

CUSTOMER'S SATISFACTION TOWARDS PROMOTION ON ORGANIZED RETAIL CHAIN IN ALLAHABAD CITY

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ABSTRACT: Retail industries are showing a great boom in few decades and no doubt that there are serious efforts such as new facility like free home delivery, e-shopping are put in by the companies to gain this growth and attracted lots of examiner and big business player to pay special attention to the huge growth of this sector. The present study aims to determine the factors which constitute customer satisfaction of retail stores in Allahabad city due to advertisement and other forms of promotional strategies followed by these stores. Customer satisfaction of this sector can be an essential sign of how well the stores are meeting the expectations of the customer's requirements and how effective the promotion efforts are playing their part. The reason of the study is to identify the factor constituting to the customer satisfaction in the organized retail outlets and to investigate their behavior and its perception towards organized retail outlets. Customers of these four big retail chain stores have been interviewed for the study to identify the behavior of the customers who are purchasing their requirement from organized retail outlets, and to study about the future prospective of organized retail outlet in the Allahabad city. Customer satisfaction is the most important factors for the vendor and big business man and it only be positively moved towards them on the quality of promotional effort which make the people to rely on your products. A total of 400 questionnaires have been randomly spread to retail customer. The analysis of the result suggests the level of customer satisfaction in term of services provided by organized retail outlets in Allahabad city.

KEYWORDS: Retail, customer satisfaction, Retail outlets, Behavior.

INTRODUCTION

India is the 2nd fastest growing economy in the world. It is a 3rd largest economy in the world in terms of Gross domestic product (GDP) and fourth largest economy in terms of Purchasing Power consistency. Present scenario in India huge opportunity for the foreign players and it's a hub for big business man. Standing on the threshold of a retail revolution and witnessing a fast changing retail landscape, India is the promised nation for global brands and Indian retailers a powerful economy. In the list of emerging market as global India is acquire a top most position. India's retail sector is developed and modernizes very quickly with India's economic growth. The future of retail is more favorable. And the Indian market is growing very quickly; government programme and scheme are becoming more favorable with retail industries.

Indian retail is becoming the next booming industry in the world. The whole concept of shopping has altered in terms of format and consumer buying behavior, ushering in a revolution in shopping in India. Modern retail has entered India as seen in sprawling shopping centers, multi-storied malls and huge complexes offer shopping, entertainment and food all under in a single roof. The Indian retail industries are at a conjugation point where the growth of organized retail and growth in the use by the Indian population is going to take a higher growth path. It is observed that Indian population is outstanding change in its

demographics. A huge number of young working populations with age of 22 years, nuclear families in metropolitan areas, beside with enlarge numbers of working-women population and emerging golden opportunities in the retail sector are going to be the key growth drivers of the retail industry in India. Retail sector in India is growing very quickly with consumer more spending growing by unrivalled rates and with expands number of foreign players to investing in this sector. Considerable tenure of development in this area was in the time of 2000 and 2006, the sector profits got enhanced to 93.5% resulting in a regular annually increase of about 13.3%. Retail sector grew an expression of the outstanding Indian monetary increase and largely increase in returns echelon of clients. Apparels and consumer durables are the fastest growing upright in the retail sector. Mobile phone as a product category has witnessed the maximum growth in the consumer demand between all retail products offering, with growing dissemination of telecommunication in towns and villages. The telecommunication area has been adding on normal 6 million new users every month. The other man-made goods categories are gaining grip primarily in the urban region and growing cities, with growing average revenue and spending power of young metropolitan India.

According to **Hans mark and Albinson (2004)** "satisfaction is an in general customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the completion of some needs, goals or desire".

According to **ICRIER**, in India the total retail business grow at 13 percent per annum from US \$ 324 billion in 2007- 2008 to US\$ 600 billion in 2012-2013 and further US \$ 1.2 trillion by 2016-17.

LITERATURE REVIEW

Reilly (1931) stated that the law of retail gravitation which proposes that people are drawn to larger shopping thus larger cities tend to attract more customers to shop their than smaller ones therefore the need for supermarkets to consider location when putting up facilities.

