



# A STUDY ON SERVICE QUALITY OF RETAIL OUTLETS – RELIANCE FRESH AND MORE USING SERVQUAL MODEL AT CHENNAI

Inamul Hassan.A

DR.Bhuvaneshwari.B

STUDENT, SCHOOL OF MANAGEMENT STUDIES, SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY, CHENNAI - 600119

ASSISTANT PROFESSOR, SCHOOL OF MANAGEMENT STUDIES, SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY, CHENNAI – 600119

## ABSTRACT

Customer satisfaction has become a major source of concern in retail business. With organized retail becoming the most happening thing in the recent future. The entry of foreign retail players into the Indian market has made it tough for the Indian players. To keep pace with the demands of the new age customers the retail outlets have to devise new strategies and techniques in understanding their needs and fulfilling their requirements. It is proposed that quality of service is an important indicator of customer satisfaction. Measuring service quality involves objective feedback from existing customers. The study is based on the five overall dimensions of service quality and the extent to which the customers expect and perceive services provided by two retail outlets Reliance Fresh and More. This paper aims to understand the service quality gaps of these outlets with respect to the customer expectations and perceptions. The study gives useful and innovative insights to boost customer satisfaction towards Reliance Fresh and More.

**Keywords:** Customer Satisfaction, Organized Retail, Service Quality

## INTRODUCTION

As the importance and size of the service sector of the global economy grows, the study of services and innovation are becoming increasingly important. Services are distributed regionally, nationally, and globally and are increasingly becoming a larger portion of many organizations' revenue streams; knowledge intensive business services aimed at enhancing performance require reliable methods of measurement, assessment, and improvement.

With increased competition every player is vying for the attention of the customer. The techniques and strategies chosen to increase the bottom line may differ but the intentions of generating maximum revenue and profits may not. To achieve this it becomes imperative for the organizations to look into the extent of satisfaction of their customers. The retail outlets are no exception. It has been observed that customer satisfaction is the feeling or attitude of a customer towards a product or service after it has been used.

### STATEMENT OF THE PROBLEM

The study is based on the five overall dimensions of service quality and the extent to which the customers expect and perceive services provided by the retail outlet Reliance Trends. This paper aims to understand the service quality of the retail outlet with respect to the customer expectations and perceptions. The study gives useful and innovative insights to boost customer satisfaction towards Retail outlet

### NEED FOR THE STUDY

The need for the study is to know the impact of service quality in Reliance Fresh and More retail industry. In this study, the customer perceptions are analysed and which service has impacted the customer satisfaction.

### OBJECTIVES OF THE STUDY

- To study customer perception on tangibility, reliability, responsiveness, assurance and empathy in retail outlet using SERVQUAL model.
- To evaluate the effect of service quality on customer satisfaction.
- To study the awareness about retailers service quality among customers.
- To analyze the factors influence retail service quality.

### REVIEW OF LITERATURE

- **Rakesh (2012)**, in his study "quality assessment of Banking Industry Using SERVQUAL" found that managers in the service sector are under increasing pressure to demonstrate that their services are customer-focused and that continuous performance improvement is being delivered. Given the financial and resource constraints under which service organizations

must manage it is essential that customer expectations are properly understood and measured and that, from the customers' perspective, any gaps in service quality are identified

- **Sulieaman (2013)**, in his study basic dimensions of the SERVQUAL model and its impact on the level of customer satisfaction found that there is an impact of the basic dimensions of the SERVQUAL model on the level of customer satisfaction at different levels. The study recommends the need for continuous improvement of services provided to customers, through consumer behavior studies, and work to predict customer expectations to ensure the provision of better services.
- **M.Chitra A.R.Shanmuga Priya Dr.B.Kalpana Dr.Krishan Raj (2014)**, beauty care industry is flourishing industry with a growing number of beauty conscious women and their demand for variety of services cater to the importance and growth of this industry. Thousands of beauty care services providers have sprung up all over the country in the last decade (Akber, 2008, Akber 2009) as a significance of being beautiful is increasing.
- **M. Sureka, K. Sahayajenci and A.K.Subramani (2015)**, Through the research paper entitled "Customer satisfaction towards Naturals retail, "defining more accurately the role of satisfaction on repurchase and defining the intervention between customer satisfaction and repurchase intention and loyalty. The findings from this study are relevant to practitioners. It also helps extend the notion of customer awareness and identifying the customer behaviour which leads to repeat purchase and loyalty.
- **Dr. G. Rabia Jahani Farzana and R. Banu Priya (2016)** concluded that one of the main reasons for the popularity of beauty salons is the rising disposable income along with the beauty conscious of people. The perception of below 25years and 26-36 years of people are of opinion that there is necessity of beauty salon and they want to pamper their self. At below 25 years of age group of people have started using beauty services for personal hygiene. In an age where looking and feeling beautiful is given prime importance, beauty service industry is growing steadily, although at a slow stride.

