

# A Study on Customer Satisfaction towards Ideal Departmental Store Thondamuthur

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## ABSTRACT

Marketing is an organizational function and set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. Marketers with a stronger consumer orientation and a broader management approach place emphasis, in defining marketing, on its role in directing the flow of goods and services to the consumer. In other words, marketing is not viewed as the actual performance of such functions as production and design but as the influencing and guiding of these activities through the role marketing plays in decision making. Marketing may also be defined as the activities involved in recognizing consumer needs, developing products and services to satisfy these needs, and creating and then expanding a demand for these products and services.

## I. INTRODUCTION OF THE STUDY

A **department store** is a retail establishment offering a wide range of consumer goods in different product categories known as "departments". In modern major cities, the department store made a dramatic appearance in the middle of the 19th century, and permanently reshaped shopping habits, and the definition of service and luxury.

Today, departments often include the following: clothing, furniture, home appliances, toys, cosmetics, housewares, gardening, toiletries, sporting goods, do it yourself, paint, and hardware. Additionally, other lines of products such as food, books, jewelry, electronics, stationery, photographic equipment, baby products, and products for pets are sometimes included. Customers generally check out near the front of the store, although some stores include sales counters within each department. Some stores are one of many within a larger retail chain, while others are independent retailers. In the 1970s, they came under heavy pressure from discounters, and have come under even heavier pressure from online stores such as Amazon since 2010. Big-box stores, hypermarkets, and discount stores are comparable to historical department stores. Before shopping malls, department stores were standalone.

## II. STATEMENT OF THE PROBLEM

Consumer behavior research is the scientific study of the process's consumers use to select, secure, use and dispose of products and services that satisfy their needs. Knowledge of consumer behavior directly affects marketing strategy. This is because of the marketing concept, i.e., the idea that firms exist to satisfy customer needs (Winner, 2000). Firms can satisfy those needs only to the extent that they understand their customers. For this reason, marketing strategies must incorporate knowledge of consumer behavior into every facet of a strategic marketing plan (Solomon, 2002). There is a widespread recognition that consumer behavior is the key to contemporary marketing success.

Retailing has changed the fortune of several companies across the world. In this booming retail market in India, it became inevitable for the companies to learn how to retain their market share as well as to enhance it. With the entry of bigger players, the retail market is getting more and more organized and structured. Competition will soon be very intense. Existing customers generate larger margins and profits (per customer) than the new ones (Smith and Taylor, 2005).

Organized sector growing at a blistering pace is overshadowing the unorganized sector and alongside, Indian cities are witnessing a paradigm shift of retailing to the vibrant organized sector. Clothing and fashion accessories stand to be the largest category followed by food and grocery, footwear, and consumer durables in

organized retailing. Changing lifestyle, increased rate of literacy, growing number of working women, excessive urbanization, high rate of media penetration, growing young population, tendency to 'spend now' and favorable demographic patterns act as the key in the recent spurt of the organized retail sector in India.

### III. OBJECTIVES OF THE STUDY

- A study on purchase behaviors of the customers at Ideal departmental stores.
- To study the influencing factors of purchase behaviors at Ideal departmental stores.
- To examine the level of satisfaction towards Ideal departmental stores.
- To find out the problems faced by the customers at Ideal departmental stores.

### IV. RESEARCH METHODOLOGY

A brief account of various aspects of research methodology is as follows:

**STUDY AREA:** The data for the study has been collected from the respondents in Thondamuthure only.

**COLLECTION OF DATA:** Data collection is one of the most important aspects of research. The data collected both from primary and secondary source.

#### SAMPLING PROCEDURE AND SIZE:

The study is mainly based on convenience sampling method for the purpose of the study, out of 50 respondents chosen ideal departmental stores Thondamuthure.

- **PERCENTAGE ANALYSIS:**
- **CHI SQUARE**

### V. LIMITATIONS OF THE STUDY:

- The scope of study was limited to organized retail formats dealing in Food and Grocery. The retail formats dealing in other categories like clothing, electronics etc. were out of scope of study.
- The present research study was limited to a customer-based performance evaluation of organized retail formats dealing in Food and Grocery. Other dimensions of performance like operation based and financial based were out of the scope of study.
- The sample selection was judgmental and convenience based and this might not be perfectly representative of the retail scenario.
- The study covered shopping only in the context of physical retail formats thus the findings might not apply to non-store retailing (e.g., online retailing).
- Limited sample size was also a limitation of the study.
- As no primary data collected through the sample survey is free from bias and inaccuracy in one respect or the other, the data collected and used in the study might not be free from certain errors due to limited knowledge of respondents.

