



CUSTOMERS PERCEPTION AND PREFERENCE TOWARDS DEPARTMENTAL STORES.

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Abstract: Retail is the sale of goods and services to consumers, in contrast to wholesaling, which is the sale to business or institutional customers. A retailer purchases goods in large quantities from manufacturers, directly or through a wholesaler, and then sells them in smaller quantities to consumers for a profit. Retailers are the final link in the supply chain, from producers to consumers. The objective of this study is to overview the departmental stores and to know their various perceptions and preferences. The survey is done by collecting data in the form of a questionnaire. Using both the qualitative and quantitative methodologies.

Index Terms – Departmental Stores, Perception, Customer Preference, Retail Market.

I. INTRODUCTION

Store: commonly a shop or other establishment for the retail sale of commodities, but also a place where wholesale supplies are kept, exhibited, or sold.

Departmental store: A store is a retail establishment offering a wide range of consumer goods in different areas of the store, each specializing in a product category. The basic objective of a department store is to provide a large variety of merchandise, from a pin to an airplane, in one place. It also aims at providing quality goods and services to customers and acts as a universal supplier. It also provides different varieties of products under one roof.

A department store's definition

A department store is a significant retail space that houses a variety of goods and services. Every department of a department store typically specialises in a different category of goods, such as apparel, footwear, cosmetics, electronics, furniture, and home appliances.

As part of my research, I recently had the chance to visit a department store in my city. It was a fascinating experience because I got to go around the various departments of the shop and watch how consumers interacted with the merchandise. This report will examine the numerous facets of the department store, including its layout, product offerings, and customer service, as well as my observations and experiences from the visit. I'm hoping this report will help you better grasp how department stores operate and how important they are to our daily lives.

Department shops are made to offer clients a simple and relaxing shopping experience. They frequently have wide aisles, neatly set up displays, and a selection of goods. Department stores are a popular place for customers who wish to spend a few hours browsing and shopping because many of them feature amenities like cafes, toilets, and lounging areas.

Sales employees, customer service agents, and managers are frequently seen working in department shops. Customers can receive individualised support from the employees, who are trained to direct them in finding the products they require, respond to their inquiries, and give instructions on how to utilise those products.

Almost in all businesses, the consumer and customer are well thought-out and much importance irrespective of the business or nature of goods. Even before designing the product the consumer wishes and requirements are measured by the business concern. They all try to satisfy the customers in all possible ways to keep the existing customers. Traditionally, companies have relied only on differentiation of product and services to retain their customers and to satisfy the customers. However, times have changed, due to fierce competition from new players entering the market, imitation of new features and increase in number of new offers, customers have acquired new choices and they have also become more sensitive, which has forced marketers to adapt differentiate and customer oriented strategies in order to enable them to stand out in the competition and gain a competitive edge. The service industry and in particular, the departmental stores have been vital to the world economy and undergone the intensified competition under recent crisis and economic term-down period.

Customer satisfaction is the key factor in knowing the success of any departmental stores or business therefore it is very important to measure it and to find that what the factors which affect the customer satisfaction. The Total Quality Management is based on this idea of customer satisfaction. Customer satisfaction refers to the extent to which customers are happy with the products and services provided by a business. Customer satisfaction levels can be measured using survey techniques and questionnaires. Gaining high levels of customer satisfaction is very important to a business because satisfied customers are most likely to be loyal and to make repeat orders and to use a wide range of services offered by a business. Customers are most likely to appreciate the goods and services that they buy if they are made to feel special. This occurs when they feel that the goods and services that they buy have been specially produced for them or for people like them. It should be always keep measuring in order to get feedback for the product and service in order to develop it further with wide customisation. We cannot create the customer satisfaction by just meeting the customer requirement fully because this has to meet in any case. The customer satisfaction index represents the overall satisfaction level of that customer as one number, usually as percentage.

