



## A Study on Customer Satisfaction towards Food Bazaar in Bangalore

<sup>1</sup>Dr. Duggani Yuvaraju (Pdf-Scholar), <sup>2</sup>Dr.Duggani Subramanyam (Pdf-Scholar) & <sup>1</sup>Prof. S. Durga Rao

<sup>1</sup>Dept of Management Studies, S.V.University, Tirupati, Andhra Pradesh-517502

<sup>2</sup>Dept of Economics, S.V.University, Tirupati, Andhra Pradesh-517502

### Abstract

Customer satisfaction is a feeling of pleasure or disappointment resulting from comparing a products perceived performance or outcome in relation to his or her expectations. In our survey, we have taken convenience sampling method to collect the primary data. Here we have taken 110 samples, from that, 50% of the customers responded that the range of products is good. 52.72% of the customers responded that the quality of products is average. 44.54% of the customers are dissatisfied towards the offers. 56.36% of the customers are highly dissatisfied towards the speed of the cashier at the billing process. 75.45% of the customers responded that they are not satisfied with the parking facility. By chi-square test, it is proved that the overall satisfaction of the customers of food bazaar is independent of their gender.

### Introduction

Customer satisfaction is a feeling of pleasure or disappointment resulting from comparing products perceived performance or outcome in relation to his or her expectations. So, satisfaction is a function of perceived performance and expectations. The performance faults short of expectation, the customers are dissatisfied. The performance is matches the expectation, the customer is satisfied. The performance exceeds expectation the customer is highly satisfied or delighted. Customer satisfaction research identifies how well an organization is performing from the customer's viewpoint. It allows any organization to understand how their customers are with the level of service they are providing at any point in time, and to track how satisfaction levels change over time. It does not investigate the reasons or reality behind the customer satisfaction, unlike service evaluation research but still provides extremely valuable information – such as highlighting an area where service needs improving. Customer satisfaction, by nature, is dependent on an individual's expectations and previous experience of service. In order get the most out of the research for your organization, it is best for a customer satisfaction research project to link to your organization's service standards (whether formal or informal). For example, there may be a service standard which states that all customers should be given an appointment within two weeks of making a request. It would be relatively easy to ascertain whether this standard was being met in practice. But customers' satisfaction with how quickly they receive an appointment would need to be tested through direct research with customers.

According to kotler, "retailing includes all the activities involved in selling goods or services to the final consumers for personal, non business use".

Retail consists of the sale of goods or merchandise from a fixed location, such as a department store, boutique or kiosk, or by mail, in small or individual lots for direct consumption by the purchaser. Retailing may include subordinated services, such as delivery. Purchasers may be individuals or businesses. In commerce, a "retailer" buys goods or products in large quantities from manufacturers or importers, either directly or through a wholesaler, and then sells smaller quantities to the end-user. Retail establishments are often called shops or stores. Retailers are at the end of the supply chain. Manufacturing marketers see the process of retailing as a necessary part of their overall distribution strategy. The term "retailer" is also applied where a service provider services the needs of a large number of individuals. Manufacturer → distributor → wholesaler → retailer → end customer.

### Retail Industry in India

Retail is India's largest industry. It accounts for over 10 per cent of the India's gdp and around 8 per cent of the employment. Retail sector is one of India's fastest growing sectors with a 5 per cent compounded annual growth rate. India's huge middle class base and its untapped retail industry are key attractions for global retail giants planning to enter newer markets. Driven by changing lifestyles, strong income growth and favorable demographic patterns, Indian retail is expected to grow 25 per cent annually. It is expected that retail in India could be worth us\$ 175-200 billion by 2016. The retail industry is divided into organized and unorganized sectors. Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed hypermarkets and retail chains, and also the privately owned large retail businesses. Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retailing, for example, the local kirana shops, owner manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors, etc. The organized retail industry in India had not evolved till the early 1990s. Until then, the industry was dominated by the un-organized sector. It was a seller's market, with a limited number of brands, and little choice available to customers. Lack of trained manpower, tax laws and government regulations all discouraged the growth of organized retailing in India during that period. Lack of consumer awareness and restrictions over entry of foreign players into the sector also contributed to the delay in the growth of organized retailing. Foundation for organized retail in India was laid by kishore biyani of pantaloon retails India limited (pril). Following pantaloon's successful venture a host of Indian business giants such as reliance, bharti, Birla and others are now entering into retail sector

