

NEW HORIZON LEADERSHIP INSTITUTE



CUSTOMER SATISFACTION SURVEY ON FOOD RETAILING **EXPERENCIES**

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Executive Summary

India has been rather slow in joining the organized retail revolution that was rapidly transforming the economies in the other Asian tigers. The food retailing outlets in INDIA are growing at a very fast rate in every city. The food retailing outlets in the recent years have shown tremendous impact in buying decision of the consumers. Retailing, one of the largest sectors in the global economy, is going through a transition phase in India. Economic growth at over 6-8%, forex reserves of over \$100 billion and a stable government has helped India to look more progressively towards future. The last five years have seen the PPP of average Indian middle class (over 300 million) go up several times unleashing the power of purchasing. The retail sector was the greatest beneficiary. The need for a shopping experience combined with the convenience of shopping for the upwardly mobile middle class has been one of the major factors for retail boom in India. Recent trends have made some industry big to join the race of food retail shopping, to name few Reliance Fresh, M.K.Retail, Big Bazar. These outlets provide a huge source of income and employment. They provide many offers which attract the consumers to shop from there rather than provisional stores. Here the consumers can touch and see the goods that they want to buy which many of the people prefer. These also correspond to the status-co of the people who shop from retail outlets. Retail no longer means buying and selling. But it believes in offering value added services to provide convenience to the customers. Nowadays, modern retail has provoked the expectations of the customers. Shopping malls have introduced a new concept of shopping, "one stop buying". Shopping malls have become a destination for the customers. They offer everything under one roof. But off late the services and facilities provided by these retail outlets are questionable because there is a stiff completion in the market these days, the consumers expects more as the markets are being globalized

The need of catering the shopping experience has been fulfilled by the shopping malls. They let customers experience their freedom of choice. They not only offer variety but also execute transparent pricing.

The primary aim of this study is to understand, identify and analyze the potential improvement in the services and facilities provided by the food retail outlets which has more impact on customers' decision making. The report also considers current trends influencing the globalization of the food retail market.



The data has been collected using primary data. Primary data collection is through questionnaire within Bangalore.

Analysis refers to the computation of certain measures along with searching for patterns of relationship that exist among data groups. Analysis is done using percentage method and data has been tabulated and represented using charts.

The major findings are: 68% of the correspondents were between the age group of 21-30, 66.73% of the correspondents shop along with their families, 60.56% of the correspondents shop once a week, 52.7% of the people shop from the malls, only 13.75% of the correspondents is member of any food retailing malls.

Globalization of retail is not an emerging or imminent strategy, but a current focus for many retailers. Established retailers recognize that with domestic organic growth becoming more difficult to sustain in mature markets, services and facilities provided to the consumers should be up to mark.

The timing of this report is critical in light of events in today's market and the recognized importance to understand the potential of the global food retail market over the next few years. Retailers need to stress more on the customer satisfaction level, appreciate the potential impact of rising food prices and general living costs, analyze the influence of growing fuel and commodity prices, and address them appropriately.

Statement of the Problem

The project is titled as “A survey on customer satisfaction related to food retailing experiences”. The services provided by the food retailers are not always conducive to the consumers. Though the influence of food retail shopping malls is limited to only metro cities but there is lack of awareness for providing good customer related services like standing in a long queue for a long time to pay for the bill, vegetables available are not always fresh, they do not provide parking spaces



Objectives of the Research

The first step in any research is deciding what we want to learn. The objectives of the project determine whom we will survey and what we will ask them. If our goals are unclear, the results will probably be unclear. Objectives are the keys to proceed forward in any research

- To study the kind of services provided by the food retailers to the customers
- To find out whether the customers are satisfied by the services and facilities provided by the food retail shops
- To find out how frequently do the correspondents do
- To find out what are the factors correspondents are dissatisfied with
- To find out the basic age group who prefer to go for shopping in the food retailing shops
- To find out what are the factors correspondents are satisfied with
- To find out how much on an average the correspondents spent while shopping

Scope of the Research

- Helps in identifying the factors which can help the food retailing malls to improve their services and facilities
- Helps in creating an awareness what are the factors the customers are looking for when they go for shopping
- Helps in identifying the age group of the correspondents who go for shopping in these malls regularly
- Helps in adopting suitable strategies for improvement in the services and facilities being provided
- Helps in determining the average amount purchasing a customers do

The food retailing outlets can thus, focus on its strategies to develop as a whole examine all factors that impinge on the construction on the brand image to ascertain their effectiveness on building consumer awareness on the food retailing and for the marketing mix that the outlet is looking at to best of product it can.

Research Methodology

Research methodology is the core of any research. Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how the research is done scientifically. It is necessary for the researcher to know not only the research methods/techniques but also the methodology and need to know how to develop certain indices or tests, how to calculate mean, median or the standard deviation or chi-square, how to apply particular research techniques, but they also need to know which of these methods or techniques are relevant and which are not, and what would they mean and indicate and why.

Researchers also need to understand the assumptions underlying various techniques and they need to know the criteria by which they can decide that certain techniques and procedures will be applicable to certain problems and others will not.

Why the research study has been undertaken, how the research problem has been defined, in what way and why the hypothesis has been formulated, what data have been collected and what particular method has been adopted, why particular technique of analyzing data has been used and a host of similar other questions are usually answered when we talk of research methodology concerning a research problem or study. In a research, the researcher has to expose the research decisions to evaluation before they are implemented. He has to specify very clearly and precisely what decisions he selects and why he selects them so that they can be evaluated by others also.

