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**RELATIONSHIP BETWEEN SERVICE
QUALITY AND CUSTOMER
SATISFACTION WITH REFERENCE TO
APPAREL SPECIALTY STORES IN
KOLHAPUR CITY**

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Abstract:

The present study of the research entitled “relationship between service quality and customer satisfaction with reference to apparel speciality stores in Kolhapur city. The study was based on secondary data from records, reports and profile of the stores. The validity of any research is based on the systematic method of data collection analysis. An objective of the study includes to measure the service quality of specialty apparel stores with the help of Retail Service Quality Scale (RSQS) and to study the relationship between service quality and customer satisfaction.

Keyword: Service Quality, Customer Satisfaction & RSQS Instrument.

1. Introduction:

As the retailing industry in India continues to experience

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tremendous expansion, along with it the rapid growth in the number of apparel or clothing specialty stores is also evident. Fashion retailing in India is poised to reach its height with the openings of big size shopping centres in big cities and towns. These new malls house a proliferation of clothing retailers, both domestic and foreign, all of which aggressively compete for the consumers' attention. Considering the competitive environment, there is a need for a retailing strategy that differentiates one clothing store from another. This can be achieved through the delivery of high service quality (Berry, 1986; Hummel & Savitt, 1988). Moreover, fashion consumers today are savvier, better informed, more sophisticated and discriminating that they expect service quality (e.g. helpful and courteous salespeople, convenient store layout, etc) apart from the quality of merchandise purchased. The practice of excellent service quality has been proven to lead to increased customer satisfaction and significantly indicate the effectiveness of the retailers' performance. As service quality can be the cornerstone to retailing success, retailers need to constantly evaluate their service quality through the use of a reliable measuring instrument. Such an evaluation can serve as a diagnostic tool that helps the company monitor, detect any imperfections and most importantly improve their service.

2. Conceptual Background:

2.1 Service Quality:

Measuring and managing service quality from the consumers' point of view is still a developing and a challenging issue. Both from the academic community point of view, and in business practice, it is well established that measurement of service quality is an important procedure for improving the performance of the overall service quality. Thus, there has been an abundance of research on the measurement issues of service quality, which have contributed to the development of a solid research foundation.

2.2 Customer Satisfaction (CS):

Customer satisfaction has been a subject of great interest to

organizations and researchers alike. The principal objective of organizations is to maximise profits and to minimise cost. Profit maximisation can be achieved through increase in sales with lesser costs. One of the factors that can help to increase sales is customer satisfaction, because satisfaction leads to customer loyalty (Wilson *et al.*, 2008, p. 79), recommendation and repeat purchase.

Customer satisfaction is defined by one author as “the customer’s response to the evaluation of the perceived discrepancy between prior expectations and actual performance of the products or service as perceived after it’s consumption” (Tse & wilton 1988, p 204) hence considering satisfaction as an overall post purchase evaluation by the consumers (C Fornell, 1992 p 11)

2.3 Relationship between Service Quality & CS:

Customer satisfaction and service quality are closely related. It can be said that satisfaction assists consumers in formulating a revised opinion about their service quality perception. Consumer perceptions of the service quality of a firm with which hi prior experience is based on the consumers’ expectations. High quality satisfying service requires that a firm understand the consumer needs in detail as also the operational constraints. It reminds the service provider to focus on quality, and the process should be designed to support this system by proper control & delivery, service quality, which is a long term overall measure of customer satisfaction Service quality is more difficult for the consumers to evaluate than goods quality. Service quality perceptions result from comparison of consumer exceptions with actual service performance. Quality expectations are not made solely on the outcome of the service they also involve evaluations of the process of the service.

3. Review of Literature:

Tam Jackie L.M. (September 2007). The study examines the relationships among customer satisfaction, service quality and perceived value. This research focuses on the examination of the variables simultaneously and their relationship with post purchase behaviour.

Parasuraman Zenithal and Betry (1985) SERVQUAL is the most prominent and the most widely used. The authors of this model proposed that the consumers opinion of quality is formed by internal comparison of performance with expectation good service quality means that the customer perception of service performance meet or exceed their expectation of what the service firm should provide.

