



# A STUDY ON CUSTOMER PERCEPTION AND CUSTOMER SATISFACTION OF SUPERMARKETS IN KERALA

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## **ABSTRACT-**

The study was to assess the customer satisfaction and perception towards traditional retail store and supermarket. The study was conducted in Kerala market. The researcher has taken out 300 samples randomly from the total population of customers of supermarket over retail store. The researcher intends to examine the customer perception and customer satisfaction towards supermarkets in Kerala. The target population for this research includes the potential customers of the supermarkets in Kerala. Every walk-in customers were the main target group. Both primary and secondary data were used in this research. Primary data was the data samples collected from the questionnaires and survey. Secondary data includes data collected from literature review, works of notable scholars etc. majority of customers are educated, advertisement and branding for the supermarket could be increased which will aid in gaining more customers into purchasing from the store. The data collected was analyzed and found that

most of the customers purchase more often as a bulk every month. Convenient parking space was a major concern to majority of respondents in the research study. Providing a food session in supermarkets would attract more customers into the store. Home delivery on accurate time was also a concern for the regular customers.

Different strategies on introducing online services could also initiate to improve sales further to reach company target and to maximize customer perception and satisfaction.

**Key Words:** Customers, Supermarkets, Customer perception, Customer satisfaction, Kerala.

## 1. INTRODUCTION-

Marketing can be defined as the set of activities a company undertakes to promote and sell products or services to consumers. It is a process whereby which people exchange goods and services for money or something of value to them.

Marketing is concerned with exchange of goods and services from producers to customers to maximize the satisfaction level and perception of customers. And therefore, various activities need to be carried out by the organization. Marketing any product is not an easy task. Every company follows a rigid structure to carry this out. Therefore, there are various elements of marketing mix a company follows to market its products. It usually refers to all actions a company might undertake to draw customers and maintain relationships with them.

Having a clear idea for all these elements is an important task for every marketer. Marketing is an important department of every organization. It serves as the face of the company coordinating and producing all materials representing the business. It also realizes in achieving the firms' objectives and emphasizes on increasing customer satisfaction for survival and growth of an organization.

Therefore, the ultimate aim for any business is to realize whether their customers are satisfied and happy with their products.

Customer satisfaction and customer perception therefore are important indicators for every organization. It is very necessary to look upon customer satisfaction in the present market place. In a retail business like a grocery retail the major goal of a retailer would be to focus on customer satisfaction and knowing their perception. Customer perception refers to the idea of customer's knowledge, awareness as well as impression about an organization and its offering. It refers to how individuals make conclusions on a particular product offered by the company. Hence, understanding customer satisfaction and perception is extremely valuable concept in order to plan effective and efficient marketing strategy.

Grocery retailing, especially in India is growing day by day. As a result, focusing more on the customer satisfaction is becoming one of the main objectives in retailing. In a retail business, the service they provide as well as the ultimate satisfaction gained by the customer is the reason for their purchase. Evaluating consumer satisfaction is helpful in identifying various strengths as well as weaknesses of a concern. And so, this study is to make an attempt of analyzing and evaluating customer satisfaction and customer perception on the supermarket.

The final objective and aim of an organization is to satisfy its end customers. This may be an issue sometimes as well. At times organizations fail to realize how customers can be satisfied and what all elements goes into the minds of customer to purchase a particular product. Even though this is a common case, even today most of the organizations fail to understand and satisfy its customers. This study is conducted to measure the overall customer satisfaction and perception.

### 1.1 STATEMENT OF THE PROBLEM

This research is been undertaken to examine customer perception and customer satisfaction towards supermarkets in Kerala market.

### 1.2 OBJECTIVES OF THE PROJECT

- To study customer perception towards supermarkets.
- To analyze the customer satisfaction level regarding the product and services offered by the stores.
- To learn various factors affecting customer's attitudes regarding their purchase decisions.
- To study customer's demographic profile who visit supermarkets.
- To examine ways of improving quality of customer service and customer perceptions.