Research Design

A research design is a framework or blueprint for conducting the market research. It details the procedures necessary for obtaining the information needed to structure and / or solving market research problem. In other words, research design constitutes the blueprint for the collection, measurement and analysis of data. It aids the scientist in the allocation of his limited resources by posing crucial choices.

Research design is the plan and structure of investigation so conceived as to obtain answers to research questions. The plan is the overall scheme or program of the research. It includes an outline of what the investigator will do from writing hypotheses and their operational implications to the final analysis of data. A structure is the frame work research design expresses both the structure of the research problem and the plan of investigation used to obtain empirical evidence on relations of the problem. Thus research design provides the framework to be used as a guide in collecting and analyzing data.

Experience with different research designs will generally provide the researcher with the capability to match a research problem with an appropriate design.

The research design is classified into three kinds they are as follows-

- A. Exploratory Research
- B. Descriptive Research
- C. Casual Research

Exploratory Research Design



This is generally used to clarify thoughts and opinions about the research problems or the respondent population, or to provide insights on how to do more conclusive (casual) research. Exploratory research studies are also known as Formulative Research Studies. The main purpose of such studies is that of formulating a problem for more precise investigation or of developing the working hypothesis from an operational point of view. The major emphasis on such studies is on the discovery of ideas and insights. As such the research design appropriate for such studies must be flexible enough to provide opportunity for considering different aspects of a problem under study.

Descriptive Research Design

Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group, whereas diagnostic research studies determine the frequency with which something occur or its association with some thing else. The studies concerning whether certain variables are associated are examples of diagnostic research studies. Descriptive data are commonly used as direct basis for making marketing decisions. After analyzing the data, the investigations attempt to predict the result of certain actions. Since the aim is to obtain complete and accurate information in the said studies, the procedure to be used must be carefully planned.

The importance of descriptive research design lies in its application to marketing conditions or situations. These are

- To describe the features of certain groups say uses of a product with different age groups, sex, levels of education, level of income and the like.
- To estimate the proportion of people in a specific population who behave in a certain way
- To make specific predictions like company's sales in terms of cents, varieties and rupees etc resulting gross and net cash flows.

- To determine as to whether certain variables are associated say, the usage and income, usage and age group, usage and size of family and the like.

A descriptive study warrants a clear specification of who, what, when, where, why and how dimensions of the research.



Casual Research Design

Casual Research design is also known as Hypothesis testing research studies, (generally known as experimental studies) are those where the researcher tests the hypotheses of casual relationship between variables? Such studies require procedures that will not only reduce bias and increase reliability, but will permit drawing inferences about causality. Usually experiments meet this requirement. Hence, when we talk about research design in such studies, we often mean the design of experiments.

Professor R.A Fisher's name is associated with experimental designs. Beginning of such designs was made by him when he was working at Rothamsted Experimental station. He found that by dividing agricultural fields or plots into different blocks and then by conducting experiments in each of these blocks, whatever information is collected and inferences drawn from them, happens to be more flexible.

In this research process the design opted for research is the **Exploratory Research Design**.

Sampling Method and Technique Used

Sample design

In the most of the research programs, it is not possible to target each and every person and all cannot be interviewed for this position. Sampling is necessary and there should be particular ways and procedure of sampling. Sampling is the selection of few items.

The respondents selected should be as representative of total production. For this study the research has used sampling technique.

Sample size refers to the number of elements to be included in the study. An important technique or decision that has to be taken while adopting a sampling technique is the sample size.

Sampling technique

Sampling may be known as the selection of some part of an aggregate of totality on the basis of which judgment or inference of aggregate totality is made. It is a process of obtaining information about the entire population by examining only a part of it.

Sampling plan

Sampling plan is the listing of who is to be surveyed? How many people to be surveyed? How to be surveyed? The following are the components of the sampling plan, with respect to this study.

Sample size: 502

Sample Technique: Stratified Random Sampling

Sources of Data

Sources of Data

Two main sources of collecting the data have been used for the conduct of the research- primary and the secondary source.

Primary Source

A well-defined sample unit, as surveyed by conducting a descriptive research, for serving the purpose of primary data. The sample unit was personally interviewed with a structured questionnaire.

Secondary Source

The first step in any study is to analyze the secondary data. Secondary data for this study was collected through Internet, trade journals and business magazines.

In this research study the analysis is done on the basis of the primary data collected from the customers through questionnaire and direct personal interview method as well as secondary data collected through internet, college prospectus and college magazine.

Method Adopted For Communication

Method adopted for communication was Direct Communication with the respondents. The customers are surveyed with the Questionnaires designed for the same.

Instrument Design

In this research process the instrument used to collect data is questionnaire method. Quite often questionnaire is considered as the heart of a survey operation. Hence it should be carefully constructed.

- The study was conducted with the help of survey method. A Direct Communication, accompanied with a structured questionnaire, was designed. All the trivial aspects governing the study were covered in the questionnaire.



- A structured set of questionnaire was presented to the sample. The questionnaire was constructed with open ended, closed ended and multiple choice questions. The open ended questions allow the respondents to give all possible answers as they are not restricted; closed ended, on the other hand, provides answers that are easy to interpret and tabulate. Multiple - choice question encourages the respondent to describe and choose the options given.
- The data, so collected from the questionnaire, was processed and tabulated. They were then analyzed by using various statistical tools.

Tools used for data analysis

Statistical Tools

The statistical tools used for data analysis is “**Percentage method**” and data has been tabulated and represented using bar charts and pie charts.

Software Tools

The software used for the data analysis is **Microsoft Excel** and **Microsoft Word**.

