

A Study on Service Quality Approach and its effect on Millennials Shopper Practice towards selected retailer in Chennai District

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ABSTRACT

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product GDP and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space. India's retail market is expected to grow at a Compound Annual Growth Rate CAGR of 10 per cent to US\$ 1.6 trillion by 2026 from US\$ 641 billion in 2016. While the overall retail market is expected to grow at 12 per cent per annum, modern trade would expand twice as fast at 20 per cent per annum and traditional trade at 10 percent. Indian retail market is divided into "Organized Retail Market" which is valued at \$60 billion which is only 9 per cent of the total sector and "Unorganized Retail Market constitutes the rest 91 per cent of the sector. India's Business to Business B2B e-commerce market is expected to reach US\$ 700 billion by 2020. Online retail is expected to be at par with the physical stores in the next five years. Service quality can be described as the negotiation process between Millennials Shopper s and service providers where resource allocation and management are done equally to satisfy both party's interests as Millennials Shopper's perception of service quality and employee's job satisfaction are interrelated. Millennials Shoppers are those who grew up using electronics, the Internet and online social communities. This research explores how interactive product virtualization technologies can engender virtual product experiences, affecting Millennium generation shoppers and measure the service quality of selected retailer in Chennai city.

Keywords: Generation Y, Retail outlet, Service Quality Element, Shopper Experience.

I. INTRODUCTION

The Indian retail industry is highly fragmented and divided into organized and unorganized sectors with a major share of its business being run by unorganized retailers characterized by traditional family run stores and neighborhood shops. Organized retail constitutes only 9 per cent of the total retail market

and have high potential to gain a higher share in the growing pie of the Indian retail market in future (IBEF, 2018) present study shows that it accounts for an approximately 600 billion USD dollar market (Pwc, 2017). On the other side revenue generated from organized retail is expected to continue growing and projected to reach to \$94.8 billion by 2019. It is attracting the global retailers/multinationals attention who believe that the next wave of growth in terms of revenue generation, reaching new Millennials Shopper segments, harnessing R&D and innovative skills come from developing countries and emerging economies like India, Mongolia, Sri Lanka and Indonesia (AT Kearney, 2012). Good service quality leads to more satisfied Millennials Shopper, profits, and so better retail store performance. This demands reliable and valid scale for measuring retail service quality. Current measures of service quality for retail stores are not reliable and valid in Indian context. This research paper aims the development of a scale for assessing millennials perceptions of service quality for specialty stores in India. Millennials have been living their lives on the internet. These sites have become an integral part of Millennials lifestyle. Online shopping of Indian Millennial is still not well researched upon, specifically in the product category of fashion apparels. Hence this study was also undertaken to determine influence of online reviews and product variety on purchase intention of millennials and determine the service quality of the retailers in Chennai District.

LITERATURE REVIEW

Rina chandran (2018) observed that large retail stores are tapping the women's wear segment aggressively; Shopper's Stop's women's western wear segment is growing by 35 per cent a year. The role and contribution of women as consumers in the retail business is posing new insights and challenges to the industry as a whole. It may have a major impact in the way the business is likely to evolve in the days to come. Service quality refers to an attitude formed by a overall evaluation of a firm's performance. It can be said that service quality perception assists consumers in formulation of an opinion about the satisfaction they acquire out of the retail service. Simply, this is the point of knowing what the Millennials Shopper expects. It is important for an organization to being clearly aware of what it is exactly that the Millennials Shopper s expect. Failure to do so can lead to poor perceptions of satisfaction with service quality. This is a cornerstone of effective business- knowing one's Millennials Shopper.

Steph Blair (2017) by Jane magazine analysed how these women of twenty and above years spend their disposable income. Overall, they spent 48 percent on fashion/beauty/accessories, 30 percent on travel, 13 percent on technology and electronics, and 9 percent on music and entertainment. Jane's breakdown of the fashion/beauty/accessories category into subcategories includes apparel, 44 percent; beauty, 19 percent; jewellery and watches, 16 percent; shoes, 16 percent; and handbags 8 percent. Those processes, components, and standards that are deemed important by the Millennials Shopper are another important source of information. In order for a business to meet the needs and desires of the Millennials Shopper, the business must know the needs and desires of the Millennials Shopper. This information is vital not only for successful business, but also for understanding and improving Millennials Shopper satisfaction. This important component helps to set the standards and components of satisfaction from the perspective of the consumer.