### 1.3 SCOPE OF THE STUDY

The current marketplace has turned out to be so aggressive that customers (known as king of the market) have started to anticipate that retailers coordinate their decisions. Also, the Indian retailing sector is growing day by day. And so, the understanding of customer satisfaction and their perception towards a given product has to be known based on the development of the economy. Various expansion in level of homogeneity of products, supermarkets have started in providing effective customer service to get a competitive advantage in the market. As the world is getting competitive day by day, it has become an important factor to realize satisfaction of customers for such retailers.

### 1.4 RESEARCH METHODOLOGY

This project aims to utilize various research methodologies to comprehensively attain its objectives as discussed below:

#### 1.4.1 Research Design

The project's theoretical framework is developed through a qualitative approach using both primary and secondary data sources. This is done in order to understand how customers peruse about the supermarkets and understanding various aspects of satisfying the customers.

After doing descriptive primary research on the topic, certain aspects of what customers expect from the service are figured. This is accomplished through observations, interviewing and discussing qualitative data with the members.

The data analysis and interpretation are presented through a combination of both qualitative and quantitative primary research. Data has been gathered via surveys and questionnaires. Simple, specific, open ended as well as close ended questions are prepared for the questionnaire. Questions for the questionnaire are prepared with an aim of maintaining high degree of objectivity and consistency. To comprehend the topic, the collected data is thoroughly understood and evaluated. The response is also supplied through certain statistical analysis in order to analyze the data analytically. The responses are measured in charts that comprises of bar, column charts as well as pie charts.

#### 1.4.1 Population

The target population for this research includes the potential customers of the supermarkets in kerala. Every walk -in customers are the main target group.

#### 1.4.2 Sample Size

The size of the sample is set to 300. These are the customers of number of supermarkets around kerala.

#### 1.4.3 Data Collection

Both primary and secondary data is used in this research project. Primary data is the data samples collected from the questionnaires and survey. Secondary data includes data collected from literature review, works of notable scholars and theorists and websites.

#### Primary Data

For this research study the data is collected by administering a questionnaire to the respondents. The data has been collected using direct interview and questionnaire circulation to the customers who visit the supermarket.

## Secondary Data

Secondary data for the project is collected by review of literature where data from various previous studies are examined and understood as a reference for framing the survey outline. Data is also collected from various business books, websites and journals.

## 1.5 LIMITATIONS OF THE STUDY

- The study is researched upon and conducted only in Kerala.
- There occur chances of bias in data supplied by the respondents.

## 2. LITERATURE REVIEW-

**According to Treblanche (1999) “The study on emerging mall culture and shopping behavior of young consumers and customer perception.**

The study is based on the extract of how mall retailers are making a lot of efforts to satisfy the young customers. The study has employed around 160 in depth interviews to understand the young consumers and their mall experiences. The researcher has however found right elements that proves to be important for young consumers to form an impression of shopping malls and other amenities. It was however found that the maximum number of respondents spend up to 3 hours on shopping, preferred shopping at any suitable timings, weekends were preferred and also suggested various attributes like seating arrangements, water dispensers, e-mapping, parking facility, security and customer service.

**According to Amy Wong, Amrik Sohal (2003) “Relationships between measurement of customer loyalty and the service quality”.**

In the study the relationship measurements of customer loyalty and service quality in retail departmental store was measured and evaluated and however the findings in the study demonstrated that the service quality offered to customers has a positive association with customer loyalty and it is considered to be one of the most critical indicators of customer and has conducted that empathy is the main predictor of such loyalty in a retail store.

**According to Theodoridis and Chatzipanagitou (2009) “Study on store image attributes and customer satisfaction across different customer profiles within the supermarket of Greece”.**

The exploration on the study was the study was to accomplish two objectives. One was to extend the test of the functional relationship between store image attributes and customer satisfaction in Greece. Second was to investigate the stability of structural relationships across different customer groups. The outcome was however made based on their technique of distinguishing four particular types of customers namely unstable, typical, occasional and social. They looked into invariance between the four groups and only price in product related attributes were similar compared to the rest.

**According to Goyal and Agarwal (2009) “An empirical study of appropriate formats and expected trends”.**

The study examines the relative importance of various choice of formats, the consumer has when he or she attempts to purchase the product. It also discusses the aspects of potential effects on purchasing behaviors of consumers. The outcome was finally stated that all items are not equally important for all retail stores and it depends on products to base the specific retail formats.

