EVALUATION OF SERVICE QUALITY PROVIDED BY VISHAL MEGA MART AT KURUKSHETRA: A CUSTOMER'S PERSPECTIVE

DR. ANITA[1]

MAHAVIR SINGH[2]

ABSTRACT

The retail sector in India is undergoing an evolutionary as well as transitory face with the customer responses coming in quite different to the ideas. Customer satisfaction has become a major source of concern in retail sector with exceptional progress in the establishment of retail stores in India. Retail stores are increasingly interested in retaining existing customers & targeting new customers. This paper proposed that quality of services is an indicator of customer satisfaction. Measuring service quality involves objective feedback about customers of Vishal Mega Mart with respect to their perceived & expected services offered. Performance of the store may be evaluated with regards to a set of satisfaction parameters that indicates the strengths & weaknesses of an organization. Standard scale of SERVQUAL developed by Parasuraman, Zeithaml & Berry has been used for the measurement of service quality. This study is based on five dimensions of customer satisfaction with services provided by Vishal Mega Mart. The five dimensions used to measure the service quality are tangibility, reliability, responsiveness, assurance, & empathy. This study gives useful insights to boost customer satisfaction towards Vishal Mega Mart

---

[1] Assistant Professor, Deptt. of Management, Dronacharya Institute of Management and Technology, Kurukshetra

[2] Assistant Professor, Deptt. of Management, Dronachrya Institute of Management and Technology, Kurukshetra

This study assesses the gap between expected and actual service quality of retail store situated in Haryana. Retail store performance and profitability is the outcome of high service quality and such continuous improvements in service quality require monitoring and continuous measurement of performance along service dimensions that determine standards of service quality.

Key words: *Tangibility, Service Quality, Quality Specifications, Responsiveness.*

Introduction

The word "retail" is derived from the French word 'retailer' which means "to cut again" or "to break bulk". Thus retailing is the set of business activities which adds value to the products and services sold to consumers for their personal or family use. "If you cannot measure it, you cannot improve it". This statement holds true in context of service quality of the retail sector. With the growth of the retail service providers, the competitive advantage in quality of service in terms of certain measurable terms has come to become a differentiating factor. Thus it is imperative for retail stores to get useful feedback on customer service quality dimensions of retail stores, which in turn will help them to take positive steps to deliver better service quality matching or even exceeding the consumer expectations. It would also give the organization a competitive edge.

The retailing in India has been growing at a frenetic pace over a decade. Still, the organized retail sector in India is at a very nascent stage and its market share is 4% approximately of the total market and accounting 35% of the country's GDP. Though, organized retail look big and growing, it is way behind the traditional stores in terms of satisfying a customer. Street corner Mom-n-Pop stores give the benefit of accessibility along with the convenience of home delivery (even for a single unit purchase), top of which it also provides petty credit to its customers. There is a sense of trust shared between the customer and shopkeeper which in some cases come over generations of purchases. Still organized retail is not able to make a substantial dent into the unorganized retail market, as they still radiate a feeling of being expensive and instigating impulse and irrational buying. Therefore

the present study is an attempt to focus on the assessment the gap between expected and actual service quality of organized retail store in one of the district of Haryana.

Improving service quality is believed to improve profitability and enhance retail store performance. Such improvements however, require monitoring and continuous measurement of performance along service dimensions that determine standards of service quality. This study assesses the service quality of a retail store in Kurukshetra with special reference on expected and actual service quality.

Service Quality

Zeithaml (1987) defined perceived quality as 'the consumers' judgment about an entity's overall excellence or superiority', which can be viewed as distinct from 'objective' quality in as much as it is a form of attitude, related in part to satisfaction, and resulting from a comparison of expectations with perceptions of performance

Juran (1999) defines customer led quality as, "feature of products which meet customer's needs and thereby provide satisfaction", and service quality relates to meeting customers' needs, 'perceived service quality' is identified to understand the consumer..

Measuring Service Quality through *SERVQUAL*

Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it with no overall consensus emerging on either. There always exists an important question: Why should service quality be measured? Measurement allows for comparison before and after changes, for the location of quality related problems and for the establishment of clear standards for service delivery. The following five dimension of service quality has been established as exhaustive list of all issues related to service quality.

