

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.

H₀₁: Retail Service Quality is positively correlated with dimensions- **Physical Aspects, Reliability, Personal Interaction,**

6.1 Problem Solving and Policy.

H₀₂: There is a positive correlation between Convenience and Appearance.

H₀₃: 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:

- Are you convinced with fact that the store has modern-looking equipment and fixtures?
- Do you believe that the store and its physical facilities (trial rooms) are usually attractive?
- With the store layout established, is it easier for you to find things?
- Are you convinced that store provides you the service at the right promised time?
- Do you feel the store has operating hours convenient to all their customers?
- Do you agree with the fact that the behaviour of employees in this store instils confidence in customers?
- 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 instills confidence in customers?)	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 Sig. (2-tailed) N	1 .685** 88	.591** .000 88	.540** .000 88	.452** .000 88	.435** .000 88	.608** .000 88
APPEARANCE (Do you believe that the store and its physical facilities (trial rooms) are visually attractive?)	Pearson Correlation Sig. (2-tailed) N	.685** .000 88	1 .473** 88	.550** .000 88	.527** .000 88	.768** .000 88	.753** .000 88
CONVENIENCE (With the store layout established, is it easier for you to find things?)	Pearson Correlation Sig. (2-tailed) N	.591** .000 88	.473** .000 88	1 .698** 88	.382** .000 88	.286** .007 88	.475** .000 88
PERSONAL INTERACTION (Do you 4 with the fact that the behavior of employees in this store instills confidence in customers?)	Pearson Correlation Sig. (2-tailed) N	.540** .000 88	.550** .000 88	.698** .000 88	1 .244** 88	.380** .000 88	.599** .000 88
PROBLEM SOLVING (Do you feel that when customer has a problem, the store shows a sincere interest in solving it?)	Pearson Correlation Sig. (2-tailed) N	.452** .000 88	.527** .000 88	.382** .000 88	.244** .000 88	1 .584** 88	.722** .000 88
POLICY (Do you feel the store has operating hours convenient to all their customers?)	Pearson Correlation Sig. (2-tailed) N	.435** .000 88	.768** .000 88	.286** .007 88	.380** .000 88	.584** .000 88	1 .843** 88
RELIABILITY (Are you convinced that store provides you the service at the right promised time?)	Pearson Correlation Sig. (2-tailed) N	.608** .000 88	.753** .000 88	.475** .000 88	.599** .000 88	.843** .000 88	1 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 Sig. (2-tailed) N	.685** .000 88	.727** .000 88	.657** .000 88	.591** .000 88	.570** .000 88	.390** .000 88
APPEARANCE [Do you believe that the store and its physical facilities (trial rooms) are visually attractive?]	Pearson Correlation Sig. (2-tailed) N	.685** .000 88	1 .000 88	.573** .000 88	.474** .000 88	.473** .000 88	.457** .000 88
APPEARANCE [Do you find that the store services (shopping bags, loyalty cards and catalogs) appeal to you?]	Pearson Correlation Sig. (2-tailed) N	.727** .000 88	.573** .000 88	1 .000 88	.774** .000 88	.654** .000 88	.663** .000 88
APPEARANCE [Are you satisfied with the fact that store is clean, attractive and has convenient physical facilities?]	Pearson Correlation Sig. (2-tailed) N	.657** .000 88	.474** .000 88	.774** .000 88	1 .000 88	.611** .000 88	.793** .000 88
CONVENIENCE [With the store layout established, is it easier for you to find things?]	Pearson Correlation Sig. (2-tailed) N	.591** .000 88	.473** .000 88	.654** .000 88	.611** .000 88	1 .000 88	.761** .000 88
CONVENIENCE [Do you find easier with the given store layout to move around in the store?]	Pearson Correlation Sig. (2-tailed) N	.570** .000 88	.457** .000 88	.663** .000 88	.793** .000 88	.761** .000 88	1 .000 88
CONVENIENCE [Do you find that store takes into consideration the convenience of customer?]	Pearson Correlation Sig. (2-tailed) N	.390** .000 88	.627** .000 88	.625** .000 88	.489** .000 88	.609** .000 88	.645** .000 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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