Hoffman & Bateson (2001) defines service quality as an attitude “formed by a long term overall evaluation of a performance”, Attitude is defined as “a consumers overall, enduring evaluation of a concept or object, such as person, a brand, or a service.”

4. Objective of the Study:

- 1) To measure the service quality of specialty apparel stores with the help of Retail Service Quality Scale (RSQS) developed in the U.S. for measuring service quality in retail.
- 2) To study the relationship between service quality and customer satisfaction.

5. Methodology of the Study:

Service quality is measured with five variables i) Physical aspect ii) Reliability iii) Personal interaction iv) Problem Solving v) Policy.

The Sample Design: For this research, “purposive convenient quota sampling method” is used. 130 respondents are select.

Data collection: Primary data is collected through RSQS instrument consisted of 26 items of Dabholkar *et al.*, (1996) for measuring retail service quality.

Data Analysis: Data is analyzed by using (SPSS) Statistical package for social sciences.

6. Analysis and Interpretation:

The questionnaire was divided into two parts. The first part consists of personal information and the second part consists of RSQS instrument. Accordingly analysis and interpretation of data was made in two parts.

General data Analysis and interpretation.

RSQS data analysis and interpretations.

General Data Analysis and Interpretations:

- 1) **Residence:** The Customer residing in Kolhapur city and also in the areas close to Kolhapur.
- 2) **Age:** The Customer of above 25 year of age, as the Customer above this age are comparatively more independent of their parents.
- 3) **Educational status:** The Customer who are educated up to 10th and above and who are more perceptive of the service quality.
- 4) **Income:** the Customer having annual income of Rs. 1,00,000 or more.

RSQS Data Analysis and Interpretations:

Service Quality Variables:

Using the mean values, level of performance of service quality variables for various apparel stores, the mean value between 3.00 to 4.00 shows the service quality of these variables at an excellent level, the mean values between 2.00 to 3.00 indicate good level, the mean value between 1.00 and 2.00 shows fair level and the values below 1.00 indicates poor level of quality of performance. In order to express the score in percentage the score 4 is taken as 100 percent and the mean score is converted in to percentage applying the following formula.

$$\text{Percentage score} = \text{mean score} \times 100/4.$$

Table No.01 means scores/percentage scores

Sr. No.	Range of Mean Score	Percentage	Quality
1	3.00 to 4.00	75 to 100	Excellent
2	2.00 to 3.00	50 to 75	Good
3	1.00 to 2.00	25 to 50	Fair
4	Below 1.00	Below 25	Poor

Factor structure of RSQS:

Table No. 02

Dimension	Sub Dimension	Perception Item	Mean	%
Physical Aspects	Appearance	P1. The store has modern looking equipment and fixtures.	2.56	64.00
		P2. The store and its physical facilities (trial rooms & restrooms) are visually attractive.	2.45	61.25
		P3. Materials associated with this store's service (such as shopping bags, loyalty cards) are visually appealing.	2.40	60.00
		P4. The store has clean, attractive and convenient physical facilities (restrooms, fitting rooms)	0.88	22.50
	Convenience	P5. The store layout at this store makes it easier for customers to find what they need.	3.62	90.20
		P6. The store layout at this store makes it easier for customers to move around in the store	3.68	92.00
		Total	2.59	64.95
Reliability	Promises	P7. When this store promises to do something (such as alterations) by certain time, it will do so.	1.32	33.00
		P8. This store provides its services at the time it promises to do so	1.62	40.50
	Doing it Right	P9. This store performs the service right the first time.	1.63	40.75
		P10. This store has merchandise available when the customers want it.	2.10	52.50
		P11. This store insists on error-free sales transactions & records	2.70	67.50
		Total	1.87	46.85
Personal interaction	Inspiring confidence	P12. Employees in the store have the knowledge to answer customers' questions.	1.62	40.50
		P13. The behaviour of employees in this store instils confidence in customers	2.65	66.25
		P14. Customers feel safe in their transactions with this store.	3.76	94.00
	Courteousness/ Helpfulness	P15. The employees in this store give prompt service to customers	1.58	39.50
		P16. Employees in this store tell customers exactly when services will be performed	2.55	63.75
		P17. Employees in these stores are never too busy to respond to customers' request.	2.58	64.50
		P18. This store gives customers individual attention	2.62	65.50
		P19. Employees in this store are consistently courteous with customers	2.52	63.00
		Total	2.49	62.13
Problem solving		P20. The store willingly handles returns and exchanges	0.88	22.00
		P21. When a customer has a problem this store shows a sincere interest in solving it.	1.31	32.75
		P22. Employees of this store are able to handle customer complaints directly & immediately.	1.75	43.75
		Total	1.31	32.83
Policy		P23. This store offers high quality merchandise.	3.56	89.00
		P24. This store provides plenty of convenient to all their customers.	0.98	24.50
		P25. This store has operating hours convenient to all their customers.	3.72	93.00
		P26. This store accepts all major credit cards	2.96	74.00
		Total	2.81	70.13
		Average mean	2.21	55.35

