Comparative Study of the Selected Apparel Retail Stores in the Organized Sector

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Abstract- With more and more people becoming fashion-conscious including men and with shopping now being looked upon as a leisure activity with Malls and mega-stores becoming a place for hang out rather than shopping, there was a need to profile retail customers based on this. Also with lots of stores coming up in organized sector, measuring customer satisfaction in such stores becomes important. This study focuses on profiling retail customers and measuring their level of satisfaction in the selected stores in the city of Ahmedabad. Primary data has been collected using structured questionnaire. It has been found that visiting retail outlets have become a group activity. Advertisements, friends and Colleagues influence majority of shoppers. Only 80 respondents out of 150 came for shopping inside store, rest came for hang out, enjoy crowd, meeting friends and getting refreshed. Lifestyle was found to have higher level of satisfaction followed by Pantaloons and Westside.

Index Terms- Customer Satisfaction, Shopping, Retail Outlets, Malls, Hang Out

I. INTRODUCTION

Retailing is considered to be the world's largest industry with US $ 6.6 trillion sales annually. The retailing industry in India is worth around 300b$ (Indian Management-January 2007).[1] According to a report compiled by Ganguly (www. indiaonestop.com/retailing.htm), there are around 5 million retail outlets of all sizes and styles. The retail market is likely to increase by 20% annually.[2] Moreover, Lifestyle in India is changing from soberness to hedonism due to dual-income nuclear family unit, a steady shift towards an ambition of a global lifestyle. A consumer of today spends to attain the "feel good" factor. Shopping, therefore has developed from a need-based activity to a spare-time entertainment.

With the advent of modern format retailers, prosperous urban Indian customers are shopping like never before. They spend mornings surfing in stores looking for latest styles or deals. In the large urban centres, apparel retailers like Shopper's Stop, Pantaloons and others have popularized their private labels which have attracted urban shoppers. It is said customers have loyalty to a store rather than a particular garment brand which has led to thriving local brand market for ready-to-wear clothes leading to severe competition. According to a report by Datamonitor 2006, global apparel, accessories and luxuries market is likely to expand by 4.5% annually and Asia pacific region is expected to acquire leadership position by 2011.[3]

II. CHARACTERISTICS OF APPAREL RETAIL SECTOR

As retail is led by fashion, a player needs to keep a close watch on fashion amongst teenagers as they are the trend setters. Role of Bollywood in spreading fashion needs to be understood. Seasonal variations on stocking pattern and need to clear inventory at the end of season should be understood by retailer. Typically once an item is sold from the outlet, retailer ensures that there is no repetition of same. It gets replaced by different design, style, colour. Importance of store layout, décor is very critical. A browser visiting the store frequently likes to see changes in the layout otherwise he may carry the impression that stocks are not moving out of the store. Category management becomes very crucial function as transformation of design into production and delivery has to be completed before fashion or fad changes in the market.

This highlights the importance of profile of retail customers and level of satisfaction with the retail outlets. Retailer needs to understand the profile of retail customers first. Understanding the level of satisfaction and providing the same can accelerate purchases which substantially reduce retailer's financial and inventory risk.

This paper compares profiling of retail customers and the level of satisfaction in the selected retail stores in organized sector.

III. REVIEW OF LITERATURE

The study briefly reviews the existing literature in the area of factors influencing shopping behavior and store choice behavior. There are a few common characteristics among the different classifications of shoppers as proposed by different authors. **Kopp et al (1989)**[4] proposed price consciousness, quality consciousness, fashion consciousness, Nicholl et al.'s (2002) window (leisure) driven shoppers, Kopp's recreational shopping, Boedekar's (1995) search for experience and recreation, Arnold and Reynolds' (2003) hedonic shopping motivations and Jin and Kim's (2003) leisurely motivated shoppers.

With reference to store choice variables, **Moye and Kincade (2003)** [5] reported that the occasion for which an apparel item is bought does influence the consumer's importance rating of the store environment and there were higher expectations for the environment of a store offering formal merchandize than a store offering casual merchandize.