## RESEARCH METHODOLOGY

### **Research Design:**

In this study, Descriptive Research Design is used in research topic.

### **Sampling Technique:**

The method of sampling adopted to conduct survey is Convenience Sampling Method. The area of research is concentrated on Service Quality of Retail Outlets – Reliance Fresh and more using SERVQUAL Model at Chennai.

### **Sources of Data:**

The primary data for this study, questionnaire survey is taken as the primary collection of data.

The secondary data for this study, secondary data is collected through journals, websites and research paper.

### **Structure of Questionnaire:**

Multiple choice questions and Likert's scale questions.

### **Sample Size:**

Sample Size of 150 employees working in Retail Outlets – Reliance Fresh and more using SERVQUAL model located at Chennai.

### **Period of Study:**

The period of study is carried out from January 2021 to March 2021.

### **Analytical Tools:**

- Percentage Analysis.
- Correlation.
- ANOVA.
- Regression.
- T-Test.

## RESULT ANALYSIS AND DISCUSSION

### CORRELATION

#### HYPOTHESIS:

**H0 (Null Hypothesis):** There is no significant difference between promised services and customer requirement.

**H1 (Alternate Hypothesis):** There is a significant difference between promised services and customer requirement.

Table Showing Promised Services and Customer Requirement

		Promised_Services	Customers_Requirement
Promised_Services	Pearson Correlation	1	.201*
	Sig. (2-tailed)		.014
	N	150	150
Customers_Requirement	Pearson Correlation	.201*	1
	Sig. (2-tailed)	.014	
	N	150	150

\*. Correlation is significant at the 0.05 level (2-tailed).

#### Inference:

The p-value is 0.014 which is lesser than the alpha value (0.05), hence alternate hypothesis (H1) is accepted. Therefore, there is a significant difference between promised services and customer requirement.

#### HYPOTHESIS:

**H0 (Null Hypothesis):** There is no significant difference between Gender and Feel safe with retailer.

**H1 (Alternate Hypothesis):** There is a significant difference between Gender and Feel safe with retailer.

## Table Showing Gender and Feel Safe with Retailer

### Correlations

		Gender	Feel_safe_wit h_retailer
Gender	Pearson Correlation	1	.168 <sup>*</sup>
	Sig. (2-tailed)		.040
	N	150	150
Feel_safe_with_retailer	Pearson Correlation	.168 <sup>*</sup>	1
	Sig. (2-tailed)	.040	
	N	150	150

\*. Correlation is significant at the 0.05 level (2-tailed).

### Inference:

The p-value is 0.040 which is lesser than the alpha value (0.05), hence alternate hypothesis (H1) is accepted. Therefore, there is a significant difference between Gender and Feel safe with retailer.

### HYPOTHESIS:

**H0 (Null Hypothesis):** There is no significant difference between Retail Outlet and Whenever you face any problem, the Retail Outlet authority shows a sincere interest in solving it.

**H1 (Alternate Hypothesis):** There is a significant difference between Retail Outlet and Whenever you face any problem, the Retail Outlet authority shows a sincere interest in solving it.

**Table Showing Retail Outlet and Whenever you face any problem, the Retail Outlet authority shows a sincere interest in solving it**

**ANOVA**

Problem\_Sincere\_Interest

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.002	1	.002	.001	.974
Within Groups	285.438	148	1.929		
Total	285.440	149			

**Inference:**

The p-value is 0.974 which is greater than the alpha value (0.05), hence null hypothesis (H0) is accepted. Therefore, there is no significant difference between Retail Outlet and Whenever you face any problem, the Retail Outlet authority shows a sincere interest in solving

**REGRESSION**

**HYPOTHESIS:**

**H0 (Null Hypothesis):** There is no significant difference between Promised Services and willing to help customers, the Retail Outlet authority shows a sincere interest in solving it.