History of Departmental Stores

The first department store in the United States was Aaron Montgomery Ward's store in Chicago, which opened in 1872. Ward offered a money-back satisfaction guarantee on all his merchandise, a new concept at the time. The success of Ward's store led to the opening of several other department stores in the years that followed, including Macy's in New York City (1858), Nordstrom in Seattle (1901), and Bloomingdale's (1872).

These stores were typically large, multi-level buildings that offered various merchandise, from clothing and accessories to home goods and furniture. Customers could browse the different departments at their leisure, and the stores often had unique features like cafes and restaurants.

The department store became a popular shopping destination for middle- and upper-class Americans in the late 19th and early 20th centuries. The rise of the automobile and the growth of suburban areas also helped to drive the popularity of the department store, as it became more accessible for people to travel to these stores.

However, the advent of online shopping and the growth of big-box retailers like Walmart and Target have led to the decline of the department store in recent years. The Tatas opened the first department store in India (StarBazaar) in Mumbai in the early 20th century. Since then, department stores have become a common sight in Indian cities. Department stores typically offer a wide range of merchandise, from clothing and accessories to home goods and furniture.

They are often large, multi-level buildings with different departments for different types of merchandise. Customers can browse the various departments at their leisure, and the stores usually have unique features like cafes and restaurants.

Types of Department Store

Shops that sell high-end goods and services including designer apparel, jewelry, and cosmetics are known as luxury department stores. Bergdorf Goodman, Neiman Marcus, and Saks Fifth Avenue are a few examples.

Mid-range department stores: These establishments provide a range of reasonably priced goods and services, including apparel, footwear, and home furnishings. Macy's, JCPenney, and Kohl's are among examples.

Discount department stores: These establishments sell goods and services at cheaper costs, frequently in larger quantities or at a discount. Walmart, Target, and Kmart are a few examples.

Specialty department stores: Stores that specialise in particular goods or services, including electronics, home appliances, or sporting goods, are known as specialty department stores. Best Buy, Home Depot, and Sports Authority are a few examples.

Online department stores: Stores that only operate online, such as online department stores, provide a wide range of goods and services. Amazon, eBay, and Overstock.com are a few examples.

Outlet department stores: These shops provide merchandise from premium or luxury brands at reduced prices. Examples include Saks Off 5th, Nordstrom Rack, and Bloomingdale's Outlet.

Customers can select the department store that best meets their needs and budget because each type of store caters to a distinct market niche.

II. REVIEW OF LITERATURE

- **(P.Jayanthi, 2018)** The objective of this article is to know the shopping behavior of customers and to find out the reasons for preferring departmental stores. And the suggestion shows that sales customer must be increased to reduce the waiting time of customers, also to provide convenient parking facilities. This study is based on primary data which is collected through structured questionnaire in order to know the customer's preference towards departmental stores in Pollachi taluk.
- **(Dr.R.Venkatesh, 2016)**, The objective of this article shows the study factor influencing the customers to purchase household articles from departmental store and to study the needs of customers at the place of purchase. The findings says that more than 53.5% of the respondents belong to the age group of 21-30yrs. And 47.5% of respondents are female and 52.5% of them are male. This study is based on primary method of data collection that is, questionnaire technic was used to collect the data required.
- **(D.K, 2016)**, This article's objective is to study the factor influencing the consumers to buy from organized or unorganized retail and to study the perception of customers towards organized and unorganized retail. This article concludes that India is at the cross roads with respect to retail sector. The Kirana has a low cost structure, convenient location, and customer intimacy whereas modern retail offers product width and depth and a better shopping experience. This study has used 2 types of sampling method to collect the data that is primary and secondary. Primary data is done using survey whereas secondary data is collected from respondents and journals from previous study related to the retailing sector.
- **(M.R.Chandrasekhar, 2021)**, The objective of this article is to understand the customer opinion and ideas the price, quality and services rendered by the departmental stores and to suggest, improve in sales and functions in the departmental store based on result. This article suggests that as the majority of the respondents are aware of departmental stores not through advertisement, it is suggested that the store puts in more efforts in making the advertising media an effective source of information in reaching the customers at large. This article is done using both primary and secondary data, where primary data is done using questionnaire and secondary data is done by conducting census.
- **(Ms N Sasikala, 2012)**, The objective of this article is to study the demographic profile of the respondents and to study the customer's perception and preference towards retail store. The findings of this article says that majority of the respondents are female since they have high percentage. Retail store should sell their products at reasonable price, which will induce more customers to purchase. The research design of collecting the data is through primary and secondary data. Since the percentage approach is more suitable for this research article has been adopted.
- **(M Nithyapriya, 2016)**, This study was designed with objectives to identify the profile the customers and to determine the buying habit of customer of departmental stores in Coimbatore city. This study concludes that every retail concern should constantly take stock of the satisfaction level of the customer and take efforts to improve or expand the condition. This article is based on primary data