### VI. REVIEW OF LITERATURE

**Rani** (2012) examine the present Retail strategies of store services and store choice and the effect of store services and store choice on Customer satisfaction at MORE and FOODWORLD. Results of study shows that MORE retail store should concentrate more on improving the store services and store choice Retail strategies for better customer Satisfaction and FOOD WORLD should concentrate on some more retail strategies on store choice.

**Rao and Manikyam** (2012) presents the customers' perceptions on the experiences related to the four specified areas viz. shopping experience, buying experience, service experience and relationship experience and established the fact that the small-scale retailers are providing valued experiences to the customers. The customer experience management requires an organized effort from retailers, continual review and committed effort of the management for improvements qualitatively.

**Dhume** (2012) found the two dimensions viz. personal attention and problem solving had high gap scores, indicating disparity between what specialty store consumers expected and their perceived service quality. And identified the sub-components of Personal Attention Dimension: Prompt service, Customized service, never too busy to respond, Polite and courteous salesperson, Individual attention, Enthusiasm and interest at heart, Sales person behaviour installs confidence, Service delivered when promised and for Problem Solving Dimension: Interest in solving problems, expected to deal with customer queries, Willingness to help customers, Knowledgeable salesperson.

**Jayawardhen and Farrell** (2011) found that service and customer orientation behaviours are positively related to service encounter quality and service quality; service encounter quality is positively related to service quality and customer satisfaction; service quality is positively related to value perceptions and customer satisfaction; and customer satisfaction is positively related to retail customers' buying intention. However, value is not related to customer satisfaction.

**Khram et al.** (2011) indicate that retail store attributes are influenced by consumer's religiosity. Consumer religiosity is an important indicator of retail store attributes selection. Results indicate that there was a difference between high, moderate and low consumers' religiosity in evaluating the importance for all retail store factors except for the service factor, where there was no difference between high and moderate levels; however, there was a difference between them and low level.

**VII. DATA ANALYSIS AND INTERPRETATION**

**PRODUCT PURCHASE BY THE RESPONDENTS**

PRODUCT PURCHASE	NO. OF RESPONDENTS	PERCENTAGE
Grocery items	18	36
Sports and goods	07	14
Toys and gifts	05	10
Food products	09	18
Cosmetics	05	10
Vegetables and fruits	06	12
TOTAL	50	100

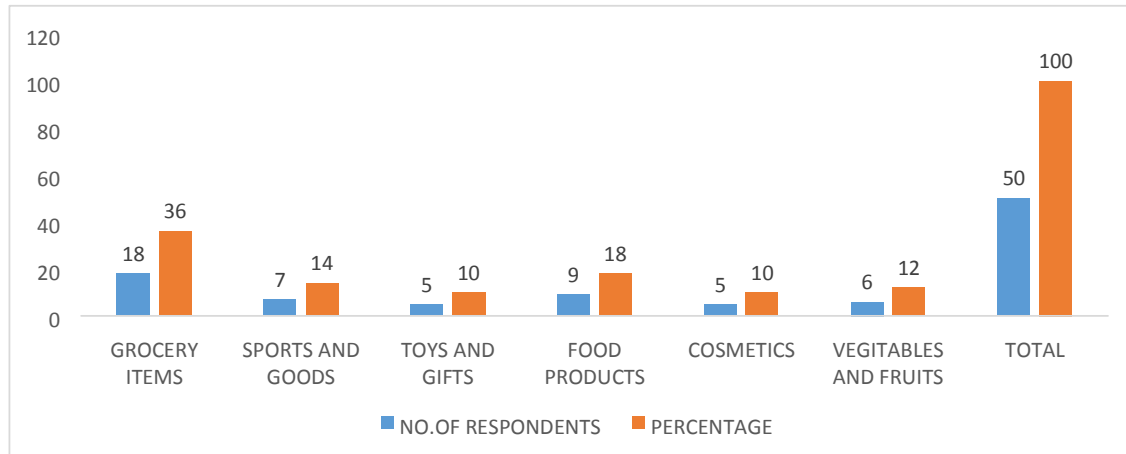
Source: Primary Data

From the above table it is clear that 36% of the respondents are grocery items and

14% of the respondents are sports and goods and 10% of respondents are toys and gifts and 18% of the respondents are food products and 10% of the respondents are cosmetics and 12% of the respondents are vegetables and fruits.

