FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

According to the analysis and the discussions listed in the previous chapters, the findings of the research are listed in this chapter. The aim of the study is to analyse the customer perception on selected branded retail outlets in Coimbatore city. The major findings are:

- Among the total respondents 68.2 percent are males where as the rest of 31.8 percent are females. The mean overall satisfaction score on branded retail outlets is higher in females than the males.

- There is an association between the gender, age and level of satisfaction with the branded retail outlets among the respondents.

- 39.4 percent belong to the age group 21-30 years. The mean overall satisfaction score on branded retail outlets is higher (67.1) in 15-20 years of age group and is least (61.6) in 31-40 years of age groups.

- There is an association between the marital status and level of satisfaction with the branded retail outlets among the respondents.

- Among the total respondents, majority of the respondents (69.2 percent) are married. The mean overall satisfaction score on branded retail outlets is higher (63.3) in married group and is least (61.2 percent) in other groups of respondents.

- There is an association between education and level of satisfaction with the branded retail outlets among the respondents.

- 32.9 percent of the respondents are under graduates. The mean overall satisfaction score on branded retail outlets is higher (65.8) in school group and is least (62) in professionals group of respondents.

- There is no association between the type of family and level of satisfaction with the branded retail outlet among the respondents.

- Among the total respondents, 58.2 percent belong to nuclear type of family. The mean overall satisfaction score on branded retail outlets is higher (63.4 percent) in nuclear family group and is least (62.7 percent) in joint groups of respondents.

- There is an association between the occupation and level of satisfaction with the branded retail outlet among the respondents.

- 27.5 percent of the respondents belong to professionals. The mean overall satisfaction score on branded retail an outlet is higher (63.9) in business group and is least (61.5) in others group of respondents.

- There is no association between the area of residence and level of satisfaction with the branded retail outlets among the respondents.

- 50.4 percent of the respondents belong to rural area of residence. The mean overall satisfaction score on branded retail outlets is higher (64.2) in semi urban area of residence and is least (62) in urban area of residence.

- 22.4 percent of the respondents belong to the below Rs. 10, 000 income group. The mean overall satisfaction score on branded retail outlets is higher (65) between Rs. 10,000 - Rs. 15,000 income group and is least (61.8) in Rs. 15, 001 to Rs. 20,000 income group of respondents.

- 43.9 percent made monthly purchase. The mean overall satisfaction score on branded retail outlets is higher (63.5) in monthly purchase group and is least (62.2) fortnightly purchase groups.

- There is no association between frequency of purchase and level of satisfaction with the branded retail outlets among the respondents.

- 39.1 percent of the respondents came to aware of the branded retail outlets through friends / relatives.

- Among the total respondents 29.8 percent of them have purchased in a particular retail outlet due to parking facility and 23.6 percent due to reasonable price.

- 76 percent have purchased branded products whereas the rest 24 percent have purchased non-branded products from the retail outlets.

- Among the 850 respondents 39.3 percent of them have a monthly budget between Rs. 2,500 - 4,500 for their retail purchase, followed by 31.6 percent have between Rs.4, 501 - 6,500.

- 71.5 percent of the respondents have not enrolled in loyalty program for the purchase in branded retail outlets. 33.1 percent have liked the loyalty program due to discount sales, followed by 22.5 percent have liked it due to point system.

- Out of 850 respondents, 34.6 percent of the respondents use the branded retail outlet ‚Big Basaar', followed by 24.8 percent of the respondents use ‚More', 23.8 percent of the respondents use ‚Nilgiris', 10.1 percent of the respondents who use ‚Reliance' and the rest 6.7 percent of the respondents who use ‚Spencer's for their monthly retail purchase.

- The correlations between all the explanatory variables are highly significant and positive. Further it is also seen that all these explanatory variables are highly, significantly and positively correlated with the dependent variable satisfaction on retail purchase.

- The Path Analysis identified the three explanatory variables X1- awareness, X2- perception and X3- acceptance as substantially important contributing variable to Y- satisfaction.

- The multiple regression model indicated that out of the four explanatory variables, three variables namely, X1 - awareness, X2 - perception and X3 – acceptance have significantly contributing to Y - satisfaction and explained the variations of Y to the extent of 62.2 percent.

- The Discriminate function identified among the four variables under study, two variables namely, awareness – X 1 and acceptance – X 3 are substantially important variables in discriminating between groups namely respondents with lower and with higher satisfaction on branded retail outlets.

- Among the 19 awareness on purchase attributes of retail outlets, brand has secured higher mean score and stood at top, followed by product category stood at second and quality stood at third and finally free gifts secured least score and stood at last.