collected from 100 respondents who regularly purchase and experience the services provided by the retail store.

- **(Mr.S. Venkatachalapathy, 2021)**, The study of this article says that to examine the level of satisfaction towards ideal departmental stores and to find out the problems faced by the customers at ideal departmental stores. The findings say that majority of the customer or respondents belong to the age group of 21-40years. Majority of the respondents that is 56% are spent their time in ideal store once in a month. The article of this study has collected the primary data that is questionnaire.
- **(P. Annal Lourdhu Regina, 2019)**, The objective of this article says that to evaluate the customer's opinion and ideas about the price, quality and services rendered by the departmental stores, also to measure the sales services provided by the departmental stores and to know the problems faced by the respondents while they go to departmental stores for buying their needs. The findings of this article says that among 73 respondents most (54.79%) of the respondents are male. Majority of the respondents belong to the age group of above 35years. This research in the study has collected both primary and secondary data. Questionnaire has been done using primary data whereas secondary data was collected from the journals and magazines published in relation to the departmental stores.

III. OBJECTIVES OF THE STUDY

- To know the perception and preference towards department stores.
- To study the factors influencing the customer to purchase household items from department stores.
- To study the consumers opinions and ideas about the price, quality, and services rendered by the department stores.

IV. NEED OF THE STUDY

- To overview the exploration of the department store.
- The main aphorism of this research is to know the customers preference towards department stores.
- To explore briefly department stores in day-to-day life.
- Customers' purchasing habits in department stores should be studied.

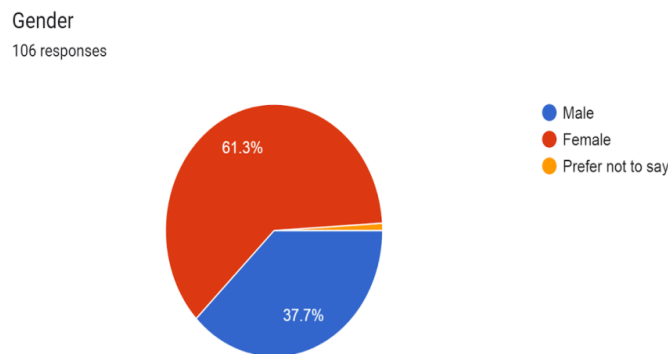
V. RESEARCH METHODOLOGY

The present data is based on primary data, which is collected through questionnaires from customers in order to know the customer's preference and perception towards department stores. Data for the study has been collected from 106 respondents. The questionnaire contains questions like social profile, shopping behaviour, etc. Also, the respondents include both males and females.