Leung and Taylor (2002)[6] in a study on fashion buying criteria of X generation consumers in Hong Kong found that X-ers are attracted by a good interior store layout; and feel good service is essential when buying fashionable clothing. In the Indian context, a study was done by Sinha et al. (2002) on store choice

behavior that indicated Indian shoppers on an overall basis give importance to proximity of the store, merchandise and service provided by the store and stores dealing in apparels are also chosen based on ambience.

As far as interpersonal influence is concerned **Nicholls et al. (2002)**[7] discussed the role of companions in shopping and Kopp et al. (1989) proposed advice-seeking tendency.

Magleburg et al. (2004)[8] suggested that the teenagers who shop often with their friends are more vulnerable to informational influence and less prone to normative influence.

Prus (1993)[9] in a qualitative study said that a number of dilemmas for consumers are created by shopping companions like additional definitions (encouragements, discouragements and distractions) of products, money, users as well as their concerns with the identities and ensuing relationships implied by the presence of their companions.

Mascarenhas and Higby (1993)[10] have discovered the interpersonal influences in teenagers and found three major influence sources were considered-peers, parents and the media.

The above studies do not specifically focus on apparel retail sector in Indian context. Moreover, the above studies focus more on factors influencing store choice behavior as well as shopping behavior and do not identify the profile of customers who are visiting this new-generation retail outlets which is very important for the marketer to attract customers inside the store. Also it is very important to know as the retail stores in organized sector are growing day by day in numbers whether customers are actually satisfied with the retail outlets. However, this study specifically focuses on apparel retail sector in the Indian context to identify profile of retail customers and measure their level of satisfaction with the present day retail outlets.

IV. MOTIVATION FOR STUDY

In spite of the understanding that customer's level of satisfaction with the retail outlets also influence customer selection of a store and sales, very few studies were found examining customer level of satisfaction in apparel retail sector. Moreover, most of the studies were in global context and lack comparisons in the organized retail sector. Lifestyle, Pantaloons and Westside are the most sought after retail stores from the point of view of customers. Understanding the level of

satisfaction of customers in these stores is crucial for the betterment of customers. Moreover, it becomes necessary for a retailer to understand the critical role of the profile of retail customer for accelerating purchases. Apparel sector is on the edge for growth in domestic and global markets due to liberalization. With the rapid growth of organized retailing in India, there is a dire need to understand these, explore reasons behind it and pose managerial challenges.

V. SCOPE OF STUDY

The present study is undertaken to understand the profile of customers visiting new-generation retail outlets like Lifestyle, Pantaloons and Westside Store and to know the customer's level of satisfaction of the present day retail outlets in a city like Ahmedabad where the demographic and psychographic profile of the shoppers will be quite different as compared to the big cities like Mumbai, New Delhi, Bangalore, Pune, Chennai and Kolkata.

VI. OBJECTIVES

The study was made with the following objectives:

1. To present a brief profile of customers in the apparel retail outlets
2. To understand the customer's level of satisfaction in the selected retail outlets
3. To have a comparison of the selected Apparel retail stores in organized sector in Ahmedabad

VII. METHODOLOGY

A structured questionaire was used to collect primary data. Convenient random sample of 150 respondents (50 from Lifestyle, 50 from Pantaloons and 50 from Westside Store) were asked to fill the questionaire consisting of both open-ended and closed questions. Respondents were randomly intercepted in the shopping malls and information elicited from the co-operative ones. Five-point Likert Scale was used to record and measure the satisfaction level. Primary data was analyzed using percentages and inferences were drawn.

VIII. FINDINGS

Table 1: Customer Profile

No.	Parameter	Lifestyle	Westside	Pantaloons	Combined
1	**Age**				
A	15-20	8	7	7	22
B	21-30	20	12	19	51
C	31-40	12	15	13	40
D	41-50	7	9	6	22
E	50 & above	3	7	5	15
	Total	**50**	**50**	**50**	**150**
2	**Occupation**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A	Student	10	8	13	31
B	Business	12	10	4	26
C	Salaried	20	15	21	56
D	Housewife	4	11	8	23
E	Retired	4	6	4	14