Limitations of the study

- The method used for collecting the data is time consuming
- The data collected from the study may be ambiguous in few cases.
- Difficult to collect the information from the respondents completely at the time of the study.
- Due to shortage of time the survey had to be restricted only in few areas, hence could not cover all areas of the city

Data Analysis and Interpretation

Data analysis refers to the computation of certain measures along with searching for patterns of relationship that exist among data groups.

This is essential for a scientific study and for ensuring that we have all relevant data for making contemplated comparisons and analysis.

Interpretation refers to the task of drawing inferences from the collected facts after an analytical and/or experimental study. In fact, it is a search for broader meaning of research findings.

Interpretation is essential for the simple reason that the usefulness and utility of research findings lie in proper interpretation. It is being considered as a basic component of research process

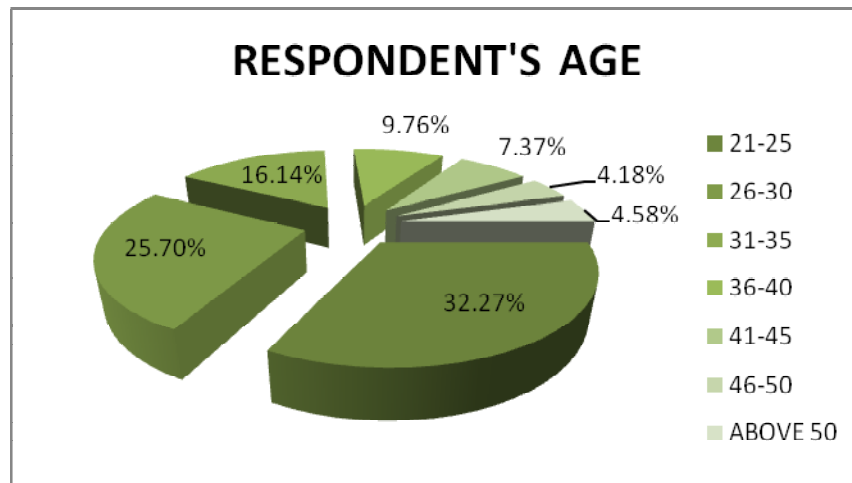
Table No.- 1 Age group of the respondents

AGE	21-25	26-30	31-35	36-40	41-45	46-50	51 ABOVE
TOTAL	162	129	81	49	37	21	23
PERCENTAGE	32.27	25.697	16.135	9.76	7.37	4.18	4.582

Interpretation

From the above table it can be interpreted that. Around 58% of the correspondents were between the age group of 21-30. This gives us the indication that majority of the youth prefer to go to malls for shopping than the older once

Graphical representation of the age of the respondents



Source: Primary Source

Sample Size: 502

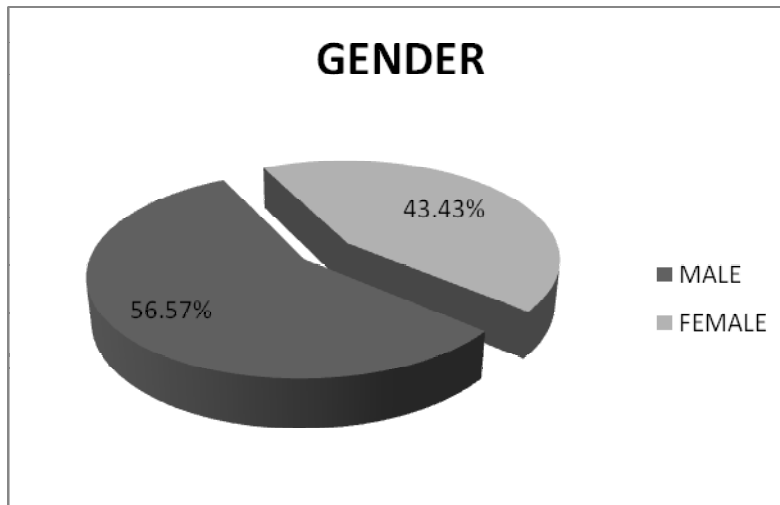
Table No. 2- Gender of the respondents

GENDER	MALE	FEMALE
TOTAL	284	218
PERCNTAGE	56.574	43.426

Interpretation

From the above it can be interpreted that about 56% of the respondents were male and the remaining respondents were female about 43%

Graphical representation of gender of the respondents



Source: Primary Source

Sample Size: 502

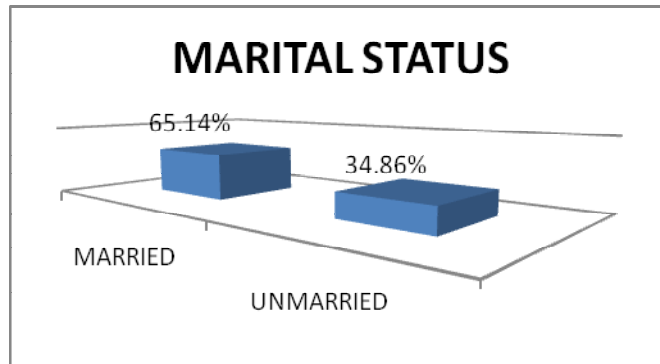
Table No.3- Marital status of the respondents

MARITAL STATUS	MARRIED	UNMARRIED
TOTAL	327	175
PERCENTAGE	65.139	34.86

Interpretation

From the above table it can be inferred that 65% of the respondents who engage in shopping are married