VI. DATA ANALYSIS AND INTERPRETATIONS.

The data collected is represented in the form of a pie chart. A brief analysis is done, and an interpretation is given as follows:

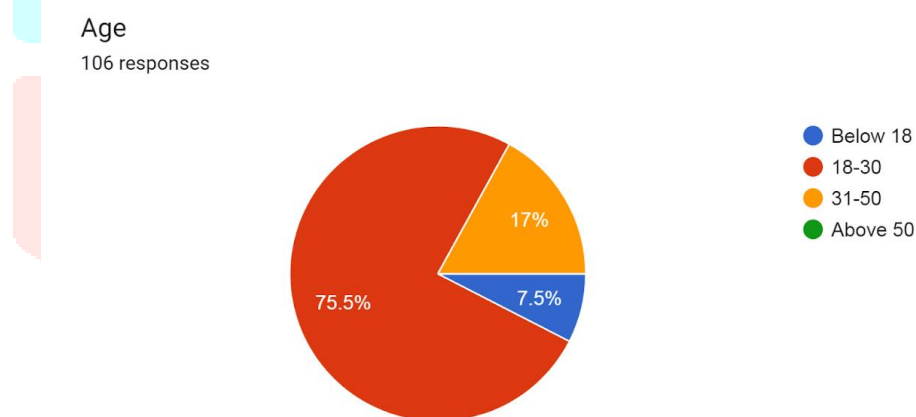
Fig 1: On the basis of gender



Interpretation:

As per above the figure, it can be observed that among all the respondents more than 61.3% respondents are female. And 37.7% of them are male respondents.

Fig 2: On the basis of Age

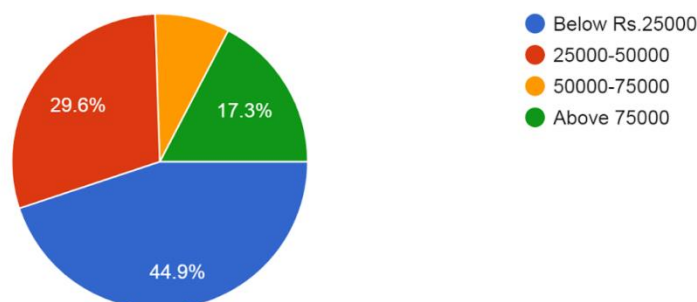


Interpretation:

The data was collected from various age groups. From the above figure it is concluded that more than 75.5% of the respondents belongs to the age group of 18-30, 17% of them belongs to the age group of 31-50 and 7.5% of them belongs to the below 18 category.

Fig 3: On the basis of Income

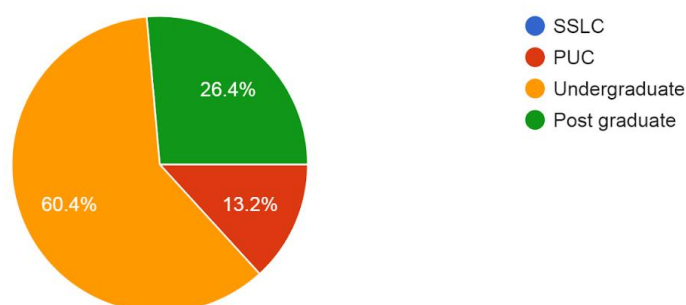
Monthly income
98 responses

**Interpretation:**

As above the figure, we can see that the respondent income varies from each other. More than 44.9% of them earn the income of below 25000. 29.6% of the respondents earn the income of RS 25000-50000. 17.3% of the respondent earns the income of above 75000. And only 8.2% of the respondent earns the income of Rs 50000-75000.

Fig 4: On the basis of Qualification

Qualification
106 responses

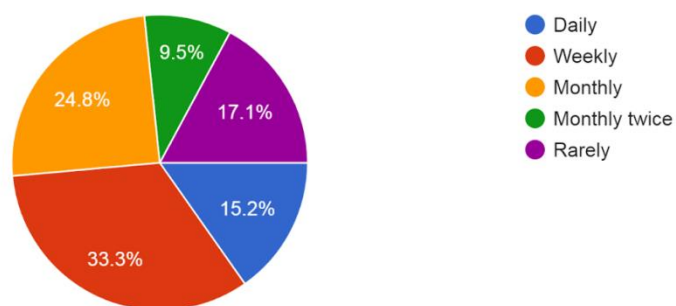
**Interpretation:**

As above fig the data says the qualification of the respondents varies from one to other. More than 60.4% of them are undergraduates. 26.4% of the respondents qualified as post graduate. And 13.2% of the respondents are qualified as PU.