**According to Hemalatha Lakshmi and Ravichandran (2010) “An empirical assessment of service quality dimensions in the Indian retail sector”.**

The study emphasizes that customer perceived service is considered as the key determinants of business performance. The key objective was to empirically test the service quality dimensions. It opened to carry out a gap analyses and identify areas of improvements in service quality. The instrument used by Dabholkar, Thorpe and Rentz was used as a questionnaire with addition of more variables which were found to be relevant after pilot survey among several small groups of consumers. A five point likert scale was employed to study and measure service quality of various retail shops.

**According to Binta Abubakar (2011) “The study on customer satisfaction with supermarket retail shopping”.**

The main aim for the study was to rank the factors and to relate the importance to rankings to customer satisfaction. Research was conducted for an Australian supermarket chain. Survey method was adopted to determine key variables that created customer satisfaction. Exploratory factor analysis was used. The respondents however were asked to rate the importance of each item and also rate how satisfied that particular item provided by a retailer. However, the outcome suggested that accessibility and quality of service especially friendliness and efficiency of checkout personnel are considered important.

**According to Jayawardena (2011) “To examine the purchase intentions of online retail consumers segmented by their purchase orientation”.**

The study was conducted to examine the impact of buyers and service orientation behavior of workforce of different retail stores on different consumers perception of service encounters, quality, value, service quality, satisfaction, behavioral intentions. The sample was collected for the research from hypermarket customers in central India and the questionnaire was prepared. The comprehended that customer practices are associated with administration, experience quality, service quality and customer satisfaction.

**According to Dr. Ligo Koshy (2014) “Study of organized retail stores on the customer on customer satisfaction in Ernakulam city.**

The study is aimed to explore the various components of retail customer satisfaction and also investigate relationship between different customer satisfaction at different levels. It also aims at ranking the factor of satisfaction and to understand motivating features of customers.

Study used judgement sampling technique and questionnaire was prepared based on pilot survey chi-square tests were applied to different service quality measurements.

The outcome found in the study was majorly of customers visiting the store belonging to age group of below 30years. Majority are satisfied with a price reasonable to them and significant frequency can be seen of dissatisfaction with promotional schemes.

### 3. Research Gap-

The purpose of this study is to assess the customer satisfaction and perception towards traditional retail store and supermarket. The study is conducted in Kerala. The researcher has taken out 300 samples randomly from the total population of customers of supermarket over retail store..

### 4. DATA ANALYSIS & INTERPRETATION-

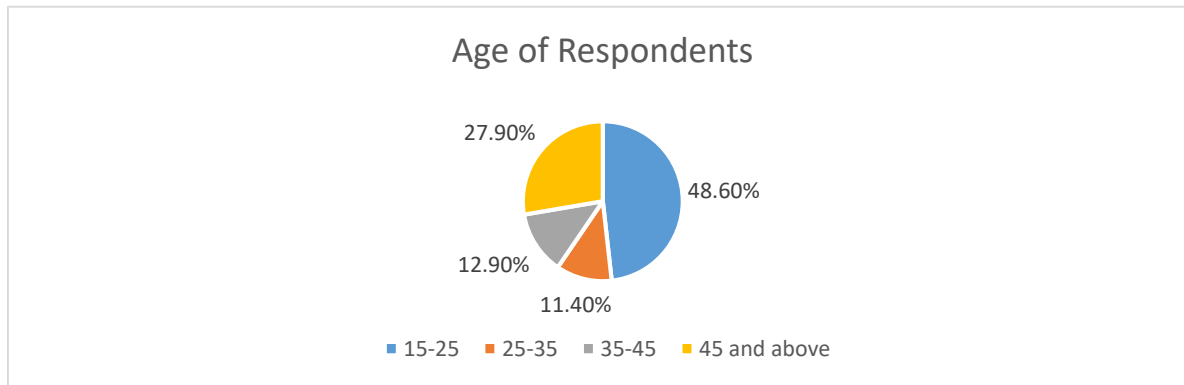


Table- 4.1 Age of respondents

According to the data given above, Individuals from the age of 15-25 years are of 48.6% percent. However, 45& above age groups showcase as the next majority. Individuals from age group of 25-35 years among the groups.

