A Study on Customer Satisfaction towards Departmental Stores in Salem District

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ABSTRACT
Customer satisfaction plays an important role in the formation of consumers future purchase intentions. Satisfied customers are the asset of any business concern. The purpose of this research is to find out the determinants of consumer satisfaction towards departmental stores, with samples from Salem district. Data was collected with a well structured questionnaire. The sample consists of 108 consumers who shop at departmental stores in Salem District. Factors analysis and Chi – Square test has been used for analyzing the data. The research can be extended in other areas of the state and comparative study can be undertaken by taking other organized retail formats.

Keywords: Departmental stores, customer satisfaction, Purchase intentions

1. INTRODUCTION

Today consumers like to see, touch and feel the products that they purchase. Gone are the days were the consumer went in search of materials form one shop to another. But in today's competitive world products are made available in one shop and one place. A customer buying a product may associate satisfaction on a number of parameters and the degree of satisfaction will depend upon the extent of which the brand scores on the parameters. A departmental store is a strategic place which pleases customer by giving him the choice of choosing all that he wants. The new retail formats that are now present in India have their genesis in Europe. Retailing is one of the fastest growing fields today in India with 40% contribution to GDP. Hence this study is undertaken do reveal the various factors influencing the customer satisfaction towards Departmental Stores.

2. REVIEW OF LITERATURE

U**. Dineshkumar and P.Vikkraman (2012), "Customers Satisfaction towards Organized Retail Outlets in Erode City"** The objectives of their study was to identify the determinants of customer satisfaction in the organized retail outlets and to study about the future prospects of organized retail outlets in the city. The major conclusion of the study was that most of them are satisfied with the quality of services, prices and product range of the goods provided by organized retail outlets. Satisfaction of consumers in retail services is an important criterion for a marketer to understand for further strategic decision. This study also reveals that the customers prefer organized retailing over unorganized retailing, due to which the organized retailing become a threat to the unorganized outlets.

Dr. S. Hariharan and N. Selvakumar (2014), "A Study on Customer Satisfaction towards Supermarkets With Reference to Coimbatore", This study focused on the scope of retailing in new business environment by assessing the respondents' demographic profile, their attitude and preference towards supermarkets in Coimbatore region. The suggested study that service of sales person must be improved and personal care should be taken by the sales person towards their customers.

Shilu Varghese et al (2019), "Assessment of Service Quality in an Organised Retail Store- A Case Study", This study explores the various service quality dimensions. The objective of this case study is to measure the service quality in the retail store and to find out the relationship between customer satisfaction and service quality dimensions. A questionnaire was developed and distributed to identify underlying dimensions of service quality and to assess consumers' perceptions of the importance of each of these dimensions. SERVQUAL technique was used to assess the dimensions of service quality. The results of the study revealed that expectation

of customers was higher than their perception under all five service quality dimensions. The results of the service quality analysis show that there is a gap between customer expectations and perceived quality under all five service quality dimensions. The study revealed that there is a positive correlation between customer satisfaction and service quality dimensions.

Abhishek Kumar et.al (2020), "A Measure of Service Quality in the Grocery Stores" The main purpose of this study is to increase the understanding of the perceived service quality of the customer within grocery retailing from an Indian perspective. A quantitative approach using Statistical Package for the Social Science (SPSS) is used, which caters to the exploratory nature of the work. Statistical techniques such as exploratory factor analysis, multiple regression, t-test and ANOVA have been used to test the hypotheses and answer the research questions. This research adds to the study on service quality in the grocery business of the global market by enriching the content of service quality dimensions applicable to the Indian grocery sector. Six key dimensions in the grocery sector have been identified. This will deepen the understanding of the explored factors of service quality, which can then be applied to the grocery stores.

Razaullah Khan, (2021), A Study of Changing Consumer Behaviour of Four Metro Cities in India during Covid-19 Pandemic, the author has studied on the fast and extensive spread of the Covid-19 pandemic has become a major distraction in the life of the people as well as in the buying pattern. The government is taking several efforts to control the spread of Covid-19. This paper studies the change in consumer behaviour on food habits and dietary patterns, health and hygiene; work patterns, social interactions based on key demographic factors like age and household income. After conducted an online survey the results confirm that COVID-19 impacted and changed the behaviour of city-based consumers based on their income level and age about concerning buying well-being products by using digital mode has increased promptly.

3. OBJECTIVES OF THE STUDY
❖ To identify the determinants of customer satisfaction towards the Departmental Stores in Salem city.