Fig 5: On the basis of how often they visit departmental store

How often do you visit departmental stores?

105 responses

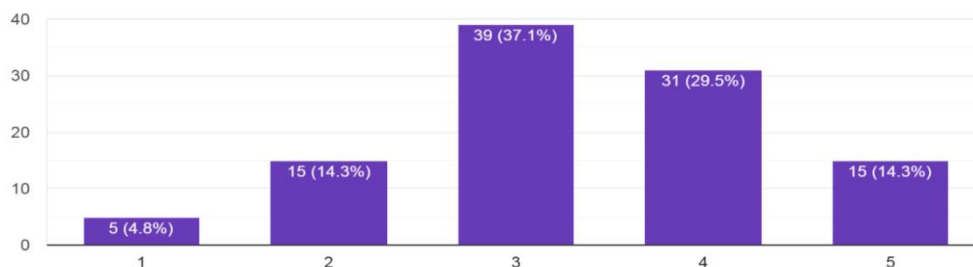
**Interpretation:**

The data collected from the respondent are shown in the above figure. More than 33.3% of them visit the departmental store on weekly basis. 24.8% of them visit the departmental store of monthly basis. 17.1% of the respondent visits the departmental store rarely. 15.2% of them visit the departmental store daily. And 9.5% of them visits the departmental store monthly twice.

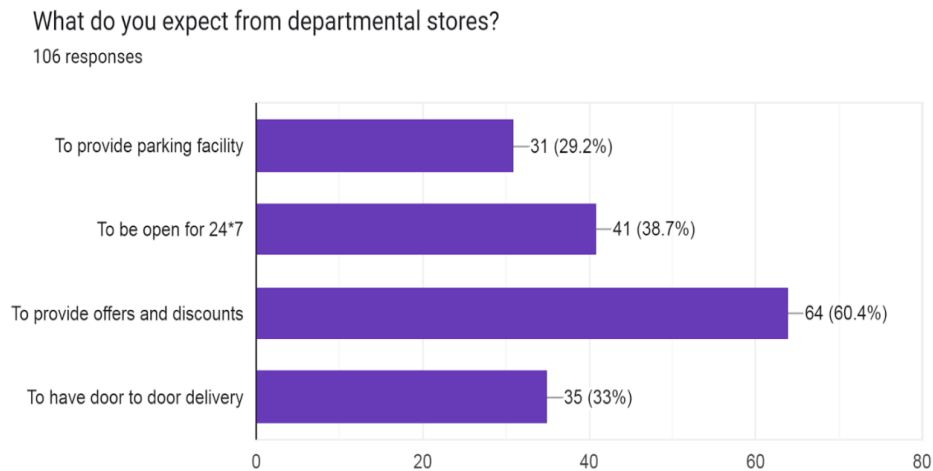
Fig 6: On the basis of satisfied with the products

How satisfied are you with the product images provided, with being 1 "not yet all" satisfied and 5 being "very satisfied"