#### 4.2 Occupation of the respondents-

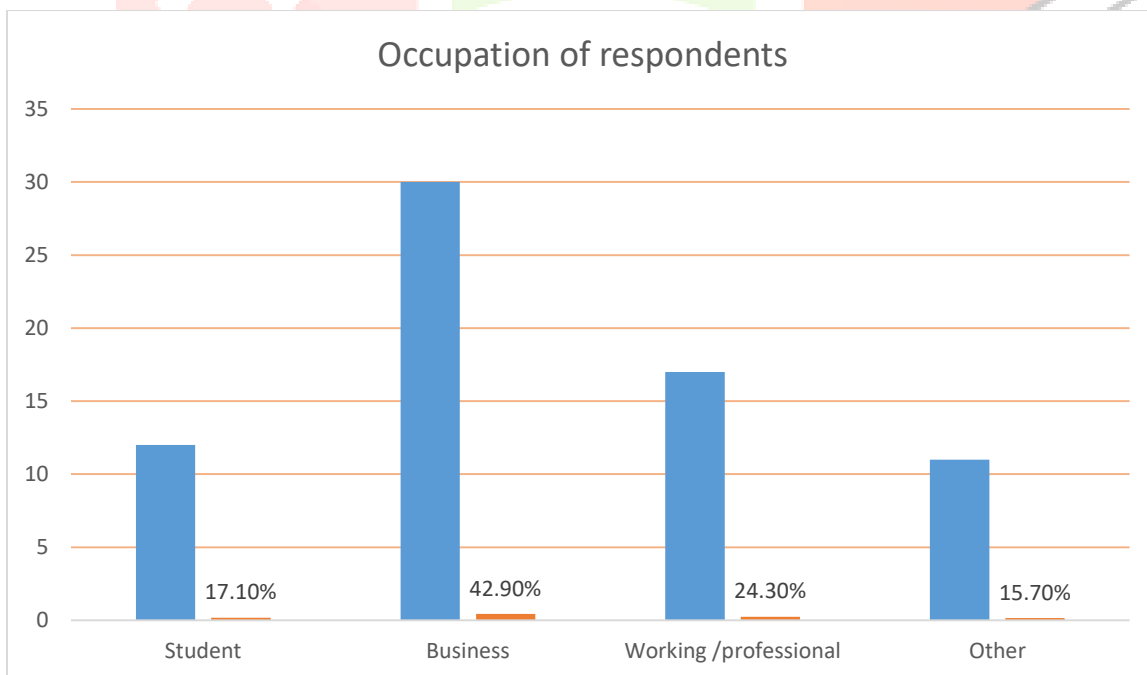


Table- 4.2 Occupation of respondents

According to the data 42.90% percent of the respondents from the survey belongs to business people, 24.30% are working professionals, following students with 17.10% and other customers with 15.70%