Cardozo (1965) stated that a basic perception of marketing is that customer satisfaction with a product will possibly lead to repeat purchases, acceptance of product line extensions, and favourable word-of-mouth advertising.

Mccarthy (1960) offered the "marketing mix", often referred to as the "4Ps", as a means of translating marketing planning into practice.

Oliver (1981) stated that customers' attitude comprises affective components that are based on evaluation about the store characteristics, product availability and the process of interaction. Hence there is a need to identify the main factors impacting customer satisfaction in food retail supermarkets which will lead to customer retention.

Blattberg, Eppen And Liebermann (1981) found evidence that promotions are associated with purchase acceleration in terms of an increase in quantity purchased and, to a lesser extent, decreased inter purchase timing.

Rothschild and Gaidis (1981) argued that Sales Promotions are often successful in inducing action, as they encourage consumers to act on a promotion while it is still available. Also, the strength of SP lies in its flexibility to quickly respond to competitor attacks.

Sawyer and Dickson, (1984) examined the consumer response to sales promotions, most notably coupons.

Cummins (1998) suggested that sales promotion has to stop being a part of the communication mix to become an autonomous variable. When the promotion ends, sales are reduced even below the usual levels (without promotion). In the long term, the sales level tends to go back to a position near the initial position.

Long-term price promotions make the consumer more sensitive to price and therefore their effectiveness is reduced with the subsequent negative effect on benefits.

Schneider (1998) found that a price promotion that is designed to evoke attributions of responsibility could be expected to appeal to consumers more than one that does not evoke such attributions, and thus have a greater ability to create product trial among consumer.

Mariola Palazon and Elena (2005) adopted a consumer-based approach to consider that sales promotions, as a part of marketing communications, also have an effect at a cognitive and emotional level, and provide the consumer with multiple hedonic and utilitarian benefits.

OBJECTIVE

- (1) To indentify the customer satisfaction in the organized retail chain towards the promotion in the Allahabad city.

Sample Size: Sample size taken for research 400

Area Of Study: Allahabad city

Research Design: the main aim of the analysis is discover the key factors for consumer satisfaction.

Scope Of The Study: to deal with various problem which effect the decision of customer satisfaction when he purchases a product in retail outlets, which is very essential for retailing growth in future prospective.

Research Instrument: Questionnaire is prepared for the gathering of information from different respondents the goal of the questionnaire is planned to meet the set of objective.

Period of Study: The study was conducted during the period November 2015 to March 2016.

Sampling Technique: sampling method is convenience sampling.

RESEARCH METHODOLOGY

The type of research conducted here is expressive in nature. The research is completed on the retail customer of Allahabad, who visited various retail outlet of Allahabad. The size of sample was 400. The sampling essentials here in the research is individual respondents. The technique of sampling is used here in the research work is the judgment sampling. The study is based on the primary data. Questionnaire was planned for collective response of the customer who visited various retail outlets in Allahabad. Eleven point Likert scale questionnaire was used here in survey. The tool used for the analysis of data is chi-square test, to find out the relationship between attribute of service quality and customer satisfaction.

HYPOTHESIS

H (1) there is a significant relationship between attribute of Promotion and customer satisfaction.

H (0) there is a no significant relationship between attribute of Promotion and customer satisfaction.

INVESTIGATION AND INTERPRETATION DEMOGRAPHIC SUMMARY OF THE RESPONDENTS

| essentials | categorization | Number respondents | of | % |
|------------|----------------|-----------------------|----|------|
| age | Below 20 Years | 58 | | 14.5 |
| | 20 -30 Years | 182 | | 45.5 |
| | 30-40 Years | 90 | | 22.5 |
| | Above 40 Years | 70 | | 17.5 |
| | | | | |