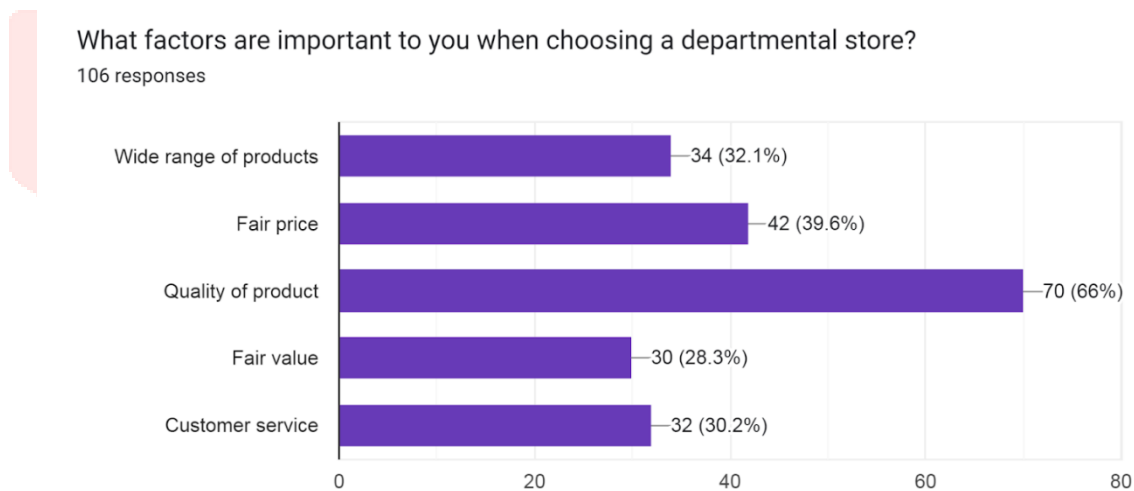
105 responses

**Interpretation:**

As above the figure we can say that 37.1% of them gave ratings of 3 out of 5 which means they are little satisfied. 29.5% of them gave the rating of 4 out of 5 which means they are satisfied very good rather than 3 out of 5. And there is a tie between the ranking of 2 and 5, which means some respondents are satisfied extremely and some or not.

Fig 7: On the basis of expectation of customers towards departmental stores**Interpretation:**

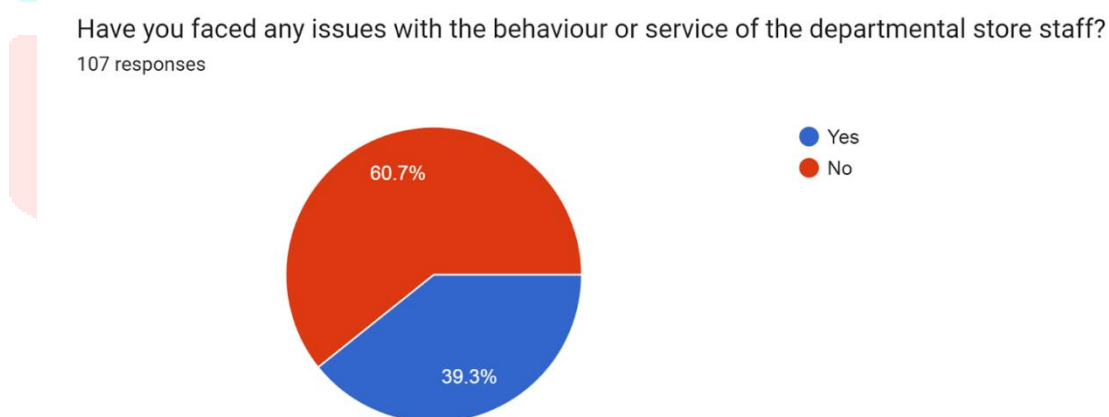
As above the fig displayed the customer expectation towards departmental stores are as follows. More than 60.4% of them expect to provide offers and discounts. 38.7% of them expect to be available or opened 24*7. 33% of them expect to have door to door delivery option. And 29.2% of the respondent expects to provide parking facility in the departmental stores.

Fig 8: On the basis of factors to choose departmental stores**Interpretation:**

The data collected from the respondent says that 66% of them choose the factor of quality of products to be provided. 39.6% of them choose the factor of fair price to be allotted while purchasing. 32.1% of them choose the factor of wide range of products to be available in the departmental stores. 30.2% of them choose the factor of customer service when the products have been purchased. And 28.3% of them expect or choose the factor of fair value.