Paco Underhill (2016) through his countless observations in the retail stores inferred that as women's lives change, though their relationship with shopping must evolve. For most women there are psychological and emotional aspects to shopping that are just plain absent in most men. However, a lack of Millennials Shopper satisfaction has an even larger effect on the bottom line. Millennials Shopper s who receives poor service will typically relate their dissatisfaction to between fifteen and twenty others. The primary issue with developing an operational definition with the specific components of Millennials Shopper satisfaction is to clearly identify the nature of the organization's business. This further extends into the effective collection, analysis, and application of Millennials Shopper satisfaction information. Services and products are the two major orientations of business. Products - also referred to as goods, are the physical output of a business. These are tangible objects that exist in time and space.

NEED FOR THE STUDY

With the retail sector growing and expanding in the Indian scenario, Service Quality is pivotal in achieving greater Millennials Shopper satisfaction. Many studies have proven the impact of Millennials Shopper satisfaction on the bottom line. Service quality has been researched and so has been Millennials Shopper satisfaction. However, the impact of SERVQUAL in Retailing in India and its impact on Millennials Shopper Satisfaction have not been widely researched. As more and more player's fight for the retail pie, this research aims at assessing the SERVQUAL dimensions that contribute to Millennials Shopper Satisfaction in Retailing. There is little research done with these variables in Retailing in the Indian scenario. Hence, this empirical study has been undertaken. The first research on the measurement of Millennials Shopper satisfaction happened as early as. Satisfied Millennials Shopper is rated to bring in several benefits to the firm including positive reference, loyalty to the firm and its products, low price sensitivity towards the firm's products or services, willingness to help the management in its improvement through constant feedback and negligence towards competition.

STATEMENT OF THE PROBLEM

Research has always been concentrated in measuring Millennials Shopper Satisfaction or SERVQUAL for Millennials Shopper services. What most researchers agree and have a consensus on is that SERVQUAL being a crucial element in Millennials Shopper Satisfaction even when the offering involved a combination of a product and service. The current study aims at measuring the influences of SERVQUAL in Retailing with Millennials Shopper Satisfaction taken as the effective outcome measure. Every marketing effort is directed to be Millennials Shopper focused and hence it is imperative that retailing strategy or SERVQUAL initiatives result in higher Millennials Shopper satisfaction levels. The researcher hypothesized major assumptions of influences of SERVQUAL dimensions on Millennials Shopper Satisfaction and Millennials Shopper Repurchase Intentions, and the influence of Millennials Shopper Satisfaction on Repurchase Intention, and the influences of Millennials Shopper Satisfaction and Repurchase Intentions on Positive word of mouth. The present study would provide insights into the key dimensions of retailing such as service quality and its relationship with Millennials shoppers.

II. OBJECTIVE OF THE STUDY

- To examine the influence of servqual dimensions on customer satisfaction and purchase intension.
- To study the frequency level of millennials Shopper purchasing the apparels at the selected retailers.
- To identify the service quality factors that influence millennials shoppers delight and their retention
- To analyse the millennials shoppers experience level towards the attributes of the selected retailers.

SCOPE OF THE STUDY

The researcher found that Retailer Store' had its highest number of outlets in all the three formats operational in the South Indian city of Chennai. For carrying out a study of SERVQUAL in Retailing for Selected retailer, it is obvious that Chennai is the right choice to conduct the survey for determining the influences of SERVQUAL dimensions on Customer Satisfaction and Repurchase Intention, and the influence of millennials shoppers Repurchase Intention on Positive word of mouth. This would also support the service marketers to identify the most important performance cues used by consumers in assessing quality and thereby promote positive "moments of truth" for the customers.

RESEARCH METHODOLOGY

Research Design

A research design is purely and simply the framework or plan for a study that guides the collection and analysis of data. It is a blue print that is followed in completing a study. The major purpose of Descriptive research is description of state of affairs, as it exists at present.

SAMPLING METHODOLOGY

Population

The study of various characteristics relating to items \ individual belong to a particular group is called as population. The population of the study consists of the different target respondents like Employee, Businessmen, student and professional purchase apparels from selected retail store in Chennai city. A total of 62 respondents were chosen for the study. In this research, we have taken E-survey from millennials shopper purchasing the apparels in Chennai city.