### **Growth factors in Indian organized retail sector**

The growth factors in Indian organized sector are various but it is mainly due to the fact that India's economy is booming. Also, the rise in the working population which is young, pay- packets which are hefty, more nuclear families in urban areas, rise in the number of women working, more disposable income and customer aspiration, western influences and growth in expenditure for luxury items. All these are the factors for the growth in Indian organized retail sector. The factors for growth in Indian organized retail sector are many and that the reason behind its massive growth. But for this to continue both the Indian retailers and the government will have to work together.

### **Opportunities in Indian organized retail sector**

The opportunities in Indian organized retail sector are many for this sector is witnessing a boom. The retail industry in India amounted to us\$ 200 billion in 2006, and out of this amount the Indian organized retail sector amounted to us\$ 6.4 billion. The opportunities in India organized retail sector can be judged from the fact that by 2010 it is expected. The various opportunities in the organized retail sector in India are mainly there for the Indian consumers behavior pattern has changed. Now the Indian consumer gets more hefty pay- packages, is younger, a large number of women are working, western influences, and more disposable income have opened a lot of opportunities in Indian organized retail sector. The Indian consumer wants to shop, eat and get entertainment in one place and is have also given Indian organized retail sector an opportunity to grow. The Indian government in 2005 allowed foreign direct investment (fdi) in single brand retail to 51%. This has opened up a lot of opportunities in India organized retail sector. In fact 325 departmental stores, 300 new malls, and 1500 supermarkets are being built which shows the tremendous opportunities in the organized retail sector in India. Many Indian companies seeing the various opportunities in organized retail sector in India have entered it. Pantaloons have decided to increase its retail space to 30 million square feet with an investment of us\$ 1 billion. Reliance industries limited is targeting for annual sales of us\$ 25 billion by 2011. It is planning to invest us\$ 6 billion in order to open 1,500 supermarkets and 1000 hypermarkets. Bharti telecoms is planning a joint venture with Telco a global retail giant worth 750 million. The opportunities in the organized retail sector in India have also increased with the desire of many global retail giants to set up shop here. The global retail giants who are entering the Indian organized retail sector are-Tesco, wal- mart, and metro age and Carrefour saw the opportunities in Indian organized retail sector are varied and it must be fully exploited by the Indian retailers.

### **Review of Literature**

The social identity theory proposed that attitudes are moderated by demographic, situational, environmental, and psychosocial factors (haslam et al., 1993; Jackson et al., 1996; platow et al., 1997). According to the social psychological theories, consumers' evaluations are moderated, or in some cases mediated, by personal feelings of equity in the exchange, disconfirmation between desires and outcomes, individual preferences, social comparisons, and other complex phenomena. These theories strongly suggest that differences in these phenomena among consumers influence their attitudes (Williams et al., 1998). Several empirical findings that have shown the relationship between demographic variables and satisfaction include:

Bryant et al. (1996) conducted a study on 400 companies using the American customer satisfaction index (acsi) and demonstrated that there is significant relationship and consistent differences in the levels of satisfaction among demographic groups: sex – positively related to satisfaction and female customers are more satisfied than the male customers. Female of all ages are more satisfied than the male. Women are more involved with the process of purchase and possibly use the mobile phone more for relational purposes (social network device) while men use it for functional purposes (businesses, sales, etc). Age – positively related to satisfaction but the relationship is not a straight line. Satisfaction increases with age. The major increase in satisfaction is seen within the age 55 and over. Income – the higher the income, the lower the satisfaction level. Location (type of area) – positively related to satisfaction. Customers living within metropolitan areas (central city and suburban areas) are less satisfied than those customers in non-metropolitan areas.