- Among the 20 perception on purchase attributes of retail outlets, acceptance of branded retail outlets has secured high mean score and stood at top, followed by complaints clearance stood at second and customer friendly stood at third and shopping environment secured least score and stood at last.

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- Among the 17 satisfaction on purchase attributes of retail outlets, service has secured high mean score and stood at top, followed by staff response stood at second and quality stood at third and complaint handling secured least score and stood at last.

- Among the 6 acceptance on service level of agreement of retail outlets, quote your opinion towards if a product is out of stock in a retail outlet "I would substitute rather than go to another store to get it" has secured high mean score and stood at top, followed by "I would rather shop in a large retail outlet than a small retail outlet" stood at second and "computerised checkout scanners benefit shoppers" stood at third and "the way retail outlets are laid out makes it easy to find the products I need" secured least score and stood at last.

- Among the 16 problems faced on purchase attributes of retail outlets poor outlet maintenance has secured high mean score and stood at top, followed by lack of service stood at second and lack of knowledge stood at third and lacking salesmanship secured least score and stood at last.

- Significant Chi-square indicates that there is association between all the personal characters except sex of the respondents and frequency of purchase.

- Significant Chi-square indicates that there is association between the personal characters of the respondents except sex and awareness about branded retail outlets.

- The mean score on monthly retail purchase is on par among occupational groups of respondents.

- The mean monthly expenditure amount is higher in service group than other groups and is least in agriculture group of respondents.

- The mean monthly family income score is higher in professional group than other groups and is least in agriculture group of respondents.

- The mean number of dependents score is higher in agriculture group than other groups and is least in service group of respondents.

- The mean number of earners score is higher in agriculture group than other groups and is least in service group of respondents.

- The overall awareness score is higher in 15-20 years age group than other age groups and is least in 41 years and above age group.

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- The overall perception score is higher in 15-20 years age group than other age groups and is least in 31-40 years of age group.

- The overall satisfaction score is higher in 15-20 years age group than other age groups and is least in 31-40 years of age group.

- The overall acceptance score is higher in 15-20 years age group than other age groups and is least in 31-40 years of age group.

- The overall problem score is higher in 15-20 years age group than other age groups and is least in 41 and above age group.

- The overall awareness score among the respondents is on par in the retail outlets.

- The overall perception score among the respondents is on par in the retail outlets.

- The overall satisfaction score among the respondents is on par in the retail outlets.

- The overall acceptance score among the respondents is on par in the retail outlets.

- The overall problem score is higher in Spencer's group of respondents than other groups of respondents and is least in Big Basaar group of respondents

There has been an increase in the growth and development of the selected branded retail outlets in Coimbatore city during 2006 to 2011. Unlike the olden days, 43.4 percent of the total respondents have reported that they make monthly purchase and only 25.6 percent of the total respondents have reported that they make weekly purchase. This shows that the retail outlets have to face heavy in flow of customers' during first 10 days of the month and in the weekends. 42.9 percent prefer cash purchase and then comes the door delivery with 23.2 percent. There is a considerable increase in the door delivery purchase when compared to the olden days. Friends / relatives are the powerful source of awareness with 39.1 percent and then personal awareness with 33.8 percent. Thus, it can be found that the word of mouth is to be the powerful awareness tool. As Coimbatore is getting over populated, 29.8 percent of the respondents have purchased in a particular retail outlet due to ample parking facility and 23.6 percent due to reasonable price. 76 percent of the respondents have purchased branded products from the retail outlets. 39.3 percent of the respondents have reported to shops with monthly budget between Rs. 2,500 – 4,500, followed by 31.6 percent who earn between Rs.4, 501 – 6,500.

Out of 19 attributes of awareness, six factors were identified as being maximum percent variance. The score of branches, advertisement, quality, customer service, physical environment and coupons account for 16.159 percent of the total variance.

Out of 20 perception of purchase attributes, six factors free door delivery, offers for loyal customer, reasonable price, replacement / exchange option and privilege card and Waiting hall account for 16.022 percent of the total variance.

Out of 17 satisfaction variables, four factors quality, price, availability of products and mode of payment account for 13.735 percent of the total variance

Suggestions

There are many challenges which have to be overcome in order to position Indian retail at the world class standards. According to the findings and the discussions listed in the previous chapters, the suggestions have been given below to improve the situation of the branded retail outlets.

To the Retailer

- As there are limited customers enrolled in the loyalty programme like coupons, point system, privilege card, the BRO can innovate new loyalty programmes like discount sale, door delivery, buy one get one offers, (Every Day Low Price) EVLP, etc., to increase the loyalty of the existing customers and to convert potential customer to loyal customer. There is an evidence of vivid change in trend in retailing. This can be utilised for the customers' benefit, by which the market growth and development can be enhanced.