Five – Dimensions of Service Quality

a) **Reliability:** ability to perform service dependably & accurately.

b) **Assurance:** Knowledge & trust, ability to convey trust & confidence.

c) **Tangibility:** appearance of physical facility, equipment, personnel.

d) **Empathy:** caring & individualized attention provide.

e) **Responsiveness:** Willingness to help customers & provide prompt service.

Retail Sector in India

The Indian retail industry is gradually inching its way toward becoming the next boom industry. It is the fifth largest in the world comprising organized and unorganized sectors. Indian retail sector is one of the fastest growing sectors in India, especially over the last few years. Though initially, the retail industry in India was mostly unorganized, however with the change of tastes and preferences of the consumers, the industry is getting more popular these days and getting organized as well. It is worth mentioning here that, the share of organized sector in 2007 was 7.5% of the total retail market. The retail industry in India, according to experts, will be a major employment generator in the future.

Growth Phase in Indian Retail Sector

The growth factors in Indian organized sector are various but it is mainly due to the fact that booming Indian economy. With growing market demand, the industry is expected to grow at a pace of 25-30% annually. The India retail industry is expected to grow from Rs. 35,000 Crore in 2004-05 to Rs. 109,000 Crore by the end of year 2010.

According to the 8th Annual Global Retail Development Index (GRDI) of AT Kearney, India retail industry is the most promising emerging market for investment. In 2007, the retail trade in India had a share of 8-10% in the GDP (Gross Domestic Product) of the country. In 2009, it rose to 12%. It was expected to reach 22% by 2010.

The maximum amount of growth in the Indian Retail Sector will be registered in the topmost 50 to 60 markets that are located in the urban areas. These markets would be mostly supermarkets and hypermarkets. However, these supermarkets and hypermarkets will also witness fast erosions in their margins. Further, it is estimated that in the longer run, the convenient stores that are located in the local neighborhood will continue to survive. A major focus area in the Indian retail sector is the supply chain management. In the western

countries, the retail sector has a highly developed system of supply chain. However developments in supply chain in Indian retail sector has been quite slow.

Other areas that need attention for the growth of the Indian retail sector include duty and tax structures, infrastructure, rising land prices and effective trend forecasting. Trend forecasting needs to be done in the country especially in the segments of cosmetics, apparel and footwear for this will help the retail companies to curtail their expenses substantially. Another area that requires attention is manpower for it is estimated that by 2012, the Indian retail sector will suffer from shortage of manpower by about a million people. The chains in the Indian retail sector need to frequently change their stocks and also adopt concepts like home delivery. If all these areas are given immediate attention then the growth phase of Indian retail sector growth would be very fast paced. The Indian retail sector would then witness the setting up of retail parks like they are flourishing in Europe. Further, the growth of the Indian retail sector would help in making India ready for big retailers by 2015- 2016.

Also, the rise in the working population which is young, pay- packets which are hefty, more nuclear families in urban areas, rise in the number of women working, more disposable income and customer aspiration, western influences and growth in expenditure for luxury items. All these are the factors are very vital to the growth in Indian organized retail sector. Many Indian companies have entered the retail industry in India and this is also a factor in the growth of Indian organized retail sector. Reliance Industries Limited is planning to invest US$ 6 billion in the organized retail sector in India by opening 1500 supermarkets and 1000 hypermarkets. Bharti Telecom is planning a joint venture worth £ 750 million with Tesco a global retail giant. Pantaloons are planning to invest US$ 1 billion in order to increase its retail space to 30 million square feet. Such huge investments are also a factor in the growth of the organized retail sector in India.

Research Objectives

The most important objective of the study is to determine the gap in services offered by Vishal Mega Mart with special reference to the expectations of the customers & services

offered. Specifically research addresses the following question: What is the degree of customer satisfaction on various dimensions of Vishal Mega Mart.

Research Methodology

A descriptive research design was used to gain an insight into customer's perception about the services offered by Vishal Mega Mart with respect of five dimensions of SERVQUAL Scale.