Palvia and palvia (1999) found out that age is a significant determinant of satisfaction with information technology industry. Oyewole (2001) in his research on customer satisfaction with airline services reported also that gender, occupation, education, and marital status have significant influence on customer satisfaction, while age and household income had no significant influence. Homburg and giering (2001) conducted a study on German car manufacturers using lisrel notation and demonstrated that it is important to study demographic variables as determinants of customer behaviors. The results of their study showed that gender has significant moderating effect on satisfaction- loyalty relationship. Women are satisfied with sales process while men are satisfied with the impact of the product. Age showed a positive moderating effect and income had moderating influence with high income showing weaker effect and low income, high effect. Jessie and Sheila (2001) in their empirical work on patients' assessment of satisfaction and quality using factor analysis and regression, reported that age, beneficiary group, location, rank, service affiliation, education, marital status, race, gender, health status and number of visits (socio demographic variables) have minimal influence on satisfaction.

Ahmad and kamal (2002) conducted a study on a commercial bank using a stepwise regression and demonstrated that there is negative significance between age and satisfaction. When age goes up, satisfaction levels are likely to go down. However, occupation and income levels are positively related to satisfaction. Lighter (2003) in his study on online experience using regression expressed that age is an important factor in determining satisfaction levels and technology perceptions. Vanamburg (2004) conducted a study on 200 companies using the American customer satisfaction index (acsi) and demonstrated that age has a significant effect on satisfaction. Younger age groups are less satisfied than older age groups across all products and services industries.

Venn and fone (2005) conducted a study on patient satisfaction with general practitioner services in Wales using logistic regression and reported that satisfaction varied with age, gender, employment status, and marital status. The

results obtained indicated that higher satisfaction is significantly related with increasing age, female gender, unemployed (those at home, disabled and retired), and married patients. However, unemployed - students and those seeking work, reported lower satisfaction.

Turel and serenko (2006) in their study on customer satisfaction with mobile services in Canada using acsi reported that age has a significant influence on customer satisfaction and lower satisfaction level is found among young adults.

### Objectives of the Study

To measure the customer satisfaction levels towards food bazaar.

To provide appropriate suggestions for the further improvement of food bazaar.

### Limitations of the Study

The study was geographically restricted to Bangalore only. We have taken 110 samples, which was not sufficient to measure the customer's response effectively. Many of the respondents may not give the correct information due to personal bias.

### Methodology

A research design is considered as the framework or plan for a study that guides as well as helps the data collection and analysis of data. The research design will be experimental for the study. The data will be collected from both primary and secondary sources. The primary source of data will respondents concerned and collected by using a predefined questionnaire.

### Data Sources

The researcher will gather both secondary data and primary data.

Secondary data the secondary data will be collected from the reports of reserve bank of India, articles, journals from Indian management, journals of services marketing,, journals of marketing, journals business reviews, journals of the academic of marketing science, journals of marketing research , journals of retailing, and south Asian journal of marketing, newspapers and websites.

**Primary data** the primary data will be collected from customers through a well structured questionnaire.

**Research approach:** Primary data can be collected in surveys method.

**Research instrument:** Research instrument in collecting primary data is questionnaire.

**Sampling design:** The study is based on both primary and secondary data.

**Sampling units:** Customers of food bazaar.

**Sample size:** Sample size is 110

**Sampling procedure:** Convenience sampling method will be used for collection of primary data.

**Contact method:** Personal interview

**Analytical tools:** Chi-square test, percentage analysis

### Data Analysis and Interpretation

#### *Gender of respondents*

**Interpretation:** out of 110 respondents, 47.27% were male respondents and remaining 52.73% were female respondents.

<i>Gender</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Male	52	47.27%
Female	58	52.73%
Total	110	100%

#### *Customer's response on ambience of food bazaar*

<i>Ambience</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very good	37	33.64%
Good	49	44.55%
Average	24	21.81%
Poor	0	0%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 33.64% of respondents responded that the ambience of the store was very good, 44.55% responded as good and remaining 21.81% of the respondents responded that the ambience of the store was average.