| | | | |
|---|----------------|-----|-------|
| Gender | Male | 278 | 69.5 |
| | Female | 122 | 30.5 |
| Educational qualification | School level | 56 | 14 |
| | Graduate | 120 | 30 |
| | Post graduate | 45 | 11.25 |
| | professional | 179 | 44.75 |
| Monthly income | Below10000 | 72 | 18 |
| | 10000-20000 | 93 | 23.25 |
| | 20000-30000 | 158 | 39.5 |
| | 30000-40000 | 49 | 12.25 |
| | Above 40000 | 28 | 7 |
| Total member of family | Two | 19 | 13 |
| | Three | 54 | 21 |
| | Four | 136 | 48.25 |
| | Five and above | 41 | 17.75 |
| Average monthly purchase at organized retail outlets | Below Rs 500 | 31 | 7.75 |
| | Rs 500.1000 | 84 | 21 |
| | Rs 1000-2000 | 85 | 21.25 |
| | 2000-3000 | 141 | 35.25 |
| | Above 3000 | 59 | 14.75 |

Table no 1 **Demographic Profiles of the respondents****Customer satisfaction towards Promotion provided from organized retail outlets**

| Promotion attributes | Highly dissatisfied | Dissatisfied | Don't Know | Satisfied | Highly satisfied | Total |
|-----------------------------|----------------------------|---------------------|-------------------|------------------|-------------------------|--------------|
| Combo offers | 50 | 70 | 30 | 179 | 66 | 400 |
| Buy one get one | 44 | 64 | 31 | 203 | 58 | 400 |
| Discounts | 43 | 83 | 30 | 163 | 81 | 400 |
| Special events price | 24 | 47 | 45 | 218 | 65 | 400 |
| After sale service | 42 | 76 | 30 | 184 | 68 | 400 |
| Redeem option | 37 | 55 | 35 | 151 | 121 | 400 |
| Total | 240 | 395 | 201 | 1098 | 466 | 2400 |

Table no 2 **Customer satisfaction towards promotion provided from organized retail outlets**
Customer satisfaction level