4. SCOPE OF THE STUDY
The study gives a broad frame work of the "customer satisfaction towards Departmental stores in Salem". The researcher covered the departmental stores in Salem. The study gives an idea of the areas which require emphasis and development. It has been conducted in Salem city covering all the areas with a sample size of 108 respondents all classes of customers were met and their views were analyzed.

5. STATEMENT OF THE PROBLEM
The retail industry's success depends on the performance of the market. The industry has to solicit the customers to achieve their goals. The shopping behaviour becomes an elemental part for retailing procedure. It is very crucial to realize the attitude and behaviour of the customer. Hence this study aims to reveal the customer satisfaction towards Departmental stores in Salem District.

6. RESEARCH METHODOLOGY
The main aim of this survey is to know the customer satisfaction towards departmental stores and key factors for customer satisfaction. As all the possible items are considered for research, the sampling method adopted is convenience sampling. Sample size taken in this study is 108 customers. The period of study is from January 2021 to March 2021. The collected data was carefully coded and tabulated in a systematic way. Further the data collected was classified, tabulated and analyzed using percentage analysis, Factor analysis and Chi – square Test.

6.1 Data Collection
Both primary and secondary data are collected for the present study.

The data required for the study had been collected both from the primary and the secondary sources. The former of which had been collected from the respondents in the area of study. The secondary data has been collected from Books, Journals, Magazines, Periodicals and reports.

6.2 Hypothesis
❖ There is no significant association between family income and money spends on purchase in Departmental Stores in Salem.

7. Statistical Analysis & Interpretation

7.1 Percentage analysis
Percentage is used in making comparison between two are more series of data. A represents the demographic profile of the respondents.

Table – 1 Demographic profile of the Respondents

S. No	Demographic Variables		No of the Respondents	Percentage	Total
1.	Gender	Male	46	42.6	108
		Female	62	57.4	
2.	Age	20 Years and below	17	15.7	108
		21 to 40 Years	48	44.4	
		41 to 60 Years	28	25.9	
		61 Years and above	15	13.9	
3.	Educational Qualification	Upto SSLC	14	13.0	108
		Upto HSC	16	14.8	
		UG	33	30.6	
		PG	31	28.7	
		Illiterate	14	13.0	
4.	Occupation	Business	31	28.7	108
		Private	21	19.4	
		Government	19	17.6	
		Others	37	34.3	
5.	Family Income	Rs. 20,000 and below	17	15.7	108
		Rs. 20,001- Rs. 40,000	36	33.3	
		Rs. 40,001- Rs. 60,000	31	28.7	
		Rs. 60,001 and above	24	22.7	
6.	Family Size	1 Member	8	7.4	108
		2 Members	25	23.1	
		3 Members	38	35.2	
		4 Members and Above	37	34.3	
7.	Money spent on purchase	Rs. 2000 and below	44	40.7	108
		Rs. 2001 to Rs. 4000	26	24.1	
		Rs. 4001 to Rs. 6000	18	16.7	
		Rs. 6001 and above	20	18.5	
8.	Frequency of shopping	Once a Week	26	24.1	108
		Once a month	44	40.7	
		Once a Two Month	29	26.9	
		Other	9	8.3	

Source: primary Data

Interpretation

The above table reveals that 57.4% of the respondents are female, 44.4% of the respondents belong to 21 to 40 years, 30.6% of the respondents come under UG category, 34. 3% of the respondents occupation belong to category others, 33.3% of the respondents family income is Rs. 20,001 – Rs. 40,000, 35.2% of the respondents family size income is 3 members, 40.7% of the respondents are Rs. 2000 and below and 40.7% of the respondents visit the store once a month.

7.2 Factors Analysis with Regard to Customer satisfaction

Factors analysis is a technique that is used to reduce a large number of variables into fewer numbers of factors. Factors analysis extracts maximum common variance from all variables and puts them into a common score.

Table – 2 Kmo and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.445
Bartlett's Test of Sphericity	Approx. Chi-Square	142.273
	Df	45
	Sig.	0.000

From the above table it is found that the value of KMO is 0.45 which is greater than 0.05 which indicates that a factors analysis is useful for the present data. The significant value for Bartlett's Test of Sphericity is 0.000 and is less than 0.05 which indicates that there exists significant relationship among the variables. The resultant value of KMO and Bartlett's test indicate that the present data is useful for Factors analysis in Departmental stores.

