



SERVICE QUALITY ANALYSIS THROUGH SERVQUAL SCALE IN APPAREL RETAIL STORES IN TRICHY

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ABSTRACT

In the present day of retailing, service quality has become the basic tool for retailers to create competitive advantage and to enhance shopping experience. The quality of services significantly affects customer satisfaction, company revenues, cross selling and also repeat purchase behavior. The fast pace of the Indian retail industry presents many companies with a host of daily challenges. In today's competitive environment and with the growing importance of services, delivering high quality services has become the basic retailing strategy. The present paper studies the impact of service quality on apparel retail customer satisfaction and also indentifies the critical factors of service quality from customer's perspective. To gain competitive advantage and increase organizational effectiveness, it is paramount to focus attention on improving service quality as a way of differentiation. Excellent customer service may indeed be the best answer to countering the increasing trend of the expansion of supermarkets. The retailing sector has been the focus of much academic research and considerable attention has been directed to the way consumers think and feel about stores making up their attitudes and perceptions towards the apparel stores.

Keywords: service quality, apparel quality, customer satisfaction

Introduction:

Apparel is one of the basic necessities of human civilization along with food, water and shelter. The Apparel Industry reflects people's lifestyles and shows their social and economic status. The Apparel and Textile industry is India's second largest industry after IT Industry.

At present, it is amongst the fastest growing industry segment and is also the second largest foreign exchange earner for the country. The apparel industry accounts for 26% of all Indian exports. The Indian government has targeted the apparel and textiles industry segments to reach \$50 billion by the year 2015. One of the most interesting features of the apparel industry is that, it migrates from high cost nations to the low cost nations.

The growth of the domestic demand for clothing in India is linked with the success of the retailing sector. India presently has entered the second phase of growth and is witnessing a massive rise in the domestic demand. This is primarily due to the rise in the standard of living caused by the rise in the middle-income groups. In our present economic world of demand and supply, price and quality are the key factors, which determine the success of any business. The key element here though, is the cost of labour. India and China have a comparative advantage in this industry though, their vast labour forces and the relatively low cost of labour.

The store image is a major determinant which helps customer to patronize a particular retail store. The shopping experience factors bridge a relationship with the prospects for regular shopping experience. In the present scenario, time is constraint and money has become luxury. So, customer has focused on selecting an appropriate retail outlet, which provides value added services, focuses on customer's needs and is responsive to customer concerns and issues. Customers prefer a particular retail outlet if they find greater return over their total shopping cost. In last one decade and half, Indian economy has seen a great development in standard of living. Today, it is the second fastest growing economy in the world and would be third largest economy in terms of GDP in next 5 years.

The growing economy has even brought phenomenal changes in customer's demand patterns. The psychological framework has changed as well as lifestyle of individual is getting affected due to environmental influences like...liberalized economy, information flow, technological changes, improving literacy rates, growing incomes and jobs particularly in service sector. All this combined together has an impact on individuals purchasing & consumption behavior. As a result of the change in the customers there is a dramatic change that retail industry in India has gone through.

Dimensions of service Quality

After extensive research, Zeithaml, Parasuraman and Berry found five dimensions customers use when evaluating service quality. They named their survey instrument SERVQUAL.

In other words, if providers get these dimensions right, customers will hand over the keys to their loyalty. Because they'll have received service excellence. According to what's important to them.

The five SERVQUAL dimensions are:

- **TANGIBLES**-Appearance of physical facilities, equipment, personnel, and communication materials
- **RELIABILITY**-Ability to perform the promised service dependably and accurately
- **RESPONSIVENESS**-Willingness to help customers and provide prompt service
- **ASSURANCE**-Knowledge and courtesy of employees and their ability to convey trust and confidence
- **EMPATHY**-Caring, individualized attention the firm provides its customers.

Review of literature

Zeithaml, Parasuraman and Berry (1988), identified two major payoffs of quality; Quality creates true customers and that it leads to efficiencies. Excellent service pays off because it creates true customers who are like annuities. They keep pumping revenues into an organization. Quality improvements lead to operational efficiencies beyond those associated with scale economies. This is because, quality improvements, (both in products and services) lowers defects, service errors and customer complaints. Thus service quality does pay. Customer service satisfaction depends on the quality of service customers' receive and how well this matches their expectations. Factors such as age, gender, income, level of education may shape these expectations.