### 4.3 FREQUENCY OF VISIT

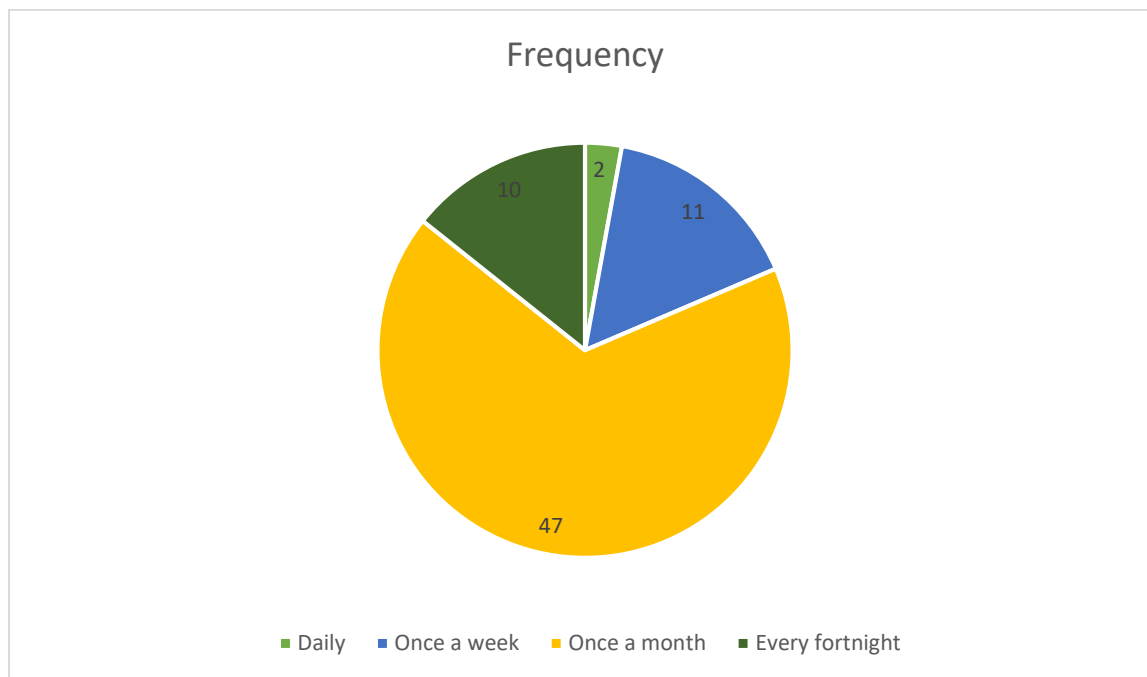


TABLE- 4.3 FREQUENCY OF VISIT

According to the data around 47% respondents chose to buy products from supermarkets in a gap of one month each. However, once a week contributes second majority with 15.7% and every fortnight with third majority with 14.3%.

Daily buyers contribute the least with a minority percent of 2.9%.

### 4.4 PRODUCT PREFERENCE-

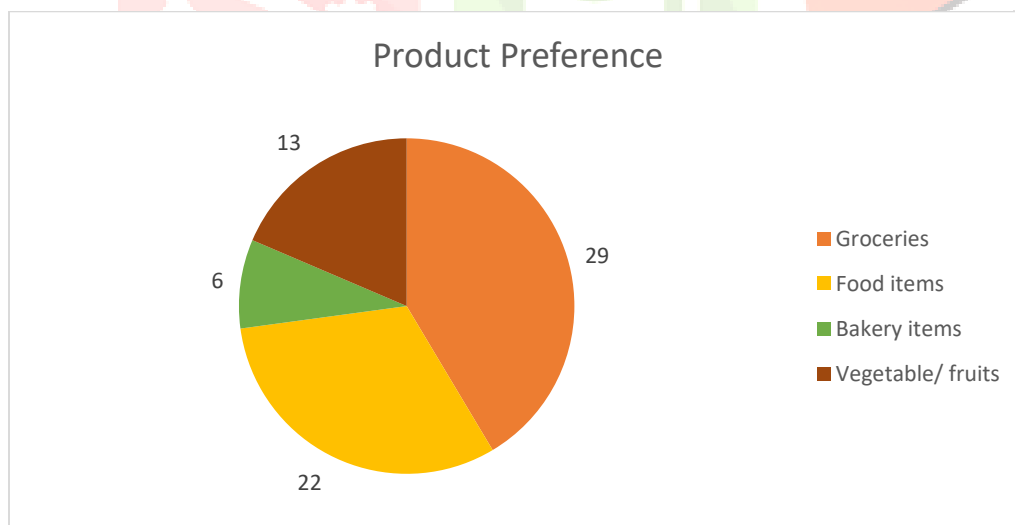


Table - Product Preference

The researcher found that around 29% of the respondents buy grocery products from supermarkets, 22% to buy food items, 13% Vegetables and fruits and 6% Bakery items respectively.