Survey Instrument and Data collection

Primary data were collected for the research. An undisguised structured questionnaire, SERVQUAL, by Parasuraman was used for research. The respondents were asked to provide belief rating for services offered by Vishal Mega Mart, using five-point rating scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

Sample size

The sample size used was 100. The respondents were selected on the basis of convenience sampling. The sampling units are customers of Vishal Mega Mart. The sample scale of SERVQUAL was administered to 100 respondents. Primary data was analyzed using mean average. GAP Analysis was done by calculating the average mean for individual statements & dimensions namely reliability, assurance, tangibility, empathy, & responsiveness.

Research Findings

Quality is a critical factor in service sector. The research on measuring service quality has focused primarily on how to meet or exceed customer's expectations & view service quality as measure of how the delivered services level matches consumer's expectations.

The reliability & validity of the research depends on the five dimensions of the SERVQUAL (i.e. reliability, assurance, tangibility, empathy, & responsiveness.) & the demographic profile of the respondents.

Demographic Profile of the Respondents

The demographic profile of the respondents is presented in Table. It reveals that 85% of the respondents are of age below 35 Years. This reflects that customers below 35 Years form the major opinion of this study. In terms of gender 84% of the respondents are male & 16% are female. By looking at the marital status of the respondents, it reflects that 55% are married & remaining 45% are unmarried. Majority of the respondent's (89.19%) lies in the income bracket Rs. 10001 to 50000 per months, this show that the respondents are from medium income group of the society. The research reflects that maximum respondents are having 3 to 4 members in their family. Table 1 further reflects that 89% of the respondents visiting Vishal Mega Mart from last 7 to 18 months. But still 80% of the respondents visit other retail stores also. This reflects that the customers are not loyal to one particular retail store.

SERVQUAL Scores of Customer Expectations & Perceptions

Table 1 explains the demographic profile of the respondents. Table 2 reveals statistics regarding the mean score difference between customer's expectation & perception in relation to each element of five dimensions of quality of services further the table shows the percentage of satisfaction of the respondents in relation to each statements. Table 3 reveals the mean score of individual dimension & their percentage of satisfaction in relation to each dimension.

On the basis of the mean score calculated for individual dimensions, it was found that customers have ranked tangibility dimension as first. The ambience which constitutes

physical facility along with employees is noticed more by customers by entering the retail store. On an average 62.63% of the respondents are satisfied with the elements of tangibility. Assurance is ranked second by customers of the retail store. The customers feel safe & confident due to this factor. It also includes employees being knowledgeable and courteous to customers. It can be seen in the table that 61.53% of the respondents are satisfied with the elements of assurance.

Responsiveness which entails to help customers & deliver prompt services is ranked third by the customers. This dimension includes prompt & good services. This dimension is also including timing of service & willingness of employee to help customers. Overall 61.09% of the respondents are satisfied with this dimension. Vishal Mega Mart needs to focus more on providing benefits, meeting needs of the customers & solving their problem. A retail store that provides greater benefits to customers, quality services & courteous employees is always the winner in the market place. Attributes under the dimension empathy is ranked fourth by the customers. This factor ensures individual attention to customers, keeping their interest & needs as priority. 60.21% of customers are satisfied with the elements of this dimension. Giving time & personal service are important in retail sector. Vishal Mega Mart should focus on understanding the requirements of the customers & giving them individual attention. It will allow the store to understand individual customers better & meet their needs with personalized services. Store need to ensure that customers are able to register their complaints. It should be remember that customers who complain tend to be more loyal than those who had a problem but failed to complain (Raddon, 1987).

Reliability is ranked fifth. The reliability dimension is the descriptor of the functional & outcome quality (Brady & Cronin, 2001). This implies that store should be able to perform what they purport to perform-whether it is functional quality aspect or the outcome quality aspect. The store should also be accurate & transparent in their transaction. Overall 60% of the respondents are satisfied with the elements of this dimension.

Conclusion

Learning to understand customer's needs will enable retail store to enhance customer services & reduce the customers retailing costs. These results should be useful to Vishal Mega Mart. GAP Analysis between expectation & deliverables should be carried out regularly to measure the current level of satisfaction for customers & to know what the pluses & minuses of the store are, so as to improve those factors on which it is losing out.