Riadh Ladhari (2008) in his paper identifies and discusses the key conceptual and empirical issues that should be considered in the development of alternative industry-specific measurement scales of service quality (other than SERVQUAL). The study identifies deficiencies in some of the alternative service-quality measures; however, the identified deficiencies do not invalidate the essential usefulness of the scales. The study makes constructive suggestions for the development of future scales.

C.N. Krishna Naik et.al(2010) studied "Service Quality (Servqual) and its Effect on Customer Satisfaction in Retailing". This research uses SERVQUAL to analyze the gap between perceptions and expectations of the customer, concerning with the service at retail units in the South Indian state of Andhra Pradesh. Five dimensions in service quality (servqual), tangibility, reliability, responsiveness, empathy, and assurance (Parasuraman, Zeithaml, &Berry, 1985) have been considered for this empirical research. General purpose

of this research to know some factors that impact customer satisfaction. The result of research showed that services offered by retail units have positive impact and are significant in building customer satisfaction.

Need of the study

In the last decade, many firms have come to realize that understanding, meeting and anticipating customer needs is probably the most important source of sustained competitive advantage (Vilares & Coelho, 2003). In-depth knowledge of how to satisfy customers is particularly important in developing countries like India, where small convenience stores are struggling to compete with large supermarkets that are expanding to sub-urban areas and elsewhere. To gain competitive advantage and increase organizational effectiveness, it is paramount to focus attention on improving service quality as a way of differentiation. Excellent customer service may indeed be the best answer to countering the increasing trend of the expansion of supermarkets. The retailing sector has been the focus of much academic research and considerable attention has been directed to the way consumers think and feel about stores making up their attitudes and perceptions towards the apparel stores.

Statement of the problem

In the present day of retailing, service quality has become the basic tool for retailers to create competitive advantage and to enhance shopping experience. The quality of services significantly affects customer satisfaction, company revenues, cross selling and also repeat purchase behavior. The fast pace of the Indian retail industry presents many companies with a host of daily challenges. In today's competitive environment and with the growing importance of services, delivering high quality services has become the basic retailing strategy. The present paper studies the impact of service quality on apparel retail customer satisfaction and also indentifies the critical factors of service quality from customer's perspective.

Objectives of the Study

1. To study the Customers perception of service quality in Apparel Retail stores
2. To indentify the critical factors of Apparel Retail Service Quality
3. To give suitable suggestions to improve the service quality of the retail apparel stores.

Research Methodology:

Research Design:

First a secondary study was done on the apparel market in India through books and the internet. Then a questionnaire was prepared to collect primary data from management students of different areas, family income, gender, and attitude regarding purchase behaviour of apparel.

Sampling design:

A random sample of 90 management students residing in Trichy was taken and would cover people of different incomes, gender and nativity.

Data collection:

The primary data was collected using a structured questionnaire.

Data analysis:

The collected data was then analysed using various quantitative tools.

Analysis and Interpretations

Service quality related to Tangible dimension

Tangibility	Dissatisfied	No opinion	satisfied
Fast billing and checking	15	18	57
Clean, attractive, convenient physical Facilities	22	21	47
Return and exchange of commodities	48	19	23
The store layout at this store is convenient to move around in the store	11	15	64
Attractive display	13	19	58

The above table shows that 63.4% (57) of the respondents are satisfied the fast billing and checking facilities. 52.2% (47) of the respondents are satisfied the clean, attractive, convenient physical facilities. 53.3% (48) of the respondents are dissatisfied the return and exchange of commodities. 71.1% (64) of the respondents are satisfied the convenient to move around in the store. 64.4% (58) of the respondents are satisfied attractive display of the stores.

