The Analysis of Retail Service Quality in Metro - Cash & Carry Ludhiana

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Abstract: *In the rapidly changing global business environment, retailing services have gained a lot of significance. It becomes very essential to understand the needs of the customers in this kind of competitive environment. There is a strong and empirically well established link between service quality and customer perception in this sector. In this paper an attempt is made to analyze the retail service quality in Metro-Cash & Carry Store in Ludhiana district of Punjab. A sample of 88 customers of this store was surveyed about the various parameters of retail service quality based on a well structured questionnaire. The questions were prepared on the five point Likert Scale. Correlation Matrix of the parameters on which retail service quality depends was prepared. Also the t-test was applied to verify one of the hypotheses regarding difference in opinion amongst male and female customers about service quality. The results so obtained from the hypothesis testing were that: Retail Service Quality is positively correlated with dimensions- physical ability, reliability, personal interaction, problem solving and reliability; and that male and female differ significantly with regards to parameters of inspiring confidence and courteousness in case of personal interaction in Retail Service Quality.*

Keywords: Retail Service Quality, B2c, Personal Interaction, Wholesalers, Service Perception

1. Introduction

Retailing services has become very much important in the competitive environment. Service quality has been widely used by the retailers as one of the important strategy. Retailing is the second largest employment provider after agriculture. The sector is witnessing a radical change as traditional retail markets are replacing with new formats such as discounts stores, departmental stores, hypermarkets, supermarkets etc. In this competitive environment the retailers are more forced to concentrate towards customer perception. Service quality and customer perception are thus the two core concepts of contemporary marketing theory and practice in retail industries. The link between service quality and customer perception is now firmly established, and it has been shown that this link subsequently produces higher revenues, increased cross-sell ratios, higher customer retention, repeat purchasing behavior, and expanded market share.

Over the years, those writing in the literature of library and information science (LIS) about quality have defined it differently. They have stressed the importance of developing and maintaining quality collections, have equated effectiveness (the extent to which goals and objectives are set and met) with quality, and looked at quality from the organizational perspective-that of the academic library or the parent college or university. As libraries embraced total quality management (TQM), other quality management styles (e.g., continuous quality improvement), and a culture of assessment, a number of them increased their commitment to sup-port a customer orientation and to have customers who are satisfied with the service provided. It was only a matter of time before the concept of customer service, a concept independent of (and predating) TOM, was adopted and modified from the private sector. Customer service encourages retail and other organizations to meet or exceed those customers.

Service quality is used in business to refer to the assessment of how satisfying a service is, according to the customer's expectations. Service quality is achieved by comparing the expected service to the service currently being offered. It is an assessment of how well a delivered service conforms to the client's expectations. Service business operators often assess the service quality provided to their customers in order to improve their service, to quickly identify problems, and to better assess client satisfaction. From the viewpoint of business administration, service quality is an achievement in customer service. It reflects at each service encounter. Customers form service expectations from past experiences, word of mouth and advertisement. In general, Customers compare perceived service with expected service in which if the former falls short of the latter the customers are disappointed.

The measurement of subjective aspects of customer service depends on the conformity of the expected benefit with the perceived result. This in turns depends upon the customer's expectation in terms of service, they might receive and the service provider's ability and talent to present this expected service. Successful Companies add benefits to their offering that not only satisfy the customers but also surprise and delight them. Delighting customers is a matter of exceeding their expectations. Pre-defined objective criteria may be unattainable in practice, in which case, the best possible achievable result becomes the ideal. The objective ideal may still be poor, in subjective terms. Service quality can be related to service potential (for example, worker's qualifications); service process (for example, the quickness of service) and service result (customer satisfaction).

Retail Service Quality is basically applying service quality in retail sector. **Retail** is the sale of goods and services from individuals or businesses to the end-user. Retailers are part of an integrated system called the supply chain. A retailer purchases goods or products in large quantities from manufacturers directly or through a wholesale, and then sells smaller quantities to the consumer for a profit. Retailing can

be done in either fixed locations like stores or markets, door-to-door or by delivery. In the 2000s, an increasing amount of retailing is done using online websites, electronic payment, and then delivered via a courier or via other services.

Retailing includes subordinated services, such as delivery. The term "retailer" is also applied where a service provider services the needs of a large number of individuals, such as for the public. Shops may be on residential streets, streets with few or no houses or in a shopping mall. Shopping streets may be for pedestrians only. Sometimes a shopping street has a partial or full roof to protect customers from precipitation. Online retailing, a type of electronic commerce used for business-to-consumer (B2C) transactions and mail order, are forms of non-shop retailing.