This study is based on the perception of customers in Kurukshetra city. These results cannot be generalized for other branches of Vishal Mega Mart.

Table 1: Demographic Profile of the Respondents

Variable	Frequency	Percentage
Age Factor (years)		
18-24	25	25%
24-35	60	60%
35-50	10	10%
Above 50	05	05%
TOTAL	100	100%
Gender		
Male	84	84%
Female	16	16%
TOTAL	100	100%
Marital Status		
Married	55	55%
Unmarried	45	45%
TOTAL	100	100%
Income Level		
Below 10000	02	02.70%
10001-25000	37	50.00%
25001-50000	29	39.19%

50001-90000	06	08.10%
Above 90000	00	00.00%
TOTAL	74	
Occupation		
Employee	49	49%
Own Business	25	25%
Student	24	24%
House Wife	02	02%
TOTAL	100	100%
Family Size		
Below 2 Members	02	02%
3-4 Members	69	69%
5-6 Members	27	27%
Above 7 Members	02	02%
TOTAL	100	100%
How long are you visiting Vishal Mega Mart?		
Below 06 Months	10	10%
07-12 Months	36	36%
13-18 Months	53	53%
Above 19 Months	01	01%
TOTAL	100	100%
Do you visit other store?		
Yes	80	80%
No	20	20%
TOTAL	100	100%

Table 2: Mean Scores of Survey Statements

Mean Score of Statements				
Dimensions	Service Quality Elements	Expectat -ion	Percepti -on	Gap scor
Tangibility	1. Up- to- date equipment	4.55	2.84	1.71
	2. Appealing physical facilities	4.55	2.86	1.69
	3. Well dressed and neat & clean	4.55	2.84	1.71
	4. Appearance and ambience of	4.55	2.85	1.70
AVERAGE SCORE		4.55	2.85	1.7
Reliability	1. Adherence to scheduled time lines.	4.55	2.61	1.94
	2. Sympatric and reassuring in solving	4.55	2.94	1.61
	3. Dependable Services.	4.55	2.82	1.73
	4. Promising a definite time date schedules	4.55	2.72	1.83
	5. Accurate and transparent transactions.	4.55	2.87	1.68
AVERAGE		4.55	2.73	1.82
Responsive	1. Employees expected to provide schedule	4.55	2.86	1.69
	2. Is it realistic to expect prompt and good	4.55	2.83	1.72
	3. Employee's willingness to help.	4.55	2.92	1.63
	4. Employees are never busy responding to	4.55	2.52	2.03
AVERAGE		4.55	2.78	1.77
Assurance	1. Employee's trustworthiness	4.55	2.82	1.73
	2. Feeling safe /secure with transacting with	4.55	2.72	1.83
	3. Courteousness and politeness of	4.55	2.88	1.67
	4. Employees have the knowledge to do their	4.55	2.81	1.74
AVERAGE SCORE		4.55	2.80	1.75
Empathy	1. Individual attention by service provider.	4.55	2.67	1.88
	2. Employees pay individual attention to	4.55	2.73	1.82
	3. Employees know the customer's need and	4.55	2.75	1.70
	4. Vishal Mega Mart keeps the customer's	4.55	2.79	1.76
	5. Convenient operations according to	4.55	2.76	1.77
AVERAGE SCORE		4.55	2.74	1.81

Table 3: Mean Score of Five Dimensions

Dimensions	Expectations	Perception	GAP (E-P)	% of Satisfaction
Tangibility	4.55	2.85	1.7	62.63
Reliability	4.55	2.73	1.82	60.00
Responsiveness	4.55	2.78	1.77	61.09
Assurance	4.55	2.80	1.75	61.53
Empathy	4.55	2.74	1.81	60.21
Overall Results	**4.55**	**2.78**	**1.77**	**61.09**