Fig 9: On the basis of challenges faced by departmental stores**Interpretation:**

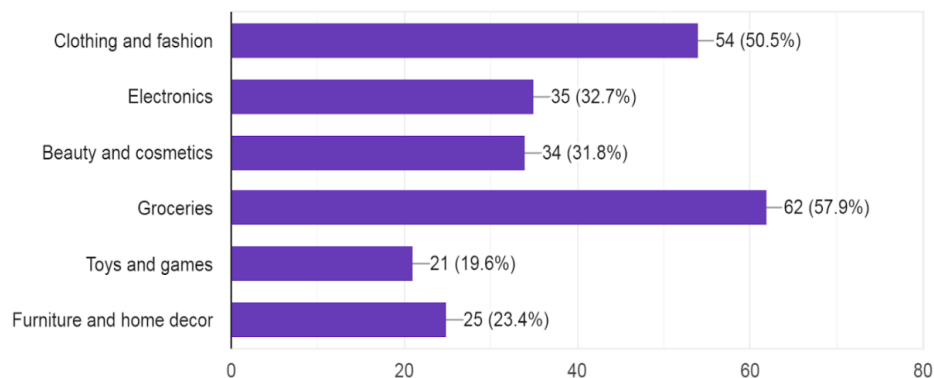
The data collected from the respondent says that 43.4% of them face the problems of waiting for longer time. 36.8% of them face the challenges of crowded aisles. 34% of them face the challenges of inadequate assistance from the staff. 33% of them face the challenge of stock items. 23.6% of them face the challenge of confusing store layout.

Fig 10: On the basis of faced any issues with the behavior or services**Interpretation:**

The data collected from the respondents in the above figure says that more than 60.7% of them have not faced any issues with the behavior or service rendered by the departmental store staff and 39.3% of them states that they have faced issues with the behavior or service of the departmental store staff.

Fig 11: On the basis of reasons for visiting departmental stores

What are your reasons for visiting a departmental store?(Check all that apply)
107 responses

**Interpretation:**

The data collected from the respondent says that the reasons behind visiting departmental store are for many purposes. 57.9% of them visit the store for groceries. 50.5% of them visit for clothing and fashion. 32.7% of them visit electronics. 31.8% of them visit for beauty and cosmetics. 23.4% of them visit the departmental store for furniture and home decor. And 19.6% of them visit the departmental stores for the purpose of toys and games.

VII. SUGGESTIONS.

- Improving parking facility makes more convenient for customers.
- Out of stock situation is the major problem faced by the consumers, so retail stores must improve the availability of all products in all the time.
- More promotional offers should be given to attract more customers.
- Appointing more number of skilled sales person will increase the quick and prompt services.
- Creating customer complaint management helps to solve it and the customer complaint are the experiences from which they could learn.
- Retail Stores should sell their products at reasonable price, which will induce more customers to purchase.
- It should also adopt various customer loyalty programs and recognize the loyalty customers by providing them discounts, free gifts and so on.

VIII. CONCLUSION:

As the world of retailing have moved from the age of consumer satisfaction to customers delight, the organization are remodeling their strategies around the customers need with the aim of bringing him back and keeping him for life. Understanding their evolving needs aspirations and life style is the underlying key to success for any retailers. As everything in the retail environment is subject to change, the retailer must constantly update their knowledge of the retail environment to survive. Hence, the retail stores should concentrate mainly on consumer preference.

The results show that consumers are more sensible towards optimization of time and money while shopping. The results also prove that most of the consumers are price and quality association conscious. Consumers are more concern about service quality, store convenience, product quality and availability of new products. Understanding their evolving needs aspirations and life style is the underlying key to success for any retailers. The most important requirement is to manage costs widely in order to earn at least normal profits. Fixing reasonable price and attracting consumers with expected services gradually improves loyalty.

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