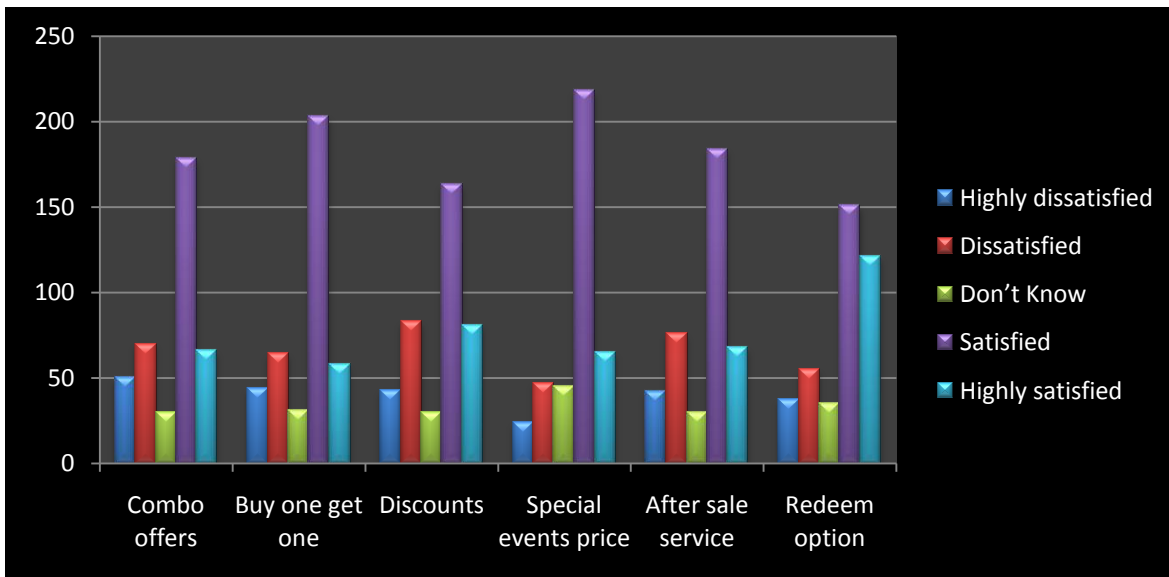


Figure 1 Customer satisfaction level

AFTER SALES SERVICE PROVIDED BY RETAIL STORES

| | Highly Dissatisfied | Dissatisfied | Don't know | satisfied | Highly Satisfied |
|-------------------------|---------------------|--------------|------------|-----------|------------------|
| Big Bazaar | 26 | 33 | 19 | 241 | 81 |
| Vishal mega Mart | 40 | 72 | 20 | 190 | 78 |
| Reliance | 36 | 45 | 35 | 215 | 69 |
| Spencer | 68 | 153 | 47 | 89 | 43 |

Table: 4.15 after sales service provided by retail stores.

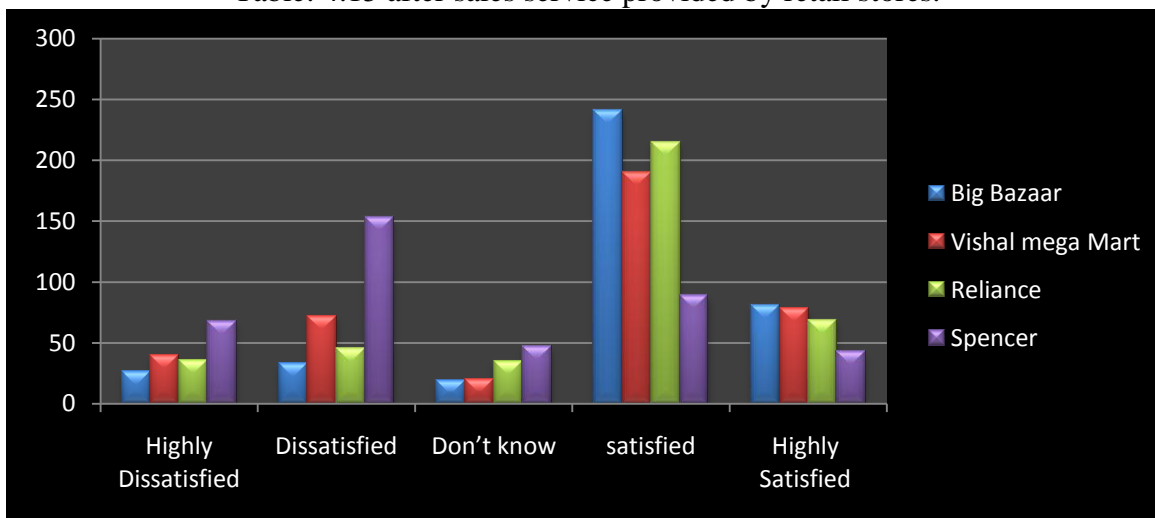


Figure: 4.15 after sales service provided by retail stores.

This figure shows that regarding after sales service provided by retail stores consumers are satisfied with Big Bazaar as compared to others.

BEST DEALS IN ‘COMBO OFFERS’ IN RETAIL STORES

| | Highly Dissatisfied | Dissatisfied | Don't know | satisfied | Highly Satisfied |
|-------------------------|---------------------|--------------|------------|------------|------------------|
| Big Bazaar | 41 | 97 | 21 | 179 | 62 |
| Vishal mega Mart | 19 | 29 | 23 | 247 | 82 |
| Reliance | 80 | 52 | 43 | 152 | 73 |
| Spencer | 59 | 101 | 53 | 138 | 49 |