Figure 1: GAP in Five Dimension of Service Quality
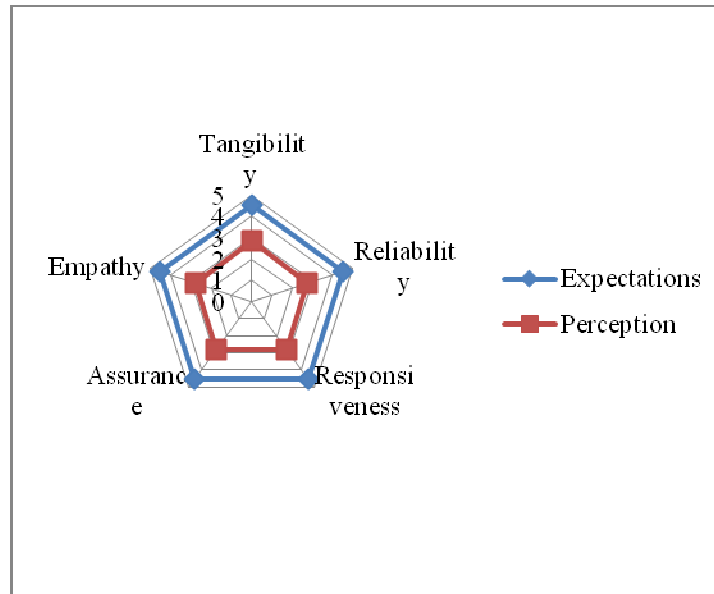
Figure 2: GAP in Tangibility
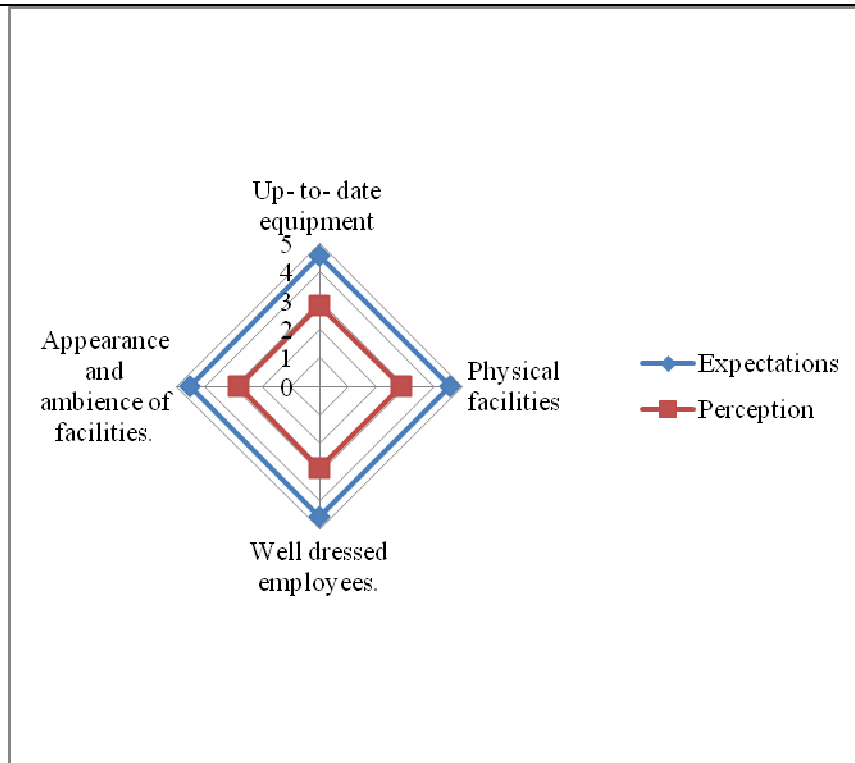
Figure 3: GAP in Reliability