Shopping generally refers to the act of buying products. Sometimes this is done to obtain necessities such as food and clothing; sometimes it is done as a recreational activity. Recreational shopping often involves window shopping (just looking, not buying) and browsing and does not always result in a purchase.

Over the years a new concept has been developed in Retail sector- Cash and Carry concept. **Cash and carry** wholesale represents a type of operation within the wholesale sector. Its main features are summarized best by the following definitions:

- **Cash and carry** is a form of trade in which goods are sold from a wholesale warehouse operated either on a self-service basis, or on the basis of samples (with the customer selecting from specimen articles using a manual or computerized ordering system but not serving himself) or a combination of the two.
- Customers (retailers, professional users, caterers, institutional buyers, etc.) settle the invoice on the spot in cash, and carry the goods away themselves.
- There are significant differences between "classical" sales at the wholesale stage and the cash and carry wholesaler: namely a *cash and carry* customer arranges the transport of the goods themselves and pay for the goods in cash, and not on credit.

Though wholesalers buy primarily from manufacturers and sell mostly to retailers, industrial users and other wholesalers, they also perform many value added functions. The wholesaler, an intermediary, is used based on principles of specialization and division of labour as well as contractual efficiency. (OECD - Organization for Economic Cooperation and Development)

2. Review of Literature

For the purpose of the study, several articles and websites were reviewed. As the study is about Retail Service Quality and its impact on the customer buying behavior in Cash & Carry Store, Metro, it was very important to read various articles about customer satisfaction, retail service quality, customer buying behavior etc. With the help of the literature reviewed, the study became simpler and clearer. In this chapter, Most of the literature read in various research papers has been briefly explained below:

J. Beneke, C. Hayworth, R. Hobson and Z. Mila (2012) in their article '**Examining the effect of retail service quality dimensions on customer satisfaction and loyalty: The case of the supermarket shopper**' have tried to study in their article about the impact of retail service quality in a supermarket shopper. The results from the PLS analysis into the path model show that a statistically significant relationship exists between only two of the five Retail Service Quality dimensions and Satisfaction at or below the 10 per cent significance level. These two factors are Physical Appearance and Personal Interaction. Reliability was shown to be very weakly linked to Satisfaction (i.e. significant only at the 20 per cent significance level). The remaining two factors, Problem Solving and Policy, do not appear to have a significant effect on Satisfaction. As anticipated, the analysis revealed that a strong relationship existed between Customer Satisfaction and Loyalty. This was not at all surprising, as this relationship has been well documented in previous studies.

Physical Aspects was found to be the most important predictor of Customer Satisfaction. The effect was considerably stronger than any of the other relationships explored. This reinforces the notion that the physical environment needs to be clean, well-structured and adequately maintained. As the mainstay of supermarket stores is grocery sales, it appears that customers want to shop in an environment which is deemed safe and healthy. Furthermore, the design needs to be optimized so as to maximize convenience. As grocery shopping is perceived as unglamorous (even a grudge purchase) by many consumers, it would appear that consumers are seeking a hassle free experience.

Personal Interaction was also found to be significant. This factor relates to the way in which customers perceive the staff. It would appear that customers cherish an environment in which staffs are knowledgeable, friendly and willing to assist. This is an issue which has plagued many supermarket chains where staffs are paid minimum wage and are employed on a casual basis. Connected to the convenience issue highlighted above, staff should be present on the shop floor to direct customers when lost and navigational assistance is required. Cashiers are considered by some to represent the 'face' of – the hence a brand positive experience at the till point clearly makes a noteworthy impression on the customer.

Reliability was found to be very weakly connected to customer satisfaction, however no statistical significance was recorded at either the 5 per cent or 10 per cent level, meaning that no meaningful association was found to exist. This factor considered issues such as stock availability, the visibility of shelf prices, as well as information pertaining to sales promotions and queue lengths. It is surmised that most supermarket stores are very similar in this regard, and that customers therefore do not see sufficient grounds for differentiation. Furthermore, it is possible that many may have come to expect average service delivery in this regard, and hence lowered expectations to match performance. For these reasons, customers may not see this as being a noteworthy antecedent of customer satisfaction.

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Somewhat counter-intuitively, no evidence was found to support the notion that Problem Solving and Policy were significant influencers of customer satisfaction. Here, problem solving (considering complaints and returns), was deemed somewhat irrelevant. Again, this may be due to apathy on the part of the consumer. Anecdotal evidence suggests that many customers would rather dispose of an unwanted grocery item than spend time in returning it. It is likely that many customers have never bothered to submit a complaint or return groceries; therefore this factor may be superfluous to them. Lastly, Policy (relating to issues such as parking facilities, hours of operation and the availability of facilities such as toilets and payphones) was, likewise, not highlighted as an issue of importance. Basic expectations of consumers may be guiding their judgment here. The authors surmise that a large degree of standardization across the different supermarket chains has led many consumers to take the status quo for granted. In short, retailers who fail to comply with the fundamental needs of the target market are unlikely to experience repeat patronage.