Graphical representation of the marital status of the respondents



Source: Primary Source

Sample Size: 502

OWNERSHIP PROFILE

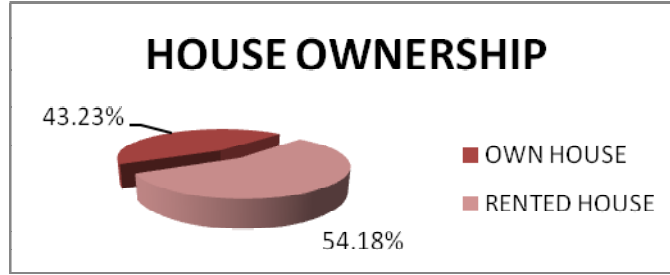
Table No-4 Respondents ownership of house

HOUSE	OWN HOUSE	RENTED HOUSE
TOTAL	217	272
PERCENTAGE	43.227	54.183

Interpretation

From the above table it can be inferred that the 54% of the respondents living in rented house

Graphical representation of house ownership of the respondents



Source: Primary Source

Sample Size: 502



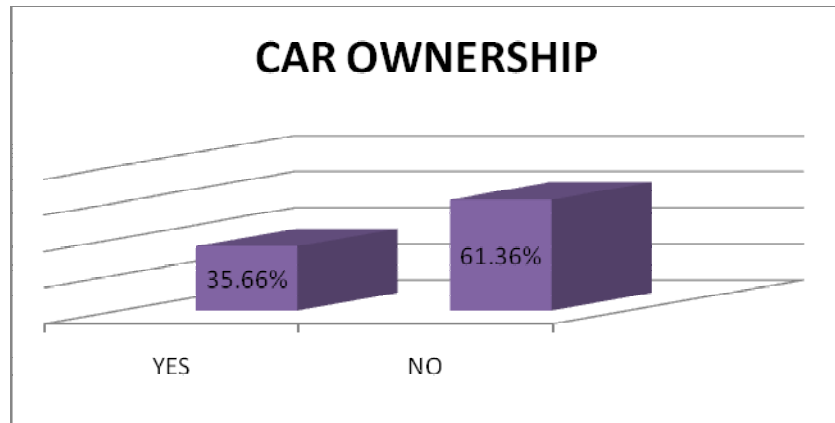
Table No. -5 Table showing Respondents ownership of car

CAR	YES	NO
TOTAL	179	308
PERCENTAGE	35.657	61.355

Interpretation

From the above table it is inferred that the total respondents interviewed 61% of them posses car

Graphical representation of respondents' ownership of cars



Source: Primary Source

Sample Size: 502

Table No.- 6 Do organization provide car for respondents

ORG.PROVIDE CAR	YES	NO

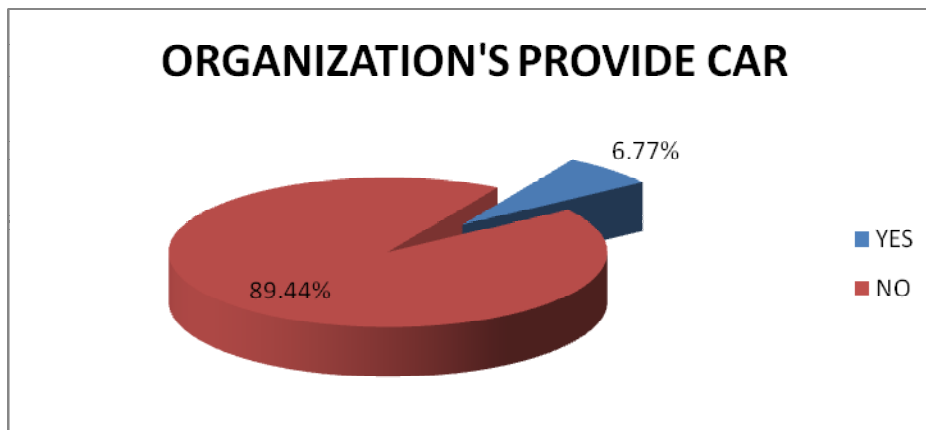
TOTAL	34	449
PERCENTAGE	6.773	89.442

Interpretation

From the above table it can be interpreted that 89% of the respondents do not get any car facilities from their organization



Graphical representation of does organization provide car



Source: Primary Source

Sample Size: 502

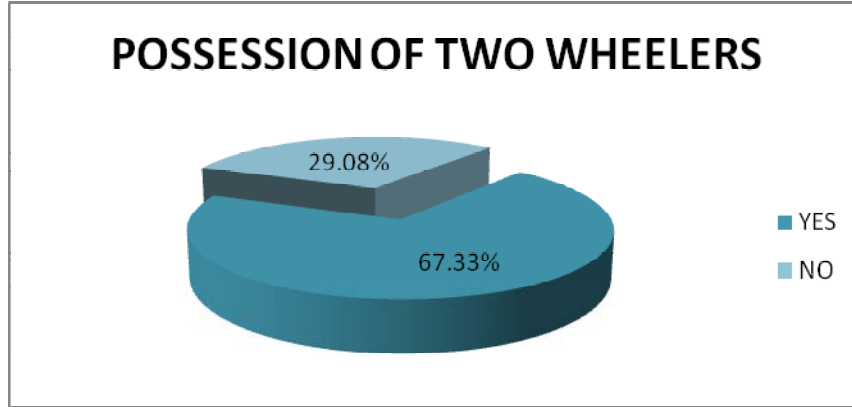
Table No.- 7 Do the respondents possess two wheelers

HAVE TWO WHEE.	YES	NO
TOTAL	338	146
PERCENTAGE	67.331	29.084

Interpretation

From the above table it can be inferred that 67% of the respondents possess two wheelers