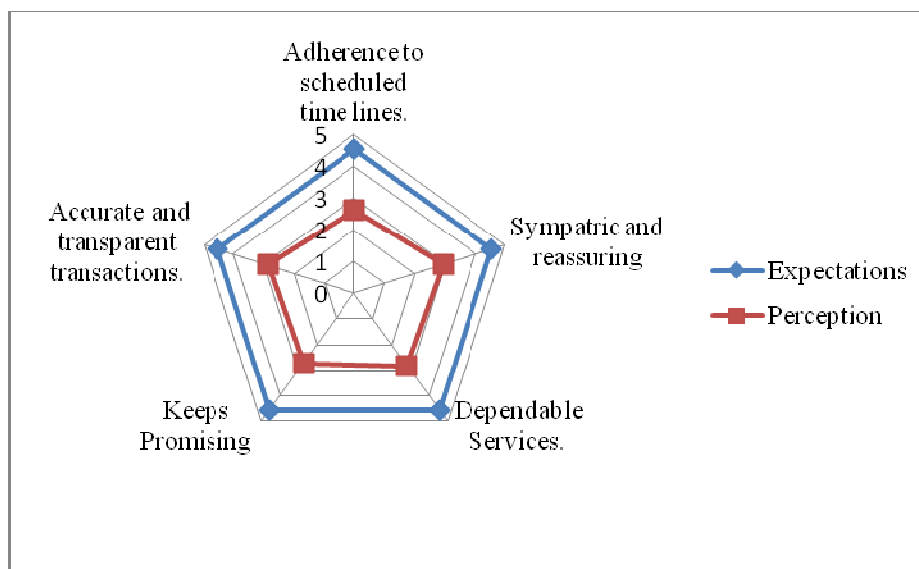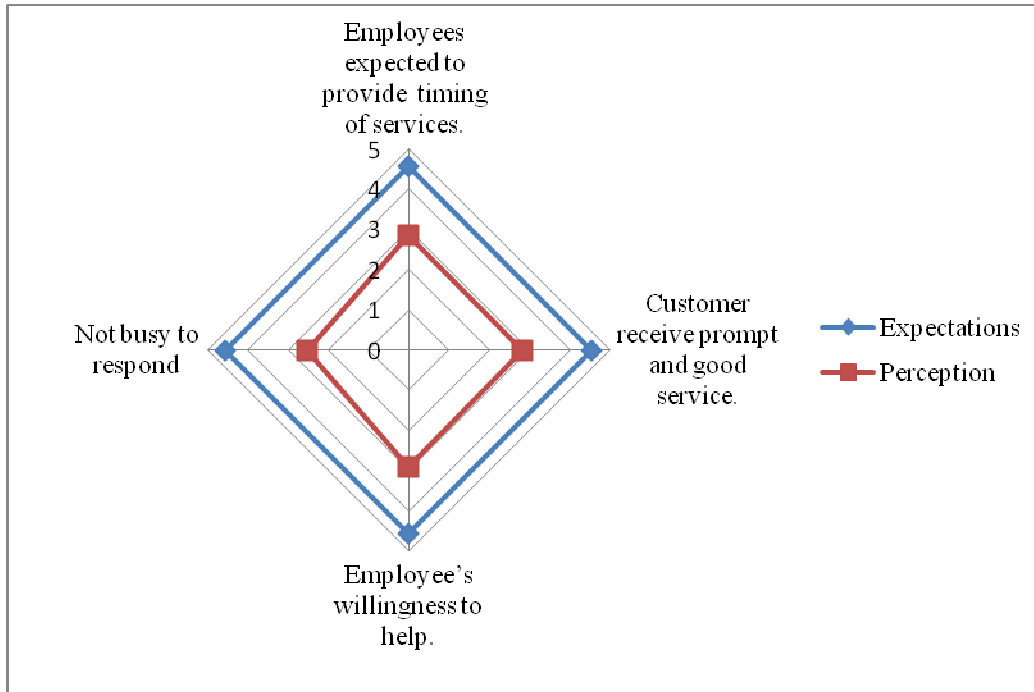**Figure 4: GAP in