4.5 PRODUCT ACCESSIBILITY

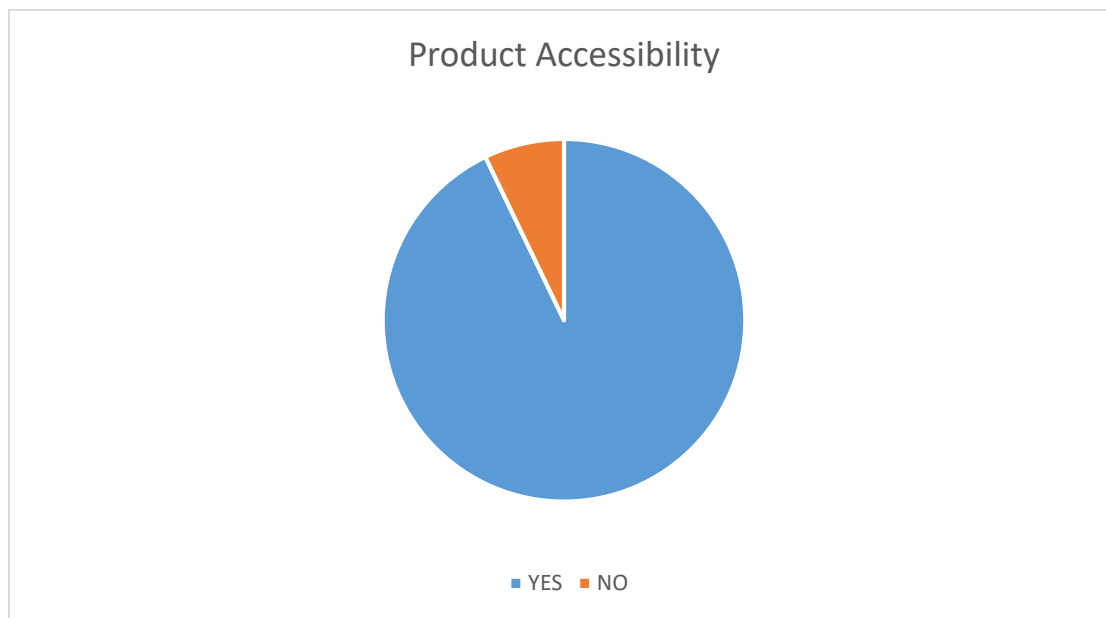


Table- 4.5 Product accessibility in super markets

According to the data given below, 95% of the respondents are satisfied with the product accessibility in supermarkets and 5% felt difficult to access the product in super markets.