Table: 4.21 Best deals in ‘combo offers’ in retail stores

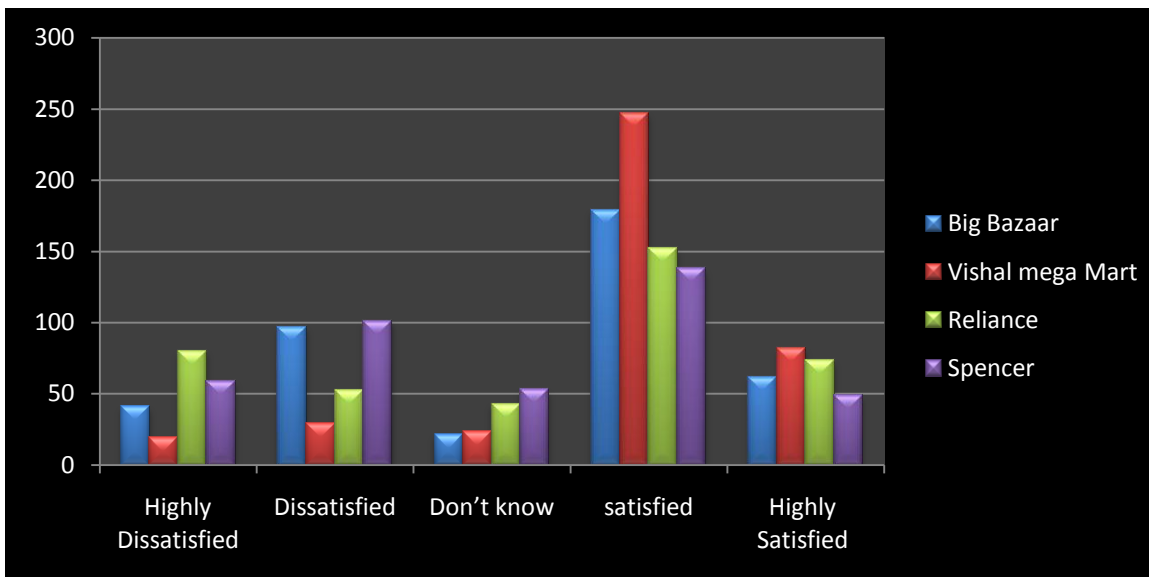


Table: 4. 21 Best deals in ‘combo offers’ in retail stores.

This figure shows that regarding Best deals in ‘combo offers’ in retail stores consumers are satisfied with Vishal mega mart as compared to others.

ARE YOU SATISFIED WITH REDEEM OPTION IN THESE RETAIL STORE

| | Highly Dissatisfied | Dissatisfied | Don't know | satisfied | Highly Satisfied |
|-------------------------|---------------------|--------------|------------|------------|------------------|
| Big Bazaar | 29 | 49 | 31 | 145 | 146 |
| Vishal mega Mart | 29 | 51 | 34 | 161 | 125 |
| Reliance | 25 | 35 | 39 | 185 | 116 |
| Spencer | 65 | 85 | 36 | 115 | 99 |