Responsiveness**
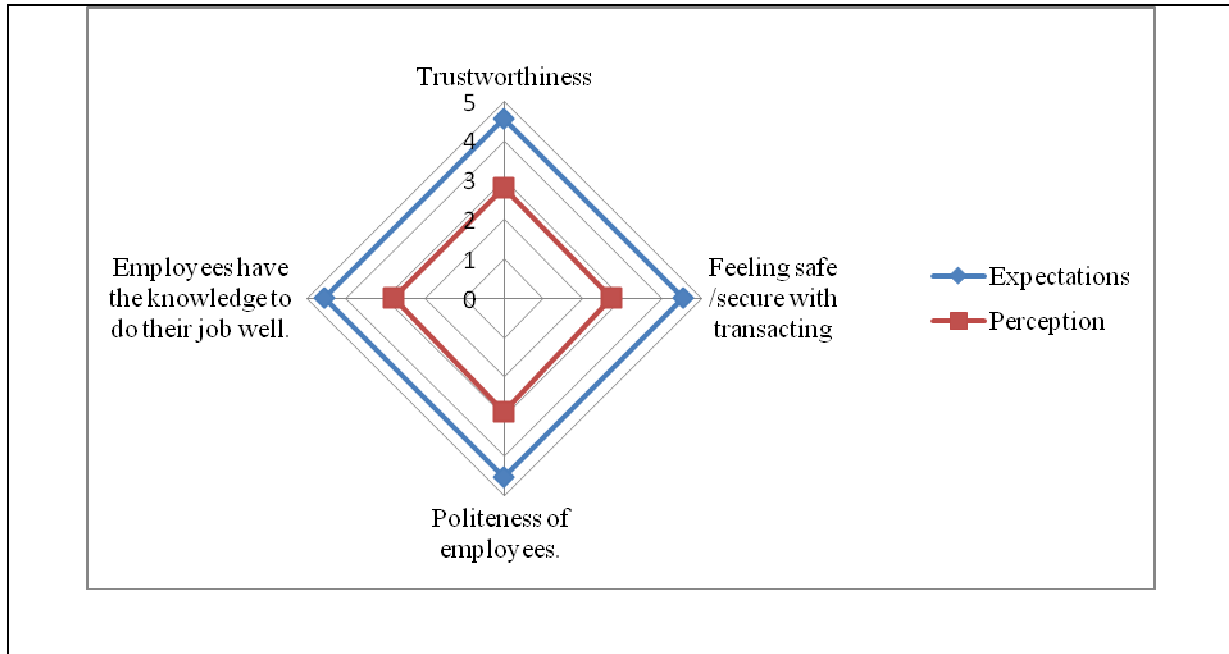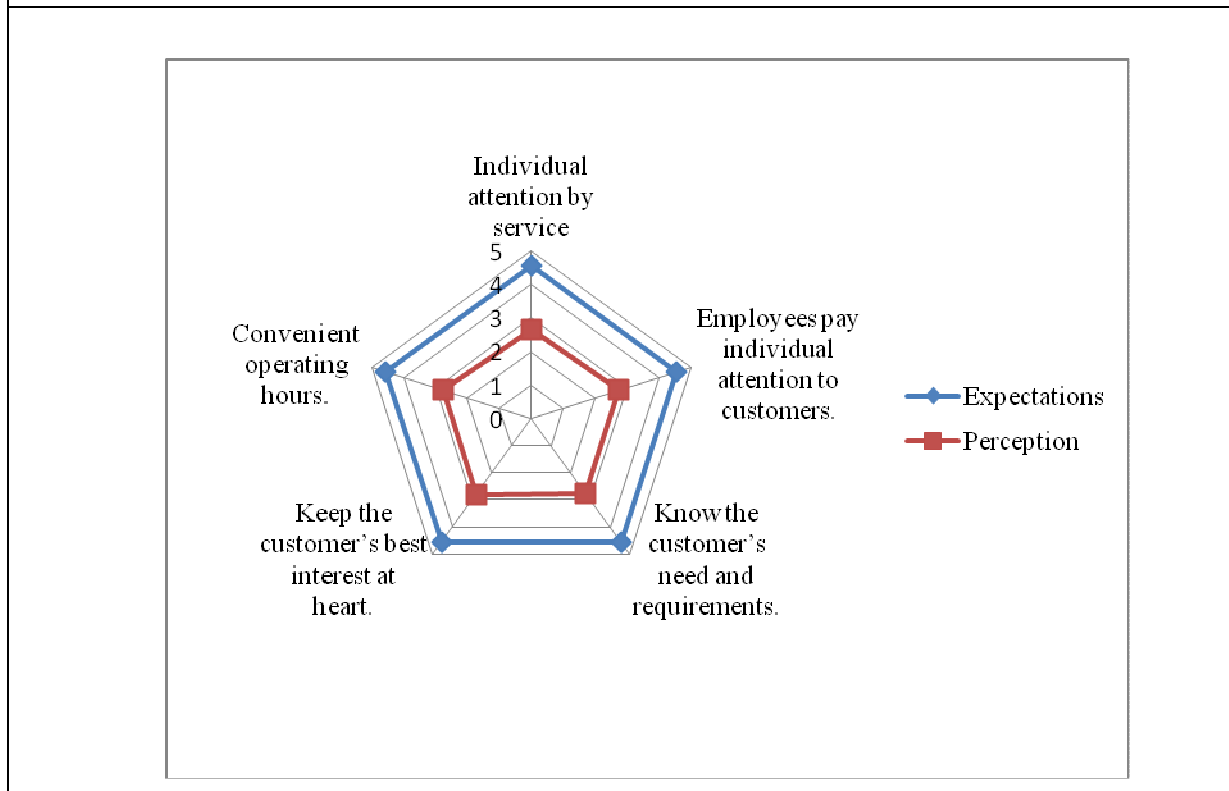