4.6 Wide Selection of Products-

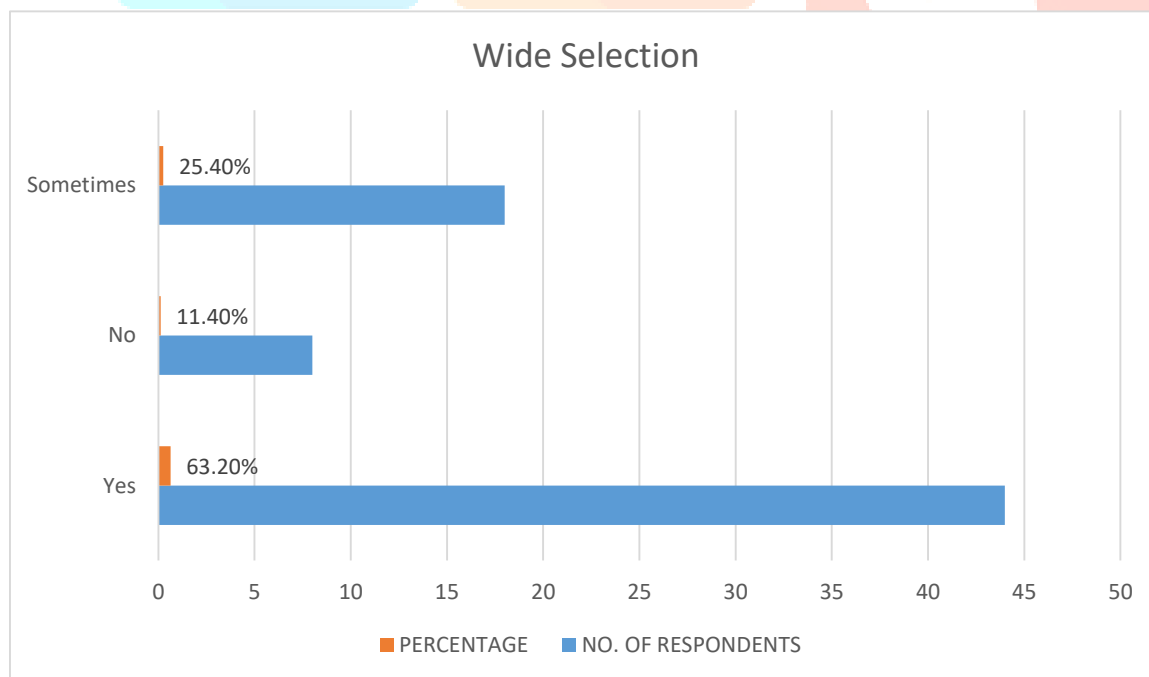
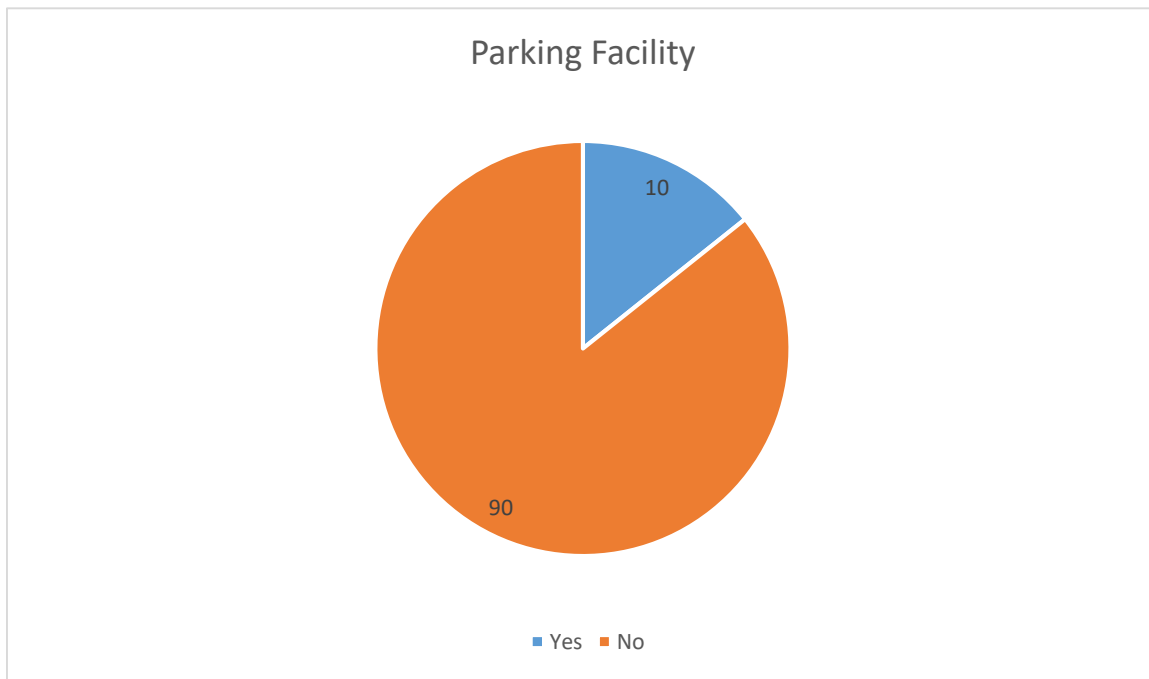


Table- 4.6 Wide selection

According to the data given above, around 63.2% percent are satisfied with wide selection in the outlet while 25.4% percent have opted to have sometimes in the variety while 11.40% percent out of the rest have chosen to have no variety in selection.



