A Study on Factors Influencing Customer Satisfaction and Brand Preference in the Retail Sector - A Study of Mysore City

Meera Omkar Shetty[1] and Savitha P R[2]

[1]Assistant Professor, Department of Commerce, GFGCW, Vijayanagar, Mysore

[2]Assistant Professor, Department of Commerce, GFGC, Srirangapatna, Mandya District

Abstract -For many decades, understanding consumer preferences and perceptions in the retail sector, along with the availability of various brands, has significantly influenced customer satisfaction levels. Customers tend to prefer repetitive purchases at the same retail stores. This study aims to identify the significant relationships between independent and dependent variables to determine their impact on customer preferences for selecting particular retail stores. *Research Methodology:* The study employs a conclusive research design and is descriptive in nature. Primary data was gathered using a structured questionnaire comprising 30 questions, which included all major factors of the variables and the demographics of individual respondents. *Sampling and Data Collection:* A total of 100 individual customers of retail stores were chosen as respondents using the convenient sampling technique. *Results:* The major finding of this study is that consumers prefer choosing their own retail stores due to loyalty. This loyalty is significantly related to independent variables such as brand awareness, perceived quality, brand image, attitude, and brand loyalty, which influence individuals to prefer the same retail stores.

Key Words: *Customer, Brand Preference, Retail Stores, Service, Awareness*

1. INTRODUCTION

For the past many decades, choosing any branded products in a retail store has significance on their values, identification, structure, design, and many more are symbolized which distinguishes many retails based on the retail being organized or the unorganized retail stores. The core components of preferring the same acts as rivals for the customers willing to purchase the product. Any branding aspects concerning retail stores have clarity and project a clear vision of products or services offered by the retailers to satisfy the needs and requirements of the customers.

The brands which are more familiar and very much known to individuals have their way of identification to the customers, wherein they can remember the brand based on its popularity and slogans and their availability in the nearest retails, in which the same satisfies the customer and tend to prefer the same retail store for the repetitive purchases. Adding on further the preference of the customers will help the retail stores to build more reputation and as a result, tend to build strong recommendations in their mind to prefer the likely retail stores over others. Over the period competitors tend to differentiate their services along which they try to attract new customers along with retaining the existing customers, wherein these retail stores, significantly organized retail stores provide various offers to the customers to retain them and also to gain a competitive edge over their competitors with an effective marketing strategy.

Hence any retail store preference by the customers is purely based on their level of perception and also the perceived value of the retail services and the level of satisfaction that the retail stores will be able to build in the mind of the customers, which influences the customers to make a purchase decision on the preferred retail stores. Even though the preference is based on experience, knowledge about the availability of products and services offered by the retail along with the benefits offered by the retail stores to satisfy the needs of the customers, wherein customers tend to dictate terms as they have plenty of options available to make a purchase decision on choosing the specific retail stores.

2. LITERATURE REVIEW

Sethuraman & Cole's, 2020, study, concentrated more towards the perceived quality of products and

services among the retail stores in which they tend to offer more add-on values to benefit the consumer purchase and it also helps in evaluations such that these parameters will influence the customers to prefer specific retail stores products and the reason of preference is may be independent. , Dobbin & Zink ham, 2020, in this study, they have addressed the reason for choosing retail stores for their purchases and also the customer preference in choosing the specific retail stores irrespective of their market value and other components. Bloemer 2019 and Kim 2019, in their study, address the loyalty of customers in retail which is more associated with influential factors that contribute to the customer being satisfied with the retail stores and preferring to purchase their product from specific stores that they are associated with for long duration. Anna Kuikka et.al, 2018, the major objective of this study is to determine the factors influencing customers preferring their likely retail stores over the other competitors showing customer loyalty towards the retail stores. This study included responses from 800 effective responses to explore the reason for customer satisfaction among the retail stores, such that they can avail effective product and service quality from the retail stores to satisfy the needs of the customers. Ahmed Alamro 2018, addresses the reasons for retail store preference for their required product purchasing, wherein many reasons influence the customers to be more satisfied with the retail stores and these influence the customer to be loyal towards the specific retail stores. This

study has gathered information from 500 respondents across the state of Karnataka and the data was gathered with the help of questionnaires provided to the customers of retail stores to avail various benefits from the retail sectors. Ravi Aradhya 2018, in their study, addressed more about the importance of customer satisfaction among retail stores which are more consumer-based based and their offers satisfy the needs of the customer along with the required service quality offered to the customers. Tho D.Nguyen, 2017, in this study tried to compare the key factors that influence customer loyalty towards retail stores and measure the customer reference of specific retail stores in the emerging and competitive market along with the factors that influence customers to avail service from their likely retail stores, wherein the retail stores are happy enough to provide the required benefits to the customers and make them to be loyal to the company for the longer duration

3. RESEARCH DESIGN AND METHODOLOGY

3.1 Objectives
1. To identify the key factors that influence preferring specific retail stores.
2. To analyse the impact of key factors on customer preference of specific retail stores in Mysore city.
3. To advocate the best practices of specific retail sectors to influence customer preference.