Sampling Method

The sampling technique used was probability sampling method. It refers to the technique where the probability of each cases being selected from the total population is not known. The sampling technique used was Random sampling sampling in which samples are drawn from particular millennials shoppers.

Data Collection Method

The present study has employed both the primary and secondary data. Data was collected only through primary source. Primary data are generated by a study specifically designed to accommodate the needs of the problem at hand. The methods used were direct survey from millennials Shoppers who opt for purchasing apparels at retail outlet.

DATA ANALYSIS

RELIABILITY TEST

		N	%
Cases	Valid	10	90.9
	Excluded ^a	1	9.1
	Total	11	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.839	64

Inference: The Cronbach's alpha coefficient for 64 items in 0.839 suggesting that the items have high level of internal consistency.

ONE WAY ANOVA TEST

Null hypothesis (H₀): There is no significant difference between age of the millennial shoppers and that perception towards the service quality factors which influence the buying retention.

Alternate hypothesis (H₁): There is significant difference between age of the millennial shoppers and that perception towards the service quality factors which influence the buying retention.

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ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Price as a factor while purchasing readymade cloths from pantaloons	Between Groups	39.495	2	19.747	46.654	.000
	Within Groups	24.973	59	.423		
	Total	64.468	61			
Quality as a factor while purchasing readymade cloths from pantaloons	Between Groups	56.989	2	28.494	29.963	.000
	Within Groups	56.108	59	.951		
	Total	113.097	61			
Services as a factor while purchasing readymade cloths from pantaloons	Between Groups	64.876	2	32.438	34.110	.000
	Within Groups	56.108	59	.951		
	Total	120.984	61			
Designs and models as a factor while purchasing readymade cloths from pantaloons	Between Groups	10.704	2	5.352	4.327	.006
	Within Groups	72.973	59	1.237		
	Total	83.677	61			
Durability as a factor while purchasing readymade cloths from pantaloons	Between Groups	56.989	2	28.494	207.344	.000
	Within Groups	8.108	59	.137		
	Total	65.097	61			

Inference

Here p value is lesser than 0.05. Hence reject null hypothesis. There is significant difference between age of the millennial shoppers and that perception towards the service quality factors which influence the buying retention.

CHI SQUARE TEST

Null hypothesis (H₀): There is no association between the rating of modern outlet of the selected retail outlet and gender of the millennials.

Alternate hypothesis (H₁): There is association between the rating of modern outlet of the selected retail outlet and gender of the millennials.

Count the outlet has a modern appearance * gender Cross tabulation

	gender		Total
	male	female	
strongly agree	13	12	25
the outlet has a modern appearance Agree	13	0	13
Disagree	24	0	24
Total	50	12	62

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	22.022 ^a	2	.000
Likelihood Ratio	26.307	2	.000
Linear-by-Linear Association	15.169	1	.000
N of Valid Cases	62		

a. 3 cells (50.0%) have expected count less than 5. The minimum expected count is 2.52.

Inference

The Pearson chi square significant value is 0.000 which is less than 0.05. Hence reject null hypothesis. There is association between the rating of modern outlet of the selected retail outlet and gender of the millennials.

CORRELATION AND SCATTER DIAGRAM ANALYSIS

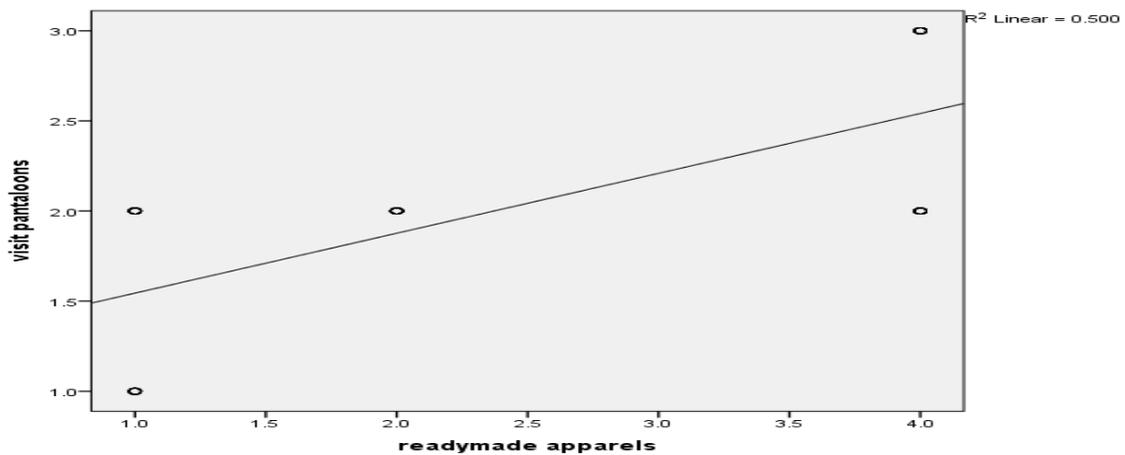
To study the relationship between the frequency of visiting the retail outlet and number of apparel purchased by the millennial shoppers during the trip.

