spent on purchase.

### 2. Chi-square analysis for the type of family and Frequency of purchase

Calculated Chi square value	df	Table value	Conclusion
46.239	5	11.070	Rejected

Calculated value of Chi-square (46.239) is greater than table value (11.070). Null hypothesis is rejected at 5% level of significance.

**Inference:** There is a significant relationship between type of family and frequency of purchase.

### 3. Chi-square analysis for age of respondents and buying behavior

Calculated Chi square value	df	Table value	Conclusion
60.59	9	18.2	Rejected

Since the calculated Chi-square value (60.59) is greater than table value (18.2), Null hypothesis is rejected at 5% level of significance.

**Inference:** There exists a significant relationship between age of the respondents and buying behavior of customers.

## Findings

1. Majority of respondents prefer Retail Store for purchasing more goods.
2. Majority of respondents prefer Shopping Malls for entertainment and purchase of quality goods.
3. There is no significant relationship between sex and satisfaction level of customers.
4. There is a significant relationship between age group and buying behavior of customers.
5. There is a significant relationship between monthly income and amount of purchase of customers.
6. There is a significant relationship between type of family and frequency of purchase.
7. The variety of products offered in Shopping Malls is the first preference for shopping in Shopping Malls.
8. Majority of the customers visited the Shopping Malls because it was close to their residence & workplace.
9. Majority of the customers were satisfied with the quality of goods, good value for money and trendy products in Shopping Malls.

## Recommendations

1. Shopping Malls should adopt new technologies like self checkout lane, Computer gadgets to handle their billing automatically to reduce the rush in billing counter.
2. It should also concentrate on customer loyalty programs and introduce many membership cards for bulk purchases.
3. The sales person must be well trained to be patient, helpful, informative and courteous in answering to the customers which will motivate them to retain in the store to buy more.
4. More a customer spends time in store; the more likely he is to make purchases. So to increase revenue, the retailers should pay more attention towards physical aspects, entertainment, and sell variety of products at reasonable prices.
5. Care should be taken to promote sales activities on week days in order to minimize rush on weekends.

## Conclusion

Understanding the growing needs, aspirations and global life style is the dictating key factor for success of any retailer. To be a successful retailer and to gain the customer satisfaction level at the maximum, quality, variety of products, sufficient physical ambience, parking facility, fast access & billing system, proper crowd management should be continuously improved at all levels. This will shape or structure the Retail Stores / Malls to blend the expertise of the world to turn into best customer satisfiers in all spheres of their needs.



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