3.2 Conceptual Model.
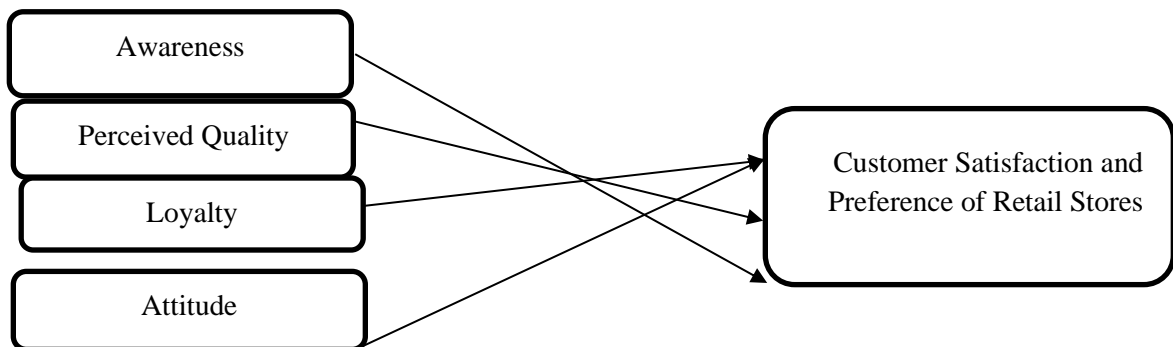
Flow Chart 1: Working Model

3.3 Methodology.
a. Research Design: In this study it consists of quantitative research with the explanative method as the primary kind of research practice implemented on

the basis of conclusive research design and descriptive statistics is used to identify and examine relationship within and among variables that helps to generalizations and explain the description close to the

object of inquiry.

b. Data Collection: This study consists of primary data, gathered with the help of a structured questionnaire on the five-point Likert scale. The sample size of 100 individual customers of specific retail stores in Mysore City are chosen has respondents by the non-probability sampling technique convenient sampling is been used to collect the data. The data was collected during the period of Feb- March 2022. Statistical Tools: Analysis of the study is been carried out with the help of SPSS software, wherein tools such as descriptive statistics, factor analysis, reliability and regression are used.

3.7 Hypothesis.

H01: There is no statistical significance between variable awareness & consumer preference for retail stores.

H02: There is no statistical significance between variable perceived quality & consumer preference of retail stores.

H03: There is no statistical significance between variable loyalty & consumer preference of retail stores.

H04: There is no statistical significance between the variable Attitude & consumer preference of retail stores.

4. DATA ANALYSIS & INTERPRETATION

Table 1: Descriptive Statistics

DS				
	Skew		Kurt	
	Stat	SE	Stat	SE
Product awareness1	-1.077	0.241	0.194	0.478
Product awareness2	-0.817	0.241	1.188	0.478
Product awareness3	-0.409	0.241	-0.914	0.478
Stores loyalty1	0.339	0.241	-1.255	0.478
Stores loyalty2	-0.966	0.241	0.428	0.478
Stores loyalty3	-1.034	0.241	0.375	0.478
Perceived quality1	-0.49	0.241	-0.534	0.478
Perceived quality2	-0.713	0.241	0.966	0.478
Perceived quality3	-0.531	0.241	-0.085	0.478
Perceived quality4	-0.849	0.241	1.101	0.478
Perceived quality5	-0.399	0.241	-0.824	0.478
Attitude1	-1.149	0.241	1.186	0.478
Attitude2	-1.181	0.241	2.014	0.478
Attitude3	0.102	0.241	-0.404	0.478
Attitude4	-0.481	0.241	-0.191	0.478
Attitude5	-0.628	0.241	-0.751	0.478
Consumer preference1	-0.72	0.241	-0.65	0.478
Consumer preference2	-0.304	0.241	-1.176	0.478
Consumer preference4	-0.874	0.241	-0.308	0.478

Source: Primary Data

The above table illustrates the descriptive statistics of the collected primary data, wherein, the value of skewness is less than 3, showing that the degree is in the direction asymmetric in nature & the value of kurtosis is less than 11 stating that the data collected is normalized & valid enough to carry out the further process.

4.1 Factor Analysis.

Table 2: Factor Analysis of Independent Variable

KMO & Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.664
Bartlett's Test of Sphericity	Approx. Chi-Square	1929.811
	Df	190
	Sig.	0

Source: Primary Data

The above KMO & the sampling adequacy for each variable is determined as 0.664 & 0.758 stating that the factor grouping of homogeneous factors is greater than that of 0.5 stating the grouping is valid enough to carry out the further process.

