CUSTOMERS PERCEPTION TOWARDS RETAIL SECTOR

Dr. Lilesh Gautam

Post Doctoral Fellow, SOS in Management, Jiwaji University, Gwalior
E-mail: lileshgautam1983@gmail.com

Abstract
Retail was derived from French word retailer, which refers to cutting off, clip and divide. It incorporates each deal to last buyer. The main purpose of this study is to explore the various variables of customer's perception towards retail sector. To identify sample of the research convenient sampling technique was used. The population for the study was included all the five districts of Gwalior division of the Madhya Pradesh. Sample size was 200 respondents of Gwalior division. Structured questionnaire was used to gather data. Collected data was analysed with the help of SPSS software. To explore the factors of the study exploratory factor analysis was applied.

Keywords--Retail, Customer, Perception, Satisfaction, Retailing.

INTRODUCTION
Retailing in all the activities remembered for offering products or services to the definitive consumers for personal, non-business use. Organized retailing refers to trading activities undertaken by licensed retailers. These include the retail chains, departmental store, discount stores and factory outlets.

Perception
Perception is the method of attaining awareness or understanding of sensory information. It is a mental process by which consumers derives certain implication to what has been detected by different sensory organs. It clarifies how a individual perceives, chooses, organizes and interprets each stimulus based on his/her needs, values and desires. It portrays how we see our general surroundings.

REVIEW OF LITERATURE
Parasuraman et al. (1980) construct a model of service quality in research. He evaluated ten criteria as "service quality determinants". Afterward it is streamlined into five measurements Tangibility, Reliability, Responsiveness, Assurance and Empathy.

Chattopadhyay et al. (2010), in his investigation called attention to that how the rising economies and quickly developing markets, for example, India has brought about the change of the retail segment in India.

India is also home to the largest number of Small Traditional Stores (STS) in the world. The exploration likewise shows that even within the sight of huge retail location in the metro urban areas clients; stay faithful to the local stores.

Santhiyavalli, G. (2011), examined the customer's recognition for service quality in branches of SBI to discover out major determinants of satisfaction. In this research, SERQUAL Model have been used and concluded five estimations Reliability, Responsiveness, Empathy and Tangibility.

Gupta and Tandon (2013), in his examination brought up different components that are significant for the customers in Jammu city. Essential objective was to recognize the issues looked by the buyers with organized and unorganized retailers. One of the critical results from the study was that 86.67% of the respondents go to unorganized retail outlets.

THEORETICAL FRAMEWORK
Vaishali Agarwal(2008), explore the components significant for consumer satisfaction, 'quality', 'location' and 'accessibility' got the high evaluating in term of the significance to the customer. Sonia (2008) featured that clients favored a specific bazaar because of its accommodation regarding space, product range and security. Chandan A. Chavadi(2010)discovered determinants product mix, atmosphere and promotional strategies that move consumer towards the shopping centers. Henry (1976) deduced in his investigation that the Socio-social factors like enthusiasm, ethnicity, financial status, father nonappearance, and family size assume a significant job in creating positive impression of the customers.

Objectives of the Study
To explore the key factors that affect customer's perception towards retail sector.

RESEARCH METHODOLOGY
The research was descriptive and exploratory in nature. Information was gathered through survey method.

Population
The population included respondents from five districts of Gwalior division of the Madhya Pradesh.

Sampling Frame
All respondents from Gwalior region who buy the FMCG product and services from organized retail store was sampling frame.

Sampling Technique
To identify the respondents of the study convenient sampling technique was used.

Sample Size
Sample size was 200 respondents of Gwalior division.

Tools to be used for Data Collection
Primary data was collected through structured questionnaire which is based on five point Likertscale and Ranking Scale).

Questionnaire Development
A structured questionnaire was developed to measure the customer's perception toward retail sector in Gwalior region. The questionnaire is divided into two segments A and B. At the beginning, section A, of the questionnaire; consist of question

related to the basic demography of respondent for preparing respondent profile. Section B had questions related to customer perception towards organized retail stores.