		Total	50	50	50	150
3		**Income**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		< 10,000	4	16	15	35
B		10K-20K	14	14	15	43
C		20K-30K	20	8	5	33
D		30K-50K	5	7	6	18
E		>50,000	7	5	9	21
		Total	**50**	**50**	**50**	**150**
4		**Marital Status**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		Single	30	19	24	73
B		Married	20	31	26	77
		Total	**50**	**50**	**50**	**150**
5		**Time Slot**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		Morning	12	13	12	37
B		Afternoon	9	8	7	24
C		Evening	29	29	31	89
		Total	**50**	**50**	**50**	**150**
6		**Frequency of visit**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		1st Time	5	14	11	30
B		Weekends	19	16	27	62
C		Monthly	8	8	7	23
D		Daily	6	6	5	17
E		Rarely	12	6	0	18
		Total	**50**	**50**	**50**	**150**
7		**Influencers**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		Friends	10	8	18	36
B		Relatives	6	9	6	21
C		Colleagues	12	14	12	38
D		Family	6	8	3	17
E		Advertisements	16	11	11	38
		Total	**50**	**50**	**50**	**150**
8		**Shopping Companion**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		Friends	23	7	7	37
B		Relatives	10	9	12	31
C		Colleagues	6	8	6	20
D		Family	6	16	21	43
E		Alone	5	10	4	19
		Total	**50**	**50**	**50**	**150**
9		**Mobility**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		Two-wheeler	10	11	14	35
B		Car	19	13	16	48
C		Auto	12	12	9	33
D		Public Transport	9	7	7	23
E		Walk	0	7	4	11
		Total	**50**	**50**	**50**	**150**
10		**Average Time Spent**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		<1 hour	31	23	22	76
B		1-2 hour	19	27	20	66
C		>2 hour	0	0	8	8
		Total	**50**	**50**	**50**	**150**
11		**Purpose of Visit**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A		Shopping	10	12	18	40
B		To be refreshed	9	15	11	35
C		To enjoy crowd	8	10	3	21

D	To spend time with friends	14	8	13	35
E	Hang out	9	5	5	19
	Total	**50**	**50**	**50**	**150**
12	**Purchase made Today**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A	Yes	19	28	33	80
B	No	31	22	17	70
	Total	**50**	**50**	**50**	**150**
13	**What did you buy?**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
	Apparel	23	15	21	59
	Shoes	0	0	8	8
	Cosmetics	0	12	5	17
	Accessories	18	13	10	41
	Others	9	10	6	25
	Total	**50**	**50**	**50**	**150**
14	**Mode of Payment**	**Lifestyle**	**Westside**	**Pantaloons**	**Combined**
A	Cash	32	37	28	97
B	Credit Card	18	13	22	53
	Total	**50**	**50**	**50**	**150**

1. Majority of shoppers were in the age-group of 21-30 in Lifestyle and Pantaloons whereas in Westside Store, they were in the age group of 31-40. This is because Lifestyle stores has trendy outfits to suit the needs of the young fashionable population

2. Most of the people who visited these outlets were Salaried people followed by Student and Housewife

3. Most of the people shopping in Lifestyle, the average income was 20,000 to 30,000. This is because the average billing per customer is Rs. 800 whereas in Westside, majority of the customers were in the income category of less then 10,000. This is because the average billing per customer in Westside is Rs. 199-1999

4. Majority of the shoppers were Single in Lifestyle whereas in case of Westside and Pantaloons, they were married

5. The preferred shopping time was Evening across all the three outlets. This implies that as majority of the shoppers were salaried people, they may be shopping in the evening.

6. Frequency of visit was during weekends in most of the cases followed by first time shoppers and people who come to stores rarely

7. Advertisements were found to be the most influencing followed by Colleagues and Friends

8. As most of the people were Salaried class, Single and Shopping in the evenings, Friends accompanied them during shopping in case of Lifestyle whereas in case of Westside and Pantaloons, as most of the people were married, Family accompanied them during shopping in the evening.