Service quality related to Reliability dimension

Reliability	Dissatisfied	No opinion	satisfied
Quality of products	8	13	69
Giving prompt service	13	24	63
This store provides services on time, as it is declared	15	11	64
This store insists on error-free sales transactions and records	11	19	60
Individual attention	17	18	55

The above table shows that 76.7% (69) of the respondents are satisfied with store high quality products. 70% (63) of the respondents agreed that the stores offered prompt service to the customers. 71.1% (64) of the respondents are satisfied that the store provides services on time, as it is declared. 66.7% (60) of the respondents are satisfied the store insists on error free sales transaction and records. 61.1% (55) of the respondents are satisfied the individual attention of the customers.

Service quality related to Responsiveness Dimension

Responsiveness	Dissatisfied	No opinion	satisfied
Employees should treat customers courteous	13	09	68
Employees should be knowledgeable	14	22	54
Immediate response to customer request	9	24	57
Customer has a problem the outlet shows sincere interest is solving the same	16	41	33
Behaviour of employees instils confidence in Customers	11	16	63

The above table reveals that 75.6% (68) of the respondents are satisfied that employees should treat customers courteous. 60% (54) of the respondents are satisfied that employees should be knowledgeable. 63.3% (57) of the respondents are satisfied that immediate response to customer request. 45.6% (41) of the respondents are satisfied that customers has a problem the outlet shows sincere interest is solving the same. 70% (63) of the respondents are satisfied that behaviour of the employees instils confidence in customers.

Service quality related to Assurance dimension

Assurance	Dissatisfied	No opinion	satisfied
This store accepts all major credit cards	09	17	64
This store has operating hours convenient to all their customers	16	29	45
This store provides plenty of convenient parking for customers	20	17	53
Telling exactly what will be performed	22	19	49
This store have its own loyalty card	24	37	29

The above table shows that 71.1% (64) of the respondents are satisfied that the store accepts all major credit cards. 50% (45) of the respondents are satisfied that the store has operating hours convenient to all their customers. 58.9% (53) of the respondents are satisfied that the store provides plenty of convenient parking for customers. 54.4% (49) of the respondents are

satisfied that the employees are telling exactly what will be performed. 41.2% (37) of the respondents are expressing no opinion that the stores have its own loyalty card.

Service quality related to Empathy dimension

Empathy	Dissatisfied	No opinion	Satisfied
Offer attractive carry bags	12	11	67
Good response in phone orders	71	12	07
Door delivery services	74	11	05
Individual customer card for special discount	21	31	38
Special gift according to the customer purchase level.	61	22	7

The above table reveals that 74.4% (67) of the respondents are satisfied that the store offer attractive carry bags. 78.9% (71) of the respondents are dissatisfied the good response in phone orders. 82.2% (74) of the respondents are dissatisfied the door delivery services. 42.3% of the respondents are satisfied the individual attention in the apparel retail store. 67.8% of the respondents are dissatisfied the special gifts according to the customer purchase level.

Oneway ANOVA difference between residential status of the respondents and their overall perception about service quality in apparel retail stores

Residential status	Mean	S.D	SS	Df	MS	F	Statistical inference
Tangibility							
Between Groups			35.799	2	11.933	.850	.469>0.05 Not Significant
Rural (n=20)	25.95	4.064					
Semi-urban(n=38)	26.25	3.139					
Urban (n=32)	27.36	3.245					
Within Groups			1908.943	87	14.036		
Reliability							
Between Groups			164.034	2	54.678	2.761	.045<0.05 Significant
Rural (n=20)	22.87	4.724					
Semi-urban(n=38)	25.31	3.708					
Urban (n=32)	23.50	4.945					
Within Groups			2693.652	87	19.806		
Responsiveness							
Between Groups			39.040	2	13.013	.563	.641>0.05 Not Significant
Rural (n=20)	25.70	4.602					
Semi-urban(n=38)	25.35	5.345					
Urban (n=32)	24.23	4.439					
Within Groups			3145.531	87	23.129		
Assurance							
Between Groups			4.381	2	1.460	.072	.975>0.05 Not Significant
Rural (n=20)	25.18	5.051					
Semi-urban(n=38)	25.38	4.384					
Urban (n=32)	25.23	3.491					
Within Groups			2759.019	87	20.287		
Empathy							