Graphical representation of possession of two wheelers



Source: Primary Source

Sample Size: 502



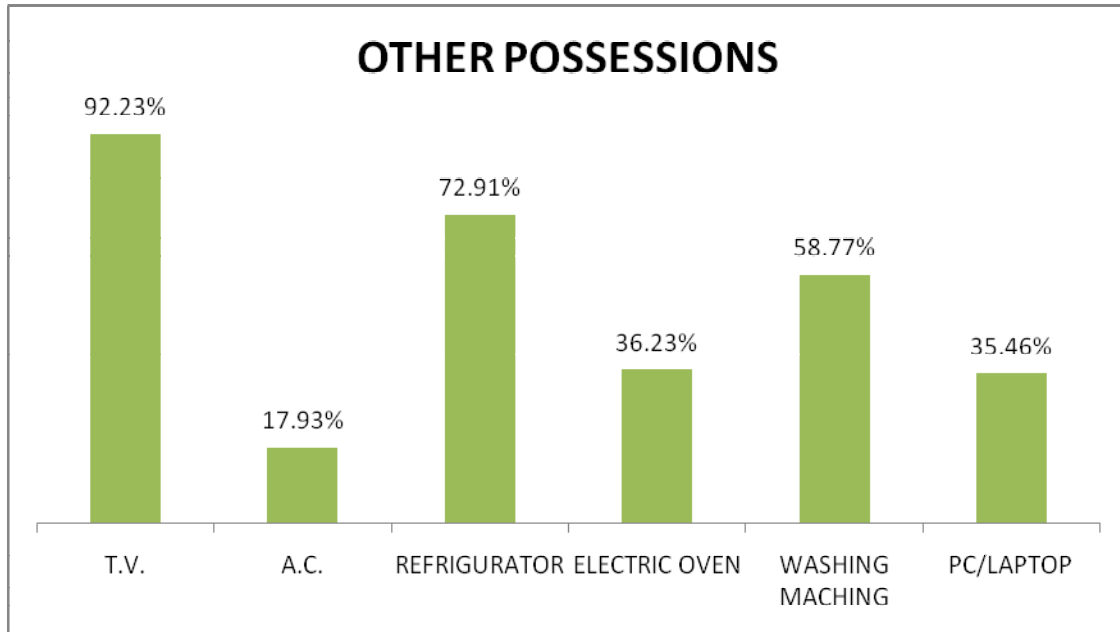
Table No.8- What are the other possessions respondents have

POSSESSIONS	T.V.	A.C.	REFRIGU.	ELE. OV	WAMAC	PC/LAP	OTHERS
TOTAL	463	90	366	182	295	178	5
5PERCENTAGE	92.231	17.928	72.908	36.255	58.765	35.458	.996

Interpretation

From the above table it can be inferred that 92%the respondents have possession of a T.V., 58% of the respondents' posses washing machine

Graphical representation of the other possessions that the respondents have



Source: Primary Source

Sample Size: 502



SHOPPING HABITS

Table No. - 9 Do the respondents go for shopping food items and household products

SHOPPING	YES	NO
TOTAL	457	34
PERCENTAGE	91.036	6.773

Interpretation

From the above table it can be inferred that 91% of the respondents go for shopping

Graphical representation of the shopping habits of the respondents



Source: Primary Source

Sample Size: 502

Table No.10- Do the respondents go alone for shopping or with family

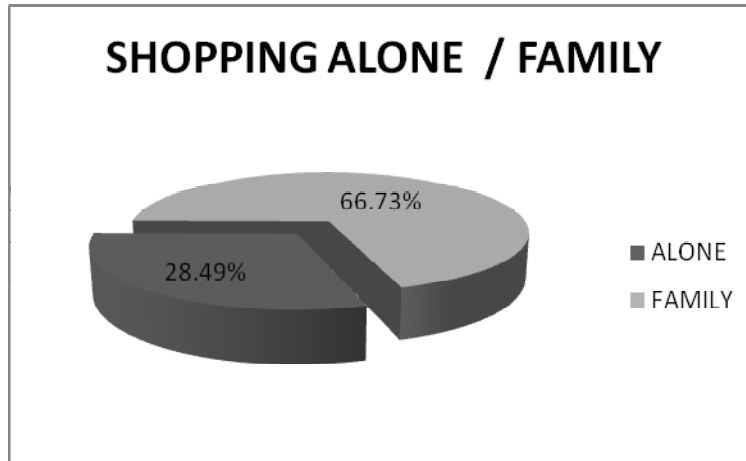
AL/FA	ALONE	FAMILY
TOTAL	143	335
PERCENTAGE	28.486	66.733

Interpretation

From the above table it can be inferred that 66% of the respondents go for shopping along with their family



Graphical representation of shopping alone or with family



Source: Primary Source

Sample Size: 502

Table No.- 11 How frequently the respondents go for shopping

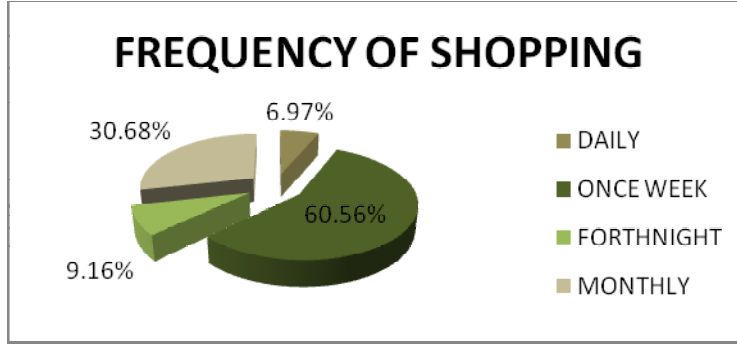
FREQ. SHOPPIN	DAILY	ONCE WEEK	FOERNIGHT	MONTHLY
TOTAL	35	304	46	154
PERCENTAGE	6.972	60.558	9.163	30.677