Euphemia F T Yuen and Sian S L Chan (2010) in their article **'The effect of retail service quality and product quality on customer loyalty'** have tried to work out the impact of retail service quality. The findings suggest that retail service quality is positively associated with customer loyalty, whereas product quality surprisingly does not exert a positive influence on customer loyalty. Three dimensions (Physical Aspect, Reliability and Problem Solving) were found to have a positive impact on customer loyalty to store, whereas only one dimension (Personal Interaction) was found to have a positive impact on customer loyalty to staff. There are several reasons explaining the apparent positive effect. For Physical Aspects, a good store layout and attractive service materials give customers a good impression and attitude towards the store. Once a good store image is built, the chance of consumers priding themselves on getting the blinds of Hunter Douglas over other brands increases. Reliability refers to the promises given by the store. If the store cannot keep or breaks the promises, it dissatisfies customers and results in negative word-of-mouth. In contrast, when the company is able to keep its promises, it increases customer confidence in the store and creates customer loyalty. For the Problem Solving, once customers seek help, it means that they cannot solve the problems themselves and need professional staff to tackle the problem. When professional staff can help them to solve a problem, they are satisfied and are more likely to spread positive word-of-mouth to others seeking advice on curtains in the future. For Personal Interaction, when staff perform better or give more personal attention to customers, the chance of repurchasing, introducing or recommending companies to others and establishing public praise will increase. In addition, it also benefits a firm in developing and retaining customers. Generally, the positive relationship is stronger at the store level than at the staff level. In the customer's eyes, staffs are included in the store, and thus their impressions towards the staff will affect their comments on the store.

Results of the *post hoc* analysis showed that the Physical Aspects, Reliability, Problem Solving and Aesthetics dimensions had significant impacts on customer loyalty to the store under the gender effect. For Physical Aspects, the standardized coefficient for female customers was higher. This means the impact of Physical Aspects on customer loyalty to store is stronger for women, possibly because they are more concerned with the sense of beauty than men. When female customers are satisfied with the store layout or staff neatness, they are more loyal than their male counterparts. For Reliability, the standardized coefficient was higher for men, showing that the impact of Reliability on customer loyalty to store is higher for men. As most of the respondents were professionals (35 per cent), owing to their job nature, professionals regarded promises as an important issue, and thus this group of respondents was used to focus on this point. As most of the respondents from the professional group were men, the phenomenon of more men than women emphasizing this point occurred. As Reliability is far more important in the eyes of men than women, if the company can keep its promises, male customers are more loyal in comparison to women. For Problem Solving, again, the standardized coefficient was higher for men. This implies that the impact of Problem Solving on customer loyalty to store is higher for men. The differences between the way women and men evaluate problems are significant. When men look at problems, a particular item is seen, and they are keen to resolve and correct them, and thus men are more motivated to solve and the problem immediately compared with women. Once male customers are satisfied with the company's problem-solving skill, they are more loyal than female customers. Surprisingly, although Aesthetics had a significant impact on customer loyalty to store for the female group, their relationship was reversed. This is because most of the respondents were aged between 41 and 50 (41 per cent of the women), and thus they are less willing to deal with changes. As a result, they like the blinds with traditional designs or operations, so that they can handle them more easily. For the men, the standardized coefficient of the Aesthetics dimension was also negative, but the relationship between Aesthetics and customer loyalty was weaker compared to women. Again, the major age group was 41–50 (42 per cent of men) and the reasons would be the same as for women.

OMOTAYO OYENIYI, ABOLAJI JOACHIM ABIODUN (2012) in their article **'Measuring Retail Service Quality in Nigerian Departmental Store'** have worked on to find out the impact of retail service quality in Nigerian Departmental Stores. The Nigerian economy is experiencing a boom in the retail sector of Departmental Stores. The sector is becoming increasingly competitive with the entry of foreign and multinational retail stores. Extant literature indicates that loyalty of the customers can be maintained with service quality. Consequently, the current study attempts to measure service quality among Nigerian departmental stores using Dabholkar, Thorpe & Renz (1996) Retail Service Quality Scale (RSQS) instrument to gauge customers' satisfaction with the retail service quality in the Nigerian Retail sector. Four hundred and seventy eight customers of three major departmental stores in central Lagos, Nigeria were used for the study. Data generated was analyzed using factor analysis, correlation and hierarchical regression analysis to test the relationships for evaluating retail service quality in retail sector of departmental stores.