4.2 Factor Analysis of Dependent Variable.

Table 3: Factor Analysis of Dependent Variable

KMO & Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.758
Bartlett's Test of Sphericity	Approx. Chi-Square	1054.83
	Df	105
	Sig.	0

Source: Primary Data

4.3 Reliability Results.

Table 4: Reliability Statistics of Homogeneous Grouping

Factors	Cronbach's constant	Number of Items
Customer Satisfaction and Preference of Retail Stores	.886	4
Product Awareness	.748	2
Store Loyalty	.792	4
Attitude	.766	4
Perceived Quality	.909	4

Source: Primary Data

The above analysis states the value of 'Cronbach's Alpha' which helps to understand internal consistency related to factor grouping. The above table of reliability statistics shows that all the factors that are grouped in the rotated component matrix are greater than 0.7 i.e., 70%, it can be stated that the homogenous grouping formed in the rotated component matrix the factor grouping by overcoming or eliminating the underlying factors is valid & useful for the further analysis.

4.5 Regression Analysis Results.

Table 5: Regression Analysis Result

Model	Std. coefficients(Beta)	T	Sig
Product Awareness	.775	1.485	.001
Store Loyalty	.708	4.586	.000
Attitude	.587	2.112	.004
Perceived Quality	.878	2.145	.000

Dependent variable: Customer Satisfaction and Preference of Retail Stores

Source: Primary Data

4.6 Major Findings

a. The above value of .001 states that the variable Product Awareness is the influence variable Customer Satisfaction and Preference of Retail Stores. Such that, the first null hypothesis is rejected.

b. The above value of .000 states that the variable Perceived Quality is the influence on variable Customer Satisfaction and Preference of Retail Stores. Such that, the second null hypothesis is rejected.

c. The above value of .000 states that the variable Store Loyalty is the influence on variable Customer Satisfaction and Preference of Retail Stores. Such that, the third null hypothesis is rejected.

d. The above value of .004 states that the variable Attitude is the influence on variable Customer Satisfaction and Preference of Retail Stores. Such that, the fourth null hypothesis is rejected.

5. CONCLUSION

The factor variables are enlisted & conceptualized through research methodology & the results were found. Independent variables such as product awareness, perceived quality and attitude & store loyalty were considered. The dependent variable customer satisfaction and preference of retail stores was considered. Initially, the factor analysis of variables was grouped, named & tested for their reliability to check the relevancy of data & further regression tests to determine the significant relationship among the selected variables in the study. From the above findings of the study, it is evident is identified independent and dependent variables selected through the literature have a statistical influence on the customers preferring the retail sectors within the available in the city of Mysore. The study also states that the various retail sectors available must make sure that they provide advanced quality, make customers aware of the various benefits, develop an image to higher ranks & many more so that the customer tends to prefer the same retail sectors throughout & build customer loyalty.

REFERENCES

[1] Ahmed Alamro 2018, *Managing Brand and Store Equity,* the Free Press, New York,

[2] Azizan, N. S., & Yusr, M. M. (2019). The influence of customer satisfaction, brand trust, and brand image towards customer loyalty. *International Journal of Entrepreneurship and Management Practices*, 2(7), 93-108.

[3] Bloemer 2019 and Kim 2019, *Antecedents retail preference in retail sector.* IJMR, Vol IX, p-776- 788, 2019

[4] Ravi Aradhya 2018, *Factors influencing customer satisfaction in retail sector*, Journal of Management, Vol. 5. P- 40-52

[5] Wilson, N., & Christella, R. (2019). An empirical research of factors affecting customer satisfaction: A case of the Indonesian e-commerce industry. *DeReMa Jurnal Manajemen*, 14(1), 21-44.

[6] Dam, T. C. (2020). Influence of brand trust, perceived value on brand preference and purchase intention. *The Journal of Asian Finance, Economics and Business*, 7(10), 939-947.

[7] Chaturvedi, V. (2011). A study on factors affecting brand preference dimensions with reference to purchase of apparels and its impact on customer satisfaction (With reference to organized retail outlets in NCR). *i-Manager's Journal on Management*, 6(1), 20.

[8] Tho D.Nguyen, 2017, *Stores and Brand loyalty among Retail Sector,* Academic journal of sciences, Vol 14, p- 632-644

[9] Anna Kuikka et.al, 2018, *Brand and store loyalty & the role of hedonic value, Department of Business,* University of Eastern Finland, Joins, Finland 2018.

[10] Dobbin & Zink ham, 2020, *Consumer-based Retailing: improving the measurement – Empirical evidence,* The Journal of Product & Retail Management Vol 7, p-36-45, 2020

[11] Sethuraman & Cole, 2020 *Brand Loyalty in emerging markets,* Journal of Management, Vol. 29 No. 3, 2018.