Between Groups			81.488	2	2.163	1.256	.292>0.05 Not Significant
<i>Rural (n=20)</i>	25.38	5.057					
<i>Semi-urban(n=38)</i>	26.73	4.518					
<i>Urban (n=32)</i>	25.86	3.590					
Within Groups			2940.398	87	21.621		
Overall perception of service quality in apparel retail stores							
Between Groups			12.367	2	6.785	8.545	.387>0.05 Not significant
<i>Rural (n=20)</i>	79.76	14.658					
<i>Semi-urban(n=38)</i>	78.22	13.769					
<i>Urban (n=32)</i>	75.32	14.089					
Within Groups			76832.345	87	897.785		

Research hypothesis

There is a difference between residential status of the respondents and their overall perception about service quality in apparel retail stores

Null hypothesis

There is no difference between residential status of the respondents and their overall perception about service quality in apparel retail stores

Statistical tools

One-way ANOVA f-test was used in the above table

Findings

The above table shows that there is no difference between residential status of the respondents and their overall perception about service quality in apparel retail stores. The calculated value is greater than table value. Hence research hypothesis is rejected and null hypothesis is accepted.

Findings:

- 63.4% (57) of the respondents are satisfied with the fast billing and checking facilities.
- 52.2% (47) of the respondents are satisfied that clean, attractive, convenient physical facility is available.
- 53.3% (48) of the respondents are dissatisfied with the return and exchange of commodities.
- 71.1% (64) of the respondents are satisfied with the convenience to move in and around the store.
- 64.4% (58) of the respondents are satisfied with attractive display of the stores.
- 76.7% (69) of the respondents are satisfied with store is having high quality products.

- 70% (63) of the respondents agreed that the stores offered prompt service to the customers.
- 71.1% (64) of the respondents are satisfied with the timeliness of service.
- 66.7% (60) of the respondents are satisfied with error free sales transaction and records.
- 61.1% (55) of the respondents are satisfied with the individual attention to the customers.
- 75.6% (68) of the respondents are satisfied that employees treat customers with courteousness.
- 60% (54) of the respondents are satisfied with employee's knowledge towards the provided service.
- 63.3% (57) of the respondents are satisfied with response towards customer request.
- 45.6% (41) of the respondents are satisfied with the service providers' sincere interest in solving the customer's problem.
- 70% (63) of the respondents get satisfied that behaviour of the employees instils confidence in customers.
- 74.4% (67) of the respondents are satisfied with attractive carry bags offered by the store.
- 78.9% (71) of the respondents are dissatisfied with the store's response through phone orders.
- 82.2% (74) of the respondents are dissatisfied with the door delivery services.
- 42.3% of the respondents are satisfied with the individual attention to the customer in retail store.
- 67.8% of the respondents are dissatisfied with the special gifts offered to the customer relative to their purchase level.

Suggestions

Each and every activity of the store should lead to satisfaction of the customer or even to a higher degree called customer delight. There are factors that define satisfaction like low level prices, high quality, high ethical standards and environmentally friendly products, prompt complaint handling, skillful and professional salesmen, safe mode of payment, better layout of the store, honest dealings by the store, prompt service, early opening of the store and least billing errors. Retailers should consider all these factors to increase the level of satisfaction among the customers.

The sales person has major role to attract and retain customers. Stores must take pain to make sure that sales person are educated, experiences, helping nature, has a neat and clean outlook and is cheerful knowledgeable.

Promotional activities by the retail stores attract customers to a large extent. Promotional activities are undertaken during special occasions, off seasons, festivals or on a particular day. Major promotional tools used by the stores are discounts and coupons, exchange offers, low priced products and other attractive schemes. Promotional factors do play a major role deciding and choosing a store.

Conclusion

Indian customer is looking for an emotional connection, a sense of belonging. Hence, to be successful any retail outlet has to be localized. The customer should feel that it is a part of his culture, his perceived values, and does not try to impose alien values or concepts on him. Indian customer is not keen to buy something just because it is sold by an international company. Ultimately, it boils down to how much localization and adaptation the company is willing to do for India. Other than tremendous money power, global companies have nothing extra or special that the Indian retail business does not have. Only two percent of India's retail market is organized.

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