



proposed by Parasuraman et al. (1988). The universality of the scale and its dimensions has also been the subject of criticisms (Lapierre et al 1996) and it is suggested that they require customization to the specific service sector in which they are applied (Vázquez et al 2001).

Perez et al. (2007) observed that service quality has become a critical factor in enabling firms to achieve a differential advantage over their competitors and thus, it makes a significant contribution to profitability and productivity. Indeed, service quality has become a key concept in a competitive corporate strategy (Gronroos 2001). Quality creates true customers and it leads to efficiencies. At the same time, excellent service pays off because it creates true customers who are like annuities (Zeithaml, Parasuraman, and Berry 1988). Quality improvements lead to operational efficiencies beyond those associated with scale economies (Sarah et al 2012). In SERVQUAL, both - store service performance and consumer expectations of the store service, are explicitly measured to assess the 'gap'. Several researchers find the performance perceptions to be sufficient in assessing service quality as compared to the gap (Carman 1990; Angur et al 1999). This resulted in the adoption of the SERVPERF (Cronin and Taylor 1992) scale instead of the gap based measure of SERVQUAL.

### RETAIL SERVICE QUALITY

Service quality in retailing is different from any other product/service environment (Mehta et al 2000; Vázquez et al 2001; Finn 2004; Gagliano and Hathcote 1994). Because of the unique nature of retail service, improvements and measurements of quality in retailing it cannot be approached in the same way as that of the services are approached. In retail service, it is necessary to look at quality from the perspective of services as well as goods and derive a set of items that accurately measure different construct (Mehta et al 2000). Based on these perspectives, Dabholkar et al (1996) developed and empirically validated the Retail Service Quality Scale (RSQS) to capture dimensions important to retail customers based on the triangulation qualitative research technique.

The earlier studies using RSQS in Vietnam (Nguyen & Le Nguyen 2007) did not meet discriminant validity on two factors such as the personal interaction and problem solving. Further the scale was refined to four component construct consisting of service personnel, physical aspects, policy and reliability. Based on this, Nguyen and Le Nguyen (2007) caution the use of RSQS within the supermarkets and calls for its adaptation. Much before this, Wang (2003) proposed the development of a new, more reliable, culturally bounded and accurate measure of retail service quality which can be applied globally but also helpful to retail managers in more accurate assessment of service quality within retail stores (Subhash C. Mehta, Ashok K. Lalwani, Soon Li Han 2000; Sarah et al 2012).

The findings with the existing literature and SERVQUAL, Dabholkar et al (1996) proposed that retail service quality has a hierarchical factor structure comprising five basic dimensions, namely 'physical aspects', 'reliability', 'personal interaction', 'problem solving', and 'policy', with first three basic dimensions having two sub-dimensions each and overall service quality as a second order factor. Boshoff and Terblanche (1997), in a replication of the Dabholkar et al (1996) study, the researchers have used measures of RSQS to test the retail services in Indian market. The results for the RSQS were

applied in the context of department stores, super markets and hypermarkets in Coimbatore, India.

### OBJECTIVE OF THE STUDY

The present study aims at testing the application of the existing RSQS scale in the Indian retail stores with special reference to Coimbatore city in India. The study is intended to identify different factor patterns that will influence the buyer to make decision by the customers.

### METHODOLOGY

The present research is of descriptive in nature with the sampling method being Convenience sampling. For this purpose of data collection a sample of 200 respondents were considered from the Coimbatore city. The retail segment used for the study is organized modern retail stores such as supermarkets and hypermarkets in Coimbatore city. The segments were selected on the basis of the retail store for data collection. This research has an applied questionnaire as the research instrument for collecting the data. This questionnaire has 24 factors. These factors were measured along the standard measurement scale (Five-point scale of Likert) ranging from "5" = strongly agree to "1" = strongly disagree. The data were then submitted to the factor analysis with varimax-kaiser normalization method on the various aspects relating to retail staff influence attributes.

### ANALYSIS AND DISCUSSIONS

This section presents the analysis of the data collected through the survey.

TABLE 1: DEMOGRAPHIC PROFILE OF THE RESPONDENTS

| Demographic Factors                 | Classification   | Frequency | Percent |
|-------------------------------------|------------------|-----------|---------|
| Age<br>(in Years)                   | Less than 30     | 73        | 36.5    |
|                                     | 30-40            | 55        | 27.5    |
|                                     | 40-50            | 39        | 19.5    |
|                                     | Above 50         | 33        | 16.5    |
|                                     |                  |           |         |
| Gender                              | Male             | 108       | 54.0    |
|                                     | Female           | 92        | 46.0    |
| Income<br>(in Years)                | Below 10000      | 33        | 16.5    |
|                                     | 10000-20000      | 54        | 27.0    |
|                                     | 20000-30000      | 64        | 32.0    |
|                                     | Above 30000      | 49        | 24.5    |
| Frequency of the visit to the store | Once in week     | 27        | 13.3    |
|                                     | Twice in a month | 83        | 41.3    |
|                                     | Once in a month  | 57        | 29.3    |
|                                     | No time limit    | 32        | 16.0    |

Source: Primary Data

Table 1 presents results of the frequency test on the demographic profile of the two hundred respondents who has visited the modern organized retail outlets in Coimbatore. Among these respondents, 73 of them belong to less than 30 years age group; 54% respondents were male; 32% of them belong to Rs. 20000 to Rs. 30000 income groups, and 41% of respondents visit the store twice in a month.