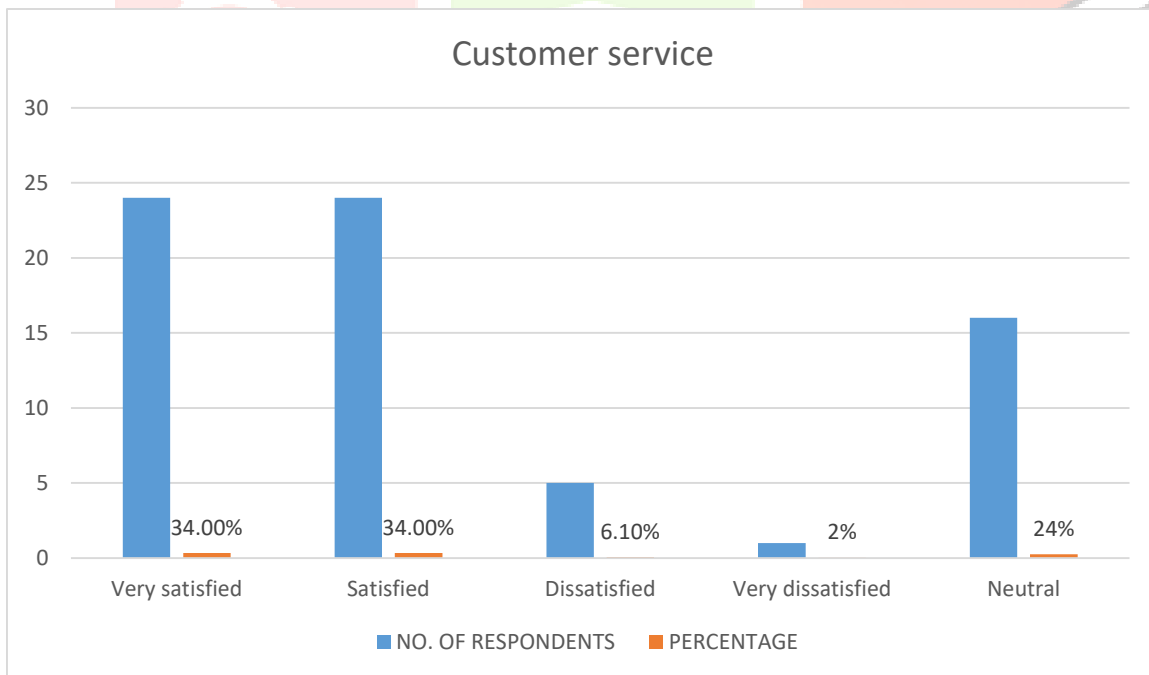
#### 4.7 Parking Facility available in supermarkets



**Table- 4.7 Parking Facility**

According to the details above, around 90% of the respondents are not satisfied with the parking facility, rest 10% agrees to satisfy in parking facility.

#### 4.8 Customer Service



**Table- 4.8 Customer Service in supermarkets**

The researcher found that around 34% each are highly satisfied and satisfied while 24% have responded neutral and 6.10% are not satisfied with the customer service provided in the super market.

## 5. FINDINGS & SUGGESTIONS-

Findings that has been formulated in regards to the survey done for the study to understand customer satisfaction and customer perception of supermarkets in Kerala. It is understood from the data analysis and findings that:

As majority of customers are educated, advertisement and branding for the supermarket could be increased which will aid in gaining more customers into purchasing from the store.

Most of the customers purchase more often as a bulk every month. Therefore, introduction of more offers, discounts and benefits could yield in the overall sales.

Convenient parking space should be provided in the outlet. This is a major concern to majority of respondents in the research study. So, focusing more on addition of parking space is necessary.

Feedback form could be circulated to loyal customers who have been purchasing on a regular basis from the outlet. This could help in understanding more on how customers view and feel about the store which could also improve sales.

Space creation will also improve the overall environment and ambience of the store. People will be more satisfied and would view the outlet to be more appropriate and viable option.

Different varieties offered in the snacks menu of the chai sector could also be widened as this could be an attractive option to instantly attract more customers into the store.

The store could also think of innovative strategies to widen home delivery services. Delivery of items on proper and accurate time should be made effective.

Different strategies on introducing online services could be initiated to improve sales further to reach company target and to maximize customer perception and satisfaction.

## 6. CONCLUSION-

To conclude with the topic of research, the researcher states that customers of supermarkets in Kerala is more on bulk purchase for a month and they are influenced by advertisements and look for overall ambience, offers, online services, parking facilities. The supermarkets can focus on more attractive offers and advertisements to customer satisfaction.

## REFERENCE-

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