Correlations

		visit pantaloons	readymade apparels
visit pantaloons	Pearson Correlation	1	.707**
	Sig. (2-tailed) N		.000
readymade apparels	Pearson Correlation	.707**	1
	Sig. (2-tailed) N	.000	
		62	62
		62	62

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

Graph



Inference

The table represents the Pearson correlation coefficient r is 0.861 which implies there is a positive relationship between the frequency of visiting the retail outlet and number of apparel purchased by the millennial shoppers during the trip. And in the scattered Diagram, the coefficient of determination $r^2 = 0.500$ which indicates 50% of purchasing item during a trip depends on the number of visit by the customers. Therefore there is a positive direction between the two variables.

III. FINDINGS OF THE STUDY

- The Cronbach's alpha coefficient for 64 items is 0.839 suggesting that the items have high level of internal consistency.
- Using the one way ANOVA it reveals that the p values is lesser than 0.05. Hence reject null hypothesis. There is significant difference between age of the millennial shoppers and that perception towards the service quality factors which influence the buying retention.
- Using Chi-square Test, It is found that The Pearson chi square significant value is 0.000 which is less than 0.05. Hence reject null hypothesis. There is association between the rating of modern outlet of the selected retail outlet and gender of the millennials.
- The table represents the Pearson correlation coefficient r is 0.861 which implies there is a positive relationship between the frequency of visiting the retail outlet and number of apparel purchased by the millennial shoppers during the trip

IV. SUGGESTIONS AND RECOMMENDATIONS

The following suggestion given to retail outlets as follows

- The Retail outlet must ensure good quality merchandise in their outlets and offer them for a price which ensures value for money. Special treatment / variable pricing strategies could be employed for repeat purchases, loyal customers and first-time shoppers at the outlet. Discounts, offers, clearance markdowns at the end of season, promotional markdowns, coupons, price bundling and multiple -unit pricing could be used to great effect in improving customer satisfaction levels and retaining customers.
- Employees at Retail outlet must be trained and equipped with information to inspire trust and confidence in customers. Displays and signage need to be consistent. 'Assurance' could also be strengthened if retail outlet delivered on promises on product quality, promotional offers, discounts, alterations, and other customer services. Prompt action on suggestions and complaints, periodic solicitation of customer feedback could help bolster Perceived assurance.
- Retail outlet must maintain a database of problem-resolution situations that are more than just opportunities to fix flawed services. They are valuable - but frequently ignored or underutilized - source of diagnostic, prescriptive information for improving service quality.
- The retail outlet should ensure adequate number of Packers at cash counters to expedite billing and reduce waiting time. Staff must be trained to reduce errors in billing. Informative labels, price displays that are consistent, and technology to support error- free transactions can communicate Reliability to customers. Positive perceived reliability could influence customers' satisfaction levels and retain customers over extended periods.

V. CONCLUSION

With the boon in the retail segment supported by the growing relevance of the contribution of consumer's in the market place, the need to understand the operating variables becomes imperative. The current study provides significant input to the service marketers to design and develop the service factors which would result in enhancement of the perceived service quality and in turn customer satisfaction. However the results are pertaining to selected cities in the state of Tamil Nadu. Future research can attempt to examine the robustness of the findings of the current study in other prominent markets. It can

also explore the degree of influence of other key dimensions such as product, price and effect of situational factors towards customer satisfaction.

The current research aimed to measure the retail service quality and to determine its relationship with millennials shoppers delight. It thus contributes towards understanding the factors determining perceived service quality and its relationship towards customer satisfaction behavior. The service quality can also be influenced by identifying service employees with the true service attitude and relevant product and market knowledge. There is also a definite need for providing adequate and ongoing training to the service employees.

VI. REFERENCES

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