TABLE 2: RESULTS OF FACTOR ANALYSIS

| Construct Name        | Factors | Attributes  | Factor Loadings |
|-----------------------|---------|---|-----------------|
| Personnel Interaction | 1       | Behaviour of employee instills confidence in customer         | 0.965           |
|                       | 10      | Knowledge of the employee                                     | 0.807           |
|                       | 12      | Being polite consistently with customer                       | 0.822           |
|                       | 19      | Giving quick service by employee                              | 0.948           |
|                       | 23      | Never too busy to respond to customers' any request           | 0.97            |
|                       | 24      | Individual attention and quick service                        | 0.978           |
| Policy                | 4       | Tell customer exactly what will be performed                  | 0.947           |
|                       | 8       | Safety in transaction   | 0.96            |
|                       | 18      | Accept most of major credit cards                             | 0.945           |
| Physical Appearance   | 21      | High quality products Error-free sales transaction and record | 0.97            |
|                       | 2       | Modern-looking equipment and fixtures                         | 0.892           |

|                 |    |   |       |
|-----------------|----|---|-------|
|                 | 11 | Suitable operating hours                                | 0.777 |
|                 | 17 | Visually appealing physical facilities                  | 0.9   |
|                 | 20 | Visually appealing service material                     | 0.881 |
| Promises        | 7  | Willingly handles returns and exchange                  | 0.935 |
|                 | 9  | Promise to something by a certain time                  | 0.965 |
|                 | 15 | Performs the service right at the first time            | 0.815 |
|                 | 16 | Providing service at the time it promising to do so     | 0.882 |
| Problem Solving | 5  | Handling customers' complaint directly and immediately  | 0.817 |
|                 | 14 | Sincere interest to solve problem                       | 0.892 |
|                 | 22 | Clean, attractive, and convenient public areas          | 0.978 |
| Convenience     | 3  | Store layout makes it easy to find what a customer need | 0.954 |
|                 | 6  | Store layout makes it easy for customer to move around  | 0.894 |
|                 | 13 | Availability of merchandise                             | 0.748 |

Source: Primary Data

Personnel interaction and problem solving were considered the most preferred patters of factors (Table 2). Among the different attributes in the same the factor, it is indentified that individual attention and quick service expectations score the highest priority followed by the expectation of response to the customers' request without showing the busy. Behaviour of the employees instilled confidence in customers at the next level only. In solving the problem, customers expect that the clean, attractive, and convenient public areas.

From the table 2 it is evident that the convenience factor is a key in meeting the expectation of the customers by keeping the store layout as easy as possible to find out what the customer need. At the same time, they expect the store to facilitate the customers to move around.

The study reveals that the customers expect the retailers to promise something by a certain time. Further competitions in the retail market, challenge the retailers to evaluate their physical appearances to make necessary changes in their outlet to retain existing customers as well as to attract new customers. This study provides the retailers specific knowledge on the expectations of the retailers' policies. This signifies that the perceptions of the factor would lead to specific issue that the store attributes are confined to the needs of customers. It is revealed that customers are identical in evaluating in the policy factors when they shop. Further study to analyze how these attributes influence for customer satisfaction and behavioral intention can bring outcome on the rendering the service by the supermarkets and hypermarkets. However, the study reveals that policy factor and personnel interaction is the most critical in setting the service quality in retail store.

Hence, it can be concluded from the study that the six factor patterns identified in this study broadly intensifies the influence of buyers. There may be significant level of influence on the decision making by the individuals at any point of time during their visit to the store.

#### LIMITATIONS AND FUTURE RESEARCH

The research is conducted only in supermarkets and hypermarkets hence this cannot be generalized for all retail stores and segments. Moreover, the researchers found it difficult to make the respondents answer for questions as they were in shopping mood and neglect to answer the questions. The practicality in completing the research is time consuming and dependent on human time factor. A possible direction for future research is to conduct a similar study in other districts, or states to discover similarities and differences. Another possible direction for future research is to examine and compare different types of retail formats with different strategic positioning. It would be interesting to find how different positioning in the customer's mind affects their store attributes evaluation and satisfaction.

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