Table no. 02 indicate that the overall performance of Apparel speciality stores. The overall performance of this stores is (mean score 2.21) at a good level. Physical facility of these stores is including Appearance and Convenience of these stores is good level (mean score 2.29).i.e. 64.95% of the respondents are of opinion that it is at good level. Reliability of these stores is including Promises and doing it right of these stores is (mean score 1.87) fair level i.e.46.85% of the respondents are of opinion that it is at fair level. Personal interaction of these stores is include Inspiring confidence & Courteousness/Helpfulness of these stores is good level (mean score 2.49).i.e. ,62.13% of the respondents are of opinion that it is at good level. Problem solving of these stores is fair level (mean score 1.31) i.e.32.83% of the respondents is of opinion that it is at fair level. Policy indicates the overall performance of the stores is a good level (mean score 2.81) i.e. 70.13% of the respondents are of opinion that it is at good level.

7. Finding Conclusion and Suggestion:

Finding:

- 1) The overall performance of these apparel stores is at a good level.
- 2) The performance of physical aspect of apparel speciality stores is at a good level.
- 3) The performance of reliability of these stores is at a fair level.
- 4) The performance of this personal interaction of these stores is at a good level.
- 5) The performance of problem solving of these stores is at a fair level.
- 6) The performance of policy of these stores is at a good level.

Conclusion:

However, 55.35% customers' response positively which is above 50% and customers are satisfied, various factors affect on customer satisfaction like, physical aspect, reliability, personal interaction, problem solving, & policy.

It has been observed that, 64.95% customer reported positively on physical appearance and 35.05% are negatively response to customers. Also, 46.85% customer reported positively on reliability and 53.15% negative response to customers. 62.13% customer reported positively on personal interaction and only 37.87% negative response to customers. Then 32.83% customer reported positively on problem solving and 67.17% customer reported negative response to customers and 70.13% customer reported positively on stores policy and only 29.87% customer reported negative response to customers.

6.3 Suggestion:

Based on the above analysis, to attain an excellent level, **apparel speciality stores** are suggested to provide immediate attention to the following issues.

For physical facilities the store is required to make it attractive outside with convenient store layout and sufficient room for with ease along with spacious waiting and trial rooms.

Improve reliability, the store promises, stores provides its service, store performance, merchandise available when the customer wants it.

During their personal interaction with improve employees knowledge to answer customer question, promote service, customers employees have to pay individual attention to customers and improve the system of handling customer complaints promptly.

To improve problem solving, the store is required to pay proper attention to Handling returns and exchanges and handling customers properly.

To make store policy more responsive to customer for spacious parking lot should be the top priority.

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Annexure-I

Table 1-Profile of the Respondents

Occupation	Apparel Stores
Service	55
Self-employed	58
Housewife	17
Total	130

Table 2-Age-wise Distribution of Respondents

Age (Years)	Apparel Stores		
	Male	Female	Total
25-35	30	25	55
36-45	35	15	50
45+	10	15	25
Total	75	55	130

Table 3-Distribution of Respondents as per their Level of education

Level of Education	Apparel Stores		
	Male	Female	Total
10 th	04	03	07
Graduation	35	35	70
Post-graduation	36	17	53
Total	75	55	130

Table 4-Income group of Respondents

Income Group (Rs.)	Respondent
1-2 Laks	25
2-3 Laks	22
3-4 Laks	38
>4 Laks	45
Total	130