It is found that majority of the respondents 36% are grocery items.

**CHART SHOWING THE PRODUCT PURCHASE OF THE RESPONDENTS**



**PURCHASE BEHAVIOURS OF THE RESPONDENTS**

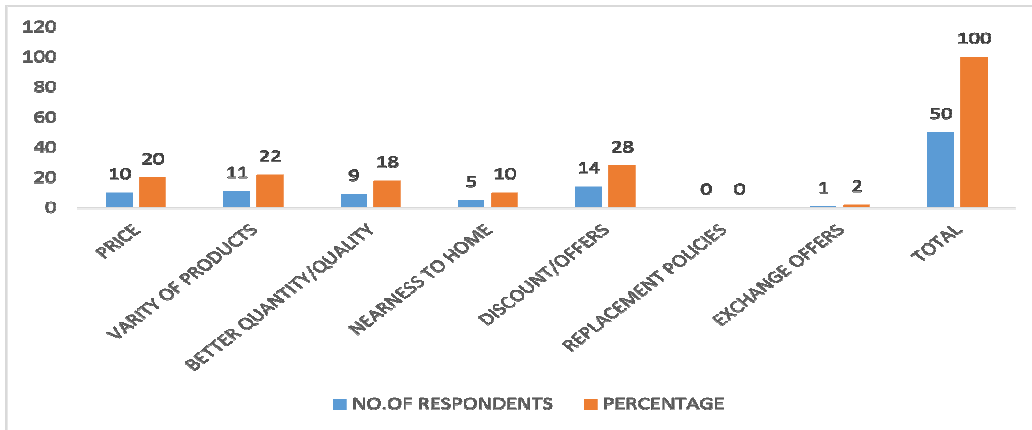
PURCHASE BEHAVIOURS	NO.OF RESPONDENTS	PERCENTAGE
Price	10	20
Variety of products	11	22
Better quantity/quality	09	18
Nearness to home	05	10
Discount/offers	14	28
Replacement policies	00	0
Exchange offers	01	2
TOTAL	50	100

Source: Primary Data

From the above table it is clear that 20% of the respondents are price and 22% of the respondents are Varsity of products and 18% of respondents are better quantity/quality and 10% of the respondents are nearness to home and 28% of respondents are discount/offers and 0% of the respondents are replacements policies and 2% of the respondents are exchange offers.

It is found that majority of the respondents 28% are discount/offers.

**CHART SHOWING THE PURCHASE BEHAVIOURS OF THE RESPONDENTS**



**EXPERIENCE WITH IDEAL DEPARTMENTAL STORES OF THE RESPONDENTS**

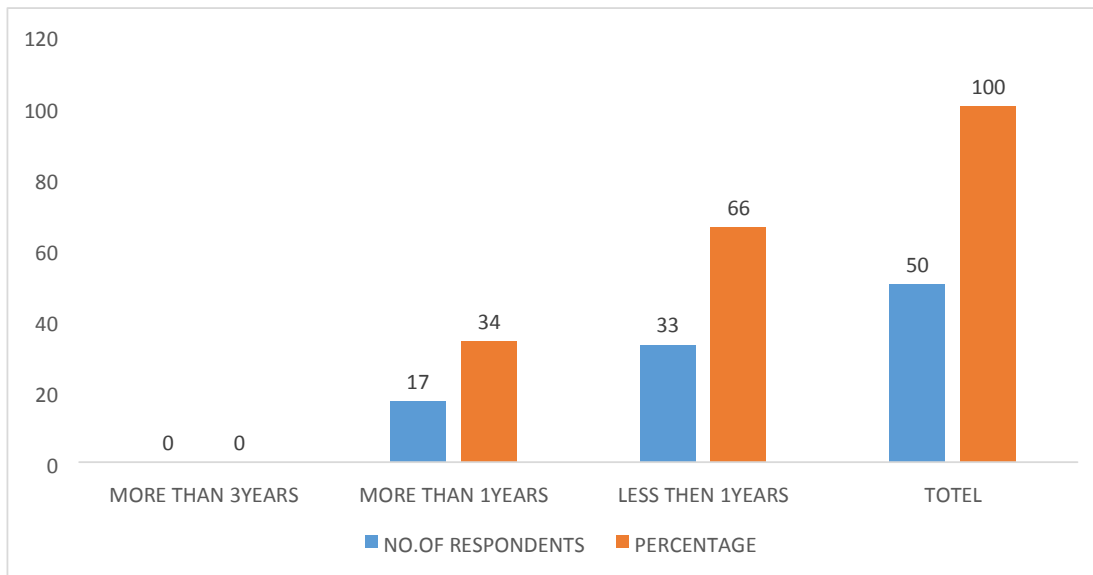
YEARS	NO.OF RESPONDENTS	PERCENTAGE
More than 3years	00	0
More than 1years	17	34
Less than 1years	33	66
TOTEL	50	100

Source: Primary Data

From the above table it is clear that 0% of the respondents are more than 3years and 34% of the respondents are more than 1years and 66% of the respondents are less than 1years.