Interpretation

From the above table it can be inferred that 60% of respondents go for shopping at least once a week



Graphical representation of the frequency of shopping



Source: Primary Source

Sample Size: 502

Table No.-12 Do the respondents buy all the food items and other house products for one mall only

SHOPPI MALL ONL	YES	NO
TOTAL	224	265
PERCENTAGE	44.622	52.789

Interpretation

From the above table it can be inferred that 52% of the respondents do not shop in a single mall

Graphical representation of the respondents buying from one mall or not



Source: Primary Source

Sample Size: 502

Table No. 13- If the respondents do shop, which factor do they prefer

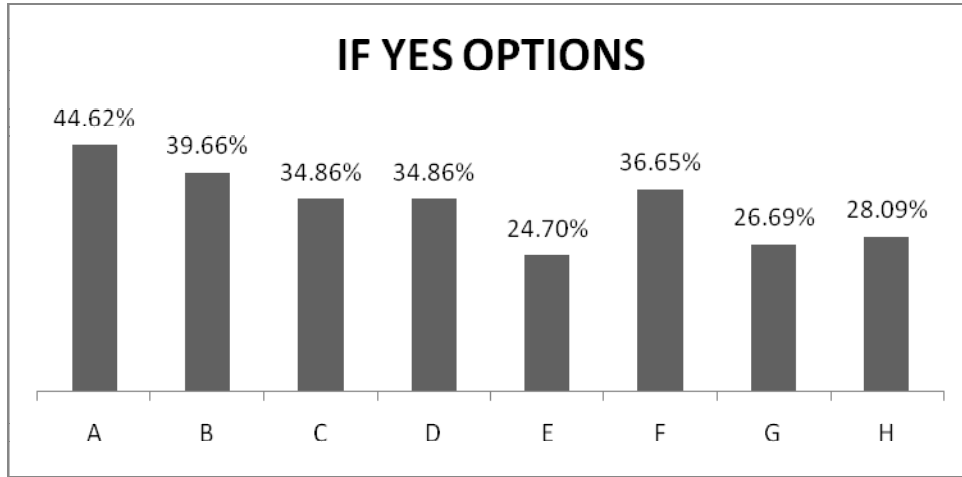


IF YES	A	B	C	D	E	F	G	H
TOTAL	224	196	174	175	124	184	134	141
PERCENT	44.622	39.044	34.661	34.861	24.701	36.653	26.693	28.088

Interpretation

From the above table it can be inferred that 44% of the respondents like to shop from the malls because all goods are available under one roof

Graphical representation of the various factors selected by the respondents



Source: Primary Source

Sample Size: 502

Table No.14- If the respondents do not shop from malls, why, which factors are influencing their decision

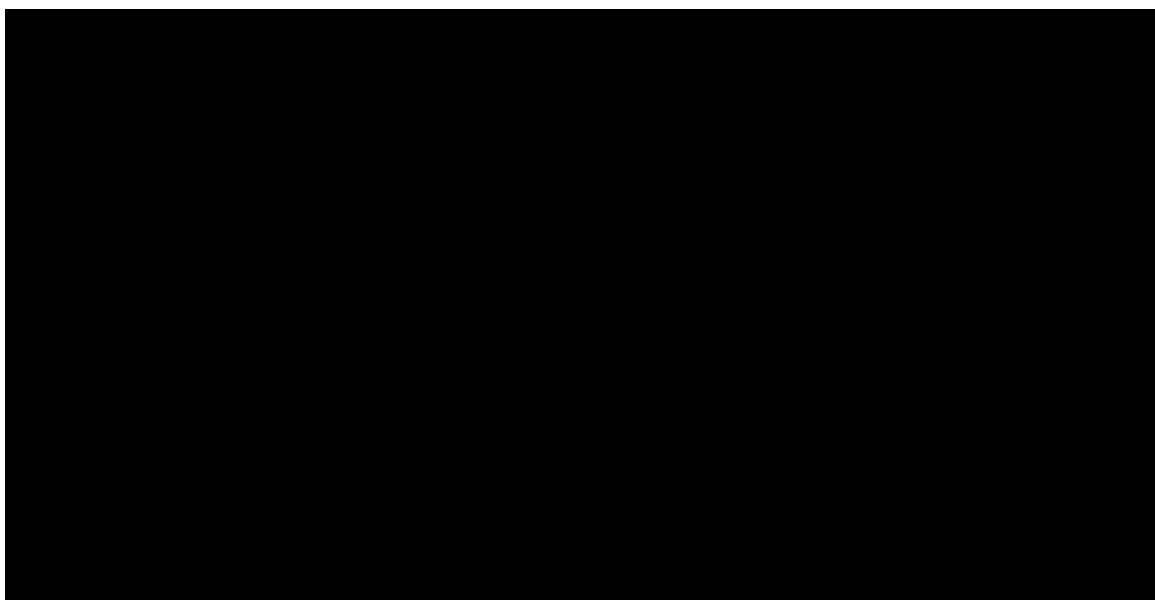
IF NO	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
TOTAL	131	102	58	40	55	62	41	65	53	55	84	106	101	45	41	88	54	80	84
PERC.	26.09 6	20.31 9	11. 55 4	7.96 8	10. 95 6	12. 35 1	8.16 7	12. 94 8	10. 55 8	10. 95 6	16. 73 3	21.11 6	20.12	8.96 4	8.1 67	17. 53	10.7 57		



