

# Factors Affecting Customer Satisfaction for Apparel Retail Outlets in Odisha

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## Article Info

Volume 83

Page Number: 8242 - 8244

Publication Issue:

May - June 2020

## Article History

Article Received: 19 November 2019

Revised: 27 January 2020

Accepted: 24 February 2020

Publication: 18 May 2020

## Abstract:

Retail sector in the present global scenario is growing at unprecedented growth and is the fastest growing sector in India. India offers tremendous potential for growth in the retail sector, especially for large format modern apparel stores. Apparel sector contributes a lot of growth opportunity which contributed to the Indian economy in local as well as global market. Further, research has shown that western instruments to measure service quality are not applicable for developing countries like India. We have created a model to assess service quality of large format modern apparel stores. 6 core service dimensions were extracted using Factor Analysis as drivers of customer satisfaction for apparel retail outlet. The findings will provide a better insight into the apparel industry in designing their product and services.

**Keywords:** Apparel Retail Sector, Service Quality.

## 1.0 INTRODUCTION

India, being a developing economy, offers tremendous potential for future growth. Marketers need to understand exactly what the Indian customer wants. But there is a privation of service eminence related study pertaining to the developed economies like India, as compared to the research in the developed nations. Now, application of the methodologies designed in one country to another is not considered appropriate (Reynolds, 2000). Furthermore, since developing countries like India have completely different socio-economic conditions, these methods cannot be applied to the Indian market (Davis and Young, 2002). Drastically there is a dynamic change in the global apparel market whereas in developed nations it is slowing down, while it is seeing a tremendous growth in the developing nations. Paradigm shift in the customer base with have a trend towards product differentiation so much affected by social,

economical and environmental. At a CAGR of 13 percent, the Indian apparel market is likely to grow and reach 124 billion by 2020.

## 2.0 LITERATURE REVIEW

Examined the impact of the hedonic and useful shopping on the satisfaction of customer and loyalty in trade apparels brands [1]. SERVQUAL model was used and they found 4 determinants of service quality emerged i.e. reliability, peculiar consideration, tangibles and opportuneness. There is disparity concerning the opportunities and the discernments for personal thoughtfulness determinant. Service was ranked in the importance behind the prices and merchandise assortment [2]. The study focused on buyer observations associated to fulfilment in hesitant grocery provisions. Accumulation formats, store amount, product hodgepodge, amenity, quality influenced the

gratification [3]. The study identified dimensions of web site quality i.e. web appearance, entertainment, transaction proficiency, rejoinder time, trust, and information fit to task. But the significant predictors of shopper satisfaction were rejoinder time, operation capability and information fit to task [4]. The research focused on both the price impact, brand image and danger viewed on the reputation of the shop and on customer buying in the apparel market. Brand image, quality value and perceived risk have a significant impact on the purpose of the transaction. I mediate on the partnership I connect understanding of price and danger and the purpose of purchasing the product in the shop [ 6]. The study examined the opportunity of mass adaptation in the clothing and retail industry [7]. Product understanding and acknowledgement / de-confirmation between perceived commodity appearance and experiential standards related markedly to customer loyalty and the dimensions of store choices were more significant in explaining satisfaction for non-card holders, while the dimensions of store choices were found to explain loyalty at very low cost for card holders [10]. The study focused on examining e-shopping dimensions and found 4 factors i.e. privacy, website content, customer service and experiential atmosphere significant mediating effect of experiential e-shopping has an impact on quality and e-shopping outcomes [11]. The quality of the service in terms of loyalty and dissatisfaction has also proven important and consumer satisfaction [ 12] and Customer satisfaction performs a mediating function in the influence of high quality service on allegiance to companies[ 13]. In AHP analyzes, the goals of customer demands and price value in the apparel sector were examined [14].

### 3.0 RESEARCH OBJECTIVES:

1. To identify key service attributes that affect customer satisfaction in apparel retail outlets.
2. To identify the factors affecting satisfaction of customer for the Orissa Customers.

### 4.0 RESEARCH METHODOLOGY

We conducted an in-depth literature review followed by focus group discussions. At the end of our exploratory study, we identified 20 key service attributes that affect customer satisfaction. We conducted a survey i.e. sample size n=100 and after performing Factor Analysis on the data we identified 6 factors which affect customer satisfaction for apparel retail outlets. This study aims to determine the factors the customers keep in their mind while shopping in apparel retail outlets. A unique questionnaire has been used as a method for data collection. All claims were calculated on a five-point scale (1=Complete Dissatisfaction/Service Not Available, 5=Complete Satisfaction with the service). Respondent was asked to express level of their satisfaction or dissatisfaction with the identified attributes. The total sample size was 100. The statements addressed different service aspect attributes and the responses given by respondents were based on their impressions of some of the service's attributes in the fashion retail outlet.

Factor Analysis:

Table -1 Bartlett and KMO's Test

<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</i>		.738
<i>Bartlett's Test of Sphericity</i>	<i>Approx. Chi-Square</i>	3451.382
	<i>Df</i>	1272
	<i>Sig.</i>	.000

#### Principal Component Analysis

Principal Component Analysis (P CA) applying on the data to key dimensions affecting service quality. PCA is a technique that accepts correlated variables and converts them into orthogonal factors. We used PCA to sum up the information represented by huge number of variables into lesser number of variables. As it is important that input variable are correlated, this paper use the “Bartlett’s test” for corroboration process. The “null hypothesis” is that the correlation matrix formed by the input variables an identity matrix (means that there is no

correlation between the variables). The KM O sampling adequacy level is .738 , which means that the present data are sufficient for factor analysis. First 6 components had Eigen value over 1 and they account for 80% of the variation.

Table-2 Key Service Dimension and Loading

Core Service Dimension	Attributes loading at .5 or more	Loading
Personnel Interaction	Courteous and Polite Staff	0.78
	Knowledgeable Staff	0.85
	Efficient Employee who give prompt service	0.73
Appealing Environment	Visually Appealing materials (Shopping Bags etc.)	0.675
	Visual Appealing Ambience	0.642
	Appealing Music	0.678
	Ease of Finding Products	0.564
Loyalty Program	Attractive Loyalty Program	0.692
	Flat Discount to members	0.574
	Reward points on purchases	0.765
Shopping Convenience	Adequate Billing counters	0.609
	Major credit cards accepted	0.768
	Products for whole family	0.578
	Convenient Location	0.553
Festival Offerings	Regular shopping carnivals	0.542
	Store Decoration during festivals	0.781
	Special discounts during festivals	0.657
Trial rooms	Adequate no of Trial Room	.771
	Lighting and Mirror in Trial rooms	.834
	Well Structured Trial Rooms	.593

## CONCLUSION:

From the research we found that the 6 key drivers of customer satisfaction in apparel retail outlets are personnel interaction, appealing environment, loyalty program, shopping convenience, trial rooms and festival offerings in Orissa. Management implications involve creating a fun shopping atmosphere, designing non-traditional persuasive communication strategies, building brand identity and brand image, and targeting niche markets. Retailers should focus on shift from channel-centric to customer-centric mindset.

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