Aluregowda (2013) in his article **'Retail Service Quality and its effect on customer perception: a study of select supermarket in Mangalore'** has tried to show the impact of Retail Service Quality on customer perception. The performance of the retailing sector from the past few years has been outstanding. The paper focuses on retail service quality that contributes to customer perception. Retail service quality was measured by using five dimensions like reliability, personal interaction, physical aspects, problem solving and policy. The research used RSQS scale at Big bazaar supermarket in Mangalore city. The data was collected from 200 respondents using Likert a scale and SPSS 19 version was used to analyze the data. The result revealed that all the five dimensions were positively significant to customer perception. Gaining high levels of customer perception is very important to a business because satisfied customers are most likely to be loyal and to make repeat orders and to use a wide range of services offered by a business.

The measurement of service quality has become a significant marketing tool for retail stores that wish to develop a competitive advantage by learning about their customers' consumption experiences validating the implementation of the 'retail service quality scale' (RSQS);and by providing empirical evidence of how retail service quality dimensions leads to customer perception in this setting. The result showed that all the five RSQS dimensions have the significance effect on the customer perception and the alternative hypothesis was not rejected.

Peterhernon & Danutaa, Nitecki (2001) in their article **'Service Quality: A Concept Not Fully Explored'** has tried to explore the concept of Service Quality. This article examines service QUALITY AND IDENTIFIES issues meriting attention. The purpose is to guide the next generation of research on service quality in libraries and to ensure that the research has value to library planning and decision making. The difficulty of developing a process of data collection across institutions is also discussed. The general perceptions versus disconfirmation debate should include contributions from LIS researchers. LIS should be integral (not tangential) to that debate. After all, whatever decisions made about service quality as a concept and its relationship to behavioral intentions should reflect a wide range of service settings. Thus, more LIS research should be placed in non-LIS journals.

It is troubling to see some accrediting bodies discredit the value of service quality and satisfaction, preferring instead for the institution to focus on learning outcomes. Such thinking ignores the role of research outcomes and, most importantly, how customers' views of quality have an impact on outcomes. Outcomes assessment is important but so are service quality and customer satisfaction. The mosaic of evaluation components (e.g. performance and outcomes measures, service quality, customer satisfaction, and effectiveness) will only grow. It is up to the profession to settle on those aspects most useful for planning and diagnostic purposes. The need to listen to customers will continue to increase as libraries align services with expectations, remain competitive, provide more services to remote users, and ensure that their institutional mission and vision are realized.

Nor Khalidah Abu (2004) in his article **'Service Quality Dimensions: A Study on Various Sizes of Grocery Retailers – A conceptual Paper'** has tried to study the impact of Retail Service Quality in Grocery Retailers. The slow growth of grocery products in Malaysia since the Asian financial crisis and the influx of multinational and large scale retailers since early 1990s allow Malaysian consumers to be more selective of their choice of grocery stores. Smaller grocery stores in Malaysia are seen as offering more personal services but with inadequate stocks and facilities; a contrast to the larger retailers which are seen as offering better merchandise choice and public amenities but with standardized and non-personalized services. As grocery retailers are seen as offering similar products in the store, improving service quality is seen as critical to ensure customer loyalty. Despite the extensive research on the measures used by consumers to measure service quality in the service sector, there is lack of empirical studies on it in the retail sector. A need to look into service quality dimensions for each country is called for, as each country is believed to have its own unique set of quality dimensions. This conceptual paper identifies the service quality dimensions critical to urban grocery shoppers for small, medium, and large-sized grocery stores. It will identify the critical quality dimension of Malaysia urban grocery shoppers based on the Retail Service Quality Scale by Dabholkar et al., (1996) that takes into account the retail setting.

A.T. du Plooy, J.W.de Jager & D. van Zyl (2012) in his article **'Drivers of perceived service quality in selected informal grocery retail stores in Gauteng, South Africa'** has looked to find out the drivers of service quality in grocery retail stores in South Africa. This study focuses on the service delivery of small grocery retail stores operating in the informal sector in Gauteng. The study specifically aimed to determine whether a sample of customers is in fact satisfied with the service quality delivery by these types of informal stores. Furthermore, this study aimed to identify service quality dimensions that help describe perceived levels of service quality, as well as the intention to shop at the informal retailers in future. Issues regarding customer care and service quality in the context of small firms are also investigated. A critical challenge to the survival and future growth of these types of service delivery institutions that operate among the underprivileged is to understand the needs of their customers and ensure that they meet these. While the focal point of the study was the informal grocery retail sector, the study did not focus on survivalist businesses. In fact, the outlets covered could be considered established and mature businesses operating within the informal part of the modern or first-world economy. It was found that 'empathy', 'tangibility', 'reliability' and 'assurance' were considered to be the main drivers of perceived levels of service quality among shoppers. Practical implications for informal grocery retailers, limitations and suggestions for future studies are articulated.