*Customer's response on range of products at food bazaar*

<i>Range</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very good	24	21.82%
Good	55	50.00%
Average	22	20.00%
Poor	9	8.18%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 65.45% of respondents responded that the prices of products were medium. 29.9% responded as low, 10% responded as high and rest of 3.64% responded as very high.

*Customer's response on quality of products at food bazaar*

<i>Quality of products</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very good	43	39.09%
Good	59	53.64%
Average	8	7.27%
Poor	0	0%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 53.64% of respondents responded that the quality of products was good, 39.09% responded as very good and remaining 7.27% responded as average.

*Customer's response on quality of fruits & vegetables at food bazaar*

<i>Quality</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very good	5	5%
Good	18	16.36%
Average	58	52.74%
Poor	29	26.36%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 52.74% of respondents responded that the quality of fruits and vegetables was average, 26.36% responded as poor, 16.36% responded as good and remaining 5% responded as very good.

*Customer's response on availability of products at food bazaar*

<i>Availability</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very high	32	29.09%
High	64	58.18%
Medium	10	9.09%
Low	4	3.64%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 44.54% of the respondents approached were dissatisfied with the offers at the food bazaar. 29.1% responded as highly dissatisfied, 19.09% responded as satisfied and remaining 7.27% responded as highly satisfied with the offers.

*Customer's response on customer service at food bazaar*

<i>Customer service</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very good	52	47.27%
Good	35	31.82%
Average	20	18.18%
Poor	3	2.73%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 47.27% of the respondents responded that the customer service at food bazaar was very good, 31.82% responded as good, 18.18% responded as average and remaining 2.73% responded as poor.

**Customer's response on cashier interaction at food bazaar**

<i>Cashier interaction</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very good	38	34.55%
Good	50	45.45%
Average	15	13.64%
Poor	7	6.36%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 56.36% of the respondents approached were highly dissatisfied with the cashier speed at the food bazaar. 25.45% were dissatisfied, 14.56% were satisfied and remaining 3.63% were highly satisfied with the cashier speed.

**Customer's response on home delivery at food bazaar**

<i>Home delivery</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very good	9	8.18%
Good	31	28.18%
Average	54	49.09%
Poor	16	14.55%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 49.09% of the respondents responded that the home delivery of products was average, 28.18% responded as good, 14.55% responded as poor and remaining 8.18% responded as very good.

**Customer's response on parking facility at food bazaar**

<i>Parking facility</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Yes	27	24.55%
No	83	75.45%
Total	110	100%

**Interpretation:** according to my study, out of 110 respondents 75.45% of the respondents were dissatisfied with parking facility and the rest of 24.55% were satisfied.

**Customer's response on customer feedback at food bazaar**

<i>Customer feedback</i>	<i>No. Of respondents</i>	<i>Percentage</i>
Very good	32	29.09%
Good	67	61%
Average	8	7.28%
Poor	3	2.72%
Total	110	100%

**Interpretation:** according to my survey, out of 110 respondents, 61% of the respondents responded that customer feedback was good at food bazaar, 29.09% responded as very good, 7.28% responded as average and remaining 2.72% responded as poor.

**Chi-square test****Null hypothesis:**

The overall satisfaction of the customers of food bazaar is independent of their genders.

**Observed frequency**

<i>Satisfaction Level</i> <i>Gender</i>	<i>Very good</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>	<i>Total</i>
Female	14	12	23	19	68
Male	12	9	11	10	42
Total	26	21	34	29	110

*Expected frequency*

<i>Satisfaction Level</i> <i>Gender</i>	<i>Very good</i>	<i>Good</i>	<i>Average</i>	<i>Poor</i>	<i>Total</i>
Female	16	13	21	18	68
Male	10	8	13	11	42
Total	26	21	34	29	110

*Calculation of chi-square*

<b>Observed (o)</b>	<b>Expected (e)</b>	<b>(o-e)</b>	<b>(o-e)<sup>2</sup></b>	<b>(o-e)<sup>2</sup>/e</b>
14	16	-2	4	0.25
12	13	-1	1	0.77
23	21	2	4	0.19
19	18	1	1	0.05
12	10	2	4	0.4
9	8	1	1	0.125
11	13	-2	4	0.31
10	11	-1	1	0.09
			<b>Sum</b>	<b>2.185</b>

Degrees of freedom = (r-1)(c-1), = (2-1)(4-1), = 3

Level of significance = 5%

**Chi-square  $\chi^2 = \sum (o-e)^2/e, = 2.185$**

The calculated value is 2.185. The chi-square table value at 5% significance level is 7.81.