Interpretation

From the above table it can be inferred that 26% of the respondents do not do to shop in malls because most of the retail shops do not keep all the items/brands that the respondents need, 20% of the respondents feel the stores promote only their brands, 16% of the respondents feel situated far away from the respondents places prefer

Graphical representation of the reason why the respondents do not go to shop at the malls



Source: Primary Source

Sample Size: 502

Table No.15- Which shopping do the respondents visit regularly

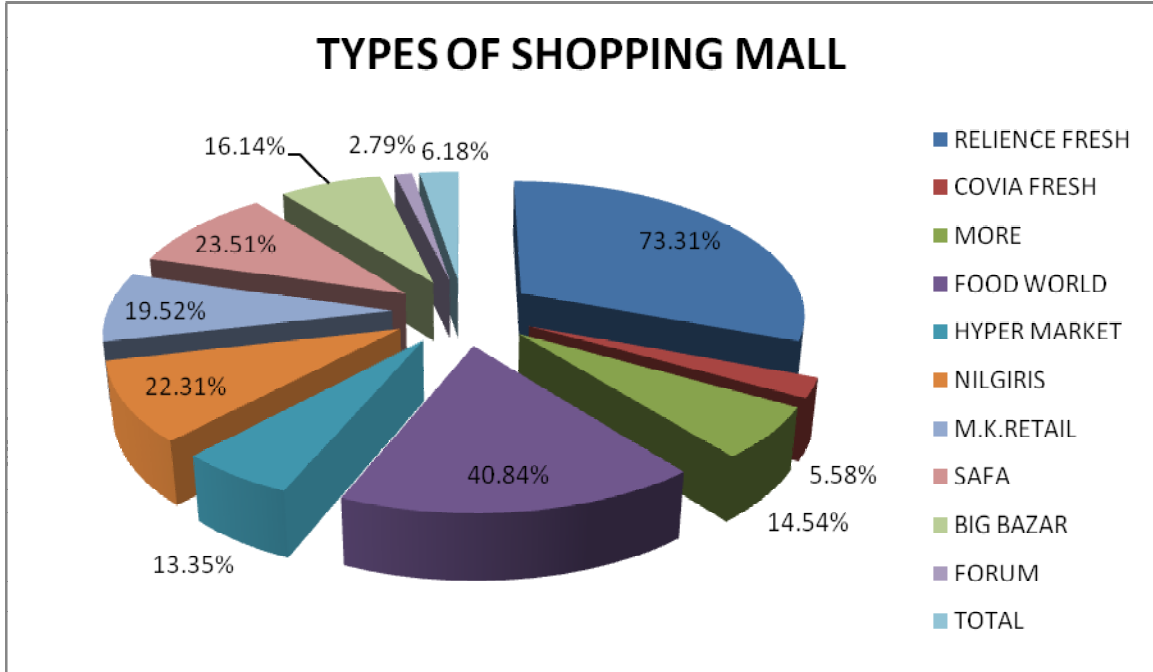
MALL VISIT	REL. FRESH	COV. FRESH	MOR E	FOOD WORLD	HYPE R MKT	NILGIRI S	M.K.RE T	SAF A	BIG BAZA	FORU M	TOTA L
TOTAL	368	28	73	205	67	112	98	118	81	14	31
PERCENTAGE	73.307	5.578	14.542	40.837	13.347	22.311	19.522	23.506	16.135	2.789	6.175



Interpretation

From the above table it can be inferred that 73% of the respondents prefer to visit Reliance Fresh and 40% of them to Food World

Graphical representation of the various malls visited by the respondents



Source: Primary Source

Sample Size: 502

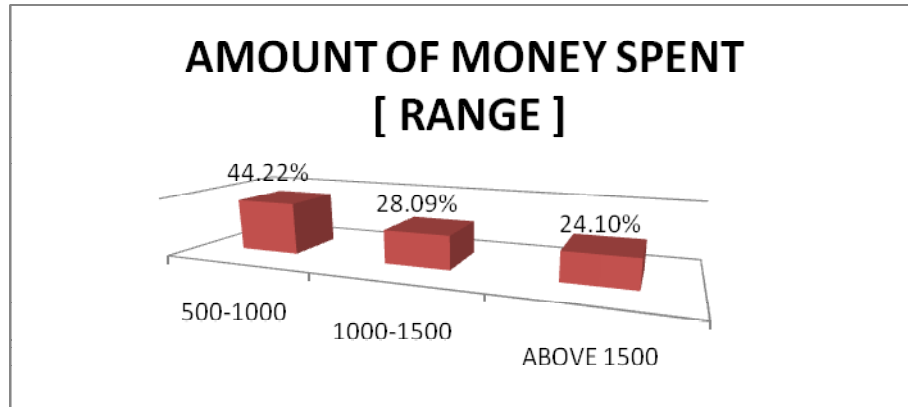
Table No. 16 The average amount of money spent by the respondents for one visit

SPENDING	500-1000	1000-1500	ABOVE 1500
TOTAL	222	141	121
PERCENTAGE	44.223	28.088	24.104

Interpretation

From the above table it can be inferred that 44% of the respondents spend around 500-1000 rs for one visit

Graphical representation of the average amount of money spent by the respondents for one visit