This study has targeted a selection of informal grocery retail stores located in Gauteng, and the results have shown that, in general, customers were either satisfied, very satisfied or at

least content with the overall service quality provided by these informal outlets. Conversely, however, about one in four respondents (28 percent) interviewed was not satisfied. For some shops, therefore, the level of service quality that they provide should be a matter of concern. Small informal grocery retail stores cannot compete with larger, formal outlets on aspects such as available resources, marketing research and economies of scale, and factors such as service quality and convenience could be important differentiators.

In order to survive and grow, these informal grocery retailers need to ensure that quality service is delivered. A question that has emerged from this study is 'How different are the overall levels of perceived service quality when measured among informal retail shoppers compared with those who shop at formal outlets?' A comparative study could thus be of value in understanding the service-quality challenges faced by informal retail stores in competing against formal outlets.

The study also found a significant positive correlation between perceived service quality and intention to shop at the store in future. This is in line with the findings of studies by Brown et al. (2002) and Dabholkar et al. (1996), which identified a strong positive relationship between service quality and repurchase intention. They also found a strong relationship between service quality and the probability of recommendation.

Norbert Becser (2007) in his article **'Improving Service Quality In Retail Trade -The Premises Of A Potential Measurement Model And A Decision Support System Based On It'** has tried to study the impact of improving service quality in Retail Trade in Hungary. Services play an increasingly important role both in global and national economy (Fitzsimmons and Fitzsimmons, 2004; ISO Survey 2005; EuroStat, 2007; Palánkai, 2007). Competition among service providers is increasing and it extends across borders and continents due to globalization. To be able to survive in the increasing competition, service providers should organize their operation according to the needs expressed (or in several cases even not expressed) by their customers. They should provide services and products meeting or even exceeding customer expectations: they should aim at quality. This applies to everyone in the service sector, to organizations providing social services (for example, educational or medical services), to personal services (hairdressers, for instance), to production services (for example, financial services) but most of all to distributive services and, within this sector, mainly to retail. In this service sector, reactions related to quality appear very quickly as a result of the close connection to customers, which affects organizations even more strongly due to the strong competition. Therefore, quality improvement is the prerequisite of survival and of profiting from competitive advantages. Retailers are mostly affected by competition and, most of all, they suffer from the lack of resources. They typically do not possess enough material, human or infrastructural resources to be able to make repeated attempts in the territory of improvement (quality improvement) safely, until an "action" proves to be successful. Therefore, it is absolutely necessary that retail service providers have access to ready, fully operational, verified and yet simple

instruments in order to measure the service quality and determine the directions of quality improvement. The decision support system for improvement of retail service quality described in my dissertation and the retail service quality model serving as the central methodology thereof, can be such instruments.

The connection between quality and performance of the organization is not unambiguous. Numerous researchers (Buzzel and Gale, 1987; Fornell, 1992; Ittner and Larcker, 1998, Cronin et al., 2000; Dabholkar et al., 2000; Olorunniwo et al., 2006, for example) verified that higher service quality results in a higher performance of the organization, others however, proved the contrary (Grandzol and Gershon, 1997; Ittner, Larcker and Meyer, 2003). According to my survey concerning Hungarian service provider organizations, I agree with the former statement. My hypothesis expecting a positive relation between service quality and performance of the organization is verified by the results of the research. It is proved that service organizations should care for quality and devote resources to the quality improvement, since it determines their performance and thus their position in competition. It can be stated that the improvement and later the application of the decision support system for improvement of retail service quality is of great importance from both theoretical and practical points of view.

The most important element of the improvement of the decision support system was the finding of the appropriate (retail) service quality measurement model. The SERVQUAL scale and the five service quality dimensions determined by it formed by Parasuraman et al. (1985, 1988, 1991a, 1991b, 1994a, 1994b) (the most often cited model in the related literature) seemed to be an appropriate model owing to its usability, extensive use and the extensive specialized literature. However, several researchers (Cronin and Taylor, 1992, 1994; Andersson, 1992; Teas, 1993, 1994; Brown, 1993; Spreng and Singh, 1993; Smith, 1995; Ausboteng, 1996; Buttle, 1996; Van Dyke et al., 1997; Coulthard, 2004) defined criticisms concerning the SERVQUAL method. The most important of these criticisms was the denial of its universal validity. My researches related to the appropriateness of the SERVQUAL scale verified this latter statement. The results of an empiric research based on the answers to the 22 statements of the SERVQUAL scale given by the customers of a Hungarian retail company (preliminary test, confirmative test) did not verify my expectation concerning jointing of the SERVQUAL dimensions under Hungarian circumstances of retail services. Accordingly, a new, appropriate retail service quality scale and measurement method had to be developed for the decision support system to be worked out.