Tools to Used for Data Analysis
(i) Reliability Analysis
(ii) Factor Analysis

Table 1. Reliability Statistics

S.No	Reliability Methods	Calculated Value
1	Cronbach's Alpha	.849

Cronbach Alpha, tests is used to calculate reliability of all items of questionnaire. Reliability values more than 0.7 is acceptable and in above table the value was.849 hence, questionnaire is highly reliable.

Table 2. Demographic representation in the sample

Variable	Category	Frequency	Percent (%)
Gender	Male	118	59
	Female	82	41
Age Group	20 - 30 years	64	32
	31 – 40 years	106	53
	41-50 years	18	9
	Above 50 years	12	6
Marital Status	Single	90	45
	Married	110	55
Education	Higher Secondary	22	11
	Graduate	68	34
	Post Graduate	60	30
	Others	50	25
Income	0-5 Lakhs	84	42
	5-15 Lakhs	48	24
	15-25 Lakhs	36	18
	Above 25 Lakhs	32	16
Occupation	Student	84	42
	Housewife	18	9
	Government Employee	58	29
	Private Employee	40	20

The result from table2 shows that major part of the respondents are male (118 respondents) represented 59 % of total respondents. The rest are 82 female respondents. The major part of the respondent is age between 31 – 40 years 106 (53 %) follow by 20-30 years 64 (32 %), 41 – 50 years 18 (9 %) and above 50 years 12 (6%), respectively. Marital status is divided into two categories 90 respondents is single and rest of 110 respondents is female. Major part of the customer holds a graduation 68 (34 %), follows by post graduation 60 (30 %), follows by others 50 (25 %), and higher secondary is 22 (11%) respectively. The majority of respondent is student 84, followed by government employee is 58, private employee is 40, and housewife is 18. Income level was divided into 4 ranges, the results from show that highest respondent has income 0-5 lakhs 84 (42 %) and least income level is above 25 lakhs.

FACTOR ANALYSIS
Kaiser Meyer Olkin measure of sampling Adequacy and Bartlett's Test of Sphericity)

Table 3. KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.678
Bartlett's Test of Sphericity	Approx. Chi-Square	19415.2 94
	df	196
	Sig.	.000

From the Table result shows KMO value is 0.678 and the Chi-square is 19451.294, df 196 and p value is significant at 0.001 level. This result implies that the data is thus approximately multivariate normal and acceptable for factor analysis.

Table 4. Factor Analysis with Eigen Values and Variance Explained

Component	Initial Eigen Values	Rotation Sums of Squared Loadings % of variance	Rotation Sums of Squared Loadings Cumulative percentage
Factor:1	8.757	17.968	17.968
Factor:2	5.240	10.430	28.398
Factor:3	2.598	10.161	38.559
Factor:4	2.054	9.600	48.159
Factor:5	1.847	8.812	56.970
Factor:6	1.620	6.654	63.624
Factor:7	1.541	6.526	70.150
Factor:8	1.432	6.021	76.171

Extraction Method: Principal Component Analysis
The eight factors accounted for 76.171 percent of the variance. Total variance explained (76.171 percent) by these eight components exceeds the 60 percent threshold commonly used in social sciences to establish satisfaction with the solution.