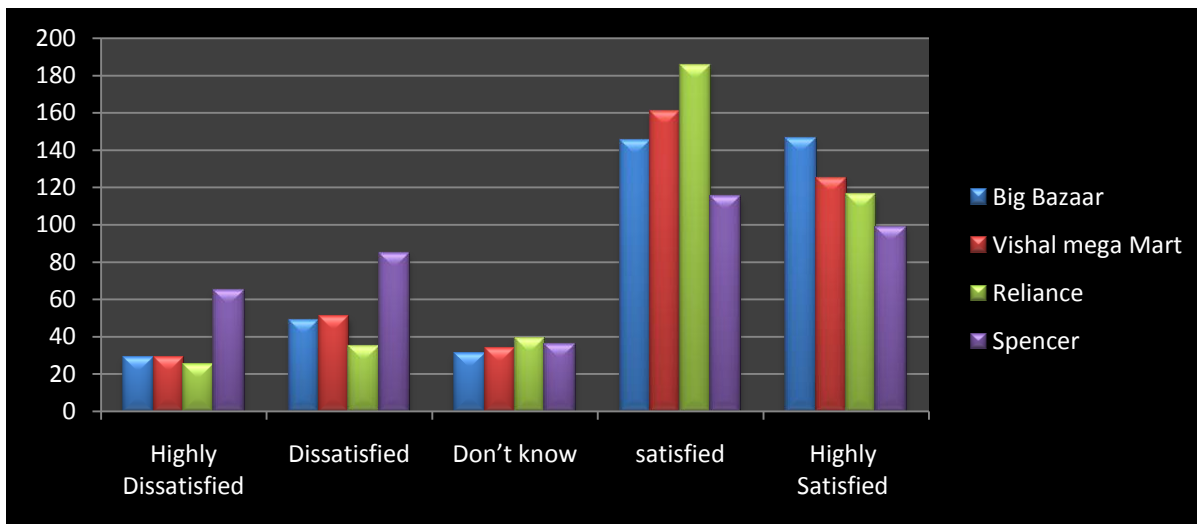


Table: 4.19 are you aware of Redeem option in these retail stores

This figure shows that regarding Redeem option in these retail stores consumers are satisfied with Reliance as compared to others.

DISCOUNT (PRICE OFF) OPTIONS AT RETAIL STORES

| | Highly Dissatisfied | Dissatisfied | Don't know | satisfied | Highly Satisfied |
|-------------------------|---------------------|--------------|------------|-----------|------------------|
| Big Bazaar | 16 | 24 | 20 | 221 | 119 |
| Vishal mega Mart | 35 | 39 | 20 | 201 | 105 |
| Reliance | 40 | 111 | 39 | 150 | 60 |
| Spencer | 80 | 159 | 41 | 79 | 41 |

Figure: 4. 26 Discount (price off) options at retail stores

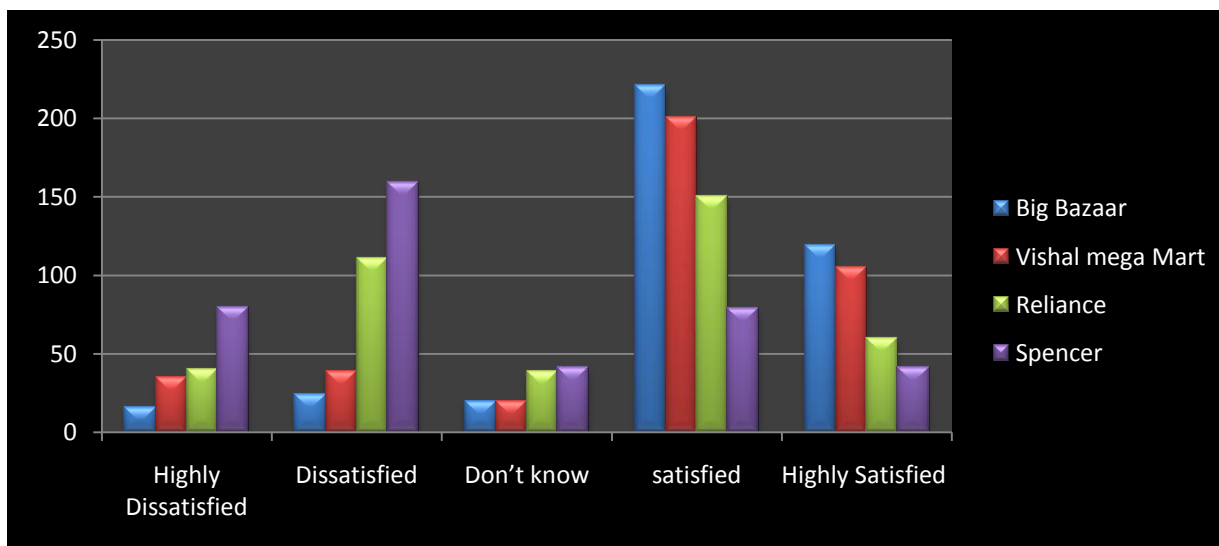


Figure: 4. 26 Discount (price off) options at retail stores

This figure shows that regarding Discount option consumers are satisfied with Big Bazaar as compared to others.