Figure 5: GAP in Assurance

Figure 6: GAP in Empathy

References:

1. Ali, j., Kapoor, S., & Moorthy, J. 2010, Buying behaviour of consumers for food products in an emerging economy. British Food Journal, 112 (2).

2. Ahmed, P.K and Rafiq, M. (1995), "The Role of Internal Marketing in the Implementation of Marketing Practice: Applied Marketing Science", Vol.-1, No.4, and Pp.32-51.

3. Ahmed, P.K and Rafiq, M. (2000), A Meta-Model of Internal Marketing, R.J. Varey & B.A.Zlewis, (Ed) Internal Marketing: Dimensions for Management. (p.223-237), London: Routeledge.

4. Ahmed, P.K and Rafiq, M. (2002), Internal Marketing – Tools and concepts forcustomer - focused management. Oxford: Butterworth-Heinemann.

5. Albert Caruana, Peter Calleya (1998), "The Effect of Internal Marketing on Organizational Commitment Among Retail Bank Managers", International Journal of Bank Marketing, 16(3), p. 108-116.

6. Bajaj, C., Tuli, R. & Srivastva, N.2005, Retail Management, Oxford University Press, New Delhi.

7. Bak, C.A., Vogt L.H., George, W.R. & Greentree, I.R. (1994). Management by Team: An innovative tool for running a service organization through internal marketing, Journal of Services Marketing, 8(1), 37-47.

8. Berman, B. and J.R. Evans, "Retail Management- A Strategic Approach", 8th ed., 2001, Prentice- Hall.

9. Berman, B. and J.R. Evans, "Retail Management- A Strategic Approach", 9th ed., 2005, Prentice- Hall.

10. Berry, L.L. (1981), "The Employee as Customer", Journal of Retail Banking, Vol.3, March, Pp.25-80.

11. Berry, L, L. & Parasuraman, A. (1991) Marketing Services. New York: The Free Press.

12. Berry, L, L. & Parasuraman, A. (2000). Service marketing starts from within. R.J. Varey & B, A. Lewis. (EDS) Internal Marketing: Directions for Management. (p. 176-191). London: Routeldge.

13. Cahill, D.J. (1996). Internal marketing: Your Company's next stage of growth. New York: The Haworth Press.

14. Goyal, B. & Aggarwal, M. 2009, organized retailing in India-Drivers facilitators and SWOT analysis, Asian Journal of Management Research Volume 2 Issue 1.

15. Satish, D. & Raju, V. 2010, the Growth of Indian Retail Industry. Advances in Management, 3(7), pp 15-19

16. Srivastava, R.K. 2008, changing retail scene in India. International journal of retail and distribution management, 36(9).

17. Talwar, S.L. (2010), organized retail in northern and western states. Retailer Magazine, 5(7).

18. Thang, D.C.L. & Tan, B.L.B. (2003), Linking consumer perception to preference of retail stoers: An empirical assessment of the multi-attributes of store image. Journal of Retailing and Consumer Services, 10(4).