- The use of technology to the fullest extent will help strengthening the retailers by minimising the operating cost. This also improves the market communication process between the retailers and the customers. Effective marketing channel like internet, hoardings, sms and TV will lead to the betterment of the service.

- The potential customers who are in the threshold of entering the elite customer group of BROs need to be focused by BROs taking into consideration their needs. This can be achieved by a proper market study about the income and culture of that particular group.

- The research suggested the retailer to provide efficacious training for their staff members towards awareness of the products and services, greater customer perception to serve them better, customer satisfying techniques and optimal problem solving methods.

Exhibit 3: A model for a retail outlet based on the following objectives:

The tailor made model takes into account the various factors which influences the customers' perception about the retail industry. Based on the influence of the factor on the customer he / she accept or reject a particular retail outlet. By this model the retailer can formulate and implement strategies to improve their market share.
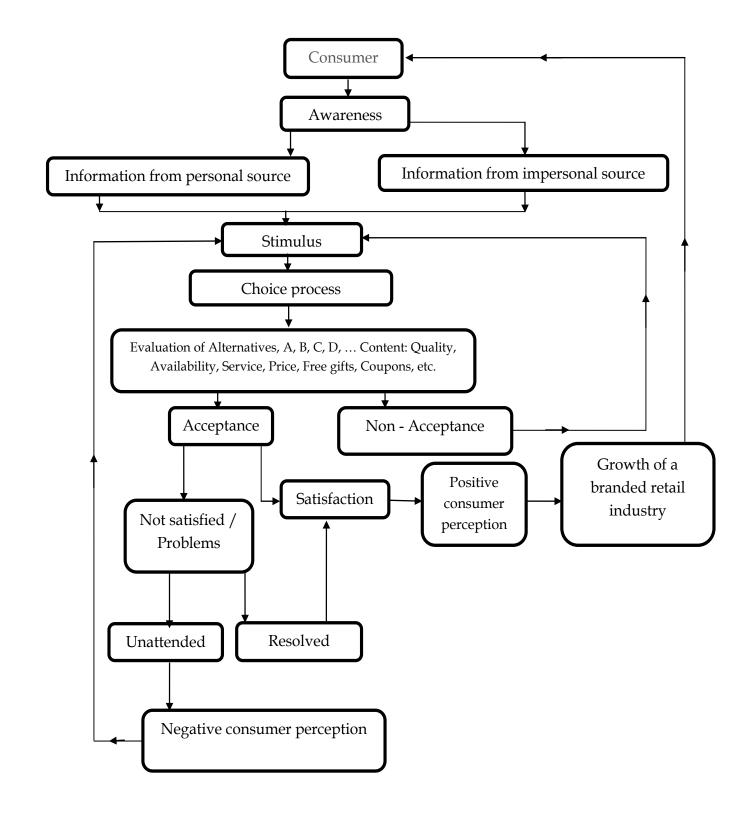
(i) To study the socio-economic factors in the selected branded retail outlet of the respondents in Coimbatore city,

(ii) To determine the factors on purchase of products in branded retail outlet in Coimbatore city,

(iii) To analyse the customers' perception towards organised branded retail outlet in Coimbatore city,

(iv) To analyse the level of satisfaction of branded retail outlet in Coimbatore city,

(v) To analyse acceptance of service level of branded retail outlet in Coimbatore city, and

(vi) To analyse the problems faced by customers in the branded retail outlets.

Based on the literature review and the dimensions selected for the study, a suitable theoretical model was derived by the researcher and it is furnished in the following page. The researcher identified the appropriate indicators for each dimension to be measured. The consumer perception of a branded retail outlet is grouped into five major indicators which are awareness, perception, satisfaction, acceptance level and problem faced by the consumer. Awareness of a selected branded retail outlet comes from personal and impersonal source which helps to stimulate the choice process of the consumers. The choice process starts with search of finding different brands, parameters which affect the choice process, comparison of the parameters and evaluation. The sources for the consumer choice process comes from telecalling, door - to - door,

TV advertisement, radio, news paper and magasine, pamphlets, word - of -mouth, hoardings, internet, coupons, friends and relatives. All these indicators evaluation brings in this stimulus for choosing a particular branded retail outlet. Once the acceptance is done it could lead to growth of branded retail industry. On the other hand if they are dissatisfied it leads to loss of the customer to that particular retail outlet. It means they may shift themselves to a different retail outlet which gives better service. The most important point is, that the customer will not shift from the retail industry but move to a different retailer in the industry.