AWARENESS ABOUT RETAIL STORE REDUCING PRICE I.E. SPECIAL EVENTS PRICE, AT CERTAIN TIME OF THE YEAR TO ATTRACT CUSTOMERS

| | Highly Dissatisfied | Dissatisfied | Don't know | satisfied | Highly Satisfied |
|-------------------------|---------------------|--------------|------------|------------|------------------|
| Big Bazaar | 08 | 15 | 17 | 279 | 81 |
| Vishal mega Mart | 23 | 77 | 21 | 216 | 63 |
| Reliance | 23 | 36 | 83 | 199 | 59 |
| Spencer | 43 | 60 | 60 | 179 | 58 |

Table: 4. 23 Retail store reducing price i.e. special events price, at certain time of the year to attract customers.

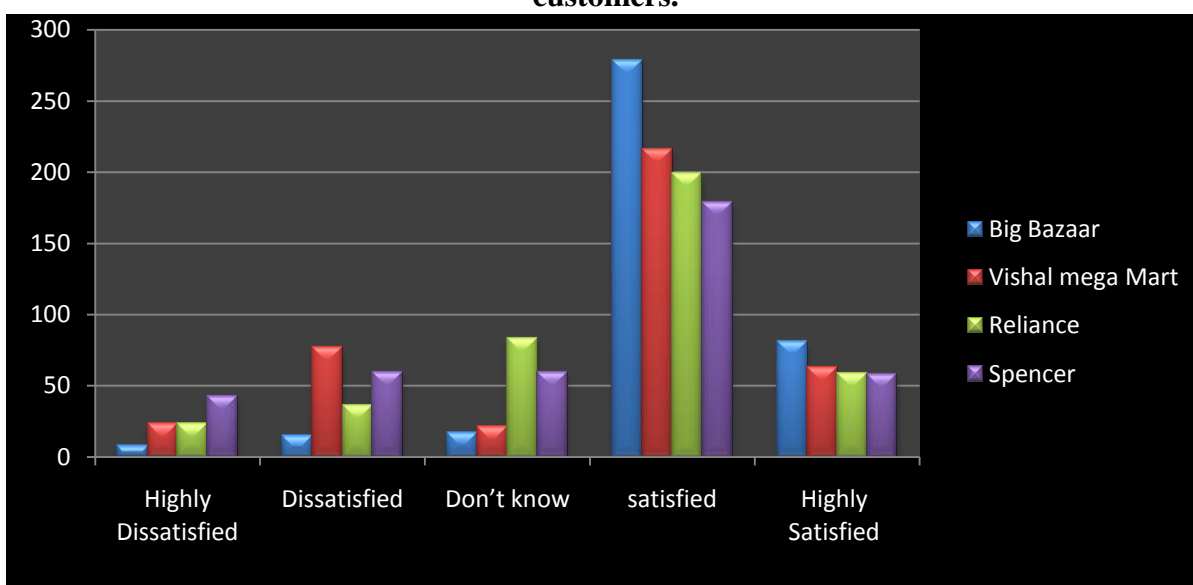


Figure: 4. 23 Awareness about retail store reducing price i.e. special events price, at certain time of the year to attract customers.

This figure shows that regarding reducing price during special events or at certain time of the year consumers are satisfied with Big Bazaar as compared to others.

BUY ONE GET ONE' FREE OPTION PROVIDED BY RETAIL STORE

| | Highly Dissatisfied | Dissatisfied | Don't know | satisfied | Highly Satisfied |
|-------------------------|---------------------|--------------|------------|------------|------------------|
| Big Bazaar | 20 | 40 | 20 | 240 | 80 |
| Vishal mega Mart | 37 | 43 | 23 | 225 | 72 |
| Reliance | 40 | 79 | 41 | 181 | 59 |
| Spencer | 80 | 95 | 40 | 165 | 20 |