3. Research Methodology

The application of scientific method in searching for the truth about business phenomenon. These activities include defining the business opportunities and problems, generating and evaluating ideas, monitoring performance and understanding the business process.

Among the various types of researches, mainly **descriptive** type of research method has been used for the study. Descriptive type of research basically is a means of discovering new meaning, determining the frequency with which something occur and categorizing information. In short, it deals with everything that can be counted and studied, which has an impact on lives of people it deals with.

The research carried out is also both **primary and secondary**.

- **Primary research** is basically collection of fresh data. It is carried out with people across the Tricity required to fill the form so that we could know the impact of Celebrity Endorsement on Customer buying behaviour via their responses.
- **Secondary research** is the data that is already been collected by someone else. It is carried out with the help of various research articles that I came across related to my topic.

4. Problem Under Study

The researcher has tried to analyse the impact of Retail Service Quality in Cash & Carry store by administering a well designed questionnaire to the retail customers of METRO- Cash & Carry, Ludhiana.

5. Objectives of the Study

- To understand the impact of Retail Service Quality in Cash & Carry Stores.
- To know the Customer perception of satisfaction

The study is basically limited to the METRO- Cash & Carry, Ludhiana carried out by questioning people from store itself. The study is so as to know the impact of Retail Service Quality in Cash and Carry Stores where people believe in buying in bulk. It will help the store to realize their strengths and work over their weakness in regard to customer perception about the store and its working.

6. Hypothesis of the Study

A hypothesis is a proposed explanation for a phenomenon. For a hypothesis to be a scientific hypothesis, the scientific method requires that one can test it.

H_{01}: Retail Service Quality is positively correlated with dimensions- **Physical Aspects, Reliability, Personal Interaction,**

6.1 Problem Solving and Policy.

H_{02}: There is a positive correlation between Convenience and Appearance.

H_{03}: The male and female differ significantly with regards to parameters of Retail Service Quality.

6.2 Sample Size

For the purpose of survey, a total of 88 customers from Metro- Cash & Carry store filled in the questionnaires which were related to five dimensions of Retail Service Quality-

Physical Aspects, Reliability, Personal Interaction, Problem Solving and Policy.

6.3 Questionnaire Design

The questionnaire has been carefully designed to meet the requirements of the research. The variables have been taken from previous literature on Impact of Retail Service Quality with a view to validate the research more and some of the questions are self-structured to cover the diversity of research problems. The questionnaire consists of two main parts, first part is about the personal information such as Name, Gender, Age group so that we can impact on different Genders or Age Groups and the second part consists of the questionnaire w.r.t. Likert scale which is mentioned below.

6.4 Scale Used

A five point Likert scale is a psychometric scale commonly involved in research that employs questionnaires. It is the most widely used approach to scaling responses in survey research, such that the term is often used interchangeably with rating scale, or more accurately the likert-type scale, even though the two are not synonymous. The scale is named after its inventor, psychologist Rensis Likert.

6.5 Profile of Sampling

The survey was conducted in METRO- Cash & Carry, Ludhiana and the questionnaire was filled with different demographics like age, gender and occupation. As we can see, total numbers of people were 88. Out of them 29 were female with a percentage of 33 per cent and the total number of male were 59 i.e. 67 per cent of all.

Table 5.1: Age of the sample

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 20-25	53	60.2	60.2	60.2
26-30	9	10.2	10.2	70.5
31-35	7	8.0	8.0	78.4
36-40	9	10.2	10.2	88.6
41 & above	10	11.4	11.4	100.0
Total	88	100.0	100.0	

As we can see, the total number of respondents was 88. In these, those between the age group of 20-25 years was 53 i.e. 60.2 per cent of the total respondents. Those between the age group of 26-30 was 9 respondents i.e. 10.2 per cent of the total, those between 31-35 years were 7 in number i.e. 8 per cent of the total respondents, between age group of 36-40 years were 9 i.e. 10.2 per cent of the total and the last of 41 & above age groups were 10 i.e. 11.4 per cent of the total.

SEX

Table 5.2: Gender of the Sample

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	female	29	33	33	33
	male	59	67	67	100
	Total	88	100	100	

Statistical Techniques Used
To arrive at certain conclusions regarding the hypothesis framed in the present investigation, the following statistical tools for the analysis of data were employed:

Correlation – In order to know whether the dimensions of the scale have a positive or negative relation with the attitude of customer towards online shopping, correlation was used.