9. Majority of the customers came by car, followed by Two-wheeler and Auto

10. Customers in Westside spend 1-2 hours and rest of them spend less than 1 hour in the stores for shopping. It implies majority of time was used to hang out outside stores with friends after shopping

11. The basic purposes for visit were found to be Shopping in Pantaloons followed by getting refreshed in case of Westside. It was found majority of the people used to come for spending time with friends in case of Lifestyle. This is because majority of shoppers were found to be in the age group of 21-30, Single and salaried people who come in the evenings to spend time with their friends

12. Out of the 150 respondents surveyed, only 80 had purchased something on that day whereas the rest came for spending time with friends and getting refreshed.

13. Most of them bought Apparel followed by Accessories.

14. Most of them paid by cash instead of the credit card as majority of them didn't own the credit card.

Measuring Customer Satisfaction

Table 2: Customer Satisfaction of selected stores with its comparison (5 Point Likert Scale)

No.	Parameter	Lifestyle	Westside	Pantaloons
1	Store has the most convenient location	3.625	3.35	3.325
2	Store has adequate parking space	3.75	3.25	3.70
3	Store has good ambience	3.725	3.25	3.225
4	Merchandise sold is of high quality	3.575	3.25	3.575
5	I am satisfied with the Price of Products I purchased	3.75	3.20	3.925
6	Store gives a feeling of prestige to	3.875	3.125	3.80

	shopper			
7	Store has the widest selection of multi-brand merchandise	4.20	3.125	3.725
8	Store has the most convenient layout	3.625	3.10	3.125
9	Store offers discounts during festivals	3.20	3.275	3.50
10	Staff is helpful	3.90	3.35	3.20
11	Store offers great variety	3.925	3.275	3.60
	Overall Satisfaction	**3.74**	**3.23**	**3.52**

Satisfaction was measured using 5 point rating scale and the averages were found for easy comparison

15. Lifestyle was found to be the most convenient store among the three. As most of the respondents were staying in Satellite area or near SG highway which is near to the store would have contributed to this.

16. Lifestyle was found to have adequate parking space as compared to other outlets.

17. Lifestyle offers good ambience in comparison to others. This may be because it has great crowd, hoardings and has proper lighting arrangements and glitter in comparison to other outlets

18. Highest quality ratings in terms of Merchandise sold was found in Lifestyle as well as Pantaloons

19. Pantaloon stood first for Price-satisfaction followed by Lifestyle

20. Lifestyle enhanced the prestige of the shopper followed by Pantaloons. This is because the name itself speaks of the customers high profile and enhances the status of customers. Most of the customers would feel proud to shop in Lifestyle

21. Highest satisfaction with the wide selection of multi-brand Merchandise was found in case of Lifestyle followed by Pantaloons

22. Lifestyle has good layout in comparison to other stores

23. Pantaloons was found to offer great discounts during festive seasons in comparison to other outlets.

24. Staff in case of Lifestyle was found to be very helpful assisting customers followed by Westside

25. Lifestyle was found to offer great variety in terms of apparel, accessories, cosmetics, etc. This is because the store is multi-brand and in case of apparel, clothes which are trendy in design and style factor are available

IX. IMPLICATIONS

Most of the people who visited these stores were salaried people. In general, people have belief that new-generation outlets are more visited by Business-class people which proves to be wrong. Retail organizations both existing and new should take note of this and keep trendy outfits which are demanded by the salaried people to remain updated about fashion when working in corporates. This is because corporate dressing has undergone a change these days. Stores like Westside and Pantaloons were more visited by people having income less than Rs.10,000. This casts a serious doubt that these outlets are meant for higher class people only and are visited more by them. Stores should take note of this and should keep prices for certain outfits as low as 199-399 which are more affordable by people in such income category for increasing more footfalls inside the stores. Westside and Pantaloons has succeeded in attracting people from such low

income category also because of its pricing strategy affordable to every class.

X. CONCLUSION

From this study, it can be concluded that (1) Visiting retail outlets have become a group activity. (2) No matter whatever the income level is, people do visit mall atleast once. (3) People who are Single come for spending time with friends in the evening during weekends rather than shopping. whereas Married people come in the evenings with family for shopping and getting refreshed during weekends (4) Mostly, Advertisements, friends and Colleagues influence shoppers. (5) Only 80 respondents out of 150 came for shopping inside Mall, rest came for hang out, to enjoy crowd, to meet friends and for getting refreshed.

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