Table: 4. 25 'Buy one get one' free option provided by retail store

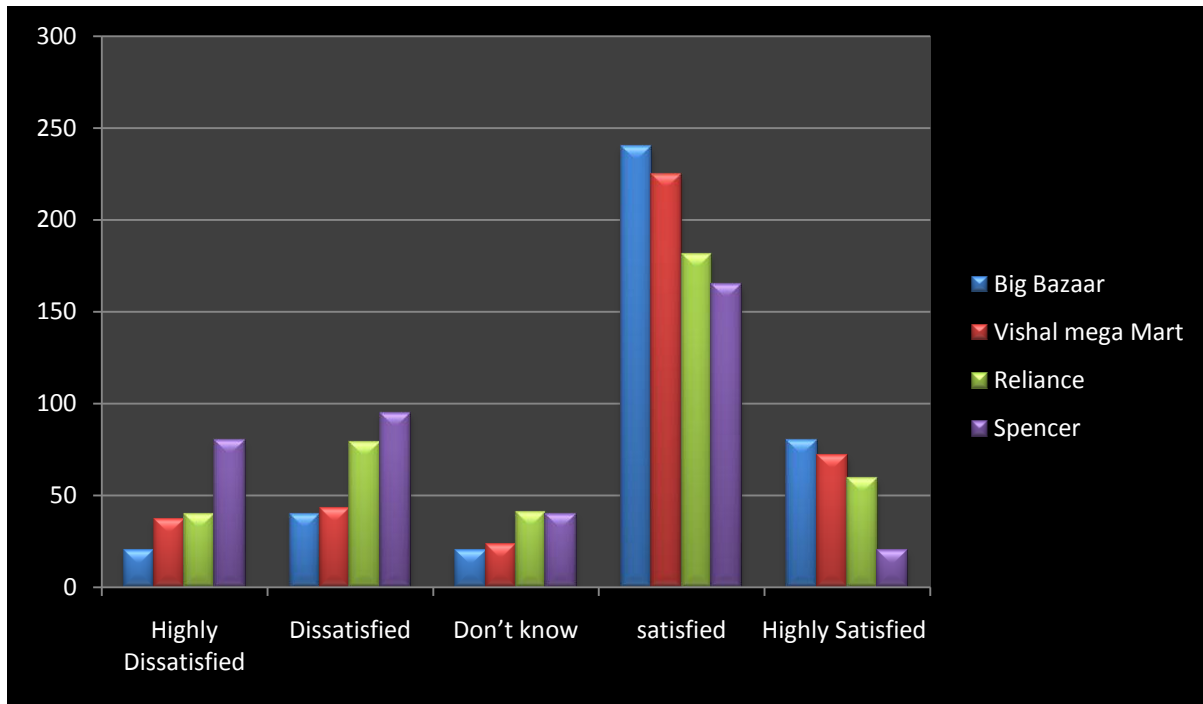


Figure: 4. 25 'Buy one get one' free option provided by retail store

This figure shows that regarding 'Buy one get one' free option service consumers are satisfied with Big Bazaar as compared to others.

RESULT AND DISCUSSION

In my research work I found most of the customers are satisfied with buy one get one offers, combo special events prices provided by the big retail store in Allahabad. But some the customer are little bit not satisfied with discounts and redeem options. Now the customer fill that the organized retail sector should be more improved redeem option and discounts policy.

CONCLUSION

Retailing is the biggest private trade in India and next largest employer after agriculture. The Indian retail industry accounts for above 20% of the country's gross domestic product (GDP) and add 8% to total employment (2014). With over 14 million retail store, India has the maximum retail outlet density in the world. This sector witnessed major growth in the past 11 years – from small unorganized family-owned retail formats to organized retailing. Liberalization of the financial organization, increase in per capita profits and growing consumerism have encourage bigger business houses and manufacturers to set up retail format, real estate company and business enterprise entrepreneur are investing in retail infrastructure. Various foreign retailers have also entered the market through different routes such as wholesale, home manufacturing, franchising, test marketing etc. With the growth in organized retailing, unorganized retailers are fast shifting their trade models and implementing new technology and modern accounting practices to face opposition. This study also reveals that the customer choose organized retail as contrast to unorganized retail channel due to which the organized retail fetching a threat to the unorganized outlets. So we can say that the development of retail industries in future for employment prospective is more.

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