Source: Primary Source

Sample Size: 502

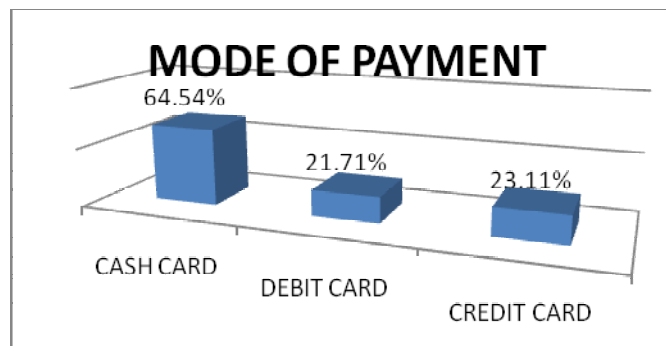
Table No. 17- Mode of payment by the respondents

PAYMENT	CASH	DEBIT CARD	CREDIT CARD
TOTAL	324	109	116
PERCENTAGE	64.542	21.713	23.108

Interpretation

From the above table it can be inferred that 64% of the respondents prefer to pay by cash

Graphical representation of the mode of payment



Source: Primary Source

Sample Size: 502

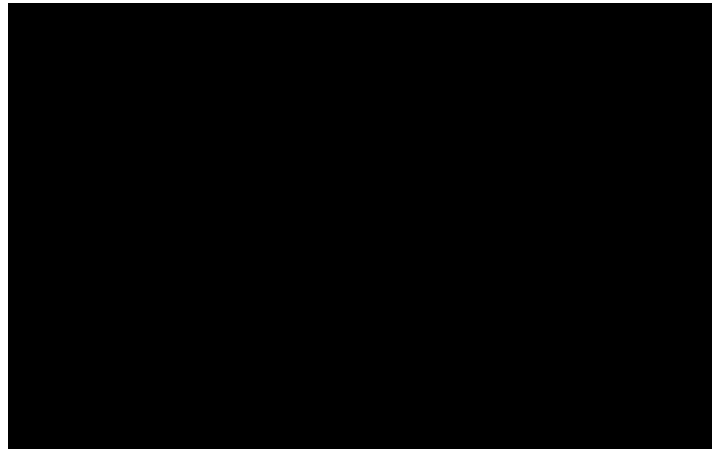
Table No. 18- Are the respondents member of any mall

MEMBER	YES	NO
TOTAL	69	377
PERCENTAGE	13.745	75.099

Interpretation

From the above table it can be inferred that 75% of the respondents are not members of any shopping malls

Graphical representation of the distribution of respondents is member of any shopping mall



Source: Primary Source

Sample Size: 502

MAJOR FINDINGS

- 58% of the respondents who regularly visit the shopping malls are within the age group of 21-30
- 56% of the respondents are male
- 65% of the respondents who engage in shopping are married
- 61% of the respondents possess car
- 89% of the respondents do not get any car facilities from their respective organization
- 67% of the respondents possess two wheelers
- 92% of the respondents possess TV. and 58% of the respondents possess washing machine
- 91% of the respondents go for shopping
- 66% of the respondents shop along with their family
- 60% of the respondents go to shop at least once a week
- 52% of the respondents do not shop in a single mall
- 44% of the respondents like to shop from the malls because all goods are available under one roof.
- 26% of the respondents do not do to shop in malls because most of the retail shops do not keep all the items/brands that the respondents need, 20% of the respondents feel the stores promote only their brands, 16% of the respondents feel situated far away from the respondents places prefer

- 73% of the respondents prefer to visit Reliance Fresh and 40% of them to Food World
- 44% of the respondents spend around 500-1000 rs for one visit
- 64% of the respondents prefer to pay by cash
- 75% of the respondents are not members of any shopping malls

CONCLUSION

India is one of the most attractive destinations for food retailers from all across the globe. Thanks to the entry of corporate, changing consumer behavior & lifestyle, increasing influence of western culture and rising income, the Indian retail industry has seen phenomenal growth in the last five years (2001-2006) and organized retailing has finally emerged from the shadows of unorganized retailing and is contributing significantly to the growth of the overall retail sector, according to "Booming Retail Sector in India", a new market research report by RNCOS. This survey report will help the food retailing outlets to analyze the opportunities and factors that will make them contribute significantly to the growing customer needs and wants. The percentage of the respondents who go to shop in malls usually comprises of youth. The respondents who regularly indulge in shopping are male and majority of the respondents are married, this indicates that most of the buying decision is made by man of a family. The findings from the survey indicate that over half of the respondents prefer to shop in the malls along with their family. The respondents who go to shop in the malls for kitchen and house hold products do so because they feel almost all of the goods and brands are available under one platform. On the other hand the respondents who do not go to shop in the malls do so because they feel that most of the malls do not keep all the brands and they try to promote only their brand, they also fell that most of the shopping malls are situated far away from residential areas. When the respondents do go to shop they spent on an average of around 500-1000 rs per visit. Maximum numbers of the respondents are not members of any malls. Around half of the respondents do not prefer to shop from single malls. About majority of the respondents agreed that they go to shop in the malls only once a week.

SUGGESTIONS

Based on the findings in the study, the food retailing malls can develop certain strategies such that to create awareness about malls and hence to attract the potential customers to their malls

- The food retailing malls should make efforts to spread the quality awareness about their malls more vigorously.
- The awareness campaigns about their superior quality service would help them to pursue the objective of customer satisfaction.
- The establishment should stop promoting their brands and instead concentrate on providing all brand products under single roof.
- The retail outlets should indulge more in making their malls family friendly as most of the respondents shop with their family.
- The retail outlets should be made more accessible to all of the people by building the food retailing malls within residential areas.
- The retail outlets should provide membership cards for its customers.
- The malls should encourage their customers to shop more frequently.