Occupation

Table 5.3: Occupation of People

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Student	62	70.5	70.5	70.5
Private jobs	10	11.4	11.4	81.8
Government jobs	16	18.2	18.2	100.0
Total	88	100.0	100.0	

There were three categories of occupation- Student, People in Private Jobs and People in Government Jobs. Out of the total people, 62 were students i.e. 70.5 per cent, 11.4 per cent of people i.e. 10 of the whole were doing private jobs. The last category was of Government Jobs which had 18.2 per cent i.e. 16 people in all.

The responses that were obtained in the excel sheet were finally transported to SPSS tool to further analyze and correlate the different variables.

H01: The concept of Retail Service Quality is positively correlated with dimensions- physical ability, reliability, personal interaction, problem solving and reliability.

The hypothesis was tested keeping in account the responses we got from 88 respondents with respect to seven questions from all the dimensions:
a. Are you convinced with fact that the store has modern-looking equipment and fixtures?
b. Do you believe that the store and its physical facilities (trial rooms) are usually attractive?
c. With the store layout established, is it easier for you to find things?
d. Are you convinced that store provides you the service at the right promised time?
e. Do you feel the store has operating hours convenient to all their customers?
f. Do you agree with the fact that the behaviour of employees in this store instils confidence in customers?
g. Do you feel that when customer has a problem, the store shows an interest in solving it?

Table 5.4: Correlation matrix

		APPEARANCE [Are you convinced with the fact that the store has modern-looking equipment and fixtures?]	APPEARANCE [Do you believe that the store and its physical facilities (trial rooms) are visually attractive?]	CONVENIENCE [With the store layout established, is it easier for you to find things?]	PERSONAL INTERACTION [Do you 4 with the fact that the behavior of employees instils confidence?]	PROBLEM SOLVING [Do you feel that when customer has a problem, the store shows a sincere interest in solving it?]	POLICY [Do you feel the store has operating hours convenient to all their customers?]	RELIABILITY [Are you convinced that store provides you the service at the right promised time?]
APPEARANCE [Are you convinced with the fact that the store has modern-looking equipment and fixtures?]	Pearson Correlation	1	.685**	.591**	.540**	.452**	.435**	.608**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
	N	88	88	88	88	88	88	88
APPEARANCE [Do you believe that the store and its physical facilities (trial rooms) are visually attractive?]	Pearson Correlation	.685**	1	.473**	.550**	.527**	.768**	.753**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	88	88	88	88	88	88	88
CONVENIENCE [With the store layout established, is it easier for you to find things?]	Pearson Correlation	.591**	.473**	1	.698**	.382**	.286**	.475**
	Sig. (2-tailed)	.000	.000		.000	.000	.007	.000
	N	88	88	88	88	88	88	88
PERSONAL INTERACTION [Do you 4 with the fact that the behavior of employees in this store instils confidence in customers?]	Pearson Correlation	.540**	.550**	.698**	1	.244*	.380**	.599**
	Sig. (2-tailed)	.000	.000	.000		.022	.000	.000
	N	88	88	88	88	88	88	88
PROBLEM SOLVING [Do you feel that when customer has a problem, the store shows a sincere interest in solving it?]	Pearson Correlation	.452**	.527**	.382**	.244*	1	.584**	.722**
	Sig. (2-tailed)	.000	.000	.000	.022		.000	.000
	N	88	88	88	88	88	88	88
POLICY [Do you feel the store has operating hours convenient to all their customers?]	Pearson Correlation	.435**	.768**	.286**	.380**	.584**	1	.843**
	Sig. (2-tailed)	.000	.000	.007	.000	.000		.000
	N	88	88	88	88	88	88	88
RELIABILITY [Are you convinced that store provides you the service at the right promised time?]	Pearson Correlation	.608**	.753**	.475**	.599**	.722**	.843**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	88	88	88	88	88	88	88

**.Correlation is significant at the 0.01 level (2-tailed).
*.correlation is significant at the 0.05 level (2-tailed).
Table 5.4 provides correlation coefficient for 7 variables. Underneath each correlation coefficient both the significance value of correlation and the sample size (88) is displayed. Each variable is perfectly correlated with itself and so r=1 along the diagonal table. 'Retail Service Quality is positively correlated with all the five Dimensions with a Pearson Correlation Coefficient of r = 1, r= .685, r= .591, r= .540, r= .452, r= .435 and r= .608.
The significance value tells us that probability of this correlation being false is very low.