It is found that majority of the respondents 66% are less than 1years of experience with ideal departmental stores.

**EXPERIENCE WITH IDEAL DEPARTMENTAL STORES OF THE RESPONDENTS**



**CHI SQUARE TEST**

**CHI SQUARE VALUE OF RESPONDENTS GENDER AND MARITAL STATUS**

**NULL HYPOTHESIS:** There Is No Relationship Between Gender and Marital Status

**ALTERNATE HYPOTHESIS:** There Is A Relationship Between Gender and Marital Status

**OBSERVED VALUE**

GENDER/MARITAL STATUS	MARRIED	UNMARRIED	TOTAL
Male	20	8	28
Female	7	15	22
<b>TOTAL</b>	<b>27</b>	<b>23</b>	<b>150</b>

**EXPECTED VALUE**

GENDER / MARITAL STATUS	MARRIED	UNMARRIED
Male	15.12	12.88
Female	11.88	10.12

O	E	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
20	15.12	4.88	23.81	1.57
8	12.88	4.88	23.81	1.57
7	11.88	4.88	23.81	1.57
15	10.12	4.88	23.81	1.57
<b>TOTAL</b>				<b>6.28</b>

**DEGREE OF FREEDOM**

$$(column-1) * (row-1) = (2-1) * (2-1)$$

$$1 * 1 = 1$$

**SIGNIFICANCE LEVEL  $\alpha = 0.05$**

*$X^2$  tabular value = 6.635*

*$X^2$  calculated = 6.28*

*$X^2$  calculated <  $X^2$  tabular value*

There is alternate hypothesis as there is a relationship between age and marital of the respondent.

**VIII. FINDINGS OF THE STUDY**

Majority of the respondents are male.

Majority of the respondents belong to the age group of 21-40years.

Majority of the respondents 46% are UG degrees.

Majority of the respondents 30% are professional.

Majority of the respondents 54% are married.

Majority of the respondents are earning below Rs.20000 per month.

Majority of the respondents 54% are aware through friends and relatives.

Majority of the respondents 54% are visit at Ideal store once in month.

Majority of the respondents 56% are spent their time at ideal store is 2-3 hours.

Majority of the respondents 74% are spent Rs.1001-10000 at every purchase.

Majority of the respondents 36% are preferred grocery items.

Majority of the respondents 28% are satisfied with price.

Majority of the respondents 58% are highly satisfied about discount/offers.

Majority of the respondents 64% are satisfied with products availability

Majority of the respondents 38% are satisfied.

Majority of the respondents 38% are faced many problems like other than price, discount and products availability.

Majority of the respondents 60% are compared with ideal stores and others.

Majority of the respondents 40% are preferred Kannan departmental stores of the past experience.

Majority of the respondents 66% are preferred ideal store is less than 1 year.

#### **IX. SUGGESTIONS OF THE STUDY**

Based on the findings, the following suggestions have been recommended to improve the sale and functioning at the store.

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.

Efforts should be made to reduce the price of certain products like fancy items, children's toys, etc., Steps should be formulated to make the customers aware of the door delivery system facility provided.

It is suggested to the management to appoint a greater number of skilled sales persons in order to attract customers.

It is recommended to the management to make the billing procedure more convenient.

Steps should be taken to avoid waiting and arrangements be made to park the customers vehicle without any problem.

It is suggested to the management to make the department store account for the benefit of the customers and the persons working at the store.

#### **X. CONCLUSION OF THE STUDY**

The starting point in evolution of market driven strategies in getting know about what, where, when and how the customers are in need of their wants. The various marketing channels are used to provide consumers with a convenient means of obtaining the products and services they desire one. Such retail marketing channel is the departmental stores. The features such as product choice, display of good and other services facility provided attract the customers at large. The study reveals that the customers are satisfied with the contributors made by departmental stores and they are interested in recommending it to other prospective customers.