**Interference:** the calculated value is less than the table value. Hence, the null hypothesis is accepted. Thus, the overall satisfaction of the customers of food bazaar is independent of their gender.

**Findings**

- From the sample size of 110, 50% of the customers responded that the range of products is good.
- It was found that 52.72% of the customers responded that the quality of products is average.
- It was found that 44.54% of the customers are dissatisfied towards the offers.
- It was found that 56.36% of the customers are highly dissatisfied towards the speed of the cashier at the billing process.
- It was found that 75.45% of the customers responded that they are not satisfied with the parking facility.
- By chi-square test, it is proved that the overall satisfaction of the customers of food bazaar is independent of their gender

**Suggestions**

- The quality of fruits and vegetables should be improved, as majority of the customers are dissatisfied.
- The stock outs should be reduced to retain the customers.
- All the cash counters should be opened at all the time, as majority of the customers are highly dissatisfied with the billing process.
- As the majority of customers are dissatisfied with the parking facility, the parking bill exemption should be given to the customers based on the amount of purchase.

**Conclusion**

In the ending note of my research study I am confident to say that the study gave me the opportunity for analyzing the customer satisfaction of food bazaar, which is one of the retail formats of future group. This particular study helped me a lot to prepare a questionnaire with a clear cut objective. The study is indented to get the response from food bazaar's customers and how the customers are satisfied with the product and its services. After analyzing and interpretation I came forward with some precise suggestions and recommendations which if implemented by the organization helps them to strengthen their position in the retail industry? The study has given me a lot of exposures like meeting various people, and I have understood how a research study is to be conducted and prepare a comprehensive report so on and so forth.

**References**

1. Philip kotler (1999), 13<sup>th</sup> edition "marketing management" prentice all India ltd., New Delhi.
2. Donald r. Cooper, Pamela s. Schindler (2006) 9<sup>th</sup> edition, "business research methods" Tata McGraw hill education private limited, new Delhi.
3. S.p.gupta (1999) 2<sup>nd</sup> edition, "statistical methods" sultan chand & company limited – New Delhi.
4. [Www.futuregroup.in](http://www.futuregroup.in)
5. Vanamburg, d. (2004) - personal communication regarding the acsi scores for Canadian wireless service providers, September 30. Ann arbor, mi, usa.

6. 98. Palvia, p. C., & palvia, s. C. (1999) - an examination of the it satisfaction of small-business users. *Information & management*, 35(3), 127–137.
7. Bryant, B.E., and cha, j., 1996 – crossing the threshold, *marketing research*, Chicago, winter, vol. 8, iss. 4, pg. 20, 9 pgs.
8. Haslam, s.a., mcgarty, c., oakes, p.j. And turner, j.c. (1993), "social comparative context and illusory correlation: testing between in group bias and social identity models of stereotype formation", *Australian journal of psychology*, vol. 45, pp. 97-101.
9. Jackson, L.A., Sullivan, L.A., harnish, r. And Hodge, c.n. (1996)-"achieving positive social identity: social mobility, social creativity, and permeability of group boundaries", *journal of personality and social psychology*, vol. 70, pp. 241-54.
10. Platow, m. J., Harley, k., hunter, j. And banning, p. (1997) - "interpreting in-group-favouring allocations in the minimal group paradigm", *British journal of social psychology*, vol. 36, pp. 107-17.
11. Oyewole, p., 2001- consumer's socio-demographic characteristics and satisfaction with services in the airline industry, *services marketing quarterly*, Binghamton, vol.23, iss. 2, pg.61.