Table 5.5: Correlation Matrix

		APPEARANCE [Are you convinced with the fact that the store has modern-looking equipment and fixtures?]	APPEARANCE [Do you believe that the store and its physical facilities (trial rooms) are visually attractive?]	APPEARANCE [Do you find that the store services (shopping bags, loyalty cards and catalogs) appeal to you?]	APPEARANCE [Are you satisfied with the fact that store is clean, attractive and has convenient physical facilities?]	CONVENIENCE [With the store layout established, is it easier for you to find things?]	CONVENIENCE [Do you find easier with the given store layout to move around in the store?]	CONVENIENCE [Do you find that store takes into consideration the convenience of customer?]
APPEARANCE [Are you convinced with the fact that the store has modern-looking equipment and fixtures?]	Pearson Correlation	1	.685**	.727**	.657**	.591**	.570**	.390**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
	N	88	88	88	88	88	88	88
APPEARANCE [Do you believe that the store and its physical facilities (trial rooms) are visually attractive?]	Pearson Correlation	.685**	1	.573**	.474**	.473**	.457**	.627**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	88	88	88	88	88	88	88
APPEARANCE [Do you find that the store services (shopping bags, loyalty cards and catalogs) appeal to you?]	Pearson Correlation	.727**	.573**	1	.774**	.654**	.663**	.625**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000
	N	88	88	88	88	88	88	88
APPEARANCE [Are you satisfied with the fact that store is clean, attractive and has convenient physical facilities?]	Pearson Correlation	.657**	.474**	.774**	1	.611**	.793**	.489**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	88	88	88	88	88	88	88
CONVENIENCE [With the store layout established, is it easier for you to find things?]	Pearson Correlation	.591**	.473**	.654**	.611**	1	.761**	.609**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000
	N	88	88	88	88	88	88	88
CONVENIENCE [Do you find easier with the given store layout to move around in the store?]	Pearson Correlation	.570**	.457**	.663**	.793**	.761**	1	.645**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	88	88	88	88	88	88	88
CONVENIENCE [Do you find that store takes into consideration the convenience of customer?]	Pearson Correlation	.390**	.627**	.625**	.489**	.609**	.645**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	88	88	88	88	88	88	88

**. Correlation is significant at the .01 level (2-tailed).

Table provides correlation coefficient for 7 variables. Underneath each correlation coefficient both the significance value of correlation and the sample size (88) is displayed. Each variable is perfectly correlated with itself and so r=1 along the diagonal table. 'Retail Service Quality is positively correlated with all the five dimensions **with a Pearson Correlation Coefficient of r = 1, r= .685, r= .727, r= .657, r= .591, r= .570 and r= .390**.

The significance value tells us that probability of this correlation being false is very low.

Table 5.6: T-test

This is the third hypothesis which is considered. In this we consider that **male and female differ significantly with regards to parameters of inspiring confidence and courteousness** in case of personal interaction in Retail Service Quality.

		t	df	Sig. (2-tailed)	remarks
PERSONAL INTERACTION [Do you think the employees in this store have the adequate knowledge to answer customers' questions?]	Equal variances assumed	2.407	86	.018	significant
	Equal variances not assumed	2.971	85.963	.004	
PERSONAL INTERACTION [Are you convinced that customers feel safe with their transactions with this store?]	Equal variances assumed	.028	86	.008	
	Equal variances not assumed	.033	82.783	.003	
PERSONAL INTERACTION [Do you 4 with the fact that the behavior of employees in this store instills confidence in customers?]	Equal variances assumed	1.904	86	.000	
	Equal variances not assumed	1.954	59.755	.005	
PERSONAL INTERACTION [Do you 4 that customers get prompt service by the employees of the store?]	Equal variances assumed	.107	86	.015	
	Equal variances not assumed	.120	74.736	.005	
PERSONAL INTERACTION [Do you feel that the employees tell customers exactly when services will be performed?]	Equal variances assumed	-2.007	86	.048	
	Equal variances not assumed	-2.416	84.741	.018	
PERSONAL INTERACTION [Are you satisfied with the fact that the employees in the store are never too busy to respond to customers' requests?]	Equal variances assumed	.312	86	.036	
	Equal variances not assumed	.401	83.786	.189	
PERSONAL INTERACTION [Do you feel that employees give	Equal variances assumed	.846	86	.040	

customers individual attention?]	Equal variances not assumed	1.006	83.506	.031
PERSONAL INTERACTION [Are you in 4ment with the fact that employees in the store treat customer courteously on telephone?]	Equal variances assumed	-3.009	86	.003
	Equal variances not assumed	-4.305	58.000	.000
PERSONAL INTERACTION [Do you find the employees consistently courteous with customers?]	Equal variances assumed	-1.134	86	.026
	Equal variances not assumed	-1.479	81.832	.014

7. Limitations

1. The sample size of 88 is also a limiting factor; as the study must be conducted on a bigger sample size.
2. The results may vary from different Cash and Carry Stores in India.
3. The results may also vary among different age groups as the majority of the age group in the sample size of 88 was from 20-30 years of age.

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