Table – 3 Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.13	21.27	21.27	2.12	21.27	21.27	1.73	17.31	17.31
2	1.48	14.77	36.05	1.48	14.77	36.05	1.64	16.38	33.69
3	1.21	12.14	48.18	1.21	12.14	48.18	1.36	13.56	47.25
4	1.11	11.12	59.31	1.11	11.13	59.31	1.21	12.05	59.31
5	0.97	9.70	69.01						
6	0.87	8.66	77.68						
7	0.82	8.17	85.85						
8	0.73	7.30	93.15						
9	0.377	3.77	96.92						
10	0.308	3.08	100.00						

The rule of thumb is applied to choose the number of factors which 'Eigen Values' with greater than unity is taken by using principal component Analysis method. The component matrix so framed is further rotated orthogonally using Varimax rotation algorithm which is the standard rotation method. All the statement is loaded on the four factors.

Table – 4 Rotated Component Matrix

S. No	Components	Factor 1	Factor 2	Factor 3	Factor 4
1.	Staffs of the departmental store are friendly and curtious	0.75			
2.	Reward points are added virtually	0.66			
3.	Reasonable Price	-0.59	0.46		
4.	Attractive Offers & discounts		0.83		
5.	Product quality is good		0.47		
6.	Good shopping Experience			0.84	
7.	Easy Accessibility	0.45		-0.59	
8.	Convenient to shop		0.44	0.48	
9.	Store provides home delivery				0.90
10.	Adequate varieties are available				-0.57

a. Rotation converged in 6 iterations.

The total variance accounted for, by all the four factors with Eigen Value greater than 1 is 59.307 percent and the remaining variance is explained by other variables. Among the four factors, the first factor accounts for around 10 percent of variance which is the prime criteria considered by any customer while choosing the particular departmental stores.

The statements are converted into 4 factors using factors analysis. The following four statements are converted into a single factor.

Factor: 1

1. Staffs of the departmental store are friendly and curtious

2. Reward points are added virtually

3. Reasonable Price

4. Easy Accessibility

Factor: 2
The following 2 statements are converted into a single factor.

1. Attractive Offers & discounts

2. Product quality is good

Factor: 3
The following 2 statements are converted into a single factor.

1. Good shopping Experience

2. Convenient to shop

Factor: 4
The following 2 statements are converted into a single factor.

1. Store provides home delivery

2. Adequate varieties are available.

7.3 Chi Square Test
This is an important test amongst the several tests of significance. It is used in the context of sampling analysis for comparing a variance to a theoretical variance.

Ho: There is no significant association between family income and money spending limit in Departmental Stores in Salem.

H1: There is a significant association between family income and money spending limit in Departmental Stores in Salem.

Table – 5 Money Spent on Purchase based on Family income

Money spend on Purchase	Monthly Income	Chi square value	P value	H0 Accepted/ Rejected
Money spent on Purchase	Rs. 20,000 and below	9.18	0.38	Accepted
	Rs. 20,001- Rs. 40,000			
	Rs. 40,001- Rs. 60,000			
	Rs. 60,001 and above			

Source: Primary Data

Interpretation
From the above table it is understood that the family income and money spend on purchase in the store are not significantly associated since the p value is more than 0.05%.

8. LIMITATIONS OF THE STUDY
❖ In order to complete the study within the time frame, the number of respondents had been restricted to 108.

❖ The study was geographically restricted to Salem city only.

❖ Many of the respondents may not give the correct information due to personal bias.

9. FINDINGS & SUGGESTIONS

9.1 Findings from percentage analysis
❖ It is concluded that Majority (57.4%) of the respondents are Male.

❖ 44.4% of the respondents belong to the category of 21 to 40 years age group.

❖ Majority of the customers are (30.6 %) respondents have completed UG level.

❖ Majority (34.3%) of the respondent's occupation belong to others category.

❖ Majority (33.3%) of the respondents are earning monthly income of Rs. 20,001 – Rs.40, 000.

❖ Majority (35.2%) of the respondent's family size has 3 Members.

❖ Majority (40.7%) of the respondents have spent money Rs. 2000 and below on their purchase..

❖ Majority (40.7%) of the respondents usually visit the store once in a month.

9.1 Result from Factor Analysis
The total variance accounted for, by all the four factors with Eigen Value greater than 1 is 59.307 percent and

the remaining variance is explained by other variables. Among the four factors, the first factor accounts for around 10 percent of variance which is the prime criteria considered by any customer while choosing the particular departmental stores.

9.3 Results from Chi Square test

There is no significant association between family income and money spending limit in Departmental Stores in Salem.

10. CONCLUSION

Customer satisfaction is key area to be focused by the retail sector, particularly the departmental stores. The study reveals that, if not all the factors, at least the factors derived out of factors analysis are to be enhanced immediately to satisfy the customers shopping in the stores. From the inferences, of the results of analysis, it is concluded that satisfaction level of the customers towards the six factors extracted through factor analysis is significantly influenced by the departmental stores.

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