Table 5. Factors with Loading Value

S. No.	Factors	Statements	Loading Value	Cronbach Alpha
1	Store Image	Car parking space and services Cleanness of the store Quality of facility and equipment Product placement Toilet service	.640 .754 .821 .813 .846	.915
2	Promotional Activities	Offering discount Occasional gift for consumer Advertisement and consumer awareness	.890 .579 .813	.798
3	Customer Services	Information service Sales service Complain and problem solving ability Management ability E-payment facility	.635 .773 .854 .768 .791	.827

4	Social Factor	Contribution to social activity Contribution to humanitarian aid Care about local culture Care about environmental safety Creating employment	.516 .806 .720 .697 .695	.838
5	Variety of Product	Variety of product Traditional product& homemade product Fresh and healthy food	.563 .730 .617	.713
6	Product Quality	Quality of product Standardised product Product change and refund facility	.563 .730 .617	.755
7	Price	Easily reachable location Reasonable price	.790 .580	.749
8	Economic Factor	Benefiting local economy Benefiting local consumers Giving tax to government Follow government rules and regulations Care about labour right and human right	.552 .621 .812 .541 .858	.731

Naming of Factors
Factor 1: Store Image
The primary factor was characterized by things mostly from the image of the store and named as "Store image". This factor was consist of five items and represented 17.968 per cent of the variance. The significant components constituting this factor incorporate; Parking services and space, Cleanness of the store, Equipment quality, Product position and Toilet administration.

Factor 2: Promotional Activities
This factor has developed as another significant determinant of client observation with 10.430 percent of change. This factor included three things; Offering discount, Occasional gift for customers and advertisement and creation of consumer awareness.

Factor 3: Customer Services
Factor 3 comprised five items that related to services provide by retailer to their customer and accounted for 10.161 percent of change. This factor includes; Information service, Sales service, Complain solving ability, Management ability to handle customers and E-pay facility.

Factor 4: Social Factor
Factor 4 comprised five items with 9.600 % of change. The major items in this factor was; Contribution to social activities, Contribution to humanitarian aid, Care about local culture, Care about environmental security and employment for society.

Factor 5: Variety of Product
Factor 5 comprised three items and accounted for 8.812 percent of change. The major items of this factor was; Variety of product, Traditional and homemade product and fresh & healthy food. Item in this factor based on old dimension but a new item "fresh and healthy food" was loaded to this factor.

Factor 6: Product Quality
Product quality accounted for 6.654 % of variance. This factor includes; Quality of products, Standardized product and product change and refund facilities.

Factor 7: Price
Price includes three items, easily reachable location, Reasonable price and stable price.

Factor 8: Economic Factor
This factor comprised of five items. This factor includes; Benefiting economy, assisting local consumers, providing tax to government, Follow government rules and regulations and care about human right and labour right.

CONCLUSION
The main purpose of this study is to found out factors that affect perception level of the customers towards retail stores. Eight factors was retained based on Eigen values and variance explained. The eight factors accounted for 76.171 percent of the variance. These factors are store image, promotional activities, customer services, social factor, variety of product, product quality, price and economic factor. It is concluded from the study that the Indian retailer should focus on the quality factors, which can delight the customers and subsequently affecting their loyalty. This study help the retailers to use the perception items to pinpoint which service areas are important for customers and need special attention.

REFERENCES
1. Berman, B., & Evans, J. R. (2006). *Retail Management A Strategies Approach 9th Edition.* New Delhi: Pearson Education Inc.
2. Best, J. W., & Kahn, J. V. (1986). *Research in Education 5th Edition.* New Delhi: Prentice Hall of India Private Limited.
3. Chandrasekhar, B. V. (2012). Consumer buying Behaviour and Brand Loyalty in Rural Markets FMCG. *IORR Journal of Business and Management Vol 3 Issue 2*, 50-67.
4. Dabholkar, P. (1996). A Measure of Service Quality for Retail Stores: Scale Development and Validation. *Journal of the Academy of Marketing Sciences Vol 24*, 1-10.
5. Goswami, P., & Mishra, M. S. (2009). Would Indian Consumers Move from Kirana Stores to Organised Retailers When Shopping for Groceries? *Asia Pacific journal of Marketing and Logistic Vol 21 No 1*, 127-143.
6. Joshi, S. (2011). A Study of Service Quality and Customer Satisfaction across Various Service Providers in Telecom sector. *Indian Journal of Marketing*, 55-61.