Exhibit 3: A Model for a Retail Outlet

Consumer's perception towards retail industry

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                          ┌──────────────┐
                          │   Consumer   │◄─────────────◄──────────────┐
                          └──────┬───────┘                             │
                                 │                                     │
                          ┌──────▼───────┐                             │
                          │  Awareness   ├──────────┐                  │
                          └──────┬───────┘          │                  │
                                 │                  │                  │
        ┌──────────────────────────────┐   ┌────────▼──────────────────────┐
        │ Information from personal source│   │ Information from impersonal source│
        └──────────────┬─────────────────┘   └──────────────┬────────────────┘
                       │                                     │
                       └────────┐         ┌──────────────────┘
                                │         │
                          ┌─────▼─────────▼──┐
                          │     Stimulus     │◄───────────┐
                          └────────┬─────────┘            │
                                   │                      │
                          ┌────────▼─────────┐            │
                          │  Choice process  │            │
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        ┌──────────────────────────────────────────┐      │
        │ Evaluation of Alternatives, A, B, C, D, …  │      │
        │ Content: Quality, Availability, Service,    │      │
        │ Price, Free gifts, Coupons, etc.            │      │
        └──────┬──────────────────────┬──────────────┘      │
               │                      │                      │
       ┌───────▼──────┐      ┌────────▼─────────┐            │
       │  Acceptance  │      │  Non - Acceptance├────────────┘
       └───┬──────────┘      └──────────────────┘
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Evaluation of Alternatives, A, B, C, D, … Content: Quality, Availability, Service, Price, Free gifts, Coupons, etc.

Acceptance

Non - Acceptance

Not satisfied / Problems

Satisfaction

Positive consumer perception

Growth of a branded retail industry

Unattended

Resolved

Negative consumer perception

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The following suggestions would help to germinate suitable strategies which in turn will help to develop the branded retail outlets by making them more competitive:

- The problems among the customers should be dealt at the earliest possible. Prime importance has to be given to the customer's problem like late billing, parking, non availability etc. which has turned the mindset of the customers to walk in to the BROs.

- Generally, untended issues will lead to a greater degree of negative perception towards the particular retail outlet. This has to be addressed with proper channel of customer feedback like providing customer feedback form, direct interview by the floor manager and welcome mail to the potential customer.

The retail outlet may create a positive ambiance by providing optimised ventilation for the consumers to enjoy their shopping.

Effective product display planning can be made based on the consumer's feedback which improves footfall in to the retail outlet.

Retailers should emphasis on the space allocated to different category of products based on the priority given by the customer.

The floor employees must assist the consumers in choosing an appropriate product to avoid frustration among the consumers.

Inspite of the different brands available the non availability of the brand depth leads to less loyalty among the BROs customers.

The offer label is to be displayed properly by the BROs. Though the display was there the offer price is not updated often in the billing system which leads to confusion and frustration for the BRO customer. This not only puts down the loyalty of the customers but also loses the potential customer.

A good retail outlet should guide the customers who walk in. BRO should have proper sign boards, price tags, offer prices and updated system to give the customer the delight of shopping.

Conclusion

India, has joined the bandwagon of information technology, is poised to grow as a retail hub. In this competitive global scenario, it is imperative to sustain the modernisation of

the retail sector. The basic necessity is to create an appropriate environment to actuate retailing practices where everyone can be benefited. Indian retail industry has a unique selling strategy with a huge population and potential consumption pattern. Unfortunately, in India, retailing is still unorganised. But Indian retail industry is getting organised and it is at the growth stage of the business cycle. The study highlights the increasing number of nuclear families opting for branded retail outlets. The world-class practices of supply chain management are not in position in Coimbatore retail outlets. Two major concepts, Quick Response (QR) and Efficient Consumer Response (ECR) are lacking in branded retail outlets. Other modern retailing management concepts like Electronic Data Interface and mutually respectable partnership among retailers and suppliers are not exercised to a great extent.

The social status of an individual is determined by the shopping habits in this present fast moving environment. With reference to the standard of living, people are more concerned about their comfort factor towards the brand. Shopping has become an integral part of everyone's life. This determines the status symbol of an individual being used as a tool to build one's self esteem. Hence, branded retail outlets are used as a place to relax. The researcher has brought the customer perception factors on selected branded retail outlets and its growth in Coimbatore city during the study period. The customer perception varies largely, based on their personal characters and status in society. Attraction of new customers is a major source of revenue growth. Within the business line, up selling strategies among the existing customers can increase their consumption pattern. The success of the branded retail outlets would also lie in the degree of penetration into the lower income strata by tapping the possible customers in the lower level of the society with different pricing strategies. In this competitive environment with degrading profit margins, it is a critical need to reduce operating and inventory costs and it is indispensable to retain the customers. These are the prime drives for Indian branded retail industry to stay ahead in the race of retailing. It is very clear from the above mentioned points with all the findings and suggestions given by the researcher shall be adopted by the branded retail outlets in Coimbatore will increase their volume of business.