**H1 (Alternate Hypothesis):** There is a significant difference between Promised Services and Customer Requirements, the Retail Outlet authority shows a sincere interest in solving it.

**Table Showing promised services and willing to help customers, the Retail Outlet authority shows a sincere interest in solving it**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	.166 <sup>a</sup>	.027	.021	1.311	.027	4.173	1	148	.043

a. Predictors: (Constant), willing\_help\_customers

From the above the R value is 0.166 which states that there is a positive relationship between Promised services and willing to help customers the retail outlet.

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.171	1	7.171	4.173	.043 <sup>b</sup>
	Residual	254.322	148	1.718		
	Total	261.493	149			

a. Dependent Variable: Promised\_Services

b. Predictors: (Constant), willing\_help\_customers

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.777	.222		8.019	<.001
	willing_help_customers	.171	.084	.166	2.043	.043

a. Dependent Variable: Promised\_Services

**Inference** The p-value is 0.043 which is greater than the alpha value (0.05), hence null hypothesis (H<sub>0</sub>) is accepted. Therefore, there is no significant difference between Promised services and willing to help customers.

**T-TEST****HYPOTHESIS:**

**H<sub>0</sub> (Null Hypothesis):** There is no significant difference between the employee deals customers with care

**H<sub>1</sub> (Alternate Hypothesis):** There is a significant difference between the employee deals customers with care



**Table Showing the employee deals customers with care**

Independent Samples Test							
		Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	t	df	Sig. (2-tailed)	Std. Error Difference
Customers_with_care	Equal variances assumed	4.280	0.040	-1.336	148	0.183	0.232
	Equal variances not assumed			-1.416	71.176	0.161	0.219

**Inference:**

The p-value is 0.183 which is lesser than the alpha value (0.05), hence alternate hypothesis (H1) is accepted. Therefore, there is a significant difference between Customers with care

**LIMITATIONS OF THE STUDY**

- The study is conducted in Reliance Fresh and More retail outlets located in Chennai city with 150 respondents.
- The respondents' response may have the business, which may not give true picture about the chosen research topic.
- Lack of co-operation and negligence.
- Inability to reach every potential sample

**SUGGESTIONS**

- There is no association between reliable service and assurance so the reliable service have to the improved.
- Price of the product and the assurance indicates negative relationship so the retailers have to focus as the assurance based as the cash that consumer pay for it.
- The tangible attractiveness have to attract consumer reliable service. To improve the service quality.

## CONCLUSION

Innovation and creativity is the order of the day. Outlets, especially in the retail industry, have to be on their toes, providing the optimum service quality to its customers in order to make a mark and hold their position in the market. As competition spices up in different domains and verticals of the organized retail game, with the entry of leading international brands and other Indian retail giants consolidating and expanding with a vengeance, one cannot afford to relax and take the customers lightly. Service quality is of the paramount importance when one talks about delivering the services to customers. This study has demonstrated the actual measurement of service quality in Delhi the outlets of Reliance Fresh and More where the customer's overall evaluation of service quality was examined with the help of SERVQUAL model. The finding of the study reveals the difference in customer's perception and expectation of the service quality as indicated by the negative gap score.

## REFERENCES

- Gaur, S., Agarwal, R., (2006). Service Quality Measurement in Retail Store Context: A Review of Advances Made Using SERVQUAL and RSQS. *The Marketing Review*, 6, 317-330
- Wang, S. (2003). A review of the Service Quality Scales of Retail Stores, School of Medicine and Health Management. Hangzhou Normal University, PR China, 310036.
- Brady, M. K., Jr., Cronin, J., Jr., & Brand, R. R. (2002). Performance-only measurement of service quality: A replication and extension. *Journal of Business Research*, 55, 27-31.
- Parasuraman, A, Zeithaml, V. A., & Berry, L. L. (1994). Alternative scales for measuring service quality: A comparative assessment based on psychometric and diagnostic criteria. *Journal of Retailing*, 70(3), 201.
- Peng, L. Y., & Wang, Q. (2006). Impact of relationship marketing tactics (RMTs) on switchers and stayers in a competitive service industry. *Journal of Marketing Management*, 22(1,2), 25-59.